

Our purpose

To make Australia the greatest tennis nation on the planet.

Our objectives

MLC Tennis Hot Shots >	Increase participation and capture the interest of primary schoolaged children.
Cardio Tennis >	Bringing people into and back into tennis.
Talent >	Improve the quality and quantity of athletes under the age of 12.
Places to Play >	Form leading partnerships in planning, building and managing quality places to play.
Asia >	Develop strong relationships with key stakeholders and commercialise in Asia.



Australian Open 2011 crowd attendance see page 43



248,013

MLC Tennis Hot Shots participants
see page 13

940

MLC Tennis Hot Shots venues see page 13

472

MLC Tennis Hot Shots Deliverers
see page 13

<u>1029</u>

Courts redeveloped/reconstructed since 2007

<u>31</u>

Regional partners

<u> 16%</u>

Tournament entries increase see page 47

<u>19%</u>

Rise of players with an Australian Ranking see page 47

25%

Coach membership increase

2

Wimbledon junior champions

- Luke Saville and Ashleigh Barty
See page 45

160

Countries watched Australian Open 2011
see page 61

307.6 m

Cumulative global TV audience for Australian Open 2011

<u>10 m</u>+

More than 10 million unique visitors to australianopen.com

see page 57 ▶

<u>414,000</u>

Australian Open Facebook fans

26,000

Tennis Facebook fans

7607

Australian Open Facebook check-ins

5.64 m

Australian Open YouTube channel views

32,000

@australianopen Twitter followers
see page 57

iPad app

First Grand Slam® to offer the official Australian Open program as an iPad app page 55







Stephen Healy



I have been a longstanding supporter of boosting participation and increasing the number of Australians competing among the world's elite, and this is certainly mirrored in the renewed Company focus. Since assuming the role of President on 26 October 2010 my motivation continues to centre on participation to rebuild the player base and I am pleased with the progress made toward many of our Company's priorities during this financial year.

Renewed focus

Tennis Australia's (TA's) five key priorities now focus on MLC Tennis Hot Shots, Cardio Tennis, Talent, Places to Play and Asia. To put it simply, TA is putting an intense focus on participation and performance.

MLC Tennis Hot Shots has experienced a 28 per cent increase in participants from last year, with 940 local venues nationwide hosting the program. After extensive research, a pilot program for Cardio Tennis was established which is intended to provide individuals, either coming back to tennis or picking up a racquet for the very first time, with a tennis-based fitness program.



Increasing participation is a major objective of Tennis Australia.

The main aim of the Talent priority is to improve the quality and quantity of athletes under the age of 12, with the Talent Development Camp being held for the first time in 2011. Within Places to Play, the National Court Rebate Scheme has generated more than 1000 brand new or upgraded tennis courts around the nation, generating AUD\$156.4 million in funding for tennis facilities from an investment through the scheme of more than AUD\$12 million.

As the Grand Slam of Asia/Pacific, creating a stronger presence in the enormous market of Asia is another one of TA's priorities and is a vital element for the continued success of the Australian Open.

New clay court initiative

I began my tenure with an announcement of an AUD\$1 million per annum clay court initiative for the next three years which I believe is critical to the development of our young players. The investment is for the building and maintenance of clay courts in National Academies across Australia as soon as the clay court research program indicates the best surface for Australian conditions.

It also includes a special maintenance fund to help offset the cost of keeping existing clay courts up to international standards and a court repair fund which will be used to rehabilitate numerous courts and return them to international standard.

Financial

It is pleasing to report that TA recorded a net surplus of AUD\$2.6 million during the year. The operating surplus was AUD\$4.3 million before extraordinary items which were Member Association (MA) Acceleration Grants of AUD\$2.4 million, growth in managed funds of AUD\$1.7 million and an adjustment to restate hedged foreign net revenues of AUD\$1 million. Another net surplus is predicted for the next financial year despite the expansion in our programs to develop and promote tennis, although the strengthening of the Australian dollar is having a substantial effect on revenues received in USD and Euros from television contracts and sponsorships.

Member Associations

There has been a strong effort to further build a collaborative relationship with our key shareholders, the MAs. More direct communications have been held between MA representatives and the President, CEO Steve Wood and Director of Tennis Craig Tiley. Board meetings have also started to be moved around the country in conjunction with specific MA meetings and this will continue in the next year. The first ever 'members day' was held at Australian Open 2011 where all MA Board members were invited to attend. This initiative will be repeated for Australian Open 2012.

Australian Open

The incredible appeal of the Australian Open was further reinforced with the world's top 100 men and 98 of the top 100 women entering Australian Open 2011. More than 651,000 fans flocked to Melbourne Park, with new attendance records set on five days, including the first weekend and eve of Australia Day, and interest in all forms of media also showed the worldwide appeal of the Australian Open.

Trophy Tour

The Australian Open 2011 Trophy Tour created plenty of public and media interest. The trophies engaged the community as they made their way across the country, ending up back at Melbourne Park in mid-January. The Australian Open 2012 Trophy Tour will expand into Asia for the first time, helping to increase the profile of our Grand Slam® in the region.

Newcombe Medal, Australian Tennis **Awards**

The inaugural Newcombe Medal, Australian Tennis Awards held in December 2010 was a celebration of our sport on so many levels and it was a delight to see such a great cross-section of our tennis family in the one room. Congratulations to Samantha Stosur who was awarded the first Newcombe Medal and to all winners across our coaches, clubs and volunteers. We look forward to the next Medal celebration in December 2011.

United to support

TA contributed AUD\$900,000 to the National Flood Relief. This was matched by the Queensland Government as a fighting fund to assist tennis clubs throughout the state get back on their feet following the devastating floods. The total fund of AUD\$1.8 million assisted clubs to repair clubhouses and facilities. TA also joined forces with the other Grand Slams in contributing USD\$25,000 towards a special tennis fundraiser held during the Miami Masters tournament for the Japan earthquake victims.

Honour and heritage

On a lighter note, Owen Davidson was inducted into the Australian Tennis Hall of Fame in an on-court ceremony on Australia Day. Former TA President Geoff Pollard was recognised as a life member and Frank Sedgman enjoyed a wonderful tribute during the Australian Open Legends Luncheon. Highly acclaimed coach lan Barclay was recognised in the Queens

Birthday Honours list with a Medal of the Order of Australia (OAM) for his lifetime of service to tennis and John Newcombe celebrated the 40th year anniversary of his Wimbledon singles crown.

Thanks

TA is making a difference in the community with the future of our sport looking brighter than it has for a very long time. That of course, is because of the effort and professionalism of all of TA's employees, led by our CEO Steve Wood and the Board of Directors and I thank all of them for their dedication to the job. I am extremely proud to be only the tenth President in TA's history. It is a pleasure to work alongside such a committed and focused group of people.



Samantha Stosur retained her position all year in the world's top 10.



The inaugural Newcombe Medal, Australian Tennis Awards were held in December 2010 for the first time.



John Newcombe (sixth from right) celebrated his 40th anniversary of his Wimbledon singles title win in London.



Steve Wood



The first Kids Tennis Day was held at Australian Open 2011.



Bernard Tomic qualified and went on to reach the quarterfinals at Wimbledon in 2011.

When you're on the right track, you have to keep moving, to accelerate in fact.

Moving forward

Good tennis players stay on their toes. As the former Australian Davis Cup captain Neale Fraser used to urge his players, you've got to have 'happy feet'. This remains the challenge for tennis as we reflect on another 12 months of steady growth and pleasing results. The platforms, pathways, strategies and goals we have laid down over the past six years are executing.

The signs that we are on the right track are clearly visible. Women's tennis in Australia is the strongest it's been for almost 30 years. Since reaching the final at Roland Garros in 2010, Samantha Stosur has retained a place in the world's top 10 and eight women featured in the main draw at Australian Open 2011. Coming up quickly in their wake is exciting Queensland talent Ashleigh Barty who, at just 15 years, captured the Wimbledon girls' title.

Her success came a day after South Australian Luke Saville won the boys' crown at the All England Tennis Club – both young champions spurred on by the stunning success of qualifier Bernard Tomic in the main draw.

With long-serving Australian champion Lleyton Hewitt fighting to stay fit following foot surgery, but still fiercely competitive, Tomic seized the No.1 spot in the national rankings and coolly baffled all before him to reach the men's quarterfinals at Wimbledon where world No.1 and eventual champion Novak Djokovic was pushed to four sets.

Many Australians kept a night-long vigil to watch young Tomic's progress, while courtside he was mentored by our new Davis Cup captain, Patrick Rafter, who shortly after led the team – including Tomic, Hewitt, Marinko Matosevic and Chris Guccione – to victory over China and a place in the September World Group Play-off against Switzerland.

The challenge for our players out on the road is the same that we face behind the scenes, in all areas of our tennis business.

When you're on the right track, you have to keep moving, to accelerate in fact.

Australian Tennis Conference

In March, the broader tennis community gathered in Melbourne for our second Australian Tennis Conference. A broad cross-section of the tennis community, including volunteers, players, coaches, facility operators and court manufactures attended. Olympic gymnast Brennon Dowrick and Mike Walsh, a leading authority on the digital future, bestselling author of Futuretainment and CEO of innovation research lab Tomorrow provided insightful presentations.

T16 strategy

Our strategic plan to 2016 has been shaped around five key priorities aimed at driving massive growth in participation, further expanding our business into Asia and continuing our relentless march in player development. With the redevelopment of Melbourne Park and the multi-million dollar investment by the Victorian Government, we have secured the home of the Australian Open for the next 26 years, which in turn gives our sponsors and commercial partners great confidence in our future.

To maintain the health of this great sport our focus turns full throttle towards participation: attracting more people to play tennis in one of the most competitive markets in the world for sport and leisure. We've got to help people make the choice to play tennis and to believe that's it's the right choice and encourage others to follow.

With this in mind MLC Tennis Hot Shots and our Cardio Tennis program take centre stage as we look to increase the numbers of primary school-aged kids starting tennis and continuing into their adult years.

Commercial gains

We continue to strengthen our business by the offer we deliver that is the Australian Open, which gives our sponsors and broadcast partners great confidence to invest in our event and in tennis. We reached a new 10-year extension of ESPN's multimedia coverage of the Australian Open, continuing a relationship with ESPN that dates back to 1984. Eurosport also re-signed for five years in a deal that represents an increase of 200 per cent for Tennis Australia (TA) while locally MLC renewed its sponsorship of the kids' starter program, MLC Tennis Hot Shots. Our commercial interests were also bolstered by a new merchandise and licensing model, paving the way to take our brand in new directions with local and international markets.

Yet, despite solid returns, there were financial pressures: some planned for, some unforseen. Mid-term we invested more heavily in tennis with the commitment to build clay courts at National Academies around Australia. We ran the first Kids Tennis Day at the Australian Open to promote the sport to a younger generation and replaced outgoing Australian Davis Cup captain John Fitzgerald with former dual US Open champion, Rafter. Extra Davis Cup and Fed Cup home ties as well as necessary office refurbishments affected our performance, as did the floods (on a much bigger scale) that devastated Victoria and Queensland in January.

Highlights

As a result of these tumultuous events, TA joined with leading tennis stars at Australian Open 2011 to stage Rally for Relief, a charity event that raised AUD\$2.8 million for flood victims Australia-wide. It was a highlight of the past 12 months, knowing that we have the resources, infrastructure and willingness to benefit communities in crisis.

As always, the Australian Open contained many wonderful moments, such as our first ever live streaming of the qualifying tournament that was viewed on Fox Sports, News Ltd, Yahoo, the Australian Open website and on iPhone/iPad devices.

Super mum Kim Clijsters won her first Australian Open title and fourth Grand Slam® with victory over Li Na, who created history as the first Chinese player in history to reach a Grand Slam® final (several months later she was to capture Roland Garros). We saw second-time Melbourne champion Novak Djokovic continue an incredible winning streak that was to run for 43 weeks.

With barely a drop of rain to hold up proceedings and with one of the strongest fields in Australian Open history, the cumulative global broadcast audience of 307.6 million marked a 31 per cent increase on the previous year. The official website broke the 10 million mark for unique visitors and on site we welcomed 651,127 fans through the gates, many of whom spent long periods at the hugely popular Grand Slam® Oval.

Full steam ahead

I look forward to the coming months as we continue our focus on driving participation programs and strengthening our business. I congratulate the tennis community, including TA staff, Member Association representatives, TA Directors, coaches, volunteers and administrators on a fine 12 months. A special welcome to our new President Stephen Healy, who took over from long-serving President Geoff Pollard in October 2010, and who comes with a deep understanding of grassroots tennis. We are committed to growing tennis at every turn, of attracting more people to this great game and holding them for a lifetime.

> Stew Wood Steve Wood Chief Executive Officer



Serbians Ana Ivanovic and Novak Diokovic were part of the Rally for Relief charity event.



Participation is the key in maintaining the health of the sport.

Historical timeline

1880

Victoria stages first tennis championships in the colonies.

1885

NSW stages its first championships and introduces inter-colonial matches.

1904

Lawn Tennis Association of Australasia formed by six state associations and New Zealand.

1905

First Australasian Men's Championships staged.

1907

Norman Brookes first Australian to win Wimbledon.

Australasia wins its first Davis Cup title.

1922

First Australasian Women's Championships staged.

1926

Name changed to Lawn Tennis Association of Australia. Norman Brookes becomes President.

1933

Jack Crawford wins the Australian, French and Wimbledon Championships.

1939

Australia wins its first Davis Cup title.

1950

Australia regains Davis Cup and Hopman golden era begins under captain Harry Hopman (pictured below, first from bottom).

1951

Frank Sedgman and Ken McGregor win men's doubles Grand Slam®.

1962

Rod Laver wins the Grand Slam®.

1963

Margaret (Smith) Court and Ken Fletcher win mixed doubles Grand Slam®.

1967

Australia wins Davis Cup for 15th time in 18 years and Owen Davidson with two partners wins mixed doubles Grand Slam®.

1969

Australian Championships become 'Open' to both amateurs and professionals and Rod Laver becomes the only player to win the Grand Slam® twice.

1970

Margaret (Smith) Court wins the Grand Slam®.

1972

Kooyong, Victoria, adopted as the home of the Australian Open.

1988

Tennis Australia (TA) and the Australian Open move to new permanent home at Flinders Park Australian Open attendance exceeds (now Melbourne Park).

1994

Board of Directors established separate to Council.

1996

AUD\$25 million expansion of Melbourne Park facilities and the 'Woodies' win first Olympic tennis gold medal (Mark Woodforde and Todd Woodbridge pictured below).

1999

Australia wins Centenary Davis Cup in France on clay.

2000

Australian Open attendance exceeds 500,000 for the first time.

2001

Second arena at Melbourne Park opens with retractable roof.

2003

Australia wins 28th Davis Cup title, beating Spain in Melbourne.

2005

TA splits the roles of President and CEO.

2006

All decision-making powers transferred from Council to Board.

2007

TA undertakes review of its Constitution.

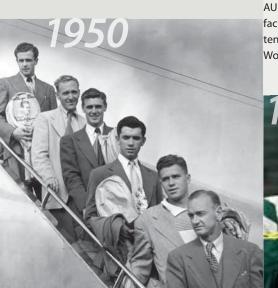
600,000.

2009

Victorian Government and TA jointly announce plans to redevelop Melbourne Park and extend Australian Open commitment to Melbourne.

2010

Australian Open attendance exceeds 650,000 for the first time.







Front: Steve Ayles, Brigette McGuire, Samir Mahir, Raelene Turner, Roger Perrins and Steve Wood. Back: David Roberts, Darren Pearce and Craig Tiley.

1. Steve Ayles

MBA, MCom (Applied Finance)

Director Commercial Business Tennis Australia since 2009

General Manager Major Events Tennis Australia 2008

Tennis Queensland 2001–2008

Tournament Director Brisbane International 2008–2011

General Manager Mondial Gold Coast Women's Hardcourts 2005–2008

2. Brigette McGuire

Master of Marketing (Monash University)

Director Marketing Tennis Australia since 2010

Monash University Department of Marketing Advisory Board Member since 2007

Founder and Director

Sports Marketing Agency
McGuire Marketing Communications 2002–2010

Senior Sports Sales Executive Nine Network Australia 1995–2002

Tennis Australia Club Professional coach since 1991

3. Samir Mahir

Dip Mechanical Physics

Chief Information Officer Tennis Australia since 2011

Program Manager, Delivery Project Executive IBM Corp. 1999–2011

IT Director

United States Tennis Association (USTA) 1996–1999

Network & Systems Manager Share Our Strength, Inc. 1994–1996

USTA National IT Committee 2007–2011 USTA Southern IT Committee 2003–2011

Certified Instructor

Tennis Teaching Professional 1989–1999

4. Darren Pearce

Director 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

5. Roger Perrins

B.Bus.Sci/LL.B, Post Grad Dip Tax, LL.M Barrister & Solicitor of Supreme Court of Victoria and High Court

Director Legal & Melbourne Park Redevelopment Tennis Australia since 2010

Partner

Middletons Lawyers 2007–2010

Special Counsel Minter Ellison Lawyers 2001–2007

Group Manager Legal Affairs and Company Secretary Caltex Oil (Southern Africa) 1999

Retail Network Development Manager Caltex Oil (Southern Africa) 1998

Retail Management Consultant Caltex Oil (Thailand) 1996–1997

Regional Retail Manager Caltex Oil (South Africa) 1993–1996

Retail Legal Advisor Caltex Oil (South Africa) 1989–1993

6. David Roberts
B.Bus, CPA

Chief Financial Officer Tennis Australia since 1997

Treasurer & Tax Manager Kraft Foods Ltd 1990–1994

Direct Marketing Agency Robe John & Associates Pty Ltd 1987

Craig Tiley

BA Economics and Business Management MS Kinesiology-ABD

Tournament Director

Australian Open since 2006

Director Tennis Tennis Australia since 2005

Head Coach/Director of Tennis

University of Illinois 1994-2005

Captain South African Davis Cup team 1998–2001

USTA's High Performance Committee 2003–2005

US National Coach of the Year (1999, 2003)

US Collegiate Hall of Fame (2010)

8. Raelene Turner

Grad Dip Bus. HR Management

Director 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

Board of Governance IEHMSA, VMHCN

Steve Wood

9. B.Bus Marketing CEO

Tennis Australia since 2005

President

Nortel Networks Australia and NZ 2001–2005

Vice President

Alteon WebSystems Asia/Pacific 1999–2001

Vice President

Nortel Networks Asia/Pacific 1997–1999 Vice President Bay Networks Asia/Pacific 1995–1997

Vice President SynOptics Communications Asia/Pacific 1991–1995

General Manager MPA International 1987–2001

Chairman IBES Advisory Committee



Strategic Priority 1 – MLC Tennis Hot Shots



Our objective

Increase participation and capture the interest of primary school-aged children.

MLC Tennis Hot Shots Tennis Australia's participation drive was announced in March 2011 with MLC Tennis Hot Shots receiving a significantly increased focus with dedicated resources.



MLC Tennis Hot Shots participants had the opportunity to participate at Rod Laver Arena during Australian Open 2011.



Participants progress through three stages.

The official kids' starter program aimed at 5-12 year olds experienced a considerable rise in participant numbers during 2010-2011 as an additional 54,218 children participated at clubs, schools and Active After-school Communities (AASC) when compared to last year.

The modified tennis program was delivered in 940 clubs or centre venues in addition to schools Australia-wide with the systems in place accelerating this program dramatically.

Through the use of scaled court sizes and low-compression balls, kids learn to serve, rally and score in a game that is appropriate to their developmental needs.

Children progress through the three developmental stages: Red, Orange and Green. At each stage, ball compression and court size increases in line with players' development. This gradual progression improves players' skills and prepares them to play on a full-size court with a yellow ball, which is integrated within the 'learning to play' pathway.

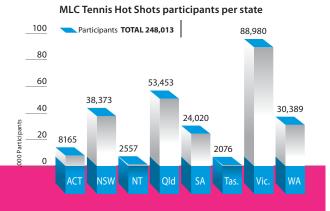
Participation research

The national participation research that surveyed 8000 people aged five to 75 years found 80 per cent of Australians who can play tennis, started before the age of 16. As a result a key priority for the MLC Tennis Hot Shots team is to grow awareness of the program among parents and young kids.

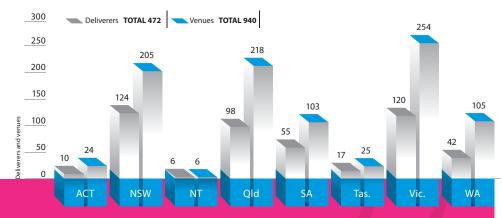
More opportunities for participants

During 2010–2011 participants were given the opportunity to be a part of a variety of MLC Tennis Hot Shots activations organised by Tennis Australia (TA). These included involvement in the December Showdown, Kids Tennis Day, the Australian Open Showcase and various promotions including the Melbourne Zoo, Melbourne Aquarium and Federation Square.

Nine-year-old Rachael Martin was the lucky recipient of a backstage pass and walked the corridors of Rod Laver Arena on 16 January 2011. She won the prize during an MLC Tennis Hot Shots Red Ball Challenge event held at Melbourne Park in December 2010. While backstage, she rubbed shoulders with some









Rachael Martin visited the main press conference room at Australian Open 2011 after winning a backstage pass.

...an additional 54,218 children participated...



The Australian Open Showcase was a successful initiative at Australian Open 2011.

of the world's top tennis players, visited the media work room, the main press conference room, the player café, the player change rooms and watched Andy Roddick play at Rod Laver Arena from the Australian Open radio booth located on court level.

All these initiatives provide memorable experiences to the participants and are an added incentive of the program.

All these initiatives provide memorable experiences to the participants and are an added incentive of the program.



Active After-school Communities

TA Club Professional coach Danielle Borle runs MLC Tennis Hot Shots sessions as part of the Active After-school Communities (AASC) program in the Central Highland region. Her efforts in the area were rewarded when she was presented with the Vic: 5 Star Community Coach Award for Term 1 in 2011.

"I am very honoured to be recognised for the hard work I have put in, but I think the best reward is knowing that many kids have benefited from the program and taken up the sport that I am most passionate about," she said. On Saturday 22 January 2011 10 of Borle's participants were selected during Terms 3 and 4 in 2010 to attend the Australian Open to participate in the MLC Tennis Hot Shots Showcase, appearing at Margaret Court Arena before the first session of play.

The children represented primary schools including Melton South Primary School, Bacchus Marsh Grammar, St Anthony's Primary School, Coburn Primary School and Melton Primary School.

Danielle Borle's (centre) participants were selected for the MLC Tennis Hot Showcase during Australian Open 2011.

"I am very honoured to be recognised for the hard work I have put in, but I think the best reward is knowing that many kids have benefited from the program and taken up the sport that I am most passionate about."

- Danielle Borle

Looking ahead

In the next 12 months there will be a strong focus on the following:

Quality

TA is looking into ways to increase the quality in terms of the delivery of the program both at clubs/centres and schools.

Tennis in schools

A nationalised school program will be delivered by official MLC Tennis Hot Shots Deliverers in 2011–2012. Having a dedicated schools program will only further increase the awareness of the program and in turn make the program more accessible to the target demographic.

Alignment

TA has a dedicated focus to align the tennis industry to MLC Tennis Hot Shots across the country in the 10 and under space. This includes the use of low-compression balls for tournaments and competitions which is in line with the ITF requirements.

Growth

A focused approach will see the growth in the number of quality Deliverers and venues around Australia, ensuring first time experiences of the program are delivered to a high standard.





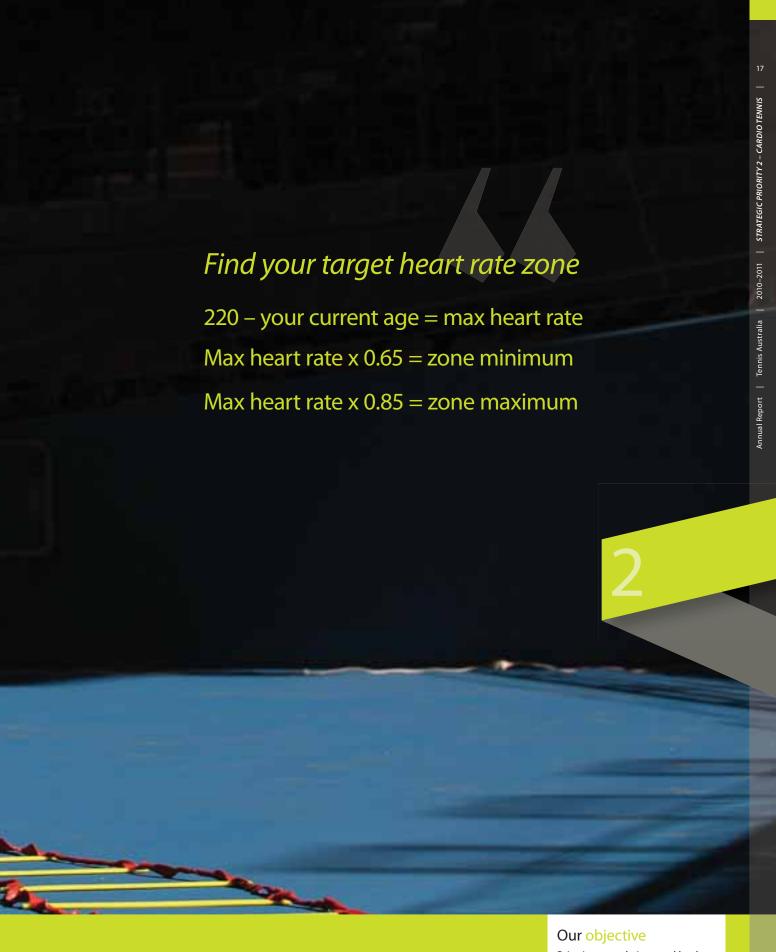
A dedicated schools program will be introduced in 2011–2012.



During the Australian Open some MLC Tennis Hot Shots participants were involved with promotions at Melbourne Aquarium (left) and Melbourne Zoo.



Strategic Priority 2 – Cardio Tennis



Bringing people into and back into tennis.

The 60-minute session format of Cardio Tennis is ideal for everyone who likes the idea of playing tennis but finds it hard to commit to being involved in a regular competition...



Fitness-based activities are important to young adults.

Participation research

Research was conducted into tennis participation in order to better understand the primary reasons why people participate in sport. The research revealed some key insights with 78 per cent of non-players keen to play tennis preferring a 'pay-for-play' or 'monthly membership-based model'.

With a resistance to committing to a year of playing, fitness-based activities become more important to young adults. These key findings assisted Tennis Australia (TA) to refine its priorities to include the new fun fitness tennis program, Cardio Tennis.

Initial development and education

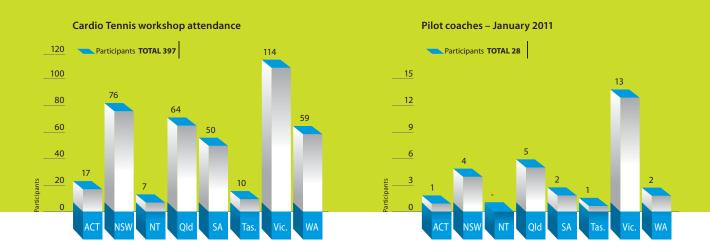
Cardio Tennis was created in 2005 by the Tennis Industry Association (TIA) and the United States Tennis Association (USTA). In the US, Cardio Tennis has 1.5 million participants and is offered at more than 1800 US tennis facilities. Cardio Tennis is recognised in 30 countries.

Michele Krause, the Program Manager for Cardio Tennis USA, travelled to Australia prior to the start of the Australian Open in January 2011 to conduct coaching workshops for 28 TA qualified coach members to be the pilot for Cardio Tennis coaches. As of 30 June there were 397 coaches nationally who completed the training.

The feedback received from these pilot coaches has been vital in enabling TA to develop a quality Cardio Tennis product for the Australian market.



Catching skills are part of a Cardio Tennis session.



Cardio Tennis

Designed to deliver the ultimate full body, calorie burning, aerobic tennis workout in a fun and social environment, Cardio Tennis sessions are set to music and incorporate elements including dynamic movement, tossing and catching skills with drill-based and play-based activities.

The 60-minute session format is ideal for everyone who likes the idea of playing tennis but finds it hard to commit to being involved in a regular competition and it's suitable for people of all ages and abilities.



A full body workout is achieved with the use of an agility ladder.



Play-based activities provide the tennis action.

Individuals who had never picked up a racquet felt at ease to try Cardio Tennis.



A number of Tennis Australia staff members have tried Cardio Tennis.



The product development phase included consumer feedback.

Staff sessions

TA staff were given the opportunity to participate in Cardio Tennis sessions. These internal sessions were conducted as part of the product development phase. This is where it became apparent that individuals who had never picked up a racquet felt at ease to try Cardio Tennis, reinforcing that ability isn't a factor when participating.



Monitoring your heart rate is essential during a Cardio Tennis session.

TA staff were given the opportunity to participate in Cardio Tennis sessions.

Looking ahead

Initial launch

In late 2011 an exclusive mail-out will be sent to all TA qualified coach members inviting them to upgrade their membership to become a Cardio Tennis coach, which will involve attending a Cardio Tennis workshop and completing an online tutorial.

Cardio Tennis coach benefits

All Cardio Tennis coaches will receive a range of benefits, including access to a national year-round multimedia campaign and a Cardio Tennis starter pack. TA is looking into providing each Cardio Tennis coach with:

- > heart rate monitors
- > ready mixed music (120 to 150 music beats per minute)
- > activity cards
- > personalised fence banner
- > heart rate charts.

Official launch

Cardio Tennis will be officially launched in Australia in early 2012.

Provision of partnerships

TA is exploring the possibility of signing partnerships with gyms, heart rate monitor providers etc. to offer a better product to Cardio Tennis coaches and in turn participants.

Alignment

TA has engaged the Member Associations (MAs) throughout the entire product development phase. This relationship and open discussion with the Community Tennis Officers, Community Tennis Managers and Coach Development Coordinators will continue and feedback will assist with refining the product offering as required.

Online presence

A dedicated website for Cardio Tennis is being created and will possess relevant content for consumers and Cardio Tennis coaches.

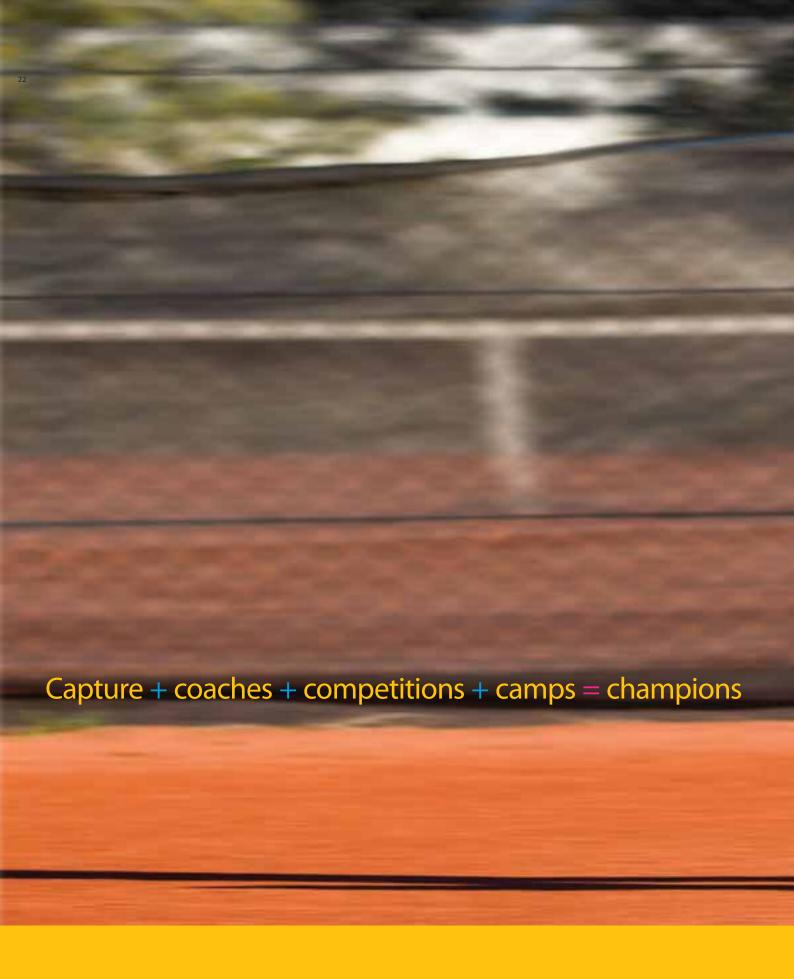
Further research

With further research in the pipeline, Cardio Tennis will be constantly reviewed in order to offer a program that is of most benefit to both the Cardio Tennis coach and the individual participating.



Cardio Tennis coaching workshops were conducted in January 2011.





Strategic Priority 3 – Talent



Our objective

Improve the quality and quantity of athletes under the age of 12.

Project Talent will be delivered through coaches, competition and camps in 2011–2012. It will be further integrated with MLC Tennis Hot Shots in 2012–2013.



The National Talent Development Camp was held in June 2011 for the first time at the Australian Institute of Sport.



 ${\it Testing \ assists \ with \ identifying \ talent.}$

Talent: a priority

The success of the Talent Search and Development program has seen it recognised as one of Tennis Australia's (TA's) key strategic priorities with Project Talent having a significant impact on the success of Australian tennis. Project Talent will be delivered through coaches, competition and camps in 2011–2012. It will be further integrated with MLC Tennis Hot Shots in 2012–2013.

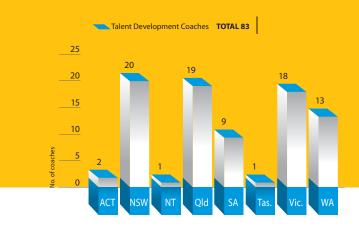
Full athlete reports ... were provided to each private coach.

National Talent Development Camp

The National Talent Development Camp for 10/u (2001 birth year) girls and boys and their private coaches was held for the first time in June 2011 at the Australian Institute of Sport (AIS) and the Lyneham Tennis Club in Canberra. The most promising 16 boys and 16 girls from every state and territory of Australia were evaluated (technically, tactically, physically and psychologically) through a quality training and competitive experience for their future development. The camp provided a fun and engaging experience for both coaches and athletes over the four days.

It was also an opportunity to offer professional development to 26 private coaches and staff on the development of 10/u athletes and helped TA to gain a better understanding of this age group and assist in further research. Full athlete reports regarding technical, tactical and physical development were provided to each private coach with further follow ups scheduled to occur with each athlete and private coach over the next six–24 months.

Talent Development Coaches



42 national travel grants for 12s and/or 14s Nationals were provided in 2010-2011.

Talent Development Coaches

A continuation and further investment has been made with the Talent Development Coaches. This passionate network that specialises in the development of under 12 year olds received further professional development in 2010–2011. Since its inception in 2009, 83 Talent Development Coaches have been recognised as part of the program.



Benefits of being a Talent **Development Coach**

- > National travel grants (including professional development)
 - > 42 national travel grants for 12s and/ or 14s Nationals were provided in 2010–2011. Professional development was delivered at all 12s Nationals.
- > Incentive pool
 - > There is financial reward and recognition for converting athletes to certain scholarship criteria.
- > Talent Development Coaches' Workshop and Australian Grand Slam Coaches' Conference
 - > Fee subsidised for attendance to a national annual workshop and particular items subsidised for the Grand Slam Coaches' Conference in January (all expenses covered for 56 attendances in 2011), along with specialised workshops to offer an ongoing professional development structure.

- > Access to Talent Development Coach Mentors.
- > Recognition and promotion of knowledge and skills through various media (including individualised press releases upon selection).
- > Tracksuit, shirt and cap.
- > Access to TA Athlete Development resources (i.e. testing protocols, national training philosophy etc.).
- > Talent Search and Development programs (specific to state or territory).
- > Additional professional development opportunities – i.e. a specific section launched within Bounce - TA's online learning platform.

Ultimately all of the above represents the further engagement TA has with the Talent Development Coaches and as a result a stronger relationship has been established to improve the quality and quantity of athletes.



Promising juniors are evaluated technically, tactically, physically and psychologically.

More than 2000 athletes have participated in the Talent Search and Development programs, with 14 athletes making the transition to National Academies (13th birth year and younger).



Dane Sweeney presented wildcard recipient Marinko Matosevic with his accreditation into the Australian Open.



Athletes were skills tested at various events.

Talent Development Coach Mentors

Rob Kilderry and Nicole Arendt joined Ian Barclay, Bill Bowrey and Gary Stickler as TA's Talent Development Coach Mentors in 2011. All of these members have worked with the Talent Development Coaches in each state providing their expertise and knowledge to develop our future generation.

Athlete participation

Talent Development Camps are being delivered Australia-wide and are becoming more nationalised with a framework of key messages presented. More than 2000 athletes have participated in the Talent Search and Development programs, with 14 athletes making the transition to National Academies (13th birth year and younger).

During 2010–2011 a few athletes had the opportunity to compete within the Talent Search tournament conducted during the 2010 December Showdown. The winners presented accreditations to the Australian Open Play-off winners. A lucky few athletes tossed the coin for the Australian Open finals, while others were part of on court demonstrations at the Brisbane International and the Australian Open with most watching their heroes from the best seat in the house – courtside. Athletes were also skills tested at the draft camp, December Showdown and during the National Talent Development Camp.

Athletes were also skills tested at the draft camp, December Showdown and during the National Talent Development Camp.

Looking ahead

Competition

TA is in the early stages of development of the Super 10s - a weekly team based competitive environment for 10/u athletes. TA will initially pilot this during October-December 2011.

Talent Development Camps

TA will continue to introduce formalised state and national camps with a framework of key messages. Athletes aged under 12 years of age will be selected and invited to attend camps based on their tournament results, or nominations by a coach. The state-based camps will run for a minimum of two days, with the annual national camp held at the AIS.

Integration with MLC Tennis Hot Shots

Looking further ahead, greater integration will occur with MLC Tennis Hot Shots to capture athletes from a younger age group. This developmental age is important in identifying talented athletes who will then move through the Talent Development Camps and eventually the National Academies as they progress through the pathway. Project Talent will be the pinnacle program for all MLC Tennis Hot Shots players as they continue with their journey in tennis.

Research

TA is undertaking research on the green v yellow ball project that involves looking at the differences these balls have on talented 10-year-old athletes. The project explores the technical, tactical, physical and psychological aspects through match play that the different balls impart on talented athletes.

Squads

The next financial year will see the further establishment of Talent Development Squads, beginning in New South Wales and involving John Newcombe and Bill Bowrey.



Developmental Tennis Manager Scott Draper assessed Erica Bollweg at the National Talent Development Camp held in 2011.

Talent Development Coaches.

Talent Development Coach Mentors.

Talent Development Camps were held across regional and metro Australia along with further initiatives involving more than 2000 athletes and parents.

National travel grants offered to coaches with 13 professional development workshops and 165 attendances.

Talent Development Coaches attended the national workshop and conference.

Athletes and 26 private coaches were involved in the inaugural National Talent Development Camp.

On court demonstrations during the Brisbane International and Australian Open in 2011.

Athletes were involved in the coin toss for Australian Open 2011 finals.

Online learning platform launched for Talent Development Coaches – Bounce.



Strategic Priority 4 – Places to Play



Our objective

Form leading partnerships in planning, building and managing quality places to play.

Tennis Australia has invested more into facilities development in the past four years than has ever been spent in the history of the sport in this country.



Participants have more opportunities to play on quality surfaces.

Tennis Australia National Court Rebate Scheme

The completed upgrades under the Tennis Australia (TA) National Court Rebate Scheme range from improving existing facilities to building brand new tennis complexes that are capable of hosting international tennis events.

The program aims to better service communities by assisting with the upgrade of facilities and courts to international standards and by supporting the Grand Slam® surfaces. It also allows clubs to expand and service a wider range of tournaments and special events.

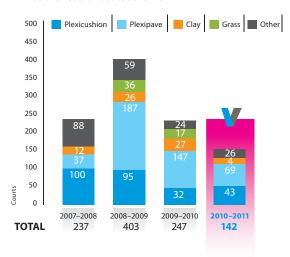
TA has invested more into facilities development in the past four years than has ever been spent in the history of the sport in this country. TA's Court and Facilities strategy is supported by state and territory Member Associations (MAs), clubs, government and other stakeholders.

The National Court Rebate Scheme has attracted investment of more than AUD\$156 million to improve facilities Australia-wide in the last four years. The scheme is open to affiliated clubs and facilities in Australia.



Funding can also assist clubs to offer further services.

National Court Rebate Scheme



The National Court Rebate Scheme has attracted investment of more than AUD\$156 million to improve facilities Australia-wide in the last four years.

Rebate provided

Acrylic – Australian Open court surface PLEXICUSHION PRESTIGE (10 coat system)	Base preparation and development	Surface or resurfacing	Fencing, lighting or court ancillaries
Regional and sub regional centres (Australian Open True Blue colour scheme) Full rebate value AUD\$18,000 per court	Up to AUD\$6400	Up to AUD\$9600	Up to AUD\$2000
Medium and small centres Full rebate value AUD\$16,000 per court	Up to AUD\$5600	Up to AUD\$8400	Up to AUD\$2000

Acrylic – (pace categories 3 and 4) ITF surface code A	Base preparation and development	Surface or resurfacing	Fencing, lighting or court ancillaries
Acrylic PLEXIPAVE BRAND ONLY (Australian Open True Blue colour scheme) Regional and sub regional centre Full rebate value AUD\$8000 per court	Up to AUD\$2400	Up to AUD\$3600	Up to AUD\$2000
Acrylic – all brands including PLEXIPAVE Sub regional, medium and small centre Full rebate value AUD\$6000 per court	Up to AUD\$1600	Up to AUD\$2400	Up to AUD\$2000

Natural clay ITF surface code F	Base and surface development	Water saving initiatives	Fencing, lighting or court ancillaries
Regional and sub regional centres Full rebate value AUD\$18,000 per court	Up to AUD\$14,000	Up to AUD\$2000	Up to AUD\$2000
Medium and small centres Full rebate value AUD\$10,000 per court	Up to AUD\$6000	Up to AUD\$2000	Up to AUD\$2000

Natural grass ITF surface code H	Base and surface development	Water saving initiatives	Fencing, lighting or court ancillaries
Regional and sub regional centres	Up to AUD\$2000	Up to AUD\$2000	Up to AUD\$2000
Full rebate value AUD\$6000 per court			
Medium and small centres Full rebate value AUD\$4000 per court	Up to AUD\$1000	Up to AUD\$1500	Up to AUD\$1500

Regional partnerships

TA and MAs are working with regional partners to develop premier tennis destinations in our largest population centres. Regional partners will focus on providing a broad depth and scope of programs, tournament and event opportunities across the country. There are 31 signed regional partners who are currently committed to this focus against a target of 75 major population areas.

Signed and pending regional partners Signed regional partnerships Signed sub regional partnerships Pending regional partnerships 42 42 42 20 20 20 20 2008-2009 2010-2011 2010-2011

Case Study



Even if it's cold outside in Orange, players can enjoy the facilities at the Orange Indoor Tennis Club. © Nigel Hobden

1000th court funded

TA's National Court Rebate Scheme approved the building and resurfacing of its 1000th court in 2011. The 1000th court upgrade recipient was the Orange Indoor Tennis Club who was also awarded an additional AUD\$10,000 to be used to improve tennis programming and create a more inviting place to play.

Orange Indoor Tennis Club Treasurer David Nicholls said the club was excited and surprised to be announced as the 1000th upgrade.

"We have been so focused on facilitating the current upgrade and attracting more players to the club that we didn't even think about being the 1000th court," Nicholls said.

"The additional funding is a nice surprise and it will be used for a number of different projects

to promote the new facilities, create a website and further renovate and upgrade other areas of the club. It has been a long journey to get to the point where we now have state-of the art courts, and I would like to thank Tennis NSW for all their assistance in making this possible."

The rural New South Wales Club has undergone an AUD\$200,000 resurfacing of five existing synthetic grass courts to Plexicushion, the same surface as the Australian Open.





The five existing synthetic grass courts were resurfaced to Plexicushion.



"We have been so focused on facilitating the current upgrade and attracting more players to the club that we didn't even think about being the 1000th court." - David Nicholls

 $The family \ \textit{Grange Indoor Tennis Club was the recipient of an additional AUD\$10,000 \ funding.}$

Clay court research facility

A National Clay Court Research Facility has been established at Macquarie University (in collaboration with Vince Barclay Tennis Academy). Objectives of the research and development are to develop:

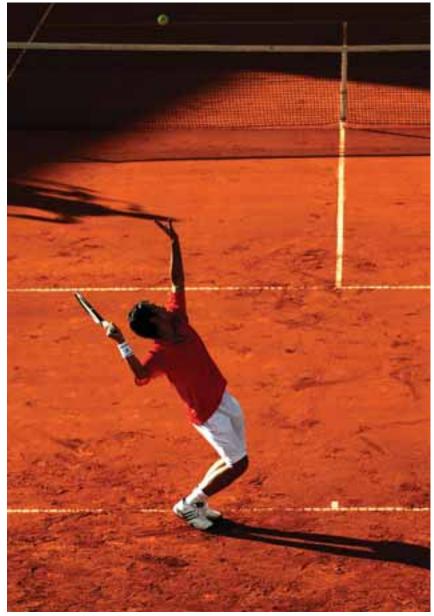
- > clay courts that suit Australian weather conditions
- > clay surfaces that solidify and do not break up with heavy volume of play
- > clay surfaces that have the playing characteristics of European clay
- > clay surfaces with manageable maintenance requirements
- > options for water conservation
- > clay surfaces that are viable for widespread use in Australia.

Three test courts have been installed at the Macquarie University during the last 12 months. These include Italian clay with sprinkler system, Italian clay with KISSS subsurface irrigation system and Har Tru Hydro court (American green clay).

National Academy coaches and athletes have observed and trialled all of these clay types in a consistent environment. The NSW National Academy is currently using the venue for clay court training. All courts are being regularly monitored and tested for performance in Australian conditions. All clay court testing at the National Clay Court Research Centre has been positive to date, with newly introduced courts to the Australian market performing well against all testing criteria.

Eight clay courts will be constructed at Melbourne Park in 2012 as part of the Melbourne Park redevelopment, with further proposed clay court projects in the pipeline.

All courts are being regularly monitored and tested for performance in Australian conditions.



A specially laid clay court was used for the Davis Cup tie held in Brisbane in 2010.

Looking ahead

During 2011-2012 the Places to Play team will be working on the following:

- > Developing a wider Places to Play team to service the whole of Australia in the areas of planning, building and operating tennis venues.
- > Creating a team of national and MA staff focused on creating welcoming facilities, including the delivery of programs, court hire, competitions, tournaments and membership.
- > Increasing the focus on measuring and improving operational performance, particularly revenue and occupancy rates of tennis venues.
- > Developing close relationships with all levels of government and maximising the investment in the game.

TA will achieve this objective by being collaborative, innovative and accountable to create great places to play. Several supporting principles guide future places

to play with the Places to Play team at TA and MAs believing tennis must:

- > work towards models of operation that offer professional management with community oversight
- > have measurable objectives with time and personal accountability
- > have a collective approach with stakeholders to depreciation and facility upgrade/replacement management
- > strive to ensure increased playing opportunities and a clubhouse environment that services wider community and tennis needs
- > maintain strong levels of governance, commercial and community responsibility
- > positively promote tennis, with the legacy of Places to Play projects being an active, social venue with strong, sustainable program depth and scope.





Our objective

Develop strong relationships with key stakeholders and commercialise in Asia.

From October 2011 the Trophy Tour will expand into Asia, allowing the historic Australian Open singles trophies to be celebrated abroad for the first time.



China's Li Na became an overnight sensation with her finalist finish at Australian Open 2011.

Interest from the Asian regions

A heightened interest in tennis was evident after China's Li Na became the first Asian player to reach a Grand Slam® final at Australian Open 2011. The Grand Slam of Asia/Pacific had more relevance than ever before and Tennis Australia (TA) endeavours to embrace the neighbourhood by encouraging the region to adopt the Australian Open as its own.

Tourists

In the last four years there has been a 35 per cent increase of Asian tourists who have visited Australia, which is more than any other region. This has flowed through to significantly increased visitation to the Australian Open from Asian tourists.

Dedicated focus

A devoted resource was officially announced in May 2011 to allow for the ability to research, assess and develop TA's international business strategy (primarily focused in Asia) and identify and commercialise international opportunities.

Grand Slam of Asia/Pacific

For many years the Australian Open has embraced the Asian region during the event, the most recognisable being Kia Motors – the major sponsor – who's fleet of 101 Kia cars transported players with more than 35,000 journeys made to and from Melbourne Park by 215 drivers, clocking up more than 400,000 km during Australian Open 2011. Matches from the event were telecast by Asian broadcasters including ESPN Star Sports, Wowow, CCTV 5, Beijing TV and Shanghai TV.

A heightened interest in tennis was evident after China's Li Na became the first Asian player to reach a Grand Slam® final at Australian Open 2011.



At the Australian Open in 2011 there were 20 Korean boys and girls who had the opportunity to rub shoulders with the tennis elite.

Korea India Singapore China Philippines Japan 30 18 ²⁰⁰⁷ 2008 28 TOTAL



Kia Motors is the major sponsor of the Australian Open.



Spaniard Rafael Nadal is an ambassador for Kia Motors. Children from Asian nations have been MLC Ballkids.



MLC Ballkids from Asia

MLC Ballkids

Another initiative is the selection of Asian boys and girls as MLC Ballkids. At the Australian Open in 2011 there were 20 Korean boys and girls who had the opportunity to rub shoulders with the tennis elite. The Australian Open has also previously given children from India, Singapore, Japan, China and the Philippines the chance to be selected for the coveted positions. The selection process is identical to the Australian selections and focuses on hand-eye coordination, balance, court speed and agility. Participants were also given the chance to explore some tourist attractions in Victoria including the Melbourne Aquarium, Melbourne Zoo, Melbourne Cricket Ground, Eureka Skydeck, Science Works and Sovereign Hill.





 $Li\,Na's\,success\,is\,evident\,back\,home\,with\,her\,mum\,Yan-Ping\,holding\,up\,a\,poster\,that\,was\,in\,circulation.$

Coaches' Workshop, Shanghai

TA is also sharing its coaching and sports science knowledge with the region. A Coaches' Workshop in conjunction with the Shanghai Masters was held in October 2010. Three highly credentialed coaches presented to 30 coaches on 'Getting the most out of your serve', 'Movement and coordination training on court', 'Key considerations in development of the forehand' and 'Creating engaging tennis environments for the children of today'.



There were 101 Kia cars that made more than 35,000 journeys during Australian Open 2011.



Kia Motors sponsorship at the Australian Open includes net signage.

Tennis Australia endeavours to embrace the neighbourhood by encouraging the region to adopt the Australian Open as its own.



Relationships built

Developments have already occurred within the region. These include:

- > A licensing deal with Erke in April 2011. Erke is a leading international professional sports equipment supplier.
- > TA attending the trade mission with the Federal Minister for Trade Dr Craig Emerson in 2011. More than 100 delegates from Australian companies either planning on or currently doing business in Asia were present. This was a unique opportunity to showcase TA's world leading tennis intellectual property.
- > A focus on working with TA's Asian Tennis Federation counterparts to understand potential partnering opportunities.

Looking ahead

Trophy Tour

From October 2011 the Trophy Tour will expand into Asia, allowing the historic Australian Open singles trophies to be celebrated abroad for the first time. This is an opportunity for tennis to take centre stage in the region before the Australian Open.

Intellectual property

TA has identified a commercial opportunity where it offers its suite of services to the Asia/Pacific region. The research conducted suggests that many of these countries have limited experience and expertise in:

- > infrastructure design and expertise
- > facility management
- > coach education
- > participation program development
- > event management
- > sports science.

There is considerable demand for this expertise in the Asia/Pacific region. The ability for TA to directly influence the interest and participation of tennis in the region will further ensure Australia and the Australian Open's reputation continue to be the pinnacle country and event in the Asia/Pacific.

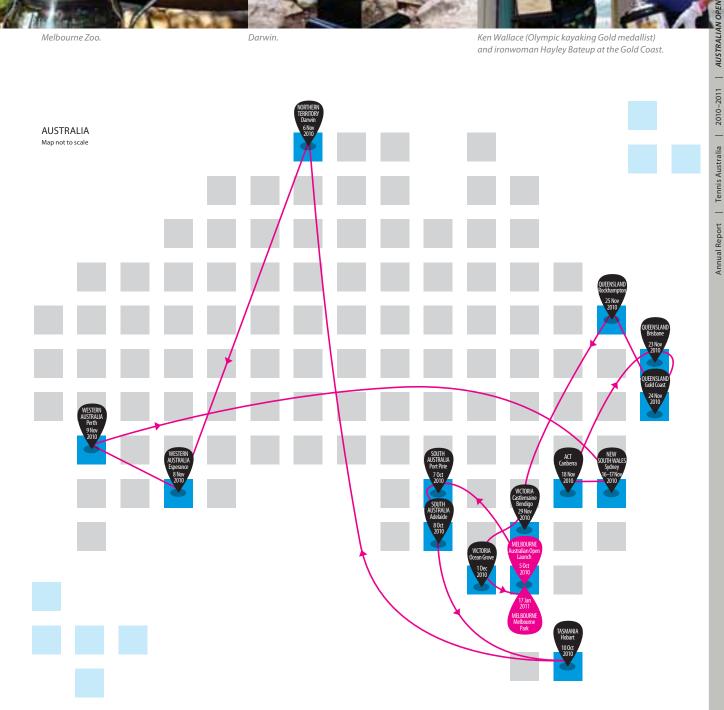




The inaugural Australian Open Trophy Tour was announced at the Australian Open launch on 5 October 2010 with special appearances by tennis legends and former Australian Open champions Evonne Goolagong Cawley and Ken Rosewall. Tennis fans in capital cities and many country towns were given the chance to feel like a Grand Slam® champion with their very own photo opportunity with the Norman Brookes Challenge Cup (men's trophy) or the Daphne Akhurst Memorial Cup (women's trophy).

The trophies finished their journey at Melbourne Park on 17 January, ready for the start of Australian Open 2011.
The Trophy Tour will expand into Asia from October 2011 for Australian Open 2012.

and ironwoman Hayley Bateup at the Gold Coast.



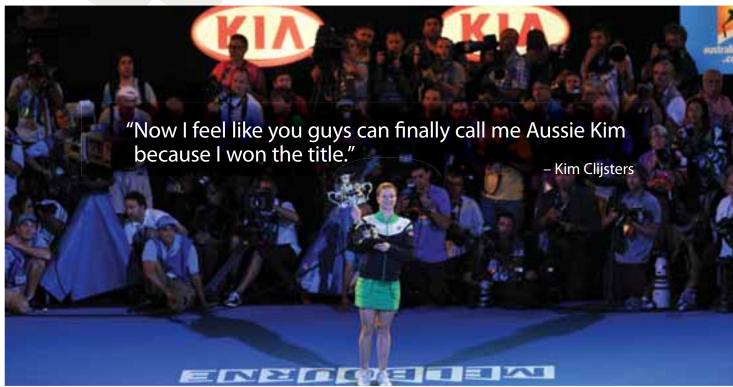
James Duckworth (left) and Ben Mitchell in Bendigo.

Evonne Goolagong Cawley and Ken Rosewall at the Australian Open launch.

Chef Matt Moran (left) and tennis great Todd Woodbridge in Sydney.



Total prize money: AUD\$25,005,635 million



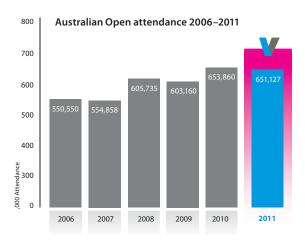
Australian Open 2011 women's champion Kim Clijsters.

With the biggest prize pool in the history of the event on offer, Australian Open 2011 was set for 'a whole new level'. In the men's final Serbian Novak Djokovic hoisted the Norman Brookes Challenge Cup for the second time after defeating Andy Murray in straight sets. Dominating Murray at every turn, Djokovic was full of confidence and maintained a high level of intensity for the duration of the match. An emotional Kim Clijsters cemented her status as one of the top players over the past decade by winning her fourth Grand Slam® (her first Australian Open) with victory over China's Li Na. Clijsters' win was not unexpected, she was a favourite coming into the event, but had to find her best tennis to overcome Li in a tightly contested and thrilling three-set final.

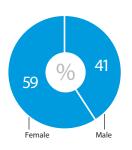
The Australian Open Junior Championships saw world No.1 Czech Jiri Vesely overcome promising Australian junior Luke Saville. It was the second consecutive year an Australian reached the final. Belgium enjoyed double success with An-Sophie Mestach claiming her maiden junior girls' Grand Slam® singles title. Dutch Esther Vergeer continued her 407-match winning streak, claiming her eighth Australian Open Wheelchair Championships by defeating Australian star Daniela di Toro, while Japan's Shingo Kunieda successfully defended his men's title.



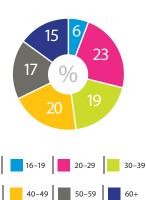
Australian Open 2011 men's champion Novak Djokovic.







Age breakdown of Australian Open 2011 patrons Gemba Group research 2011



Crowd attendance

Australian Open 2011 saw a total of 651,127 fans attend Melbourne Park, just short of the record attendance of 653,860 set last year. Record daily attendances were achieved on five days, including the first weekend and eve of Australia Day. It was the 12th consecutive year the Australian Open has attracted more than half a million patrons.

Rally for Relief

The Australian Open Rally for Relief fundraiser for flood victims started with a conversation between the Australian Open Tournament Director Craig Tiley and Roger Federer. This led to Rafael Nadal, Novak Djokovic, Andy Roddick, Lleyton Hewitt, Andy Murray, Jim Courier and Patrick Rafter, along with Kim Clijsters, Samantha Stosur, Justine Henin, Ana Ivanovic, Caroline Wozniacki, Vera Zvonareva and Victoria Azarenka join Federer on court. The public's charitable nature was evident as Rally for Relief sold out in less than three hours. More than AUD\$2.8 million was raised, with the event broadcast and live-streamed around the world, receiving extensive international news coverage in press, TV and online media.

AO Series events

The Brisbane International, the Medibank International Sydney and the Moorilla Hobart International are entrenched as the perfect lead-in events for the Australian Open.

Brisbane International 2011 continued to build on its reputation as a premier international event and showcased the world's best tennis players. In 2011, the event attracted 67,020 fans and a total domestic television audience of 2.3 million with significant exposure in Asia/Pacific and international markets.

Brisbane International 2011

In the men's final Swede Robin Soderling hoisted the trophy for the first time after defeating American Andy Roddick in straight sets. Emerging Czech Petra Kvitova cemented her status as one of the up and coming players on the WTA tour with victory over Germany's Andrea Petkovic.

In May 2011, the Brisbane International received a status upgrade by the Women's Tennis Association (WTA) to a Premier event, allowing unlimited participation by the world's top 10 women tennis players, boosting the prize money significantly and providing additional ranking points.

Medibank International Sydney 2011

The men's and women's finals were well attended again in 2011 with a total attendance of 83,507 at Medibank International Sydney. In the women's final Clijsters, playing in Sydney for the first time in four years, raced out to a 5-0 lead and looked set to capture the title before China's Li staged a remarkable comeback to win the final 7-6(3) 6-3 in 90 minutes. On the comeback trail after a debilitating knee injury in 2010 Frenchman Juan Martin del Potro came out composed and calm in the men's final to overcome Serbian Viktor Troicki 7-5 7-6(4).

The event's official website www.medibankinternational.com.au - kept tennis fans across Australia and the world updated on the latest news and scores from the event. The site was visited by 400,812 people in January and there were 1,169,712 page views from 1 January until the conclusion of the event.

Moorilla Hobart International

Two permanent stands were built on the eastern and western sides of centre court, adding 2000 public seats with some shade areas for Moorilla Hobart International 2011. The women's event is hosted at the picturesque Domain Tennis Centre which saw Australia's Jarmila Gajdosova claim her maiden WTA singles title on home soil. In her first ever main draw appearance at the tournament, Gajdosova defeated American Bethanie Mattek-Sands 6-4 6-3 in tough windy conditions.



Back: Jim Courier, Lleyton Hewitt, Andy Murray, Novak Djokovic, Ana Ivanovic, Patrick Rafter, Rafael Nadal,

Front: Victoria Azarenka, Vera Zvonareva, Caroline Wozniacki, Justine Henin and Kim Clijsters.

Australian Open: memorable event continued

There was a substantial increase in the quantity and quality of player services on offer at Australian Open 2011...

Player Services

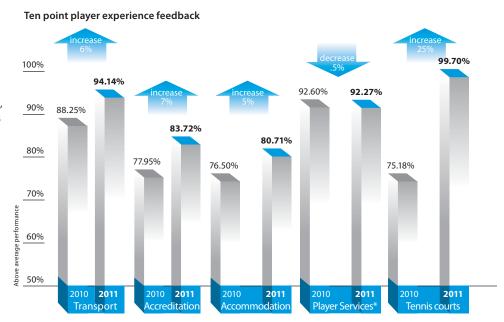
There was a substantial increase in the quantity and quality of player services on offer at Australian Open 2011 including the installation of a dedicated player accreditation office, expansion of player relaxation space, new premium player gifts, increased opening hours of fitness facilities and additional player services staff.

A wider range of player activities was also provided including a special function on Australia Day, where players could get up close with some native Australian animals. On finals weekend, the Australian Open junior and wheelchair players were given increased recognition during a special presentation in Garden Square.

Australian Open trophy

For the first time in Australian Open history the winner of the men's and women's singles titles took home an exact full-size replica trophy. Novak Djokovic and Kim Clijsters were presented with the original trophies after their respective finals during the on-court ceremonies, with their full-size replica presented later privately.

*Despite an increase in the number of player activities on offer, there was a slight decrease in the feedback on activities available to players. This decrease was due to the entertainment booklet being moved to the website and a lack of awareness surrounding this change. To counter this, at Australian Open 2012 the entertainment booklet will once again be produced in hard copy in conjunction with activity displays in Player Services.







For the first time in Australian Open history the winner of the men's and women's singles titles took home an exact full-size replica trophy.

Progress Our day-to-day business continues to progress with substantial results.

Player highlights



Samantha Stosur finished the 2010 season ranked inside the world top 10 (at No.6) for the first time in her career, complimenting her stellar early season clay court results with a quarterfinal appearance at the US Open and semifinal showing at the season-ending WTA Tour Championships in Doha. The Queenslander reached a career-high ranking of world No.4 in February 2011 and was a finalist at the WTA Premier event in Rome (lost to Maria Sharapova) in May 2011. During the past 12 months, she also reached the semifinals in Stanford, Stuttgart and Eastbourne.



Bernard Tomic became the youngest men's player to reach the Wimbledon quarterfinals since Boris Becker in 1986, when he defeated Nikolay Davydenko, Igor Andreev, Robin Soderling and Xavier Malisse en route to his career best showing at a Grand Slam® in June 2011. The performance boosted Tomic's ranking to a careerhigh No.72 and made him Australia's highest-ranked male player.



Lleyton Hewitt was a quarterfinalist at Memphis and San Jose and reached the last 16 at Wimbledon for the ninth time in his career in June 2010.



Jarmila Gajdosova won her first WTA title at Guangzhou in September 2010 (defeated Alla Kudryavtseva) and in the same month made her debut in the world top 50. In January 2011, Gajdosova won her second WTA title and first on home soil at the Moorilla Hobart International (defeated Bethanie Mattek-Sands). She also made the semifinals at Kuala Lumpur in February and achieved a career-high ranking of world No.25 in May.



Jelena Dokic won her sixth WTA title at Kuala Lumpur in February 2011 (defeated Lucie Safarova) and reached the final at s'Hertogenbosch (lost to Roberta Vinci) in June.



Matt Ebden reached his first ATP singles quarterfinal at the Brisbane International in January 2011.



Casey Dellacqua won her first Grand Slam® doubles title at French Open 2011, teaming with Scott Lipsky of the United States to take out the mixed doubles crown.



Ashleigh Barty and Luke Saville created history at Junior Wimbledon 2011 by winning the boys' and girls' singles - the first time both titles have been won by Australians in the same year. Saville was also runner-up in the Australian Open boys' singles final and Barty won the prestigious ITF Astrid Bowl title in Belgium in May 2011.



Pat Rafter won the inaugural ATP Champions Tour event in Sydney, defeating John McEnroe in the final at Sydney Olympic Park Tennis Centre.

The Australian 14/u World Junior Tennis Competition girls' team of **Ashleigh Barty, Lyann** Hoang and Isabella Beischer won the bronze medal at the World Finals in Prostejov, Czech Republic. The Australian boys' team of Li Tu, Thanasi Kokkinakis and Blake Mott also qualified for the World Finals and finished inside the top 10.

The Australian Junior Fed Cup team of Ashleigh Barty, Storm Sanders and Abbie Myers and Australian Junior Davis Cup team of Jay Andrijic, Jack Schipanski and Jordan Thompson finished fifth and sixth respectively at the 2010 World Finals in San Luis Potosi, Mexico.

Player highlights



Daniela di Toro (right) was runnerup in the women's wheelchair singles finals at the Australian Open and US Open. She was also runner-up in the women's wheelchair doubles at the US Open and Wimbledon.



Australia defeated Great Britain to finish third in the junior teams event at the 2011 Wheelchair World Team Cup in Pretoria, South Africa. Keegan Oh-Chee, Henry de Cure, and Stephan Rochecouste made up the victorious side.



Isabella Beischer received the Best Sportsmanship and Fair Play award at the BNP Paribas Cup Stade Francais tournament in Paris. The award, presented by UNESCO, has also been won by the likes of Roger Federer and Gael Monfils.



Chris Guccione and Carsten Ball won their first ATP doubles title at the 2010 Hall of Fame Tennis Championships in Newport.



Matt Ebden (left) won his first ATP doubles title at the 2011 Hall of Fame Tennis Championships in Newport with American Ryan Harrison.



Former world No.1 David Hall (right) was appointed as one of six ITF Wheelchair Tennis Ambassadors in November 2010 to help promote the sport in Australia and worldwide.



The Australian Men's 55+ team defeated Spain to win their seventh consecutive world title in the Austria Cup division at the 2011 ITF World Teams Championships (35+ to 55+) in New Zealand in February 2011.

The 2010 Commonwealth Games in Delhi were successful for the Australian team.

Anastasia Rodionova claimed the gold medal for the women's singles, Sally Peers won the bronze medal for women's singles, Greg Jones won the silver medal for men's singles, Matt Ebden won the bronze medal for men's singles, Peter Luczak and Paul Hanley won the gold medal for men's doubles, Peers and Rodionova won the gold medal for women's doubles, Olivia Rogowska and Jessica Moore won the silver medal for women's doubles and Rodionova and Hanley won the silver medal for the mixed doubles.



Sally Peers (left) and Anastasia Rodionova won the women's doubles gold medal at Delhi.

Australian Pro Tour

The Australian Pro Tour is a series of international entry level events that act as a bridge between junior events and the professional tour. Twenty-nine tournaments were staged across seven states and territories with players such as Alicia Molik, Jarmila Gajdosova, Casey Dellacqua and Bernard Tomic all competing on the tour at various stages throughout the year. All Pro Tour events featured a strong community activation element with hundreds of local school children invited to watch the action, meet the players and participate in an MLC Tennis Hot Shots clinic. In December, the William Loud Bendigo International was the inaugural Pro Tour event to be live streamed in its entirety on tennis.com.au.



Olivia Rogowska participated in the Australian Pro Tour.

All Pro Tour events featured a strong community activation element with hundreds of local school children invited to watch the action, meet the players and participate in an MLC Tennis Hot Shots clinic.

December Showdown

Over 2000 matches were staged at Melbourne Park in December 2010 with all under age national championships played for the third consecutive year in the lead-up to the Australian Open Play-off. A record 1600 school children from around Victoria attended the on-site schools experience during the December Showdown, which involved a range of activities including watching the tennis action, player autograph signings and MLC Tennis Hot Shots clinics. Marinko Matosevic and Olivia Rogowska triumphed amongst a star-studded Australian Open Play-off field to secure themselves a main draw wildcard into Australian Open 2011. Persistent rain on finals day saw the men's final between Matosevic and Peter Luczak moved indoors midway through their five-set marathon. Over 50,000 viewers watched live streaming of the Australian Open Play-off across six days on tennis.com.au. Jelena Dokic's blockbuster semifinal against Alicia Molik attracted the biggest audience and received extensive coverage throughout traditional and online media.

Tournaments

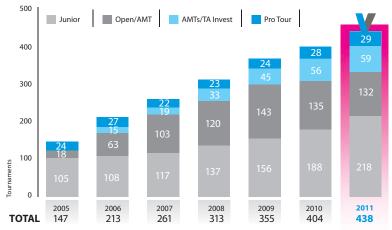
The number of tournaments continues to grow, up eight per cent from 2010 to 2011, with entry numbers for tournaments also increasing by 16 per cent. The number of players with an Australian Ranking (AR) also grew significantly from 4618 to 5538, a rise of 19 per cent. The seasonal National Championships were held throughout the year in Mildura (grass), Queensland (hard) and Ipswich (clay), offering junior athletes the chance to gain tournament experience on a range of surfaces. As the quantity of tournaments stabilises, Tennis Australia's

(TA's) Tournaments department will seek to increase the overall quality of tournaments for participating athletes including their on court, off court and online experience.

Tennis World

More than 5000 patrons played weekly at Tennis World's two venues - Melbourne Park and Albert Reserve - during 2010-2011. On average 1750 court hours were booked each week by Tennis World members and casual clients for court hire, coaching, social competitions and tournaments. In Tennis World's annual customer satisfaction survey conducted in June 2011, 94 per cent of respondents expressed their satisfaction with Tennis Workout and Tennis World's coaching programs. Over 3000 participants entered 26 tournaments organised by Tennis World across the year and the Tennis World Academy program again had athletes selected in the Victorian State team and awarded US student/athlete scholarships.

Growth of Australian Ranking tournaments





Left to right: Carsten Ball, Paul Hanley, Lleyton Hewitt and Peter Luczak.

Davis Cup

Bernard Tomic and Lleyton Hewitt led the Australian Davis Cup team to a 3-1 win over China in July 2011, setting up a showdown with Switzerland in September for the chance to be promoted to the World Group in 2012. The tie against China was the first for Australia's new captain-coach combination of Pat Rafter and Tony Roche, who were installed at the helm following John Fitzgerald's resignation in October 2010. Marinko Matosevic made his Davis Cup debut for Australia when he was picked to play the opening singles rubber against China's Wu Di in Beijing. Australia narrowly missed out on advancing to the World Group when they lost 2-3 against Belgium at the Cairns International Tennis Centre in September 2010.

Fed Cup

In 2011 Australia competed in the elite World Group for the first time since 2004, falling in the quarterfinal stage to reigning champions Italy 1-4 in Hobart. Jarmila Gajdosova made a stunning debut, toppling Francesca Schiavone in the opening singles rubber before Schiavone and Flavia Pennetta combined to keep Italy's title defence on track. After 41 Fed Cup ties over 16 years, Rennae Stubbs retired from the women's team event following the Hobart tie. In April, Australia lost narrowly 2-3 against Ukraine in their World Group Play-off, relegating them to World Group II where they will meet Switzerland away in February 2012.

Davis Cup and Fed Cup squads

The Davis Cup and Fed Cup squads are specifically designed to provide a flexible approach to supporting athletes over the age of 21. Players in the Davis Cup squad include Peter Luczak, Hewitt, Carsten Ball, Tomic and Matosevic, while the members of the Fed Cup squad are Stubbs, Anastasia Rodionova, Samantha Stosur, Gajdosova, Sally Peers, Sophie Ferguson, Alicia Molik and Casey Dellacqua. These players are provided with coach and sport science/medicine support through TA staff or the option to access direct level of funding to invest in their tennis. The coaches involved with the Davis Cup squad are Mark Woodforde, Josh Eagle and Tony Roche; while David Taylor, Chris Johnstone and Louise Pleming work with the various Fed Cup squad athletes.



Left to right: Alicia Molik, Samantha Stosur, Rennae Stubbs, Jarmila Gajdosova and Anastasia Rodionova.

Australian Institute of Sport (AIS)

TA has a targeted training program to support the transition of junior players, aged 16 to 21 into the senior ranks - the AIS Pro Tour program. With bases in Canberra, Melbourne and Barcelona, AIS athletes spend up to 30 weeks on the road, including training blocks and competition in international junior and professional tennis events. The tennis class of 2011 was formally inducted into the AIS in February, with the athletes provided with world class coaching, physical and medical support as they travel the world on the tennis tour.

The second national draft camp was held at the AIS in November 2010, giving young players a taste of what is expected of them in terms of professionalism, education and performance, while ongoing rookie camps are held for younger players during the year.

AIS Pro Tour class of 2011 The 2011 AIS Pro Tour athletes were:





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



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



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



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



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



Ben Wagland (NSW) Date of birth: 16 March 1993



Ashleigh Barty (Qld) Date of birth: 24 April 1996



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



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



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



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



Belinda Woolcock (Vic) Date of birth: 24 January 1995

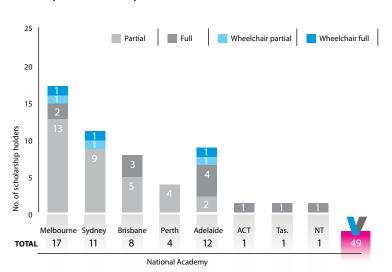
National Academies

The National Academies (NAs) are established in Adelaide, Brisbane, Melbourne, Perth and Sydney. The NAs offer an elite, disciplined and consistent training environment for aspiring professional players, aged 10–16 years old, focusing on independence, physicality, competitiveness and the development of weapons. The system fully integrates all programs, reflects priorities and embraces the entire team around the athlete. Players are provided with world class on-court training, physical preparation, sports science/medical services and educational opportunities.

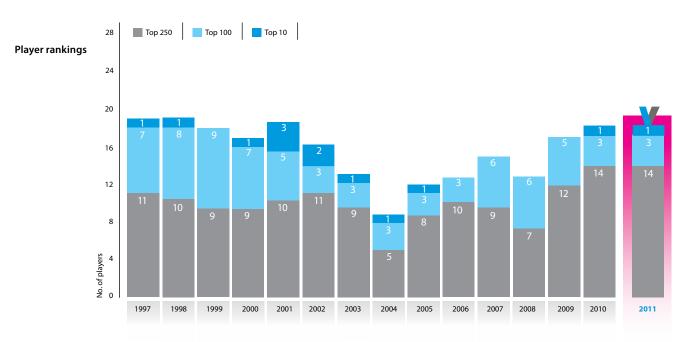
Sports science

TA has a sport science and medicine program that offers medical, physiotherapy, strength and conditioning, psychology, nutrition and performance analysis support to players in its Athlete Development pathway. An online database houses all player information, including players' medical histories, physical testing results and coded match performances. It also includes hundreds

Full and partial scholarship numbers



of written notes and athlete performance appraisals from each of Australia's top coaches. In this way, TA aims to collate information to help understand how the game has changed and what benchmarks players need to be meeting at particular ages.



With more than 50 reflective markers, Patrick Rafter's technique and service action were profiled at the AIS.



Indigenous Tennis Program

In January 2011 Federal Sports Minister Mark Arbib joined Evonne Goolagong Cawley to announce a new partnership with TA for the Federal Government's Learn. Earn. Legend! Indigenous Tennis Program to encourage young Indigenous people to stay in school or training. The Federal Government will contribute AUD\$350,000 per year for three years, with TA matching the funding. This program will enable the current programs being run for young Indigenous tennis players to expand.

The Federal Government will contribute AUD\$350,000 per year for three years, with Tennis Australia matching the funding.



The Indigenous Tennis Program was announced in early 2011 by Federal Sports Minister Mark Arbib (far left) and Evonne Goolagong Cawley (far right).

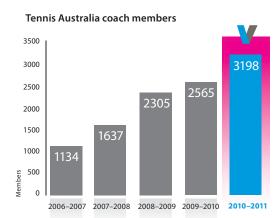


Former champions

TA employs many successful former players in a wide range of roles, including coaching, educating, managing, consulting and mentoring. In 2010-2011 Patrick Rafter and Tony Roche were appointed as Davis Cup captain and coach, Todd Woodbridge was promoted to the position of Professional Tennis Manager, responsible for both the Davis Cup and Fed Cup teams as well as the AIS Pro Tour program and Scott Draper moved to Melbourne as Developmental Tennis Manager, responsible for athletes 16 years and under. Wayne Arthurs (boys) and Draper (girls) were the 2011 captains for the World Junior Tennis Competition teams while Mark Woodforde and Nicole Bradtke captained the 2010 Junior Davis Cup and Junior Fed Cup teams and were in Mexico for the world finals in September 2010.

Coach Membership

The number of coaches registered as part of TA's Coach Membership program increased from 2565 to 3198 members in 2010–2011. The theme for membership was 'More services and more options for you' with prices remaining the same for the fourth consecutive year for qualified members.



Qualified members had personalised access to TA's brand for the first time through the locked logo upgrade and had increased local area marketing resources. The 'Your tennis toolkit' was new in 2010, a comprehensive interactive USB which provided a range of resources for coaches and clubs. The toolkit provided fact sheets and templates to assist with the recruitment and appointment of a coach and strategies to develop strong, healthy and long-term club/coach relationships. Coach Membership continued the coach awareness marketing campaign entitled 'Get an Advantage with a TA coach' by communicating with more than 9000 schools nationally.

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. The mentoring program proved to be highly successful in developing coaches in the High Performance Coaching Qualification which has 27 hours of mentoring integrated in the course for the first time.



There are more than 3190 Tennis Australia coach members.

Developing coaches

A total of 1256 coaches completed a TA coaching course in 2010-2011. During this time 925 people participated in the Introduction to MLC Tennis Hot Shots coaching course which is more than double the participants from the previous year, while 1230 coaches attended 30 professional development workshops across Australia. The largest was the 2011 Grand Slam Coaches' Conference, where more than 260 participants attended for three days and heard from several Australian and international speakers.

Online learning

The learning website for tennis coaches -Bounce - which was launched in February 2010 has continued to grow and expand. This learning tool was previously utilised only by coaches completing the Junior **Development and Club Professional** Coaching qualifications. Its users now include Talent Development Coaches and TA coach members. The website provides coaches with access to the latest learning information, a more interactive learning experience and personalised learning at their own speed.

Developing the officials

TA continued to grow education opportunities for new and existing officials with 65 courses conducted across the country in the past 12 months. Five new Officiating Development Coordinators are active in each of the states recruiting, educating and developing officials and ensuring all tournaments are provided with quality officials. Five top Australian chair umpires have been contracted to officiate at TA events and assist the development of the next generation of officials. An increased number of officials at Pro Tour events now ensures that each main draw match has linespeople.



There were 365 officials at Australian Open 2011.

Five new Officiating Development Coordinators are active in each of the states recruiting, educating and developing officials and ensuring all tournaments are provided with quality officials.

A new partnership with YouTube packaged the Australian Open Series into five separate channels with full match replays, match highlights, press interviews and off-court colour features.



 $More\ videos\ were\ offered\ on\ the\ Australian\ Open\ You Tube\ channel.$



The Brisbane International YouTube channel had full match replays.



Tennis Australia manages a number of player websites including samstosur.com.

Open all hours

Today's mobile generation can tap into tennis whenever and wherever they choose. Be it on a laptop, smart phone, tablet, newspaper, TV, magazine or pocket-sized handheld computer, the focus of TA's Communications business unit is to spread interest in tennis by providing unique and timely content in multiple formats.

More to watch

TA's video offering increased substantially and will continue as a key focus in 2011–2012. A highlight of the past 12 months was live streaming of several events including Pro Tour events, the Australian Open Play-off and the Australian Open qualifying tournament, which was viewed on the Australian Open website, Facebook, Fox Sport and livestream. com, Yahoo 7 as well as on iPads and iPhones. This world class production, which integrated live chat, was viewed by 300,000 unique visitors around the globe and primed the tennis audience for main draw action and a record website audience of 10.03 million unique visitors.

A new partnership with YouTube packaged the Australian Open Series into five separate channels with full match replays, match highlights, press interviews and off-court colour features. In January alone, the channel had five million views, 78 per cent of whom were males. Other popular video features included the Australian Open Countdown show, the Kia-sponsored 'Open Drive', where players were quizzed en route to the tennis, and the Changing Ends Tennis Film Festival returning in its second year and themed 'Take Two'.

New online home for tennis

The grassroots site for tennis in Australia – tennis.com.au – was relaunched in December 2010 with a new design and userfriendly publishing platform, housing MA and club websites within the broader Tennis website. Traffic to the site grew 38.6 per cent for a total 36,093,853 page views and 1.2 million unique visitors.

Going social

With the popular *Slice* newsletter enjoying a subscriber base of 134,844 readers, TA's social media audience soared as Australian Open Facebook friends jumped from 67,000 to 414,000 in 12 months, with in excess of 7000 Australian Open check-ins in 2011. Internally, the business unit's new Social Media Unit set about training staff across the country in best practice usage of social media platforms to support fan engagement and coverage of a wide range of events and programs.

Mobile spike

The popular Australian Open iPhone app had 700,000 downloads and included an augmented reality feature, with live radio broadcasts available on a range of smart phones. The Australian Open mobile site page views were up by three million views in 2011 for a total eight million, a 63 per cent increase over 2010. TA also produced the Australian Open program in-house, managing all aspects of production, print and sales. The program was reproduced on a paid iPad app, combining live data feeds from the tournament. At AUD\$5 per download, the program was the top paid sports app in iTunes during the tournament.

Promoting grassroots tennis

The national roll-out of the Australian Open Trophy Tour and the Newcombe Medal, Australian Tennis Awards in 2010 enabled TA to publicise tennis, from grassroots participation programs such as MLC Tennis Hot Shots through to the AO Series and the Australian Open. TA announced the Australian Open Trophy Tour at the Australian Open launch in October and the presence of Evonne Goolagong Cawley and Ken Rosewall, along with a large group of MLC Tennis Hot Shots participants, was a hit with the media and resulted in wide national coverage in press, TV, radio and online media. The Australian Open Trophy Tour was an unprecedented opportunity to bring an Australian Open experience to tennis communities across the country and generated strong media exposure and enormous goodwill.

The involvement of ambassadors as diverse as AFL footballers in Perth, ironmen/women in Queensland, politicians from both sides in Canberra and celebrity Chef Matt Moran in Sydney moved tennis coverage from the sports pages to the news pages and helped tennis to reach new audiences.

Players in the spotlight

Bernard Tomic's dream run to the quarterfinals at Wimbledon received extensive publicity both in Australia and internationally, as did Luke Saville and Ashleigh Barty's Junior Championship titles. Many news reports flagged a revival in Australia's tennis stocks and promoted the participation and player development programs that are now beginning to yield results.

Australian Tennis Magazine on iPad

The Australian Tennis Magazine created the first iPad version of its publication, providing content not available in the printed format, including extensive photographic slide shows, additional stories, website links and video content. The implementation of the magazine in a digital format connects to a new audience with a high quality product that is comparable to any digital magazine currently available.



Fernando Verdasco was the first player to sign the official Australian Open program iPad app.



The Australian Open program was the top paid sports app in iTunes in January.



Australian Tennis

The Tennis Australia Facebook page had 26,000 fans at 30 June 2011.



There were 6000 Twitter followers of @TennisAustralia.

Australian Open sales

In a milestone for Australian Tennis Magazine it was available for sale during the Australian Open for the first time, featuring in a specially-designed trade booth at Garden Square. With current and recent back issues proving extremely popular, this initiative provided a significant boost to general sales figures, as well as a prominent promotion for the magazine. Subscriptions were also sold and heavily promoted throughout the outlet.

The December issue of the Australian Tennis Magazine featured a 12-page supplement that became the 'program' for the December Showdown, which helped promote the event through the wider Australian Tennis Magazine audience and also boosted the profile of the magazine itself. Bulk copies were distributed to MLC Tennis Hot Shots participants and various school groups visiting Melbourne Park, with the magazine also sold on site to the general public.

Poster magazine

The Australian Tennis Magazine Poster Magazine Special, sold at events and newsagencies throughout the summer, was not only a solid financial success, but also provided an effective promotion for tennis itself. Bulk copies of this publication, featuring 12 high quality posters of prominent players, were provided to TA's Marketing business unit and the Community Tennis department, and subsequently distributed throughout the tennis community. Copies were also sold to MAs at a discounted rate.

Subscriptions growth

A range of subscription promotions resulted in growth in this area of the *Australian Tennis Magazine's* business. This included a deal to provide MLC Ballkids with an annual subscription (which also enabled the continued promotion of tennis and direct communication with this particular group) and the growth of TA coach member subscriptions, which is supported by the 'My Coach' pages in the magazine. Most pleasing was a rise in multi-year and international subscriptions. The August 2010 cover, featuring an unusual close up image of Roger Federer, was a finalist in the 'Best Sports Publication' cover of the Maggies, a magazine industry award.



The Australian Tennis Magazine Poster Magazine Special *was popular with fans.*



 $Australian\ Tennis\ Magazine\ had\ a\ presence\ at\ the\ Australian\ Open\ for\ the\ first\ time\ in\ its\ history.$

This included a deal to provide MLC Ballkids with an annual subscription (which also enabled the continued promotion of tennis and direct communication with this particular group)...

57

australianopen.com page views and unique visitors

Year	Page views
2005	106
2006	149
2007	141
2008	222
2009	230
2010	302
2011	280

Year	Unique visitors
2005	2.95
2006	4.29
2007	4.74
2008	7.45
2009	8.64
2010	9.75
2011	10.03

AMBIDLENEWLEVE

The unique visitors to australian open.com grew in 2011.



There was an increase in unique visitors to tennis.com.au.

tennis.com.au unique visitors

Year	Unique visitors
2009	1.04 million
2010	1.1 million
2011	1.2 million



Year	Fans
2009	25,000
2010	67,000
2011	414,000

Facebook Tennis Australia (fans)

Year	Fans
2009	2000
2010	6000
2011	26,000



The Australian Open Facebook page exceeded 400,000 fans.



Year	Followers
2009	8000
2010	12,000
2011	32,000

Twitter followers (Tennis Australia)

Year	Followers
2011	6000



The followers of @AustralianOpen hit 32,000.

Progress continued Australian Open live sites were back once again at Federation Square in Melbourne and for the first time at the iconic Bondi beach, Sydney.



Fans enjoyed the live site at Bondi beach in Sydney.

A strategic and targeted marketing campaign was developed across seven key mediums (TV, press, magazine, radio, online, outdoor and social media)...

Marketing – brand

During 2010–2011 the TA Marketing business unit was restructured to provide a fully integrated marketing service where the Tennis master brand leads the way to tennis consumers. Dedicated brand teams were established for the Tennis master brand and its sub-brands of Cardio Tennis and MLC Tennis Hot Shots. A marketing analyst was added to the team to ensure that TA develops strategies to meet objectives that are based on the needs of consumers within the context of the sport and entertainment marketplace. A brand activation manager was also appointed to externalise TA's brands in a cohesive way to ensure that tennis is top of mind throughout the year; culminating when the world's best players are in Australia during the summer of tennis, the Australian Open Series and ultimately the greatest

showcase for our sport, at the Australian Open. A new creative advertising agency was appointed in M&C Saatchi Melbourne to work with TA to develop strategic campaigns for all of our brands.

TA worked with R-CO to develop the Newcombe Medal, which was presented to the inaugural winner Samantha Stosur at the Australian Tennis Awards in December. The stylish platinum medal is timeless and embodies the pinnacle of tennis performance in Australia. The Marketing business unit continued to service the Tennis department throughout the year with marketing campaigns developed for coach membership, officials, the Australian Grand Slam Coaches' Conference, Australian Open, Pro Tour and MA programs.



Ticket sales were advertised across billboards

A whole new level

A strategic and targeted marketing campaign was developed across seven key mediums (TV, press, magazine, radio, online, outdoor and social media) plus a host of below the line activities and partnerships/promotions with official media partners Seven Network, Herald Sun, Nova FM and 3AW, and also Ticketek. The focus and key messages varied between brand, retail, promotions and competitions but all were consistent with the creative strategy 'Australian Open 2011. A whole new level'. The campaign was segmented into four main phases, the Australian Open launch (October), Christmas (December), post-Boxing Day retail (26 December 2010–16 January 2011) and tournament (17-30 January 2011).

Live sites

Australian Open live sites were back once again at Federation Square in Melbourne and for the first time at the iconic Bondi beach, Sydney. Both sites featured giant screens with live coverage of the tennis action at Melbourne Park and various other tennis and sponsor-related activations to entertain the fans.

The focus and key messages varied between brand, retail, promotions and competitions but all were consistent with the creative strategy 'Australian Open 2011. A whole new level'.



The Marketing department worked with R-CO to produce the Newcombe Medal.



The Australian Open presence was evident in Melbourne's CBD.



Tram 70 had the Australian Open campaign artwork.



Marketing campaigns were developed for MLC Tennis Hot Shots.

Legal department restructure and expansion

The continued growth of TA's business interests led to an increased demand for legal services across all business units within the Company. To meet this requirement, TA invested in the restructure and expansion of its Legal business unit. The Legal business unit now comprises of the Director of Legal and Melbourne Park Redevelopment, a Senior Legal Counsel, two Legal Counsels (one parttime) and a Legal Assistant.

Contracts for Australian Open 2011

The Legal business unit played an important role in the organisation of Australian Open 2011, preparing a range of contracts for the event including sponsorship agreements, supply agreements, broadcast agreements and various operational agreements.

Other agreements and advice

During this financial year, the Legal business unit assisted with the Company's strategic development. The Legal business unit worked closely with all business units to prepare a wide range of agreements for the Australian Open Series events, the Fed Cup and Davis Cup ties as well as agreements with the other Grand Slams, the ITF and the WTA. Legal also assisted the Company by providing advice on a range of issues and preparing and reviewing contracts for its year round business needs.

Contract management

The Company's contract execution policy was updated in 2010–2011. This policy aims to ensure that all agreements receive formal legal approval and are executed by TA-authorised representatives so as to reduce the Company's potential for legal exposure.

Extending relationships

In late 2010, Middletons was reappointed as a sponsor of the Australian Open and the Company's official supplier of external legal services until 2014. Middletons has worked with TA exclusively for a number of years and has provided assistance on a range of legal matters.

Finance for the MAs

TA is preparing the accounts and processing the payroll for six Member Associations (MAs) – Tennis West, Tennis Tasmania, Tennis ACT, Tennis SA and Tennis NT as part of the shared services initiative. The TA Finance business unit migrated Tennis Victoria's payroll process from MYOB to Meridian and has begun processing all payroll for Tennis Victoria including superannuation administration. KPMG will audit Tennis West, Tennis Tasmania, Tennis ACT and



Nestlé Peters continued its support of the Australian Open.

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.

Monthly forecasting/management reporting automation

A consultant was engaged to automate the production and distribution of management report spreadsheets which are sent out to each manager at the end of each month. Once each manager updates his/her forecast, the data is easily uploaded into the financial system. It is estimated that the automation saves the finance team approximately three to four days per month.

Superannuation clearing house

All superannuation fund contributions including TA and seven MAs are now being processed via the QuickSuper clearing house. This service was offered complimentary by HostPlus and saves TA's Payroll Manager approximately two days per month in processing time.

New ANZ VISA expense management system

TA changed all Company credit cards from CBA Mastercards to ANZ VISA cards. One of the main benefits of changing to ANZ VISA was the ANZ Expense Manager software which is now used to manage all spending via Company credit cards. The ANZ Expense Manager allows complete paperless coding, authorising and uploading of electronic receipts and invoices. In addition there is more accountability from an FBT perspective with

cardholders required to submit all relevant information to satisfy FBT reporting.

Sponsor partnerships

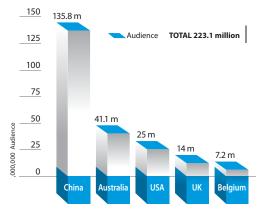
The portfolio of global and national premium brands partnering with TA once again set a very high benchmark. In conjunction with TA's sponsors and suppliers the Australian Open delivers an amazing and fun experience for our patrons through the popular activation space Grand Slam® Oval. TA is very fortunate to have the partners who help deliver a world class experience. The planning commences very early when in June each year TA facilitates an annual sponsor forum to provide detailed information and receive key feedback from our partners.

It was a busy year for renewals with Wilson, a key tennis brand, re-signing for the next five years. Fuji Xerox and Virgin Australia re-signed for another three years, while MLC re-signed its association with TA's kids' learn to play program MLC Tennis Hot Shots until 2014. Optus and ANZ accepted renewal options and Coca-Cola through its Powerade brand will continue for another year. Maxxis signed for two years and Panadol agreed to a one-year deal for Australian Open 2011.

TA continues the important partnership with local and state governments considering the significant redevelopment underway at Melbourne Park. Major sponsor Kia Motors in association with Jacob's Creek, Rolex and ANZ, with Lacoste, Panasonic, Heineken, Evian and Nestlé Peters also continue to support and be proud sponsors of TA and the Australian Open.

The official player towel was the most sold item during Australian Open 2011.

Top five countries by cumulative TV audience



With the towel category accounting for 26 per cent of the overall sales, the official player towel continues to be the biggest seller.

Merchandise and Licensing

In December 2010 following an audit conducted on the Merchandise and Licensing business, Velocity Brand Management became TA's Official Licensing Agent. The key focus of its role is to help grow on site sales during the Australian Open (in conjunction with The Promotions Factory), create a set of licensing art packs and establish and develop an off-site licensing program for both the Tennis and Australian Open brands.

Australian Open 2011 saw merchandise sales on site exceed last year's. With the towel category accounting for 26 per cent of the overall sales, the official player towel continues to be the biggest seller. Another very popular item was the campaign tote bag which sold more than 51,000 units during the two weeks. Official Rafael Nadal and Roger Federer product by Nike was also in high demand by patrons on site.



Lacoste had three exclusive boutiques on site.

Official Partner Lacoste had a strong presence on site with three of its exclusive boutiques showcasing the Lacoste range. For the second year in a row, 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 2011.

Corporate Hospitality

The Corporate Hospitality team entertained 1400 different businesses/clients during Australian Open 2011. With a retention rate of 87 per cent for the Series seating packages, clients continued to recognise the value of securing a premium seat for the duration of the tournament. The second year of the private River Villas allowed companies to impress clients in a personalised exclusive area, tailored menu choices and premium seating in Rod Laver Arena. The finals period proved the most popular among clients and guests, with additional River Villas built specifically to cater for the increased demand.

The double storey corporate marquee was again heavily utilised, accommodating the Legends Dining Room, Grand Slam Select and Corporate Lounge. The Grand Slam Select (single session) product proved extremely popular, offering guests the flexibility of selecting their own session to experience an inclusive hospitality package.

A custom built ticketing system provided by ticketing partner Ticketek was launched in October 2011. This system will provide greater efficiencies to valued clients and an easier way to buy tickets to the Australian Open now and in the future.

TV audiences across the globe

The global cumulative audience for Australian Open 2011 was 307.6 million, up by 31 per cent from Australian Open 2010, while there was an eight per cent increase in global broadcast hours. China had the biggest audience growth – up from 59.5 million to 135.8 million, which was attributed to the increased audience on China's national broadcaster CCTV. The audience for the women's final in China on CCTV was 60 million - the highest rating single match by a single broadcaster in any territory. Australia's broadcast hours increased by 168 per cent due to Fox Sports telecasting the Australian Open along with the Seven Network.

Australian Open and ESPN new 10-year extension

ESPN extended its agreement with TA in September 2010 to continue its multimedia coverage of the Australian Open until 2021. Having televised the Australian Open including the women's and men's semifinals and finals exclusively since 1984, this is ESPN's longest uninterrupted professional sports programming relationship. It continues the extensive ESPN2 television coverage, Spanish-language US rights for ESPN Deportes and distribution in Latin America via ESPN International (2012-2016). It also includes expanded rights for ESPN3.com, iTV (interactive television), and highlights on ESPN.com and other emerging and digital media, including ESPN Mobile TV.

Human Resources built on its recruitment systems and processes to strengthen the attraction and retention capability within the Company, both during the Australian Open and in business mode.

Fox Sports for Australian Open 2011

In November 2010 TA announced that Fox Sports would be a broadcast partner once again providing extensive live coverage of Australian Open 2011. Fox Sports had the rights to provide live coverage for all matches not played at Rod Laver Arena between Day 1 and Day 8. Fox Sports also had the right to replay all Rod Laver Arena matches, including all the action from the quarterfinals.

Pre-sales

The Ticketing department once again provided Member Associations (MAs) and Australian Open Members with pre-sale access to the Australian Open with a 26 per cent increase in sales recorded for Australian Open 2011.

Tour Operators

Revenue from TA's licensed tour operators continued to increase with additional operators appointed in Australia, New Zealand, China, North America and UK.

IT server room upgrades

In 2010, TA upgraded major components in its technology infrastructure. This included implementing geographic redundancy for the phone system, along with the introduction of an additional core switch, and redundant power to the main server room. There were refits of several server rooms including the server room in Melbourne and the server room in Tennis NSW. Also, the introduction of a new firewall provided new reporting capabilities and real time visibility of traffic and threats.

TA introduced a new system for managing wireless account registration and call centre management on site during Australian Open 2011, with assistance from Optus and Aruba. Previously only the IT staff could add accounts, but this enabled TA to extend that ability to the Player Services team, speeding up access for players and their guests. Also, the Player Transport and Information

Services teams were given the opportunity to trial a call centre system for queuing and processing calls. Wallboards in the Transport office gave viewers real time information on the number of incoming calls, allowing them to juggle resources as required.

Australian Open public Wi-Fi

For the first time in 2011, the Australian Open piloted a trial of free public wireless access at selected Melbourne Park locations. In previous years, TA provided wireless services to the media, players, sponsors and staff, but in 2011 with assistance from sponsors Aruba, IBM and Optus, TA was able to extend its delivery of wireless internet access to the general public. This enabled fans to enjoy other key TA initiatives, such as the new Australian Open program iPad application, as well as the My Tennis Life application for Windows phones.

Online accreditation

A new security access model online accreditation was launched for Australian Open 2011. This new web solution introduced a much more streamlined approach for each of the functional areas to better manage the accreditation requests. The users groups could login into the accreditation website and update existing personal details and upload new photos for their company employees/contractors. They could also add any new employees or contractors who were not previously accredited at the Australian Open. As accreditation requests are submitted, the group administrators for each of the functional areas could then better manage the requests, which helped the accreditation department to issue accreditation.

Human Resources

The overarching purpose of TA's Human Resources (HR) business unit during 2010–2011 was to support all business units and MAs by providing programs and services to maximise business performance.

Recruitment systems

HR built on its recruitment systems and processes to strengthen the attraction and retention capability within the Company, both during the Australian Open and in business mode.

A streamlined and expanded eRecruitment platform (BigRedSky) and online induction systems were delivered to all of our Australian Open Series, Davis Cup and Fed Cup events and MAs. The Australian Open 2012 application process has also been reviewed and simplified. TA's HR business unit manages the end-to-end recruitment, training and induction for over 1500 staff, annually for the Australian Open. A 'talent pool' functionality has been created to allow prospective candidates and students to register their interest in working for TA, thus allowing HR to more efficiently target and communicate with prospective candidates.

TA's University Student Placement Program continued to gain momentum throughout the year with approximately 28 students placed across the business in areas such as Communications, Legal, Coach Development, Places to Play and IT. In 2010–2011 an On-Boarding program was developed, including an online induction and a range of personalised activities with new starters such as conducting stay interviews after six weeks and hosting regular morning teas where all new starters across the Company get together to meet each other and provide feedback on their induction into the Company.

During Australian Open 2011 staff were invited to participate in area feedback forums. These forums encouraged discussion around a range of HR activities including the recruitment process, training, induction, staff communications, staff facilities and benefits. Individual performance feedback conversations were introduced providing more direct performance feedback for staff members.

HR strategy

Delivering quality HR strategies, systems and programs aligned with achieving Company outcomes and efficiencies while ensuring the safety of TA staff is paramount. During 2010–2011 HR developed an initial suite of HR policies and procedures. A policy implementation plan is being developed for the Company. The HR Information System (HRIS) ConnX was deployed to the majority of the MAs during the reporting period, including the employee self service and performance management modules. Once again TA's annual Performance Development Review (PDR) process was delivered via HRIS, aligning with TA's strategic planning, business planning and budget processes. Online PDR training and information resources for employees and managers were developed and delivered via TA's employee Intranet – ace.

Building on our employee communications strategy, HR introduced the monthly CEO lunch. Employees celebrating their birthday during the month are invited to lunch with the CEO. This has proved to be a popular initiative, where staff have the opportunity to spend an informal hour, in a small group, with Steve Wood while he briefs them on up to the minute business developments and opens the floor to questions.



Employee relations

TA continued to attribute considerable focus on the introduction and interpretation of the Fair Work Act 2009 and its application to the Company, when applying new Modern Awards. The Mercer classification and remuneration framework was implemented, providing a rigorous and systematic process to assist managers in making informed remuneration decisions.

Increasing skill base

HR created learning and development opportunities aimed at developing employee awareness, skill base and experience to achieve maximum productivity and performance. Professional development evaluations and a training needs analysis for each employee is conducted in line with the annual performance and development review.

Leading Teams

Leading Teams was engaged to roll out a Performance Improvement Program throughout TA. The objectives of the ongoing program are to align all teams within TA by building and strengthening current relationships, identify the behaviours which are considered essential trademarks of each business unit to maximise performance, develop leaders within TA who model and drive the trademark behaviours of the team, promote a high performance culture throughout the Company and create an environment where open and honest professional dialogue takes place in regards to behaviour/performance.

Cross team relationship building

A number of values based and relationship building workshops will be conducted with the aim of developing strategies and action plans to assist in building trust and respect across teams.

Empowering Our Leaders for Success – the Tennis Australia Way

In 2010–2011 two Leadership Development courses were conducted for TA and MA leaders. This program continues to build management and leadership capability within the Company by considering feedback from past graduates of the program, remaining aligned with TA's strategic priorities and keeping up with current research and best practice. The Mentoring Coaching Program which follows from participation in the Leadership Development Program also continues and is under review to ensure it remains relevant and beneficial to graduates.

SAFETY AND ENTERPRISE RISK MANAGEMENT

The HR business unit leads the development and implementation of safety and risk management initiatives across the Company. The safety improvement plan, which commenced early in 2010, was the continued focus leading up to and following Australian Open 2011. The involvement of the safety team at Australian Open 2011 saw a proactive approach to contractor management during the build and dismantle phases and a responsive approach to incidents during event phase to protect the wellbeing and safety of both employees and patrons.

One key indicator of the level of staff awareness in relation to safety was obtained when the results of surveys conducted both early in 2010 and then again in 2011 showed a significant increase in the number of responses by staff members both at TA and the MAs across Australia. Further work continues to ensure that the likelihood of an employee or a patron being injured is reduced and TA continues to show its leadership in major event safety across Victoria.

Sentry Business Resilience Solutions, TA's risk consultant, has continued the work established by Reliance Risk in 2010 with respect to enterprise-wide risk management. The Board of Directors of TA were presented with a revised and up-to-date risk management framework and audit committee Charter, which they subsequently approved.

Training and information sessions have been conducted across the Leadership Team and many TA staff members, with a number of key focus areas being identified, such as potential business interruption scenarios that can either interfere with the Australian Open or year round TA business activities or the implications as a result of major service disruptions such as the loss of information technology or communication resources.

The safety and enterprise-wide risk management project provides significant support to the Australian Open Series events, Davis Cup and Fed Cup ties and the MAs across Australia as part of TA's shared services. Over the past 12 months there has been a potential improvement in the awareness and appreciation of the value of this project to TA and most importantly its stakeholders. TA continues to strive to be a recognised leader in both of these critical areas not only as a provider of major events nationally, but also business in general.

Sustainability and the environment Informative, activity-appropriate messages on the signage and labels associated with infrastructure is a critical element in encouraging staff and patrons to take responsibility for disposing of their waste in correct bins.

80%

of waste generated during Australian Open 2011 was recyclable. More than 170 bins in public areas.

50 metres deep

The amount of recycling based on a standard sized tennis court.





Tennis Australia employs responsible recycling practices.

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 and K&S Environmental to collectively and effectively manage the waste and recycling needs during the Australian Open.

Various infrastructure, tailored systems, education, training and communications are provided across Melbourne Park to cope with the demands of the high volume of waste during the Australian Open. Patrons are more aware than ever of how their actions impact the environment and are demanding services which enable them to take action.

As the Australian Open is TA's largest annual event, the tournament takes a holistic approach to recycling to recover and process multiple streams of waste.

If the waste generated during Australian Open 2011 was placed on Grand Slam® Oval, it would be around 125 centimetres deep. Recycling would be elbow deep, organics would form a thin one centimetre layer and general waste would be ankle deep.

Based on a standard sized tennis court (which is 260.87 square metres) recycling would be 50 metres deep, garbage would be just under three metres deep and food waste would be about half a metre deep.

Labelling

Informative, activity-appropriate messages on the signage and labels associated with infrastructure is a critical element in encouraging staff and patrons to take responsibility for disposing of their waste in correct bins.

The value of effective communications is seen when contamination rates reduce in the bin. This reduction in contamination leads to reduced need for sorting all waste that is collected, less bags of highly contaminated material end up in the general waste bin, and the level of contamination within the recycling compactor is minimised.

Silver permanent enclosure bins

Location:	Within Rod Laver Arena and Hisense Arena
Number on site:	50
Capacity:	480 litres (2 x 240 litre MGB)
Total site capacity:	24 m³

If the waste generated during Australian Open 2011 was placed on Grand Slam[®] Oval, it would be around 125 centimetres deep.

Silver permanent enclosure bins

The labelling on these bins states: 'All food and beverage packaging in the bin will be divided from landfill, recycled into new materials and end use products'. All waste is collected and sorted with recyclable material sent to a Materials Recycling Facility (MRF) for further sorting while residual waste is sent to landfill. These bins had the highest rate of recycling and lowest amount of organic waste of all bins across the site.

Clearview bins

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.

By volume, more than 80 per cent of waste generated during Australian Open 2011 was recyclable. The recyclable waste was also sent to a Materials Recycling Facility (MRF) for further sorting with any residual waste sent to landfill.

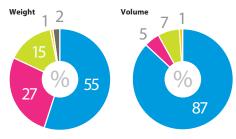
Clearview and wheelie bins were sent to the same plastics recycling centre as shrink wrap. These bags, which previously went to landfill, will create items such as park benches and signage.

Tennis balls

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 on site shop or donates them to charity.

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.

Waste in silver permanent enclosure bins

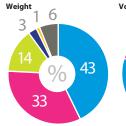


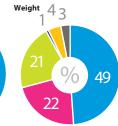
Co-mingled recyclable: **Clearview bins**

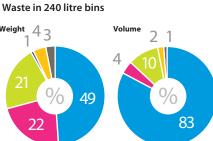
Location:	External public areas
Number on site:	64
Capacity:	200 litres
Total site capacity:	12.8 m³



Waste in clearview bins



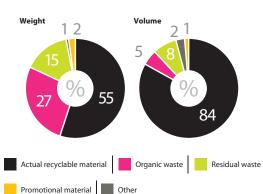




240 litre recycling bin

Location:	External public areas, kitchens, food preparation areas and other back of house locations
Number on site:	56 in public areas, plus extras added in peak times, 236 in back of house areas
Capacity:	240 litres
Total site capacity:	70.08 m ³

Summary of breakdown of waste in all recycling bins



Sustainable waste management





Melbourne Park redevelopment The Western Precinct works

The Western Precinct works are scheduled to commence construction in 2012.



Eastern Plaza works commenced in March 2011.

In 2010, the Victorian Government announced an AUD\$363 million funding package for Stage 1 works of the Melbourne Park redevelopment and early works commenced.

In March 2011 Watpac, working in conjunction with Jackson Architecture, commenced works on the Eastern Plaza. The Eastern Plaza works include the construction of eight indoor and five outdoor Plexicushion courts; a 900 bay multi-storey parking facility and eight new clay courts. A new tennis support building adjacent to the new indoor courts, which will include new change rooms, gymnasium, treatment rooms and lounge areas for use during the Australian Open and on a year round basis, is also under construction.

The new tennis facility will be connected to Hisense Arena by a large plaza at first floor level, which will become the eastern entrance to Hisense Arena (with a bridge from the MCG and a ramp up from the Richmond Station end). There will be a relocated entrance D constructed below the plaza. The Eastern Plaza works are due to be completed in 2013.

In March 2011, Populous and NH Architecture were appointed to commence design works on the Western Precinct. These works include a new retractable roof on Margaret Court Arena, an increase in the number of seats in Margaret Court Arena and improvements to patron facilities around both Margaret Court

Arena and Rod Laver Arena. The Western Precinct works are scheduled to commence construction in 2012.

In April 2011, McCabe Architects were appointed to design the new Tennis Australia offices with works scheduled to commence in the third quarter of 2011 for completion in 2012.



New clay courts will be constructed.



A new indoor facility is part of the Eastern Plaza works.

The Eastern Plaza works include the construction of eight indoor and five outdoor Plexicushion courts; a 900 bay multi-storey parking facility and eight new clay courts. A new tennis support building adjacent to the new indoor courts, which will include new change rooms, gymnasium, treatment rooms and lounge areas ... is also under construction.



A large plaza area will connect the new tennis facilities and Hisense Arena.





The Newcombe Medal – named to recognise the achievements of Australian tennis legend John Newcombe – is the premier award on a night that also recognises service to tennis at all levels including club, coaches, players, volunteers, community and officials.

2010 Newcombe Medal, Australian Tennis Award winners:



Newcombe Medal Samantha Stosur, Old



Junior Athlete of the Year (Female) Ashleigh Barty, Qld



Most Outstanding Tennis Community Kendall Tennis Club, NSW



Coaching Excellence - Club Brett Lennard, ACT



Junior Athlete of the Year (Male) Bernard Tomic, Qld



Most Outstanding Tournament Burnie International, Tas.



Coaching Excellence – High **Performance** David Taylor, NSW



Most Outstanding 35+ Tennis Senior Andrew Rae, Vic.



Spirit of Tennis Award Peter Luczak, Vic.



Coaching Excellence – MLC **Tennis Hot Shots** Matthew Bull, WA



Most Outstanding Athlete with a **Disability** Daniela di Toro, Vic.



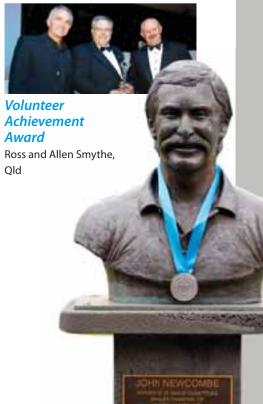
Qld

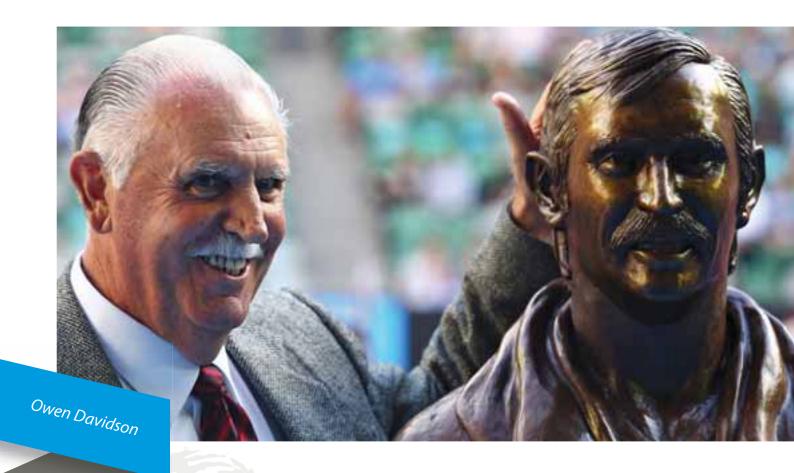


Excellence in Officiating Kerrilyn Cramer, Vic.



Most Outstanding Club Gove Peninsula Tennis Club, NT





2011

The Australian Tennis Hall of Fame was established in 1993 and induction takes place at Rod Laver Arena on Australia Day (26 January) each year during the Australian Open.

Each inductee is recognised by a bronze bust which is later displayed in Garden Square at Melbourne Park.

Owen Davidson joined the exclusive club in a ceremony on Australia Day at Australian Open 2011.

Previous Australian Tennis Hall of Fame Inductees:



Corporate Governance statement

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 of TA are the six state and two territory tennis associations also known as the Member Associations (MAs).

Board changes

The Annual General Meeting (AGM) was held on 25 October 2010 at which Geoff Pollard retired as President of Tennis Australia. The decision made during the Special General Meeting on 19 April 2010 to elect Stephen Healy as the next President of TA following the AGM came into effect.

Former Davis Cup captain John Fitzgerald was elected onto the Board, filling the position vacated by Healy's elevation. Harold Mitchell and Graeme Holloway were re-elected for a further three-year term. Mitchell was also elected as the first Vice President alongside Ashley Cooper.

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.

Under the Constitution, by 2012 all Directors will be independent of simultaneous MA affiliation while they serve on the Board. At the moment one Director has current MA affiliation. This completes the significant developments in Corporate Governance reforms undertaken over recent years and fulfils the undertakings given to the Australian Sports Commission.

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 page 73 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.

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 Leadership 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 Bill Cossey and Graeme Holloway with the President and CEO (ex officio).

The role of the Committee is to assist the Board in discharging its responsibilities for financial reporting, risk management, maintaining an internal control system and addressing matters of Corporate Governance. The Audit and Risk Committee achieves this through overseeing the annual budget process, the financial reporting process and interacting with management and the external auditors on behalf of the Board.

TA's Remuneration Committee

TA's Remuneration Committee consists of the Vice President Ashley Cooper (Chairman) Chris Freeman and Harold Mitchell.

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), John Fitzgerald, Stephen Healy (ex officio), David Roberts, Scott Tanner, 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 2010-2011.



Activities of the Nominations Committee

The Nominations Committee consists of all Directors.

TA's relationship with its MAs

Although the MAs are members 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 members with a phone call briefing 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 Representatives in a strategic planning forum.

In addition, the Chairman has provided regular written updates and feedback to all of the Directors of each MA.

Safeguarding the tennis community

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

TA has a Member Protection Policy, 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

Stephen Healy (PRESIDENT)

Director Tennis Australia (2008–2010)

President Tennis New South Wales (2007–2010)

Vice President Tennis New South Wales (2005–2007)

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

Partner of Gadens Lawyers, Group Leader Commercial Property, Construction and Planning

Former ATP ranked singles and doubles player

Harold Mitchell AC (VICE PRESIDENT)

Director Tennis Australia (since 2008)

Director TVS 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

Ashley Cooper AO (VICE PRESIDENT)

Director Tennis Australia (since 2004)

Councillor Tennis Australia (1998–2006)



Director Tennis Australia (since 2009)

President Tennis South Australia (since 2005)

Chairman Australian Central Credit Union (2009)

Chairman Energy Industry Ombudsman's Board (South Australia) (2009)

Chairman Don Dunstan Foundation (2003)

Council Member University of South Australia (2002)

Deputy Chair ECH Inc (2004)

Member South Australia Government Social Inclusion Board (2004)

Member East Waste Board (2010)

John Fitzgerald OAM

Director Tennis Australia (since 2010)

Australian Davis Cup captain (2001-2010)

Commentator for Channel 7 'Summer of Tennis' (since 1996)

Patron for Bone Growth Foundation (since 1993)

Director Bactigro Australia Pty Ltd ('Bactivate products')

Let's Beat Bowel Cancer (LBBC) Ambassador

Former member of ATP Tour Board

Played Davis Cup for Australia (1982–1992)

Played in three Davis Cup finals

Member of two winning Davis Cup teams

Former ranked Australian No.1 in singles

Former ATP world No.25 in singles

Former ATP world No.1 in doubles

Won six ATP Tour singles titles

Won 30 ATP Tour doubles titles, including seven Grand Slam® titles

Represented Australia in the Seoul (1988) and Barcelona (1992) Olympic Games

Chris Freeman 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 (1998-2010)

Director Watpac

Committee member Queensland Government's Q150

Celebration Committee (since 2007)

Adjunct-Professor of the University of Queensland (since 2006)

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)

Councillor PSA (since 2003)

President Pharmacy Board of Tasmania (1998–2002)

Treasurer APEC (1998-2002)

Board Member Pharmacy Board of Tasmania (1987–2002)

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)

CEO Bank of Melbourne (since 2011)

Former Director Bain & Company, Inc

Fellow Australian Institute of Company Directors

Trustee Melbourne and Olympic Parks Trust

Dr Janet Young

PhD, BA (Hons), B.Com., MAPS, FAICD

Director Tennis Australia (since 2008)

Sport Scientist and Lecturer at Victoria University (since 2005)

Tournament Director WTA Tour Event Canberra (2000–2005)

Head of Women's Tennis, Tennis Australia (2000-2005)

Manager Fed Cup (2000-2005)

Member ITF Pro Circuit committee (2003-2005)

Manager Maureen Connolly Brinker Cup (2001-2005) Player Services Supervisor Australian Open (1989–2002)

Director Tennis International Consultants Pty Ltd (1979–2000)

Tour Director and Referee Women's Tennis Association (1979–1986)

Director Key Personnel Pty Ltd (1984-1988)

Director John P Young and Associates Pty Ltd (1980-1989)

Member of two victorious Fed Cup teams

Recipient of Tennis Australia and ITF Hall of Fame Award for contributions to Australian

Inducted to the Australian University Sports Honour Roll as an Australian Champion

Office Bearers

Steve Wood (CHIEF EXECUTIVE OFFICER)

David Roberts (COMPANY SECRETARY) B.Bus, CPA

Member Delegates

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

ACI	
Bruce Lilburn (ceased October 2010)	
John Cattle	

NSW Harry Beck Mick Parslow

(since October 2010) Bill Cossey Kent Thiele

Warren Martin

Peter Armstrong Philip Bowden

Dean Williams Jim Davies

Old David Stobart Ken Laffey **Doug Kingston** Geoff Stone







OFFICE BEARERS

PRESIDENTS

W.H. FORREST 1904–1909
P.B. COLQUHOUN 1909–1926
SIR N.E. BROOKES 1926–1955
D.M. FERGUSON 1955–1960
N.W. STRANGE, OBE
1960–1965
C.A. EDWARDS, OBE
1965–1969
W.V. REID, OBE 1969–1977
B.R. TOBIN, AM 1977–1989
G.N. POLLARD, AM 1989–2010
S. HFAIY 2010–

BOARD OF DIRECTORS

(SINCE 23 MAY 1994)

G.N. POLLARD, AM 1994-2010 D.L. NICHOLL, AM 1994–2008 W. BEISCHER 1994-2008 J.G. FRASER, OAM 1994-1997 A.R. HICKS 1994-1997 H.E. MACMILLAN 1997-2004 MS A.R. MITCHELL 1997-2008 J. REYNOLDS 1994–2003 A.J. RYAN 1994–2005 P. RITCHIE, AO 2004-2008 A. COOPER, AO 2004-D. STOBART 2005-2009 C. FREEMAN, AM 2007-S. TANNER 2007-S HEALY 2008-G. HOLLOWAY 2008-H. MITCHELL, AC 2008-DR J. YOUNG 2008-B. COSSEY, AM 2009-J.B. FITZGERALD, OAM 2010-

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 PW SANDRAI 1926-1927 M. MCL DUIGAN 1927-1930 H. SIMINTON 1930–1938 J. CLEMENGER, OBE 1933-1938 G. RENNICK 1938-1950 G. CROSS 1938–1940 N.W. STRANGE, OBE 1940-1960 A.W. COBHAM 1950-1965 T.M. KENNEDY 1960-1964 J.P. YOUNG, OBE 1964-1974 J.N. WATT 1966-1968 G.W. SAMPLE 1968-1970 G.E. BROWN 1970-1974 E.R. STEPHENS, MBE 1974-1975 J.K. HALL, OAM 1974-1979 C.E. SPROULE, OBE 1975-1977 W.V. AUSTIN 1977-1983 G.N. POLLARD, AM 1979-1989 D.L 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. BFCK 2008-M. PARSLOW 2010-

QUEENSLAND

E PEACH 1926 E. MARTIN 1926 L.A. BAKER 1926-1949 W.S. SPROULE 1926-1938 A.H. BARRACLOUGH 1938-1950 G.A. BITCON 1949–1961 G. ELLIOT 1951–1959 R. MITCHELL 1960-1965 C.A. EDWARDS, OBE 1961-1962 JUDGE A.M. FRASER 1962-1979 N.C. VICKERS, MBE 1965–1975 G.E. GRIFFITH 1975–1991 J.L.C. MCINNES, OAM 1979-1989 F.G. HENNESSY 1989-1991 J.F. BROWN 1991-1993 B.D. THOMAS 1991-1992 G.E. GRIFFITH 1992–1993 D.A. KEATING, OAM 1993–1999 J.C. REYNOLDS 1993-1994 I.C. KLUG 1994-1996 J. RONEY 1996-1997 S. NUCIFORA 1997-1999 M. PHILP 1999–2004 A. COOPER, AO 1999–2009 M. FORD 2004-2005 S. AYLES 2005-2007 I. RODIN 2008-2009 K. LAFFEY 2009-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. MALCOLM 1926-1938 W.J. DAISH 1926-1931 R.R. TRELOAR 1931-1934 C.R. COWLING 1934-1951 A.R. BINGLE 1938-1941 A.L. HUGHES 1941-1947 J.K. HALL, OAM 1947-1949 R.N. VROLAND 1950-1964 W.B. BARNETT 1951–1957 J.J. COURTNEY 1958–1968 DR. J.N. DIGGLE 1964-1978 I.R. CARSON 1968-1975 J.P. YOUNG, OBE 1975-1980 DR J.G. FRASER, OAM 1978, 1980-1996 DR J.L. FOSTER 1978–1980 K.W. HOWARD 1980–1985 H.E. MACMILLAN 1985-2004 P. BELLENGER 1996-2003 D. STOBART 2003-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. FFRGUSON 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

LM HOWELL 1926 R. EAGLE 1922 H.G. JEFFERSON 1922–1926 E.D. GILCHRIST 1926-1930 H.A. PITT, CMG, OBE 1926-1954 T.E. ROBINSON 1930–1964 JUSTICE E.A. DUNPHY 1954-1968 JUDGE J.X. O'DIRSCOLL 1964-1969 G.B. DAVIS 1968-1969 J. LOUGHREY 1969-1990 J. HEATHCOTE 1972-1976 B.S. SANDERS 1976-1982 H.M. SPILSBURY 1982-1995 A.R. HICKS 1990-1996 MS. A.R. MITCHELL 1995-2008 D.P. RUNDLE 1996-1998 M. LEE 1998-2008 J. DAVIES 2008-D. WILIAMS 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 2006–2010 J. CATTLE 2011–

NORTHERN TERRITORY

M.F. HORTON, OAM 1981–1989*, 1989–2001 MS S. SMILES 2001–2008 W. MARTIN 2008–

*Observer status at council meeting

HONORARY TREASURERS

L.M. HOWELL 1925 H.G. JEFFERSON 1925–1926 W.J. DAISH 1926–1931 R.R. TRELOAR 1931–1934 D.M. FERGUSON 1935–1953 J.K. HALL, OAM 1953–1961 T.M. KENNEDY 1961–1968 J.K. HALL, OAM 1968–1979 J.L.C. MCINNES, OAM 1979–1994

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

199

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 COLIN STUBS

2007

JOHN WHITTAKER, OAM ALAN TRENGOVE JUDY DALTON

2008

WILLIAM (BILL) BEISCHER FENTON COULL DAVID HALL, OAM DAVID JUDE ANDREA MITCHELL

2009

KEN RICHARDSON CAROL LANGSFORD, OAM

LIFE MEMBERS

JOHN ANDREW + SIR NORMAN BROOKES 1 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, OBE ± BRIAN TOBIN, AM HAROLD WALKER † **ROY YOUDALE †** GEOFF POLLARD, AM

TENNIS AUSTRALIA

(AS AT 30 JUNE 2011)

AUDIT AND RISK COMMITTEE

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

INVESTMENT ADVISORY COMMITTEE

HAROLD MITCHELL (CHAIRMAN) JOHN FITZGERALD STEPHEN HEALY (EX OFFICIO) DAVID ROBERTS SCOTT TANNER STEVE WOOD JANET YOUNG

REMUNERATION COMMITTEE

ASHLEY COOPER (CHAIRMAN) CHRIS FREEMAN HAROLD MITCHELL

NOMINATIONS COMMITTEE

ALL MEMBERS OF THE TA BOARD

AO FOCUS GROUP 2011 S. WOOD (CHAIRMAN)

S. AYLES D. BROSTEK G. FINDLAY G. GEORGE S. GOSS C. JENSEN I. KLUGER T. LARNER S. MAHIR B. MCGUIRE R. O'NEILL D. PEARCE R PERRINS D. ROBERTS B. SMITH C.TILEY F. TRAVERS R. TURNER

A. WEST

Sponsor acknowledgements

TENNIS AUSTRALIA

PARTNERS, SPONSORS AND SUPPLIERS



Australian Paralympic Committee

Wheelchair Athlete Development and Paralympic and World Team Cup Supporter.



Australian Sports Commission/Australian Institute of Sport Sports Collaboration Agreement to fund the growth in participation in tennis and support of the 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

Wilson

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



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Jacob's Creek

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Cussons Imperial Leather

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Evian

Official Supplier of Natural Mineral Water.



Heineken

Official Supplier of Beer.



Maxxis

Official Tyre.

Panasonic

Panasonic

Official Consumer Electronics Supplier.

POWERADE

Powerade

Official Soft Drink and Sports Drink.



Virgin Australia

Official Airline.

Wilson

Wilsor

Official Ball and Official Stringer.

Official Suppliers



Aruba



Cancer Council Australia
Official Sunscreen Supplier.



City of Melbourne.



Fuji Xerox Official Supplier of Printer Products and Services.



Living Edge Furniture Rentals
Official Supplier of Prestige Furniture.



Mars
Official Confectionary.



Melbourne and Olympic Parks Trust Official Supplier of Venue Services.



Middletons
Official Supplier of Legal Services.



Nestlé Peters Official Supplier of Ice Cream.



Nintendo Official Gaming Console.



North One Television Official Supplier of Broadcast Production Services.



Panadol

Official Media Partners



3AW
Official AM Radio Station.



Nova 100 Official FM Radio Station.

Herald Sun

Herald Sun Official Newspaper.

Official Hotel Suppliers



Bayview on the Park Melbourne Official Junior Player Hotel.



Crown Hotels
Official Tournament Guests' Hotel.



Grand Hyatt Melbourne Official Player Hotel.



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



Sofitel Melbourne on Collins Official Tournament Guests' Hotel.

Official Broadcast Partners

Domestic Broadcasters



Seven Network

Free-to-air TV/Host Broadcaster.



Fox Sports Pay TV.

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.



FIJI TV Fiji.



Sky New Zealand New Zealand.



Supersport Pan-Africa.



WOWOW Japan. Australian Open Series 2011 Major Sponsors

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MOORILLA

Moorilla Events, Events Tasmania Moorilla Hobart International.



Events Queensland
Brisbane International.





Brisbane Marketing and Brisbane City Council Brisbane International.



CSG

Brisbane International.

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- 103 Auditor's opinion and Independence declaration

The Directors present their report together with the financial report of Tennis Australia Limited ('the Company') for the financial year ended 30 June 2011 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 Company Director Director since 1984 (until 25 Oct 2010)

S Healy Legal Practitioner Director since 2008 (President since 25 Oct 2010)

Vice President

A J Cooper, AO Administrator Director since 2004 (VP since 2009)

H Mitchell, AC Company Director Director since 2008 (VP since 25 Oct 2010)

Directors

W R Cossey, AM Company Director Director since 2009

J Fitzgerald, OAM Company Director Appointed 25 October 2010

C Freeman, AM Company Director Director since 2007

G Holloway Pharmacist Director since 2008

S M Tanner Banking Executive Director since 2007

Dr J Young Company 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 listed in the table (right).

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 did not meet in the year under review.

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 increase the Australians who participate in tennis by funnelling participants through MLC Tennis Hot Shots and Cardio Tennis programs
- ensuring tennis coaches are adequately trained through coach education programs
- to run tournaments and competitions for all level of players
- to increase the standard of tennis facilities through the Places to Play program
- to service the devoted tennis fans in Australia by delivering the summer of tennis culminating in the Grand Slam of 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 Professional 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.

Director	Board Meetings		Comn	nd Risk nittee tings	Comr	eration nittee tings	Advi	tment sory nittee tings
	А	В	А	В	А	В	А	В
G N Pollard	4	4	1	1	1	1	1	1
S Healy	8	8	2	2	1	1		
A J Cooper	8	8	2	1	1	1	1	1
H Mitchell	8	7			1	1	2	2
W R Cossey	8	8	2	2	1	1		
J Fitzgerald	4	4					1	1
C Freeman	8	7	2	2	1	1		
G Holloway	8	8	2	2	1	1		
S Tanner	8	7			1	1	2	1
Dr J Young	8	8			1	1	2	2

 $\label{eq:A-Number of meetings} A-Number of meetings held during the time the Director held office during the year and the second control of the second$

B – Number of meetings attended

FINANCIALS

2010-2011

| Tennis Australia

Annual Report

The Company has agreed to indemnify the Directors of the Company against all liabilities to another person (other than the

8. Events subsequent to reporting

the end of the financial year and the date

There has not arisen in the interval between

of this report any item, transaction or event

of material and unusual nature likely, in the

opinion of the Directors of the Company,

to affect significantly the operations of the

Company, the results of those operations, or

the state of affairs of the Company, in future

The Directors do not anticipate any major

changes in the basis of operations of the

Company and the future results of those

operations in subsequent financial years.

10. Indemnification and insurance

financial years.

9. Likely developments

of officers

Indemnification

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.

It is anticipated that the Company will not be financially worse off as a result of these agreements.

Directors' report continued Tennis Australia Limited (A Company limited by guarantee) ABN 61 006 281 125

7. Operating and financial review

This compares with a net surplus of

and events during the year.

following long-term agreements:

the Framework Agreement with

The Company's net result for the year ended 30 June 2011 was a net surplus of \$2,604,423.

\$8,176,358 for the year ended 30 June 2010.

The decrease in net surplus mainly reflects

an increase in investment in tennis programs

During the year the Company executed the

Melbourne & Olympic Parks Trust and the

State Government of Victoria under which

the Company undertakes to conduct the

Australian Open at Melbourne Park until

2036 and the State Government of Victoria

undertakes to redevelop Melbourne Park in accordance with an agreed master plan

Grant of Lease with Melbourne & Olympic

agreed to lease office space at Melbourne

Melbourne & Olympic Parks Trust setting

between the parties for the conduct of the

■ the Lease Agreement and Deed for the

Parks Trust, under which the Company

the Operational Agreement with

Australian Open until 2036.

out the commercial arrangements

Park until 2036

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

this report or the financial statements.

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 \$21,054 in

respect of this policy (2010: \$24,475). 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

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



30 June 2011.

23rd ma August 2011



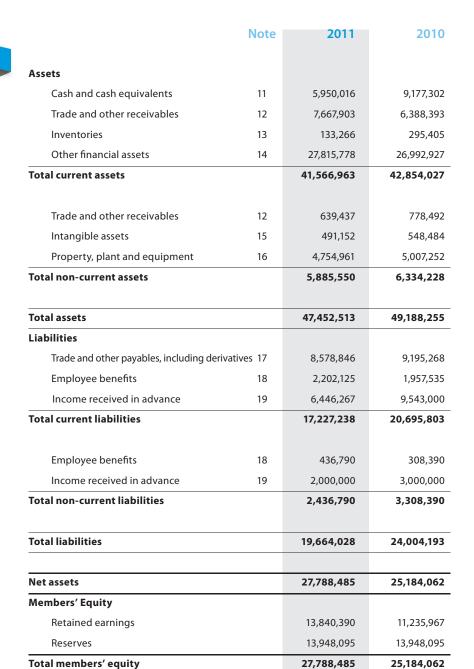
	Note	2011	2010
Revenue from sale of goods	6	2,563,026	2,404,653
Revenue from operations and events	6	149,783,242	142,705,813
Other revenues from operating activities	6	405,348	187,123
Total revenue	6	152,751,616	145,297,589
Other income	7	4,925,357	4,016,883
Total revenue and other income		157,676,973	149,314,472
Operations & events expenses		(83,921,126)	(79,799,083)
Tennis expenses		(31,247,871)	(27,299,123)
Commercial & marketing expenses		(6,391,304)	(4,484,082)
Media expenses		(2,930,444)	(2,155,957)
Events co expenses		(13,946,344)	(13,462,015)
Facility grants		(2,387,663)	(3,000,376)
Other expenses		(15,458,095)	(14,512,693)
Total expenses		(156,282,847)	(144,713,329)
Finance income	9	2,267,157	3,943,949
Finance expenses	9	(1,056,860)	(368,734)
Net finance income/(expense)	9	1,210,297	3,575,215
Net surplus/(deficit) for the period		2,604,423	8,176,358
Other comprehensive income		-	-
Total comprehensive income for the perio	d	2,604,423	8,176,358

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 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 2009	5,948,095	8,000,000	3,059,609	17,007,704
Total comprehensive income for the period	I			
Total other comprehensive income	-	-	-	-
Surplus/(deficit) for the period	-	-	8,176,358	8,176,358
Balance at 30 June 2010	5,948,095	8,000,000	11,235,967	25,184,062
Balance at 1 July 2010	5,948,095	8,000,000	11,235,967	25,184,062
Total comprehensive income for the period	I			
Total other comprehensive income	-	-	-	-
Surplus/(deficit) for the period	-	-	2,604,423	2,604,423
Balance at 30 June 2011	5,948,095	8,000,000	13,840,390	27,788,485

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



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

Termis Australia Elimited (A company limited by guarantee) Abit of 000 201	125

Note	2011	2010
Cash flows from operating activities		
Cash receipts from customers	167,952,301	159,923,871
Cash paid to suppliers and employees	(170,222,898)	(153,846,874)
Interest received	917,683	508,493
Borrowing costs	(3,920)	(542)
Net cash (used in)/from operating activities 25	(1,356,834)	6,584,948
Cash flows from investing activities		
Net payment of member/affiliate loans receivable	182,108	111,614
Acquisition of property, plant and equipment 16	(2,057,207)	(1,415,864)
Proceeds from property, plant and equipment	4,647	-
Net cash (used in)/from investing activities	(1,870,452)	(1,304,250)
Cash flows from financing activities		
Net cash from financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	(3,227,286)	5,280,698
Cash and cash equivalents at 1 July 2010	9,177,302	3,896,604
Cash and cash equivalents at 30 June 2011 11	5,950,016	9,177,302

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

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 23 August 2011.

(a) Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

(b) Basis of measurement

The financial statements have 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 statements are 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 and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value.

Subsequent to initial recognition nonderivative 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.

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

Loans and receivables

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 right) 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 3–16 years
- 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 Indefinite
- Trademarks 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.

(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 cashgenerating 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 and annual 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 & 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 2011. Under the agreements a percentage of agreed revenue items is payable to the Melbourne & Olympic Parks Trust and has been accrued or paid during the current financial period. Where income is received in advance, the amount is deferred and recognised as revenue upon completion of the applicable Australian Open.

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(j) Other income

Government grants

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

(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.

(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

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 eight years with interest charged at the bank bill 180 day swap rate.

(p) New standards and interpretations not yet adopted

A number of new standards. amendments to standards and interpretations are effective for annual periods beginning after 1 July 2010, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company, except AASB 9 Financial Instruments, which becomes mandatory for the Company's 2014 financial statements and could change the classification and measurement of financial assets. The Company does not plan to adopt this standard early and the extent of the impact has not been determined.

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 its training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

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

Credit risk

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

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The demographics of the Company's customer base including the default risk of the industry and country, in which customers operate, has less of an influence on credit risk. Approximately 12 per cent (2010: 11 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.

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.

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

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

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

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.

Notes to the financial statements continued

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Interest risk

The Company adopts a policy of ensuring that between 60 and 80 per cent of its exposure to changes in interest rates on borrowings is on a fixed-rate basis, taking into account assets with exposure to changes in interest rates.

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.
- 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 Company's Reserves Policy and Investment strategy.

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 operational 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 and testing of contingency
- 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	2011	2010
	Revenue from sale of goods	2,563,026	2,404,653
	Revenue from operations & events	149,783,242	142,705,813
	Other revenues:		
	Interest received:		
	- affiliated clubs / associations		
	& Member Associations	69,129	36,805
	- other parties	336,219	150,318
		405,348	187,123
	Total revenue	152,751,616	145,297,589
<i>7</i> .	Other income		
	Government grants	4,925,357	4,016,883
	Total other income	4,925,357	4,016,883

Government grants

The Company has been awarded government grants from the Australian Sports Commission (ASC), 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 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	2011	2010
The Company has the following expenses:		
Borrowing costs	3,920	542
Depreciation expense		
- plant and equipment	1,709,971	1,756,386
- leasehold improvements	589,959	524,945
Amortisation expense	57,332	57,332
Cost of goods sold	856,139	900,253
Movement in the provision for employee entitlements	372,990	540,118
Operating lease rental expense	574,508	588,372
9. Finance income and expenses		
Recognised in profit or loss		
Interest income on investments at fair value through profit or loss	939,894	781,305
Interest income on bank deposits	540,827	321,370
Dividend income on investments at fair value through profit or loss	415,403	443,705
Net change in fair value of financial assets at fair value through profit or loss	371,033	1,600,759
Net change in fair value of other financial assets at fair value through profit or loss	-	796,810
Finance income	2,267,157	3,943,949
Net foreign exchange loss	(860,033)	(368,734)
Net change in fair value of financial liabilities at fair value through profit or loss	(196,827)	-
Finance expense	(1,056,860)	(368,734)
Net finance income and expense	1,210,297	3,575,215
The above finance income and expenses include the following in respect of assets (liabilities) held at amortised cost:		
Total interest income on financial assets	540,827	321,370

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 liabilities of (\$196,827) will be shown as a net $for eign \, exchange \, gain \, in \, the \, 2012 \, financial \, year, \, as \, the \, forward \, exchange \, contracts \, are \, settled.$



10. Auditors' remuneration Note	2011	2010
Audit services		
Auditors of the Company		
KPMG Australia:		
Audit and review of financial reports	54,600	52,000
	54,600	52,000
Other services		
KPMG Australia		
Grant assurance procedures	3,100	3,000
Taxation services – Foreign withholding tax	21,500	-
Taxation services – Goods & service tax	8,650	-
	33,250	3,000
11. Cash and cash equivalents		
Bank balances	5,950,016	3,511,263
Call deposits	-	5,666,039
Cash and cash equivalents 22	5,950,016	9,177,302

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

Current		
Trade receivables	4,614,490	3,175,585
Other receivables	1,627,086	2,179,051
Prepayments	1,265,271	829,648
$\label{thm:constraints} \textit{Facility loans receivable from member affiliated clubs}$	91,220	133,365
Secured loans receivable from Member Associations	69,836	70,744
	7,667,903	6,388,393
Non-current		
Facility loans receivable from member affiliated clubs	s 213,324	314,208
Secured loans receivable from Member Associations	426,113	464,284
	639,437	778,492
13. Inventories		
Inventory on hand	133,266	295,405
	133,266	295,405



14. Other financial assets	Note	2011	2010
Current			
Fixed interest investments designated a value through profit or loss	t fair	15,388,989	16,833,289
Equity investments designated at fair va through profit or loss	lue	11,923,280	7,787,955
Cash investments designated at fair valu through profit or loss	ie	418,261	1,398,040
Other investments designated at fair val through profit or loss	ue	85,248	176,833
Derivatives recognised at fair value		-	796,810
	22	27,815,778	26,992,927

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 2009	32,500	573,316	605,816
Other acquisitions	-		
Balance at 30 June 2010	32,500	573,316	605,816
Balance at 1 July 2010	32,500	573,316	605,816
Other acquisitions	-	-	-
Balance at 30 June 2011	32,500	573,316	605,816
Amortisation			
Balance at 1 July 2009	-	-	-
Amortisation charges for the year	-	57,332	57,332
Balance at 30 June 2010	-	57,332	57,332
Balance at 1 July 2010	-	57,332	57,332
Amortisation charges for the year	-	57,332	57,332
Balance at 30 June 2011	-	114,664	114,664
Carrying amounts			
Balance at 1 July 2009	32,500	573,316	605,816
Balance at 30 June 2010	32,500	515,984	548,484
Balance at 1 July 2010	32,500	515,984	548,484
Balance at 30 June 2011	32,500	458,652	491,152



16. Property, plant and equipment

	Leasehold improvements	Plant and equipment	Memorabilia	Total
Cost				
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
Balance at 1 July 2010	2,308,253	10,863,484	1,876,397	15,048,134
Other acquisitions	263,250	1,793,957	-	2,057,207
Disposals	-	(63,615)	-	(63,615
Balance at 30 June 2011	2,571,503	12,593,826	1,876,397	17,041,726
Daniel de la contraction de la				
Depreciation and impairment		0.204.561		0.120.02
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
Balance at 1 July 2010	1,360,315	8,680,568	-	10,040,883
Depreciation charge for the year		1,709,971	-	2,299,930
Disposals	- -	(54,048)	-	(54,048
Balance at 30 June 2011	1,950,274	10,336,491	-	12,286,765
Counting amounts				
Carrying amounts	1 462 520	2.556.000	1.076.207	
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
At 1 July 2010	947,938	2,182,917	1,876,397	5,007,252
At 30 June 2011	621,229	2,257,335	1,876,397	4,754,96

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

Notes to the financial statements continued



17. Trade and other payables	Note	2011	2010
. ,			
Trade creditors		1,697,528	1,550,368
Other payables		6,684,491	7,644,900
Derivatives recognised at fair value		196,827	-
	22	8,578,846	9,195,268
18. Employee benefits			
Current			
Provision for long service leave		488,043	450,132
Provision for annual leave		1,714,082	1,507,403
		2,202,125	1,957,535
Non current			
Provision for long service leave		436,790	308,390
		436,790	308,390
19. Income received in advance			
Current			
Current Australian Open		5,163,778	9,025,986
		5,163,778 1,282,489	9,025,986 517,014
Australian Open			
Australian Open		1,282,489	517,014
Australian Open Other		1,282,489	517,014
Australian Open Other Non current		1,282,489 6,446,267	517,014 9,543,000
Australian Open Other Non current Australian Open		1,282,489 6,446,267 2,000,000	517,014 9,543,000 3,000,000
Australian Open Other Non current Australian Open 20. Finance facilities		1,282,489 6,446,267 2,000,000	517,014 9,543,000 3,000,000
Australian Open Other Non current		1,282,489 6,446,267 2,000,000	517,014 9,543,000 3,000,000
Australian Open Other Non current Australian Open 20. Finance facilities For more information about the Comparexposure to interest rate and foreign cur	rency	1,282,489 6,446,267 2,000,000	517,014 9,543,000 3,000,000
Australian Open Other Non current Australian Open 20. Finance facilities For more information about the Comparexposure to interest rate and foreign currisk, see note 22.	rency	1,282,489 6,446,267 2,000,000	517,014 9,543,000 3,000,000

Financing arrangements

Bank overdrafts

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



21. Capital and reserve

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:

Not	Carrying amount e 2011	Carrying amount 2010
Trade and other receivables (less prepayments) 12	7,042,069	6,337,237
Cash and cash equivalents 11	5,950,016	9,177,302
Fixed interest investments 14	15,388,989	16,833,289
Cash investments 14	418,261	1,398,040
	28,799,335	33,745,868

At reporting date, 100 per cent of the Company's trade and other receivables (less prepayments) and cash and cash equivalents exposed to credit risk were located in Australia (2010: 99 per cent). Approximately four per cent of other financial assets exposed to credit risk were allocated outside of Australia (2010: six per cent).

The Company's most significant customer accounts for 34 per cent or \$1,584,000 of the trade receivables carrying amount at 30 June 2011 (2010: 48 per cent or \$1,445,604).



22. Financial instruments continued	Gross 2011	Gross 2010	
The aging of the Company's trade receivables at the reporting date was:	2011	2010	
30 June 2011			
Not past due	4,296,234	2,704,821	
Past due 1–30 days	86,143	120,884	
Past due 31–90 days	87,661	283,531	
Past due 90 days	184,803	102,716	
	4,654,841	3,211,952	
The movement in the allowance for impairment in respect of trade receivables during the year was as follows:			
Balance at 1 July	36,367	16,900	
Impairment loss/(gain) recognised	3,984	19,467	
Balance at 30 June	40,351	36,367	

Liquidity risk

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

30 June 2011	Note	Carrying amount	Contractual cash flows	6 mths or less
Non-derivative financial liabilities				
Trade and other payables	17	8,382,019	(8,382,019)	(8,382,019)
		8,382,019	(8,382,019)	(8,382,019)

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)

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



22. Financial instruments continued

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

	30 June 2011				
	AUD	EURO	GPB	USD	
Trade and other receivables	6,567,187	27,800	-	349,767	
Trade and other payables	(8,382,019)	-	-	-	
Gross balance sheet exposure	(1,814,832)	27,800	-	349,767	
Forward exchange contracts	-	(27,800)	-	(348,117)	
Net exposure	(1,814,832)	-	-	1,650	

	30 June 2010			
	AUD	EURO	GPB	USD
Trade and other receivables	4,806,273	-	2,065	1,264,425
Trade and other payables	(9,016,037)	(84,330)	-	(41,450)
Gross balance sheet exposure	(4,209,764)	(84,330)	2,065	1,222,975
Forward exchange contracts	-	-	-	(1,200,000)
Net exposure	(4,209,764)	(84,330)	2,065	22,975

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 per cent increase (decrease) of the Australian dollar against the following currencies at 30 June 2011 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 2010:

30 June 2011	Profit or loss		Equity	
	10% increase	10% decrease	10% increase	10% decrease
Euro	-	-	-	-
GBP	-	-	-	-
USD	(145)	177	-	-
Foreign currency sensitivity (net)	(145)	177	-	-

30 June 2010	Profit or loss		Equity	
	10% increase	10% decrease	10% increase	10% decrease
Euro	(10,930)	13,358	-	-
GBP	(330)	404	-	-
USD	(11,240)	13,737	-	-
Foreign currency sensitivity (net)	(22,500)	27,499	-	-



22. Financial instruments continued

Profile

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

	Carrying amount		
	2011	2010	
Fixed rate instruments			
Financial assets – investments	15,388,989	16,833,289	
Variable rate instruments			
Financial assets – bank accounts	5,950,016	3,511,263	
Financial assets – call deposits	-	5,666,038	
Financial assets – facility loans	304,544	447,574	
Financial assets – secured loans	495,949	535,068	
Financial assets – investments	418,261	1,398,040	

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 2010.

30 June 2011	Profit or loss		Equ	ity
	100bp increase	100bp decrease	100bp increase	100bp decrease
Variable rate instruments	71,688	(71,688)	-	-
Cash flow sensitivity (net)	71,688	(71,688)	-	-

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

Sensitivity analysis – market risk

At 30 June 2011, if the market had increased/(decreased) by 15 per cent with all other variables held constant, this would have increased net assets attributable to the Company (and net operating profit/(loss)) by the amounts shown below. The analysis is performed on the same basis for 2010.

30 June 2011	Profit or loss		Equity	
	15% increase	15% decrease	15% increase	15% decrease
Market instruments	1,788,492	(1,788,492)	-	-
Market risk sensitivity (net) 1,788,492	(1,788,492)	-	-

30 June 2010	Profit or loss		Equity		
	15% increase	15% decrease	15% increase	15% decrease	
Market instruments	1,168,193	(1,168,193)	-	-	
Market risk sensitivity (ne	t) 1,168,193	(1,168,193)	-	-	



22. Financial instruments continued

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 2011	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	-	-	-	-
Financial assets designated at fair value through profit or loss	11,923,280	15,892,498	-	27,815,778
Financial assets held for trading	-	-	-	-
Derivative financial assets	-	-	-	-
	11,923,280	15,892,498	-	27,815,778
Derivative financial liabilities	-	(196,827)	-	(196,827)
	11,923,280	15,695,671	-	27,618,951
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
Delivative illialicial assets				
Derivative iiiaiiciai assets	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	2011	2010
Non-cancellable operating lease rentals are payable as follows:		
Less than one year	733,005	499,176
Between one and five years	1,889,201	1,387,050
More than five years	12,417,131	332,064
	15,039,337	2,218,290

The Company leases goods 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 year the Company entered into a property lease that expires in 2036.

During the financial year ended 30 June 2011, \$574,508 was recognised as an expense in the income statement in respect of operating leases (2010: \$588,372).

24. Capital and other commitments	2011	2010
Contracted but not provided for and payable:		
Within one year	4,367,992	500,000
One year or later and no later than five years	18,791,227	2,000,000
Later than five years	126,053,376	500,000
	149,212,595	3,000,000

As a requirement of the Operational Agreement entered into with Melbourne & 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.

The increase in capital and other commitments relates to an annual payment to Melbourne & Olympic Parks Trust for the right to 100 per cent of merchandise revenues and a portion of catering and ticketing rebates payable to Melbourne & Olympic Parks Trust during the Australia Open through to the year 2036.

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



25. Reconciliation of cash flows from operating activities Note	2011	2010
Cash flows from operating activities		
Surplus/(deficit) for the year	2,604,423	8,176,358
Adjusted for:		
Depreciation 16	2,299,930	2,281,331
Amortisation 15	57,332	57,332
Unrealised foreign exchange losses	993,637	(44,503)
Loss on disposal of property, plant & equipment	4,920	23,225
Operating profit before changes in working capital and provisions	5,960,242	10,493,743
(Increase)/decrease in trade and other receivables	(1,322,563)	3,065,452
(Increase)/decrease in investments	(1,619,661)	(2,698,535)
(Increase)/decrease in inventories	162,139	151,622
(Decrease)/increase in trade and other payables	(813,248)	1,334,471
(Decrease)/increase in income received in advance	(4,096,733)	(6,301,923)
(Decrease)/increase in employee benefits	372,990	540,118
Net cash from operating activities	(1,356,834)	6,584,948

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 (President), Stephen Healy (President), Harold Mitchell, AC, Ashley Cooper, AO, Scott M Tanner, Chris Freeman, AM, Graeme Holloway, Dr Janet Young, William R Cossey, AM and John Fitzgerald.

Mr W Cossey was an office bearer of a Member Association during the financial year and absents himself from the meeting, where appropriate, when matters relative to his particular Member Association are discussed.

Key management personnel and Director transactions

A number of key management personnel, or their related parties, hold positions in other entities that results in them having control or significant influence over the financial or operating policy of these entities.

Two such entities transacted with the Company in the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on arm's length basis.

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

		Transaction value year ended 30 June			outstanding 30 June	
		2011	2010	2011	2010	
Mr J Fitzgerald	Ambassador fees	130,405	-	-	-	
Mr H Mitchell	Advertising fees	1,745,454	1,468,083	99,610	155,762	

Mr J Fitzgerald is a Director of John Fitzgerald Pty Ltd, which has a contract with the Company that is on normal commercial terms and conditions. Mr Fitzgerald absents himself from meetings where John Fitzgerald Pty Ltd contract matters are discussed.

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.

Key management personnel compensation (in AUD)	2011	2010	
Short-term employee benefits	3,904,747	3,679,956	
Post-employment benefits	316,440	286,689	
Termination benefits	-	102,070	
	4,221,187	4,068,715	

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

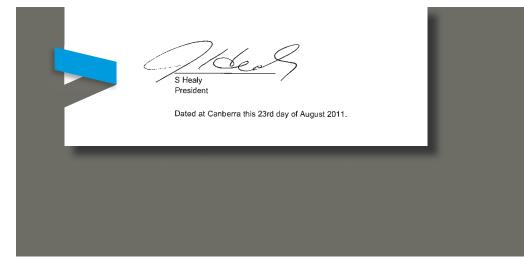
27. Subsequent events

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

Directors' declaration

- In the opinion of the Directors of Tennis Australia Limited ('the Company'):
 - (a) the financial statements and notes set out on pages 80 to 101, are 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 2011 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:



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 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes 1 to 27 comprising a summary of significant accounting policies and other explanatory information and the Directors' declaration.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or

error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

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

Independence

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

Auditor's opinion and 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 2011 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 2011 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.



AGM (Annual General Meeting)	Committees	Life Members	Remuneration
72,73	72, 74, 78	5, 74	63, 72, 74, 78, 86, 92
AIS Pro Tour Program	ConnX	Live sites	Risk management
49, 52, BC	63	58, 59	63, 72, 84, 88
AAAT/A . !! AA		AAA (AA I A	
AMT (Australian Money Tournaments)	Constitution	MAs (Member Associations)	Sponsors
47	8, 72	1, 4, 7, 21, 30, 60, 62, 72, 73, 87, 92, 101, BC	4, 7, 36, 54, 59, 60, 62, 75, 76, 77
Asia	Corporate Hospitality	Meridian	Strategic Priorities
1, 4, 5, 7, 34, 35, 36, 37, 38, 39, 40	61	60	10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28,
	Commonwella Commonwella		29, 30, 31, 32, 33, 34, 35, 36, 37,
ATP (Association of Tennis	Corporate Governance	MLC Ballkids	38, 39
Professionals)	72, 78	37, 56	
45, 46, 73, BC	- "		Suppliers
	Council	MLC Tennis Hot Shots	60, 75, 76, 83
Attendance	8, 73, 74, 76	1, 3, 4, 7, 10, 11, 12, 13, 14, 15, 24,	
2, 4, 8, 19, 25, 27, 43, 72		27, 47, 53, 55, 56, 58, 59, 60, 69, 75	Sustainability
	Davis Cup		64, 65
australianopen.com	6, 7, 8, 9, 33, 46, 48, 52, 60, 62, 63, 72, 73, 75, 77, BC	MOPT (Melbourne and Olympic	
3, 57, BC	,2,13,13,11,00	Parks Trust)	Talent
	Director/s	64, 65, 73, 76, 79, 86, 100	1, 4, 6, 22, 23, 24, 25, 26, 27, 53, 75
Australian Open Series	1, 5, 7, 8, 63, 72, 73, 74, 78, 79, 84,		
1, 43, 54, 58, 60, 62, 63, 76, 78,	88, 89, 101, 102, 103	NAs (National Academies)	tennis.com.au
		4, 7, 26, 27, 33, 50	47, 54, 57, 72, BC
Australian Tennis Hall of Fame	Environment		
5, 70, 71, 73	64, 65	National Court Rebate Scheme	The Leadership Team
		4, 30, 31, 32, 77	9, 63, 72
Awards	Events		
5, 55, 58, 63, 68, 69, 74	1, 7, 30, 43, 47, 49, 53, 54, 55, 56,	Newcombe Medal	Volunteers
	60, 62, 63, 72, 76, 78, 79, 80, 85, 90	5, 55, 58, 59, 68, 69	5, 7, 68, 69
Board	90		
1, 4, 5, 8, 9, 63, 72, 73, 74, 78, 84,	Fod Cup	Office Bearers	Wheelchair tennis
88, 89, 96	Fed Cup	74	42, 44, 46, 50, 75, 90
	7, 46, 48, 52, 60, 62, 63, 73, 77, BC		
Broadcast partners	Gemba Group	Places to Play	Wood, Steve
7, 76		1, 4, 28, 29, 30, 31, 32, 33, 62, 78	4, 5, 6, 7, 9, 63, 72, 73, 74, BC
	43		
Cardio Tennis	Healy, Stephen	Player development	WTA (Women's Tennis Association)
1, 4, 7, 16, 17, 18, 19, 20, 21, 58, 78		1, 7, 55, 73	
	4, 5, 7, 72, 73, 74, 78, 101, BC		43, 45, 60, 73, BC
Coach Development	Investment	Plexicushion	
1, 21, 62, 77	Investment	31, 32, 66, 67, 75	
	4, 7, 25, 30, 31, 33, 72, 74, 77, 78, 79, 84, 87, 88, 89, 91, 93, 96, 99,		
Coach education	101	Policy	
39, 53, 78		60, 63, 72, 79, 85, 89, 101	
	ITF (International Tennis		
Coach members	Federation)	Recycling	
3, 18, 21, 52, 53, 56, 58	15, 31, 45, 46, 60, 73, BC	64, 65	

Glossary

AIS (Australian Institute of Sport): a preeminent 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 Canberra, Melbourne and Barcelona.

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.

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: e-learning website for coaches completing coaching qualifications and professional development opportunities.

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

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

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 Cup and Fed Cup, 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

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 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 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.

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

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.

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

T-16 (Tennis 2016): The Tennis business unit's new revised blueprint of strategic priorities and key performance indicators until 2016.

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

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

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

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.



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