

TOURISM CENTRAL AUSTRALIA

ANNUAL
REPORT
2015 – 2016



TOURISM
CENTRAL AUSTRALIA

The Heart. The Soul. The Centre.

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The Heart. The Soul. The Centre.

CHAIRPERSON'S REPORT 2015/16



What a great 12 months Tourism Central Australia and our Industry had. Firstly, I would like to thank you - our wonderful members, our dedicated Staff and our loyal volunteers. The support for the TCA Executive Committee shown by everyone shows the dedication of our industry to remain strong and to ensure the Tourism Industry remains strong and vigilant.

Taking over the Chairperson position in December 2015, it has been great to receive the support from TCA members and my fellow Board members. Its exciting to work with such a vibrant organisation that is dedicated to Tourism and has led the way for over 50 years. Growth in Tourism within Central Australia over the past 12 months has continued to show steady growth. The TCA Board continues to work on the overall Governance of the organisation.

General Manager Jaclyn Thorne came back from maternity leave and straight into an issue that had been identified by the Board with an issue with missing funds under the Supplier funds account. The matter was referred to the NT Police for a criminal investigation. Internal policies and procedures were updated with the guidance of the Board and senior management team the issue internally has been rectified. A very thorough investigation by the NT Police as well as our Insurance company Arthur J Gallagher. This has been a long process but the Board want to ensure that the investigations have been comprehensive and all boxes ticked. We hope to have this matter resolved and a report to members in the near future.

On the back of a growth year for the Central Australian region in 2014/15 the 2015/16 season has also reported growth. Our industry is resilient and reacts to change well. The growth of major events in Alice Springs has been welcomed by our Industry and has certainly attributed to the increase in visitors. The TCA Board and staff are working on a project that will see TCA become more actively involved in promoting events and ensuring we maximise exposure for them assisting in increased length of stay throughout the region.

The TCA Board undertook a strategic planning day in March, compiling the organisations top 10 focus areas. These include Marketing collaboration between events , Focus marketing on the Outback Adventure Experience niche, Eastern McDonnell Ranges revitalisation, Increase visitor touch points at Yulara to disperse visitors further, Indigenous heritage interpretation trails, National Indigenous Cultural Centre, Increased focus on digital capacity, Social and environmental sustainability capacity development with members, High level skills development in the tourism sector – facilitate customer service training and Telecommunications infrastructure development to increase connectivity and promotions.

Some of these areas TCA has a key role to play and other areas we can play and active role in lobbying and advocating.

We celebrated 10 years of the Tourism Central Awards night which was well attended including several dignitaries. The Secret location was finally revealed upon arrival on the night, with the Rocky Hill table Grape farm unveiled. Congratulations to all nominees and winners from the night.

One of the major highlights for the Organisation over the past 12 months has been the 2 major Tourism awards won. Firstly, the win at the NT Tourism Brolga awards for Visitor Services. This win gave us entry into the Australian Tourism Awards and we were delighted to take out the Gold award for the best Visitor services in Australia. A win like this helped to put the spotlight on Central Australia and is testament that our Organisation as a whole is on the right track.

I wish to thank all our hard-working staff and Volunteers, including our Board members and Ambassadors as it takes a real team effort to achieve such recognition.

On behalf of the TCA Board I wish to thank Jaclyn Thorne who departed the organisation in February 2015. I wish to also thank new CEO Stephen Schwer who has worked tirelessly to ensure the smooth transition of the role and work with our members and ensure the organisation continues to move forward.

Finally, a big thank you to my fellow Board Members for your dedication, enthusiasm and insights, helping to guide our organisation. It has been a pleasure to have been elected as the Chairperson for such a dynamic organisation for the past 12 months. I am confident that TCA will continue to grow as an organisation and look forward to the upcoming Membership review process.

Dale McIver
TCA Chairperson
2016



OUR INDUSTRY
IS RESILIENT
AND REACTS TO
CHANGE WELL.

TREASURER'S REPORT



The financial report for Tourism Central Australia Incorporated for the year ending 30 June 2016, was audited by KPMG for the first time. The Association determined to longer use Deloitte at last year's AGM due to the Supplier Funds issue. Whilst the Corporate Services Manager was the main point of contact with KPMG over the course of the audit, it appears to me that KPMG have been quite thorough and I have no hesitancy in recommending them for next year.

Randle Walker
Treasurer

INCOME STATEMENT

The Income Statement for the year ending 30 June 2016 on Page 5 shows an operating surplus of \$103,587 compared to a deficit of \$173,557 for the year ending 30 June 2015. The surplus of \$103,587 includes \$105,000 of grant funding received from Tourism NT of which \$100,000 is expected to be spent in the 2016/17 Financial Year and \$5,000 is revenue for TCA. Unfortunately accounting standards require all this revenue to be recognized in 2015/16 otherwise the 'true' operating surplus would have been \$3,587. The Association recorded Total Revenue of \$1.287 million (including the \$105,000 from TNT) and Total Expenses of \$1.184 million for the financial year.

Recognition of the \$100,000 TNT grant funding to be spent in 2016/17 also misrepresents the accumulated funds deficiency position which would otherwise have been a deficiency of \$16,653 whereas it now shows accumulated funds of \$83,347. The deficiency, as with the \$20,240 recorded last year, remains a concern and focus for the Board to address.

Explanation of variances for the Detailed Income and Expenditure Statement for the year ended 30 June 2016

Pages 11-13 of the financial report details specific operational line items of the income and expenditure statement for the year ending 30 June 2016 in comparison to the same period for 2015. An explanation of the major variances as provided by the Corporate Services Manager follows;

Revenue

VIC Sales (Products/Tour bookings) and Book Easy income - positive result, an increase of 23% in comparison to last year (LY)

Other Revenue

Advertising Co-Operative -

\$4,455 vs LY \$15,509. Last year \$9,600 of Art Trail income received was included in this line whereas this year it was recorded separately.

Consumer and Trade Show Participation -

\$19,329 vs LY \$5,727. Consumer shows organised by TCA & Tourism Top End in alternating years. This year, income was received from Tourism Top end of \$16,161 to reimburse expense for consumer shows.

Interest -

\$2,089 vs LY \$3,369. Decrease due to interest rate decline.

NT Government Grants - Operations

\$765,000 received from Tourism NT. Additional \$15,000 received for Alice Springs Convention Welcome Delegate program & \$1,818 for Digital Marketing.

NT Government Grant- Hermannsburg Project -

\$105,000 received from the Department of Local Government and Community Services in collaboration with Tourism NT pertaining to the development of a Hermannsburg Master Plan. Completion of this project & expenditure of this is expected in the 2016-17 year.

Membership -

Increase of \$2,038 in membership revenue actual \$91,082 against LY \$89,044. New Digital Integration Program has helped engage current members and attract new ones.

Mereenie Loop Publication -

The sale of Mereenie Loop Booklets at the visitor centre and wholesale wasn't introduced until second half of 2015. LY \$10,000 was received from CLC to produce and print the booklets for distribution. This year's figure of \$14,025 is income generated from the sale of a total of 5,312 booklets.

Sundry Income -

Actual \$13,191 vs LY \$23,187. Decrease of \$9,996 can be attributed to sale of Aircraft Tug & Towbars in 2015, no asset sales in 2016.

TREASURER'S REPORT (CONT.)

Expenditure

Airport Welcome Desk management -

\$4,139 vs LY \$2,421. Includes \$1,101 km travel reimbursement for volunteer ambassadors for travel to the airport & monthly airport charges of \$2,316.

Art Trail Expense -

\$11,459 vs LY \$18,177. Variance in expense can be attributed to the digital application costs of \$9,900 incurred in 2015.

Book easy Commission Payments -

\$15,408 vs LY \$13,349. The increase is a result of higher sales for bookings through Book easy.

Committee Expenses -

\$2,403 vs LY \$864. Expenses allocated between meeting expenses and committee expenses this year, reduction in meeting expenses of \$2,185 offsets increase in committee expenses.

Computer Expenses -

\$5,243 vs LY \$4,143. Additional costs seen in 2016 due to introduction of new TIL systems with additional cost for POS, set up of retail scanners in VIC & maintenance for Smart Q ticket system.

Depreciation & Amortisation -

\$18,947 vs LY \$32,571. This year is lower as \$41,348 of defunct or unused assets were written off in 2015.

Digital Integration Program -

\$4,607 spent towards training, travel & accommodation of Digital Integration Coordinator Tamara Siemionow commencing in March 2016 to assist members with updating their digital presence within bookeasy, ATDW and on the TCA website.

Familiarisation Tours -

\$3,228 spent towards new & existing staff being trained in regards to tourism products.

Function Costs -

\$12,493 vs LY \$6,432. Includes attendance at Brologas Awards night and National Tourism Awards in Melbourne with tickets costing over \$1,000, also inclusive of costs to host & cater for walkabouts, general meetings, special general meeting, annual general meeting, board induction & review & hosting of Tourism Australia.

Interest Expense -

\$148 vs LY \$712. Loan fully repaid for 2010 Isuzu work vehicle.

Insurance -

\$13,744 vs LY \$0. \$9745 insurance premiums for 2015 reported for in 2014.

Marketing Expense -

\$5,022 vs LY \$8,954. This year social media marketing of \$4,417 was allocated to a separate account code.

Meeting Expense -

\$3,811 vs LY 5,996. Reduction due to expenses being split and allocated to committee meeting expense code.

Mereenie Loop Tour Passes -

\$0 vs LY \$8,453. Last year CLC provided \$10,000 to print 10,000 copies. No costs were incurred in 2016 for printing.

Motor Vehicle expenses -

\$6,539 vs LY \$10,272. Variance due to high vehicle service costs incurred in 2015 totalling over \$4,000.

Mountain Bike Project -

\$0 vs LY \$8,295 spent for 2015 booklet design & printing.

Moving Expenses -

\$0 vs LY \$3,043. Moved Office from Gregory Terrace to Todd Mall in September 2014.

Mystery Shop Program -

\$3,155 vs LY \$640. Mystery shop surveys didn't commence until June 2015.

Other Brochures -

\$14,725 vs LY 24,643. Welcome to guide costing \$7,752 in 2015 was allocated to advertising in 2016 rather than other brochures.

Postage -

\$10,797 vs \$16,609. Due to budget constraints, expenditure on postage of VIC collateral interstate was closely monitored and reduced in the 2015-16 yr.

Professional Services -

\$43,149 vs LY \$66,404. Decrease due to new Corporate Services Manager being hired as full time employee from October 2015. Expense for finance position which was previously contract based is now being allocated to Salaries & Wages.

Rates -

\$0 vs LY \$3,707. Rates now included in lease agreement.

Recruitment -

\$8,650 vs LY \$2,734. Recruitment & relocation of new CEO, Corporate Services Manager & VIC Staff.

Red centre Adventurers -

Wrap up costs of \$5,945 for the 2015 Red Centre Adventurers Campaign, majority of costs totalling \$37,598 were incurred in 2015 for filming and campaign production.

TREASURER'S REPORT (CONT.)

Salaries & Wages -

\$595,869 vs LY \$554,319. Increase due to recruitment of full time Corporate Services Manager.

Group Training -

\$0 vs LY \$30,095. Trainee was hired through GTNT in 2015, went on to become full time employee in 2016 with costs allocated to Salaries & Wages.

Social Media Marketing -

\$4,417 vs LY \$0. With the ever-growing use of social media platforms social media marketing campaigns used increasingly to target audiences on facebook & Instagram. Last year these expenses were coded to Marketing expense.

Subscriptions, Membership and Licences -

\$5,362 vs LY \$2,883. Increase due to \$522 application fee for Climate Action Certification & \$997 MyTravelResearch Marketing Blueprint.

Training & Uniforms -

\$2,211 vs LY \$13,625. Last year \$5000 was spent on book easy and vend training for staff. This year free online webinars were provided by bookeasy which reduced the need for onsite training.

Trade Shows and Destination Development -

\$44,539 vs LY \$28,218. Consumer shows organised by TCA & Tourism Top End in alternating years. This year, TCA incurred full costs however this is offset by income received from Tourism Top end of \$16,161 to reimburse 50% of this expenditure.

Vic Refreshment -

\$3,205 vs LY \$0. Includes new TILS for Visitor Centre and labour for front desk renovations.

Travel & Accommodation -

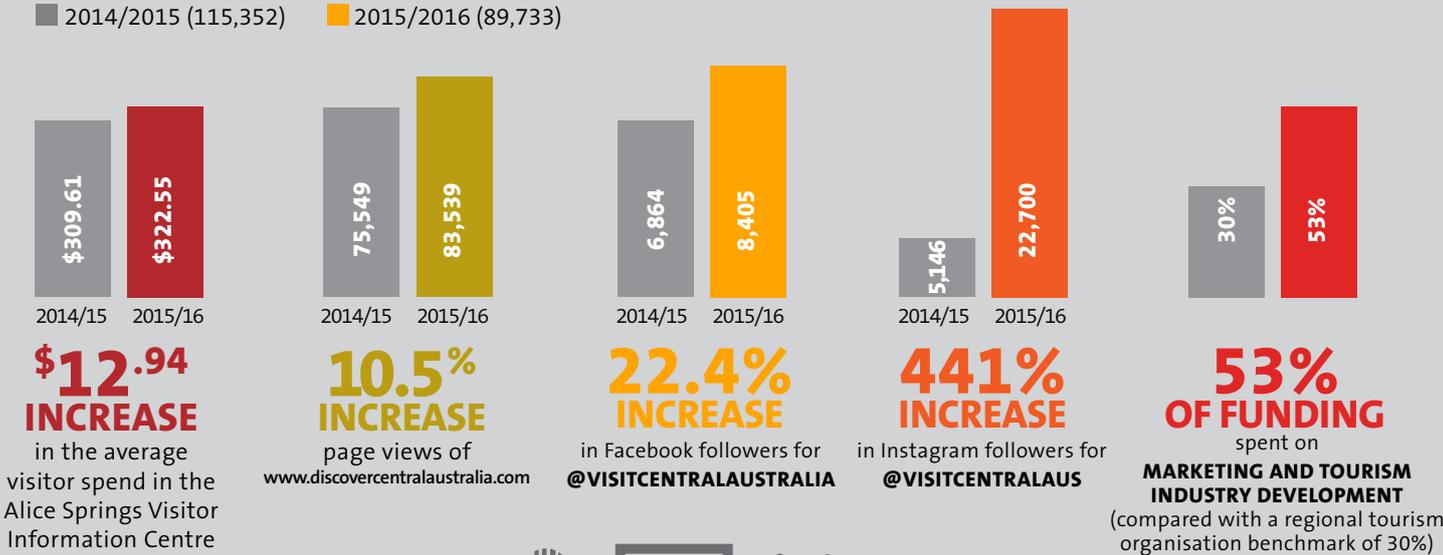
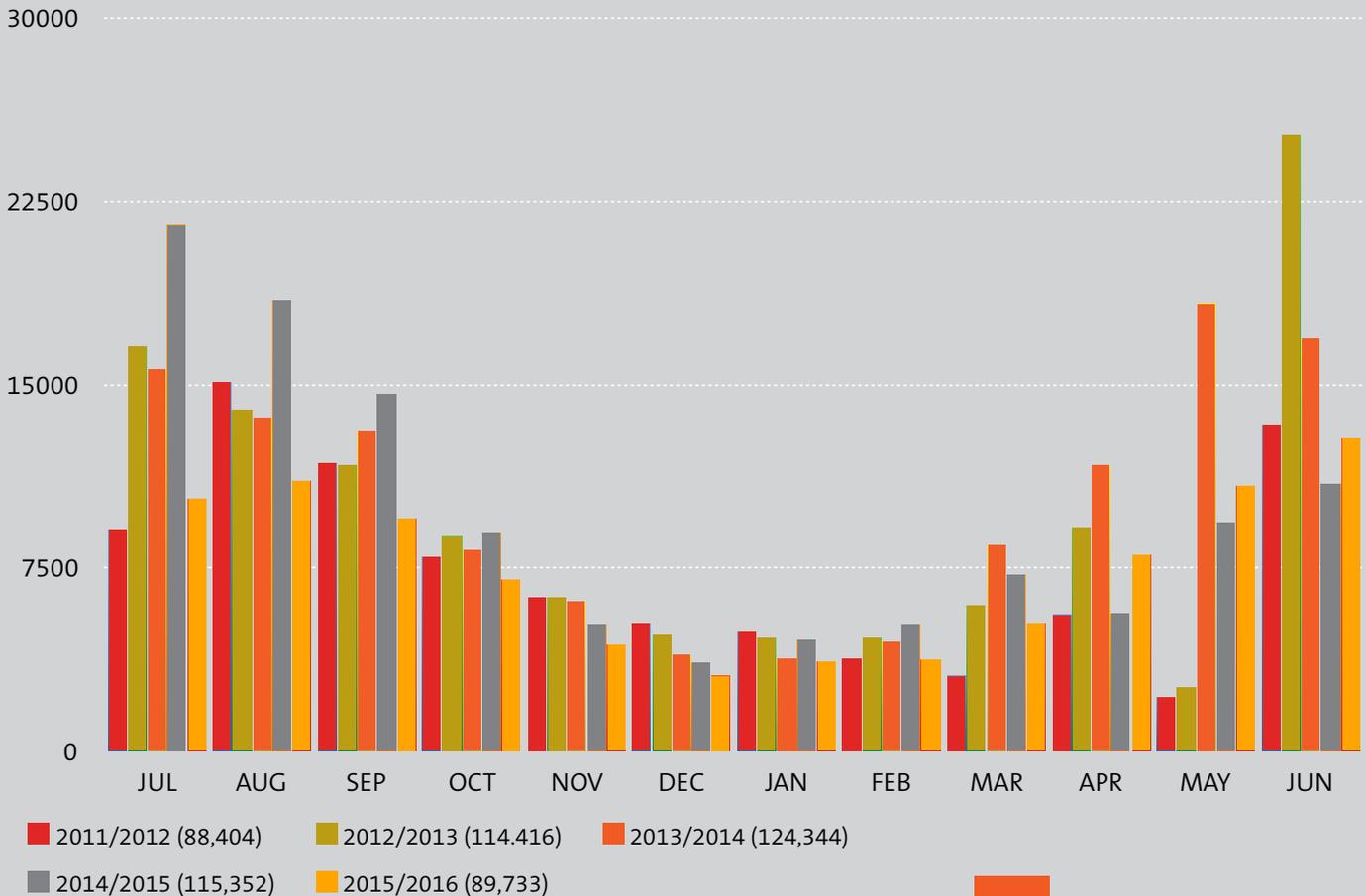
\$15,531 vs LY \$20,775. Travel costs closely monitored with technology such as skype used to reduced costs in 2016.

Website Refresh -

\$26,388 spent on new website which was officially launched in April 2016, incorporating greater online booking capability and translation into over 100 languages etc. The new website also has better integration with the Bookeasy booking system and ATDW.

TOURISM CENTRAL AUSTRALIA REPORT CARD 2015/2016

VIC DOOR TRAFFIC



**INDUSTRY WORKSHOPS,
FUNCTIONS AND EVENTS
HOSTED BY TOURISM
CENTRAL AUSTRALIA**



**67 PROACTIVE
MEDIA STORIES**
about the tourism
industry, and a total of
100 media interviews
(TV/radio/print)



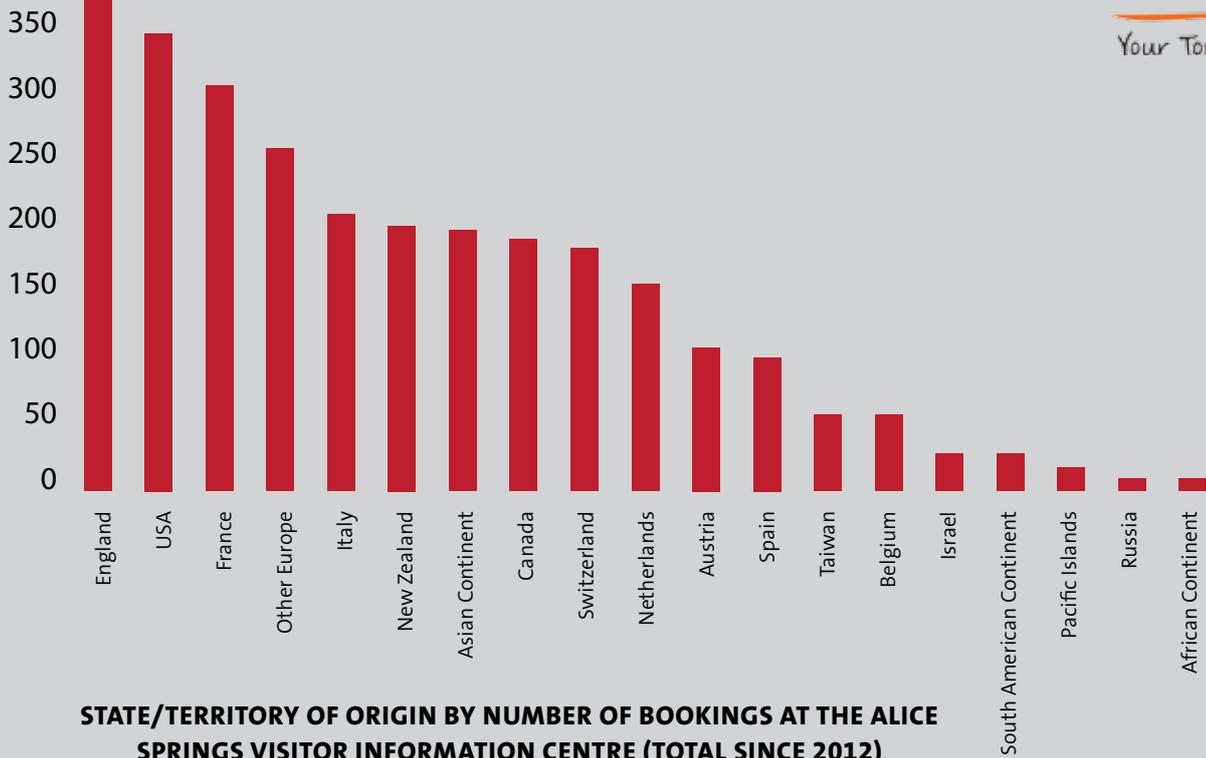
**Promoted the Red Centre at
6 TRAVEL SHOWS
around Australia**
(NT Musters and Caravan and Camping Shows)



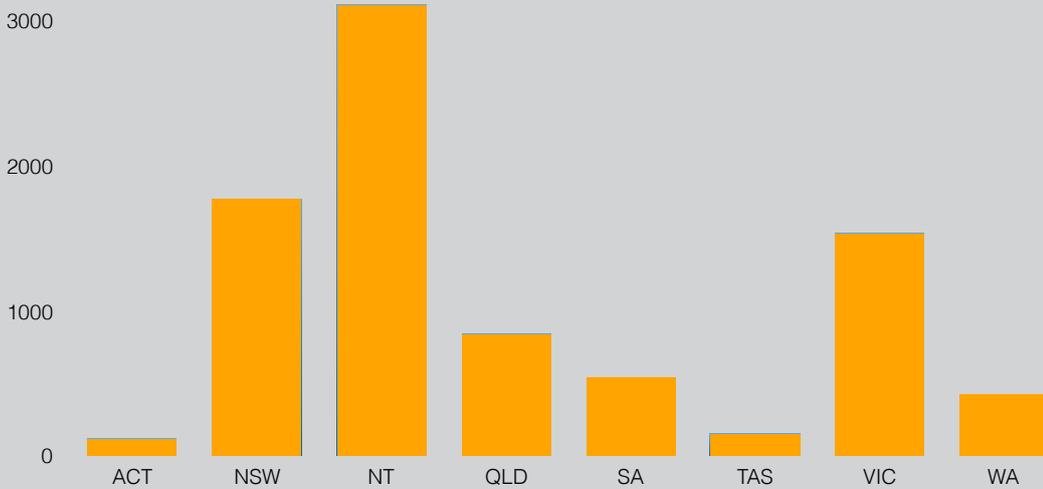
TOURISM
CENTRAL AUSTRALIA

Your Tourism Voice

INTERNATIONAL COUNTRY OF ORIGIN BY NUMBER OF BOOKINGS AT THE ALICE SPRINGS VISITOR INFORMATION CENTRE (TOTAL SINCE 2012)



STATE/TERRITORY OF ORIGIN BY NUMBER OF BOOKINGS AT THE ALICE SPRINGS VISITOR INFORMATION CENTRE (TOTAL SINCE 2012)



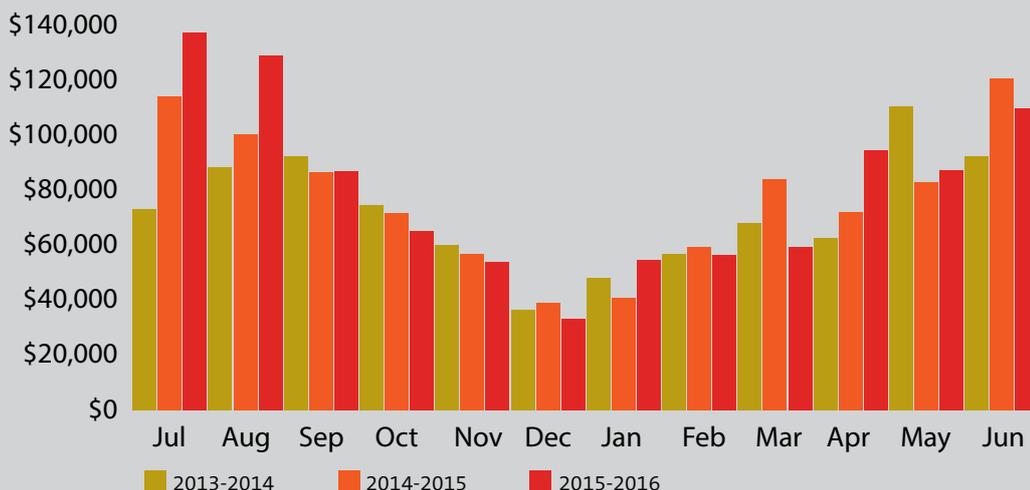
Tourism Central Australia staff participated in

89

FAMILIARISATIONS

across Alice Springs, Uluru, Kings Canyon, Tennant Creek, the West and East MacDonnell Ranges and Darwin

SALES REVENUE 2014 - 2016



Continued to distribute the informative **WEEKLY TOURISM INDUSTRY E-NEWSLETTER TOURISM TELEGRAPH** to members



Independent audit report to the members of Tourism Central Australia Incorporated

Report on the financial report

We have audited the accompanying financial report, being a special purpose financial report, of Tourism Central Australia Incorporated ('the Association'), which comprises the statement of financial position as at 30 June 2016, the income statement and the statement of changes in equity for the year ended on that date, notes 1 to 9 comprising a summary of significant accounting policies and other explanatory information and the Statement by the Management Committee.

Management Committee responsibility for the financial report

The Management Committee of the Association is responsible for the preparation and fair presentation of the special purpose financial report and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the Northern Territory Association Act and is appropriate to meet the needs of the members. The Management Committee responsibility also includes such internal control as the Management Committee determine necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association'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 Association's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Management Committee members, as well as evaluating the overall presentation of the financial report.

These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the basis of accounting described in Note 1 to the financial statements so as to present a view which is consistent with our understanding of the Association's financial position, and of its performance and cash flows.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Accounting Professional and Ethical Standards Board.



Auditor's opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of Tourism Central Australia Incorporated as of 30 June 2016 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of accounting and restriction on distribution and use

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Tourism Central Australia Incorporated to meet the requirements of Northern Territory Association Act. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for Tourism Central Australia Incorporated and should not be distributed to or used by parties other than Tourism Central Australia Incorporated. We disclaim any assumption of responsibility for any reliance on this report, or on the financial report to which it relates, to any person other than the Management Committee of Tourism Central Australia Incorporated or for any other purpose than that for which it was prepared.

A handwritten signature of Clive Garland in black ink, written in a cursive style.

KPMG

A handwritten signature of Clive Garland in black ink, written in a cursive style.

Clive Garland

Partner

Darwin

3 November 2016

TOURISM CENTRAL AUSTRALIA INCORPORATEDSTATEMENT BY THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 30 JUNE 2016

The names of the members of the committee of the association during or since the end of the financial year are:

Committee members from 1st July 2015 - 10th December 2015

Dave Batic - Chairperson	Todd Grierson
Julie Hodgson	Rex Neindorf
Andy Hood	Randle Walker
Michael Robertson	John Di Maria
Greg Magi	Damien Ryan
Dale McIver	Jill Catchlove
Grant Whan	

Committee members from 10th December 2015 - 30th June 2016

Dale McIver - Chairperson	Todd Grierson
Rebecca Walker	Kathy Graham
Kate McMaster	Randle Walker
Rex Neindorf	Jen Standish-White
Grant Whan	Tony Mayell (Non voting stakeholder as of 18th November 2015)
Brian Dinte	Jill Catchlove (Non voting stakeholder as of 18th November 2015)

The principal activities of the association during the last financial year were the promotion of Tourism in Central Australia.

There were no significant changes in the nature of activities during the financial year.

The surplus (deficit) of the association for the year is reported in the income statement.

In our opinion:

- a) the accompanying financial report as set out on the attached pages, being a special purpose financial statement, is drawn up so as to present fairly the state of affairs of the Association as at the end of the financial year and the result of the Association for the year then ended;
- b) the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association; and
- c) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.


.....
Committee member


.....
Committee member

03.11.2016
Date

TOURISM CENTRAL AUSTRALIA INCORPORATED

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 \$	2015 \$
Grant Income		886,818	842,364
Advertising		4,455	15,509
Memberships		91,082	89,044
Publications		-	-
Sundry Revenue	2	305,383	278,278
Total Revenue		<u>1,287,737</u>	<u>1,225,195</u>
Employment Costs		684,661	644,073
Depreciation Expense		18,947	73,920
Operating Expenses	3	480,542	680,759
Expenses		<u>1,184,150</u>	<u>1,398,752</u>
Operating Surplus/(Deficit) for year		<u>103,587</u>	<u>(173,557)</u>
Accumulated funds at beginning of financial year		<u>(20,240)</u>	<u>153,317</u>
Accumulated funds at end of financial year		<u><u>83,347</u></u>	<u><u>(20,240)</u></u>

Notes to the financial statements are set out on the attached pages.

TOURISM CENTRAL AUSTRALIA INCORPORATEDSTATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Notes	2016 \$	2015 \$
CURRENT ASSETS			
Cash assets	4	262,286	147,037
Receivables	5	18,561	2,026
Stock on hand		20,004	10,525
Prepayments		7,485	-
		<u>308,336</u>	<u>159,588</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	<u>55,042</u>	<u>59,263</u>
TOTAL ASSETS		<u>363,378</u>	<u>218,851</u>
CURRENT LIABILITIES			
Trade and other payables	7	207,421	199,262
Borrowings	8	-	4,508
Employee Provisions	9	28,819	28,784
Memberships in advance		37,112	-
		<u>273,352</u>	<u>232,554</u>
NON-CURRENT LIABILITIES			
Employee Provisions	9	<u>6,680</u>	<u>6,537</u>
		<u>6,680</u>	<u>6,537</u>
TOTAL LIABILITIES		<u>280,031</u>	<u>239,091</u>
NET ASSETS		<u>83,347</u>	<u>(20,240)</u>
ACCUMULATED FUNDS/(DEFICIT)		<u>83,347</u>	<u>(20,240)</u>

Notes to the financial statements are set out on the attached pages.

TOURISM CENTRAL AUSTRALIA INCORPORATED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	Total Equity \$
<u>2016</u>		
Balance at 1 July 2015		<u>(20,240)</u>
Surplus attributable to members of entity		<u>103,587</u>
Balance at 30 June 2016		<u><u>83,347</u></u>
2015		
Balance at 1 July 2014		<u>(173,557)</u>
Deficit attributable to members of entity		<u>153,317</u>
Balance at 30 June 2015		<u><u>(20,240)</u></u>

TOURISM CENTRAL AUSTRALIA INCORPORATEDNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**1 General Information**

Tourism Central Australia (the Association) is an Association incorporated under the Associations Act (NT).

TCA's registered office and its principal place of business are as follows;

Principal place of business

Jalistan House
Cnr of Parson Street & Todd Mall
Alice Springs 0870

The principal activities of the Association during the financial period were to promote, support & grow the tourism industry within the Central Australian Region.

Application of new and revised Accounting Standards

In the current period, the Association has adopted all of the new and revised Standards and interpretation issues by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and interpretations has resulted in no significant changes to the Associations accounting policies.

A number of Australian Accounting Standards and interpretations are in issue but are not effective for the current period end. The reported results and position of the Association will not change on adoption of these pronouncements as they do not result in any changes to the Associations existing accounting policies. Adoption will however, result in changes to information currently disclosed in the financial statements. The Association does not intend to adopt any of these pronouncements before their effective dates.

Statement of Accounting Policies

The Association is not a reporting entity because in the opinion of the governing committee there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this "special purpose financial report" has been prepared to satisfy the governing committee's reporting requirements under the Associations Act.

Statement of Compliance

The financial statements have been prepared in accordance with the Associations Act (NT) and the Australian Charities and Not for Profits Commission Act 2012, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of AASB 101 'presentation of Financial Statements', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors' AASB 1031 'Materiality' and AASB 1054 'Australian Additional Disclosures'.

Basis of Preparation

The financial statements have been prepared on the basis of historical cost, except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted.

Comparative figures

Comparative figures have been adjusted, where required, to conform to changes in presentation for the current financial year.

Significant accounting policies

Accounting policies are selected and applied in a manner which ensures that the resultant financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions and other events is reported. The following significant accounting policies have been adopted in the preparation and presentation of the financial report.

TOURISM CENTRAL AUSTRALIA INCORPORATEDNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**Depreciation**

Items of property, plant and equipment are depreciated over their estimated useful lives using the straight line method.

The main rates used are:

Leasehold improvements	10-25%
Office and promotional equipment	13% - 25%
Motor vehicles	25%
Plant and equipment	27%

Economic dependency

A significant volume of the Association's revenue is from Government grants.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST. Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Inventory

Stock on hand comprises publications and maps for sale and is valued at the lower of cost and net realisable value.

Government Grants

Grants are recognised in accordance with AASB 1004. Grants are recognised as revenue when the entity obtains control over, or the right to receive the assets, it is probable that future economic benefits comprising the asset will flow to the entity and the amount can be reliably measured.

Control over granted and contributed assets is normally obtained upon their receipt or upon notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Where grants are recognised as revenues during the reporting period, were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were not discharged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in these notes.

As at the reporting period date \$105,000 has been recognised as revenue received from the Department of Local Government and Community Services pertaining to the development of a Hermansburg Master Plan. Completion of this project & expenditure of this is expected in the 2016-17 year.

Revenue recognition

Revenue from the sale of goods and disposal of other assets is recognised when the entity has passed control of the goods or other assets to the buyer.

Revenue from the provision of services is recognised when the services have been provided.

Taxation

TCA is exempt from payment of income tax under section 50-40 of the Income Tax Assessment Act (1997)

Going Concern

The financial statements of TCA have been prepared on the basis that TCA is a going concern and will continue to operate. The Association relies on grants provided by the Northern Territory Government. The Financial statements are prepared on a going concern basis on the understanding that such grants will continue. The Association has a net current asset position at 30th June 2016 of \$34,985 (2015: -\$72,966) and has an operating surplus of \$103,587 (2015: -\$173,557). A current 3 year Regional Tourism Partnership Agreement is held until 2018 with the Northern Territory Government providing financial support of \$765,000 (+1.5% increase) each year with the anticipation that such funding will continue into the future.

TOURISM CENTRAL AUSTRALIA INCORPORATEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30 JUNE 2016

2	SUNDRY REVENUE		
	Commission	112,304	86,844
	Retail Products	86,381	74,206
	Other Revenue	106,698	117,228
		<u>305,383</u>	<u>278,278</u>
3	OPERATING EXPENSES		
	Administration	199,354	256,980
	Marketing	133,924	173,256
	Building and Facilities	25,840	13,964
	Functions and Events	45,477	36,404
	Other Expenses	75,947	200,156
		<u>480,542</u>	<u>680,759</u>
4	CASH ASSETS		
	Cash on Hand	881	800
	Cash at Bank - Main Account	9,510	113,063
	Term Deposit	100,000	-
	Other Bank Accounts	148,114	33,174
	Undeposited Funds	3,782	-
		<u>262,286</u>	<u>147,037</u>
5	RECEIVABLES		
	Trade Debtors	18,561	3,997
	Provision for doubtful debts	-	(1,971)
		<u>18,561</u>	<u>2,026</u>
6	PROPERTY, PLANT AND EQUIPMENT		
	Leasehold improvements	10,027	36,080
	Accumulated Depreciation	(1,755)	(13,640)
		<u>8,272</u>	<u>22,440</u>
	Motor Vehicles	57,789	57,789
	Less: Accumulated Depreciation	(54,435)	(50,631)
		<u>3,354</u>	<u>7,158</u>
	Office Equipment	89,138	49,344
	Less: Accumulated Depreciation	(52,098)	(41,628)
		<u>37,040</u>	<u>7,717</u>
	Plant and Equipment	97,050	109,455
	Less: Accumulated Depreciation	(90,675)	(87,507)
		<u>6,375</u>	<u>21,948</u>
	Total property, plant and equipment	<u>55,042</u>	<u>59,263</u>
7	CREDITORS AND BORROWINGS		
	Creditors and Accruals	88,551	116,567
	PAYG	11,416	-
	GST payable	4,294	4,794
	Supplier Funds	89,944	77,901
	Superannuation	13,216	-
		<u>207,421</u>	<u>199,262</u>

TOURISM CENTRAL AUSTRALIA INCORPORATEDNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

8	BORROWINGS		
	<i>Secured finance lease</i>		
	Commitment less than 1 year	-	4,508
	Commitments longer than 1 year and not longer than 5 years	-	-
	Total commitment	-	4,508
	Less future finance charges	-	152
	Total finance lease liability	-	4,356
	<i>Split as follows:</i>		
	Current portion	-	4,508
	Non current portion	-	-
		-	4,508

The finance lease is secured over motor vehicle. The interest rate implicit in the lease is 8.9%.

9	PROVISIONS		
	<i>Current</i>		
	Annual Leave	28,819	28,784
		28,819	28,784
	<i>Non-Current</i>		
	Long Service Leave	6,680	6,537
		6,680	6,537

TOURISM CENTRAL AUSTRALIA INCORPORATED

UNAUDITED

UNAUDITED DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<u>REVENUE</u>		
Sales - Products	86,381	74,206
Book Easy income	112,304	86,844
	<u>198,685</u>	<u>161,051</u>
<i>less</i>		
Cost of Goods Sold (Products)	49,341	54,387
Credit card merchant fees	12,254	10,351
	<u>61,595</u>	<u>64,738</u>
	<u>137,090</u>	<u>96,313</u>
<u>OTHER REVENUE</u>		
Advertising Co-operative	4,455	15,509
Art Trail Buy In	18,700	-
Functions	39,364	41,865
Consumer and Trade Show Participation	19,329	5,727
Interest	2,089	3,369
Membership	91,082	89,044
NT Government Grant - Operations	781,818	787,364
NT Government Grant-Hermannsburg Project	105,000	-
NT Government Grant - Destination Development	-	55,000
CATC Sponsorship	-	10,000
Mereenie Loop Publication	14,025	10,000
Sundry Income	13,191	23,187
Parental Leave Funds	-	23,078
	<u>1,089,052</u>	<u>1,064,143</u>

TOURISM CENTRAL AUSTRALIA INCORPORATED

UNAUDITED

UNAUDITED DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<u>EXPENDITURE</u>		
Advertising	20,643	20,941
Airport Welcome Desk Management	4,139	2,421
Audit fees	5,500	5,100
Art Trail	11,459	18,177
Bookeasy Commission Payments	15,408	13,349
Cleaning	984	1,371
Conference and Awards Night Expense	32,984	29,972
Convention Welcome Delegate Project	786	-
Committee Expenses	2,403	864
Computer expenses	5,243	4,143
Depreciation & amortisation	18,947	32,571
Digital Integration Program	4,607	-
Electricity/Sewerage/Water	-	1,610
Familiarisation Tours	3,228	-
Fixed Assets Written Off	-	41,348
Function costs	12,493	6,432
Interest Expense	148	712
Insurance	13,744	-
Marketing/Website	5,022	8,954
Meeting Expense	3,811	5,996
Meereenie Loop Tour Passes	-	8,453
Motor vehicle expenses	6,539	10,272
Mountain Bike Project	-	8,295
Moving Expense	-	3,043
Mystery Shop Program	3,155	640
Office Equipment & Expenses	7,371	6,585
Other Brochures	14,725	24,643
Paid Parental Leave	-	23,078
Photocopier Lease payments	4,338	3,662
Postage	10,797	16,609
Printing & stationery	16,550	16,265
Professional Services	43,149	66,404
Promotions and Sponsorship	455	-
Rates	-	3,707
Recruitment	8,650	2,734
Red Centre Adventurers	5,945	37,598
Regional Television Promotion	-	26,430
Rent and Storage Shed	25,320	4,641
Repairs and Maintenance - Building & Equipment	-	183
Salaries & wages	595,869	554,319
Salaries & wages - accrual & provision movement	23,284	13,415
Group Training	-	30,095
Security costs	520	780
Social Media Marketing	4,417	-
Subscription, Membership and Licences	5,362	2,883
Superannuation	56,858	50,527
Supplier Funds Misappropriation	-	119,613

TOURISM CENTRAL AUSTRALIA INCORPORATED

UNAUDITED

UNAUDITED DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
Telephone and Fax	35,129	41,270
Training and Uniforms	2,211	13,625
Trade Shows and Destination Development	44,539	28,218
VIC Refresh	3,205	-
VIC Signage	699	1,294
Travel & accommodation	15,531	20,775
Website Refresh	26,388	-
	<u>1,122,555</u>	<u>1,334,014</u>
Operating (deficit)/surplus for the year	<u>103,587</u>	<u>(173,558)</u>
Overall (deficit)/surplus for the year	<u><u>103,587</u></u>	<u><u>(173,558)</u></u>



TOURISM
CENTRAL AUSTRALIA

The Heart. The Soul. The Centre.