



## 2006 Annual Report and Statement of Accounts



FRONT COVER: SARAH NICHOLSON AND THE NEW ZEALAND TEAM AT THE WORLD AMATEUR TEAMS CHAMPIONSHIP.  
BELOW: 2006 NEW ZEALAND AMATEUR CHAMPIONS ANDREW GREEN AND LARISSA ERUERA.  
PICS: PHOTOSPORT



# New Zealand Golf Incorporated Annual Report and Statement of Accounts for the year ended 31 December 2006

To be presented at the Annual General Meeting of New Zealand Golf Incorporated  
to be held at Miramar Golf Club, Wellington  
on Tuesday 22 May 2007, commencing at 10:30am

## PATRON

The Rt Hon Tom Gault

## PRESIDENT

Patsy Hankins

## VICE PRESIDENTS

Mike D. Alexander

Jeanette Futter

## BOARD of DIRECTORS

Philip Hassall (Chairman)

Alan Isaac

Geoff Saunders

Jeanette Futter

Susie Simcock

David Howie

Richard Taylor

Heather Newson

## CHIEF EXECUTIVE

Larry Graham

## LIFE MEMBERS

Alison Bojesen-Trepka

Betty Cameron

Graeme Cooke

Ken Elliott

Bessie Fullerton-Smith

Monnie Hannan

Barbara Langley

Frank Nobilo

Tim Treacy

Neil Woodbury

Con Alexander  
Sue Bunt  
Sir Bob Charles  
Robin Dailey  
Betty Fraser  
Noreen Hamilton  
Reah Lahmert  
Alex Mercer  
Peg Sargent  
Jean Whitehead

Roger Brennand  
Flora Catto  
Doug Cresswell  
Barry Forrest  
Rt Hon Tom Gault  
Peter Joyce  
Trevor Malloch  
Joan Puckey  
Goldie Wardell



New Zealand Golf Board of Directors:  
(back row) Alan Isaac, Geoff Saunders,  
Susie Simcock, David Howie, Larry  
Graham (Chief Executive). (Front row)  
Richard Taylor, Heather Newson, Patsy  
Hankins (President), Jeanette Futter,  
Philip Hassall (Chairman)

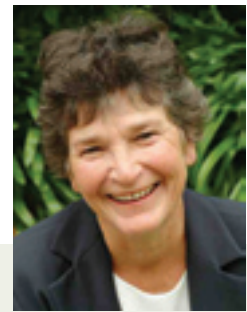
NOTICE IS HEREBY GIVEN THAT THE 2007 ANNUAL GENERAL MEETING OF  
NEW ZEALAND GOLF INCORPORATED  
WILL BE HELD AT MIRAMAR GOLF CLUB, MIRAMAR, WELLINGTON ON  
TUESDAY 22 MAY 2007 COMMENCING AT 10:30 AM

## AGENDA

1. Welcome and Apologies
2. Confirmation of Minutes of New Zealand Golf Incorporated Annual General Meeting 23 May 2006
3. Matters Arising from New Zealand Golf Incorporated Annual General Meeting 23 May 2006
4. President's Report
5. Financial Report 2006
6. Chairman's Report
7. Adoption of New Zealand Golf Annual Report
8. Election of Officers
9. Confirmation of Levies for 2007
10. General Business



# New Zealand Golf President Patsy Hankins



## Overview

This was a memorable year for New Zealand Golf with some excellent performances recorded on the international stage. It also served as the first full year of men's and women's golf being amalgamated and proved a huge learning curve for our organisation.

The Blue Chip New Zealand Golf Awards were held on Tuesday 28 November, allowing us to publicly recognise the efforts of professional and amateur players who had represented New Zealand with merit and distinction.

With the shifting of the New Zealand Open from February 2005 to November 2006 the awards covered a 22 month period. Michael Campbell was awarded Professional Male Golfer of the Year and also received an Achievement Award for his outstanding wins at the US Open and HSBC World Match Play Championship in 2005.



Lynnette Brooky with the Ladies Spanish Open trophy.

Lynnette Brooky collected the Professional Female Golfer of the Year for her exceptional win at the Spanish Open in July 2006. This was her fourth victory on the Ladies European Tour and her Spanish Open win secured her playing rights on the Tour for the next three years.

Josh Geary won the American Express Male Amateur Golfer of the Year and Sarah Nicholson collected the New Zealand Community Trust Female Amateur Golfer of the Year. New Zealand Golf also presented a special Contribution to Golf in New Zealand award to Steve Williams.

The evening also enabled us to award three Sir Bob Charles Scholarships to Jonti Philipson, Guy McCone and David Graham. These educational scholarships are available for young golfers striving to succeed.

## Blue Chip New Zealand Open

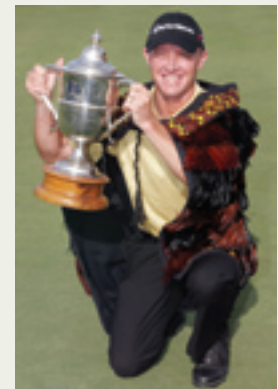
The 89th Blue Chip New Zealand Open Championship

was held at Gulf Harbour Country Club, Whangaparaoa Peninsula, in the Rodney District on 30 November to 3 December. This was the second European and PGA Tour co-sanctioned event and we were fortunate to be able to have nearly 40 Kiwis competing in the event, including our most well known golfer Michael Campbell. Gulf Harbour was magnificently prepared and was a credit to its staff.

After a closely fought event, Australian Nathan Green was crowned as champion, finishing two shots clear of six players tied for second position, including Michael Campbell.

Nathan had the prestigious honour of wearing a Kiwi alternative to the traditional US Masters green jacket - a Korowai - at the presentation ceremony at the conclusion of the tournament.

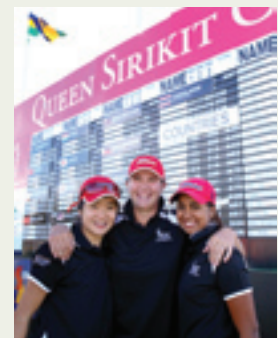
The Korowai, which was placed on Nathan's shoulders by our own Michael Campbell, was presented to New Zealand Golf by an anonymous donor through the Ngaki Tamariki Charitable Trust. The Korowai is now on display at the New Zealand Golf office in Wellington.



New Zealand Open champion Nathan Green with the trophy and wearing the Korowai. Pic: Photosport.

## International Events

There were some notable results achieved in both men's and women's events, particularly the second place at the Queen Sirikit Cup in Adelaide by our senior women's team of Natasha Krishna, Sarah Nicholson and Sharon Ahn. They only narrowly lost winning the event after a sudden death play-off with Chinese Taipei. Natasha Krishna also finished as the second best individual.



The New Zealand team at the Queen Sirikit Cup - Sharon Ahn, Sarah Nicholson and Natasha Krishna. Pic: Photosport.

Wellington's Sarah Nicholson made it a double for New Zealand when she won the Lake Macquarie International, following on from Jenny Park's success in 2005. Sarah then topped this with a course record six-under par 68 in the final round of the Australian Stroke Play Championship to win the event. Her success helped the New Zealand team win the inaugural Ross Herbert Perpetual Trophy over teams from Australia, Canada and South Africa.

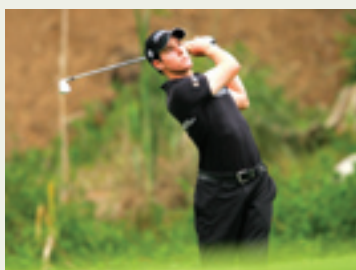
The New Zealand men's and women's teams competed at the prestigious World Amateur Team Championships – the Eisenhower and Espirito Santo Trophies – in South Africa in October. This was the first team we had sent as an amalgamated organisation to what is the pinnacle event on the amateur calendar.

The women's team finished an outstanding seventh at the event, ahead of heavy weights such as Australia and 13-time winners, the United States. The team was led by the efforts of Sarah Nicholson, who finished as the fifth best individual. It was New Zealand's best performance since they were third in Canada 14 years ago.

The men's team also put in a solid performance and finished a respectable 19th out of 75 teams at the event. Josh Geary was the best placed individual in 34th position.

In April, New Zealand hosted the biggest amateur event to be staged in New Zealand in more than 10 years – the Sir Michael Bonallack Trophy. This competition has been described as the amateur Ryder Cup of this part of the world and pitted the Asia-Pacific amateur men's team against the European amateur team. New Zealand's Josh Geary (Tauranga) and Mark Purser (Hamilton) competed for the Asia-Pacific team at the beautifully presented Auckland Golf Club.

The event enabled New Zealand to host some of the world's most influential golfing figures including Sir Michael, one of the greatest amateur golfers of all time. Europe came



Mark Purser at the World Amateur Teams Championship. Pic. Photosport.



The victorious European team at the Sir Michael Bonallack Trophy. Pic: Photosport.

from behind on the final day and eventually claimed the trophy 18-14.

New Zealand hosted two trans-Tasman competitions – the Junior Tasman Cup at Hutt Golf Club in April and the Clare Higson at Hamilton Golf Club in September.

Australia proved too strong in both competitions winning the Junior Tasman Cup 13-11 and wrapping up the Clare Higson for a record sixth straight time, winning 14-4.

Wellington's Rodney Barltrop won the Queensland Seniors title in July and was crowned champion for the second time in three years at the Asia Pacific Senior's Amateur Championship in Australia in November.

Rotorua's Danny Lee, who gained his New Zealand residency in the year under review, finished third in the Junior World Golf Championship in the US in July. He followed this up by reaching the quarter finals in the US Junior Amateur and then became the first Kiwi in seven years to qualify for the US Amateur.

It would be impossible to hold any international or national events in New Zealand without golf clubs around the country offering to host these tournaments so I would like to take this opportunity to offer my personal thanks to those clubs that have hosted events.

### Annual General Meeting

The Annual General Meeting was held at Miramar Golf Club on Tuesday 23 May 2006 and was attended by the

representatives from the District Associations as well the Board of Directors and New Zealand Golf staff. We were also honoured by the attendance of sponsors and several Life Members.

The Right Honourable Tom Gault was re-appointed as Patron.

With the retirement of Fred Henderson as President I was privileged to be elected to the position. It is an absolute honour to be President of New Zealand Golf and to follow in the footsteps of a fine gentleman who contributed so much to our organisation. Sincere thanks to the membership for supporting my nomination.

The meeting was also required to elect five male and three female Directors and following voting the successful candidates were Jeanette Futter, Alan Isaac and Geoff Saunders (one year terms) and Philip Hassall, David Howie, Heather Newson, Susie Simcock and Richard Taylor (two year terms).

No voting was required for the roles of male and female Vice Presidents with Mike D. Alexander and Jeanette Futter appointed for two year terms.

Malcolm Cooper (North Harbour) moved that Roger Brennand (Wellington) be awarded Life Membership of New Zealand Golf and the motion was carried.

I would like to thank Roy Summers and John Patterson, who were Directors but did not stand for re-election to the Board, for their invaluable contribution to the sport.

### **The Council**

The Council met on three occasions throughout the year in March, May and September. This group has continued to be a vibrant body and the positive workshops held have proved beneficial.

We welcomed a number of new councillors throughout the year and I am grateful to all councillors for their initiative in assisting progress at the meetings and their contribution to golf in their regions.

### **The Board**

At its first meeting following the Annual General Meeting, the Board elected Philip Hassall as its chairman for a one year term.

During the year, the Board of Directors met formally on nine occasions and also had short notice telephone conference calls. Members of the Board have devoted considerable time and effort to further the objectives of New Zealand Golf.

In May 2006, the Board appointed Geoff Saunders, Alan Isaac, Richard Taylor and Larry Graham to a sub-committee to oversee the New Zealand Open.

The sub-committee met on several occasions during the year and initiated a number of new commercial opportunities. It was a tough task for the sub-committee to pull the event together because of poor existing contractual obligations and the date being changed twice by the European Tour.

I think everyone will agree it was a successful and well-run event that was held at Gulf Harbour and I thank the sub-committee for their tireless efforts.

### **Club Centenaries**

Congratulations to all those clubs that celebrated milestones in the year under review and in particular the Rotorua, Balclutha, Stratford, Hokitika and Waihi Golf Clubs that celebrated centenaries. New Zealand has a proud history of golf in this country and it is an incredible feat for these clubs to still be going strong after 100 years in existence.

### **New Zealand Golf Staff**

I would also like to take this opportunity to extend my warm appreciation to all the staff at New Zealand Golf for their efforts in what was a challenging year.

Finally, thank you to Vice Presidents Mike D. Alexander and Jeanette Futter for their support and willingness to represent me when I have been unable to attend certain events.

# New Zealand Golf Chairman Philip Hassall



## Introduction

This was a challenging year for our organisation. It was an exciting time for the sport with a new organisation, a new structure and a new identity. After many years of discussion, the amalgamation happened quickly. With New Zealand Golf Incorporated created, the men's and women's districts have followed to form six newly amalgamated districts, with several more in the pipeline.

The administrative face of the game has changed forever but there is still much work to do to complete the process throughout New Zealand and to ensure all stakeholders play their part in the future of golf in New Zealand.

The New Zealand Open proved an enormous task once again, and is a reflection on how difficult it is to run a major golfing event. With the new emerging Tours competing against the larger established Tours, trying to fit a New Zealand Open into the mix with our limited resources has been hard.

It was a huge drain on the resources in the National Office and on the Board of Directors supporting the 2006 event. There was much optimism with a strong Board appointed in May, the appointment of a sub committee focusing totally on the Open and external assistance from an international marketing company, that we would pull it off and break even.

Unfortunately we encountered a range of problems including last minute sponsor withdrawals and anticipated local government support not materialising. The result of this was an unacceptable drain on New Zealand Golf finances.

## Finance

The 2006 year was a difficult year for New Zealand Golf. During the latter part of the year, our main funding body Sport & Recreation New Zealand (SPARC) indicated it would be reviewing its high performance strategy and there was an indication golf would be a casualty.

The deficit of \$345,539 from normal operations was

mainly as a result of reduced SPARC funding. We had budgeted to receive this funding and did not anticipate the change in direction so had developed and run programmes accordingly. We were also unable to cancel some programmes mid-stream.

The Blue Chip New Zealand Open was a successful event but came at a cost of \$695,472. This is obviously disappointing, but many of the issues that led to this loss will be rectified in the future.

It is important to note that if comparing the figures in this Annual Report, with the 2005 Annual Report, the 2005 Report included 10 months of the men's New Zealand Golf Association body and only two months of the newly amalgamated body.

New Zealand Golf also changed the structure of its levies by combining what used to be a turf culture fee and a levy into one overall levy charged on our members.

There is no doubt it was a particularly tough year financially but we are determined to make the appropriate decisions to ensure it does not happen again.

## Sponsors

To all the sponsors of New Zealand Golf, we would like to offer our sincere thanks. Without your generous assistance, we would not have been able to achieve what we have to date. To the New Zealand Community Trust, Lion Foundation, SPARC and Titleist in particular, we thank you for your continued support. I would also like to thank our new sponsors – Regency Duty Free, Volvo, American Express and Blue Chip Financial Solutions for seeing the incredible value in being involved with New Zealand Golf.

## New Zealand Open

In 2006, New Zealand Golf was responsible for running its second European co-sanctioned New Zealand Open in November. Australian Nathan Green was eventually crowned the winner, finishing two shots clear of a group of six players tied for second position, which included Michael Campbell.





James Gill

Congratulations must also go to Troy Ropiha (New Plymouth) and James Gill (Hamilton), who shared the Bledisloe Cup as the best performing amateurs.



Troy Ropiha

We were pleased to welcome a number of new sponsors and supporters on board for our flagship event. The list of sponsors included Blue Chip Financial Solutions, Volvo, American Express, Tourism New Zealand, Emirates, Heritage Hotels, Hertz, Sky Television, Dog Point Vineyard, Lion Nathan, Radio Sport, Line 7, Blue Star Print, The Golf House and The Cut magazine. We couldn't have done it without you so sincere thanks for your support.

The Open had a sub committee appointed following the annual general meeting in May to oversee the management of the 2006 event, but more importantly, their brief was to review the Open including its current structure and future prospects.

The Board believes this is a strategically important event for New Zealand Golf but it must be undertaken in such a way that it does not financially impact the organisation. That is the aim for future Opens.

### Nine hole men's golf

On 10 August, New Zealand Golf introduced men's 9-hole golf. It proved extremely popular with more than 110 clubs taking up the opportunity to have their courses registered to enable them to provide men's 9-hole golf to their members in the first few months of the new scheme.

### New Zealand Sports Turf Institute

The New Zealand Sports Turf Institute continues to provide world class agronomy services to our golf clubs, regardless of location.

The NZSTI has introduced a Golf Course Quality Auditing system, which enables critical aspects of golf course performance, from both a playing and agronomic viewpoint, to be objectively measured.

New Zealand Golf along with Bowls New Zealand are founding members of the NZSTI, and our organisation is entitled to have two representatives on the Management Board of the Institute. In the year under review, the representatives were Larry Graham and Peter Dale.

### DotGolf

New Zealand Golf Network Ltd (trading as DotGolf) is one of the success stories of the golfing world and has continued to successfully handicap every registered golfer in New Zealand. New Zealand Golf is a 50% shareholder in the company.

The website [www.golf.co.nz](http://www.golf.co.nz) has grown to be one of the most popular websites in the country with about 70,000 unique visitors each month. The new text handicap messaging service is also popular with about 9,000 text requests received each month.

Our handicapping system is world leading and the envy of many international golfing associations and the system is being continually upgraded. The major project undertaken in 2006 was the migration of the club handicapping software to the Microsoft platform, which is due to be completed in mid 2007.

### Titleist Academy

The 2006 Titleist Academy intake was announced in May and included the country's most promising golfers – 18 men and 12 women.



Titleist Academy member Penny Newbrook in action. Pic: Photosport.

One of the most memorable double victories of the year was Wellington's Sarah Nicholson's success at the Lake Macquarie and Australian Stroke Play Championship.

Several of the athletes in the Titleist Academy turned professional during the year proving that the Academy is an excellent grounding base for a future career in golf.

New Zealand Golf remains indebted to Acushnet Golf Limited for their continued support and sponsorship of our elite athletes and we are proud to be associated with their Titleist and Footjoy brands.

### Mutual Assistance Plan

The MAP scheme continues to be popular amongst those clubs and members who are fully aware of its value and benefits. A healthy surplus of about \$90,000 was once again invested back into the grass roots of our game through our member districts. The scheme continues to be reviewed and amended to meet current market conditions.



Michael Campbell and his wife Julie at the Halberg Awards. Pic: Photosport.

### Halberg Awards

We were honoured to watch Michael Campbell collect his 2005 “Say When” Halberg Award in February 2006 for his superb win at the 2005 US Open. Michael once again proved what a wonderful ambassador he is for our sport and

for New Zealand on the world stage. His speech and his reaction to his success was truly humbling.

Wellington’s Ken Elliott also collected the Lion Foundation Lifetime Achievement Awards at the 2006 Westpac Halberg Awards held in Auckland in early 2007. Ken is a veteran of the fairways and has made an immeasurable contribution to golf over the years.

### National Tournaments

In 2006, we conducted or were involved with the staging of 34 men’s and women’s tournaments, including five qualifying events for the Blue Chip New Zealand Open and the Open itself.

The New Zealand Men’s Amateur Championship was played at Coringa Country Club, near Christchurch and Wellington’s Andrew Green beat defending champion Mitchell Brown for the title in a thrilling final. Australian Won Jon Lee kept the Stroke Play Championship title in Australian hands for a fourth successive year when he romped to a six shot victory.

The Lion Foundation New Zealand Women’s Stroke Play Championship was played at Muriwai Golf Club, near Auckland and was won by North Harbour teenager Yeon Song Kim. The Lion Foundation New Zealand Women’s Amateur Championship was played at Taupo



Yeon Song Kim playing her way to victory at the New Zealand Women’s Stroke Play. Pic: Photosport.

Golf Club and was won by 14-year-old Larissa Eruera (Auckland). She is believed to be the youngest ever winner of the title.

The Lion Foundation Women’s and Men’s Interprovincials were played at Russley Golf Club and Timaru Golf Club, respectively. Bay of Plenty won the women’s event after Zoe Beth Brake won a sudden death play-off against Canterbury’s Monica Tulisi.

The men’s event was won by Waikato, who had waited 19 long years since their last win at the tournament, beating Bay of Plenty 3-2 in the final.

### Junior Golf and Coaching

During the year under review, the new coaching structure of a team of six high performance coaches worked well and having coaches travelling with our international teams proved invaluable.

As part of their Prime Minister Scholarship, four of our high performance coaches attended the Srixon PGA Coaching Summit in Australia in May. The headline speaker was Hank Haney, who is credited with building Tiger Woods’ swing. The coaches who attended (Susan Farron, James Kupa, Brian Doyle and Shelley Duncan) found the course to be immensely valuable and they were able to put the knowledge gained into the development of our young athletes.

The organisation also moved from a National Junior Golf Coaching School concept to a series of 15 district based Coaching Schools, an initiative which was well received. The intention was to make the schools more accessible to our juniors and this was also the first time we held both the male and female coaching schools together.

There were 157 boys and 73 girls (aged 12-18) who attended across the country. Areas that were covered in the schools included nutrition and golf psychology with involvement from the players, parents and coaches.



Tom Gault and his wife Barbara.

### **Tom Gault – R & A Captain**

Our patron Rt Hon Tom Gault completed his one year term as Captain of the R & A in August 2006. This was a huge honour for New Zealand Golf to have Tom in this prestigious position and he certainly did New Zealand proud.

### **Staff**

New Zealand Golf Commercial Manager Brendan James left the organisation in early July to move to the Hawke's Bay with his family. Brendan made a huge input to the sport in his five years with the organisation and saw through a significant number of changes including the amalgamation of the men's and women's bodies.

The year under review was also Larry Graham's last full year as Chief Executive as he departed the organisation in March 2007. Larry made an immense contribution during his three years in the role, overseeing a tough period as the organisation went through massive change and faced many challenges.

Larry also took on the major task of running the last two New Zealand Opens, under great pressure. New Zealand Golf will continue to benefit from the new sponsorship regime he brought into this area.

The team at the New Zealand Golf office have done an outstanding job running our sport in what was a difficult year. I sincerely thank them for their contribution and efforts.

### **Board**

To the Board which I have been proud to lead, I extend my sincere thanks for their support and hard work on behalf of New Zealand Golf. I have been grateful for the professionalism, the skill, the time, the unity and the friendship you have all brought to the table during a challenging year. More importantly you have shown the strength to identify the problems and to make the hard decisions which will see our sport prosper and move forward.

### **Looking forward**

This was an extremely difficult year and we recognise we could have done some things better. We are putting in place a number of new initiatives to ensure a robust future for our organisation and our sport. The challenge for us now is to rationalise some of our events and improve on their delivery and to ensure that our sport retains its number one participation status. Our high performance programmes are being reviewed to be more robust and accountable and we want to provide an amateur pathway to create another Michael Campbell.

We are also determined to ensure the New Zealand Open has a sustainable future and does not continue to be a drain on New Zealand Golf reserves.

These are demanding and necessary goals but I am sure given continued goodwill and co-operation we will not only meet them, we will reach beyond them. In my opinion, only three things matter – the game of golf itself, those who play it, and those who so selflessly support it.

# 2006 Blue Chip New Zealand Golf Awards

The Blue Chip New Zealand Golf Awards were held at the Heritage Hotel, Auckland on Tuesday 28 November 2006. The evening celebrated New Zealand golfers and their achievements throughout the 2005/6 year.

With the New Zealand Open moved from February 2005 to November 2006, the New Zealand Golf Awards covered a period of 22 months.

Congratulations to all those who were recognised at the Awards and to all those who strived to achieve excellence in their golf game and their studies.

## Below are the award winners for 2005/6:

### Winners

Michael Campbell  
Lynnette Brooky  
Michael Campbell  
Josh Geary  
Sarah Nicholson

### New Zealand Golf Award

Professional Male Golfer of the Year  
Professional Female Golfer of the Year  
Achievement Award for winning the US Open  
American Express Male Amateur Golfer of the Year  
New Zealand Community Trust Female Amateur Golfer of the Year

### Other outstanding achievers who were recognised:

Steve Williams Contribution to Golf in New Zealand Award

### Sir Bob Charles Scholarships were awarded to:

Jonti Philipson (Masterton) to assist with his PGA traineeship  
Guy McCone (Queenstown) to assist with doing a green keeper internship in the US  
David Graham (Wellington) to assist with a study of the bio mechanicals of the golf swing.

### OTHER AWARDS

The Marilyn Smith (USA) Golfer of the Year for 2006 was awarded to: Sarah Nicholson  
The Oliver Hollis Memorial Trophy – U21 Golfer of the Year for 2006 was awarded to: Yeon Song Kim



American Express Amateur Male Golfer of the Year Josh Geary with Professional Male Golfer of the Year Michael Campbell. Pic: Photosport.



Blue Chip New Zealand Golf Awards host Phil Leishman talks to Michael Campbell, Steve Williams and Brad Iles.



The 2006 Sir Bob Charles Scholarship recipients – David Graham, Jonti Philipson and Guy McCone. Pic: Photosport.

# District Membership - 2006

District Allocation	Total No of Clubs	Men with Playing Rights	Country Members	Life Members	Men Under 18	Summer Men	TOTAL ALL MEN	Full Playing Women	Nine Hole* Women	Country Members	Life Members	Women Under 18	Summer Women	TOTAL ALL WOMEN	TOTAL CLUB
<b>North Island</b>															
Auckland	24	10995	28	61	1009	348	12441	3622	489	6	19	188	12	4336	16777
Bay Of Plenty	27	5680	78	39	604	212	6613	2110	725	36	17	86	61	3035	9648
Golf Hawkes Bay	21	3230	19	54	257	195	3755	1108	242	13	23	26	34	1446	5201
Manawatu Wanganui	22	4233	22	55	461	127	4898	1112	435	16	23	74	22	1682	6580
North Harbour	16	7909	3	46	704	57	8719	2149	517	3	14	99	28	2810	11529
Northland	22	4070	80	79	490	81	4800	1308	363	51	24	93	16	1855	6655
Poverty Bay East Coast	8	734	0	7	60	77	878	316	0	0	8	11	3	338	1216
Taranaki	20	2593	29	74	418	39	3153	784	291	9	23	68	3	1178	4331
Waikato	43	7911	182	97	973	310	9473	2546	549	76	38	158	39	3406	12879
Wellington	30	8630	396	115	936	427	10504	2341	487	22	75	185	53	3163	13667
<b>Total North Island</b>	<b>233</b>	<b>55985</b>	<b>837</b>	<b>627</b>	<b>5912</b>	<b>1873</b>	<b>65234</b>	<b>17396</b>	<b>4098</b>	<b>232</b>	<b>264</b>	<b>988</b>	<b>271</b>	<b>23249</b>	<b>88483</b>
<b>South Island</b>															
Aorangi	19	2769	13	31	274	21	3108	1103	300	5	16	35	7	1466	4574
Buller Westland	7	474	5	4	45	4	532							532	
Canterbury	36	9053	96	128	985	274	10536	2770	507	51	32	181	89	3630	14166
Marlborough	9	947	21	25	61	30	1084							1084	
Nelson	9	1561	0	25	135	69	1790							1790	
Otago	44	6025	59	79	594	104	6861	2172	331	15	41	71	27	2657	9518
Golf Southland	27	2373	51	42	269	81	2816	844	149	30	23	39	59	1144	3960
Tasman (Women)	25							1087	270	14	34	29	33	1467	1467
<b>Total South Island</b>	<b>176</b>	<b>23202</b>	<b>245</b>	<b>334</b>	<b>2363</b>	<b>583</b>	<b>26727</b>	<b>7976</b>	<b>1557</b>	<b>115</b>	<b>146</b>	<b>355</b>	<b>215</b>	<b>10364</b>	<b>37091</b>
<b>2006 TOTAL FIGURES</b>	<b>409</b>	<b>79187</b>	<b>1082</b>	<b>961</b>	<b>8275</b>	<b>2456</b>	<b>91961</b>	<b>25372</b>	<b>5655</b>	<b>347</b>	<b>410</b>	<b>1343</b>	<b>486</b>	<b>33613</b>	<b>125574</b>
2005 Total Figures	385	77409	926	988	11691	3458	94472	24247	6013			1682	1143	33085	127557
2004 Total Figures	385	74071	1778	1865	11516	4503	93730	25229	6259			1716	1090	34294**	129902
<b>Growth Percentage 2005-2006</b>		2.30%	16.85%	(2.73)%	(29.22)%	(28.98)%	(2.66)%	4.64%	(5.95)%			(20.15)%		1.60%	(1.55)%

\* The men's nine hole figures have not been included in this report as it was only introduced on 10 August 2006. These figures will appear in the 2007 Annual Report.

\*\* This figure has been adjusted as an error was made in the 2004 Hawkes Bay full playing women figures.



## 2006 Host Clubs

Thank you to those clubs who made their facilities available for our national and international events during the year. We recognise the host clubs and their members put in considerable time and effort to present their course in excellent condition and to make the events a memorable experience for players and spectators alike.

On their behalf we extend our sincere thanks to:

Auckland Golf Club	Sir Michael Bonallack Trophy
Hamilton Golf Club	Clare Higson Trophy
Hutt Golf Club	Junior Tasman Cup
Taupo Golf Club	New Zealand Under 23 Teams Championship
Hastings Golf Club	Regency Duty Free NZ U23 Men's Stroke Play Championship
Manukorihi Golf Club	Goldfern North Island Under 19 Men's Championship
Pukekohe Golf Club	New Zealand Mid-Amateur Championship
Mt Maunganui Golf Club	New Zealand Women's Veterans
Invercargill Golf Club	SBS Golf Invitational
Ashburton Golf Club	Lion Foundation New Zealand Seniors Championship
Muriwai Golf Club	Lion Foundation NZ Women's Stroke Play Championship
Otago Golf Club	South Island Men's Amateur Championship
Coringa Country Club	New Zealand Men's Amateur Championship
Sherwood Park Golf Club	New Zealand Women's Autumn Foursomes
Royal Wellington Golf Club	North Island Men's Amateur Championship
Hutt Golf Club	New Zealand Under 21 Women's Championship
Southland Golf Club	Goldfern South Island Under 19 Men's Championship
Paraparaumu Beach Golf Club	National Interclub Challenge



Sarah Nicholson tees off at the New Zealand Women's Stroke Play at Muriwai Golf Club. Pic: Photosport.

Morrinsville Golf Club	New Zealand Women's Age Group Championship
Cromwell Golf Club	New Zealand Secondary Schoolgirls
Royal Wellington Golf Club	NZ Community Trust National Secondary Schools Final
Ngaruawahia Golf Club	New Zealand Under-19 Men's Championship
Russley Golf Club	Lion Foundation Women's Interprovincial Championship
Feilding Golf Club	Lion Foundation Freyberg Masters
Aviation Country Club	New Zealand Women's Masters
Manor Park Golf Club	Regional Qualifying; Blue Chip New Zealand Open
Christchurch Golf Club	Regional Qualifying; Blue Chip New Zealand Open
Pupuke Golf Club	Regional Qualifying; Blue Chip New Zealand Open
Manukau Golf Club	Regional & Final Qualifying; Blue Chip New Zealand Open
Gulf Harbour Country Club	Blue Chip New Zealand Open Championship
Stratford Golf Club	New Zealand Women's Veterans Handicap Foursomes
Taupo Golf Club	Lion Foundation NZ Women's Amateur Championship
Timaru Golf Club	Lion Foundation Men's Interprovincial Championship



Michael Campbell playing at the New Zealand Open at Gulf Harbour Country Club. Pic: Photosport.



James Gill playing at the New Zealand Amateur at Coringa Country Club. Pic: Photosport.

# Highlights From The 2006 Calendar Year

## PROFESSIONALS

Winner	Spanish Open (LPGA Tour)	Lynnette Brooky
Winner	World Long Drive Championship	Phillis Meti

## AMATEURS – INTERNATIONAL

Winner	Lake Macquarie International	Sarah Nicholson
Winner	Australian Stroke Play Championship	Sarah Nicholson
Winner	Queensland Seniors Championship	Rodney Bartrop
Winner	Asia Pacific Seniors Championship	Rodney Bartrop

## AMATEURS – NATIONAL

Winner	New Zealand Men's Amateur Championship	Andrew Green
Winner	New Zealand Women's Amateur Championship	Larissa Eruera
Winners	New Zealand Men's Amateur Foursomes Championship	Josh Geary & Troy Ropiha
Winner	New Zealand Men's Stroke Play Championship	Won Joon Lee (Australia)
Winner	New Zealand Women's Stroke Play Championship	Yeon Song Kim
Winner	Lion Foundation Men's Interprovincial Championship	Waikato
Winner	Lion Foundation Women's Interprovincial Championship	Bay of Plenty
Winner	North Island Amateur Championship	Josh Geary
Winner	South Island Amateur Championship	Leighton James
Winner	New Zealand Under 23 Championship	Danny Lee
Winner	New Zealand Under 23 Teams Championship	Queensland
Winner	Lion Foundation Freyberg Masters Championship	Manawatu / Wanganui
Winner	New Zealand Women's Masters Championship	Wellington
Winner	National Club Challenge	Paraparamu Beach Golf Club
Winner	SBS Invitational	Bay of Plenty
Winner	New Zealand Mid-Amateur Championship	Michael Leeper
Winner	Lion Foundation New Zealand Seniors' Championship	Jim Lapsley
Winner	New Zealand Secondary Schools Championship	Wellington College
Winners	New Zealand Secondary Schoolgirls Championship	
	Overall winner – Dasom Lee	
	17 years winner – Olivia Crispin	
	16 years winner – Dasom Lee	
	15 years winner – Monica Tulisi	
	14 years winner – Larissa Eruera	
	13 years and under winner – Hyun Jim Sin & Rica Tse	
Winner	New Zealand U21 Women's Championship	Ji Soo Oh

Winners New Zealand Women's Age Group Championship  
 Overall winner - Natasha Krishna  
 Under 17 winner – Dasom Lee  
 Under 15 winner – Larissa Eruera  
 Under 13 winner – Cecilia Cho

Winners Goldfern North Island Under 19 Championship  
 Winner – Peter Spearman-Burn  
 Under 17 winner – Peter Spearman-Burn  
 Under 15 winner – Ronald Walker  
 Under 13 winner – Chan Young Chung

Winners Goldfern South Island Under 19 Championship  
 Winner – Samuel Shin  
 Under 17 winner – Samuel Shin  
 Under 15 winner – Phillip Tuoro  
 Under 13 winner – Chan Young Chung

Winners New Zealand Under 19 Championship  
 Winner – Jason Scrivener (Australia)  
 Under 17 winner – Danny Lee  
 Under 15 winner - Chan Young Chung  
 Under 13 winner – Jun An

Winners New Zealand Women's Veterans Handicap Foursomes  
 NZLGU Salver – Faye Mulvey & Brenda Prescott  
 Mrs S.S Wilson Plates – Eleanor Murray & Cath Daniel  
 ADLGA Trophy – Kate Todd & Fay Thompson  
 Rosetown Trophy – Greta Stark, Alice McAlister

Winners New Zealand Women's Veterans Tournament  
 Veteran's Challenge Cup - Joyce Shewan  
 Waipukurau Jubilee Salver - Heather Houston  
 Hawke's Bay Salver - Loreen Williams  
 Manawatu - Wanganui Salver - Mary Penrose  
 Canterbury Rosebowl - Elaine Kinnard  
 Maunu Division - Pixie Wilding  
 Senior Veteran's Cup - Lyn Jackways, Hamilton  
 Eileen Nutt Salver & Badge - Bev Fausett & Dawn Houston  
 Curtis Cup – Daphne Brooks

Winners New Zealand Women's Autumn Foursomes  
 Autumn Foursomes Cup - Sandra Carey & Liz Hodgson  
 NZLGU Salvors - Jo Bonnington & Glenis Love



South Island U19 winner Samuel Shin



New Zealand Women's Stroke Play winner Yeon Song Kim. Pic: Photosport.



New Zealand Amateur champion Andrew Green. Pic: Photosport.

## AUDITORS' REPORT

### To the Members of New Zealand Golf (Inc.)

We have audited the financial statements on pages 19 to 32. The financial statements provide information about the past financial performance of New Zealand Golf (Inc.) (the 'Association') and its financial position as at 31 December 2006. This information is stated in accordance with the accounting policies set out on pages 23 to 25.

### Executive Board's Responsibilities

The Executive Board are responsible for the preparation of financial statements which fairly reflects the financial position of the Association as at 31 December 2006 and the results of its operations for the year ended on that date.

### Auditors' Responsibilities

It is our responsibility to express an independent opinion on the financial statements presented by the Executive Board and report our opinion to you.

### Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Executive Board in the preparation of the financial statements, and
- whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards issued by the New Zealand Institute of Chartered Accountants. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditor, we have no other relationship with or interests in the Association.



### **Unqualified Audit Opinion**

We have obtained all the information and explanations we have required.

In our opinion:

- proper accounting records have been kept by the Association as far as appears from our examination of those records; and
- the financial statements on pages 19 to 32:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflects the financial position of the Association as at 31 December 2006 and the results from its operations for the year ended on that date.

Our audit was completed on 3 April 2007 and our unqualified opinion is expressed as at that date.



**BDO Spicers  
Chartered Accountants  
Wellington, New Zealand**

# New Zealand Golf (Inc) Directory

<b>Incorporation Number</b>	WN 215490
<b>Board Chairman</b>	P Hassall
<b>Chief Executive</b>	L Graham
<b>Auditors</b>	BDO Spicers Wellington
<b>Bankers</b>	Westpac Banking Corporation
<b>Solicitors</b>	Saunders Robinson Christchurch
<b>Registered Office</b>	Ground Floor Exchange Place 5-7 Willeston Street Wellington

# NEW ZEALAND GOLF (INC.)

## Statement of Financial Performance

### For the year ended 31 December 2006

	Notes	2006 \$	2005 \$
<b>Income</b>			
Affiliation fees	10	2,289,294	1,293,811
Government grants		858,750	696,250
Interest received		135,750	139,954
MAP Subscriptions		381,918	371,500
Sponsorship		701,144	407,748
Sundry income and other grants		253,669	524,254
Share of associate surplus		65,200	47,474
Turf culture fees		-	292,159
<b>Total Income</b>		<b>4,685,725</b>	<b>3,773,150</b>
<b>Less Expenses</b>			
NZ Golf Services	11	2,987,122	2,261,067
Elite Development & Events	12	1,317,979	713,995
Golf Development	13	32,947	-
Junior Golf	15	370,264	304,641
Mutual Assistance Plan	14	307,445	361,423
Impairment of Investment in Associate		15,507	15,843
<b>Total Expenses</b>		<b>5,031,264</b>	<b>3,656,969</b>
<b>Net Operating deficit for year</b>	8	<b>(345,539)</b>	<b>116,181</b>
2006 New Zealand Open (net deficit)	16	(695,472)	(459,100)
<b>Net deficit for year</b>		<b>(1,041,011)</b>	<b>(342,919)</b>
<b>Allocated as follows</b>			
Sir Bob Charles Scholarship		(10,520)	(2,827)
NZG Accumulated Funds		(1,030,491)	(340,092)
<b>Total Allocations</b>	9	<b>(1,041,011)</b>	<b>(342,919)</b>

# NEW ZEALAND GOLF (INC.)

## Statement of Movements in Equity

### for the year ended 31 December 2006

	Notes	2006 \$	2005 \$
Equity at start of the year		2,663,186	3,006,105
Net deficit for the year		(1,041,011)	(342,919)
<b>Total Equity at the end of the year</b>		<b>1,622,175</b>	<b>2,663,186</b>

# NEW ZEALAND GOLF (INC.)

## Statement of Financial Position

### For the year ended 31 December 2006

	Notes	2006 \$	2005 \$
<b>Current Assets</b>			
Cash at Bank		339,676	56,399
Cash on Short Term Deposit	2	1,995,187	3,053,202
Accounts Receivable	18	940,150	296,668
Inventory		121,136	106,800
Goods & Services Tax		300,982	44,741
Advance to clubs		20,000	25,300
New Zealand Open Championship		-	49,415
<b>Total Current Assets</b>		<b>3,717,131</b>	<b>3,632,525</b>
<b>Less Current Liabilities</b>			
Accounts Payable		1,268,340	260,766
PAYE Due		18,348	8,781
Income in Advance		80,496	121,095
Provision for Future Claims	19	34,000	34,000
Provision for Holiday Pay		54,490	24,319
Player Trusts		90,896	96,951
WGNZ Trust Account	7	951,135	806,514
<b>Total Current Liabilities</b>		<b>2,497,705</b>	<b>1,352,426</b>
<b>Net Current Assets/Working Capital</b>		<b>1,219,426</b>	<b>2,280,099</b>
<b>Non Current Assets</b>			
Property, plant & equipment	4	206,883	184,783
Investment in Associate	17	182,886	193,193
Intangible Asset- Rights to Putting Green	6	2,555	5,111
Intangible Asset- Trademarking	6	10,425	-
<b>Total Non Current Assets</b>		<b>402,749</b>	<b>383,087</b>



NEW ZEALAND GOLF (INC)  
Statement of Financial Position (Cont'd)  
For the year ended 31 December 2006

Non Current Liabilities	-	-
Total Non Current Liabilities	-	-
<b>Net Assets</b>	<b>1,622,175</b>	<b>2,663,186</b>
<b>Equity</b>	<b>1,622,175</b>	<b>2,663,186</b>
	<b>1,622,175</b>	<b>2,663,186</b>



P Hassall  
Chairman of the Board  
3 April 2007

# NEW ZEALAND GOLF (INC)

## Notes to the Financial Statements

### For the year ended 31 December 2006

#### 1. Statement of Accounting Policies

##### Reporting Entity

New Zealand Golf (Inc) (the "Organisation") is an incorporated society registered under the Incorporated Societies Act 1908. This report is a general purpose report prepared in accordance with generally accepted accounting practice.

##### Measurement Base

The measurement base adopted is historical cost.

##### Specific Accounting Policies

##### a) Investment in Associate

Associates are entities in which the organisation, either directly or indirectly, has a significant but not controlling interest. The Associate's results are included in the statement of financial performance, using the equity method. The investment in the Associate is carried in the organisation's statement of financial position at cost plus acquisition change in the organisation's share of net assets in the Associate, less any impairment value.

##### b) Accounts Receivable

Receivables are stated at estimated realisable value after providing against debts where collection is doubtful. Bad debts are written off in the period which they are identified.

##### c) Inventories

Inventories are stated at the lower of cost and the net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location.

##### d) Property, Plant & Equipment

All owned items of property, plant and equipment are initially recorded at cost and depreciated as outlined below. Initial cost includes the purchase consideration, or fair value in the case of donated assets and those costs directly attributable to bringing the asset to the location and condition for its intended use.

Items of property, plant and equipment are written down immediately if impairment in the value of the asset causes its recoverable amount to fall below its carrying amount. The impairment is recognised in the statement of financial performance.

Where an item of property, plant and equipment is disposed of, the gain or loss recognised in the statement of financial performance is calculated at the difference between the net sale price and the carrying amount of the asset. Any revaluation surplus is reduced or increased by the amount applicable to that item.

##### e) Depreciation

Depreciation of property, plant and equipment is calculated using the following rates and basis:

Leasehold Improvements	10%SL
Office Equipment	33%SL
Tournament Equipment	20%SL
Web Server and Development	33%SL

**NEW ZEALAND GOLF (INC)**  
**Notes to the Financial Statements (Cont'd)**  
**For the year ended 31 December 2006**

**f) Investments**

Investments are stated at lower of cost and net realisable value.

**g) Taxation**

New Zealand Golf is exempt from tax due to its status as an amateur sports promoter under Section CW39 of the Income Tax Act 2004

**h) Goods and Services Tax**

The financial statements have been prepared on a GST exclusive basis. Except accounts receivable and accounts payable which are stated inclusive of GST.

**i) Differential Reporting**

New Zealand Golf qualifies for differential reporting as it is not publicly accountable and is not large as defined in the Framework for Differential Reporting. The organisation has taken advantage of all available exemptions.

**j) Grants**

Grants received are recorded as income when they are received, unless there are conditions attached that cannot be fulfilled.

**k) Intangible Assets**

Intangible assets are stated at cost and amortised to the statement of financial performance on a straight line basis over their useful lives. The useful life of the putting green rights and the Trademarks is 10 years.

**l) Impairment**

Annually the organisation assesses the carrying value of each asset. Where the estimated recoverable amount of the asset is less than its carrying amount, the asset is written down. The impairment loss is recognised in the statement of financial performance.

**m) Provisions**

Provisions are recognised when the organisation has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made as to the amount of the obligation.

**n) Leased Assets**

**Finance Leases**

Assets acquired under finance leases are recognised as non-current assets in the statement of financial position. Leased assets are recognised initially at the lower of the present value of the minimum lease payments or their fair value. A corresponding liability is established and each lease payment allocated between the liability and interest expense. Leased assets are depreciated on the same basis as equivalent property, plant and equipment.

**NEW ZEALAND GOLF (INC)**  
**Notes to the Financial Statements (Cont'd)**  
**For the year ended 31 December 2006**

**Operating Leases**

Leases that are not finance leases are classified as operating leases. Operating lease payments are recognised as an expense in the periods the amounts are payable.

**Comparatives**

To ensure consistency with the current period, comparative figures have been restated where appropriate.

In October 2005 New Zealand Golf Association Incorporated and Womens Golf New Zealand Incorporated agreed to become New Zealand Golf Incorporated. As a result of this agreement, the 2005 comparative figures reflect ten months of New Zealand Golf Association and two months of New Zealand Golf Incorporated. The 2006 figures reflect 12 months of New Zealand Golf Incorporated.

**Changes in Accounting Policies**

There have been no changes in accounting policies in 2006.

**2. Cash on Short Term Deposit**

	2006	2005
	\$	\$
Westpac	1,163,408	2,284,876
ASB Bank	831,779	768,326
	<b>1,995,187</b>	<b>3,053,202</b>

**3. Operating Lease Commitments**

Total non-cancellable operating lease commitment:

	2006	2005
	\$	\$
Current	111,385	122,696
Non Current	788,970	880,962
	<b>900,355</b>	<b>1,003,658</b>

#### 4. Property, Plant and Equipment

2006

	Cost	Accumulated Depreciation	Book Value
Leasehold Improvements	140,844	23,512	117,332
Office Furniture & Equipment	205,817	125,732	80,085
Tournament Equipment	26,424	16,958	9,466
	<b>373,085</b>	<b>166,202</b>	<b>206,883</b>

2005

	Cost	Accumulated Depreciation	Book Value
Leasehold Improvements	125,796	7,338	118,458
Office Furniture & Equipment	148,087	87,464	60,623
Tournament Equipment	20,554	14,852	5,702
	<b>294,437</b>	<b>109,654</b>	<b>184,783</b>

#### 5. Related Party Transactions

Currently New Zealand Golf nominates two members to represent the organisation on the Board of Management of the Turf Culture Institute. The Chief Executive Officer represents the organisation and Mr P Dale is an independent representative on the Board of Management of the Turf Culture Institute. The organisation pays the Institute a fee at arms length for agronomical services provided.

The Chief Executive Officer and Board Chairman Mr P Hassall represent the organisation on the Board of New Zealand Golf Network Ltd.

The organisation pays New Zealand Golf Network Ltd ('NZGN') a service fee to maintain and operate the Slope Handicap Network system.

## 6. Intangible Assets

### Putting Green Rights

The organisation paid \$25,556 for the construction of a putting green at Manor Park Golf Course. The Titleist Golf Academy has rights to use this green for 10 years. There is 1 year left of New Zealand Golf's rights to use this facility.

	2006	2005
	\$	\$
Original cost	25,556	25,556
Accumulated Amortisation	(23,001)	(20,445)
<b>Closing book value</b>	<b>2,555</b>	<b>5,111</b>

### Trademarks

The organisation paid \$10,810 to the Intellectual property Office for registration of re-brandings

	2006	2005
	\$	\$
Original cost	10,810	-
Accumulated Amortisation	(385)	-
<b>Closing book value</b>	<b>10,425</b>	<b>-</b>

## 7. WGNZ Trust Account

In October 2005 Womens Golf New Zealand (WGNZ) amalgamated with the New Zealand Golf Association (the Association) under the title of New Zealand Golf Inc. Upon the winding up of WGNZ at 31 October 2005, the surplus funds of WGNZ were transferred to NZ Golf Inc. The funds are described as WGNZ trust account, and are for specific purposes relating to the marketing and promotion of womens golf.

## 8. Net Deficit for the Year

Net deficit is arrived at after charging the following expenses:

	2006	2005
Audit Fee	11,952	8,412
Depreciation - Leasehold improvements	16,174	7,338
- Office Furniture and Fittings	44,799	30,880
- Tournament Equipment	2,106	1,470
- Trademarks	385	-
Operating Lease Payments	109,585	128,311
Loss/(Gain) on Sale of Property, Plant & Equipment	-	-
Amortization of Putting Green Rights	2,556	2,556



## 9. Accumulated Funds and Reserves

	Balance 31/12/2005	Net Surplus & Transfers	Balance 31/12/2006
NZ Golf			
General Funds	2,488,830	(1,030,491)	1,458,339
Sir Bob Charles Scholarship	174,356	(10,520)	163,836
<b>Total Accumulated Funds</b>	<b>2,663,186</b>	<b>(1,041,011)</b>	<b>1,622,175</b>

## 10. Member Fees

2006 is the first year of reporting combined men and women member numbers

	2006	2005
<b>Annual Fees</b>		
Number of Full Playing members	110,214	77,409
	\$	\$
2006 Fee (\$23.06)	2,541,535	1,420,455
Less: GST	(282,393)	(157,828)
	2,259,142	1,262,627
Add: Other Amounts	-	(1,980)
	2,259,142	1,260,647
<b>Add</b>		
Summer Member Fees	30,152	32,364
Supplementary Register of Courses	-	800
<b>Total NZG Affiliation Fees</b>	<b>2,289,294</b>	<b>1,293,811</b>

NEW ZEALAND GOLF (INC)  
Notes to the Financial Statements (Cont'd)  
For the year ended 31 December 2006

**11. New Zealand Golf Services**

	2006	2005
	\$	\$
Administration	2,292,376	1,803,011
Doubtful Debts	5,000	-
Decision Books – Cost of Sales	-	1,385
Maori Junior Golf Development Programme	-	15,000
Marketing & Promotion	426,028	149,794
Turf Culture	263,718	291,877
<b>Total Expenditure</b>	<b>2,987,122</b>	<b>2,261,067</b>

**12. Elite Development & Events**

	2006	2005
	\$	\$
Clothing	2,477	2,726
Coaching	22,211	24,617
Equipment	161,276	123,666
International Events	487,875	221,275
International Junior Events	47,054	42,651
National Events	290,624	178,311
National Junior Events	87,398	53,602
National Coaching Schools	65,414	29,510
Seminars	30,166	6,023
High Performance Programme	40,325	-
Tournament Assistance	52,954	31,614
Selectors Expenses	30,205	-
<b>Total Expenditure</b>	<b>1,317,979</b>	<b>713,995</b>

**13. Golf Development**

	2006	2005
	\$	\$
Golf Development	17,947	-
Maori Junior Golf Development	15,000	-
	<b>32,947</b>	<b>-</b>

NEW ZEALAND GOLF (INC)  
Notes to the Financial Statements (Cont'd)  
For the year ended 31 December 2006

**14. NZG Mutual Assistance Plan**

	2006	2005
	\$	\$
Administration & Insurance	40,000	41,594
Extended Liability Premium	-	42,602
District Associations Assistance Grants	91,762	90,500
NZG Management Fee	60,000	60,000
Mutual Assistance Payments	115,683	111,727
Women's Golf New Zealand Grant	-	15,000
<b>Total Expenditure</b>	<b>307,445</b>	<b>361,423</b>

**15. Junior Golf**

	2006	2005
Administration	-	10,955
Sir Bob Charles Scholarship	10,520	9,265
Frank Nobilo Scholarship	-	1,609
Michael Campbell Scholarship	10,000	10,000
District Junior Network Delivery	326,059	246,500
Promotion	22,288	25,156
Secondary School Programmes	1,397	1,156
<b>Total Expenditure</b>	<b>370,264</b>	<b>304,641</b>

**16. New Zealand Open Championship**

	2006	2005
	\$	\$
<b>Income</b>		
Sponsorship	1,047,400	1,150,426
Other Income	113,638	297,889
Hospitality	356,358	62,526
PGAT Australasia contribution	1,150,000	1,402,475
<b>Total Income</b>	<b>2,667,396</b>	<b>2,913,316</b>
<b>Expenditure</b>		
Course operations	637,376	382,534
Players	1,598,212	1,611,028
Pro-Am	9,522	18,615
Press and Media	19,580	54,761
Course set up	129,669	130,652
Sponsor servicing	256,213	336,813
NZG and PGAT expenses	62,823	71,003
TV production	538,669	617,881
Marketing	110,804	149,129
<b>Total Expenditure</b>	<b>3,362,868</b>	<b>3,372,416</b>
<b>2006 New Zealand Open Deficit</b>	<b>(695,472)</b>	<b>(459,100)</b>

NEW ZEALAND GOLF (INC)  
Notes to the Financial Statements (Cont'd)  
For the year ended 31 December 2006

**17. Investment in Associate**

In November 2001 the organisation acquired 500 shares, representing a 50% interest in New Zealand Golf Network Ltd ('NZGN') for \$140,000. The organisation subscribed for a further 25,000 \$1 shares in December 2001. An amount of \$15,000 remains uncalled on these shares.

NZGN's primary business is the operation of the Slope Handicap system on behalf of the organisation and the development of golf management system software. NZGN has a balance date of 31 March. The Directors of New Zealand Golf Network are not aware of any significant events or transactions since NZGN's balance date.

**Result of Associate**

	2006	2005
	\$	\$
Share of operating surplus before income tax	97,314	70,906
Income tax	32,114	23,432
<b>Share of net surplus</b>	<b>65,200</b>	<b>47,474</b>

**Interest in Associate**

Balance at beginning of year	193,193	161,562
Share of recognised surplus	65,200	47,474
Dividend Paid	(60,000)	
Impairment of Investment	(15,507)	(15,843)
<b>Balance at end of year</b>	<b>182,886</b>	<b>193,193</b>

**18. Accounts Receivable**

	2006	2005
	\$	\$
Accounts receivable	945,150	296,668
Provision for doubtful debt	(5,000)	-
	<b>940,150</b>	<b>296,668</b>

### **19. Provision for Future Claims**

The provision represents the amount that is estimated would represent claims relating to the current year in the unlikely event the Mutual Assistance Scheme was wound up.

### **20. Commitments & Contingencies**

The organisation has an uncalled share capital commitment in respect of NZGN of \$15,000.

The organisation has agreed to pay NZGN a site maintenance fee of \$29,167 per month.

IMG has formally demanded payment of \$199,688 plus interest from New Zealand Golf in relation to the losses incurred in staging the 2004 New Zealand Open and \$116,888 in respect of commissions earned in relation to the 2005 New Zealand Open. The total amount of the demand is \$316,576.

New Zealand Golf has requested IMG provide details to support the 50% share of the loss incurred in the staging of the 2004 New Zealand Open. Similarly New Zealand Golf has requested details to support IMG claim for commissions.

New Zealand Golf refutes the IMG claim but has made an appropriate provision in the financial statements to settle the matter.

BELOW: 2006 WINNING INTERPROVINCIAL TEAMS BAY OF PLENTY AND WAIKATO  
PICS: PHOTOSPORT







New Zealand Golf

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