



About Tennis Australia

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

Today TA has eight Member Associations (MAs) – state/territory-based governing bodies responsible for implementing TA initiatives.

In 2005 TA celebrated its centenary, and that of its first event – the Australian Open. During more than a century of history, TA has developed into an AUD\$150 million business operating as a oneteam Company with a nine-person Board of Directors, 14 Member Delegates (representing the MAs), 180 full-time or part-time employees and several thousand casual employees.

The Company's responsibilities include promoting and facilitating participation in tennis at all levels, staging tennis events, including the Australian Open, developing future stars, growing business revenues and honouring the sport's heritage. These responsibilities are reflected in TA's purpose.

Our purpose

To make Australia the greatest tennis nation on the planet.

Our objectives

Champions

> Develop more champions and depth across all levels.

Infrastructure

> Build and increase the number of better quality tennis courts throughout the country.

Grassroots

> Provide an opportunity for all people to play tennis.

Alignment

> Enable the entire tennis "family" to work in unison towards common goals.

Economic growth > Make prudent business decisions while still maximising opportunities that ensure continued growth.

MLC Tennis Hot Shots has more than 193,000 participants

Australian Open 2010 attendance increased by

8.4%

Australian Ranking tournaments grew by

14%

2009-2010

Highlights

Key moments

July 2009

Sally Peers and Noppawan Lertcheewakarn (THA) were Wimbledon girls' doubles champions.

Sam Stosur and Rennae Stubbs were Wimbledon women's doubles finalists.

Daniela Di Toro and Lucy Shuker (GBR) were Wimbledon women's wheelchair doubles finalists.

September 2009

Bernard Tomic (pictured opposite, right) was the US Open boys' champion.

October 2009

Australia won the Junior Davis Cup for the second time in three years.

The launch of Australian Open 2010 was live streamed online for the first time.

Stosur claimed her first WTA singles title.

November 2009

Jarmila Groth was granted Australian citizenship.

The inaugural Australian Open Trophy Tour was launched.

December 2009

Tennis was again assessed as the sport of most interest by Sweeney.

Anastasia Rodionova was granted Australian citizenship.

January 2010

Tennis' biggest stars participated in the Hit for Haiti charity exhibition match.

Details of the AUD\$363 million first stage of the Melbourne Park redevelopment were unveiled. _____

Sean Berman (pictured opposite, left) was the boys' finalist at the Australian Open.

Awards

October 2009

Aussie tennis great Ken Rosewall was elevated to Legend status at the 25th Sport Australia Hall of Fame Anniversary. Australian Open 2009 captured the Best Sporting Event award at the inaugural Australian Event Awards.

December 2009

Brisbane International 2009 was crowned the 2009 Queensland Sport Event of the Year at the 15th Annual Queensland Sports Awards.

January 2010

Des Nicholl and Malcolm Bergmann received Australia Day 2010 honours – a Member (AM) of the Order of Australia and a Medal of the Order of Australia (OAM) respectively.

Australian doubles specialists Todd Woodbridge and Mark Woodforde were inducted to the Australian Tennis Hall of Fame.



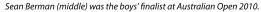
February 2010

Australian Open Referee Wayne McKewen (pictured above) was named 'NSW Official of the Year' at the 2009 NSW Sports Federation Annual Sports Awards.

March 2010

Woodbridge and Woodforde were elected to be inducted to the International Tennis Hall of Fame in July 2010.







Bernard Tomic won the US Open boys' title in 2009.

February 2010

Stosur was named the new ambassador for Tennis Australia's (TA's) Courts and Facilities program.

March 2010

Stosur entered the world's top 10.



Sam Stosur won her first WTA title at Osaka

April 2010

The 800th court was upgraded as part of TA's Courts and Facilities program.

Stosur won her second career WTA title.

New South Wales lawyer Stephen Healy was elected as the next President of TA.

Australia entered the Fed Cup World Group for 2011.

May 2010

Australia moved into September's Davis Cup World Group Play-off. Jason Kubler became the world No.1 junior.

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June 2010

Di Toro and Aniek Van Koot (NED) claimed the Roland Garros women's wheelchair doubles title.

Stosur was a finalist at the French Open. Lleyton Hewitt won his 28th career title.



Daniela Di Toro (far right) was a Wimbledon women's wheelchair doubles finalist.

April 2010

Luke Saville was crowned South Australia's best men's player at the Tennis South Australia Annual Awards.

May 2010

Hewitt (pictured right) became just the second Australian to win the ARAG Fair Play Award at the ATP World Team Championships in Dusseldorf.

June 2010

TA Board member Harold Mitchell received Queen's Birthday honours – a Companion of the Order of Australia (AC).



President's report **Geoff Pollard**



Tennis Australia achieved its highest ever surplus ... while player results improved considerably.

Overcoming challenges

Last year I reported on the many challenges facing the Company both economically, due to the global financial crisis, and on the tennis courts, through the quality of players coming from an ever increasing number of countries. However, I also assured you that Tennis Australia (TA) has the financial resources, the strategic programs and the qualified, committed and enthusiastic staff to meet those challenges and ultimately achieve its overall objective of 'making Australia the greatest tennis nation on the planet'.

It is therefore pleasing to report this year that the Australian Open broke all records, TA achieved its highest ever surplus, which more than wiped out last year's losses, while player results improved considerably. Highlights included Sam Stosur reaching the final at Roland Garros and a world top 10 ranking. see page 21 The Fed Cup Team defeated Spain and Ukraine to make the elite eight nation World Group, the Davis Cup Team is on track to return to the World Group, Australia was one of only three nations whose four junior teams all qualified for the ITF World Finals and Australia won the Junior Davis Cup.

Australian Open

Excellent tennis and fine weather enabled the Australian Open to increase attendance from 603,160 to a record 653,860 fans, while coverage through Australian and international television, the print media and the website and other new media outlets grew substantially. The Australian Open is the most significant sports event in the world in January. We also welcomed three new Associate sponsors, ANZ, Jacob's Creek and Rolex, who joined major sponsor Kia Motors in presenting our marquee event to the world.

Roger Federer retained the men's title with victories over Lleyton Hewitt, Nikolay Davydenko, Jo-Wilfried Tsonga and then Andy Murray in the final. Serena Williams also retained her women's title with victories over Stosur, Victoria Azarenka, Na Li and Justine Henin in the final.

Margaret Court was guest of honour at this year's Open and Legends' Luncheon as TA celebrated 40 years since she won the Grand Slam® in singles, see page 66 having twice achieved the Grand Slam® in mixed doubles. Helping her celebrate this achievement were her compatriots and fellow International Tennis Hall of Famers Billie Jean King, Rosie Casals, Evonne (Goolagong) Cawley and Lesley Turner Bowrey.

Davis Cup title.

me changed

rman Brookes

becomes president.



Sam Stosur beat world No.1 Serena Williams en route to the Roland Garros final.

matches.

Historical timeline >	1880	1885	1904	1905	1907	1922	1926
	Victoria stages first tennis championships in the colonies.	NSW stages its first championships and introduces inter-colonial	Lawn Tennis Association of Australasia formed by six state associations	First Australasian Men's Championships staged.	Sir Norman Brookes first Australian to win Wimbledon.	First Australasian Women's Championships staged.	Name chang to Lawn Tenr Association of Australia. S Norman Broo



Lleyton Hewitt led Australia to victory against Japan in Brisbane.



The Australian Open will remain at Melbourne Park until at least 2036.

During the Open, the Premier and I jointly announced that the Victorian Government will continue to develop Melbourne Park as the home of the Australian Open and TA has committed to remain at this site until at least 2036. See page 60

Australian Open Series

The Australian Open Series began in Brisbane where we were treated to a wonderful women's final between the two Belgian stars both returning from premature retirement. Kim Clijsters emerged victorious over Henin in a tiebreak third set. In the men's final Andy Roddick defeated Radek Stepanek in two tiebreak sets.

The Medibank International Sydney followed and saw victory to the popular Marcos Baghdatis over Richard Gasquet in the men's final and to Elena Dementieva over Serena in the final of a very strong women's event.

In the other pre-Australian Open events, Spain (Tommy Robredo/Maria Jose Martinez Sanchez) defeated Great Britain (Andy Murray/Laura Robson)

to win the Hyundai Hopman Cup played in Perth. Memorial Drive hosted the World Tennis Challenge involving current and past champion players, while Fernando Verdasco defeated Jo-Wilfried Tsonga to win the AAMI International played at Kooyong.

International tennis

Australia competed in the Asia/Oceania Group I of Davis Cup where it successfully defeated Chinese Taipei at Margaret Court Arena at Melbourne Park in March and then defeated Japan on a specially laid European style clay court at the Queensland Tennis Centre in Brisbane. See page 23
The Davis Cup Team played Belgium in Cairns in September to regain a place in the World Group.

In Fed Cup, Australia competed in World Group II where it recorded a great win over Spain in the first round played at Memorial Drive in Adelaide in February. As a result Australia ventured to Ukraine to play-off for a position among the elite eight nations in World Group I. Our team scored an emphatic 5-0 victory and thus is in a position to play for the title in 2011, where it has drawn a home match against current titleholder Italy in February.

Our women players continue to improve their rankings on the WTA Tour with the highlight being Stosur reaching the top 10 and scoring wins over Henin, Serena and Jelena Jankovic to reach the final at Roland Garros. On the ATP Tour Hewitt recorded his first win over Federer since 2003 to win the pre-Wimbledon ATP grasscourt tournament in Germany.

In the juniors Bernard Tomic won the 2009 US boys' singles title, Sean Berman reached the final of the boys' event at Australian Open 2010 and Ben Mitchell reached the boys' singles final at Wimbledon, while a number of victories on the ITF Junior Circuit had Jason Kubler as the No.1 ranked junior in the world.

See page 22 All four Australian junior teams qualified for the finals of the ITF Junior Teams events in the 16 and 14 age groups, with the Junior Davis Cup team being victorious. All four qualified for the finals again in 2010.

continued:

1933	1939	1950	1951	1962	1963	1967 continued>
Jack Crawford wins the Australian, French and Wimbledon Championships.	Australia wins its first Davis Cup title.	Australia regains Davis Cup and Hopman golden era begins under captain Harry Hopman.	Frank Sedgman and Ken McGregor win men's doubles Grand Slam®. see page 105	Grand Slam®.	Margaret (Smith) Court and Ken Fletcher win mixed doubles Grand Slam®.	Australia wins Davis Cup for 15th time in 18 years and Owen Davidson with two partners wins mixed doubles Grand Slam*.

President's report

Geoff Pollard continued

Another strong surplus is predicted for the next financial year along with an expansion in our programs to develop and promote tennis.



Stephen Healy (left) was elected as the next President of Tennis Australia in April 2010.

Community tennis

TA is committed to helping Member Associations (MAs) achieve our joint grassroots objectives of growing the number of active players and developing the tennis infrastructure. Highlights include 49,273 participants at Australian Open 2010 MLC Fan Zone and 193,795 participants in MLC Tennis Hot Shots. The popular National Court Rebate Scheme has contributed to 887 courts being developed or upgraded, with TA's input of AUD\$8.35 million generating a total project value of AUD\$144 million. We have now signed 22 regional partnerships with a target of 74 by 2012. TA has recognised that it will need to contribute to court maintenance if it is to achieve its priority target of more clay courts, especially at all national training centres. Independent surveys such as the Sweeney Sports Report show that tennis has the greatest interest (58 per cent) and greatest TV viewing (55 per cent) of any sport in Australia and remains one of the four most popular athletic activities along with gym workout, walking and swimming.

Athlete development

Athlete development remains a priority for TA. A wide range of programs now exist to identify and attract athletes 12 years and under to tennis. To accelerate the development of talented athletes in the 10 to 16 age group, National Academies (NAs) have been established in each state. Then to successfully transition athletes to champions we have 16 athletes in the AIS Pro Tour Program plus others in the Davis Cup and Fed Cup Program under Todd Woodbridge and David Taylor. Considerable progress was achieved during the year and the achievements are highlighted.

Tennis operations

TA is delivering on its objective of increasing competitive opportunities for athletes with a program of 28 Pro Tour events, 188 Australian Money Tournaments, 188 Optus Junior Tour Tournaments and 426 Junior Development Series Tournaments. See page 18 There has been an equivalent increase in the number of up-skilled tournament directors and qualified officials.

Coach development

TA is also delivering on its objectives of increasing both the quality and number of active coaches. TA organised 146 coach education courses and workshops, an increase of 35 over the previous year and TA coach membership is now 2565 persons, with a further 530 trainee coaches.

Financial

It is pleasing to report that TA recorded a surplus of AUD\$8,176,358 during the year, which more than reversed the loss of AUD\$7,185,638 incurred in the previous year when we deliberatively maintained or increased programs in the face of the global financial crisis. The operating surplus was AUD\$8,074,892 before extraordinary items which were MA Acceleration Grants of AUD\$2.8 million and growth in managed funds of AUD\$2.7 million. Another strong surplus is predicted for the next financial year along with an expansion in our programs to develop and promote tennis.

1989

Geoff Pollard's time as Tennis Australia's President.

1969	1970	1972	1988	1994	1996	1999	2000
Australian Championships become 'Open' to both amateurs and professionals and Rod Laver becomes the only player to win the Grand Slam® twice.	Margaret (Smith) Court wins the Grand Slam®.	Kooyong, Victoria, adopted as the home of the Australian Open.	Tennis Australia (TA) and the Australian Open move to new permanent home at Flinders Park (now Melbourne Park).	Board of Directors established separate to Council.	AUD\$25 million expansion of Melbourne Park facilities and the 'Woodies' win first Olympic tennis gold medal.	Australia wins Centenary Davis Cup in France on clay.	Australian Open attendance exceeds 500,000 for the first time.







Prince William was a special quest at Australian Open 2010.

Honour and heritage

It was a great year for our most successful doubles combination, Todd Woodbridge and Mark Woodforde, who were inducted into the Australian Tennis Hall of Fame in an on-court ceremony on Australia Day and then inducted into the International Tennis Hall of Fame in July 2010. TA Awards for Service to the Game were presented to Ken Richardson, a long-time coach at national level, and to Carol Langsford OAM, a long serving national women's selector and Board member of Tennis NSW. An ITF Award for Services to the Game was presented to John Alexander who played Davis Cup for Australia for 11 years and served as Chairman of TA's Player Development Board for 12 years. TA Board member Harold Mitchell AC was awarded the Companion of Australia, which is the highest award in the Australian Honours System. Des Nicholl AM and Malcolm Bergmann received Australia Day 2010 honours.

Constitution

As outlined in the Corporate Governance section, see page 70
TA made significant changes to its Constitution at a Special General
Meeting held on 6 March 2010. Basically the changes allowed for an early
election process for the President, allowed for the election of a second Vice
President, provided for three-year terms for the President and Directors and
provided for the President and other Directors to be ineligible for re-election
for a period of one year following two consecutive three-year terms.

Elections

At the Annual General Meeting (AGM) in October 2009, I was re-elected President of TA for a further one-year term, which I indicated would be my last year, having served in this position since 1989. Janet Young and Ashley Cooper were re-elected to the Board for a further two years, while

Bill Cossey, President of Tennis SA, replaced David Stobart as a Director of TA. Then at a Special General Meeting on 19 April 2010 Stephen Healy was elected to become the next President of TA following the AGM on 25 October 2010.

At the ITF AGM held in Madrid in July 2009, I was re-elected to the Board and re-appointed Vice President of the ITF. I was appointed to ITF Committees and/all Commissions for Rules of Tennis, Davis Cup, along with Healy (Constitution), David Stobart (Seniors), Tim Wood (Sports Science and Medicine), Travis Atkinson (Coaches), Alicia Molik (Athletes), Todd Woodbridge (Athletes) and Craig Gabriel (Media).

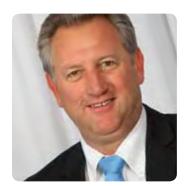
Thanks

Finally, I would like to express our appreciation to all those who have contributed to making 2009–2010 a very successful year for the Company and clearly turning around the fortunes of TA following a very challenging prior year. I specifically mention our sponsors and broadcast partners, TA Directors and MA representatives, CEO Steve Wood and his Senior Management Team, all staff, coaches and volunteers. Their combined energy, enthusiasm, expertise, support and commitment to tennis is outstanding. I have confidence in the future of tennis in this country while it is in their hands. I would like to thank all MAs for supporting me to serve as TA President since 1989 and wish the next President, Stephen Healy, every success.

Jeog Poreno

Geoff Pollard AM President

2001	2003	2005	2006	2007	2008	2009	2010
Second arena at Melbourne Park opens with retractable roof.	Australia wins 28th Davis Cup title, beating Spain in Melbourne.	TA splits the roles of President and CEO.	All decision- making powers transferred from Council to Board.	TA undertakes review of its Constitution.	Australian Open attendance exceeds 600,000.	Victorian Government and TA jointly announce plans to redevelop Melbourne Park and extend Australian Open commitment to Melbourne.	Australian Open attendance exceeds 650,000 for the first time.



In just one simple example, we now have a pool of more than 50 Community Tennis Officers on the ground helping clubs, coaches and centres across Australia deliver the sport.

The tennis journey continues

It is with tremendous pride and satisfaction that, five years into my role as Chief Executive Officer for Tennis Australia (TA), I am able to report strong performance and great success in all areas of our business. We are a healthy, growing and vibrant organisation, moving towards common goals and experiencing renewal and success in equal measure. The tennis journey we share is truly coming together.

Some of our key priorities in the last year have centred on working cohesively within the tennis family and driving resources and ultimately consistent growth in grassroots tennis.

Australian Tennis Conference

In March, invited representatives from the broader tennis community gathered in Melbourne for our first Australian Tennis Conference. It is fair to say that grassroots tennis and the tennis consumer played a big part in a lot of the discussions. See page 49

With this in mind we enlisted sports marketing group Gemba to undertake one of sport's most comprehensive market research projects on tennis participation in Australia. The result has been the development of a national grassroots marketing plan that reflects the input of an enormous variety of

tennis stakeholders and enables us to develop a consumer segmentation model and relevant product offerings.

Indeed, as a group the conference delegates identified numerous objectives across a range of subjects, all to enhance and support our strategy for the sport. There were some great new ideas and some which reinforced work already being done at some level in tennis. Work on all of these has progressed significantly and the consultation is ongoing, as is the continued greater integration of the workings of TA, Member Associations (MAs) and the rest of our tennis community. Together, we are making real progress. In just one simple example, we now have a pool of more than 50 Community Tennis Officers on the ground helping clubs, coaches and centres across Australia deliver the sport.

Player development

In player development, we have consolidated our pathways, competitions and tournaments. We now have more than 2500 registered TA coach members see page 18 across the nation benefitting from best practice education at all levels of the game. We have a tremendous group of former players working with our best tennis prospects in a responsive athlete management system, designed to support the needs of individuals.





Sam Stosur (left) and Francesca Schiavone before the 2010 French Open final.

These actions have led to a talent like Sam Stosur working closely with Fed Cup captain David Taylor and receiving support from TA's player agent, Paul Kilderry. This year Stosur reached the final of the French Open, the first Australian woman to do so since Margaret (Smith) Court triumphed in 1973. A career-high No.5 ranking followed shortly after as Stosur became a genuine and consistent threat on the women's circuit – and all of this after striving to return to the game following her recovery from debilitating Lyme disease in 2007.

Fed Cup and Davis Cup

The Fed Cup team, of which Stosur is a dedicated member, returned to the World Group after systematically forging a pathway through the gruelling zonal ranks. The strong force of Australian women players now includes Jarmila Groth (back-to-back fourth round showings at Roland Garros and Wimbledon), Anastasia Rodionova, Alicia Molik, Jelena Dokic, Sophie Ferguson and Rennae Stubbs. Aussie men also played their way into contention for a spot in the World Group of Davis Cup, defeating Chinese Taipei and Japan en route to the Play-off against Belgium.

While we are proud of the fact that we have gone from six players in the top 250 in 2005, to 20 in 2010, we know there is still plenty of work to do and we are eager and determined to do it.

Juniors making a mark

With Lleyton Hewitt still a Grand Slam® contender, we witnessed the arrival of Jason Kubler as the world No.1 boys' junior in May and Ben Mitchell reaching the final of the Wimbledon boys' junior championships. In addition, both the boys' and girls' Junior Davis Cup and Fed Cup teams qualified for the world finals, along with the 14/u teams making the September finals of the World Junior Tennis Championships. And, let's not forget the ongoing solid performances of young, up-and-coming Australians such as Bernard Tomic, James Duckworth, Luke Saville, Sean Berman, Sally Peers and others. While we are proud of the fact that we have gone from six players in the top 250 in 2005, to 20 in 2010, we know there is still plenty of work to do and we are eager and determined to do it.

Australian Open

The Australian Open had its biggest turnover as a record 653,860 people poured through the gates and ticket sales spiked by 50,700. A revised site overlay provided a new dimension to the event in the form of the Grand Slam Oval, which was a big hit with fans. Our sponsors, like our new associates ANZ and Jacob's Creek, took advantage of the opportunity to activate in appealing ways on the Oval. Also increasing its status from partner to associate sponsor was Rolex, the Official timekeeper and timepiece of the event, further enhancing a long-term relationship with tennis.







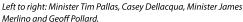
Australian Open 2010 champions: Roger Federer and Serena Williams.

A record crowd attended Australian Open 2010.

continued>









An Australian Open presence was evident near Federation Square.

Today, Tennis Australia has a total of 180 staff, an annual turnover of AUD\$134 million, financial reserves of AUD\$25 million and the Australian Open prize money pool sits at AUD\$24.94 million in 2010. Pollard has played a major role in growing the Australian Open.

Redevelopment

There was some great news for tennis in January when the Victorian Government, TA and Melbourne and Olympic Parks Trust representatives jointly announced the AUD\$363 million plan to redevelop Melbourne Park, thus securing the home of the Grand Slam of Asia/Pacific until at least 2036. Victorian Premier John Brumby highlighted the important economic value of the Australian Open, and work on the first phase began in May as tractors dug up the oval next to Rod Laver Arena.

Stage One will include an upgrade of Margaret Court Arena with a new retractable roof linking it to Rod Laver Arena and additional seating to increase crowd capacity to 7500. There will be a new Eastern Plaza with indoor and outdoor courts, a refurbished Rod Laver Arena and Hisense Arena, additional parking and a footbridge connecting Melbourne Park to AAMI Park. Fans, players, those who visit and those who work year-round at the precinct are in for a wonderful experience, as this state-of-the art venue reaches new heights.

New project management system

Delivery of Australian Open 2010 was more seamless than ever before thanks to the implementation of a new project management system. These 64-plus key projects were formed to encourage greater integration across the Company. This was a resounding success and led to improved communication and coordination, less duplication, more effective use of resources and outstanding teamwork.

Community impact

Looking ahead, participation and grassroots tennis remain key objectives. We now have more than 193,000 children participating in TA's starter program, MLC Tennis Hot Shots. Thanks to the National Court Rebate Scheme, more than 860 courts have been built or resurfaced over the past two years, which has led to a total investment of AUD\$144 million in tennis facilities. These are prime examples of a coordinated approach at all levels of governance, paying handsome dividends in the community.

Changing times

One who has been a passionate tennis lover all his life is Geoff Pollard who, in October, will step down as President of TA after more than 20 years of service. Pollard's achievements and contributions to the game are outstanding, starting with his runner-up finish to John Newcombe in the 1961 final of the Australian Junior Championships. As President, Chairman and CEO of TA, Pollard led a staff of 20 in 1989. The Company's annual turnover was AUD\$3.5 million with a AUD\$1 million in reserves and AUD\$1.5 million in Australian Open prize money.

Today, TA has a total of 180 staff, an annual turnover of AUD\$134 million, financial reserves of AUD\$25 million and the Australian Open prize money pool sits at AUD\$24.94 million in 2010. Pollard has played a major role in growing the Australian Open.

He is replaced by Sydney lawyer and Tennis NSW President Stephen Healy, a long-serving tennis administrator and player, who is passionate about boosting participation at club and junior levels and getting a better representation among the world's elite players. Healy was elected to a three-year term. See page 63

Striving ahead

The tennis story continues to evolve in new and exciting directions. We have come through some tough financial times and we continue to grow our numbers. The people who work in tennis throughout Australia are what make this such a dynamic and progressive sport. To the staff, volunteers, Board of Directors, players, stakeholders and fans, thank you. I feel honoured to be sharing this phase of the tennis journey with you and look to the future with great optimism and enthusiasm.

Ssew Word

Steve Wood Chief Executive Officer





BIOGRAPHIES

1. Steve Wood

B.Bus Marketing

CEO

Tennis Australia since 2005

President

Nortel Networks Australia and NZ 2001–2005

Vice President

Alteon WebSystems 1999–2001

Vice President

Nortel Networks Asia 1997-1999

Vice President

Bay Networks 1995-1997

Vice President

Asia–Pacific SynOptics Communications Inc 1991–1995

2. Craig Tiley

BA Economics and Business Administration MS Kinesiology

Tournament Director

Australian Open since 2006

Director Tennis

Tennis Australia since 2005

Head Coach/Director of Tennis

University of Illinois 1994–2005

Captair

South African Davis Cup team 1998–2001

Vice-Chair

USTA's High Performance Committee 2003–2005

US National Coach of the Year award (1999, 2003)

3. Chris Yates

B.Sc (Hons), Ph.D

Chief Information Officer

Tennis Australia since 2007

IT Consultant

Unisuper, AIG, Price Waterhouse

Coopers 2006-2007

IT Consultant

GE Smallworld, The Communications

Group 2000–2001

CIC

George Patterson Partners 2002–2005

Project Manager

Head of IT Country Investment Management

1992–1999

Andrology Scientist

Monash IVF 1983–1991

4. Raelene Turner

Grad Dip Bus. HR Management

General Manager Human Resources

Tennis Australia since 2006

National HR Manager

Royal Australian College of General

Practitioners 2004–2005

HR Manager

Nine Network Melbourne 2000–2003

Workers Compensation Manager

Crown Ltd 1996–2000

5. David Roberts

B.Bus, CPA

Chief Financial Officer

Tennis Australia since 1997

Treasurer

Kraft Foods Ltd Group 1990–1994

Co-founder

Direct Marketing Agency

Robe John & Associates 1987

6. Darren Pearce

General Manager 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 2002–2003

Director News

Victoria WIN TV 2000-2002

7. Steve Ayles

MBA, MCom (Applied Finance)

Director

Commercial Business since 2009

General Manager Major Events

Tennis Australia 2008

CEO

Tennis Queensland 2001–2008

Tournament Director

Brisbane International since 2008

General Manager

Mondial Gold Coast Women's Hardcourts

2005–2008

With every new participant, every additional patron and every extra coach or tournament ...

our **growth** gathers momentum.

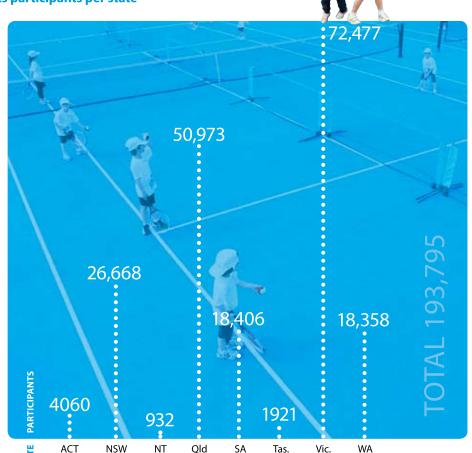
MLC Tennis Hot Shots has

Tennis Hot Shots participants.

Growth

MLC Tennis Hot Shots

MLC Tennis Hot Shots participants per state



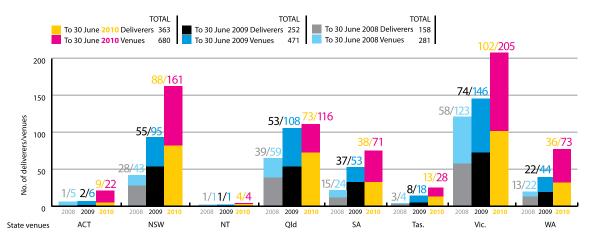
Tas.

Participant numbers for 2009–2010 for Tennis Australia's (TA's) kids' starter program – MLC Tennis Hot Shots include club participants, challenge participants, Tennis in Schools and Active After-School Communities program numbers. The grassroots program, which uses modified equipment, was delivered in 680 club or centre venues and schools around Australia, helping kids learn how to play independently and nurturing them through clear, progressive levels.



MLC Tennis Hot Shots ambassador Alicia Molik with participants.

MLC Tennis Hot Shots deliverers and venues









A participant enjoys some competition.

Growth continued



More than 650,000 fans attended Australian Open 2010.

Crowd attendance

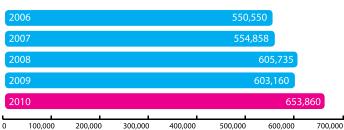
Australian Open 2010's success was in the tournament's true blue attendance figures. The event attracted a record crowd of 653,860 people through the gates, smashing the previous record set in 2008 by almost 50,000 fans.

It was the eleventh consecutive year the Australian Open has attracted more than half a million patrons. The highest ever day/night attendance in Grand Slam® history was recorded twice during the first week of Australian Open 2010 – on Wednesday 20 January and again on Saturday 23 January.

The new record of 77,043 was set on Saturday 23 January, eclipsing last year's record by more than 11,000 fans.

Australian Open attendance 2006–2010

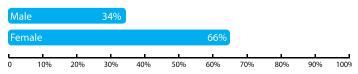
Crowd attendance



Gender of Australian Open 2010 patrons

Gemba Group research 2010

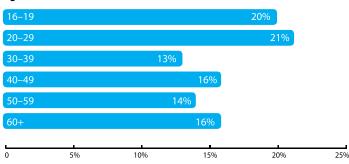
Gender



Age breakdown of Australian Open 2010 patrons

Gemba Group research 2010

Age







Alicia Molik signs autographs for fans at the Brisbane International.



More than 92,000 fans attended the Medibank International Sydney.

AO Series

The Brisbane International and the Medibank International Sydney are entrenched as the perfect lead-in events to the Australian Open as more fans attended in 2010. While the Tasmanian Government has provided funding for new stands to accommodate growth at the Moorilla Hobart International.

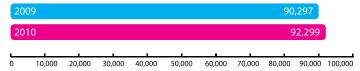
Brisbane International attendance

Brisbane International

200)9					66,024				
201	10						8	2,257		
0	10,000	20,000	30,000	40,000	50,000	60,000	70,000	80,000	90,000	100,000

Medibank International Sydney attendance

Medibank International Sydney



24.58% attendance increase from Brisbane International 2009.

Growth continued



 ${\it More than 2500 coaches are registered with Tennis Australia's Coach Membership program.}$



The Pro Tour event in Bendigo was held on the clubs refurbished courts in 2009.



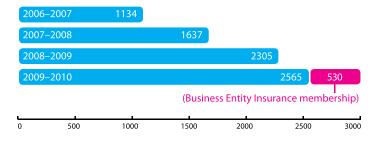
Australian Ranking tournaments grew 14 per cent.

Coach membership numbers increased

The number of coaches registered as part of TA's Coach Membership Program increased from 2305 to 2565 members in 2009–2010. An additional 530 assistant coaches joined through the Business Entity Insurance (BEI) membership.

In 2009 all TA qualified and trainee coach members were screened, which is now a prerequisite for coach membership. To promote this and the benefit of having a TA coach member as the coach at club/centres across Australia, TA conducted a coach awareness marketing campaign entitled 'Get an advantage with a Tennis Australia coach'. This campaign will continue into 2010–2011.

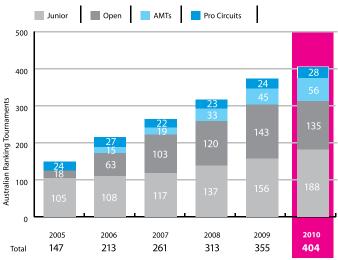
Coach member numbers 2006-2010



Tournament growth

The number of Australian Ranking tournaments continues to grow, up 14 per cent from 2009 to 2010, with entry numbers for tournaments also increasing by 13 per cent. Prize money for Pro Tour events and Australian Money Tournaments (AMTs) rose to a record AUD\$2.12 million in 2010, ensuring athletes can earn valuable dollars while preparing for the rigours of international competition.

Growth of Australian Ranking tournaments





"It's fun, it's great exercise, you meet great people. It's been fantastic for me, I've travelled the world and made so many friends and that's what life's all about."

Brenda Foster, former Australian player and current coach at the Jim Elphick Tennis Centre, New South Wales.

"The best part would be seeing kids start off when they can't even hit a ball and then six or nine months later you've got them playing competition."

John Warnock, assistant coach at Salisbury Recreation Precinct, South Australia.





Sam Stosur was the third Australian female to break into the top 10 in the last 20 years.

Sam Stosur breaks into the top 10

On 23 March 2010 Sam Stosur realised her childhood dream of breaking into the world's top 10.

Her latest results continue a remarkable recovery from Lyme disease in 2007 as she climbed back up the rankings after being well outside the top 100.

Stosur is the third Australian female in 20 years to achieve this significant benchmark and joins Evonne (Goolagong) Cawley and Margaret (Smith) Court, among others, to achieve this feat.

She reached her first Grand Slam® singles final at the 2010 French Open and achieved a career high ranking of world No.5 on 5 July 2010.

In September 2009, Stosur won her first WTA singles title, beating Italian Francesca Schiavone in the final at Osaka, Japan. She followed up with another WTA title in April 2010 with victory over Russian Vera Zvonareva in the final at Charleston, USA.

The Queenslander also reached the final of two WTA events – Los Angeles (lost to Flavia Pennetta) and Stuttgart (lost to Justine Henin) – and was a semifinalist at Indian Wells, Eastbourne and Stanford.

Australians who have cracked the WTA top 10 (since 1973)

Name	Highest career ranking
Evonne (Goolagong) Cawley	1
Margaret (Smith) Court	1
Kerry Melville Reid	7
Diane Fromholtz-Balestrat	4
Wendy Turnbull	3
Hana Mandlikova	3
Jelena Dokic	4
Alicia Molik	8
Sam Stosur	5 (5 July 2010)





Sam Stosur (with French Tennis Federation President Jean Gachassin, image on left) was the first Australian woman to reach the French Open final since Margaret (Smith) Court triumphed in 1973.

Success continued









Jason Kubler

Bernard Tomic

John-Patrick Smith

Todd Reid

Jason Kubler world No.1 junior

Queensland's Jason Kubler became the world No.1 junior in May 2010.

Kubler led the Australian team to victory in the Junior Davis Cup final in Mexico in 2009 without losing a match. He won the ITF Northern Territory International, the ITF B2 in Fiji, the Grade A Osaka Mayor's Cup in Osaka, the Asia/Oceania Closed Championships and the Junior ITF Astrid Bowl title during 2009–2010.

Since 1991 (the year the 14/u World Junior Tennis Competition commenced) only two athletes have played at the No.1 position for their country and been undefeated in this event and the 16/u equivalent – Junior Davis Cup – Spain's Rafael Nadal and now Australia's Kubler.

Kubler earned his first ATP ranking points at the Ipswich International in Queensland in April 2010. He fought through three rounds of qualifying and went on to reach the final.



Top players joined together to raise funds for Haiti the day before Australian Open 2010 commenced.

Australian boys who have reached the ITF junior top 10 (since 2000)

In addition to Kubler, Australia has had nine other boys break into the ITF junior top 10 since 2000. These include James Duckworth (ranked No.7 in 2010), Bernard Tomic (ranked No.2 in 2008), Brydan Klein (ranked No.4 in 2007), Greg Jones (ranked No.4 in 2007), John-Patrick Smith (ranked No.6 in 2007), Stephen Donald (ranked No.9 in 2007), Carsten Ball (ranked No.9 in 2005), Chris Guccione (ranked No.8 in 2003) and Todd Reid (ranked No.4 in 2002).

Hit for Haiti

The Hit for Haiti charity exhibition led by Roger Federer was a huge success with 12,000 patrons attending to support and raise money for the victims of the devastating earthquake that struck Haiti on 12 January 2010.

Rafael Nadal, Kim Clijsters, Serena Williams, Novak Djokovic, Andy Roddick, Stosur, Lleyton Hewitt and Bernard Tomic joined Federer on court. The event was organised within 24 hours and raised more than AUD\$125,000 on the day.

Several players donated signed racquets to the tournament's Bid for Haiti eBay auction that raised a total USD\$44,007.19 with Federer's racquet selling for USD\$28,124.65. With major contributions from the ATP World Tour, Sony Ericsson WTA Tour, ITF and the Grand Slam Committee, the Australian Open Haiti fundraising activity raised nearly AUD\$700,000.





Left to right: David Taylor (captain), Rennae Stubbs, Casey Dellacqua, Sam Stosur, Alicia Molik and Nicole Bradtke (coach).

Fed Cup

The Australian Fed Cup team completed a 5-0 clean sweep of its Fed Cup by BNP Paribas World Group Play-off tie against Ukraine in April.

The victory on clay in Kharkiv saw Australia promoted to the elite World Group in 2011 for the first time since 2004.

Stosur spearheaded the team and was ably supported by Fed Cup debutant Anastasia Rodionova, Alicia Molik and Rennae Stubbs.

Australia's women won their way through to the Play-off after scoring a memorable 3-2 win over Spain in February.

Stosur featured in all three of Australia's winning rubbers, teaming with Stubbs to clinch the tie in a doubles decider at Memorial Drive in Adelaide. The tie was televised on Fox Sports and TVE in Spain. Australia will now play Italy in February 2011.



Australia prepares to take on Spain in February.



Bernard Tomic (left) and captain John Fitzgerald during Tomic's debut Davis Cup match.

Davis Cup

Hewitt led the Australian Davis Cup team to a 5-0 clean sweep against Japan in May, leaving the men's national team just one win shy of a return to the World Group in 2011.

The Asia/Oceania Group I second round clash against Japan was the first Davis Cup tie in Queensland tennis history to be staged on a specially-built clay court at Pat Rafter Arena.

A crowd of 10,907 fans attended the three-day tie at the Queensland Tennis Centre, which included Carsten Ball playing his first live Davis Cup singles rubber for Australia.

In March, Tomic also made his Davis Cup debut for Australia, teaming with Peter Luczak, Carsten Ball and Paul Hanley to down Chinese Taipei 5-0 in Melbourne.

Australia played Belgium in September 2010 for a chance to be promoted to World Group for 2011.

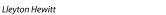


Paul Hanley (left) and Lleyton Hewitt teamed up for the doubles rubber against Japan.

Success continued









Left to right: Broderick Dyke (coach), Thanasi Kokkinakis, Blake Mott and Li Tu.

More player highlights

Lleyton Hewitt won his 28th career ATP World Tour singles title at the Gerry Weber Open in Halle, Germany, beating Roger Federer in the final.

Carsten Ball

Carsten Ball reached his first ATP World Tour singles final in Los Angeles in early August 2009. Ball became the first qualifier in tournament history to reach the final but fell to American Sam Querrey in the title match.

The Australian Junior Davis Cup team of **Jason Kubler**, **Luke Saville** and **Joey Swaysland** beat Great Britain in the 2009 Junior Davis Cup final, securing Australia the title for the second time in three years.

The Australian 14/u World Junior Tennis Competition boys' team of **Li Tu**, **Thanasi Kokkinakis** and **Blake Mott** and girls' team of **Ashleigh Barty**, **Lyann Hoang** and **Andrea Dikosavljevic**, both finished in the top four at the 2010 Asia/Oceania qualifying event in Anqing, China.

The Australian Junior Davis Cup team of Jay Andrijic, Jack Schipanski and Jordan Thompson and Junior Fed Cup team of Molly Polak, Storm Sanders and Abbie Myers, both finished in the top four at the 2010 Asia/ Oceania qualifying event in Kuching, Malaysia.

Bernard Tomic won his second Grand Slam® junior title at the US Open Junior Championships in September 2009. He joined an elite group, including Andy Roddick and Stefan Edberg, to have completed the Australian Open-US Open junior Grand Slam® double.



Left to right: Ashleigh Barty, Lyann Hoang and Andrea Dikosavljevic.

Alicia Molik's comeback to professional tennis started in the best possible way with the former world No.8 winning the women's singles title at the Northern Territory Tennis International Pro Tour event in Darwin.

Sean Berman was runner-up in the Australian Open 2010 boys' singles final.

Ben Mitchell was runner-up in the 2010 Wimbledon boys' singles final.

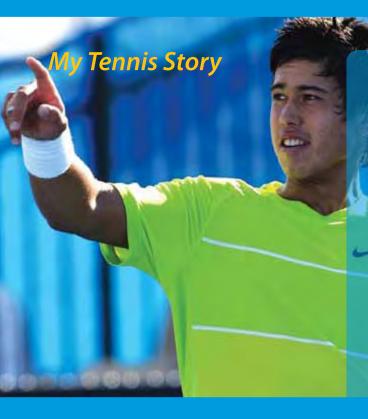
Sally Peers was Wimbledon girls' doubles champion.

Pat Rafter won the ATP Champions Tour event in London in a nostalgic serve-and-volley showdown with Stefan Edberg.

Daniela Di Toro claimed the Roland Garros women's wheelchair doubles title and was an Australian Open and a Wimbledon women's wheelchair doubles finalist.

Australia's junior Wheelchair Tennis World Team Cup of Andrew Ash (coach), Stephan Rochecouste, Keegan Oh-Chee, Adam Kellerman, Michael Dobbie, Ben Weekes and Henry de Cure won a bronze medal at the Wheelchair Tennis World Team Cup.





"My whole family enjoys tennis, my brother and sister coach younger kids, my mum always wants to be there watching and my dad loved tennis. Many of my best mates are involved in tennis. I love getting to travel the world and have many great experiences that, without tennis, I would never have had."

Jason Kubler, Australia's No.1 junior

"I've grown up playing tennis with my whole family so it means so much to me. I have been playing it for a while so it's a big part of my life. I love competing, training, tournaments and of course winning."

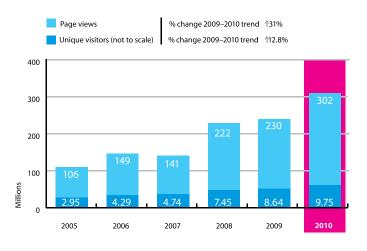


The official Australian Open website experienced a 31 per cent increase in page views.

australianopen.com

As part of the Australian Open coverage, the official website – australian open.com – encouraged its record 9.7 million unique visitors to join in the conversation by offering multiple ways to comment on the site, or through Facebook, while also running a stream of player tweets from the likes of Andy Roddick, Serena Williams, Kim Clijsters and Andy Murray.

Key Australian Open website figures





Australian Open (unique visitors)

>2010 9.75 million 2009 8.64 million

Engaging fans continued



The Australian Open iPhone app had more than 400,000 downloads.



Australian Open iPhone app

The first official Australian Open iPhone application, developed with technology partner IBM, had more than 400,000 downloads and was the second most popular free app in the Australian iTunes store. Page views to the Australian Open mobile site (m.australianopen.com) doubled from four to eight million and the popularity of the Australian Open scoring widget improved to nine million page views in 2010.

The site increased its level of video content, live streaming the official draw and the Hit for Haiti charity match as well as presenting a daily on-demand preview show, colour clips and player practice sessions. Views to the official Australian Open YouTube Channel topped two million.



Australian Open mobile website (page views)

> >2010 8 million 2009 4 million

Australian Open iPhone app (downloads)

>2010 400 k 2009

tennis.com.au

TA's website – tennis.com.au – was awarded the number one tennis site in Australia from July-December 2009 by Hitwise.

The Slice e-newsletter saw an extra 35,000 people subscribe.

Tennis Australia (unique visitors)	Slice e-newsletter	
>2010 1.1 million	>2010 113 k	
2009 1.04 million	2009 78 k	Ţ







Promotion of the Australian Open was evident around Melbourne.

Creating media interest

TA sent out more than 600 media releases during 2009–2010 including local promotion around athlete performances, special events, Pro Tour events, celebrity appearances, MLC Tennis Hot Shots and junior activity.

Sam Stosur's profile continues to grow as she climbs the rankings and as a result more media outlets requested her for interviews. For the last financial year interview requests for Stosur were well over 250.

The Publicity department plans to provide as much access to TA's top players as possible and also generate interest as they continue to perform and utilise the media interest in some of TA's top coaches and former players including Pat Rafter, John Fitzgerald, Todd Woodbridge, David Taylor, Ray Ruffels, Pat Cash and Nicole Bradtke.

Daily results service

Part of TA's strategy with the daily results service and the promotion of some great junior performances is to educate media and public alike on the large number of quality Australian tennis players that are playing at various levels around the world and broaden the awareness of junior competitions.

Major events media exposure

The Australian Open and Australian Open Series both continue to experience strong growth with media exposure.

Australian Open 2010 was the biggest sports story across Australia during the fortnight with exposure in domestic newspapers valued at more than AUD\$46 million. The domestic electronic coverage exceeded AUD\$60 million and for the first time this year a large sample of the international coverage was measured and valued at more than AUD\$112 million.

The tournament attracted huge attention from the world's media, with a total of 1789 members of the media accredited. This included 1052 broadcast representatives, 553 media representatives (print, online and radio journalists), 169 photographers and 15 technicians.

Coverage of the Australian Open Series was also well up in Hobart and Sydney and maintained in Brisbane. Overall media exposure was valued at more than AUD\$18 million.



More than 1780 members of the media were accredited for Australian Open 2010.

Australian Open Series media exposure value

	Dollar value
BRISBANE INTERNATIONAL	
Print media	AUD\$3,718,355.72
Electronic media	AUD\$6,059,632.55
TOTAL COVERAGE	AUD\$9,777,988.27
MOORILLA HOBART INTERNATION	AL
Print media	AUD\$491,534.70
Electronic media	AUD\$329,588.13
TOTAL COVERAGE	AUD\$821,122.83
MEDIBANK INTERNATIONAL SYDN	EY
Print media	AUD\$2,180,842.83
Electronic media	AUD\$5,561,221.29
TOTAL COVERAGE	AUD\$7,742,064.12
TOTAL FOR AUSTRALIAN OPEN SERIES	AUD\$18,341,175.22

Your Ticket to the World

In January, the Australian Open expanded its on-court and off-court entertainment offering to unprecedented levels, bringing to life the theme for the 2010 event – Your Ticket to the World.

In partnership with newly appointed official FM media partner DMG, Grand Slam Oval became the destination to rendezvous with friends, enjoy the live music and soak up the summer atmosphere. The event materialised all of the Australian Open's brand values of being unique, contemporary, innovative, accessible, inspirational, passionate and sociable.

Live sites

Australian Open live sites were operational again in 2010, at Federation Square, Melbourne and Customs House, Sydney. Both sites featured giant screens with live coverage of the tennis action at Melbourne Park and various other tennis related activations to entertain the fans.

The Australian Open Sydney live site attracted 171,931 people and 109,798 attended the Melbourne live site over four day activation periods, exposing the Tennis and Australian Open brands to more than 280,000 people.



Media exposure was valued at more than AUD\$18 million for the AO Series events in 2010.

Engaging fans continued



Off-court sightseeing opportunities are popular with players.

AO Series websites

Tennis Australia (TA) managed stand-alone websites for the Australian Open Series for the second consecutive year with the Brisbane and Hobart events experiencing an increase in unique visitors.



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	med (bank



brisbaneinternational. com.au (unique visitors) medibankinternational. com.au (unique visitors)

hobartinternational. com.au (unique visitors)

>2010 263 k

2009 168 k

>2010 202 k 2009 206 k

>2010 71 k 2009 62 k



Fans line-up to receive an autograph from Spaniard Fernando Verdasco.

Player websites

Player websites expanded to include Sam Stosur, Bernard Tomic, Casey Dellacqua and Jelena Dokic as the publicity department strove to increase awareness of lesser known players with a daily results bulletin and promotion of up-coming players.

MLC Fan Zone

MLC Fan Zone, prominently located in Garden Square and open for the first 12 days of Australian Open 2010, attracted 49,873 patrons.

The area incorporated two mini courts, Autograph Island and a marquee of activities which included hit the target, reaction wall, ballkid roll and the slalom course. The interactive zone with tennis related activities, promoted MLC Tennis Hot Shots, Talent Search and Tennis Australia coach members.



 ${\it The WTA Tour \, ran \, a \, website \, spotlight \, on \, Sam \, Stosur's \, official \, website.}$



Engaging fans

Video content

Video coverage extended to a wide range of tennis activities including interviews with players and coaches, a daily tennis results show, news conferences, training clinics, and coverage of key tennis initiatives such as the National Court Rebate Scheme and TA's kids' starter tennis program MLC Tennis Hot Shots. A special grassroots series entitled My Tennis Story enabled a cross-section of tennis lovers across Australia to share their love of the game.

Live-streaming of events began with a single camera view of the Australian Pro Tour event in Darwin and extended to multi-camera streaming and full commentary of the December Showdown and Davis Cup zone ties against Chinese Taipei and Japan. While watching vision and live scores, fans could also comment via integrated social media functionality, leading one industry blogger to herald TA as "one of the best sports organisations for social media and digital technology in Australia." (Anthony Allsop: sportspiel.com.au).

A series of event launches and announcements were also broadcast live including the Australian Open launch and a press conference heralding Andy Roddick's decision to headline the Brisbane International. Extensive media opportunities, rebranded websites, a comprehensive social media campaign and the introduction of AO Series Radio contributed to the unprecedented success of the Australian Open lead-in events in Brisbane, Sydney and Hobart.



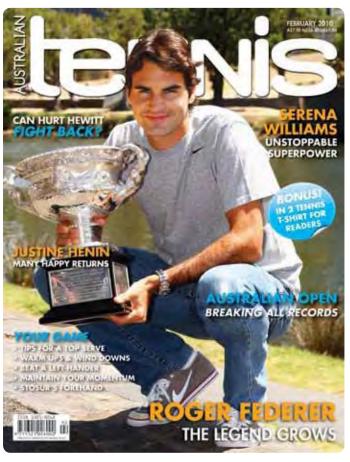
The Davis Cup live stream online channel had social media functionality.



Russian Maria Kirilenko was a guest on AO Radio in 2010.



Extra video coverage was available online in 2009–2010.



The re-launched Australian Tennis Magazine.



The redesigned Australian Tennis Magazine website has a contemporary feel.



My Game is dedicated to players of all levels.

Shortlisted entries were shown on the big screens at Melbourne Park ... while several were aired by host broadcaster Channel Seven in prime time.

Australian Tennis Magazine

The Australian Tennis Magazine, acquired by TA the previous year, underwent a complete revamp in January with a contemporised identity including logo, new format, redesigned website, fan-friendly segments and an expanded 'My Game' section pitched at players of all levels.

Changing Ends Tennis Film Festival

The inaugural Changing Ends Tennis Film Festival encouraged film-makers and tennis fans alike to enter short films of 90 seconds duration – the length of a change of ends in tennis. Shortlisted entries were shown on the big screens at Melbourne Park during the Australian Open and at the Sydney live site while several were aired by host broadcaster Channel Seven in prime time. The 'Awards' ceremony, featuring Underbelly star Vince Colosimo, was conducted before the men's semifinal at Grand Slam Oval.



Underbelly star Vince Colosimo presents the cheque to the Changing Ends Tennis Film Festival winners, Francis Caldow (left) and Matt Kennedy.

Engaging fans

facebook.





Social media

TA has been reaching devoted fans through the non-traditional media – social media – with the audience following in this area growing substantially during the year. The plan is to continue to build our audience in this space by creating unique and relevant content and providing it through an array of non-traditional media channels including TA websites, YouTube channels, Facebook and Twitter. TA is also investigating further iPhone applications, new iPad options and other mobile applications.

The plan is to continue to build our audience ... by creating unique and relevant content.



Facebook Australian Open (fans)

>2010 67,000 2009 25,000



Facebook Tennis Australia (fans)

>2010 6000 2000



YouTube Channel Australian Open (views)

>2010 2 million 2009 266 k



YouTube Channel Tennis Australia (views)

>2010 1 million 2009 43 k



Twitter – Australian Open (followers)

>2010 12 k



Students from Mount Clear Secondary College in Ballarat were the lucky few to get close to the Norman Brookes Challenge Cup.

Trophy tour

Building the buzz of the tennis season was the first Australian Open Trophy Tour in December.

Along with ambassadors Todd Woodbridge, Nicole Bradtke and John Fitzgerald, the Norman Brookes Challenge Cup (men's) and the Daphne Akhurst Memorial Cup (women's) trophies visited four regional Victorian locations – Geelong, Ballarat, Bendigo and Traralgon.

The trophies were well received by all who were able to attend prearranged visits held at schools, hospitals, retirement homes, kindergartens and tennis clubs.

Tennis ranked No.1 in the Sweeney Sports Report

Tennis was again assessed as the sport of most interest in the Sweeney Sports Report Winter 2009 edition.

The survey on Australian public's sporting preferences ranked tennis No.1 in the interest category.

The Sweeney Sports Report found:

- \bullet tennis is the most popular sport with an interest level of 58 per cent
- tennis ranked first in television viewing, third in participation (up one per cent) and equal fifth in attendance
- the interest level was highest among females aged 45 plus (71 per cent) and participation highest among females aged 15–29 (25 per cent).

Sweeney has surveyed Australians' sporting interests for the last 23 years.





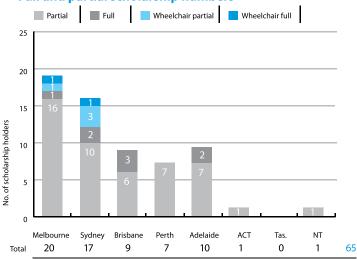


Molly Polak from Melbourne was a National Academy scholarship holder in 2009–2010.

National Academies

National Academies (NAs) are established in Adelaide, Brisbane, Melbourne, Perth and Sydney, with other national training environments in Hobart and Canberra. These academies offer an elite structured training environment for aspiring 10 to 16 year olds. Players are provided with on-court training, physical preparation, sports science/medical services and educational opportunities.

Full and partial scholarship numbers



National Academy



Talent Development Coach Mentors (I to r:) Gary Stickler, Ian Barclay and Bill Bowrey.

Talent Search and Development

The Talent Search program was re-branded the Talent Search and Development program in late 2009 to further expand and focus on the ongoing development of our younger talent.

As part of the program, Tennis Australia (TA) offered coaches who specialise in the development of under 12 year olds the opportunity to be recognised as a Talent Development Coach. Since its inception, 74 Talent Development Coaches have been recognised under the program, forming a passionate and committed team of coaches from across the country that are helping to develop a new generation of internationally competitive tennis players.

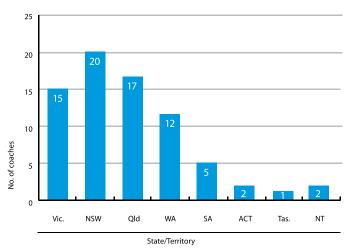
TA also appointed some of Australia's former greats as Talent Development Coach Mentors including Ian Barclay, Bill Bowrey, Rob Kilderry and Gary Stickler to work with the Talent Development Coaches in each state.

Talent Search and Development analysis

Year	Identified athletes
2006–2007	2139
2007–2008	2706
2008–2009	5492
2009–2010	1539*

^{*}Program re-focused to only support talented identified athletes.

Talent Development Coaches





The Talent Search and Development program focuses on the ongoing development of our younger talent.

Opportunity continued

AIS Pro Tour Program

The 16 members of the tennis class of 2010 were formally inducted into the Australian Institute of Sport (AIS) on 10 February 2010.

Through the AIS Pro Tour Program these athletes are given coaching, physical and medical support as they travel around the world on the tour while also having access to world-class facilities and expertise, not only at the AIS base in Canberra but at TA's base in Barcelona and a network around the world.

The objective of the AIS Pro Tour Program is to transition the best young athletes from being good junior players to being successful professional tennis players. TA has put together a team of coaching and support staff that provide the talented young players with the best possible opportunities.

The 2010 AIS athletes are as follows:



Maverick Banes (Qld)
Date of birth: 10 April 1992



Sean Berman (Vic.)
Date of birth: 8 January 1993



Alex Bolt (SA)
Date of birth: 5 January 1993



James Duckworth (NSW)
Date of birth: 21 January 1992



*Isabella Holland (Qld)*Date of birth: 2 January 1992



Jason Kubler (Qld) Date of birth: 19 May 1993



Andrew McLeod (Qld)
Date of birth: 15 March 1993



Ben Mitchell (Qld)
Date of birth: 30 November 1992



The AIS 2010 athletes with the coaching staff.



*Jessica Moore (WA)*Date of birth: 16 August 1990



Sally Peers (Vic.)
Date of birth: 1 June 1991



Mark Richards (Qld)
Date of birth: 31 December 1993



Luke Saville (SA) Date of birth: 1 February 1994



Joey Swaysland (NSW)
Date of birth: 11 April 1993



*Todd Volmari (ACT)*Date of birth: 15 August 1993



Monika Wejnert (Qld)
Date of birth: 6 April 1992

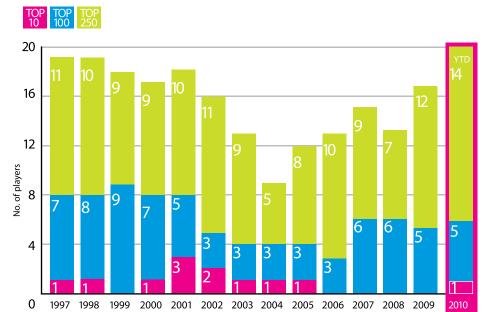


Andrew Whittington (Vic.)
Date of birth: 11 August 1993

AIS Draft camp

The AIS held its first draft camp in Canberra, hosting about 25 of the brightest prospects to test their fitness and skill sets in October 2009.

Player rankings





Skill sets are tested.





Athletes' fitness levels are tested during the AIS Draft Camp.

Weight training is a component of an athlete's physical development.



Pro Tour

The Australian Pro Tour is a series of international events that act as a bridge between junior events and the professional tour. In 2009, the Northern Territory hosted two Pro Tour events in Darwin for the first time and the event was highlighted by Alicia Molik making her comeback to the professional circuit. The number of Pro Tour events will increase to 28 in 2010 with Cairns, Traralgon and Alice Springs joining the Pro Tour with the majority of tournaments now men's and women's combined events.

December Showdown

The next generation of tennis talents, along with some of Australia's top players, descended on Melbourne Park in December for an action packed festival of tennis. For the second consecutive year, all under age Australian championships were held at Melbourne Park in the lead-up to the Australian Open Play-off. The December Showdown featured more than 2000 matches at the home of the Australian Open and culminated with Nick Lindahl and Casey Dellacqua earning a main draw wildcard into Australian Open 2010.





Alicia Molik made her comeback at a Pro Tour event in Darwin in 2009.

Nick Lindahl received an Australian Open 2010 main draw wildcard.

Opportunity continued

Players turned coaches

A number of past players were engaged as coaches with TA's player development program. Wimbledon champion Pat Cash worked with some of Australia's top juniors during 2010, passing on invaluable advice to members of the AIS Pro Tour Program and TA NAs.

Doubles legend Mark Woodforde followed in Pat Rafter's footsteps as captain of the Australian Junior Davis Cup team. In July 2009, Scott Draper also joined the TA team as a full-time coach with the NA in Brisbane.

Legendary tennis coach Ray Ruffels – who established the AIS tennis program in the 1980s – came back in the fold at the AIS in August 2009, former world No.1 doubles legend Todd Woodbridge was appointed as TA's new National Men's and Australian Davis Cup coach in early July 2009 and former world No.35 tennis player, Nicole Pratt, was appointed the National Women's coach. In addition, Pat Rafter has been assisting our best young talent with their development.



Ray Ruffels (left) and Todd Woodbridge joined Tennis Australia in 2009–2010.



Athletes now enter tournaments online through the Tournament Planner.

Tournament Planner

TA has made a significant investment in the roll-out and maintenance of Tournament Planner (TP), which is a key component of tournament management. All TA sanctioned tournaments within Australia are granted a TP license free of charge, which is equipped with all the tools to successfully deliver a tennis tournament.

Tournament re-branding

The TA Tournament Pathway was re-branded in 2009–2010 with all open tournaments merged under the successful Australian Money Tournament (AMT) brand and divided into five distinct categories – platinum, gold, silver, bronze and white.

Under the new scheme, clubs can self-select the category of their tournaments based on the amount of prize money they offer.

The Optus Junior Tour also now operates within the new pathway with the National Junior Championships at the platinum level, major state junior tournaments at the gold level and, dependant on performance and Member Association (MA) advice, all other junior tournaments slotting into the silver, bronze and white levels. The new pathway has streamlined the structure of tournaments and helped to clarify the pathway for our customers.



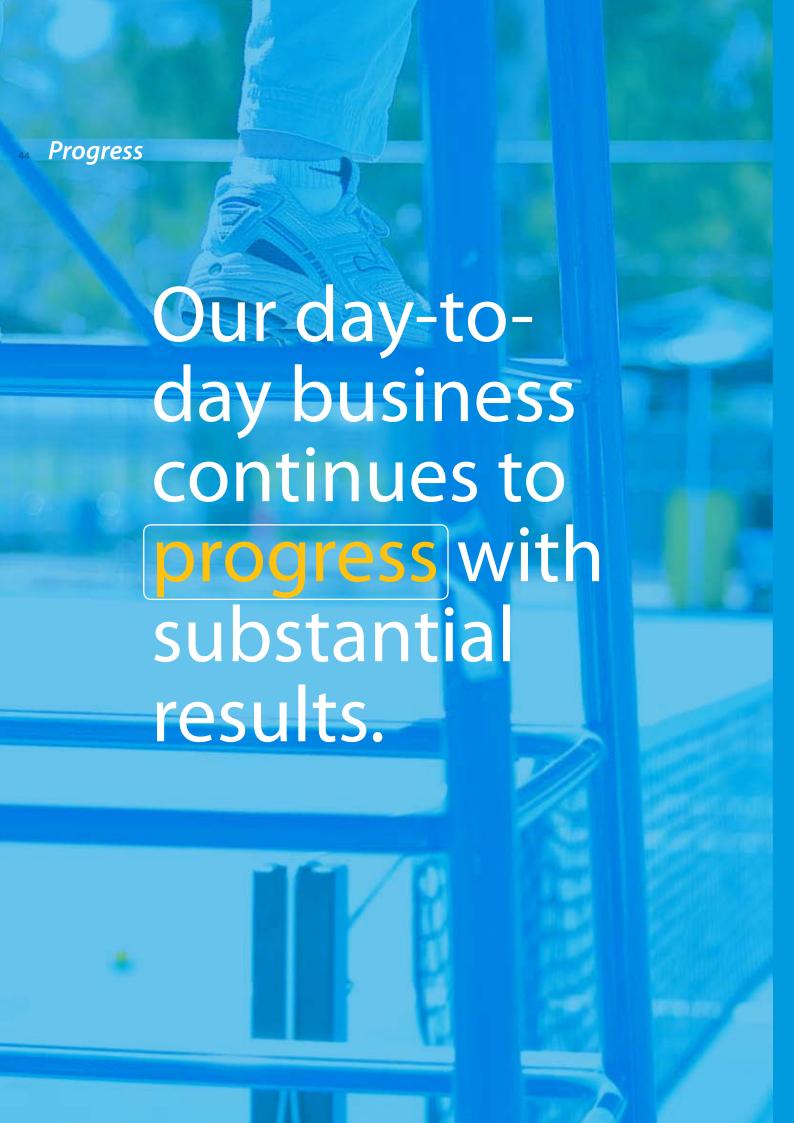
My Tennis Story

"I love tennis because it's good fitness and you've got lots of space to move around the court."

Kaitlin Staines, Mangoplah Tennis Club, New South Wales.

"I love tennis because I get to play with my friends."

Josh Staines, Mangoplah Tennis Club, New South Wales.



National Court Rebate Scheme

During 2009–2010, Tennis Australia's (TA's) National Court Rebate Scheme assisted in the construction or re-surfacing of 247 courts around Australia. Since being introduced in 2007, the scheme has helped generate more than AUD\$146 million in funding for facilities in the past three years and delivered 887 brand new or upgraded tennis courts throughout Australia, in addition to other important facilities and upgrades for clubs to run effectively.

The scheme is now an integral part of TA's investment strategy into providing better tennis facilities to the wider community, underpinning our commitment to grassroots facilities and community tennis.

Australia's No.1 tennis player Sam Stosur joined the cause in February 2010 when she was named as the new ambassador for Tennis Australia's Courts and Facilities program. Stosur has led and will continue to lead an ongoing TA campaign to repair and construct as many tennis courts as possible in towns and cities throughout the nation.

Funds offered for installing/upgrading to a Grand Slam® surface

Court surface type	Grand Slam® played on the surface type	Rebate
Plexicushion	Australian Open	A maximum rebate of AUD\$18,000 per court
Acrylic (brands within ITF Approved categories 1 and 2)	US Open	A maximum rebate of AUD\$8000 per court
Natural clay	French Open	A maximum rebate of AUD\$12,000 per court
Natural grass	Wimbledon	A maximum rebate of AUD\$6000 per court

The National Court Rebate Scheme per court surface type

200	7-2008		2008-	2009		2009	9–2010							
195	Γ				187									
180	_													
165	-													
150	_					147								
135	_													
120	_													
105	- <u>100</u>	95												
90	-												88	
75 ∽	-												50	
Number of courts	-												59	
o jo 45	-	1	32	37				36						
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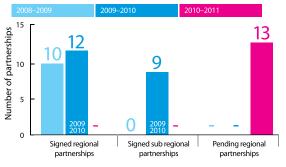


Sam Stosur (centre) presents a cheque to the Port Lincoln Tennis Association.

Regional partnerships

TA continued to help regional communities build or improve their tennis facilities, signing 12 new regional and nine new sub-regional facility partnership agreements. These partnerships help ensure local communities are provided with high quality tennis facilities that can operate successfully within the region. TA now has a total of 22 regional partnerships and there are 13 more pending agreements for 2010–2011, putting TA well on the way to achieving our goal of having more than 70 new regional centres by 2012.

Signed and pending regional partnerships





Natural clay (left) and Plexicushion are two surfaces covered by the National Court Rebate Scheme.

Progress continued







ANZ, Panasonic and Cussons joined Australian Open 2010.

Sponsor partnerships

It is testimony to the strength of the Australian Open and the sport of tennis that iconic companies continue to seek an association with TA properties.

In 2009–2010 ANZ, Panasonic, Cussons Pure and V Australia joined for Australian Open 2010 and beyond. ANZ signed a three-year agreement starting with Australian Open 2010, while Optus renewed its sponsorship until 2011. Jacob's Creek elevated its sponsorship from Official Supplier to Associate Sponsor, Rolex became an Associate Sponsor and Lacoste upgraded from an Official Sponsor to Official Partner.

A number of sponsors have also re-committed for Australian Open 2011 onwards and agreed to terms. These include Nestle (new five year agreement), Heineken (three year agreement), Fuji Xerox (three year agreement) and V Australia (new three year deal). Tourism Victoria and City of Melbourne agreed to a one year extension while Coca-Cola (Powerade) agreed to sign a two year agreement and Middletons have agreed to terms for a new four year deal.

River Villa marquees

Corporate Hospitality had 1102 corporate clients for Australian Open 2010 with the new River Villa marquees proving an extremely popular choice. These contemporary River Villas overlooking the Yarra allowed companies to impress their clients in their own exclusive area, accompanied by menu choices to suit their needs and were in such high demand there was a waiting list for the premium days.

The new double story corporate marquee was introduced and utilised for the Legends Dining Room, Grand Slam Select and Corporate Lounge. The product renewal rate for Australian Open 2010 remained extremely strong with a large majority of existing corporate hospitality clients renewing.

Broadcasting worldwide

Australian Open 2010 saw superb TV audience figures. The event was broadcast for a total of 10,861 hours across international broadcast markets, attracting a cumulative television audience of 294 million viewers.

Asia provided the greatest number of viewers, with a cumulative audience of 156.6 million. The jump in cumulative audience was largely on the back



 $The \ new \ River \ Villa \ marquees \ provided \ an \ exclusive \ area \ for \ corporate \ clients.$



Australian Open 2010 was broadcast for 10,861 hours internationally.

of free-to-air broadcasts in China on CCTV – seeing China record a total audience of almost 60 million throughout the tournament.

There was a 22.4 per cent year on year increase in broadcast hours from the 2009 tournament and television audiences were also up 18.7 per cent. Domestically the men's final averaged 2.4 million viewers and peaked at 3.2 million viewers, an increase of eight per cent on the men's final at Australian Open 2009, while the women's final averaged 1.9 million viewers and peaked at 2.4 million viewers, an increase of 13 per cent on the women's final at Australian Open 2009.

Other markets to see a large increase viewership were:

- Belgium up 368 per cent (attributed to the Justine Henin and Kim Clijsters return in Melbourne)
- South Africa up 110 per cent
- UK up 104 per cent with the success of Andy Murray in reaching the final.



The official player towel was a best seller once again.

Official merchandise

In August 2009 TA streamlined the Merchandise business to work in partnership with The Promotions Factory (TPF). Improvements in quality, price and order times were achieved in 2009–2010. For the second year in a row, the popular official men's and women's player towels were the best sellers at Australian Open 2010 with more than 15,570 sold during the event.

The Australian Open campaign T-shirt sold during the second week of the event, with Nike's Roger Federer and Rafael Nadal player gear also very popular with tennis fans. Official Sponsor Lacoste expanded its retail outlets on site to include two new boutique stores located next to Margaret Court Arena and on the internal concourse within Rod Laver Arena.

Lacoste apparel and accessories generated record sales over the two week period. The Lacoste event T-shirts were the most popular item alongside the matching event cap. These were exclusive items which could only be purchased at Australian Open 2010.



The women's final peaked at 2.4 million viewers domestically.

Progress continued

Fans flocked to Melbourne Park with Hisense Arena ticket sales increasing by 34.9 per cent and Rod Laver Arena up 9.5 per cent. The AUD\$29 ground pass tickets were also popular, increasing by 8.8 per cent.

Pre-sale for Member Associations

Fans flocked to Melbourne Park with Hisense Arena ticket sales increasing by 34.9 per cent and Rod Laver Arena up 9.5 per cent. The AUD\$29 ground pass tickets were also popular, increasing by 8.8 per cent.

For the first time Member Associations (MAs) were given pre-sale access to the Australian Open and Australian Open Series. The pre-sales for the Australian Open increased substantially with the major increase being attributed to the Australian Open members/TA premium coach members' pre-sale which was up 105 per cent from 2009.

Revenue from TA's licensed tour operators continued to increase and in conjunction with Tourism Victoria three new operators were appointed into China.

Communications

TA created a stand-alone Communications department in July 2009, drawing together the business of publishing, online, media and public relations into one wing. The driving focus of this department is to generate interest in tennis. See page 27

Unified messaging

The IT business unit rolled out a new voicemail system – Microsoft Unified Messaging – in June 2010, enabling TA staff to use their mailboxes to do more than just email. The system provided staff with email notifications when they missed a call on their desk phone, or when they had a voicemail message. The initiative also allowed staff to check emails, calendar entries and contact details on their phone using Outlook Voice Access.

PC upgrade for coaches

The IT and Tennis business units collaborated to design and test a laptop specifically designed for the travelling coach, whose requirements for both hardware and software differ radically from that of business users. The new machines included a faster processor, hard disk and video card, which allowed coaches to operate TA's video analysis software program Dartfish more effectively and smoothly.

Coach mentoring

The TA coach mentoring program provides a unique opportunity for both mentors and mentees to improve their professional and personal knowledge and skills in coaching tennis. Mentors support the professional development of less experienced coaches by encouraging reflection and facilitating their learning in a professional and ethical manner. During the past 12 months, guide books were developed for mentors and mentees, face to face training was conducted in every state in Australia and 27 hours of mentoring was integrated into the High Performance Coaching qualification.

Developing coaches

During 2009–2010, a total of 861 coaches attended 40 professional development workshops across Australia. The largest being the 2010 Grand Slam Coaches' Conference, where 231 coaches attended for three days and heard from several Australian and international speakers.



More than 230 coaches attended the 2010 Grand Slam Coaches' Conference.

National participation strategy

TA conducted a comprehensive national participation consumer research project, resulting in both an in-depth and segmented knowledge of tennis within the Australian landscape of sports and entertainment. The findings from the research are informing the development of the national participation strategy. This is being developed in conjunction and will be delivered nationally, at state level and locally.

Competition software

TA rolled out a new online competition management system – Competition Planner (Results Vault) – in April 2010 to assist competition providers to administer their weekly competitions.

Tennis NSW Sydney Badge and Tennis Victorian Pennant were the first competitions to use the new system before Tennis SA, Tennis ACT and Tennis West also took up the new platform. Competition Planner caters for an extensive range of competition formats and includes several automatic features such as fixture creation, venue allocation and ladder calculation.

The web-based system stores team and individual player results from across Australia and allows players to view their entire competition history and compare their performances with their peers. Competition Planner has been designed to meet the needs of the entire tennis community and has already saved competition administrators countless hours of work.

They're ready. **They

 $The \ new \ national \ MLC \ Tennis \ Hot \ Shots \ advertising \ and \ activation \ campaign.$

Tennis Brand

During 2009–2010, TA's Marketing department delivered a range of initiatives, activating and promoting the Tennis brand. These included:

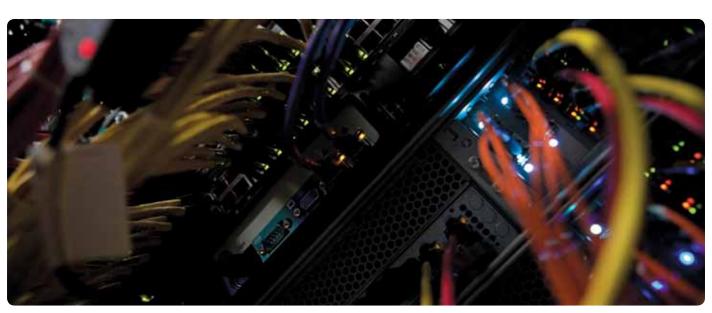
- delivering the new national MLC Tennis Hot Shots advertising and activation campaign
- a national marketing campaign promoting the coach, coach membership and officials
- providing communication tools in conjunction with coach membership to promote and host the 2010 Australian Grand Slam Coaches' Conference
- providing communication tools such as posters, brochures, flyers, certificates for TA and MA programs
- developing new brand identity for the Australian Pro Tour
- working with MAs to achieve consistency across marketing campaigns and communications.

National Tennis Conference

More than 150 members of the tennis community gathered at Melbourne Park in March for the 2010 Tennis Australia Conference. The three-day event was the largest tennis conference ever held in Australia and began with a presentation from demographer Bernard Salt. A panel representing tennis and other sports also tackled the broad issue of attracting more players to the sport. The panel included Netball Australia CEO Kate Palmer, former Gymnastics Australia CEO Jane Allen, Tennis Queensland President Ken Laffey, Tennis Tasmania CEO Michael Roberts, Tennis NSW CEO Glenn Tasker, Tennis Australia's Community Tennis Manager Robin O'Neill and Gemba Director Rob Mills.

Student Placement Program

The TA Student Placement Program encompasses both voluntary and paid placements, providing mutually beneficial outcomes to both TA and students participating in the program. During 2009–2010, the Student Placement Program saw the successful placement of more than 20 tertiary students across IT, Human Resources, Finance, Legal, Media, Tournament Operations, Medibank International Sydney, Access Control and Community Tennis.



The IT department incorporated the Student Placement Program in 2009–2010.

Progress continued

Video performance analysis

TA implemented a state-of-the-art video performance analysis in 2009–2010. A library of more than 400 matches has been coded and is available for coaching staff and players to review match strategy in a time effective manner. Going forward, coaches will be equipped with a mobile coding device so they can watch and code matches on their phones. The facility is also being developed to incorporate Hawk-Eye data into the software.



Ben Mitchell reviews a match with the video performance analysis technology.

My Tennis

A new online club membership system – My Tennis – was launched in 2010, offering a complete membership package for club administrators to quickly and easily manage club memberships, generate membership reports and communicate with members. Four MAs moved across to My Tennis by the end of June 2010 including Victoria, South Australia, Tasmania and ACT with the other four MAs set to move across in the second half of 2010.

TA coach members also used the online registration platform for the first time in 2010 with more than 75 per cent of members renewing online. The system has dramatically reduced the duplication of data and provided all affiliated clubs around Australia with a free membership system that reduces the burden on club administrators. My Tennis has been designed to seamlessly integrate with other systems and in 2010–2011 TA's tournament planner will be the first such system to be integrated.

Increased community focus

TA invested in grassroots relationships with clubs and coaches employing a further 26 Member Association Community Tennis staff. The increased capacity will support the growth of core programs such as MLC Tennis Hot Shots and the National Court Rebate Scheme.



All Tennis Australia computers were upgraded to a Managed Operating Environment.

A new online club membership system – My Tennis – was launched in 2010, offering a complete membership package for club administrators to quickly and easily manage club memberships, generate membership reports and communicate with members.

Managed Operating Environments

Following the introduction of a Standard Operating Environment (SOE) on all TA computers last year, an upgrade to a Managed Operating Environment (MOE) was undertaken in 2009–2010. The move enhanced stability and improved efficiency across the Company by enabling IT staff to remotely deliver applications directly to any user's desktop. The first application delivered across the Company was Microsoft Office 2007 in November 2009.

Australian Open requirements database

For the second consecutive year, the IT department compiled a requirements database to aggregate, manage and deploy equipment during the Australian Open tournament period. Following the creation of the database in 2008–2009, all departments were consulted prior to the 2010 event to update their requirements, enabling a smooth and timely distribution of all equipment.

Service desk

IT staff assisted with 787 service desk calls during Australian Open 2010 and closed 90 per cent of jobs on time. This was a substantial improvement on the previous year, both in terms of the number of jobs logged, and the speed in closing them.

Australian Open goes wireless

A new and improved wireless internet system – Aruba – was installed for Australian Open 2010, providing players, media and sponsors with fast and reliable internet access. The new infrastructure was easier to manage and covered extensive sections around the site including the player restaurant and lounge, media work room and sponsor lounge.

New national network

In February, TA teamed with Optus to install Evolve – a new private IP network utilised by TA and our MAs. The initiative provided TA with a single and secure network that runs Australia wide and provides enhanced monitoring of traffic usage.

Local Advisory Groups

Local Advisory Groups (LAGs) were formed across Australia to allow coaches to discuss issues and challenges within their respective state or territory. The first forum was held in July 2009 and throughout the year a total of 275 coaches attended the eight meetings that were conducted. The eight key issues and strategies identified at the LAG forums continue to be addressed by TA and its MAs.

Online learning

A new e-learning website for tennis coaches – Bounce – was launched in February 2010. The new learning tool was utilised by coaches completing the Junior Development and Club Professional Coaching qualifications. The website provided coaches with access to the latest learning information, a more interactive learning experience and personalised learning at their own speed.

My Tennis Story



"I love tennis. I've played for 14 years myself. Love the sport, love the competition. I like the pressure up in the chair."

Kelly Krusic, Tennis Australia official.

Educating the officials

In July 2009, TA undertook the running of officiating education courses across the country, conducting 48 courses for 304 new officials in the past 12 months. The courses have been particularly successful in NSW with eight courses attended by 72 new officials. Five Officiating Development Coordinators will be recruited in August 2010 to continue the growth of officiating across the country.

Finance for the MAs

TA is now preparing the accounts and processing the payroll for five Member Associations (MAs) – Tennis West, Tennis Tasmania, Tennis ACT, Tennis SA and Tennis NT as part of the shared services initiative. TA has also assisted in implementing the Meridian (payroll system) at Tennis NSW which is processing its payroll in-house.

KPMG will audit Tennis West, Tennis Tasmania, Tennis ACT and Tennis SA in conjunction with TA which will allow for greater efficiency due to the common internal controls, processes and people being used for all.

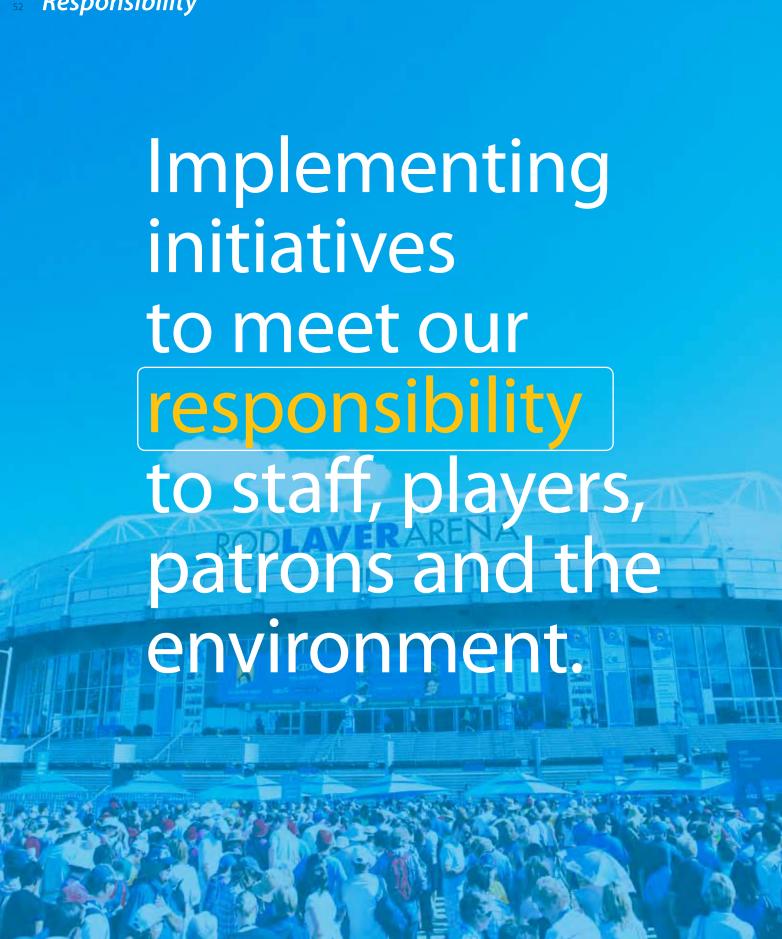
Graphical dashboard reporting for MAs

The online dashboard-style financial reporting system that presents information to Board members in an easy to read format with the performance of key business areas presented graphically against their respective targets was implemented at the MAs in 2009–2010 as part of the shared services initiative. Board members are able to quickly and clearly gauge the health of the business through a comparison of the main revenue streams against key performance indicators.

Online information sessions

This year budget information sessions for managers were delivered via an online video presentation posted on ace – TA's intranet. This ensured all TA managers had access to essential information and were able to access it from anywhere at any time. In 2010–2011 a wider array of online video presentations will be made available to staff on various finance processes and procedures.





Responsibility to staff

During 2009–2010 Tennis Australia's (TA's) Human Resources team continued to build on the work arising out of the Hewitt project of 2007 while consolidating resources and finances due to the global financial crisis (GFC). The main focus was to continue to develop our Human Resource Information System (HRIS) and to ensure maximum usability for staff. Robust fiscal management by all staff successfully avoided any redundancies for TA during the GFC.

HR Systems

ConnX

A number of functionality improvements were incorporated in the latest upgrade of ConnX (TA's HRIS). ConnX continues to be utilised by staff to access personal information including leave details and balances, pay advices and group certificates. ConnX is also a central repository for employee documents including position descriptions, employment contracts and correspondence. For the third consecutive year, TA's Performance Development Review (PDR) process was delivered electronically via the ConnX Performance module. A web-based training module was developed during 2009 to assist with continuing staff education around the online PDR system and conducting performance discussions.

As part of TA's shared services model, a key focus for Human Resources during 2010 will be the deployment of ConnX to our Member Associations (MAs). The ConnX system was deployed to Tennis NSW in June 2010.

BigRedSky

The use of TA's eRecruitment system BigRedSky has extended to TA's Australian Open Series events. The online application process has been adopted by the Brisbane International, Moorilla Hobart International and Medibank International Sydney, enabling job seekers to search and apply for vacancies through a web-based recruitment platform which is hosted on each of the Australian Open Series specific websites and tennis.com.au.

Online induction

TA's eLearning program expanded in 2009–2010 to include the development of an online induction course for TA year-round employees. A number of interactive components are included in the course which contains key organisational information including TA's purpose, strategic priorities, policies and procedures. The TA staff online induction course is one component of TA's on boarding program which consists of a range of both administrative and interactive tasks designed to ensure a seamless transition to TA employment for new starters. The Brisbane International also implemented a tailored version of the Australian Open online induction program for its volunteers through TA's eLearning platform. Human Resources will extend this level of support to all three Australian Open Series events for 2011.

ace

One of the top of mind issues raised during the Hewett project was the need for stronger communication at TA. As TA continues to grow the need for new and improved systems and enhanced communication channels was identified as critical to business success. As a result, Human Resources in conjunction with IT and Marketing developed TA's new intranet platform, *ace*.



Tennis Australia's new intranet platform is ace.

ace is a browser-based collaboration and information management system that enables staff to set up centralised, secured spaces for information sharing. In addition to sharing documents and information, *ace* is the central place for staff to access organisational information such as business unit and team updates, CEO updates and videos, policies, procedures, company news, internal vacancies, press releases, project sites, staff profiles, contact details, staff whereabouts and TA events. *ace* integrates directly with Office 2007 and is designed to make it easier for staff to communicate with each other, share and obtain information efficiently and effectively.

Mercer classification and remuneration framework

TA remains intent on driving individual and business unit performance through a strong, transparent alignment between performance and reward. The Human Resources team continued to work with Mercer to establish a framework for making rigorous, systematic and consistent remuneration decisions. The job evaluation and classification project is due for completion in August 2010 in time to support 2009–2010 salary review decisions.

Employee relations

Much time and resource has been invested by the Human Resources business unit during 2009–2010 in reviewing and interpreting the new Fair Work Act 2009 and its application to TA and the MAs. A total review of all employment agreements and company policy and procedures has been conducted to ensure alignment and compliance with the new legislation.



Family Day was held for the second consecutive year.

Responsibility continued



There were 316 MLC Ballkids for Australian Open 2010.

Empowering our leaders for success

TA's Leadership Development program (LDP) was again rolled out during 2009 with 20 participants attending. Empowering our Leaders for Success is a customised program designed and developed for managers and workplace leaders within TA and has a specific emphasis on transference of learning back to the workplace.

TA's mentor coaching program (MCP) supports the LDP program and graduates from previous LDPs are asked to become a workplace coach (and in some regards, a mentor) for current LDP participants. The MCP aims to further develop the leading and managing skills of our business leaders and to assist with the transference of leadership skills into the workplace.

Talent and workforce planning

Talent is one of the essential ingredients for success in any endeavour, be it individual, team, or company. TA recognises the need to identify and grow the talent in its people to achieve maximum potential for them and for TA.

TA needs to understand the talent it has now, and the talent it will need in the future as the business develops. To achieve this the Senior Management Team (SMT) set about an exercise to map out the talent across TA looking at areas and individuals in need of attention, areas where future demand may not be met (or may be exceeded) and look at issues such as succession planning and leadership development.

Next steps involve developing a talent plan against future strategy and building a capability framework, focusing on the key capabilities sought/ required by TA to deliver value and achieve success. The plan will also provide a consistent framework to be used for assessment by all managers and clearly define what TA is looking for in its employees.

Tennis Australia staff numbers (full and part-time)







Five Tennis Australia teams entered the Global Corporate Challenge.

Shared services

During 2009–2010, TA Human Resources has provided a range of professional services and support to our MAs such as deploying automated information systems, assistance and advice with recruitment, employee relations, audits of contract agreements, remuneration advice and safety.

Employee activities

During May 2010, five TA teams of seven entered in the Global Corporate Challenge. The Global Corporate Challenge (GCC) is the world's largest and most exciting corporate health initiative. The GCC has clinically proven

results and the endorsement of some of the largest organisations in the world and their CEOs. The GCC increases staff fitness, promotes teamwork, fosters a positive competitive spirit, is great fun, and supports the workforce to be active, healthy, and more productive. TA teams receive weekly updates and track progress against each other.

Family Day

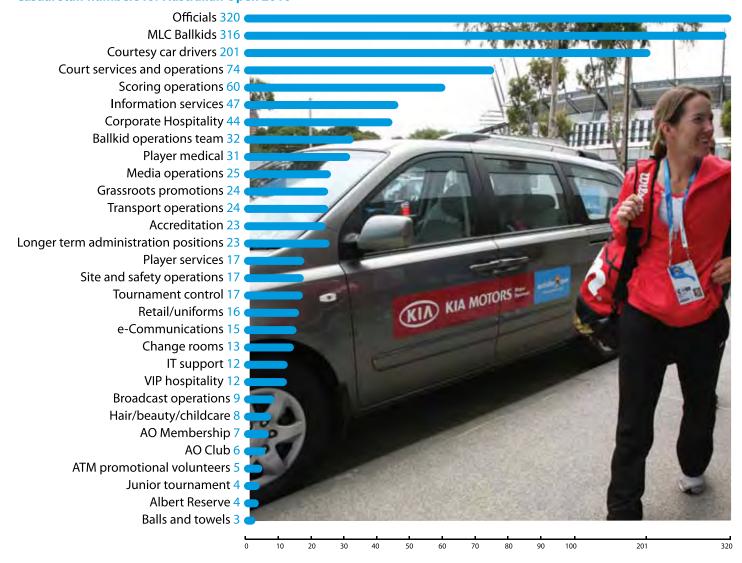
For the second consecutive year, TA's Family Day was held in September. More than 79 children visited Melbourne Park to see where their family members come to work each day. Children had the opportunity to meet CEO Steve Wood, participate in activities including MLC Tennis Hot Shots, Wii tennis, Totem Tennis and face painting as well as indulging in lots of treats.

Safe Work Week 2009

National Safe Work Australia Week was held in October to focus attention on workplace safety. The week encourages all working Australians to get involved in, and concentrate on, safety in their workplace to reduce death, injury and disease.

Safe Work Week started off with a healthy breakfast and the 'Walk With Burnsy' had more than 20 staff join Burnsy for a walk around the sporting precinct. More than 40 health checks were conducted for staff and a beginner's circuit class was held in the gymnasium along with a lunch time yoga session. The 'Safe Ace Tennis Tournament' was also conducted over three lunch time periods.

Casual staff numbers for Australian Open 2010



Responsibility continued

Risk management

Safety and enterprise-wide risk management

One of the main goals of the safety improvement project is for TA to be ultimately accredited against the recognised SafetyMAP (Safety Management Achievement Program). This is a WorkSafe recognised standard of safety management.

Wanting to be recognised as a leader in event safety and business risk management, TA has embarked upon an innovative approach to improve and enhance both of these business critical areas, by appointing an experienced team of professionals to review and improve all of TA's risk management and safety related activities.

The Human Resources business unit has recently assumed responsibility for the Company's risk management and safety programs and the team has already undertaken reviews and identified a number of key improvement opportunities. These are supported by a detailed safety improvement action plan.

A key outcome will be the raised level of awareness and understanding across TA and its MAs of everyone's roles and responsibilities across these important areas.

The enterprise-wide risk management (ERM) project will see the implementation of a framework consistent with the internationally recognised Standard ISO/AS/NZS 31000:2009 for risk management. This process seeks to implement a world's best practice approach to the identification and

control of both business and event based risks. Regular reporting has been established to both the Board and SMT with a strong focus on fostering a risk aware culture and continuous improvement across the Company.

Managing risk at the Australian Open

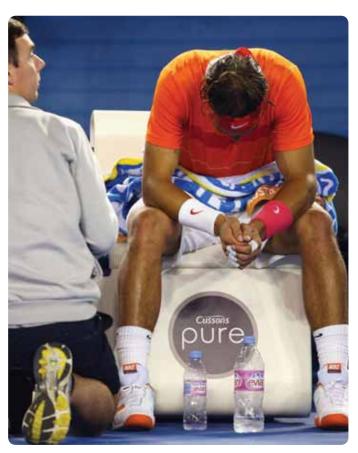
Through the Australian Open Risk Project Group, all elements of the risk management program were coordinated and successfully implemented prior to and during Australian Open 2010.

Reliance Risk, consulting to TA, again worked closely with members of the group to encourage and motivate all risk owners to identify the opportunities that are exposed through the process as well as mitigate risks as required.

WorkSafe inspectors were regular visitors on site during the build phase of the Australian Open in Melbourne with no regulatory notices issued to TA.

One WorkSafe notifiable injury was reported during the build phase which involved a non-TA staff member. There were several minor injuries reported, none of which were lost time injuries.

Safety guidelines have been developed for Australian Open Series personnel to adopt for each event, particularly with regards to contractor management, safety inductions, electrical issues, forklift issues and safety documentation. These guidelines were readily adopted for the 2010 events by all stakeholders.





Risk needs to be managed in the interest of staff, players and patrons.



"Tennis is all about having fun, getting fit, meeting great people and bettering yourself."

Pullicas legitours Asiam

"I enjoy the challenges that tennis throws at me. It's where you can use your imagination and push yourself beyond your comfort zone."

Luke Kuret, Network Administrator.

Responsibility continued

With Australian Open 2010 generating 393.96 tonnes of waste, a decrease of 38.23 tonnes from Australian Open 2009 – a great result given the increased crowds for 2010. Of this waste, 72.47 per cent was recycled.

Sustainability and the environment

Tennis Australia and recycling

Tennis Australia (TA) is committed to ensuring the sustainability of our environment through the implementation of effective waste management processes, teaming with landlords Melbourne and Olympic Parks Trust (MOPT), site caterers Delaware North Australia, Visy Closed Loop and K&S Environmental to collectively operate a 'closed loop' recycling system.

This on-site waste management program is constantly being updated utilising the latest in waste recycling practices. Year-round a sustainable waste management program operates at Melbourne Park. In 2009–2010 this encompassed day-to-day TA business operations including administration and the National Academies (NAs), and events including the Australian Open, Talent Search and Development Days and Australian Pro Tour events.

The Australian Open is TA's largest annual event and the tournament takes a holistic approach to recycling that includes the use of 100 per cent recyclable packaging. The recycling program recovers and processes multiple streams of waste with Australian Open 2010 generating 393.96 tonnes of waste, a decrease of 38.23 tonnes from Australian Open 2009 – a great result given the increased crowds for 2010. Of this waste, 72.47 per cent was recycled.

The new waste stream that was added to the recycling system in 2007 continued with more than 80,000 plastic bags used by staff to collect litter, and 'Clearview' and wheelie bins were sent to the same plastics recycling centre as shrink wrap. These bags, which previously went to landfill, will create items such as park benches and signage. Clearview bins are a key part of TA and MOPT's proactive strategy to encourage staff and patrons to participate in waste recycling. Introduced in 2004, they have clear outer shells designed to build public awareness of the importance of recycling, assist waste sorting and content visibility.

Of the other types of waste recycled, wooden pallets are made into new pallets or broken down into kindling for fires, concrete bricks are crushed and used as bedrock in road construction, waxed cardboard is turned into fire briquettes and food is composted at a farm in the Dandenong Ranges.

The Australian Open recycles thousands of used match tennis balls each year. TA gives used balls to coaches, sells them to the public through the onsite shop or donates them to charity. Tennis ball cans are also recycled and recycled rubber is used to create the on-court matting.

Australian Open amenities

During the Australian Open, cleaning services only used chemicals that were non toxic and low hazardous with no impact on the sewer system. In partnership with MOPT, the following has been achieved over the last few years:

Water

TA and MOPT completed a WaterMap, converted urinals to waterless operation, installed flow restrictors to all shower heads, reduced flush time (where able) and flush quantity to the majority of toilet pans. All wash basins were fitted with flow restrictors with the use of recycled water purchased from the sewerage recycling plant at Werribee and six water features were de-commissioned. Rain water harvesting tanks with a combined capacity of 550,000 litres were installed on site to collect rain water and gardens were replanted with drought tolerant grass.

Above-ground garden sprayers were retro-fitted with a sub ground drip feed watering system installed to reduce over-splash and evaporation.

Energy

To reduce the carbon footprint 50 W dichroic lamps were replaced with 18 W LED lamps, high bay 400 W lamps were replaced with florescent fittings, the temperature in change rooms was set. The change rooms were also installed with power factor correction units at all main switch boards.

Waste

Approximately 70 per cent of the venue's waste is recycled throughout the year. Non toxic cleaning products were implemented and biodegradable products where non toxic products are not available.

By employing responsible recycling practices and developing sports facilities suited to the Australian climate, TA demonstrates its commitment to the sustainability of the Australian environment, and tennis, on a daily basis.

Australian Open waste recycled 2006–2010

Waste type	2006	2007	2008	2009	2010	% increase/ decrease 2009–2010
Total waste recycled	297.14	280.04	293.73	313.17	285.57	-8.81
Commingled waste (paper, plastic, cardboard, glass, aluminium)	210.09	204.8	211.42	210.37	222.53	5.78
Food organic waste	32.49	48.06	57.85	54.92	44.53	-18.91
Polystyrene	440 kg	440 kg	550 kg	330 kg	220 kg	-33.33
Waxed cardboard	420 kg	140 kg	210 kg	140 kg	140 kg	0
Timber pallets	20	13.5	14.94	35.9	12.3	-65.74
Steel	6	4	2.32	4.16	0.76	-81.73
Dirty plastic	*	2.4	6.44	5.46	3.9	-28.57
Total tonnes to landfill	148.42	94.21	108.98	119.02	108.46	-8.87



Clearview bins provide content visibility and build public awareness of the importance of recycling.



Print jobs are only released once a staff member swipes their printing card.

Water considered with new clay surface

The research and testing to find the best clay court option for Australian conditions is intensive and challenging. Water conservation, a maintenance program, and player development characteristics are vital in all ongoing projects.

The surface must be conducive to a higher bouncing ball, topspin, slice and a slow court speed allowing for good traction which encourages slide and recovery. Currently the testing of an Italian clay court model is underway and will shortly be installed at Macquarie University Sydney.

The installation of a sub surface irrigation system to gel with the Italian materials will ensure that water savings are paramount. Two imported Italian materials – sotto manto and manto – will be laid over traditional Australian materials. Comprehensive test patches have been developed and a team of project manager, research scientist, engineer and soil expert are constantly working on this project. The first court is expected to be laid in August 2010.

The Tuncurry model based on a Roland Garros profile using limestone is being refined after a research and development trip to Paris in June 2010. Further testing will ensure that this surface has all the playing characteristics required. This model also includes a sub surface irrigation system to minimise water usage.

While the US green claycourt surface of Har Tru Hydro is also being investigated. The proven sub surface irrigation system of this surface ensures sustainability in Australian conditions. Pending council approval, two courts will be constructed in the near future in metropolitan Melbourne.

Eight claycourts will be constructed at Melbourne Park in 2012 as part of the redevelopment project, with further proposed claycourt projects awaiting successful court testing.

Saving paper

In May 2010, the IT business unit implemented a secure printing functionality on all printers at TA. Printing swipe cards were provided to all staff and are now utilised for printing or copying. All print jobs are sent to a virtual print queue and will only be released once a staff member swipes their printing cards at a choice of five printers. This initiative has substantially reduced paper wastage.

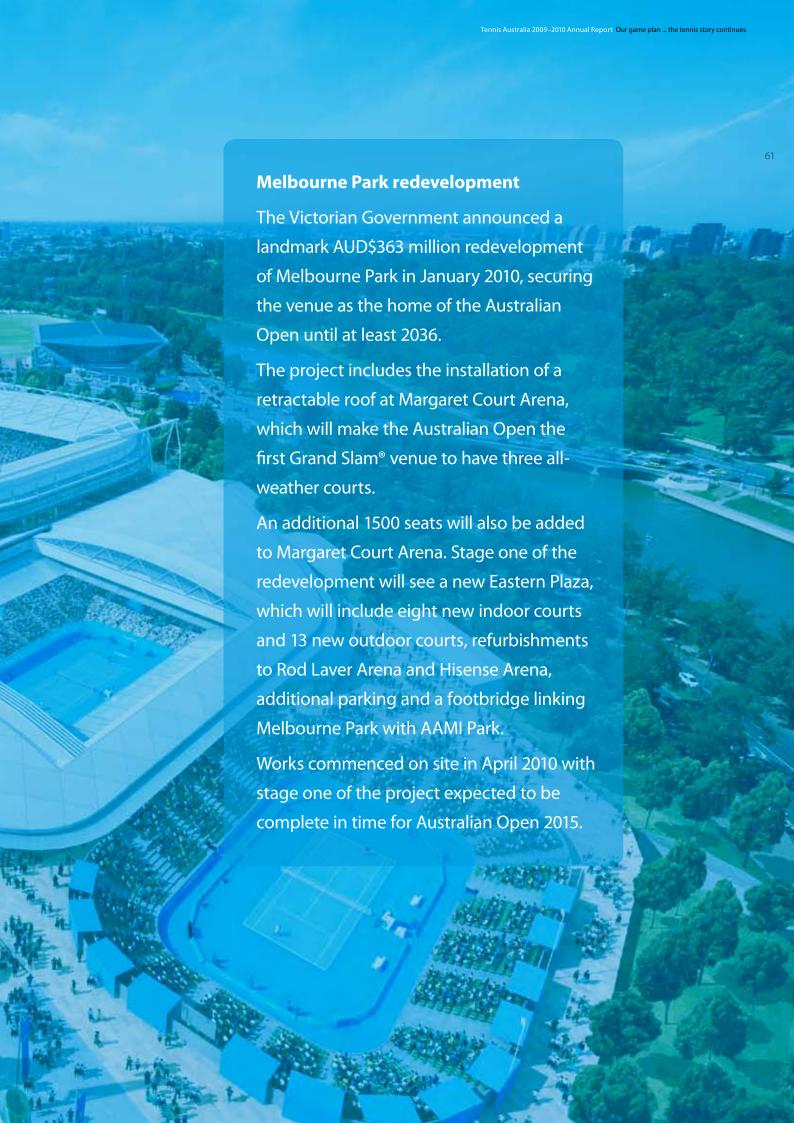
Paperless office

TA moved further towards a completely paperless office system with the archiving of all Accounts Receivable reports and invoices. Payroll had already gone paperless with all year round staff receiving pay slips and PAYG Summary information electronically. This has enhanced the efficiency of the payroll process and accounts receivable function.



Tennis Australia is investigating a clay surface with a sub surface irrigation system to ensure water saving.





Change continued

Domain Tennis Centre redevelopment

The Moorilla Hobart International was secured for a further three years in January 2010. The event is now well and truly established in the Tasmanian sporting calendar and the announcement sees it through to its 20th year and beyond.

The early stage of phase two construction began at the Domain Tennis Centre in June 2010. Construction will see two new permanent stands built on the eastern and western sides of centre court.

The finished project will add 2000 public seats with some shade areas and follows the construction of the corporate and media stand completed in late 2009. The AUD\$3.45 million redevelopment is funded by the Tasmanian Government and is scheduled to be complete by late November 2010, ensuring the public are treated to brand new, first class facilities at the Moorilla Hobart International in January 2011.

The finished project will add 2000 public seats with some shade areas and follows the construction of the corporate and media stand completed in late 2009.



Two new permanent stands will be built on the eastern and western sides of centre court at the Domain Tennis Centre.



An extra 2000 public seats will be available at the Moorilla Hobart International in 2011.



The site plan of the Cairns International Tennis Centre.

Cairns to serve up international tennis action

Cairns' newest sporting jewel, the Cairns International Tennis Centre, will play host to the opening round of the Australian Pro Tour in September 2010.

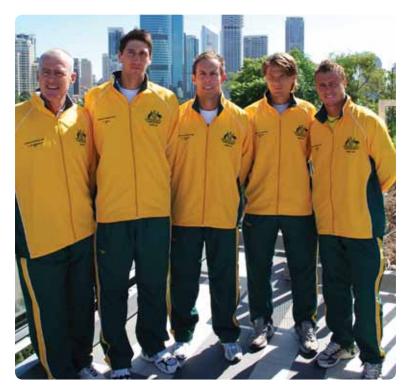
The Cairns Tennis International was announced in May 2010 by Australian tennis great John Fitzgerald and Cairns Regional Council Mayor Val Schier. The week-long event is sponsored by the Cairns Regional Council, Tennis Queensland and TA.

The development of the Cairns International Tennis Centre was made possible by funding contributions by the Cairns Regional Council, the Queensland Government (Department of Communities), Tennis Queensland and TA under the Regional Tennis Facilities Program jointly initiated by Tennis Queensland and the Queensland Government.

The Cairns International Tennis Centre is also the venue for the Davis Cup World Group Play-off between Australia and Belgium.



A site inspection was conducted in 2010.



The Cairns International Tennis Centre will play host to the Davis Cup World Group Play-off between Australia and Belgium in September 2010.



Stephen Healy

Meet the next President

New South Wales lawyer Stephen Healy was elected as the next President of Tennis Australia on 19 April 2010.

Healy has an understanding of tennis from grassroots right through to the elite level. He was a member of TA's Player Development Board and has had long-time experience with TA.

Healy fulfilled the role of President elect until October 2010 when Geoff Pollard will retire from the role at TA's Annual General Meeting.

Stephen Healy - biography

Stephen Healy is a partner of Gadens Lawyers. He heads their national property, construction and planning group responsible for core operations, profitability, staff management and client service and development. His clients include: AMP, Stockland, GPT, Australand, Harvey Norman and Brookfield Multiplex.

He has been a Director of the Board of Tennis NSW since 2002, holding the role of Vice President from 2005–2007, and President since 2007.

As President of Tennis NSW, Healy has instigated and led a number of strategic changes. He commissioned an independent review of the governance and structure of the organisation, appointed a new CEO, negotiated a tournament agreement for the Medibank International Sydney with TA, led the development of a strategic plan; and eliminated 17 sub-committees and formed two new organising committees responsible for grassroots participation.

In 2008 he was elected to the Board of TA. During his time on the Board, Healy has led discussion and debate on the role and responsibilities of TA and those of Member Associations (MAs). He has been instrumental in securing greater distributions from TA reserves to MAs for the funding of community tennis.

Healy held an ATP singles and doubles ranking (1984). He has a Bachelor of Economics and Laws from Sydney University.





30th anniversary

Evonne (Goolagong) Cawley winning her second Wimbledon ladies' singles title in 1980.

"I think I appreciated it a whole lot more because I got to the [Wimbledon] final three years between '71 and '80 and figured that I could still do it and I was playing really well when I came back after Kelly (her first child)."

– Evonne (Goolagong) Cawley

40th anniversary

Margaret (Smith) Court's extraordinary 1970 calendar-vear Grand Slam® "There was something about that year ... I'd gone so close – two other times I'd won three out of four, but that year somehow I just knew I had a chance of winning the Grand Slam®."

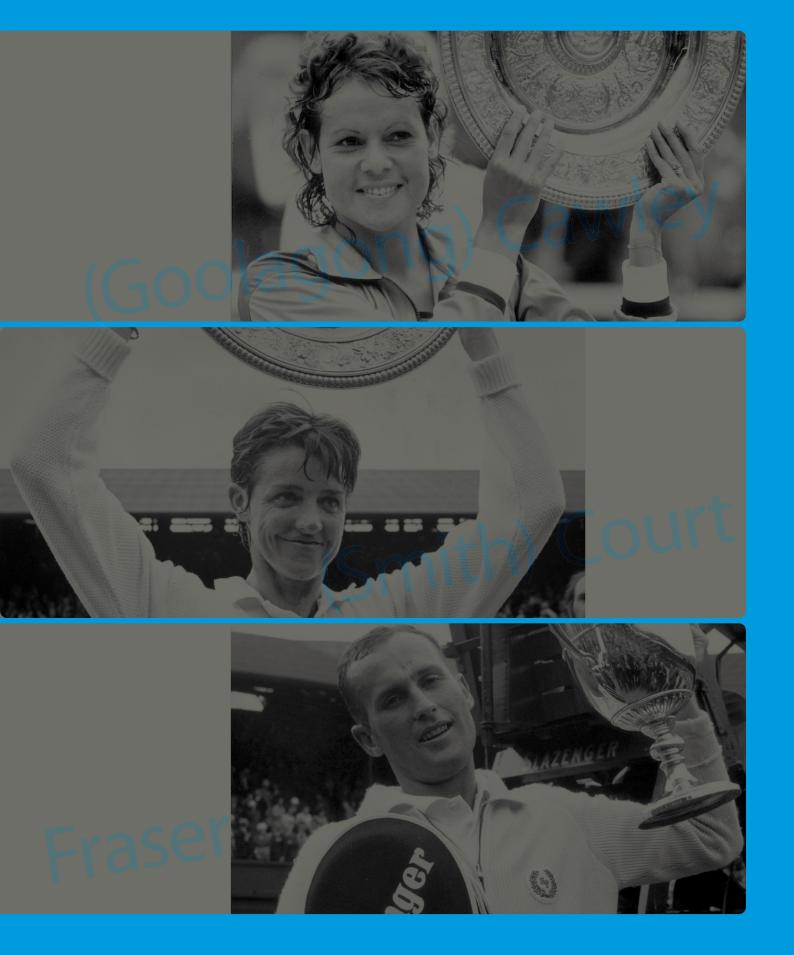
– Margaret (Smith) Court

50th anniversary

Neale Fraser's 1960 Wimbledon victory. "It's hard to believe that it's 50 years ago ...

It doesn't seem that long ago. Just to be able to say that you're a Wimbledon champion has given me enormous pleasure."

– Neale Fraser











Lew Hoad, Ken Rosewall

Frank Sedgman, John Harry Hopman



Fred Stolle, Gerald Patterson



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

Australia inducted into the International Tennis Hall of Fame



Mal Anderson, Nancye (Wynne) Bolton



Mervyn Rose, Thelma (Coyne) Long



(first administrator to be inducted)



No induction – Australian Open Centenary













TA – 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, which is the Grand Slam of Asia/Pacific, is owned and organised by TA each year at Melbourne Park. The Members (shareholders) of TA are the six state and two territory tennis associations also known as the Member Associations (MAs).

The Annual General Meeting (AGM) was held on 26 October 2009 at which Geoff Pollard was re-elected President of Tennis Australia for a further one-year term. Ashley Cooper and Dr Janet Young were re-elected and Bill Cossey replaced David Stobart, all for two-year terms. Pollard announced he would not be seeking re-election at the 2010 AGM.

A Special General Meeting (SGM) was held on 6 March 2010 at which significant changes were made to the Constitution to:

- allow for the election of a second Vice President
- allow for three-year terms for President and other Directors
- provide for the President and other Directors to be ineligible for re-election for a period of one year following two consecutive three-year terms
- allow for an early election process for President.

As a result of these changes, a further SGM was held on 19 April 2010 and Stephen Healy was elected to become the next President of TA following the AGM in October 2010.

Composition of the Board of Directors

The Board comprises up to nine Directors of whom seven, including the President, are elected by the MAs at a General Meeting and up to two elected by the Directors at a Board meeting. The current Directors were elected for staggered two year terms, but all future elections will be for staggered three year terms. The Board re-elected Ashley Cooper as Vice President and extended the terms of Chris Freeman and Scott Tanner to 1 December 2011.

Under the Constitution by 2012 all Directors will be independent of MA affiliation while they serve on the Board. Currently three Directors have MA affiliation and this will be reduced to two at the 2010 AGM, one in 2011 and zero by 2012. This completes the significant developments in Corporate Governance reforms undertaken over recent years.

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 its performance against these goals on behalf of the MAs.

The Board met eight 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 see page 72 and a record of attendance at the eight meetings held during the year and other relevant data for the Directors is shown in the Directors' report.

Consistent with good Corporate Governance, TA conducted a Board-as-a-whole performance survey in June 2010, with the results being considered by the Board at its July and subsequent meetings.

The role of the Chief Executive Officer (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 Senior Management Team is appropriately qualified and sufficiently experienced to discharge its responsibilities.

TA Audit and Risk Committee

The Board has an Audit and Risk Committee of four non-executive Directors, which is chaired by Chris Freeman and also includes Stephen Healy, Bill Cossey and Graeme Holloway with the Chairman 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.



MLC Tennis Hot Shots is a Tennis Australia program promoted by the Member Associations.

TA's Remuneration Committee

TA's Remuneration Committee consists of the Vice President Ashley Cooper (Chairman) Chris Freeman and Harold Mitchell. Apart from the President, no Director receives any remuneration from the Company.

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, monitor investment transactions and to invest 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 Members' funds. The Committee consists of Harold Mitchell (Chairman), Scott Tanner, Geoff Pollard, David Roberts, Dr Janet Young and Steve Wood 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 2009–2010.

Activities of the Nominations Committee

The Nominations Committee is chaired by the President and consists of all Directors and the CEO ex-officio. It met in Executive Sessions during Board meetings.

The Board also appointed a President Selection Sub-Committee of Geoff Pollard (Chairman), Ashley Cooper, Harold Mitchell, Scott Tanner and Bill Cossey to help plan the orderly transition on the retirement of the current President.

TA's relationship with its MAs

Although the MAs are shareholders of TA they are more involved in certain activities than normal Company shareholders in that they implement many of TA's programs and activities. The Board of Directors adopts a policy of continuous disclosure with shareholders with a phone call briefing to all MAs following each Board meeting and the circulation of a Board meeting executive summary to all MAs immediately following each meeting.

Further, the CEO conducts regular meetings with the CEOs of each MA as does the Director of Tennis with High Performance Managers in each MA, and with Community Tennis staff at MA level. The Board and CEO meet at least twice a year with the MA Presidents and additional Member Delegates in a strategic planning forum.

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 shareholders in the Company are the eight MAs, trading in company securities is not applicable.

TA has a Member Protection Policy, an Events Disciplinary Policy and a TA Disciplinary Policy that protect all members of the tennis community.

For further details see tennis.com.au.

Tennis Australia Board



GEOFF POLLARD (PRESIDENT) AM MSc, AIA, FAIM, FAICD Chairman Tennis Australia (since 1989) Councillor Tennis Australia (1978–2006) Vice President Director, International Tennis Federation Trustee Melbourne and Olympic Parks Trust President Oceania Tennis Federation



ASHLEY COOPER (VICE PRESIDENT) AO
President Tennis Queensland (2004–2009)
Director Tennis Australia (since 2004)
Councillor Tennis Australia (1998–2006)
Director Tennis Queensland (1997–2009)
International Tennis Hall of Fame (inducted 1991)
Australian Tennis Hall of Fame (inducted 1996)



B.Sc
Director Tennis Australia (since 2009)
President Tennis South Australia (since 2005)
Chairman Australian Central Credit Union (since 2009)
Chairman Energy industry Ombudsman's Board (South Australia) (since 2009)
Chairman Don Dunstan Foundation (since 2003)
Council Member University of South Australia (since 20)

Council Member University of South Australia (since 2002)
Deputy Chair ECH Inc (since 2004)
Member South Australia Government Social Inclusion
Board (since 2004)

Member East Waste Board (since 2010)



CHRIS FREEMAN AM

BILL COSSEY AM

B.Com FAICD FAIBF FDIA
Director Tennis Australia (since 2007)
Chairman United Arab Emirates, United Kingdom and Queensland Mirvac (since 2008)
CEO Mirvac Development for Queensland (since 1998)
Committee member Queensland Government's Q150
Celebration Committee (since 2007)
Adjunct-Professor of the University of Queensland (since 2006)



HAROLD MITCHELL AO

Director Tennis Australia (since 2008)
Director TVS Ltd (since 2007)
Executive Chairman Mitchell Communication Group
Ltd (formerly emitch Ltd) (since 2007)
Chairman Thorough Vision (since 2003)
President Museums Board of Victoria (2001–2008)
Director Opera Australia (1997–2009)
Director Asthma Foundation, Vic. (since 1993),
President (1995–2001)
Director CARE Australia
Director Deakin Foundation
Director Arts Exhibitions Australia



STEPHEN HEALY

BEc and LLB
Director Tennis Australia (since 2008)
President Tennis New South Wales (since 2007)
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)

Partner of Gadens Lawyers, Group Leader Commercial Property, Construction and Planning Former ATP ranked singles and doubles player Australian junior doubles champion 1977



GRAEME HOLLOWAY

PhC MPS JP MAICD Director Tennis Australia (since 2008) Director Tennis Tasmania (2003–2008) President Tennis 35+ Seniors Tasmania (2002 - 2008)National Director Pharmaceutical Society of Australia (PSA) (2006-2008) PSA representative Australian Pharmacy Examining Council (APEC) (since 2006) President PSA Tasmania (2004-2008) Treasurer APEC (1998-2002) Board Member Pharmacy Board of Tasmania (1987-2002), President (1998-2002) Member for Tasmania, APEC (1987-2002) Australian Pharmacy Registering Authority, represented Tasmania (1997–2002)



SCOTT TANNER

B.App.Sc, MBA
Director Tennis Australia (since 2007)
Director Bain & Company, Inc
Fellow Australian Institute of Company Directors
Trustee Melbourne and Olympic Parks Trust



DR JANET YOUNG

PhD, MAPS, BA (Hons), B.Com Director Tennis Australia (since 2008) Head of Women's Tennis, Tennis Australia (2000–2005) Tournament Director WTA Tour Event Canberra

(2000–2005)

Manager Fed Cup (2000-2005)

Member ITF Pro Circuit committee (2003–2004) Manager Maureen Connolly Brinker Cup (2001–2005)

Player Services Supervisor Australian Open (1989–2002)

Tour Director and Referee WTA (1979–1986)
Director Tennis International Consultants Pty Ltd (1979–2000)

Director Key Personnel Pty Ltd (1984–1988) Director John P Young and Associates Pty Ltd (1980–1989)

Director Sanlinnet Pty Ltd (since 1980)



 $The \ Board \ of \ Directors \ is \ responsible \ for \ guiding \ and \ monitoring \ Tennis \ Australia.$



Left to right: Bill Cossey, Janet Young and Harold Mitchell at a Tennis Australia Board meeting.



Office Bearers
STEVE WOOD (CHIEF EXECUTIVE OFFICER)
B.Bus



DAVID ROBERTS (COMPANY SECRETARY)
B.Bus, CPA

Member Delegates

Member Associations are represented by the following delegates at Tennis Australia's AGM and at strategic planning forums.

ACT Bruce Lilburn NSW Harry Beck, Mick Parslow NT Warren Martin Bill Cossey, Kent Thiele SA Peter Armstrong, Philip Bowden Tas. Vic. David Stobart, Geoff Stone WA Dean Williams, Jim Davies Qld Ken Laffey, Doug Kingston

Office bearers, life members, service awards and committees

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.Y. REID, OBE 1969–1977
B.R. TOBIN, AM 1977–1989
G.N. POLLARD, AM 1989–

BOARD OF DIRECTORS

(SINCE 23 MAY 1994) G.N. POLLARD, AM 1994-D.L. NICHOLL, AM 1994-2008 W. BEISCHER 1994-2008 J.G. FRASFR, 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-D. STOBART 2005-2009 C. FREEMAN, AM 2007-S. TANNER 2007-S. HEALY 2008-G. HOLLOWAY 2008-H. MITCHELL, AC 2008-DR LYOUNG 2008-B. COSSEY, AM 2009-

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 CORHAM 1950-1965 T.M. KENNEDY 1960-1964 J.P. YOUNG, OBE 1964-1974 J.N. WATT 1966-1968 G.W. SAMPLE 1968-1970 G F 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-M. PARSLOW 2010-

QUEENSLAND

F. PEACH 1926 E. MARTIN 1926 L.A. BAKER 1926-1949 W S SPROULF 1926-1938 A H BARRACI OUGH 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-D. KINGSTON 2010-

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. BARBOUR 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. COSSEY, AM 2005-

VICTORIA

S.E. JAMISON 1926 R.M. KIDSTON 1924 W.J. LAMPARD 1924-1926 H. MAI COLM 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– G. STONE 2004–

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-P. BOWDEN 2008-

WESTERN AUSTRALIA

L.M. HOWELL 1926 R. EAGLE 1922 H.G. JEFF ERSON 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 1998-2008 J. DAVIES 2008-D. WILLIAMS 2008-

AUSTRALIAN CAPITAL TERRITORY

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–

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

L.M. HOWELL 1925 H.G. JEFF ERSON 1925–1926 W.J. DAISH 1926-1931 R.R. TRELOAR 1931-1934 D.M. FERGUSON 1935–1953 J.K. HALL, OAM 1953–1961 J.K. KENNEDY 1961–1968 J.K. HALL, OAM 1968–1979 J.L.C. MCINNES, OAM

HONORARY SECRETARIES

T.M. HICKS 1904–1926 H. MALCOLM 1926–1934

COMPANY SECRETARIES

A.H. BARRACLOUGH 1933–1938 J.F. FULLARTON 1938–1951 J.A.C. ANDREW 1951–1979 C.C. MCDONALD 1979–1987 T.J. DOHNT 1987–1997 D.A. ROBERTS 1997–

Tennis Australia National Award for Service to the Game

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 MAY COLIN MCDONALD BARRY MCMILLAN 2004 PETER BELLENGER 2005 DENNIS DALL HAMISH MACMILLAN TODD WOODBRIDGE, OAM 2006 IAN BASEY LINDSAY COX MIKE DAWS JIM SHEPPARD

JOHN WHITTAKER, OAM

WILLIAM (BILL) BEISCHER

ALAN TRENGOVE

JUDY DALTON

FENTON COULL

DAVID JUDE

DAVID HALL, OAM

ANDREA MITCHELL

KEN RICHARDSON CAROL LANGSFORD, OAM

2008

2009

COLIN STUBS 2007

Life Members

IOHN ANDREW + SIR NORMAN BROOKES † BILL EDWARDS, OBE † DONALD FERGUSON, OBE † DR JOHN FRASER, OAM NEALE FRASER, AO, MBE KEN HALL, OAM † VIV HOLLOWAY, OAM † DES NICHOLL, AM HARRY PITT, CMG, OBE † WAYNE REID, OBE TONY RYAN † FRED SMALL † CLIFF SPROULE, OBF + BRIAN TOBIN, AM HAROLD WALKER † **ROY YOUDALE** †

Tennis Australia Committees (as at 30 June 2010)

† DECEASED

AUDIT AND RISK COMMITTEE

CHRIS FREEMAN (CHAIRMAN) BILL COSSEY STEPHEN HEALY GRAEME HOLLOWAY GEOFF POLLARD STEVE WOOD (EX OFFICIO)

INVESTMENT ADVISORY COMMITTEE

HAROLD MITCHELL (CHAIRMAN)
GEOFF POLLARD
DAVID ROBERTS
SCOTT TANNER
STEVE WOOD
JANET YOUNG

REMUNERATION COMMITTEE

ASHLEY COOPER (CHAIRMAN) CHRIS FREEMAN HAROLD MITCHELL

NOMINATIONS COMMITTEE

GEOFF POLLARD (CHAIRMAN) ALL MEMBERS OF THE TA BOARD

AUSTRALIAN OPEN FOCUS

STEVE WOOD (CHAIRMAN)
STEVE AYLES
DEAN BROSTEK
JACQUIE MANGAN
DIGBY NANCARROW
DARREN PEARCE
CAMERON PEARSON
GEOFF POLLARD
DAVID ROBERTS
CRAIG TILEY
RAELENE TURNER
CHRIS YATES

Sponsor acknowledgements

TENNIS AUSTRALIA PARTNERS, SPONSORS AND SUPPLIERS

AMETRIALIAN

Australian Paralympic Committee

Wheelchair Athlete Development and Paralympic and World Team Cup Supporter.



Australian Sports Commission/Australian Institute of Sport Sports Development Grant for Participation and AIS Tennis Program.



Australian Davis Cup Tennis Foundation.



Optus

Naming rights to Optus Junior Tour, Optus National Junior Championships, Optus Australian Open Wheelchair Championships and Optus Australian Wheelchair Tennis Team.



Wilson

Official Ball Tennis Australia, Australian Pro Tour, Optus National Junior Championships, MLC Tennis Hot Shots and Talent Search Development Program.



Plexicushion

Official Court Surface.

AUSTRALIAN OPEN SPONSORS, PARTNERS AND SUPPLIERS

Australian Open 2010 Sponsors

Major Sponsor



Kia Motors

Official Supplier of Motor Vehicles.

Associate Sponsors



ANZ

Official Bank.

JACOB'S CREEK

Jacob's Creek Official Wine Supplier.



Rolex

Official Timekeeper and Timepiece.

Partners



IBM

Official Information Technology Partner.



Lacoste

Official Outfitter.



MLC

Official Advice, Life Insurance and Super.



Optus

Official Telecommunications Provider.



State Government of Victoria.

Sponsors



Australia Post

Official Supplier of Expedited Mail Services and Parcel Services.



Cussons Pure

Official Supplier of Personal Care Products.



Evian

Official Supplier of Still Water.

★ Heineken

Heineken

Official Supplier of Beer.

Panasonic

Panasonic

Official Consumer Electronics.

POWERADE.

Powerade

Official Sports Drink.

Vaustralia*,*

V Australia

Official Airline.

Wilson

Wilsor

Official Ball Equipment Provider, Official Stringer.

Sponsor acknowledgements continued

Official Suppliers



Aruba

◆ betfair.com

Betfair

Official Sports Betting Operator.



Cancer Council Australia Official Sunscreen Supplier.



City of Melbourne.

livingedge

Living Edge Furniture Rentals Official Supplier of Prestige Furniture.



Mars Official Confectionary.



Melbourne and Olympic Parks Trust Official Supplier of Venue Services.

middletons straight talking

Middletons

Official Supplier of Legal Services.



Official Supplier of Print Solutions and Office Automation.



Official Supplier of Ice Cream.



News Custom Publishing Publisher of the Official Tournament Program and Daily Schedule.

Nintendo

Nintendo

Official Gaming Console.



North One Television Official Supplier of Broadcast Production Services.

Official Media Partners



Official AM Radio Station.



Official FM Radio Station.

Herald Sun

Herald Sun Official Newspaper.

Official Hotel Suppliers



Bayview on the Park Melbourne Official Junior Player Hotel.



Official Tournament Guests' Hotel.



Grand Hyatt Melbourne Official Player Hotel.



Hilton on the Park Melbourne Official Media, Broadcast and Officials' Hotel.

SOFITEL

MELBOURNE ON COLLINS

Sofitel Melbourne on Collins Official Tournament Guests' Hotel.

Official Broadcast Partners Domestic Broadcasters



Seven Network Free-to-air TV/Host Broadcaster.

International Broadcasters



Abu Dhabi Pan-Middle East.



CN Sports Interactive China.



ESPN International Central and South America.



ESPN

North America.



ESPN Star Sports Pan-Asia (excl. China and Japan).



Eurosport Pan-Europe



FIJITV Fiji.



Sky New Zealand New Zealand.



Supersport Pan-Africa.



WOWOW Japan.

Australian Open Series 2010 **Major Sponsors**

medibank

Medibank Private Medibank International Sydney.

MOORILLA REFINED WINE

Moorilla Wines, Events Tasmania Moorilla Hobart International.



Queensland Events Brisbane International.





Brisbane Marketing and Brisbane City Council Brisbane International.

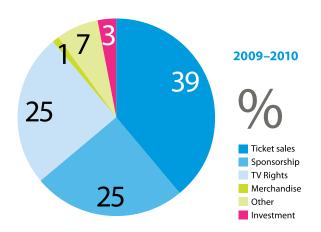
Financial highlights for the year ended 30 June 2010

Contents Directors' report Statement of comprehensive income Statement of changes in equity Statement of financial position Statement of cash flows Notes to the financial statements Directors' declaration Independent auditor's report Auditor's opinion Independence declaration

Revenue

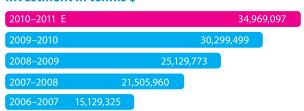
Tennis Australia revenue \$

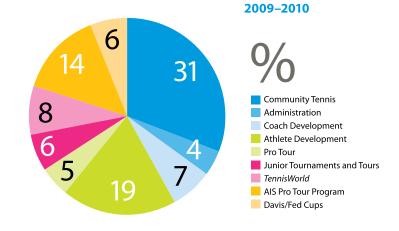
2010–2011 E	167,794,163
2009–2010	153,258,421
2008–2009	133,172,625
2007–2008	115,863,274
2006–2007	99,378,010



Tennis

Investment in tennis \$





Directors' report

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

The Directors present their report together with the financial report of Tennis Australia Limited ('the Company') for the financial year ended 30 June 2010 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		
G N Pollard, AM	Director	Director since 1984
Vice President		
A J Cooper, AO	Administrator	Director since 2004 (VP since 2009)
Directors		
W R Cossey, AM	Company Director	Appointed 26 October 2009
C Freeman, AM	Property Developer	Director since 2007
S Healy	Legal Practitioner	Director since 2008
G Holloway	Pharmacist	Director since 2008
H Mitchell, AC	Company Director	Director since 2008
D Stobart	Consultant	Director since 2005 (until 26 October 2009)
S M Tanner	Strategy Consultant	Director since 2007
Dr J Young	Director	Director since 2008

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 N	leetings		and Risk e Meetings		neration e Meetings		nt Advisory e Meetings		nation e Meetings
	Α	В	Α	В	Α	В	Α	В	Α	В
G N Pollard	8	8	2	2	1	1	2	1	1	1
A J Cooper	8	8			1	1			1	1
W R Cossey	5	5	1						1	1
C Freeman	8	7	2	2	1	1				
S Healy	8	8	2	2	1	1				
G Holloway	8	7	1	1	1	1				
H Mitchell	8	8			1	1	2	2	1	1
D Stobart	3	3	1	1	1	1				
S Tanner	8	7			1		2	2	1	1
Dr J Young	8	8			1	1	2	2		

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

 $\mbox{\bf B}$ – Number of meetings attended

3. Corporate governance

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

Committee and met once in the year under review. The Board of Directors also meets as a separate Nomination Committee and met once in the year under review.

Directors' report continued

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

4. Short and long term objectives and strategies for achieving those objectives

The Company's objectives and strategies are as follows:

- to create champion tennis players via an elite player performance pathway
- to ensure Australians participate in tennis by funnelling participants through several participation programs, ensuring tennis coaches are adequately trained through coach education programs and to run tournaments and competitions for all level of players
- to service the devoted tennis fans in Australia by delivering the summer of tennis culminating in the Grand Slam of the Asia/Pacific, the Australian Open
- to invest in the game by reinvesting the revenue generated from staging the Australian Open back into the sport to fund the objectives and strategies.

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.

6. Performance measures

The Company has a detailed annual Profession Development Review (PDR) process that ensures key performance indicators (KPIs) are set across all business units in the Company. These KPIs 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 tennis programs.

7. Operating and financial review

The Company's net result for the year ended 30 June 2010 was a net surplus of \$8,176,358. This compares with a net deficit of \$7,185,638 for the year ended 30 June 2009.

The Company's decision (in the latter part of the year ended 30 June 2009) to adopt a more conservative approach in its investment strategy has seen an improvement of the performance of the managed fund. In the year ended 30 June 2010, the managed funds have increased by \$2,698,534 (compared to a \$5,053,496 decrease in 2009).

The Company has continued its activities and expenditures for tennis development and promotion and has also continued to target player development, community tennis, marketing and media.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Company during the financial year under review.

8. Events subsequent to reporting date

During the year the Victorian Government committed \$363m to fund a facility development of Melbourne Park. Subsequent to the June 2010 period end the Company is negotiating with Melbourne and Olympic Parks Trust with respect to future commercial arrangements between the parties.

9. Likely developments

Information about likely developments in the operations of the Company and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

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 \$24,475 in respect of this policy (2009: \$24,602).

11. Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 103 and forms part of the Directors' report for the financial year ended 30 June 2010.

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

3

C Freeman, AM Director

Dated at Brisbane this 30th day of August 2010.

Statement of comprehensive income For the year ended 30 June 2010

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

	Note	2010	2009
		2.404.652	4 016 001
Revenue from sale of goods	6	2,404,653	4,816,901
Revenue from operations and events	6	142,705,813	127,748,695
Other revenues from operating activities	6	187,123	248,174
Total revenue	6	145,297,589	132,813,770
Other income	7	4,016,883	4,195,987
Operations & events expenses		(79,799,083)	(84,034,488)
Tennis expenses		(30,299,499)	(25,129,773)
Commercial & marketing expenses		(4,484,082)	(4,398,209)
Media expenses		(2,155,957)	(2,395,516)
Events co expenses		(13,462,015)	(12,504,865)
Borrowing costs	8	(19,542)	(46)
Other expenses		(14,493,151)	(11,895,366)
Total expenses		(144,713,329)	(140,358,263)
Finance income	9	3,943,949	2,066,822
Finance expenses	9	(368,734)	(5,903,954)
Net finance income/(expense)	9	3,575,215	(3,837,132)
Net surplus/(deficit) for the period		8,176,358	(7,185,638)
Other comprehensive income		-	-
Total comprehensive income for the period		8,176,358	(7,185,638)

The statement of comprehensive income is to be read in conjunction with the notes of the financial statements set out on pages 84 to 101.

Statement of changes in equity For the year ended 30 June 2010

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

	Facility development reserve	Player & participation development reserve	Retained earnings	Total equity
Balance at 1 July 2008	12,000,000	8,000,000	4,193,342	24,193,342
Total comprehensive income for the period				
Total other comprehensive income	-	-	-	-
Surplus/(deficit) for the period	-	-	(7,185,638)	(7,185,638)
Use of National Facility Development Reserve	(6,051,905)	-	6,051,905	-
Balance at 30 June 2009	5,948,095	8,000,000	3,059,609	17,007,704
Balance at 1 July 2009	5,948,095	8,000,000	3,059,609	17,007,704
Total comprehensive income for the period				
Total other comprehensive income	-	-	-	-
Surplus/(deficit) for the period	-	-	8,176,358	8,176,358
Use of National Facility Development Reserve	-	-	-	-
Balance at 30 June 2010	5,948,095	8,000,000	11,235,967	25,184,062

The statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 84 to 101.

Statement of financial positionFor the year ended 30 June 2010

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

		_	
	Note	2010	2009
Assets			
Cash and cash equivalents	11	9,177,302	3,896,604
Trade and other receivables	12	6,483,808	9,432,638
Inventories	13	295,405	447,027
Other financial assets	14	26,992,927	24,249,889
Total current assets		42,949,442	38,026,158
Trade and other receivables	12	683,077	911,315
Intangible assets	15	548,484	605,816
Property, plant and equipment	16	5,007,252	5,895,943
Total non-current assets		6,238,813	7,413,074
Fotal assets		49,188,255	45,439,232
Liabilities			
Trade and other payables	17	9,195,268	7,860,794
Employee benefits	18	1,815,793	1,313,365
Income received in advance	19	9,543,000	14,844,926
Total current liabilities		20,554,061	24,019,085
Employee benefits	18	450,132	412,443
Income received in advance	19	3,000,000	4,000,000
Total non-current liabilities		3,450,132	4,412,443
Total liabilities		24,004,193	28,431,528
Net assets		25,184,062	17,007,704
Members' Equity			
Retained earnings		11,235,967	3,059,609
<u> </u>			
Reserves		13,948,095	13,948,095

The statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 84 to 101.

Statement of cash flows

For the year ended 30 June 2010

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

	Note	2010	2009
Cash flows from operating activities			
Cash receipts from customers		144,992,424	131,687,040
Cash paid to suppliers and employees		(138,896,427)	(130,638,303)
Interest received		508,493	668,317
Borrowing costs		(19,542)	(46)
Net cash from operating activities	25	6,584,948	1,717,008
Cash flows from investing activities			
Net payment of member/affiliate loans receivable		111,614	(174,242)
Acquisition of property, plant and equipment	16	(1,415,864)	(3,359,874)
Acquisition of intangible assets		-	(272,727)
Net cash from investing activities		(1,304,250)	(3,806,843)
Cash flows from financing activities			
Net cash from financing activities		-	-
Net increase in cash and cash equivalents		5,280,698	(2,089,835)
Cash and cash equivalents at 1 July 2009		3,896,604	5,986,439
Cash and cash equivalents at 30 June 2010	11	9,177,302	3,896,604

The statement of cash flow is to be read in conjunction with the notes to the financial statements set out on pages 84 to 101.

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Notes to the financial statements

For the year ended 30 June 2010

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

1. Reporting entity

Tennis Australian Limited (the "Company") is a company domiciled in Australia. The address of the Company's registered office is Batman Avenue, Melbourne, Victoria. The Company's primary business is the development of tennis in Australia.

2. Basis of preparation

The financial statements were approved by the Board of Directors on 30 August 2010.

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

(b) Basis of measurement

The financial report has been prepared on the historical cost basis except that derivative financial instruments and trading investments are stated at their fair value. The methods used to measure fair values are discussed further in note 4.

(c) Functional and presentation currency

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

(d) 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.

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 notes:

- Note 16 property, plant and equipment (impairment assessment and determination of useful lives)
- Note 22 financial instruments (fair value determination)

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) Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling 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.

(b) Financial instruments

(i) Non-derivative financial instruments

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

Financial assets at fair value through profit or loss

An instrument 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. Upon initial recognition, 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.

For the year ended 30 June 2010

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

Loans and receivables

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

(ii) Derivative financial instruments

The Company uses derivative financial instruments to manage 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. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, derivative financial instruments are stated at fair value. 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.

(c) 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 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.

(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 Company 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.

(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:

plant and equipment 3–10 years
 fixtures and fittings 5–10 years
 leasehold improvements
 memorabilia Indefinite

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

(d) Intangible assets

(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 impairment losses.

(ii) 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 when incurred.

(iii) Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

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 IndefiniteTrademarks 10 years

Amortisation methods, useful lives and residual values are reviewed each financial year-end and adjusted if appropriate.

(e) 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 selling expenses.

(f) 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 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.

For the year ended 30 June 2010

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

(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.

(g) 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 the Commonwealth Government bonds at the balance sheet date which have maturity dates approximating to the terms of the Company's obligations.

(ii) Short-term benefits

Liabilities for employee benefits for wages, salaries, annual leave and sick leave represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay as at reporting date including related oncosts, such as workers compensation insurance and payroll tax.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans 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.

(h) 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

(i) Goods sold

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) 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.

(iii) Australian Open revenue

Under agreements entered into with Melbourne and 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 Australian Open 2010. Under the Agreements a percentage of agreed revenue items is payable to the Melbourne and 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.

(j) Other income

(i) 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.

(k) 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.

For the year ended 30 June 2010

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

(I) Finance income and expenses

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 on the date that the Company's right to receive payment is established.

Finance expenses 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. All borrowing costs are recognised in profit or loss using the effective interest method.

(m) Income tax

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.

(n) 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.

(o) 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 8 years with interest charged at the bank bill 180 day swap rate.

(p) New standards and interpretations not yet adopted

The following amendments have been identified which may impact the entity in the period of initial application. These are available for early adoption at 30 June 2010, but have not been applied in preparing these financial statements:

AASB 1053 Application of Tiers of Australian Accounting Standards includes traditional provisions for various different situations including for entities that previously prepared special purpose financial statements and are not required to prepare financial statements under either Tier 1 or 2 as well as for those entities transitioning between the different tiers AASB 1053 will become mandatory for the year ended 30 June 2014. The entity has not yet determined the potential effect of the standard.

AASB 9 Financial Instruments includes requirements for the classification and measurement of financial assets resulting from the first Phase 1 of the project to replace AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 will become mandatory for the entity 30 June 2014 financial statements. Retrospective application is generally required, although there are exceptions, particularly if the entity adopts the standard for the year ended 30 June 2012 or earlier. The entity has not yet determined the potential effect of the standard.

AASB 124 Related Party Disclosures (revised December 2009) simplifies and clarifies the intended meaning of the definition of a related party and provides a partial exemption from the disclosure requirements for government-related entities. The amendments, which will become mandatory for Company's 30 June 2012 financial statements, are not expected to have any impact on the financial statements.

AASB 2009-5 Further amendments to Australian Accounting Standards arising from the Annual Improvements Process affect various AASBs resulting in minor changes for presentation, disclosure, recognition and measurement purposes. The amendments, which become mandatory for the Company's 30 June 2011 financial statements, are not expected to have a significant impact on the financial statements.

AASB 2009-8 Amendments to Australian Accounting Standards – Group Cash - settled Share-based Payment Transactions resolves diversity in practice regarding the attribution of cash-settled share-based payments between different entities within a group. As a result of the amendments AI 8 Scope of AASB 2 and AI 11 AASB 2 – Group and Treasury Share Transactions will be withdrawn from the application date. The amendments, which become mandatory for the Company's 30 June 2011 financial statements, are not expected to have a significant impact on the financial statements.

AASB 2009-10 Amendments to Australian Accounting Standards – Classification of Rights Issue [AASB 132] (October 2010) clarify that rights, options or warrants to acquire a fixed number of an entity's own equity instruments for a fixed amount in any currency are equity instruments if the entity offers the rights, options or warrants pro-rata to all existing owners of the same class of its own non-derivative equity instruments. The amendments, which will become mandatory for the Company's 30 June 2011 financial statements, are not expected to have any impact on the financial statements.

AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement – AASB 14 make amendments to Interpretation 14 AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements removing an unintended consequence arising from the treatment of the prepayments of future contributions in some circumstances when there is a minimum funding requirement. The amendments will become mandatory for the Company's 30 June 2012 financial statements, with retrospective application required. The amendments are not expected to have any impact on the financial statements.

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments addresses the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability. IFRIC 19 will become mandatory for the Company's 30 June 2011 financial statements, with retrospective application required. The Company has not yet determined the potential effect of the interpretation.

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4. Determination of fair values

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.

(ii) 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.

(iii) Trade and other receivables

For receivables with a remaining useful life of less than one year, the notional amount is deemed to reflect the fair value. All other receivables are discounted to determine the fair value.

(iv) Derivatives

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.

5. Financial Risk Management

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

- Credit risk
- Liquidity risk
- Market risk
- Operational 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 their 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 11 per cent (2009: 7 per cent) 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. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

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Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation.

Typically the Company ensures that it has sufficient cash to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of investments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Price Risk

Price risk is the risk that the fair value of investment securities will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Price 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.

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 hedges at least 95 per cent 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.

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 providers.
- $\bullet \ \ Review \ the \ performance \ of \ these \ service \ providers.$
- 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.
- Review compliance with and the ongoing appropriateness of, the organisation's Reserves Policy and Investment strategy.

For the year ended 30 June 2010

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Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations. The Company's objective is to manage the operations risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including independent authorisation of transactions.
- Requirements for the reconciliation and monitoring of transactions:
- · Compliance with regulatory and other legal requirements.
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- Requirements for the reporting of operational losses and proposed remedial action.
- Development of contingency plans.
- Training and professional development.
- Ethical and business standards.
- Risk mitigation, including insurance where this is effective.

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

	2010	2009
Revenue from sale of goods	2,404,653	4,816,901
Revenue from operations & events	142,705,813	127,748,695
Other revenues:		
nterest received:		
- affiliated clubs / associations & Member Associations	36,805	40,682
- other parties	150,318	207,492
	187,123	248,174
Total revenue	145,297,589	132,813,770

Notes to the financial statements continued For the year ended 30 June 2010

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7. Other Income

	2010	2009
Government grants	4,016,883	4,195,987
Total other income	4,016,883	4,195,987

Government grants

The Company has been awarded government grants from the Australian Sports Commission (ASC), Australian Olympic Committee (AOC), Australian Commonwealth Games Association (ACGA) Australian Paralympic Committee (APC) 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 Panel. A second ASC grant relates to Indigenous sport programs and is dependent upon the Company providing Indigenous tennis programs. The AOC and ACGA grant is provided to support and develop international competition, the APC grant is provided to support high performance programs in wheelchair tennis and the Tourism Victoria grant is provided to promote Melbourne and Victoria. These grants are recognised as income at their fair value at the time they became receivable.

8. Other expenses

The Company has the following expenses:

	2010	2009
Borrowing costs		
- other parties	19,542	46
Depreciation expense		
- plant and equipment	1,756,386	1,980,098
- leasehold improvements	524,945	495,975
Amortisation expense		
- intangibles	57,332	-
Facility grants	3,000,376	3,004,430
Cost of goods sold		
- cost of inventories	900,253	1,902,690
- write down in value of inventories	-	140,661
Movement in the provision for employee entitlements	540,118	428,824
Operating lease rental expense	588,372	435,164

The facility grants of \$3,000,376 above relate to Tennis Australia's National Court Rebate Scheme.

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9. Finance income and expenses

Recognised in profit or loss

	2010	2009
Interest income on investments at fair value through profit or loss	781,305	371,575
Interest income on bank deposits	321,370	420,143
Dividend income on investments at fair value through profit or loss	443,705	522,797
Net change in fair value of financial assets at fair value through profit or loss	1,600,759	-
Net change in fair value of other financial assets at fair value through profit or loss	796,810	752,307
Finance income	3,943,949	2,066,822
Net foreign exchange loss	(368,734)	(124,762)
Net change in fair value of financial assets at fair value through profit/loss	-	(5,779,192)
Finance expense	(368,734)	(5,903,954)
Net finance income and expense	3,575,215	(3,837,132)
The above finance income and expense include the following in respect of assets (liabilities) not at fair value through profit or loss:		
Total interest income on financial assets	321,370	420,143

No finance income and expenses are recognised through equity. This is consistent with the statement of comprehensive income on page 80.

The net change in fair value of other financial assets of \$796,810 will be shown as a net foreign exchange loss in the 2011 financial year, as the forward exchange contracts are settled.

10. Auditors' remuneration

	2010	2009
Audit services		
Auditors of the Company		
KPMG Australia:		
Audit and review of financial reports	52,000	50,500
	52,000	50,500
Other services		
Auditors of the Company		
KPMG Australia	3,000	3,000

For the year ended 30 June 2010

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11. Cash and cash equivalents

	Note	2010	2009	
Bank balances		3,511,263	2,027,052	
Call deposits		5,666,039	1,869,552	
Cash and cash equivalents	22	9,177,302	3,896,604	

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.

12. Trade and other receivables

	Note	2010	2009
Current			
Trade receivables		3,175,585	5,337,111
Other receivables		2,179,051	1,496,617
Prepayments		829,648	2,416,009
Facility loans receivable from member affiliated clubs		133,365	126,283
Secured loans receivable from Member Associations		166,159	56,618
		6,483,808	9,432,638
Non-current			
Facility loans receivable from member affiliated clubs		314,208	344,692
Secured loans receivable from member associations		368,869	566,623
		683,077	911,315
3. Inventories			
Inventory on hand		295,405	447,027
		295,405	447,027

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14. Other financial assets

	26,196,117	23,497,582
	796,810	752,307
2	26,992,927	24,249,889
	2	796,810

The Company's exposure to credit, currency and interest rate risks related to investments is disclosed in note 5 and 22.

15. Intangible assets

	Domain name	Trademark	Total
Cost			
Balance at 1 July 2008	32,500	-	32,500
Other acquisitions	-	573,316	573,316
Balance at 30 June 2009	32,500	573,316	605,816
Polongo et 1 July 2000	22.500	F72 216	605.016
Balance at 1 July 2009	32,500	573,316	605,816
Other acquisitions		-	-
Balance at 30 June 2010	32,500	573,316	605,816
Amortisation			
Balance at 1 July 2008	-	-	-
Amortisation charges for the year	-	-	-
Balance at 30 June 2009	-	-	-
Balance at 1 July 2009	-	-	-
Amortisation charges for the year	-	57,332	57,332
Balance at 30 June 2010	-	57,332	57,332
Carrying amounts			
Balance at 1 July 2008	32,500	-	32,500
Balance at 1 July 2009	32,500	573,316	605,816
Balance at 1 July 2009	32,500	573,316	605,816
Balance at 1 July 2010	32,500	515,984	548,484

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16. Property, plant and equipment

No	te Leas	sehold Improvements	Plant and equipment	Memorabilia	Total
Cost					
Balance at 1 July 2008		571,557	9,227,893	1,876,397	11,675,847
Other acquisitions		1,727,351	1,632,523	-	3,359,874
Disposals		-	(9,847)	-	(9,847
Balance at 30 June 2009		2,298,908	10,850,569	1,876,397	15,025,874
Balance at 1 July 2009		2,298,908	10,850,569	1,876,397	15,025,874
Other acquisitions		9,345	1,406,519	-	1,415,864
Disposals		-	(1,393,604)	-	(1,393,604
Balance at 30 June 2010		2,308,253	10,863,484	1,876,397	15,048,134
Depreciation and impairment losses					
Balance at 1 July 2008		339,395	6,324,310	-	6,663,705
Depreciation charge for the year		495,975	1,980,098	-	2,476,073
Disposals		-	(9,847)	-	(9,847
Balance at 30 June 2009		835,370	8,294,561	-	9,129,931
Balance at 1 July 2009		835,370	8,294,561	_	9,129,931
Depreciation charge for the year		524,945	1,756,386	-	2,281,331
Disposals		-	(1,370,379)	-	(1,370,379
Balance at 30 June 2010		1,360,315	8,680,568	-	10,040,883
Carrying amounts					
At 1 July 2008		232,162	2,903,583	1,876,397	5,012,142
At 30 June 2009		1,463,538	2,556,008	1,876,397	5,895,943
At 1 July 2009		1,463,538	2,556,008	1,876,397	5,895,943
At 30 June 2010		947,938	2,182,917	1,876,397	5,007,252

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.

For the year ended 30 June 2010

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17. Trade and other payables

• •			
	Note	2010	2009
Tunda Cundinau		1.550.360	007.011
Trade Creditors		1,550,368	807,011
Derivatives recognised at fair value		7,644,900	7,053,783
	22	9,195,268	7,860,794
8. Employee benefits			
Current			
Provision for long service leave		308,390	198,347
Provision for annual leave		1,507,403	1,115,018
		1,815,793	1,313,365
Non-current			
Provision for long service leave		450,132	412,443
		450,132	412,443
9. Income received in advance			
Current			
Australian Open		9,025,986	13,946,702
Other		517,014	898,224
		9,543,000	14,844,926
Non-current			
Australian Open		3,000,000	4,000,000
		3,000,000	4,000,000
0. Finance facilities			
For more information about the Company's exposure to	interest rate and fo	reign currency risk, see	note 22.
Financing facilities not used at reporting date			
Bank overdraft facility		500	500
		500	500

Financing arrangements

Bank overdrafts

The bank overdraft is secured by a floating charge from the Company. Interest on bank overdrafts is charged at prevailing market rates.

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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. Financial instruments

Credit Risk

Exposure to credit risk

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date was:

		Carrying amount	Carrying amount	
	Note	2010	2009	
Trade and other receivables (less prepayments)	12	6,337,237	7,927,944	
Cash and cash equivalents	11	9,177,302	3,896,604	
Other financial assets		18,231,329	9,623,446	
		33,745,868	21,447,994	

At reporting date, 99% of the Company's trade and other receivables (less prepayments) and cash and cash equivalents exposed to credit risk were located in Australia (2009: 99%). Approximately 6% of other financial assets exposed to credit risk were allocated outside of Australia (2009: 6%).

The Company's most significant customer accounts for 48% or \$1,445,604 of the trade receivables carrying amount at 30 June 2010 (2009: 31% or \$1,650,000).

Impairment losses

The aging of the Company's trade receivables at the reporting date was:

2,704,821	4,868,095
120,884	173,321
283,531	194,875
102,716	117,720
3,211,952	5,354,011
es during the year was	as follows:
16,900	135,620
19,467	(118,720)
36,367	16,900
•	120,884 283,531 102,716 3,211,952 es during the year was 16,900 19,467

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Liquidity Risk

The following are the contractual maturities of financial liabilities, including interest.

30 June 2010	Note	Carrying amount	Contractual cash flows	6 mths or less
Non-derivative financial liabilities				
Trade and other payables	17	9,195,268	(9,195,268)	(9,195,268)
		9,195,268	(9,195,268)	(9,195,268)
30 June 2009	Note	Carrying amount	Contractual cash flows	6 mths or less
30 June 2009 Non-derivative financial liabilities	Note	Carrying amount	Contractual cash flows	6 mths or less
	Note	Carrying amount 7,860,794	Contractual cash flows (7,860,794)	6 mths or less (7,860,794)

There are no non-derivative financial liabilities with contractual maturities greater than 6 months. Refer to note 5 for details on the Company's approach to managing liquidity risk.

Market risk

Currency risk

Exposure to currency risk

The Company's exposure to foreign currency risk at balance date was as follows, based on notional amounts:

	30 June 2010			30	June 2009		
	AUD	EURO	GPB	USD	AUD	EURO	USD
Trade and other receivables	1,530,964	-	-	1,264,425	1,555,197	24,750	1,217,400
Trade and other payables	179,231	84,330	2,065	41,450	11,757	=	9,223
Gross balance sheet exposure	1,710,195	84,330	2,065	1,305,875	1,566,954	24,750	1,226,623
Forward exchange contracts	1,455,604	-	-	1,200,000	1,496,633	-	1,200,000
Net exposure	254,591	84,330	2,065	105,875	70,321	24,750	26,623

Forward exchange contracts relate to balances within trade receivables where the exchange rate has been hedged at a specified rate. There is no currency risk associated with these items.

Sensitivity Analysis

A 10 percent strengthening of the Australian dollar against the following currencies at 30 June 2010 would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2009.

30 June 2010	Equity	Profit or loss
Euro	10,930	(10,930)
GBP	330	(330)
USD	11,240	(11,240)
30 June 2009 Euro USD	3,908 2,977	(3,908) (2,977)

A 10 percent weakening of the Australian dollar against the above currencies at 30 June 2010 would have increased (decreased) equity and profit or loss by the amounts shown below, on the basis that all other variables remain constant. The analysis is performed on the same basis for 2009.

For the year ended 30 June 2010

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30 June 2010	Equity	Profit or loss
Euro	(13,358)	13,358
GBP	(404)	404
USD	(13,737)	13,737
30 June 2009		
Euro	(4,779)	4,779
USD	(3,638)	3,638

All transactions are processed through profit and loss. No transactions are processed through equity.

Profile

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

Carrying amount 2010	Carrying amount 2009
16,833,289	592,327
3,511,263	2,027,052
5,666,038	1,869,552
447,574	470,975
535,068	623,241
1,398,040	9,031,119
	3,511,263 5,666,038 447,574 535,068

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2009.

	Profit	or loss	Eq	uity
30 June 2010	100bp increase	100bp decrease	100bp increase	100bp decrease
Variable rate instruments	115,580	(115,580)	-	-
Cash flow sensitivity (net)	115,580	(115,580)	-	-
				,

	Profi	t or loss	Eq	uity
30 June 2009	100bp increase	100bp decrease	100bp increase	100bp decrease
Variable rate instruments	140,219	(140,219)	-	-
Cash flow sensitivity (net)	140,219	(140,219)	-	-

Sensitivity analysis - price risk

At 30 June 2010, if the prices had increased by 15% (2009: 15%) with all other variables held constant, this would have increased net assets attributable to the Company (and net operating profit/(loss) by approximately \$3,929,418 (2009: \$3,524,637). Conversely, if the investments had decreased by 15% (2009: 15%), this would have decreased net assets attributable to the Company (and net operating profit/(loss) by approximately \$3,929,418 (2009: \$3,524,637). The analysis is performed on the same basis for 2009.

For the year ended 30 June 2010

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

Fair values

Fair values versus carrying amounts

The carrying amount of assets and liabilities shown in the balance sheet approximate their fair value.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on the observable market date (unobservable inputs).

30 June 2010	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	-	-	-	-
Financial assets designated at fair value through profit or loss	7,787,952	18,408,165	-	26,196,117
Financial assets held for trading	-	-	-	-
Derivative financial assets	-	796,810	-	796,810
	7,787,952	19,204,975	-	26,992,927
Derivative financial liabilities	-	-	-	-
	7,787,952	19,204,975	-	26,992,927

23. Operating leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows

	2010	2009	
Less than one year	499,176	399,654	
Between one and five years	1,387,050	1,411,158	
More than five years	332,064	601,721	
	2,218,290	2,412,533	

The Company leases property under non-cancellable operating leases expiring from 1 to 10 years. Leases generally provide the Company with a right of renewal at which time all terms are renegotiated.

During the financial year ended 30 June 2010, \$588,372 was recognised as an expense in the income statement in respect of operating leases (2009: \$435,164).

24. Capital and other commitment

Capital expenditure commitments		
Contracted but not provided for and payable:		
Within one year	500,000	=
One year or later and no later than five years	2,000,000	2,000,000
Later than five years	500,000	1,000,000
	3,000,000	3,000,000

As a requirement of the Relationship Agreement entered into with Melbourne and Olympic Parks Trust, the Company is required to make payments into a special purpose sinking fund jointly managed by the Company and the Trust. The annual amount payable is \$500,000 and is payable each year from 2010 to 2016.

For the year ended 30 June 2010

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

25. Reconciliation of cash flows from operating activities

	Note	2010	2009
Cash flows from operating activities			
Surplus/(deficit) for the year		8,176,358	(7,185,638)
Adjusted for:			
Depreciation	16	2,281,331	2,476,073
Amortisation	15	57,332	-
Unrealised foreign exchange losses		(44,503)	(722,059)
Investment income		(2,698,535)	5,053,496
Loss on disposal of property, plant & equipment		23,225	-
Operating profit before changes in working capital	and provisions	7,795,208	(378,128)
(Increase)/decrease in trade and other receivables		3,065,452	(1,339,742)
(Increase)/decrease in inventories		151,622	2,420
(Decrease)/increase in trade and other payables		1,334,471	311,419
(Decrease)/increase in income received in advance		(6,301,923)	2,703,645
(Decrease)/increase in provisions and employee benefit	ts	540,118	417,394
Net cash from operating activities		6,584,948	1,717,008

26. Other related party transactions

The Company has a related party relationship with its key management personnel.

The names of each person holding the position of director of the Company during the financial year were: Geoffrey N Pollard, AM (Chairman), Harold Mitchell, AC, Ashley Cooper, AO, David Stobart, Scott M Tanner, Chris Freeman, AM, Graeme Holloway, Dr Janet Young, Stephen Healy and William R Cossey, AM.

Mr H Mitchell is a director of Mitchell & Partners, which has significant contracts with the Company that are on normal commercial terms and conditions. Mr H Mitchell absents himself from the meetings where Mitchell & Partners contract matters are discussed. Messrs W Cossey, S Healy and D Stobart were office bearers of Member Associations during the financial year and each absents themselves from the meeting, where appropriate, when matters relative to their particular Member Association are discussed.

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ney management personner compensation			
In AUD	2010	2009	
Short-term employee benefits	3,679,956	3,667,426	
Post-employment benefits	286,689	443,401	
Termination benefits	102,070	-	
	4,068,715	4,110,827	
	_	· — — — — — — — — — — — — — — — — — — —	

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

27. Subsequent events

During the year the Victorian Government committed \$363m to fund a facility development of Melbourne Park. Subsequent to the June 2010 period end the Company is negotiating with Melbourne and Olympic Parks Trust with respect to future commercial arrangements between the parties.

Directors' declaration & Independent auditor's report

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

Directors' declaration

- 1. In the opinion of the Directors of Tennis Australia Limited ('the Company'):
 - (a) the financial statements and notes set out on pages 5 to 32, are in accordance with the Corporations Act 2001, including:
 - (i) given a true and fair view of the Company's financial position as at 30 June 2010 and its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
 - (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

C Freeman, AM

Director

Dated at Brisbane this 30th day of August 2010.

Independent auditor's report to the members 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 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes 1 to 27 and the Directors' declaration.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 and fair presentation of the financial report 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 (including the Australian Accounting Interpretations), a 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*.

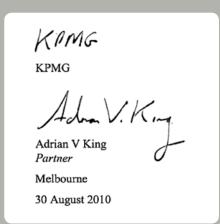
Auditor's opinion & Independence declaration

Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

Auditor's opinion

In our opinion:

- (a) the financial report of Tennis Australia Limited is in accordance with the *Corporations Act 2001*, including:
- (i) giving a true and fair view of the Company's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.



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 2010 there have been:

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

KIMG

KPMG

Adrian V King Partner

Melbourne

30 August 2010

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Glossary

AIS (Australian Institute of Sport): a pre-eminent elite sports training institution based in Canberra, with world-class facilities and support services for elite athlete development.

AIS Pro Tour Program: Tennis Australia's elite athlete development program with bases in Australia and Spain.

AMT (Australian Money Tournaments): semi-professional tournaments introduced by Tennis Australia in 2006.

ASC (Australian Sports Commission): Australia's primary national sports administration and advisory agency.

ATP (Association of Tennis Professionals): the governing body of the men's professional tennis circuit.

Australian Open: one of the world's four 'major' tennis tournaments along with Wimbledon, the French Open and the US Open.

australianopen.com: the Australian Open's official website.

Australian Open Series: Tennis Australia's summer circuit of events that take place around Australia in the lead-up to the Australian Open.

Australian Tennis Hall of Fame: institution established in 1993 that conducts a ceremony during the Australian Open in recognition of legendary member/s of the Australian tennis fraternity each year.

Australian Wheelchair Tennis Championships: Grand Slam® event for the world's top wheelchair tennis players, incorporated into the Australian Open for the first time in 2007

Bounce: new e-learning website for coaches completing the Junior Development and Club Professional Coaching qualifications.

Business unit: collective name for TA's former departments and divisions following the organisational restructure in 2007.

Closed loop recycling: system of recycling where the journey of waste material can be tracked from its origin (when discarded by a consumer), through the recycling process and back to the manufacturer as recycled material ready for re-use.

Davis Cup: annual ITF men's team tennis event.

Extreme Heat Policy: Tennis Australia's scientifically-based policy outlining the point at which tennis matches should be suspended due to extreme weather conditions.

Fed Cup: annual ITF women's team tennis event.

Grand Slam®: the four Grand Slams are the Australian Open, French Open, Wimbledon and the US Open. Also refers to winning the four Grand Slam® titles in a calendar year.

Grand Slam of Asia/Pacific: the Australian Open.

Hawk-Eye: system of video line-calling implemented at Rod Laver Arena from Australian Open 2007 and included at Hisense Arena for the first time in 2008.

Hisense Arena: formerly Vodafone Arena, naming rights changed on 1 July 2008.

HRIS (Human Resources Information System): integrated Human Resources management system incorporating budgeting, remuneration management, labour forecasting, recruitment, personal development, employee and contractor induction.

Independent Directors: members of the Tennis Australia Board who are not linked to a state/territory Member Association and who have not served on a Member Association for the previous three years.

ITF (International Tennis Federation): international governing body of tennis with specific responsibility for organising the four Grand Slams, Futures tournaments, Davis and Fed Cups, veterans and junior events.

Lawn Tennis Association of Australia: see TA (Tennis Australia).

MAs (Member Associations): Tennis' state/territory governing bodies, responsible for implementing Tennis Australia initiatives.

Melbourne Park: home of Tennis Australia and venue of the Australian Open.

Member Delegates: representatives of Tennis Australia's eight state/territory governing bodies, responsible for implementing Tennis Australia initiatives.

Members: see MAs.

Meridian: Tennis Australia's payroll system that has been implemented at Member Association level.

MLC Ballkids: the Australian Open's squad of ballkids.

MLC Tennis Hot Shots: major participation program for five to 12 year olds.

NAs (National Academies): structured training environments for aspiring players (10–16 year olds) who achieve measurable performance criteria.

National Coach Education program: Tennis Australia's national program of coaching courses.

National Coach Membership program: Tennis Australia's national coach registration system.

National Court Rebate Scheme: Tennis Australia funding for clubs that construct, or upgrade their courts to one of the four Grand Slam® surfaces.

Player development pathway: a pathway that now has clear entry and exit points and the philosophy overturned to a coach-driven, athlete-centred program.

Plexicushion: playing surface for the Australian Open, a cushioned acrylic surface.

Pro Tour: a circuit of 30 international tennis events played in seven states and territories across Australia, providing an opportunity for athletes to earn world ranking points.

Roland Garros (French Open): the second Grand Slam® of the year, held at Stade Roland Garros in Paris.

Slice: Tennis Australia's e-newsletter (formally TennisWorld).

Strategic Priorities: Tennis Australia's five key strategic areas that drive the attainment of individual business units' strategic objectives.

Sweeney Sports Report: a survey that conducts a multi-faceted measure of the Australian public's interest in sport.

T-12 (Tennis 2012): The Tennis business unit's new revised blueprint of strategic priorities and key performance indicators for the next two years.

TA (**Tennis Australia**): Trading name of the Lawn Tennis Association of Australia; tennis' national governing body.

Talent Search and Development program: designed to identify and develop children with the desire and skill to excel in sport.

tennis.com.au: Tennis Australia's official website.

Tennis workout: fun, sociable, tennis-based workout program staged at Melbourne Park and Albert Reserve.

Tournament Planner: a key component of tournament management which is equipped with all the tools to successfully deliver a tennis tournament.

US Open: the fourth and final Grand Slam® of the year held at Flushing Meadows in New York.

Video line-calling: Hawk-eye system that shows the last ball mark in a point and is used to advocate challenged line calls.

Wildcard: free pass into the main draw or qualifying draw of a tournament, allowing the recipient to bypass ranking-based entry requirements.

Wimbledon: the third Grand Slam® of the year, held at the All England Club in London.

WTA (Women's Tennis Association): governing body of the women's professional tennis circuit.

Your Ticket to the World: theme for Australian Open 2010.

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