



**Golf**  
Australia



# Golf Australia Annual Report 2013/2014

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# Golf Australia Director Profiles

## **John Hopkins** *(Chairman)*

was re-elected to the Board in November 2013 and re-elected as Chairman of Golf Australia in May 2013. John has been a professional company director in recent years and has served as Chairman and Director of a significant number of publicly listed companies over the past 25 years.

## **Stuart Cox**

was elected to the Board in November 2011. He is the Managing Director of Alldis & Cox Estate Agents in Sydney.

## **Robert Crosby**

was elected to the Board in November 2012. Bob spent more than 30 years at the National Australia Bank in a variety of senior management positions.

## **John Karren**

was appointed as Director to the Board in February 2012. He is a former senior executive at Accenture Australia where he spent nearly 30 years in consulting and strategic planning.

## **Kerri-Anne Kennerley**

was appointed as a Director to the Board in April 2013. Kerri-Anne is a familiar face to many Australians with more than 30 years' experience in television, entertainment and business.

## **Michael Sammells**

was re-elected to the Board in November 2013. Currently the Finance Director at Healthscope, Michael has over 14 years' experience in the health care industry, after initially commencing his career in logistics. Michael's most recent position was Chief Financial Officer for Medibank.

## **Carmel Smith**

was elected to the Board in November 2011. Carmel has worked in the Queensland education system as a school principal and been involved in Australian golf for more than 40 years.

## **Jill Spargo**

was elected to the Board in November 2012. Jill is a general medical practitioner based in Melbourne and has been a board member of Women's Golf Victoria and Golf Victoria.

## **Malcom Speed**

was appointed as a Director to the Board in December 2011. Malcom is a former Chief Executive of the International Cricket Council and has extensive international experience in sport administration.

# Committees

## **Handicapping & Rules Policy Committee**

John Hopkins (*Chairman*)

Chris Allen

Robert Crosby

Simon Magdulski

Stephen Pitt

Michael Sammells

Jill Spargo

## **Handicapping Sub-Committee**

John Hopkins (*Chairman*)

Chris Allen

Jon Gahan

David Greenhill

Bob Howe

Grace Letizia

Brian Martin

Moya Shepherd

Carmel Smith

## **Rules of Golf & Amateur Status Sub-Committee**

Robert Crosby (*Chairman*)

Clayton Bell

Frank Gal

Jenny Hoff

John Hopkins

Andrew Langford-Jones

Brian Lasky

Barry Shepherd

Cheryl Stevens

## **Course Rating Sub-Committee**

John Hopkins (*Chairman*)

Tony Bourne

Tricia Clarke

Abby Driver

Kaye Hartam

Di Monk

Lynne Ritchie

Jill Spargo

## **Audit & Risk Committee**

Robert Crosby (*Chairman*)

John Davies

Gerard Kennedy

Stephen Pitt

Michael Sammells

# Golf Australia Staff

<b>Stephen Pitt</b>	Chief Executive Officer
<b>Kent Boorman</b>	Commercial Director ( <i>commenced December 2013</i> )
<b>Matt Cutler</b>	High Performance Manager
<b>David Gallichio</b>	Participation Manager
<b>Trevor Herden</b>	Director - Championships
<b>Brad James</b>	High Performance Director
<b>Hamish Jones</b>	Media and Communications Manager
<b>Gerard Kennedy</b>	Chief Financial Officer and Company Secretary
<b>Sarah Kennedy</b>	Participation Coordinator
<b>Fiona Leggett</b>	Administration Assistant
<b>Simon Magdulski</b>	Director – Rules & Handicapping
<b>Therese Magdulski</b>	Manager - Golf Development
<b>Vikkie McCourt</b>	Executive Assistant and Office Manager
<b>Emily Miller</b>	Manager – Championships
<b>Stephanie Papalitsas</b>	Receptionist and Administration Assistant
<b>Adam Power</b>	Manager – Course Rating
<b>Chris Schwen</b>	Event Manager – ISPS Handa Women's Australian Open
<b>John Sutherland</b>	Digital Director
<b>Cameron Vincent</b>	Championships Coordinator ( <i>commenced March 2014</i> )
<b>Cameron Wade</b>	Director – Golf Development
<b>Deanna Yong</b>	Accountant

*Stefanie Carniato and Jo De Jong left the organisation during the reporting period*

## GOLF AUSTRALIA COUNCIL DELEGATES

<b>Golf New South Wales</b>	Chris Allen, Sue Fabian, Alan Harrison (until November 2013), John Robinson (from November 2013)
<b>Golf Queensland</b>	Peter Castrisos, Matthew Toomey
<b>Golf Victoria</b>	John Hobday, Tony Nott, Leonore Wills
<b>Golf South Australia</b>	Tony Bourne, Bill Klæbe
<b>Golf Tasmania</b>	Helen Langenberg (until November 2013), Tony Bush (from November 2013)
<b>Golf Western Australia</b>	Max Hannah, Dianne Tomlin
<b>Golf Northern Territory</b>	Jason De Araujo

## Life Members

Patricia M. Bridges OBE

# Chairman's Report

Whilst there were a number of positive outcomes for Australian golf and for Golf Australia in 2013/14, most importantly in the increase in rounds of golf being played around the country, membership numbers, growth of the game and overall club viability continue to present challenges we need to overcome.



We are blessed with the performance of our golfers on the international stage and we continue to have a highly successful contingent of players on tours around the world. We had our first number one since Greg Norman this year with Adam Scott, who has done much for the profile of the game in Australia. Our best players have continued to support the Australian Opens to ensure we have had highly successful events that promote golf.

The 2013 Emirates Australian Open was one of the best championships of all time, with Rory McIlroy prevailing on the 72nd hole over Adam Scott. The popular Australian was attempting to become just the second person to win the Australian Triple Crown and it was only a brilliant and dogged performance from McIlroy that thwarted Scott's quest. The Emirates Australian Open was again clearly the pinnacle event in Australian golf and we must thank World Sport Group, the NSW Government, Emirates and the Seven Network for their contribution to this. Clearly the support of all our sponsors, players, One Asia and PGA Tour of Australasia, the host venue in Royal Sydney GC, volunteers, media and staff was also instrumental in the success of the Championship.

Likewise this year's ISPS Handa Women's Australian Open was an epic event that featured a memorable come from behind win by the queen of Australian golf Karrie Webb. Webb's brilliant 68 in difficult conditions helped her to record her fifth ISPS Handa Women's Australian Open title at the prestigious Victoria Golf Club. ISPS Handa again provided incredible support for the event and we were delighted to have Midori Miyazaki in attendance to present the Patricia Bridges Bowl to our champion and to also recommit Handa's support for the 2015 Championship. We are grateful for the support of the Victorian Government, Victoria Golf Club, Host Broadcaster ABC and the many sponsors and volunteers who made the event such a success.

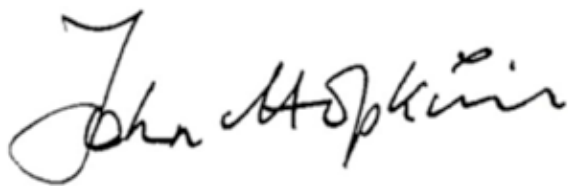
The final components of the new GA Handicap System were implemented in January and we now have the pleasing situation of having a system that is complete. Most feedback about the system has been positive, although we will continue to listen and review ideas that are provided by our golfers. Statistically the new system is proving to be fairer and more balanced than previous systems and although this is important, ultimately the user experience of our 400,000 club members is the most important consideration.

# Chairman's Report

Special thanks is due to many people who have contributed to this project, specifically the State Associations and the many people, headed by Peter Preston, who volunteered their time to ensure the system was as robust as possible. I'd like to commend the work of Golf Australia's Simon Magdulski who oversaw the project with great calmness and expertise over the past few years.

The year has marked an ongoing collaboration and cooperative effort to strengthen golf with our industry bodies and the State Associations. The Joint Venture agreement with the PGA around MyGolf was a very positive development and one that will help to ensure that we have a successful national junior golf program.

I would like to wholeheartedly thank my fellow directors for their passion, expertise and contribution to Australian golf. They have worked selflessly in the pursuit of making Australian golf stronger. I'd also like to thank the Golf Australia staff so very ably led by Chief Executive Stephen Pitt – they continuously show enormous dedication and passion for golf in Australia and go above and beyond the call of duty in a quest to see Australian golf fulfil its potential.

A handwritten signature in black ink, reading "John Hopkins". The signature is fluid and cursive, with a large initial "J" and a stylized "H".

**John Hopkins**

*Chairman*





**Emirates**

Australian  
Open



*Rory McIlroy*



# Chief Executive Officer's Report

Implementation of Game Development programs, progress on greater collaboration, cooperation and efficiency throughout the industry were two of the major areas of focus for Golf Australia in 2013/14. The achievement that spans both of these areas was the signing of a Joint Venture agreement with the PGA in regard to the MyGolf program and we are delighted to be rolling this program out in a cooperative manner.



Via assistance from the ASC the MyGolf program has been reviewed and relaunched and hopefully will now be able to be a program that can connect many thousands of young Australians with the great game of golf. Targets and further details about the program are outlined more fully in the Annual Report.

The year past was a successful one for Golf Australia in all key facets of the organisation. Importantly we successfully continued our philosophy of recording a moderate surplus and investing as fully as possible into the development of golf. Golf Australia recorded an operating profit of \$319K and invested approximately \$3.2m into programs. Equity for the organisation now stands at just under \$3m and is steadily approaching an acceptable level for the organisation.

Our High Performance program, which was comprehensively restructured four years ago, continued to deliver impressive results. Minjee Lee and Oliver Goss both had memorable years capped by their low amateur performances in the Kraft-Nabisco Championship and Masters Tournament respectively. The Rookie Program continued to play a major role in helping a group of top young professionals to develop and improve during the critical formative stages of their professional careers.

We ran a full and very well supported collection of championships during the course of the year headed by our two Australian Open Championships. The Emirates Australian Open was one of the greatest championships we have held by all measurements and the final day is one that will live in annals of golf history. Rory McIlroy was a great champion and a welcome addition to the honour roll on the Stonehaven Cup, even if he did rob the crowd of seeing local hero Adam Scott win his second Open title and win his way to the coveted triple crown.

The ISPS Handa Women's Australian Open was also memorable, although this time the local favourite came from behind to get over the top of the world's best on the final day. Karrie Webb won her fifth ISPS Handa Women's Australian Open title by shooting a flawless 68 in windy and confounding conditions on the final day at Victoria Golf Club.

In terms of the overall health of Australian golf there are reason for both optimism and concern in the current landscape. Club viability remains an issue that Golf Australia and the State Associations remain committed to improving although no one underestimates the challenge in doing so. However, there are some real

# Chief Executive Officer's Report

strengths to work from, in particular the ongoing increase in rounds that has occurred in recent years. It is clear that current members are playing more golf which suggests we should enjoy a high level of retention of existing members. Adding new golfers to this mix will help club revenues and their ability to strengthen their operations. Junior, females and social golfers are three prominent markets that offer us significant opportunities and a great deal of work has already been undertaken in these areas.

We are extremely fortunate to have the ongoing support of a number of excellent corporate partners as well as the Federal Governments and several State governments. The Australian Sports Commission is an important partner for us in regard to Game Development and High Performance Programs and the NSW and Victorian governments, along with Emirates, ISPS Handa and World Sport Group also contributed enormously to the success of our Australian Opens.

We are continuing to work closely with the State Associations and other industry bodies to ensure we have a common vision and purpose for golf in Australia. There is continued dialogue and serious work done about how we can best align and implement the best structure for Australian golf to ensure our golfers receive the best possible service.

I'd like to publically commend the work of Chairman John Hopkins and the entire Golf Australia Board. They have contributed an enormous amount of knowledge, passion and wisdom over the course of the year. Our sport is fortunate to have directors who care deeply for the game and have the knowledge and skills to help strengthen it.

Finally I would like to thank each and every staff member of Golf Australia for their dedication and determination to make golf in Australia better. We have a happy and committed staff whom have put in very long hours to ensure we had a successful and memorable year.



**Stephen Pitt**

*Chief Executive Officer*



*Karrie Webb*



# Review of Operations

## Golf Development

Growth in participation and providing initiatives and support to improve club viability are the key objectives for Golf Development.

Golf Australia partnered with Golf Management Australia to produce the Annual Golf Participation Report which will be used to develop evidence based strategies for the future growth and sustainability of the sport.

### KEY FINDINGS



The key findings include the continued decline in club membership which decreased to 398,804 (a decrease of 1.6%). However the number competition rounds played by members continued to grow, increasing to a total of 13,895,620 (an increase of 5.6%).

A number of key initiatives were undertaken by the golf development department during the year with the aim of growing participation and improving club viability. These initiatives included the following key achievements:

- A full review of MyGolf which culminated in Golf Australia and the PGA coming together to establish a Joint Venture to operate an improved MyGolf product as a single unified national program.
- A female research project was completed to develop a new innovative product to engage with the female market culminating in the Swing Fit concept.
- A whole of sport Club Support strategy was developed to ensure a coordinated approach to the key issue of club viability.
- A pilot for Playgolf WEEK was conducted in South Australia during October 2013. The success of the pilot has led to this initiative being rolled out nationally in November 2014.

# Review of Operations

## MyGolf

An extensive amount of work was carried out to review the MyGolf Program through additional funding provided by the Australian Sports Commission. The objective of the review was to refine the current program and to develop a business model to ensure that the program is sustainable and delivers its full potential.



In addition to the program re-fresh, Golf Australia and the PGA of Australia entered into a joint venture whereby MyGolf is now recognised as the only national junior program in Australia, which is a significant accomplishment for the golf industry.

A joint venture Board has been established to govern the joint venture, which is chaired by Adrian Anderson with representation from Golf Australia, the PGA and the Australian Sports Commission. The primary role of the Board is to set the strategic direction of the program, approve the budget and develop the commercialisation strategy.



As at the end of the 2013/14 year there were 5,785 registered participants in the program at golf facilities across Australia and approximately 130,000 children participating annually in the program at schools.

Participant targets have been set for the 2014/15 year that are based on consumer research and align to the July 2014 program re-launch.

# Review of Operations

## Female Participation in Golf

In collaboration with all key industry bodies, Golf Australia led the development of a female participation in golf strategy according to the following key pillars:



### 1. Leadership & Administration

Provide national leadership and coordination in the governance, service delivery and development of golf for females in Australia.

### 2. Participation

Increase sustainable participation by women and girls in all aspects of golf.

### 3. Media and Promotion

Increase the recognition of achievements by females in all aspects of golf and facilitate greater awareness of the benefits of golf for women and girls.

### 4. High Performance

Provide increased opportunities for women and girls to excel in golf at an elite level



A major research project was funded by the Australian Sports Commission to develop a new innovative product in line with this strategy and to attract female participants to the game with the goal of achieving sustainable participation in the female golf market.

The research clearly indicated a strong desire for females to participate in the game of golf in a manner that is social and incorporates health benefits.

Based on these findings, the product concept Swing Fit was developed and demonstrated at the 2014 ISPS Handa Women's Australian Open. Swing Fit is designed for women wanting to participate in a socially based golf session with the added benefit of improved fitness.

It is planned to carry out thorough product testing in 2014/15 which includes conducting a number of pilots with trial programs to be rolled out in 2015/16.



# Review of Operations

## Club Support

In collaboration with all key industry bodies, Golf Australia led the development of a club support strategy with the goal to improve the capability, financial performance and sustainability of clubs.

The strategy is underpinned by the following four key drivers:

- 1. Collaboration**  
Develop effective working relationships with all key industry bodies and stakeholders to create viable and effective clubs
- 2. Capability**  
Educate, innovate and increase the ability of clubs to manage and grow
- 3. Communication**  
Encourage a culture of communication and interaction with and between clubs to share successful practices and experiences and solve problems
- 4. Lead and Deliver**  
Identify needs, provide responses, develop resources and assist clubs in a coordinated and consistent manner

The first initiative of the strategy is the development of a Centralised Club Support Portal to be launched in September 2014 that will provide extensive resources whereby club volunteers, management and staff can connect with the golf industry to obtain valuable, relevant and current information and tools on club management and operations.

Examples of the areas covered include strategic planning, governance, membership retention and recruitment, marketing and communications, financial management, risk management, insurance, participation programs and initiatives, committee management, policies and procedures, attracting and retaining volunteers, grants, education and training and occupational health and safety.

An on-line Club Health Check Tool has also been developed within the portal that is designed to help small to medium sized clubs assess how they are performing against key critical success factors and provide recommendations and an action plan on identified areas to improve the clubs operations.

A number of State/Territory Associations are employing Club Support Officers who will also be offering assistance to clubs.

# Review of Operations

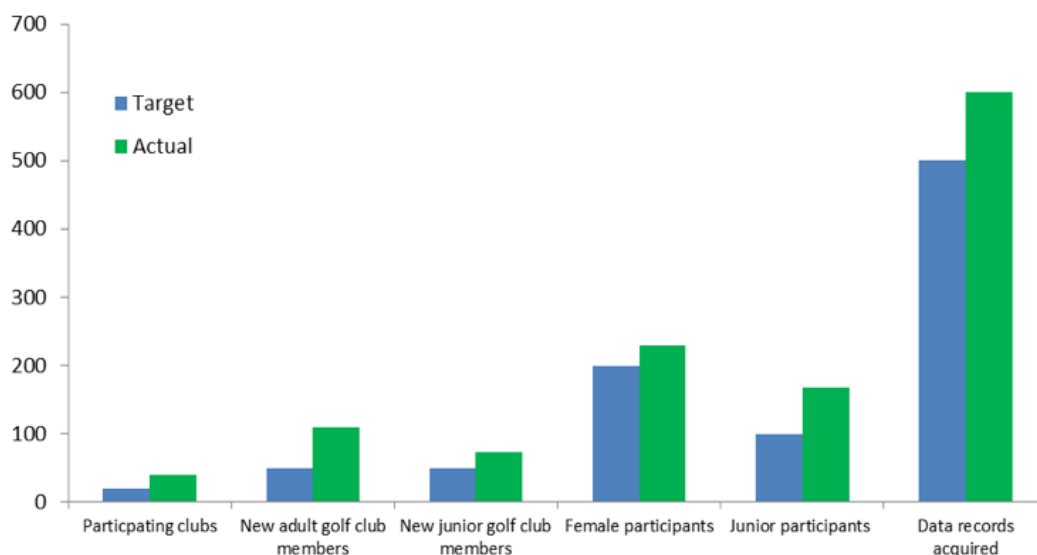
## Playgolf WEEK

Following Golf South Australia's successful Golf Month that was held in November 2012, it was agreed to conduct a Playgolf WEEK pilot in October in South Australia with a view to expanding to a national event in 2014.



The South Australian pilot was extremely successful exceeding all key performance measures and receiving extremely positive feedback from those involved.

### SA Playgolf WEEK Performance Measures



As a result of the success of the pilot in South Australia, Playgolf WEEK will run across all States from Monday 17 November to Sunday 23 November 2014. The objectives of Playgolf WEEK are to increase participation and awareness of golf and provide opportunities for clubs to promote all aspects of their club offerings including membership, programs, lessons, events, functions and to engage with the local community.

# Review of Operations

## Championships

Golf Australia's National Championships continued to showcase the game and develop our players at the elite level.

The Australian Amateur Championship presented by Audi saw top players from Australia and overseas battle it out in extremely hot conditions at The Grange Golf Club in South Australia. New Zealander Tae Koh defeated Western Australian Curtis Luck 6&5 in the Men's Final, whilst Minjee Lee (WA) defended her title, defeating Karis Davidson (Qld) 6&5 in the Women's Final.

The event is continually raising its profile on the international amateur championship stage, demonstrated by the fact that over 50 international players from Korea, Japan, England, Canada, New Zealand, China, Singapore, Malaysia, Spain and the United States of America took part. A number of promotional activities also took place to raise the event's profile including a 'Sweet Sixteen' Dinner for sponsors and officials, a MYGolf Clinic on the final day and a club golfer competition with the winner being flown to Adelaide to watch the final.

Our Australian Junior titles were won by Victorians Ryan Ruffels and Konomi Matsumoto. Ruffels won his first Australian Boys' title after a brilliant week in difficult conditions at Heritage Golf and Country Club. Ruffels finished at 11-under par to win by three shots from Blake Windred (NSW). In the Girls' Championship Konomi Matsumoto (Vic) was the winner by one-shot from Karis Davidson (Qld) finishing at 8-over par at Yering Meadows Golf Club. In the Junior Teams Matches, the Victorian Boys' Team won the title for the first time since 2008, whilst the Queensland Girls' Team won the Burtta Cheney Cup for the fourth consecutive year.

The Australian Interstate Teams Matches were contested in Canberra at Gungahlin Lakes Golf Club (Women) and Federal Golf Club (Men). The Gladys Hay Memorial Cup for the Women's Championship was won by Western Australia who defeated New South Wales 5-1 in the final. Victoria won the Men's title for the first time since 2009, narrowly defeating New South Wales in the final 4.5 – 3.5.

The Australian Men's and Women's Foursomes were contested in conjunction with the Interstate Teams Matches for the first time this year which proved very successful. The Women's Championship saw Shelly Shin and Doey Choi (NSW) share the honours with Minjee Lee and Hannah Green (WA). In the Men's Championship Aaron Willkin and Taylor MacDonald (Qld) became the first pair in history to successfully defend their title with a seven stroke win.

The Australian Women's Senior Amateur was played in South Australia's Barossa Valley at Tanunda Pines Golf Club, with 2003 Champion Josie Ryan (Qld) defeating 2006 Champion Wendy O'Connell (Qld) in the final. The Australian Men's Senior Amateur title headed overseas, with New Zealand's Murray Martin taking



# Review of Operations

the title at Royal Queensland Golf Club. Western Australian Ian McPherson took out the Australian Senior Men's Match Play title at Thirteenth Beach Golf Club, defeating Denis Dale (NSW) in the final.

The Mid-Amateur Championship was again played on the Open Course at Moonah Links Golf Club with Queensland's Damien Jordan taking out his first title. Sue Wooster (Vic) added a third Mid-Amateur crown to her name, taking out the Women's Championship.

The Australian Amateur Ranking Systems continue to provide the industry with the chance to monitor the movements of Australia's best golfers. Congratulations are extended to Brady Watt (WA) and Minjee Lee (WA) for winning the 2013 Men's and Women's Rankings, Blake Proverbs (Qld) and Hannah Green (WA) for taking out the Junior Rankings, and Stefan Albinski (NSW) and Wendy O'Connell (Qld) for topping the Senior Rankings.

Once again, Golf Australia thanks all of the host clubs over the last 12 months who have kindly given up their courses to support the Championships. We are also thankful to the many volunteers who assisted in making the events so memorable for all competitors.

# Review of Operations

## 2013/2014 National Championships Winners

DATE	CHAMPIONSHIP	VENUE	WINNER
3-5 September	Australian Men's Senior Amateur Championship	Royal Queensland GC, Qld	Murray Martin (NZL)
21-25 Oct 2013	Australian Women's Senior Amateur	Tanunda Pines GC, SA	Josie Ryan (QLD)
28-33 Oct 2013	Australian Men's Senior Match Play	Thirteenth Beach GC, Vic	Ian McPherson (WA)
13-15 Nov 2013	Australian Women's Mid Amateur	Moonah Links GC, Vic	Sue Wooster (NSW)
13-15 Nov 2013	Australian Men's Mid Amateur	Moonah Links GC, Vic	Damien Jordan (QLD)
14-17 Nov 2013	Nomura Cup	Santibuti Country Club, Thailand	Australia
20-23 Nov 2013	Asia-Pacific Senior Amateur	Montgomerie Links, Vietnam	John Ambridge (ENG)
28 Nov – 1 Dec 2013	Emirates Australian Open	The Royal Sydney GC, NSW	Rory McIlroy (NIR)
14-19 Jan 2014	Australian Men's Amateur	The Grange GC, SA	Tae Koh (NZL)
14-19 Jan 2014	Australian Women's Amateur	The Grange GC, SA	Minjee Lee (WA)
13-16 Feb 2014	ISPS Handa Women's Australian Open	Victoria GC, Vic	Karrie Webb (QLD)
9-11 Apr 2014	Australian Boys' Amateur	Heritage G & CC, Vic	Ryan Ruffels (VIC)
9-11 Apr 2014	Australian Girls' Amateur	Yering Meadows GC, Vic	Konomi Matsumoto (VIC)
13-15 Apr 2014	Australian Girls' Interstate Teams Matches	Yering Meadows GC, Vic	Queensland
13-15 Apr 2014	Australian Boys' Interstate Teams Matches	Heritage G & CC, Vic	Victoria
9-13 April 2014	Queen Sirikit Cup	Saujana CC, Malaysia	Korea
23-25 April 2014	Bonallack Trophy	Kamataka GC, India	Europe
27 April 2014	Australian Men's Foursomes	Federal GC, ACT	Taylor MacDonald & Aaron Wilkin (Qld)
27 April 2014	Australian Women's Foursomes	Gungahlin Lakes GC, ACT	Doey Choi/Shelly Shin (NSW) & Hannah Green/Minjee Lee (WA)
29 Apr-2 May 2014	Australian Women's Interstate Teams Matches	Gungahlin Lakes GC, ACT	Western Australia
29 Apr-2 May 2014	Australian Men's Interstate Teams Matches	Federal GC, ACT	Victoria
24-27 Jun 2014	Toyota World Junior Championships	Chukyo GC, Japan	Norway

Australian  
**Amateur**  
Golf Championships



*Mirjee Lee*



# Review of Operations

## Emirates Australian Open

### Emirates Australian Open

As Australia's major championship, the 2013 Emirates Australian Open provided the Australian golf and sporting community with one of the most absorbing and exciting championships we have ever seen.

Australia's best players continued to demonstrate their support for their National Open and we welcomed Northern Ireland's Major champion Rory McIlroy among our international players for the week.

The championship was broadcast live and exclusively on the Seven Network and generated extremely strong ratings over the four days. This was mainly due to Australia's Masters Champion Adam Scott going head-to-head with Rory McIlroy. The battle ended in dramatic fashion with McIlroy stealing victory on the 72nd hole by holing a 12 foot birdie putt, in the process denying local favourite Adam Scott the coveted Triple Crown.

Scott looked set to end his year in the best possible way by starting the championship with six successive birdies on his way to a sparkling 10 under round on day one. McIlroy, however, slowly pegged him back and finally got his nose ahead on the final green.

The event performed very well with excellent support from domestic and international media outlets. Golf Australia was very fortunate to have terrific event partners in World Sport Group and Tony Roosenburg Promotions & Sports who again played a key delivery role in the overall success of the championship. The tournament was again sanctioned by the PGA Tour of Australasia and OneAsia.

We also continued to attract an extraordinary number of dedicated volunteers from around Sydney and beyond who gave their time for Australia's major championship. The Royal Sydney Golf Club, with its long history with the championship, provided an extremely well-conditioned championship golf course.

We acknowledge and thank Destination NSW, the NSW Government, title sponsor Emirates and all our corporate partners for their tremendous support of the Emirates Australian Open championship and look forward to a very successful, long-term association.

Golf Australia congratulates Rory McIlroy on his Emirates Australian Open title – a superb performance under the high pressure circumstances of the final day.

# Review of Operations

## **ISPS Handa Women's Australian Open**

The ISPS Handa Women's Australian Open was again one of the highlights for women's golf in the Asia-Pacific region and was once more tri-sanctioned with the LPGA Tour, Ladies European Tour and ALPG Tour.

Australian legend Karrie Webb was a very popular champion, winning the title with a stunning final round 68 in extremely difficult conditions. The title, her fifth ISPS Handa Women's Australian Open Championship, highlighted her perseverance and never say die approach. The championship again provided a rare opportunity for golf fans to see the world's biggest stars including Paula Creamer, Suzann Pettersen, Stacy Lewis, Lydia Ko and Jessica Korda in action.

Golf Australia's strong relationship with the LPGA Tour continues to provide our Open with 100 of the world's highest ranked players competing in one of the LPGA's season opening events on the global stage. Six of the Top 10 and 30 of the Top 50-ranked players took part.

The superb Victoria Golf Club hosted our championship for the first time in 38 years and both the club and tournament partners were delighted with the 15 hours of live television coverage broadcast across the LPGA's global TV platform.

The ongoing success and growth of this event remains possible through our major partnership and generous support from naming rights sponsor International Sports Promotion Society (ISPS) and Dr Haruhisa Handa.

We are also appreciative of the ongoing commitment to the championship from the Tours and the wonderful support from all tournament partners and sponsors.

The championship continued its successful relationship with the ABC as host TV broadcaster and media coverage nationally and internationally was exceptional for the tournament.

The overwhelming level of support and enthusiasm from our large group of volunteers contributed significantly to the delivery of such a successful international championship.

We again owe our thanks to the Victorian Government through Victorian Major Events Company, Victoria Golf Club and Volunteer Coordinator Karen White for her management of the volunteers and other key support groups.

Our major women's championship continues to grow each year and we look forward to working with all our partners towards another successful championship.

Golf Australia congratulates Karrie Webb on winning her fifth ISPS Handa Women's Australian Open Championship.

Australian  
**Amateur**  
Golf Championships



*Tae Koh*



# Review of Operations

## Rules and Handicapping

On 23 January 2014 the new GA Handicap System became fully operational on GOLF Link. This completed the project which commenced late in 2010 when Golf Australia committed to building for Australia's 400,000 handicap golfers a purpose-built handicap system best suited to the Australian golf culture.

Golf Australia commenced this project by working through three main analytical bodies of work. Firstly, an extensive statistical study. Secondly, a comprehensive consultation program. And thirdly, a detailed investigation of the various other major handicap systems that operate in world golf.

The statistical study comprised two main phases. The initial phase involved commissioning the production of an array of statistical reports analysing past and existing competition results patterns and handicap movement patterns, as well as modelling the diverse range of potential handicap calculation formulas being assessed by Golf Australia to establish whether they had the potential to work in Australia. This work commenced in 2010 and was performed by highly-experienced and accomplished statisticians.

The consultation program was conducted to provide Golf Australia with a definitive understanding of the preferences of Australian clubs and golfers. It included a series of focus groups held early in 2011 in various cities around Australia. The focus groups involved officials from more than 100 clubs (large and small, metropolitan and regional), as well as officials from all State Associations. The consultation program also included a national handicapping survey conducted in mid-2011 to which every club was invited to respond, and it included consideration of wide-ranging feedback received over many years from a huge number of golfers and administrators.

The major international handicap systems exhaustively analysed by Golf Australia were the European Golf Association Handicap System, the Council of National Golf Unions (i.e. British) Unified Handicapping System, and the USGA Handicap System.

The advancement of the analytical work to this stage enabled the various Golf Australia committees to commence the process of settling on the new system's regulatory framework. Along with the development of some unique regulations of our own, Golf Australia cherry-picked from the other major international handicap systems the concepts believed to be most consistent with the findings of the consultation program.

The second phase of the statistical work was executed at this point. It involved running millions of rounds through the settings of the proposed new system prior to sign-off. The second phase also involved trialling the DSR component of the new system for more than 12 months in a live environment with officials from a diverse range of golf clubs across Australia (small and large, metropolitan and regional).

# Review of Operations

The software aspect of the project was spread over two years and it involved eleven independent software development teams working for Golf Australia, GOLF Link, and the Tier 3 software providers.

The rating under the new course rating system of the 1600 golf courses across the country commenced in 2009 and was performed over more than four years by a dedicated army of hundreds of expert course raters.

Throughout the process of developing the new handicap system, Golf Australia was constantly mindful of embedding participation initiatives into it. We were also aware that a handicap system directly impacts on a large scale how clubs manage their play. Generally speaking, Golf Australia believed there were various barriers to participation that were allowed to perpetuate under the previous handicap system. In moving to the new handicap system we believe we have tackled a number of these barriers.

Golf Australia is very grateful for the extensive cooperation of our Member Associations in delivering the new handicap system to Australian golfers. This new system is widely recognised as being at the forefront of international handicap system design and we would specifically like to acknowledge the huge number of club and state officials and golfers who very constructively engaged with us over the past four years.

Golf Australia will continue to monitor the performance of the new system in the short to mid-term and we will continue to encourage feedback from the industry. Nonetheless, we look forward to a period of sustained stability on handicapping over the coming years.

# Review of Operations

## High Performance

2013/14 has been another successful year for Australian teams and players – both amateur and professional. Golf Australia continued to send teams to a number of events that have historical significance, but looked to offer greater opportunities to individuals in key amateur and professional events throughout the world.

### Standout results in major international events included:

- Ryan Ruffels – Callaway World Junior Champion
- Oliver Goss – Masters Tournament Low Amateur
- Oliver Goss – Runner up U.S Amateur
- Minjee Lee – Low Amateur at Kraft Nabisco Championship
- Minjee Lee – 24th U.S Open
- Minjee Lee – 1st Victorian Open
- Minjee Lee – 11th ISPS Handa Women's Australian Open
- Minjee Lee – McCormack Medal
- Su Oh – 51st Kraft Nabisco
- Su Oh- Quarter final US Amateur
- Shelly Shin and Curtis Luck- US Junior Amateur semi finalist
- Nomura Cup – 1st
- Toyota World Junior Team Championship – 2nd
- Geoff Drakford – Porter Cup Champion
- Bryden Macpherson – 4th Australian Open
- Nathan Holman – 9th Australian Open
- Jake Higginbottom – 2nd Fiji Open
- Rebecca Artis – 1st LET Helsinborg Open
- Cameron Smith – 2nd Indonesian Masters

### Winners of the Australian Amateur Championships were:

- Australian Amateur Championship – Tae Koh
- Australian Women's Amateur Championship – Minjee Lee
- Australian Junior Boys Championship – Ryan Ruffels
- Australian Junior Girls Championship – Kono Matsumoto

The winners of the Karrie Webb Series were Minjee Lee and Su Oh. Both players were provided with the opportunity to work with Karrie Webb and gain valuable experience with her at the US Open.



The Rookie Program continued with ten athletes offered scholarships during the year. Rebecca Artis, Jake Higginbottom, Matt Steiger, Stacey Keating, Bryden Macpherson, Cameron Smith, Brady Watt, Jack Wilson, Nathan Holman and Oliver Goss were all provided with assistance during the critical formative stages of their professional careers and all players had status on one of the world's tours.

Golf Australia thanks the Australian Sports Commission, AIS, Acushnet Golf (Titleist/Footjoy), and John and Jill Kinghorn for their tremendous support of elite golf in Australia.



# Review of Operations

## Commercial

In 2013/14 Golf Australia continued to focus on increased commercial activity and new partner acquisition. Time has been spent refining our product offering to ensure our partners receive an engagement platform offering a year-long schedule of benefits and consolidating multiple channels to the golfing market.

We welcomed new corporate partners Accor Hotels & Resorts and Treasury Wine Estates to the portfolio and we are working closely with these brands to deliver a positive impact to the sport and its participants, whilst demonstrating a return on their investment.

The ongoing service of existing partners has been important to this year's achievement. This is exemplified in the formalisation of upgraded multi-year agreements with HOST PLUS, Drummond Golf and Coca Cola Amatil (CCA). We will continue to develop long and mutually beneficial relationships with each of these partners.

In regards Golf Australia's major tournaments, we are grateful to receive the ongoing commitment and support from Emirates Airlines and ISPS Handa. Their contribution to Golf Australia is invaluable and plays a significant role in the overall success of these events.

The valuable support received from our State Associations has enabled Golf Australia to deliver on a national approach to several major partners and we look forward to working closely with them on future national commercial opportunities.

Golf Australia will continue to evolve its commercial offering to ensure that our partners and their engagement initiatives are relevant to the game of golf and its stakeholders in Australia. Our focus will be to diversify and grow commercial revenue through a commitment to exceptional servicing of existing partners, identifying new properties and strengthening Golf Australia brands into valuable commercial assets.

Golf Australia would like to thank and acknowledge the ongoing support received from some of the world's leading brands including:



# Review of Operations

## Digital

Golf Australia continued to grow exposure for the game through online engagement and consolidate the gains made in the last two years.

Golf Australia took over ownership and hosting responsibility of its national website platform. The network hosts websites for Golf Australia, the Emirates Australian Open and ISPS Handa Women's Australian Open, MyGolf, Playgolf WEEK, ALPG, AGIC and several State Associations. This new direction broke away from any long-term contractual requirements with existing service providers on the platform, thus giving Golf Australia greater flexibility into the future in this ever-changing digital landscape.

The Golf Australia website ([www.golf.org.au](http://www.golf.org.au)) maintained its organic ranking at number one for the search term 'golf' in Google. This results in thousands of new people travelling to our website each month, where we can hopefully inspire them to get out and play the game.

In addition to this, the website continued its dramatic traffic growth of the past few years (+300%) via a strong content strategy. The first of these was having an elite journalistic presence with some of Australia's premier golf writers in Martin Blake, Mike Clayton and Peter Stone as regular contributors. It was also aided by the introduction of the new GA Handicap System which displayed the Scratch and Slope Ratings for every affiliated course in Australia, information that is of great interest to the golfing public. Finally, club golf results being posted each evening continued to be a huge driver of hits.

Our showpiece event, the Emirates Australian Open, attracted the record number of hits for a digital golf property in the country. The headlines were 100,000 unique browsers visiting the official website on the final day of play, a new Australian Open TV concept which received 53,200 video plays and 8,000 official tournament app downloads across Android and iPhone.

Golf Australia also invested time and effort into the social media space which saw our community numbers swell. GA Facebook and Twitter channels grew to total 40,000 across Golf Australia and Australian Open properties. Social media is a medium in which we can initially engage with our fan base through fun content before ultimately bringing them back to the website at the appropriate time. It is also the perfect tool to innovate and Golf Australia did just that with a viral Twitter-only competition for a spot in the ISPS Handa Women's Australian Open pro-am with Lydia Ko. The response to this initiative was overwhelming and spread the word of the tournament into new and previously unreachable markets.

Furthermore in social media, Golf Australia embarked on a national education and assistance project for clubs. General Managers and club administrators at seminars in NSW, South Australia and Queensland were implored to embrace social media as a marketing tool to attract new members to their club. Encouragingly, clubs advanced in this space already were very happy to help others get up to speed.

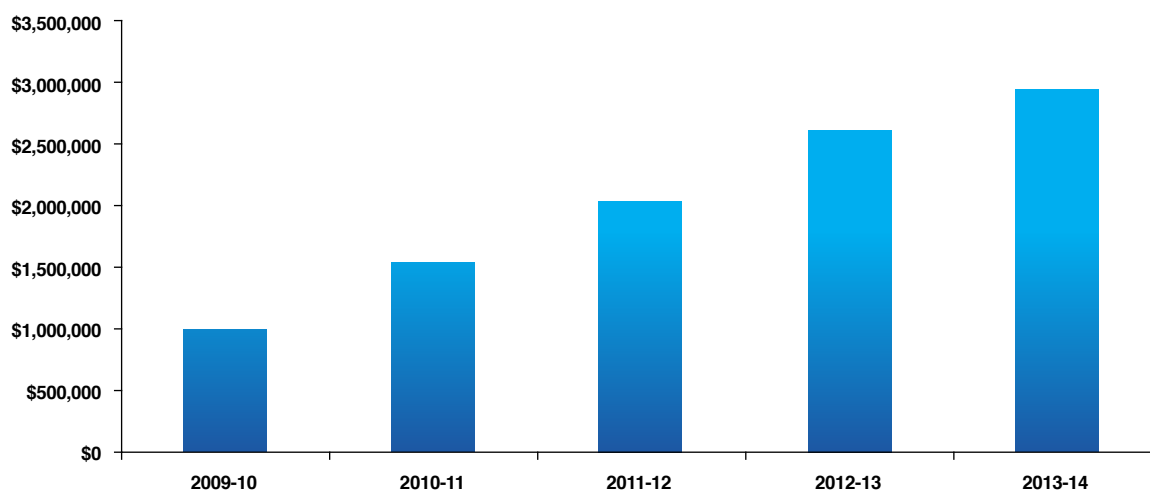
# Review of Operations

## Finance

The enclosed Annual Financial Report provides full financial disclosure of the year ended 30 June 2014.

Golf Australia has gone through a period of recovery and stability slowly rebuilding equity through continued moderate surpluses while continuing to deliver sufficient resources to new and current programs to impact the overall health of the game. Golf Australia again achieved this objective by recording a surplus of \$319k (2012: \$586k) which continued the trend of surpluses that have increased equity from \$997k to \$2.95m since 2010.

### Golf Australia Equity



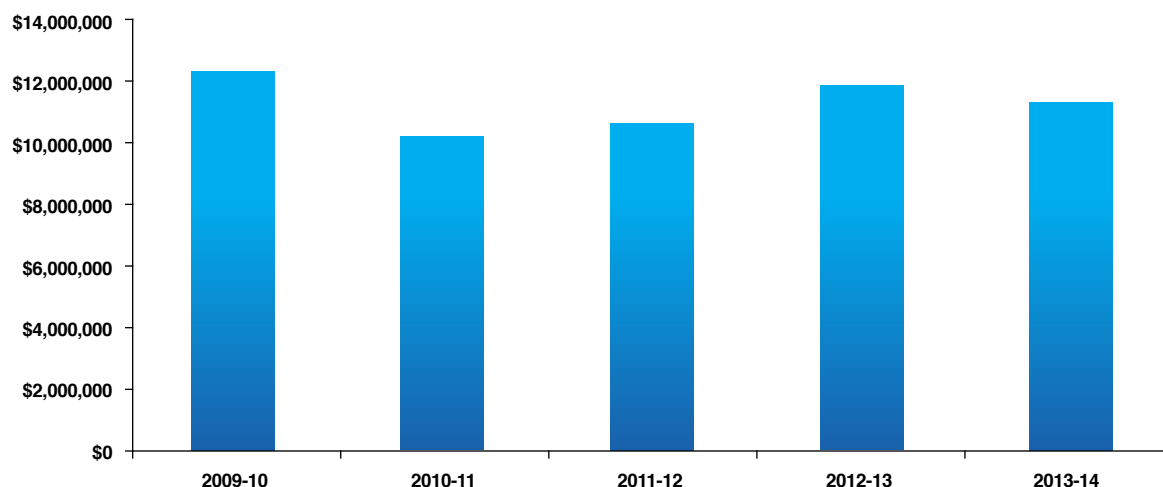
Rebuilding equity has provided a solid base allowing the business to now embark on strategic direction that targets a more aggressive approach to grow our capability to deliver benefits to golfers.

During the 2014 Financial Year there was a decrease of over \$520k in total revenue however this was primarily due to Crown Lager withdrawing their support of the Crown Lager Social Golf Club resulting in a decrease to both contra revenue and expenditure previously included to recognise Crown Lager's marketing support of the program.



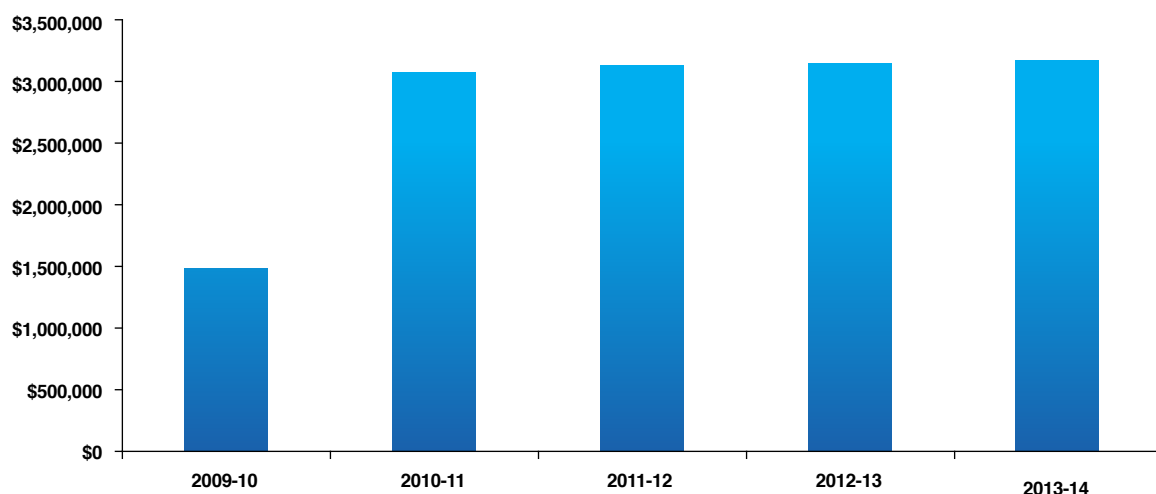
# Review of Operations

## Golf Australia Revenue



Golf Australia invested \$3.2m in new and continuing programs in the areas of game development, high performance, national championships and rules and handicapping. The investment in programs remained in line with 2013. Golf Australia's Strategic Plan identifies the need to improve our ability to invest in this area by increasing commercial revenue, government investment and diversifying revenue streams. We are targeting a 70% increase in program investment which would result in annual program investment of \$5.4m by 2016. This increase will be used to support the implementation of strategies to improve club viability and achieve growth in the game through increased participation.

## Golf Australia Programs Investment



The Australian Opens comprise of the Emirates Australian Open and the ISPS Handa Women's Australian Open. Golf Australia has an underwriting agreement with World Sport Group for the Emirates Australian Open which returned a surplus to the organisation of \$161k. This agreement has protected Golf Australia from the variations in returns that can result from running major events and has been a critical component in allowing Golf Australia to rebuild equity while maintaining program investment.

# Review of Operations

The ISPS Handa Women's Australian Open returned a loss of \$605k as the cost base of the event has increased significantly since joining the LPGA tour. This result is expected to improve significantly for future events and is forecast to break even by the 2016 event.

Looking forward to 2014/15, Golf Australia has budgeted to generate another surplus of \$340k which will result in further growth in equity to over \$3.3m at financial year end. The improved financial strength and stability of Golf Australia will continue to allow for strategic investment in programs which will drive increased participation.

# Review of Operations

## Message from the Australian Sports Commission

It has been another significant year for the Australian Sports Commission and the sports network as we continue to work together to pursue victory on the world stage and inspire all Australians to experience the joy of sport.



Despite a challenging economic environment, in 2013–14 the Australian Government invested almost \$120 million in our national sporting organisations. In high performance, Australia's Winning Edge continues to evolve as we target sports with potential to deliver international success and invest more in our most promising athletes.

Some highlights in 2013–14 have included:

- **Campaign Rio** — a partnership between the AIS, Australian Olympic Committee and Australian Paralympic Committee to prepare athletes for the Rio Olympic Games.
- **AIS Centre for Performance Coaching and Leadership** — the Centre continues to develop Australia's coaches and high performance leaders, with a Podium Coach program launched.
- **AIS Sports Draft** — a fast-tracked development program for talented athletes who are interested in transferring to Olympic or Commonwealth Games sports.

Our work with sports to reform governance structures and develop their strategic and commercial capabilities also continues. The ASC is determined to create better businesses and we are leading the way with a lean and agile operating model, a new AIS brand, and continued focus on philanthropy through the Australian Sports Foundation.

Grassroots participation remains a key priority, with the Australian Government's announcement of the Sporting Schools program a significant endorsement of community sport. The \$100 million program will commence in 2015 — reaching more than 850,000 children — and will enable sports to boost their participation numbers.

Australian sport is on a transformative journey. Few periods have been filled with so much activity or so much promise, and I appreciate your hard work and support over the past year. By joining us on this journey you continue to prove your capacity to succeed in this ever-changing sporting landscape.

**John Wylie AM**

*Chair*

Australian Sports Commission