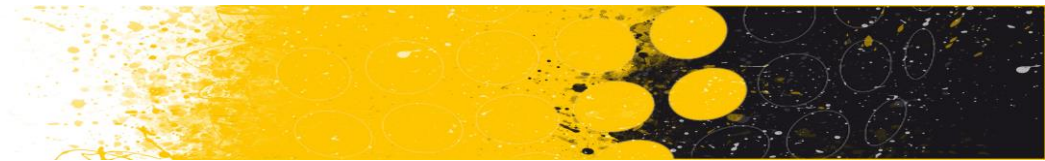




ANNUAL REPORT

2013



GOLF WESTERN AUSTRALIA (INC)

2013

CHAIRMAN

Max Hannah

BOARD OF DIRECTORS

Frank Bryant

Ian Crockett

Gemma Felton

Tim Gossage (appointed August 2013)

Greg Norrish

Ken Richards

Dianne Tomlin

GOLF MANAGEMENT COMMITTEE

Graeme Parsons (Chair)

Shonna Gobby

Alison Lang

Di Monk

Graeme Mustow

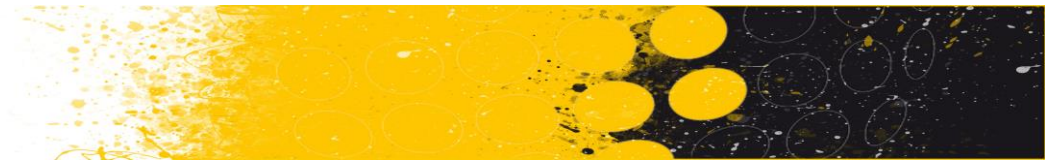
Harold Simmons

CHIEF EXECUTIVE

Gary Thomas

AUDITOR

Harold G Shrigley & Associates



GOLF WESTERN AUSTRALIA (INC)

NOTICE OF MEETING

The 4th Annual General Meeting of Golf Western Australia (Inc) will be held at Royal Perth Golf Club at 7.00 p.m. on Tuesday 4th March, 2014

AGENDA

1. Apologies
2. Previous Minutes

Confirmation of the minutes of the Annual General Meeting held on March 5, 2013.
3. Business Arising
4. To receive and if thought fit, adopt the Annual Report and Statement of Accounts for the year ended 31st December 2013.
5. Notice of Motion

Change to the Constitution

5.1 Special Resolution 1

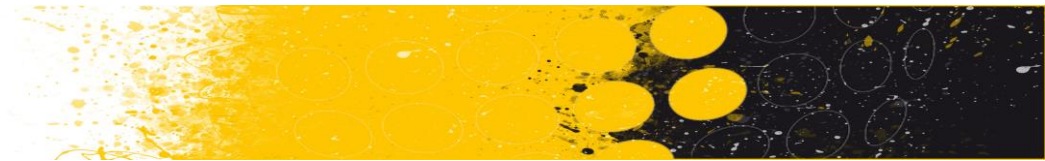
That the Delegates consider, and if thought fit, pass the following Resolution to change the Constitution of Golf Western Australia as a Special Resolution

“That the definition of Transitional Board in Clause 5.1 and that Clause 25 Transitional Board be deleted”.

Explanatory note: As GolfWA is now operating under a duly elected Board, the Clause relating to Transitional Board is no longer relevant.

5.2 Special Resolution 2

That the Delegates consider, and if thought fit, pass the following Resolution to change the Constitution of Golf Western Australia as a Special Resolution in regards to Terms of Office:



“That in Clause 28.4 (a) the words ‘effective from the Annual General Meeting of 2015’ are inserted; the words ‘other than’ be deleted and replaced with ‘including’ and that the part of the same Clause ‘except at the first Annual General meeting following the approval of these rules under the Act’ be deleted, so that the Clause reads:-

“Effective from the Annual General Meeting of 2015, the Elected Directors, including the Chairman, shall have a term of two years from election at an Annual General Meeting”

And

“That Clause 28.4 (c) be deleted”

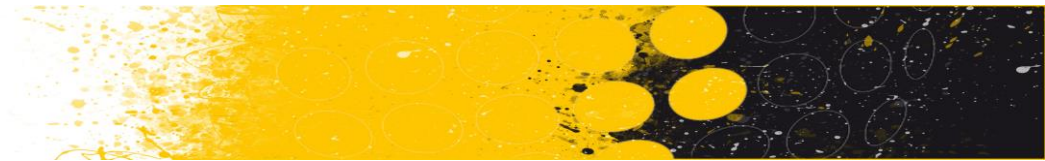
Explanatory Note: As per Clause 27 of the Constitution – Sunset Provision: Review of Board Structure - the Board of GolfWA has undertaken such review and is of the view that the Chairman’s term should be two years in order to give stronger tenure for a Chairman to undertake and see through important matters in his or her term. The Board is of the view that all other matters relating to structure and operations of the Board are working well and therefore do not believe any other changes to the Constitution in this area are required.

6. Election of Chairman and three Directors to the Board of Golf Western Australia

7. General Business

Gary Thomas
Chief Executive

February 6, 2014



Chairman's Report

2013 has been another year of steady and stable progress for GolfWA, on a number of fronts.

It was also the third and final year of the Strategic Plan adopted by the Board in the early times after the formation of the organisation. Almost all our strategic objectives have been achieved and in some cases well and truly surpassed. A review and refurbishment of the Strategic Plan is now due and will be undertaken during the early months of 2014 as a blueprint for where we would like to be three years from now.

Board of Management

Elections at the Annual General Meeting in March resulted in the re-election of Greg Norrish and Dianne Tomlin, and the election of Ian Crockett for two year terms. Ian had previously served on the Board as an Appointed Director and provides our organisation with invaluable financial, marketing and promotional skills and experience. Also during the year we were delighted when Tim Gossage accepted a position as an Appointed Director on the Board for a term that will conclude in 2015. Tim is well known to all from his work in the media as a sports presenter. His presence on our Board will not only enhance media attention of our game but will greatly assist our programs of marketing and sponsorship.

Allan Bradshaw retired from the Board after 17 years of service as the Treasurer of the WA Golf Association and three years of service to GolfWA. His dedication and commitment to golf in Western Australia has been outstanding throughout and we wish him well in retirement.

Our Chief Executive Gary Thomas has continued to provide outstanding service and support to the Board and leadership to our staff during 2013, of which we welcomed Tom Fee this year to replace Shawn McCauley who returned to Canada.

Golf Management Committee

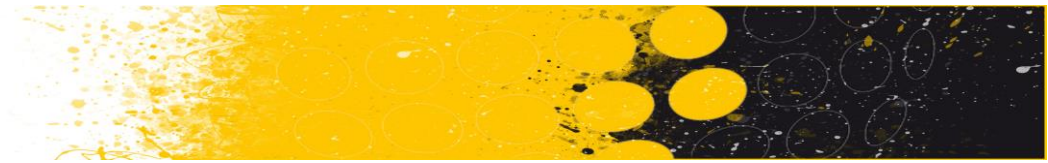
GMC membership during 2013 was Graeme Parsons (Chairman), Shonna Gobby (High Performance), Alison Lang (Game Development), Di Monk (Technical Services), Graham Mustow (Events & Tournaments) and Harold Simmons.

In conjunction with Clayton Bell (Golf Operations Manager) and other GolfWA staff, this group of talented and dedicated volunteers has presented and managed our program of golf related activities in first class fashion.

We note with regret the retirement of Harold Simmons from the GMC. Harold previously served on the WAGA Match Committee and as Chairman of the Education & Services subcommittee. We salute Harold and wish him every happiness in retirement.

Harold's position on the GMC will be filled by Ross Kirby from Royal Fremantle Golf Club.

Our member clubs are to be thanked for their annual nominations of suitably qualified and experienced personnel to form the GMC and its subcommittees. We record appreciation also to all clubs for making facilities available for the conduct of GolfWA events.



Finance

The audited financial reports for 2013 are included in this report and show a surplus of \$139,965 for the period. Of particular note is the steady growth of the Labouchere Road Reserve account which receives the net rental income from that property which previously housed Women's Golf Western Australia. The Board has established this fund to assist in the financing of a future 'Home' for golf in Western Australia as that project moves forward.

Further explanation on the financial report is provided in the report from the Chief Executive.

Golf Australia Handicap System

The final batch of changes to the new handicap system came into effect on 23 January, 2014. These changes, including the operation of the 'Slope' component of the new system have been outlined on the flyer sent to all clubs for distribution to players. The flyer is entitled ***SLOPE and my Handicap*** and as a minimum, players should familiarise themselves with its contents.

Further clarification and information on the new handicap system can be obtained from the Golf Australia website – golf.org.au.

High Performance

The high performance programs of GolfWA have again achieved excellent results with WA players making up 50% of the membership of Golf Australia's National Squad during the latter portion of 2013. Full credit must go to the staff and volunteers who contribute to our talent identification and high performance programs.

Particular mention is made of the performances of some of our players in the Golf Management Committee report. Of those players, we note that Brady Watt turned professional late in the year and we convey best wishes for his future endeavours

Marketing

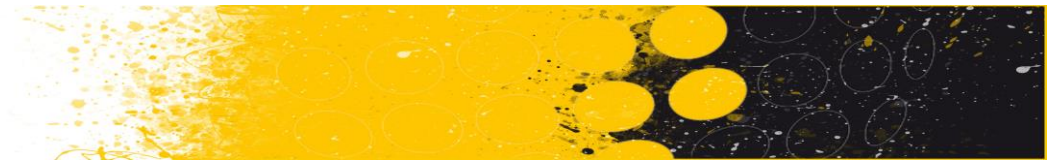
Progress in this area is continuing to be more difficult than we would have liked, mainly due to the highly competitive sporting marketplace. In Western Australia we have two AFL and nine WAFL clubs, cricket, soccer, basketball and three cricket teams competing nationally at a professional level, two rugby codes, surf life saving, hockey, athletics, netball, swimming, cycling, baseball associations, and a myriad of others, all striving for corporate support. It is extremely tough going.

Full marks to our Marketing Committee for their ongoing enthusiasm and efforts during 2013 where solid foundations continue to be laid for the achievement of our strategic objectives in the years to come.

Western Australian Golf Foundation

The presence of WAGF emerged in several noteworthy ways during 2013.

- The ***Will You Chip In*** program was launched in a number of clubs and gained tremendous support from members of those clubs, raising considerable funds. These funds will be made available for distribution to districts, clubs, public courses and schools to subsidise the cost of programs that will attract and engage new players to the game and to club membership.



The program provides every affiliated club member the opportunity to contribute \$20 to WAGF when paying their annual club subscription. The contribution is requested on an 'opt out' basis and to date the level of player support has been much higher than expected. This level of support is sincerely appreciated and I urge all players to 'chip in' for the long term benefit of our great game and its clubs and districts.

- In addition to the above, there are a range of other donor options ranging from 'Supporter' level through to 'Patron' level. It is pleasing to note that Greg Chalmers and Nick O'Hern have already signed on as Patrons of WAGF.

The WA Golf Foundation has registered a sports development project with the Australian Sports Foundation Ltd (ASF). This enables individual donations to the ASF in support of the WA Golf Foundation project as the preferred beneficiary, to be tax deductible.

- The inaugural WAGF Golf Day was conducted at WA Golf Club in September and was sponsored by Malaysia Airlines and Tourism Malaysia. It was a marvellous event for the participating teams where Kim Felton and Brady Watt contributed their time to play each hole with a different team. Appreciation is extended to WA Golf Club for the use of their facilities which were presented in magnificent condition as always. We look forward to their ongoing support of the WAGF Golf Day in 2014 to be held on September 8.
- The first round of game development grants when advertised received overwhelming response. Nearly \$70,000 has been granted to successful applicants to subsidise the costs of 10 programs of game development at venues in metropolitan and country areas.

Appreciation is extended to the members of the Board of Trustees – Ian Crockett (Chairman) and Ken Richards from GolfWA, Cameron O'Hara and Mark Tibbles from the PGA, and Gary Thomas as Chief Executive.

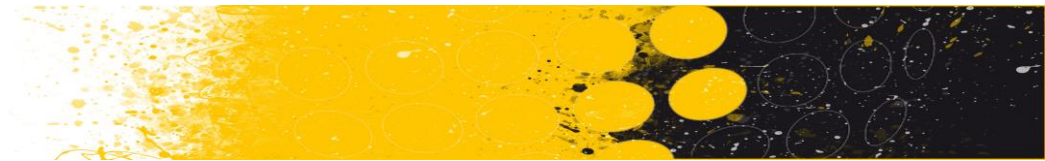
Western Australian Open

The John Hughes Nexus Risk Services WA Open was hosted by Mt Lawley Golf Club in 2013 and was another huge success. The presentation of the golf course was stunning, the quality of the field was again boosted by the WA PGA Championship being played the week prior and the Perth International being played the following week, commercial support was again received from a loyal group of sponsors, volunteers showed up in force, and the host club also provided outstanding catering and clubhouse hospitality.

This year's champion was Josh Geary (NZ) who won by 5 shots from Kris Mueck (Vic). The leading amateur was Jarryd Felton from Gosnells Golf Club.

Appreciation is again extended to Greg Norrish as Chairman of the WA Open Committee and his enthusiastic group of committee members for another job very well done.

The WA Open will be hosted by Cottesloe Golf Club in 2014, again forming part of a 3 week festival of golf with the WA PGA Championship and Perth International.



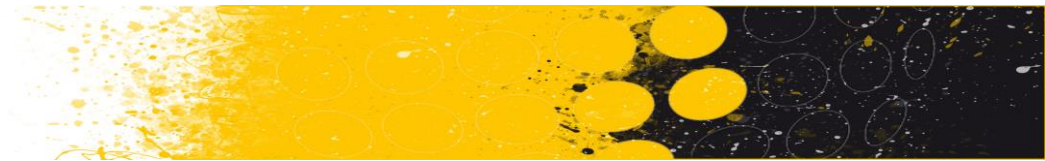
Volunteers & Staff

I conclude this report with a vote of appreciation for my colleagues on the Board of GolfWA, all members of the Golf Management Committee and its subcommittees, and every member of staff, for their ongoing dedication and professionalism. 2013 was a solid year of achievement and consolidation for GolfWA.

We trust their involvement as volunteers and staff members has been satisfying and that you look forward to working with GolfWA for many years to come.

A handwritten signature in black ink, appearing to read 'IM (Max) Hannah', written in a cursive style.

IM (Max) Hannah
Chairman



Golf Management Committee Report

The Golf WA Golf Management Committee (GMC) met 9 times during 2013. The committee members, elected at the end of 2012, were Graeme Parsons (Chair), Graeme Mustow, Harold Simmons, Di Monk, Alison Lang and Shonna Gobby with Dianne Tomlin and Max Hannah from the Golf WA Board.

The areas of responsibility for the GMC includes Technical (Rules, Handicapping and Course Rating), High Performance, Events & Tournaments and Game Development. Members of the GMC are appointed to chair one of these subcommittees.

The Technical Subcommittee chaired by Di Monk continued to keep abreast of the imminent changes to the handicapping system being introduced by Golf Australia. The course rating program was completed in 2012 and re-rating of some courses (mainly in the Perth region) commenced in 2013.

A number of well-attended Club Level Rules Accreditation Courses were conducted in 2013 at both metropolitan and country clubs.

The High Performance Subcommittee chaired by Shona Gobby continued their work with the State and National Coaches and Golf Australia to improve the programs offered to our elite players. As a result of these programs, at the end of 2013 WA topped the rankings in 3 out of 4 Golf Australia divisions: Brady Watt in the Men's Division, Minjee Lee in the Women's Division and Hannah Green in the Girl's Division.

From a results perspective, the Women's Team made the final for the third year in a row but lost to Victoria in the final. The Men's Team finished 6th, the Boy's Team 5th while the Girl's Team finished 4th.

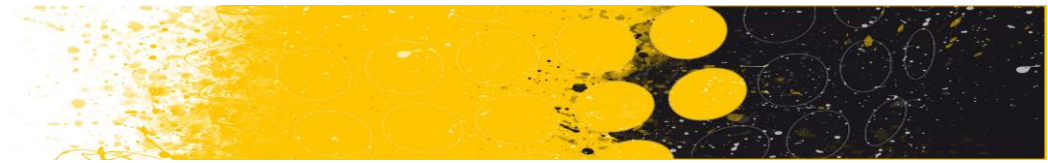
From an individual point, the highlights were the listed achievements of the following players:-

Minjee Lee

- Achieved a World Ranking of 2
- Australian Amateur Champion
- Australian Junior Champion
- Australian Team Member – Queen Sirikit Cup
- Western Australian Amateur Champion
- Western Australian Junior Champion
- Western Australian State Team Member
- 6PR Outstanding Achievement Award (ANZ Sports Star of the Year Awards)

Oliver Goss

- Achieved a top 10 World Amateur Ranking
- US Amateur Finalist, earning exemptions into the 2014 US Masters and US Open
- Second all-time lowest season stroke average at University of Tennessee (71.95)
- Selected for Golf Week All-American Third team in US Collegiate system
- Selected for Ping All-American Third team in US Collegiate system
- Selected for All-SEC team in US Collegiate system



Brady Watt

- Achieved the No 1 World Amateur Ranking in August
- US Amateur Co-Medallist
- US Amateur Semi-Finalist
- Member of Australia's Ten Nations Cup Winning Team and Individual Winner
- Australian Amateur Medallist
- Master of the Amateurs - Runner-up
- Riversdale Cup - Champion
- WA State Amateur Medallist
- WA State Amateur Champion
- Paxton Average Winner – 67.50 (lowest average in history)

Jarryd Felton

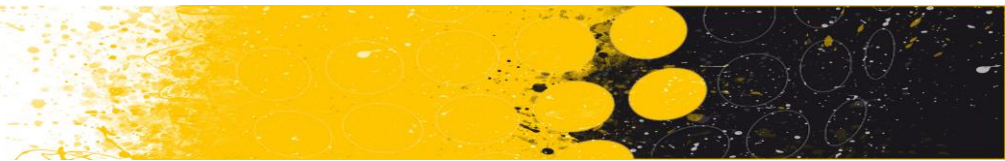
- Queensland Stroke Play Champion
- Selected to Represent Australia in the Juan Carlos Tailhade and Argentine Amateur
- City of Perth Champion
- Mandurah Amateur Open Champion – National Event
- Gosnells Open Champion

Hannah Green

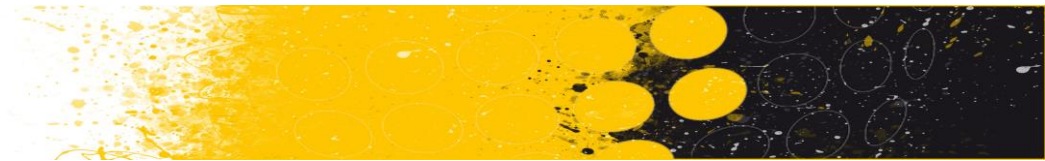
- Represented Australia in the Spirit International
- Tied 10th in Callaway World Junior Championships
- Reached Top 16 in US Girls' Amateur
- WA Srixon Junior Girls' Champion
- Bowra & O'Dea 72 Hole Strokeplay Champion – National Event
- Australian Girls' Amateur Runner- up
- Semi- Finalist in WA Women's Amateur
- Lake Macquarie Women's Amateur Runner-up
- Semi- Finalist in Australian Women's Amateur

The Events and Tournaments Subcommittee chaired by Graeme Mustow continued their work of ensuring that all events and tournaments conducted by Golf WA make best use of the resources available and strive to improve the participation in these events. For the first time the State Seniors Championship was conducted at a single venue with both the Men's and Women's event held concurrently.

The following is a list of major tournaments conducted by GolfWA throughout 2013 showing the results of each event. All of these tournaments are hosted by our Affiliated Clubs and we appreciate their continued support in hosting such events.



Tournament	Venue	Winners	Runners Up
WA Open	Mount Lawley GC	Josh Geary	Kris Mueck
WA Women's Amateur	Royal Fremantle GC	Minjee Lee	Tatiana Wijaya
WA Women's Amateur Medal	Royal Fremantle GC	Minjee Lee	Hannah Green
WA Men's Amateur	Royal Fremantle GC	Brady Watt	Minwoo Lee
WA Men's Amateur Medal	Royal Fremantle GC	Brady Watt	Michael Dennis
WA Women's 72 Hole Strokeplay	Lake Karrinyup CC	Hannah Green	Cathleen Santoso
Ivie Temperley Consistency (Stroke Averages)	Various	Minjee Lee	Hannah Green
Paxton Averages	Various	Brady Watt	Daniel Hoeve
WA Junior Girls Amateur	Hartfield CC	Hannah Green	Alyssa Keir
WA Junior Boys Amateur	Hartfield CC	Minwoo Lee	James Connor
WA Women's Seniors Cup	Melville Glades	Ros Fisher	Rosemary Burd
WA Men's Senior Amateur	Royal Perth GC	Stefan Albinski	Ian McPherson
WA Women's Senior Amateur	Royal Perth GC	Ros Risher	Kathy McGregor
WA Women's Amateur Foursomes	Hartfield CC	Hira Naveed & Rachita Vasandani	Marion Dunsmore & Sue Plug
WA Men's Open Foursomes	Hartfield CC	Rick Kulacz & Scott Hunter	Connor Faulds & Fritz Arnold
WA Men's Amateur Foursomes	Hartfield CC	Connor Faulds & Fritz Arnold	Paul Chappell & Peter Bennett
Women's Regional Seniors	Spalding Park GC	Kerry Drennan	Carol Gauntlet
Women's Provincial	Gingin GC	Robin Edwards	Mardi Dungey
WA State Sand Greens	Wongan Hills	Adam Davey	Michael Dennis
Men's Country Foursomes	Cottesloe GC	Ryan Sheridan & Vance Blechynden	Greg Golinski & Danny Ennor
Men's Country Champion	WA Golf Club	Danny Ennor	Adam McGill
Women's Country Week Bronze	Wanneroo GC & Lakelands CC	Marge Wilkie	Petrina King
Women's Country Week Silver	Wanneroo GC & Lakelands CC	Sue Bloxam	Jo Peterson
Women's Division 1 Pennant	Various	Royal Fremantle	Lake Karrinyup

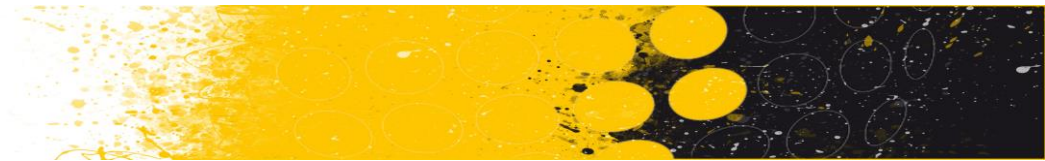


Women's Division 2 Pennant	Various	Cottesloe	Wanneroo
Women's Division 3 Pennant	Various	Nedlands	Cottesloe
Men's Division 1 Pennant	Various	Cottesloe	Royal Fremantle
Men's Division 2 Pennant	Various	WA Golf Club	Mount Lawley
Men's Division 3 Pennant	Various	Sea View	Meadow Springs
Men's Senior Individual Pennant Div 1	Various	Joondalup	Cottesloe
Men's Senior Individual Pennant Div 2	Various	Hartfield	Mount Lawley
Hastings Reid Cup	WA Golf Club	Royal Fremantle	Nedlands

The Game Development Subcommittee chaired by Alison Lang, continued to build on the MYGolf in Schools programme with 90 schools visited during the year. In addition there are now over 40 MYGolf Centres registered in WA and in excess of 600 MYGolf participants signed up. The Smarter than Smoking MYGolf Tour was well supported by member clubs and it is pleasing to see that participants of this Tour are now moving through to club membership. Other initiatives commenced or developed further in 2013 include Girls Golf (9 participating clubs), Ladies Learning Golf (4 metropolitan venues), Community Coaching and Disability Golf.

2013 saw the retirement of GMC and former WAGA member Harold Simmons. Harold was a tireless worker for GolfWA and travelled frequently to country venues to represent GolfWA. The GMC wishes him well in the future. In 2014 we welcome Ross Kirby to the GMC and look forward to another successful year.

Graeme Parsons
Chairperson



Chief Executive Report

Finance

In reference to the Audited Financial Reports for 2013, a surplus of \$139,965 was achieved pre-distribution of rental income from the Labouchere Road premises. After distribution of net rental and interest on the Reserve Fund, the surplus was \$110,709 (note 7), which is a pleasing result. The Labouchere Road Reserve Capital Fund now sits at slightly under \$50,000.

In relation to the financial statements and accompanying notes for 2013, following are the major factors to be noted:-

Balance Sheet

The net equity of the business increased by the above surplus of \$139,965 and GolfWA continues to be in a solid financial position with Total Equity of \$2.247m.

The major changes in Assets from 2012 are a substantial increase in Receivables, predominantly due to DSR annual funding of \$75,000 not being received at balance date together with the final Healthway milestone payment of \$14,000. Additionally Prepayments shows an increase of just over \$46K as detailed in Note 3.

In terms of Liabilities, the significant changes are a reduction in Income Received in Advance of \$43,372 from 2012 due mainly to the DSR Funding not being received (as stated above) – refer to Note 6 – and an increase in Accrued Expenses which consists of a range of Competition, High Performance and Administrative expenses.

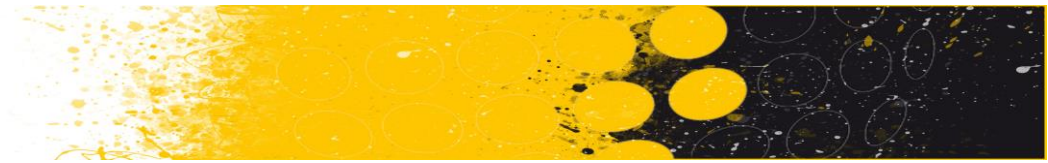
Income

Affiliation Fee Income showed an increase of just under \$30,000 compared to 2012, primarily due to the increase in the number of Public Course Clubs who affiliated with GolfWA in 2013 (refer to Membership chart below).

With the exception of Community Coaching and Seminar Fees, all other areas of event income were down on last year (Note 8) and under budget by nearly \$11,000. A review is being undertaken in order to ascertain the viability of some GolfWA events.

Funding and Grants (Note 9) increased by 7% due to increased support from Healthway and a grant from DSR to conduct programmes in the North West, whilst Sundry Income decreased as in 2012 there were several accrued expense items written off.

Despite the success of the tournament, financially the WA Open showed a deficit of \$20,469. Whilst operating costs for the 2013 Open were almost identical to that of 2012, there was a reduction in sponsorship income in 2013 of \$20,500 on the previous year. It should be noted that this deficit does include an allocation of \$18,000 in administration costs incurred.



Expenditure

Total Expenditure in general was well contained with an increase of 5.7% on 2012.

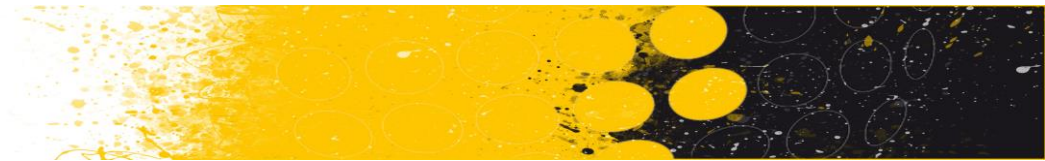
Despite the reduction in income from competitions, the costs associated with such competitions increased by some \$14,000 (Note 11) on 2012, although such costs were in line with budget. There were savings in Game Development due to reduced Promotional and Food & Beverage costs. However there was additional expenditure in High Performance when compared to 2012, due to funding provided to players within the High Performance squads to assist in meeting costs to play in interstate or international events and in sports science.

Apart from the above, Golf Australia Affiliation Fees (in line with Affiliation Fee income) Employment, Promotion & Marketing and Depreciation were the only costs that increased of any material nature on 2012.

Sponsorship

As many would be aware, securing commercial sponsorship for sports, particularly those who may not enjoy significant media coverage, is a difficult exercise. GolfWA is very fortunate to have the support of several key sponsors and on behalf of the Board of GolfWA and our member clubs, I acknowledge and thank the following partners:-

- The Department of Sport and Recreation for not only supporting GolfWA directly but also for their support of golf across the community through a range of grants for athletes and club facilities
- Healthway Smarter than Smoking whose commitment enabled the delivery of a range of development programmes throughout the state, including MYGolf in Schools, the MYGolf Tour and Regional Programmes
- Bowra & O’Dea for their support of the 72 Hole Women’s Classic at Lake Karrinyup (2014 will be their 10th year) as well as their support of the WA Open and WA Golf Industry Dinner
- Srixon – Naming Rights sponsor of the Srixon Junior Championship and provision of product to be used as trophies for a range of GolfWA events throughout the year
- Drummond Golf who expanded their support in 2013 to replace Newman and Brooks as Naming Rights Sponsor of several major events on the GolfWA calendar as well as continuing to provide uniforms for our State teams
- Travel Tree and Golf Box for sponsoring two significant Women’s Challenge events
- John Hughes and Nexus Risk Services for their ongoing support as Co-Naming Rights Sponsors of the WA Open. Nexus are also to be thanked for supporting the Golf Industry Dinner and the Golf Managers Association
- And the range of Supporting Partners of the WA Open



Membership

Following is a table showing the number of Members of clubs affiliated with GolfWA in 2013 with a comparison to 2012 as well as a second table showing the number of Affiliated Clubs.

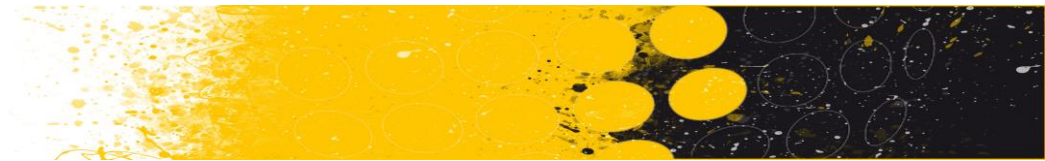
Whilst the total number of members in affiliated clubs grew by 1364 (4.3%), this was due to an increase in the number of Public Course clubs that affiliated with GolfWA in 2013. Total Metropolitan membership numbers decreased marginally by 1.1% and Country Club membership by 0.7%. There were marginal increases in the number of female members in metropolitan clubs and male country members, offset by decreases in metropolitan male members and country female members. There was very little change in Suburban club numbers, albeit that the clubs are different i.e West Aviat in 2012 and Chequers in 2013.

	2013			2012		
	Male	Female	TOTAL	Male	Female	TOTAL
METROPOLITAN CLUBS	12964	3181	16145	13192	3135	16327
SUBURBAN CLUBS	153	19	172	157	19	176
COUNTRY CLUBS	8893	2787	11680	8853	2913	11766
PUBLIC COURSE CLUBS	3635	1141	4776	2196	944	3140
TOTAL	25645	7128	32773	24398	7011	31409

	2013	2012
METROPOLITAN CLUBS	23	23
SUBURBAN CLUBS	1	1
COUNTRY CLUBS	169	170
PUBLIC COURSE CLUBS	99	69
TOTAL	292	263

Communication

As stated in the 2012 Annual Report, strong communication with our affiliated clubs is crucial. With the quality of the regular e-news and e-zine magazines, the use of facebook and Twitter and the revamp of the GolfWA website, I believe we have continued to raise the level of communication to all stakeholders of GolfWA in 2013. Appreciation is also extended to DSR for their grant to upgrade much of our IT hardware and software in 2013, including the new website.



Acknowledgements

Firstly, to our member clubs I thank you for your support in participating in the range of activities conducted by GolfWA and for providing venues for our events. We are very fortunate with the level of support provided by our clubs in this area and I know we are the envy of the other state associations in this regard.

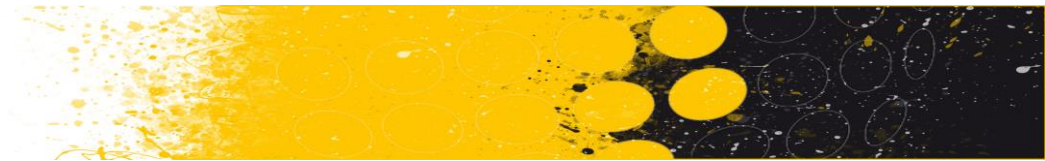
Secondly, I wish to thank the various volunteers and officials who have assisted at events throughout the year. Without your support, such events would not be the success they are.

To the Board of GolfWA I express my gratitude for their continued guidance, expertise and support.

Finally I must acknowledge the tremendous work undertaken by all of our staff in 2013. We are indeed fortunate to have such an enthusiastic and dedicated team.

A handwritten signature in black ink, appearing to read "Gary Thomas". The signature is fluid and cursive, with a large initial "G" and "T".

Gary Thomas
Chief Executive



GOLF WESTERN AUSTRALIA (INC)

STATEMENT BY DIRECTORS OF THE BOARD

The Board has determined that the Association is not a reporting entity.

The Board has determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board the financial report as set out on pages 19-22:

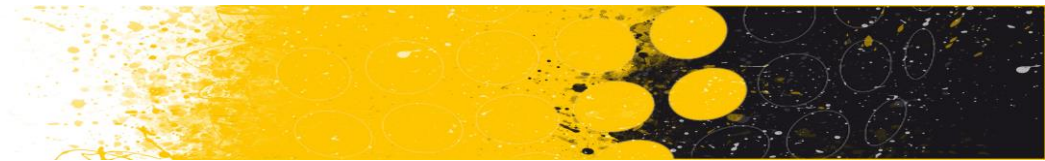
1. Presents fairly the financial position of Golf Western Australia (Inc) as at December 31, 2013 and its performance for the year on that date.
2. At the date of this statement, there are reasonable grounds to believe that Golf Western Australia (Inc) will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:-

I M (Max) Hannah
Chairman

Gary Thomas
Chief Executive

Dated at South Perth this 5th day of February, 2014



GOLF WESTERN AUSTRALIA (INC)

INDEPENDENT AUDIT REPORT TO MEMBERS

Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report, of Golf Western Australia (Inc) which comprises the Balance Sheet, Statement of Income and Expenditure, Accompanying Notes to the Financial Statements and Statement by Directors of the Board for Golf Western Australia (Inc) for the year ended 31st December, 2013.

Board's Responsibility for the Financial Report

The Board is responsible for the preparation and true and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are consistent with the financial reporting requirements of the Associations Incorporations Act WA 1987 and are appropriate to meet the needs of the Members.

The Board's responsibilities also include designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

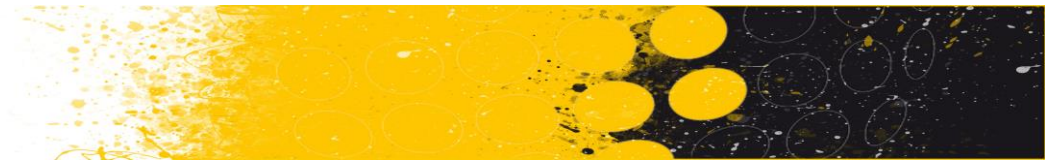
Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. No opinion as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the Members. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I 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 judgment, including assessments of the risks of material misstatement of the financial report, whether due to fraud or error.

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

The financial report has been prepared for distribution to members for the purpose of fulfilling the Board's financial reporting obligations under the Associations Incorporation Act 1987. I disclaim any responsibility for any reliance on this report or on the financial report to which it relates to any other person other than the members, or for any other purpose other than for which it was prepared



I believe that the audit evidence that I have obtained is sufficient and appropriate to provide a basis for my opinion.

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In my opinion, the financial report of Golf Western Australia (Inc) presents fairly, in all material respects, the financial position of Golf Western Australia (Inc) as at 31st December, 2013 and of its financial performance for the year then ended in accordance with the accounting policies described in Note1 to the financial statements.

Dated at Murdoch this 5th day of February, 2014.

Harold G Shrigley & Associates
40 Johanson Promenade
MURDOCH WA 6150

HG Shrigley FCA (Principal)

GOLF WESTERN AUSTRALIA (INC)

BALANCE SHEET AS AT DECEMBER 31, 2013

	NOTE	2013		2012	
		\$	\$	\$	\$
<u>ASSETS</u>					
<u>Current Assets</u>					
Cash Assets	2	665,131		678,217	
Receivables		120,931		19,019	
General Inventory		10,300		6,628	
Prepayments and Deposits	3	<u>250,755</u>	1,047,117	<u>204,585</u>	908,449
<u>Fixed Assets</u>					
Property, Plant & Equipment	4		1,631,594		1,648,355
<u>Total Assets</u>			<u>2,678,711</u>		<u>2,556,804</u>
<u>LIABILITIES</u>					
<u>Current Liabilities</u>					
Trade Creditors		14,887		12,104	
BAS Liabilities		(7,201)		4,821	
Payroll Liabilities	5	99,207		84,146	
Superannuation		15,808		15,619	
Income Received in Advance	6	266,995		310,367	
Accrued Expenses		<u>41,691</u>	431,387	<u>22,388</u>	449,445
<u>Total Liabilities</u>			<u>431,387</u>		<u>449,445</u>
NET ASSETS			<u>2,247,324</u>		<u>2,107,359</u>
<u>MEMBERS FUNDS</u>					
Retained Earnings		2,088,316		1,951,743	
Current Year Earnings	7	110,709		136,573	
Labouchere Road Reserve	7	48,299		19,043	
TOTAL MEMBERS FUNDS			<u>2,247,324</u>		<u>2,107,359</u>

The accompanying notes form part of these financial statements

GOLF WESTERN AUSTRALIA (INC)

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED DECEMBER 31, 2013

	NOTE	2013 \$	2012 \$
<u>INCOME</u>			
Affiliation Fees		746,701	716,838
Golf Australia Affiliation Fees		388,674	343,865
Event Income	8	194,774	200,807
Funding & Grants	9	364,610	342,504
Sponsorship	10	55,451	50,352
WA Open		(20,469)	496
Interest Revenue		29,207	32,664
Rent Receivable & Outgoings		42,489	41,458
Sales (nett of Cost of Sales)		985	1,477
Sundry Income		7,347	19,248
Total Income		1,809,769	1,749,709
<u>EXPENDITURE</u>			
Golf Australia Affiliation Fee		376,428	342,658
Competition Expenses	11	128,920	114,160
Travel, Accommodation, Meals and Allowances	12	176,870	177,655
Game Development	13	37,478	48,071
High Performance	14	65,952	52,375
Accounting & Audit		4,550	4,550
Bank Fees & Charges		1,752	1,682
Computing		16,995	17,279
Electricity		4,192	4,725
Employment	15	711,392	697,276
Entertainment		1,193	3,316
Insurance		9,795	9,338
Office Maintenance, Cleaning & Storage		12,109	13,831
Promotion & Marketing		11,702	5,833
Rates, Taxes and Levies	16	26,271	24,739
Staff Amenities		2,025	1,539
Stationery, Printing & Postage		8,971	7,584
Sundry Administration Expenses		7,733	7,660
Sundry Operating Expenses		9,714	11,205
Telephone & Fax		10,697	10,024
Depreciation		45,065	38,593
Total Expenditure		1,669,804	1,594,093
<u>OPERATING SURPLUS/(DEFICIT)</u>	7	<u>139,965</u>	<u>155,616</u>

The accompanying notes form part of these financial statements

GOLF WESTERN AUSTRALIA (INC)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING DECEMBER 31, 2013

1 Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Constitution, the Associations Incorporation Act (WA) and the needs of the Members. The Board has determined that Golf Western Australia (Inc) is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act (WA), the Constitution and the following Australian Accounting Standards:-

AASB1031 Materiality
AASB110 Events Occurring after Reporting Date
AASB108 Accounting Policies, Changes in Accounting Estimates and Errors

No other Australian Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Income Tax

Golf Western Australia (Inc) is an exempt body for income tax purposes and accordingly no provision for income tax is required.

(b) Fixed Assets

The depreciable amount of all fixed assets, except buildings, are depreciated over the useful lives of the assets of Golf Western Australia (Inc) commencing from the time the asset is held ready for uses. Equipment and consumable items are still depreciable at applicable rates.

(c) Employee Leave entitlements

A Provision for Long Service Leave is raised in respect of employees with seven or more year's service. Annual Leave is calculated at the legal liability of balance date.

(d) Inventory

Inventory has been valued at the lower of cost or net realisable value. Cost is based on the first in first out principle.

	2013		2012	
	\$	\$	\$	\$
2 Cash				
ANZ Classic Account	6,251		(408)	
ANZ Savings Account	68,503		334,876	
ANZ Term Deposit	541,629		324,443	
Labouchere Road Capital Fund	48,299		19,043	
Petty Cash	450	<u>665,131</u>	263	<u>678,217</u>
3 Prepayments and Deposits				
Golf Australia Affiliation Fees	196,969		180,374	
Competition Expenses	1,245		-	
Travel & Accommodation High Performance	4,148		12,556	
Travel & Accommodation Board and Staff	5,870		-	
Game Development	978		-	
Office Maintenance & Storage	2,929		776	
Insurance	4,939		2,370	
Rates and Taxes	3,258		4,934	
Sundry Administration Expenses	30,419	<u>250,755</u>	3,575	<u>204,585</u>
4 Property, Plant and Equipment				
Building - Labouchere Road as valued	590,000		590,000	
Improvements to Labouchere Road	11,090		11,090	
Accum Depreciation on Improvements	<u>5,360</u>	595,730	<u>3,142</u>	597,948
Building - Melville Parade as valued	900,000		900,000	
Improvements to GolfWA Offices	112,969		112,969	
Accum Depreciation on Improvements	<u>41,106</u>	971,863	<u>18,512</u>	994,457
Computers and Equipment	109,274		81,651	
Accum Depreciation - Computers & Equipment	<u>71,773</u>	37,501	<u>55,594</u>	26,057
Furniture & Fittings	91,947		91,947	
Accum Depreciation - Furniture & Fittings	<u>79,937</u>	12,010	<u>76,144</u>	15,803
Perpetual Trophies	14,490	<u>1,631,594</u>	14,090	<u>1,648,355</u>
5 Payroll Liabilities				
PAYG	11,287		10,683	
Provision for Annual Leave	59,726		48,502	
Provision for Long Service Leave	28,194	<u>99,207</u>	24,961	<u>84,146</u>

6	Income Received in Advance				
	DSR Funding	26,460		75,000	
	Other Grants	29,150		49,496	
	Entry Fees	509		437	
	GA Affiliation Fees	209,445		183,460	
	Outgoings received - Labouchere Road	1,431	<u>266,995</u>	1,974	<u>310,367</u>
7	Members Funds				
	Net Surplus Year to Date	139,965		155,616	
	Transfer to Labouchere Road Reserve	- 29,256		- 19,043	
	Current Year Earnings		<u>110,709</u>		<u>136,573</u>
8	Event Income				
	Ladies Event Fees	101,200		105,805	
	Mens Event Fees	57,864		58,041	
	Junior Event Fees	27,064		28,733	
	Community Coaching Entry Fees	3,050		1,100	
	Game Development Entry Fees	3,905		5,864	
	Seminar and Course Fees	1,691	<u>194,774</u>	1,264	<u>200,807</u>
9	Funding & Grants				
	DSR Annual Funding	150,000		150,000	
	Healthway Funding	140,000		130,000	
	Golf Australia Funding	35,270		32,504	
	Other Grants	39,340	<u>364,610</u>	30,000	<u>342,504</u>
10	Sponsorship				
	Bowra & O'Dea	19,000		18,500	
	Srixon	15,000		15,216	
	Newman & Brooks	-		13,000	
	Drummond Golf	19,000		-	
	Other	2,451	<u>55,451</u>	3,636	<u>50,352</u>
11	Competition Expenses				
	Trophy Costs	74,222		64,125	
	Food & Beverage	54,457		48,775	
	Competition Sundry	241	<u>128,920</u>	1,260	<u>114,160</u>
12	Travel, Accommodation, Meals and Allowances				
	High Performance	105,002		111,499	
	Board and Staff	9,890		15,494	
	Course Rating	5,102		2,169	
	Game Development	33,878		22,983	
	Other	22,998	<u>176,870</u>	25,510	<u>177,655</u>
13	Game Development				
	Coaching	15,267		16,305	
	MYGolf Equipment and Manuals	5,142		2,663	
	Prizes and Promotion	15,596		20,925	
	Venue Hire/F & B	1,473	<u>37,478</u>	8,178	<u>48,071</u>
14	High Performance				
	Entry Fees	1,821		2,915	
	Fitness	4,235		13,207	
	Coaching	24,518		23,211	
	Player Assistance	22,488		-	
	Uniforms	12,890	<u>65,952</u>	13,042	<u>52,375</u>
15	Employment				
	Wages and Salaries	645,659		633,799	
	Long Service Leave	3,233		3,881	
	Superannuation	60,356		56,443	
	Recruitment	225		555	
	Professional Development	1,919	<u>711,392</u>	2,598	<u>697,276</u>
16	Rates, Taxes and Levies				
	Rates, Taxes and Levies - Melville Parade	11,935		11,624	
	Rates, Taxes and Levies - Labouchere Road	11,269		10,688	
	Property Management - Labouchere Road	3,067	<u>26,271</u>	2,427	<u>24,739</u>