



TOURISM
CENTRAL AUSTRALIA

The Heart. The Soul. The Centre.

ANNUAL REPORT

2021 - 2022



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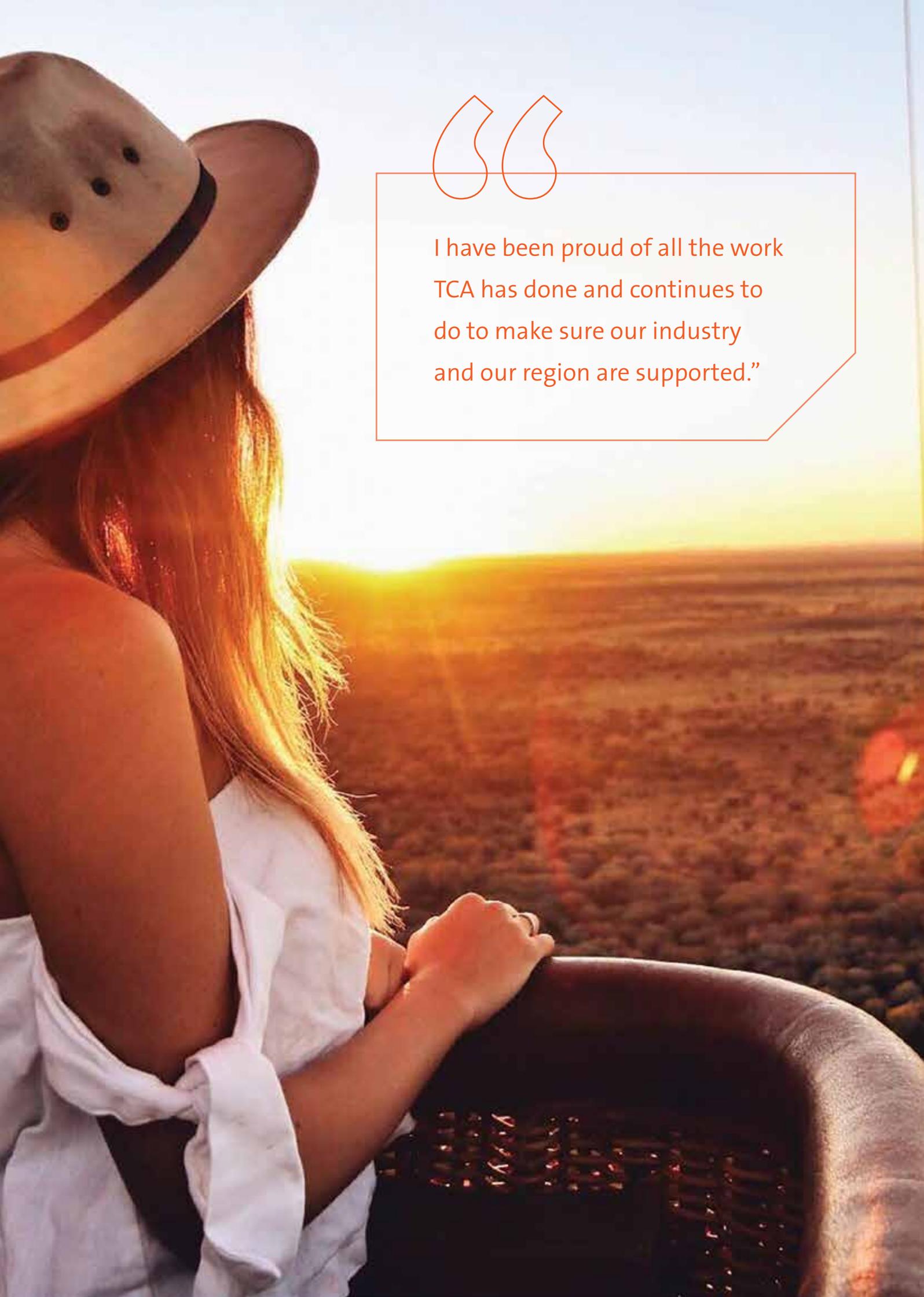
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“

I have been proud of all the work TCA has done and continues to do to make sure our industry and our region are supported.”



01 | CHAIRPERSON'S REPORT

I am honoured as Chair of Tourism Central Australia to provide this, my first annual report to our members for the year 2021/22. In doing so, can I firstly acknowledge the work done by the Chairperson during this time Patrick Bedford. Patrick's championing of our industry as Chair must be commended and congratulated. He guided our industry through the pandemic and made sure our industry and region was front of mind of decision makers.

The transition from Patrick to myself was seamless and I thank all our members, Board and staff in your support afforded to me. I have from the outset continued Patrick's hard work in advocating for our industry and region and ensuring our Board remains steadfastly focused on the job at hand.

This financial year was very much a tale of two parts, with the first still mired in the depths of the Covid 19 pandemic and the second a tremendous bounce back – to levels previously unseen. That said our industry continues to face down many challenges.

In dealing with these challenges, we have made sure that during this time we have put all our efforts in supporting our members as we knew that we were not out of the woods. I have been proud of all the work TCA has done and continues to do to make sure our industry and our region are supported.

No better example of this is the work the team within our two visitor information centres have done over the past twelve months. This year we saw over \$2.5M in sales written that go to the pockets of our operators.

This is on top of the marketing TCA undertook through the Recovery for Regional Tourism from the Federal Government. I am proud to say that this saw almost \$12 Million in direct sales plus tens of millions of dollars' worth of promotion for our region.

From an advocacy perspective much of this year's efforts centred around three key areas. These being crime and anti-social behaviour, workforce challenges and covid 19 impacts. TCA worked with Government on all three areas and was able to effectively lobby for action on all three.

In addition to these areas, we continued our effective lobby of key region building projects such as the National Aboriginal Art Gallery and road funding, in particular the funding for the Outer Mereenie Loop Road – a project that has just been talked about for the last 40 years.

Our focus now turns to rebuilding our industry and our region. I am pleased that much work has been put in to support the development of TCA's new three-year strategic plan and through this document we reaffirm our commitment to the Tourism 2030 strategy and our three destination management plans.

I would like to take this opportunity to publicly thank the Board of Tourism Central Australia. All my





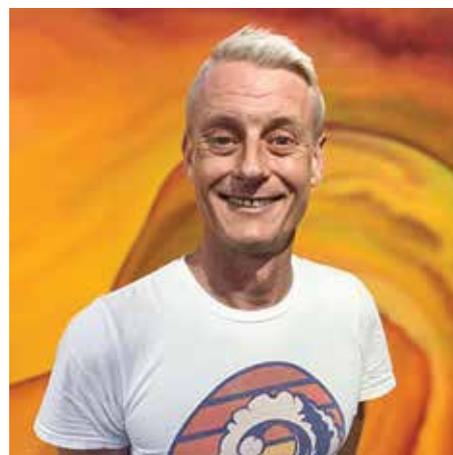
01 | CHAIRPERSON'S REPORT

Board give their time to support TCA and our region, and I can only but thank them for their tremendous commitment.

Can I also thank our key funding partners, the Northern Territory Government and Austrade who backed our organisation to deliver results.

Thanks also too to our fabulous team at TCA headed up by CEO Danial Rochford and all our visitor information centre ambassadors who selflessly volunteer their time to support our industry.

And finally, I would like to thank all our almost 400 members for your support and commitment to TCA. TCA is you and you are us.



Karl Bajzik - Chairperson

Tourism Central Australia





02 | BOARD OF DIRECTORS



Karl Bajzik
Chairperson



Raelene Ohlson
Deputy Chairperson



Andrea Lehman
Secretary



Jodie Summers
Treasurer



Patrick Bedford
Board Director



David White
Board Director



Mark Swindells
Board Director



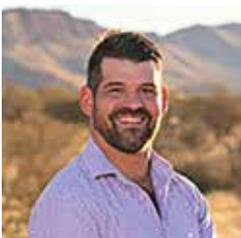
Stephen Baldwin
Board Director



Tony McFadzean
Board Director



Allan Woo
Board Director



Matt Paterson
Board Director



Jeffrey McLaughlin
Board Director



Jill Catchlove
Board Director



Scott Lovett
Board Director





03 | CHIEF EXECUTIVE OFFICER'S REPORT

I am pleased to provide my 3rd Annual report as CEO of Tourism Central Australia and what a year it has been. I am thankful and relieved TCA's focus has turned to the re-building of tourism across Central Australia and working towards on the big-ticket projects that will make a difference as we turn attention to the future and providing opportunity and connection to our members.

I echo the Chairperson and Board sentiment and thank the tourism industry of Central Australia for their continued support and engagement with TCA and the sense of partnership and community that is tourism in Central Australia.

For TCA 2022/23 financial year has been a year of 2 distinctive themes.

- July to Dec 2022 focus on supporting industry through the protracted impacts on business and travel through Central Australia
- January to June 2022 getting back to business and planning for the future success of our region and supporting our members

Sadly, we are a smaller industry than we were prior to COVID, and I would like to recognise those industry members who were not able to sustain the impacts of the pandemic.

The whole TCA team are committed to delivery for our members. I would like to thank them and recognise the passion our TCA Team have shown as our industry has gotten back to business.

Advocacy

TCA has been on the front advocating for our members in the media, with elected members of government (local, Territory and Federal), and through the wide range of networks and committees on which TCA has representation.

Importantly this advocacy is reaping rewards for our members. TCA advocacy has seen the region secure significant federal election commitments for tourism, secured COVID support funding for events and tour operators, and lifting the lid on the aviation issues across our region.

TCA also played an influential role in the winding back of COVID restrictions and how they impacted our members.

Importantly our relationships across government and our partner businesses continue to strengthen as we work in partnership with other agencies such as councils and the Chamber of Commerce.

But the biggest outcome of TCA's advocacy has been the securing of funding for a new purpose information centre in Alice Springs as well as receiving a commitment of 100% of funding for the Mereenie Loop Road. Both projects once built will be game changers for our industry.

We continue to be focused positive and proactive relationships with stakeholders that impact on tourism in Central Australia and more broadly making decisions regarding our community.

Visitor Information Services

The Alice Springs visitor information centre continued to kick goals across the reporting period. The commercial returns of the centres exceeded budget and revenue targets. Our focus on improving bookability through TCA's website and increased customer service focus has reaped benefits with booking sales increasing by 27% on our budget. Demand outstripped supply over the January to June half year. Our team went to extreme lengths to support our visitors secure the bookings they needed.





03 | CHIEF EXECUTIVE OFFICER'S REPORT

Our average monthly enquires for the reporting period were:-

- 6,000 people through our centres
- 3,165 incoming calls
- 1,200 email enquiries
- Management of 9 chatlines and messenger groups.

Most visitors to the Red Centre were domestic travelers with NSW leading the way followed by QLD, VIC & WA.

TCA Visitor Services team have continued to have a presence and support events in the region. Specifically, we have provided information services at Parrtjima, the Alice Springs Show, and the Henley on Todd Regatta. We have also supported events through displays and signage within the Visitor Centre. Events over the reporting period has seen Alice Springs at capacity, our team have been challenged with supporting visitors find available accommodation alternatives.

Of special note this reporting period is the success of TCA operations in Tennent Creek. The Battery Hill Gold Mining and Heritage Centre incorporating the Tennent Creek Information Centre has provided excellent visitor experiences to visitors to the Barkly through improved business operations and touring services.

I am particularly pleased to report that the mining tour that is cornerstone of the Battery Hill operation historically was recommenced with revenue being received to TCA.

Both visitor centres continue to develop alternative revenue streams to support new business and TCA. Due to the closure of the Greyhound Office and Flight Centre in Alice Springs, TCA were the only shop front for a range of booking services. To assist locals

with booking services TCA now accepts the Basic Card. Australia Post services are also offered in the Alice Springs VIC and we continue selling permits for travelling through community lands.

Our Visitor Centre teams has also played a support role in helping visitors to our region transition to the use of online bookings for National Park campsites and permits.

Retail sales through the Visitor Centres have shown a 29% increase on the previous financial year. Significant work has been done to improve the Centre's retail offering in both Alice Springs and Tennent Creek. This improved offering is also increasing the foot traffic through both Centres.

The VIC retail space was totally revamped with new book stands, additional retail product display areas as well as additional signage. The brochure racks have been organised in regional areas including new signage with an area dedicated for local services.

A new range of collateral and promotional videos distributed through the Information Centre have created more interest for visitors. These include the new drive guide and reprinted Arts Trail brochure and a series of short videos on our hero experiences across Central Australia. These tools encourage more questions and requests for information. Which ultimately led to more sales.

The Visitor Information staff undertook training through a series of speed dating sessions and famils across the region in March 2022. This weeklong training program put the team in touch with over 80 members and updated the product knowledge of both new and existing staff. The event was well received by industry and well supported. Continual





03 | CHIEF EXECUTIVE OFFICER'S REPORT

improvement and connection occurred throughout the year with TCA's Coffee and Conversation events.

Membership and Industry Support

In the first half of the 2021/22 financial year tourism and hospitality businesses were still dealing with the impact of COVID-19 on the visitor economy and Tourism Central Australia's Membership and Industry Support team played an important role in assisting those businesses. This was achieved by working closely with member businesses, identifying funding and support opportunities for them, and through the Business Enterprise Program. Ongoing communication on the evolving restrictions

The Financial Fitness Fund (FFF), funded by the Department of Industry Tourism and Trade and facilitated by the Industry Support team, provided free specialist financial advice and bookkeeping and accounting training for operators. The FFF also allowed TCA to obtain a business and financial expert to address members and guests on the importance of financial literacy at the Tourism Towards 2030 Conference in April. Further business support was also provided through free workshops on; time management, employer superannuation, mental health in the workplace, and worker attraction. The team also connected businesses with hundreds of thousands of dollars in grant funding.

The Business Enterprise Development program has continued to help businesses to develop and has assisted many businesses to grow and mature. Business Enterprise Surveys are key to the success of the program and a total of 193 surveys were completed in the financial year.

The second half of the financial year saw the industry begin to recover from the pandemic. As a result, the Membership and Industry Support team dedicated

much of their time to membership renewals. Membership had been free for the previous 18 months; membership numbers had grown to more than 400. I am pleased to report that TCA membership remains high at 369 paid members. This is a significant result as this is true reflection of the benefits of membership.

Communication between the Membership and Industry Support team and operators continues to be effective and has enabled members to be well informed and strongly supported, and ensured the team are up to date with industry news and developments. TCA communicate through weekly newsletters, via surveys, face to face meetings, direct phone calls, social media, workshops, networking events and Business Enterprise Surveys.

The consistent and resourced Membership and Industry Support team, which has been in place for more than a year, have established strong relationships with member businesses and individuals.

This has led to more operators willing to take advantage of assistance from TCA and enabled TCA to be more connected with industry; all contributing to a stronger visitor economy in Central Australia.

Marketing

FY22 was a very busy year for marketing, thanks largely to the \$3.5 million dollars provided under the Recovery for Regional Tourism program administered by Austrade.

The cornerstone of our marketing activity was the development, by creative agency KWP in Darwin, of the Get Out There in the Red Centre campaign.





03 | CHIEF EXECUTIVE OFFICER'S REPORT

The campaign was specifically designed and targeted to address the needs of the tourism industry and commence the road to recovery.

The domestic campaign focused on sharing a broader view of experiences in Central Australia to increase intention to visit followed by a strong conversion program. This messaging was used extensively in trade partnerships with Qantas Holidays, Jetstar and Flight Centre, and in direct-to-consumer marketing partnership with a range of large national publications, ESCAPE, The Australian, Stellar and Wish.

With continuing changes to border restrictions and travel partners it was a challenging marketing environment. TCA continued to adapt and optimise the campaign in a changeable environment. This included changing source markets, the re-allocation of funds to improve ROI, and the re-focus of programs to produce the best results.

July 2021 kicked off with the official launch of Mates Rates, our first National tourism campaign. Mates Rates delivered \$1.66m in bookings and almost 2500 room nights, just over 40% of the original target. Covid19 lockdowns, hotspots and border restrictions either prevented travel or caused sufficient uncertainty to negatively impact bookings. With marketing activity in Victoria and New South Wales frequently 'switched off', Queensland ended up as the best performing state with 34.5% of sales.

With bookings well below target, only 14% of the 'incentive funds' were used. The unspent Austrade funding for this campaign was reallocated to the Charter Flights partnership with Holidays of Australia. The Charter Flights program commenced on 26 November and ran until 9 May 2022.

It was initially intended to deliver 39 flights into the region from 21 different regional airports. The COVID-19 Omicron outbreak saw a shift in consumer behaviour making it harder to convert holiday makers to join larger charter tours. The program was ultimately reduced to 9 departures into our region with a total of 730 pax and sales of \$2,082,124.

With an underspend of \$1,012,586.92 across both Mates Rates and the Charter initiatives, TCA then developed a third iteration of the incentive campaign; this time partnering with Flight Centre to offer consumers \$250 off every \$1,000 they spend on a Red Centre holiday for travel from July 7 through to March 31, 2022.

Get Out There also featured in adventure content partnerships with We Are Explorers, Flow Mountain Biking, Places We Swim, Concrete Playground, GQ, and Great Walks to show Australians the diverse range of outdoor, nature and adventure activities available in the Red Centre. All elements meeting their campaign goals and contributing to the understanding of the domestic market understanding of visiting Central Australia.

February to May 2022 saw partnerships with the four main Automobile Associations: RAA, RACV, NRMA and RACQ. All campaigns integrated the Get Out There in the Red Centre messaging and allowed members access to exclusive discounts on Red Centre product (including 10% off car hire, motor homes). A range of new products was prepared by the AA's – and a total of 12 new Red Centre packages were developed, most of which were themed around customers interests, festival and events and road trips. The combined activity generated 275 bookings with sales of \$819,000.

Beyond the Austrade funded activity, TCA partnered with Tourism Australia and Tourism NT in the





03 | CHIEF EXECUTIVE OFFICER'S REPORT

National Experience Content Initiative (NECI). This partnership produced 32 x 1-minute videos and over 1100 high quality images. These assets already feature regularly in TCA social media and are available for all tourism operators via the Tourism Australia media gallery.

Other marketing activity included Round 4 of the Territory Tourism Vouchers (TTV4). This ran from October 2021 through to the end of January 2022. Even with interruptions caused by Covid outbreaks in Darwin and Katherine, this generated eCommerce revenue of \$390,702 during what would otherwise be a quiet period.

Throughout the year, the marketing team have continued with updates to many of our key assets, both physical and digital. Battery Hill Gold Mining & Heritage Centre has a new website <https://visitbatteryhill.com/>, while the main TCA website www.discovercentralaustralia.com has almost 150 new or redesigned webpages. From a consumer perspective these updates are aimed at providing a better experience and providing more interest-led content. Behind the scenes they are helping lift our search engine rankings, for example the number of keywords in a top 3 position on Google increased from 61 in October 2021 to over 200 by the end of July 2022.

Finally, TCA released two new print publications in 2022 – a forty-page Red Centre Drive Guide and a completely redesigned Art Guide. The former features 2WD and 4WD itineraries, maps, locals' tips and safety tips plus articles and interviews with local operators. It feels more like a magazine with editorial and a friendly tone welcoming potential or current visitors to the Red Centre and encouraging them to see and do more on their drive holiday. The Art Guide has 64 x A5 pages – more than twice the size of any

previous edition. 32 operators and five events each get a full page and there are feature stories on Rock Art, Street Art, the Western Desert art movement, and the National Aboriginal Art Gallery. Both publications were greeted enthusiastically, and demand has been strong from the public and operators alike.

In Conclusion

I would like to take this opportunity to thank all the TCA team members who have really put in the hard yards this year. As you have read it has been a massive year with many external factors still impacting what we do day in day out, but it is through the tireless work of all the team that we have been able to achieve what we have for our members.

Can I also pay tribute to all our volunteer ambassadors who have assisted throughout the year.

Finally can I also recognise the enormous support from the Board, our key funding partners and of course our amazing members.

As we look forward, we know our best days lie ahead.

Warm Regards

Danial Rochford - Chief Executive Officer
Tourism Central Australia



04 | TOURISM CENTRAL AUSTRALIA TEAM



Danial Rochford
Chief Executive Officer



Steve Jarrett
Marketing Manager



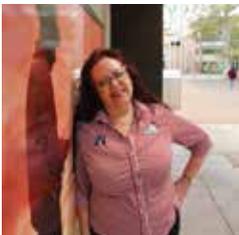
Merrilyn Spencer
Finance Manager



Jim Acklin
Membership & Industry
Support Manager



Kylie Payne
Office Manager



Susan Silvester
Manager (Alice
Springs Visitor
Information Centre)



Karl Herzog
Manager Battery Hill
Gold Mining &
Heritage Centre



David West
Assistant Manager
Battery Hill Gold Mining
& Heritage Centre



Meg Aston
Membership & Industry
Support Coordinator



Ben Urquhart
Marketing Specialist



Georgia Tidey
Marketing Coordinator



Alex Tolcher
Visitor Centre Specialist
Alice Springs



**Amani
Jensen-Bentley**
Visitor Centre Specialist
Alice Springs



Rhiannon Brown
Visitor Centre
Travel Consultant
(Tennant Creek)



Emily Ilgen
Visitor Centre Travel
Consultant (Alice
Springs)



Ola Rzeszowska
Visitor Centre
Travel Consultant
(Alice Springs)



Natalia Laughton
Visitor Centre
Travel Consultant
(Alice Springs)

TOURISM AMBASSADORS

Lynne Peterkin	Katalina Mindszenty
Scott Balfour	Stephanie King
Kim Shegog	Jo Black
Laine Dumny	Celia Otley
Bev Devine	Graeme Reynolds





05 | TREASURERS REPORT

Financial year 2021/22 has been an incredible journey. COVID-19 continued to adversely impact our industry in the beginning however we ended the year with a much more positive outlook as COVID-19 became the new norm, visitors started to return, and the tourism sector has begun to rebuild in our region and across the world.

New challenges in acquiring sufficient skilled and experienced staff to meet growing demand, local crime rates and the cost and availability of goods and freight continue to impede our progress, however it is inspiring to see the way Central Australian businesses have adapted and modified.

Tourism Central Australia (TCA) has continued to work hard to support our members through these challenges, with new and increased initiatives and programs delivered to attract visitors to our region and strong advocacy to all tiers of government. TCA has been committed to doing everything we possibly can and, with some careful operational and financial management, have achieved a small surplus for the year totalling \$3,070.

TCA saw strong revenue this year due to unprecedented levels of grant funding, a 4th round of tourism vouchers and increasing visitor numbers to Central Australia in the second half of the year.

Income for the year totalled \$5,287,723 (\$2,369,372 FY21).

.....
Key income highlights in FY22:

- \$235,000 commission on travel sales, up 27% on budget
 - \$90,000 membership renewals, up 21% on budget
 - \$277,000 retail sales, up 32% on budget
-

Expenditure for the year totalled \$5,284,653 (\$2,079,020 FY21).

.....
Key expenditure activity in FY22:

- \$3,138,885 for Austrade Covid-19 Recovery expenditure which was committed to support national marketing efforts as well as Events support
 - \$25,000 for Professional Services used to engage a consultant to conduct a feasibility assessment on options for the future of the Visitor Information Centre. As a result of this work the NT Government acquired the recommended site and have committed to building a new Visitor Information Centre in Alice Springs. Consultants were also engaged to facilitate and coordinate the development of the new TCA Strategic Plan.
 - \$15,000 was committed to the development of the new Central Australian Arts Trail brochure which included monies supplied from member contributions
 - Just over \$40K that went towards trade displays and attendance of the Sydney, Melbourne, Brisbane and Adelaide Caravan and Camping Shows and AIME.
-

Our Strategic Projects Reserve at year end had a balance of \$253,000.

I would like to acknowledge the ongoing and valuable support from Tourism NT and the significant support provided from the Federal Government through the Austrade COVID Recovery grant.





05 | TREASURERS REPORT

Domestic visitation to the region has been incredibly strong and whilst this funding support is coming to a close, we will now begin to see the return of international visitors to the region.

Thank you to members of the Finance and Risk Committee for your rigorous oversight of TCA's finance and risk functions and invaluable advice. Lastly, thank you to the TCA Board, management and staff who work tirelessly to support our amazing tourism industry and members here in Central Australia.

COVID-19 is normalising, interstate and international visitors are returning, NT and Federal Governments are backing us...the future is bright!



Jodie Summers - Treasurer

Tourism Central Australia



***Tourism Central Australia
Incorporated***

***SPECIAL PURPOSE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022***

Tourism Central Australia Incorporated

INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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Tourism Central Australia Incorporated

STATEMENT BY THE BOARD
FOR THE YEAR ENDED 30 JUNE 2022

The board members of Tourism Central Australia Incorporated ("the Association"), during or since the end of the financial year include:

Board Members

Patrick Bedford (appointed 19/11/2020)	Mark Swindells (appointed 19/11/2020)
Andrea Lehman (appointed 19/11/2020)	Steven Baldwin (appointed 19/11/2020)
David White (appointed 19/11/2020)	Tony Mcfadzean (appointed 17/2/2021)
Karl Bajzik (appointed 19/11/2020)	Jodie Summers (appointed 18/06/2021)
Raelene Ohlson (appointed 25/03/2021)	Allan Woo (appointed 25/11/2021)

Principal activities

The Association's principal activities during the year were the promotion of Tourism in Central Australia. There were no significant changes in the nature of those activities during the year.

Subsequent Events

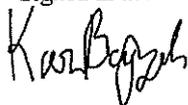
There is no matter or circumstance that has arisen since the end of the year that has significantly affected, or may significantly affect:

- (i) the Association's operations in future financial years; or
- (ii) the results of those operations in future financial years; or
- (iii) the Association's state of affairs in future financial years

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
- c) there are reasonable grounds to believe that the Association will be able to pay its debts when they become due and payable

Signed in accordance with a resolution of the board made on the date of signature below.



Board Member

Karl Bajzik / /2022.

1/11/22.



Board Member

1/11/22

Tourism Central Australia Incorporated

INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2022

Report on the Audit of 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 Profit or Loss and Other Comprehensive Income for the year then ended, Statement of Financial Position as at 30 June 2022, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Board.

In our opinion, except for the effects of the matters described in the Basis for Opinion section of our report, the accompanying financial report of the Association presents fairly, in all material respects, the financial position of the Association as at 30 June 2022 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the *Associations Act NT* and the ethical requirements of the *Accounting Professional and Ethical Standards Boards (APES 110 Code of Ethics for Professional Accountants)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Reliance

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Tourism Central Australia Incorporated to meet the requirements of the *NT Associations Act 2003* and the Association's Constitution. 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 parties other than Tourism Central Australia Incorporated. Our opinion is not modified in respect of these matters.

The Responsibility of the Board for the Financial Report

The Association's Board is responsible for the preparation of the financial statements, and has determined that the accounting policies described in Note 1 to the financial statements, are appropriate to meet the financial reporting requirements of the *NT Associations Act 2003* and the Association's Constitution and are appropriate to meet the needs of the members. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the Association's ability to continue as a going concern, disclosing as applicable, matters relating to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report for the year ended 30 June 2022 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



ClarityNT
is a CPA Practice



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control, if any, that we identify during our audit.

A handwritten signature in black ink, appearing to read "C. Young", is written in a cursive style.

Claire Young, FCPA
Director
ClarityNT

ALICE SPRINGS

4th day of November 2022.

Tourism Central Australia Incorporated

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 \$	2021 \$
Revenue			
Revenue from sale of goods		511,921	618,853
Cost of sales		<u>(169,330)</u>	<u>(160,621)</u>
Gross Profit		<u>342,591</u>	<u>458,232</u>
Grants and contributions provided		4,600,651	1,517,047
Interest income		85	208
Other operating revenues	2	175,066	233,264
Employee costs		(1,306,568)	(1,049,207)
Depreciation & amortisation		(25,624)	(32,652)
Other expenses		(3,783,131)	(836,540)
Net profit/(loss) on disposal of assets		<u>-</u>	<u>-</u>
Surplus for the year		3,070	290,352
Other Comprehensive income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u><u>3,070</u></u>	<u><u>290,352</u></u>

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

Tourism Central Australia Incorporated

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Notes	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	1,706,539	2,836,173
Trade and other receivables	4	101,998	6,393
Prepayments		40,226	15,606
Inventories	5	77,924	88,280
		<u>1,926,687</u>	<u>2,946,452</u>
NON CURRENT ASSETS			
Property, plant and equipment	6	<u>71,674</u>	<u>85,848</u>
TOTAL ASSETS		<u>1,998,361</u>	<u>3,032,300</u>
CURRENT LIABILITIES			
Trade and other payables	7	667,526	501,170
Provisions	8	76,284	50,942
Other	9	876,816	2,080,170
		<u>1,620,626</u>	<u>2,632,282</u>
NON-CURRENT LIABILITIES			
Provisions	8	<u>16,325</u>	<u>14,750</u>
		<u>16,325</u>	<u>14,750</u>
TOTAL LIABILITIES		<u>1,636,951</u>	<u>2,647,032</u>
NET ASSETS		<u>361,410</u>	<u>385,268</u>
EQUITY			
Accumulated surpluses		108,338	105,268
Strategic Projects Funds Reserve		253,072	280,000
TOTAL EQUITY		<u>361,410</u>	<u>385,268</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 2022

	Retained earnings \$	Strategic Project Fund Reserves \$	Total equity \$
Balance at 1 July 2020	94,916	-	94,916
Total comprehensive income for the year	290,352	-	290,352
Transfer from / (to) reserves	(280,000)	280,000	-
Balance at 30 June 2021	<u>105,268</u>	<u>280,000</u>	<u>385,268</u>
Balance at 1 July 2021	105,268	280,000	385,268
Total comprehensive income for the year	3,070	-	3,070
Transfer from / (to) reserves	-	(26,928)	(26,928)
Balance at 30 June 2022	<u>108,338</u>	<u>253,072</u>	<u>361,410</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1 GENERAL INFORMATION

The organisation is an Association, incorporated under the *NT Associations Act 2003*.

Tourism Central Australia's registered office and its principal place of business are as follows:

Jalistan House
Cnr of Parsons Street & Todd Mall
Alice Springs NT 0870

The principal activities of the Association during the financial period were to promote, support and 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 Association's 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 Association's 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 statement" has been prepared to satisfy the governing committee's reporting requirements under the *NT Associations Act 2003*.

Statement of Compliance

The financial statements have been prepared in accordance with the *NT Associations Act 2003* and the Association's constitution.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Basis of Preparation

The financial statements have been prepared on an accruals basis and are based on 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.

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	15-33%
Office and promotional equipment	13-37.33%
Motor vehicles	20-33%
Plant and equipment	20-33%

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 retail and merchandise products for sale and is valued at the lower of cost and net realisable value.

Government grants

Grants are recognised in accordance with AASB 15. Grants are recognised as revenue upon satisfying any specific and enforceable performance obligations required in relation to the receipt of funds. Where contributions during the reporting period were obtained on the condition that they

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts pertaining to those undischarged conditions are treated as a liability and disclosed in these notes.

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

Tourism Central Australia is exempt from payment of income tax under *section 50-40* of the *Income Tax Assessment Act 1997*.

Employee Benefits

Liabilities for employee benefits for wages, salaries, annual leave and long-service leave represent present obligations resulting from employee services, including related on-costs, provided up to reporting date and are calculated at undiscounted amounts. Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

The Association's obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is calculated at an undiscounted amount. Long Service leave is accrued in respect of employees with more than 5 years employment with the Association.

Impact of COVID-19

The COVID-19 pandemic crisis had significant global impact in the 2021 financial year. As the Association engages in various tourism activities in Central Australia Region, the COVID-19 pandemic had multiple effects on the Association's operations including:

- Adapting to changes in the Association's office operations due to quarantine measures imposed by government which included implementing work at home arrangements and maintaining social distancing
- Temporary restrictions of any tourism activities in the region

The impacts of the pandemic on the Association's operations have significantly reduced in the 2022 financial year in line with the global and local response.

Tourism Central Australia Incorporated

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Going Concern

The financial statements of Tourism Central Australia Incorporated have been prepared on the basis that Association is a going concern and will continue to operate in the foreseeable future. The Association's future as a going concern is dependent upon grants and subject to compliance conditions attached to the grants received. The Association has an operating surplus of \$3,070 (2020 \$290,352). The Association has a current 5 year Regional Tourism Partnership Agreement, held until 2023 with the Northern Territory Government, providing financial support of approximately \$800,000 each year with the anticipation that such funding will continue into the future. An additional \$4.5 million in funding has also been secured covering the 2021-2023 financial years, and continued funding for both TIDO and Tennant Creek operations have been secured.

Despite the ongoing uncertainty in relation to the COVID-19 pandemic impact, the Board believe that the Association will continue to receive support from its funders and will be able to generate sufficient cash flows to be able to pay its debts when they fall due. As such, the Board believes the going concern assumption used is appropriate.

Tourism Central Australia Incorporated

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
2 SUNDRY REVENUE		
Advertising Co-Operative	3,061	22,727
Consumer and Trade Show Participation	1,818	7,244
Membership	90,767	3,257
Sundry Income	79,420	200,036
	<u>175,066</u>	<u>233,264</u>
3 CASH AND CASH EQUIVALENTS		
Cash at bank - Cash Management Account	789,927	2,270,936
Cash at bank - Operator Trust (Savings) Account	405,552	418,466
Cash at bank - Operator Trust Account	500,404	142,893
Debit Card Account	2,297	2,555
Undeposited Funds	8,359	1,323
	<u>1,706,539</u>	<u>2,836,173</u>
4 TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	13,598	6,393
Goods and services tax	88,400	-
	<u>101,998</u>	<u>6,393</u>
5 INVENTORIES		
CURRENT		
At cost:	77,924	88,281
Stock on hand	<u>77,924</u>	<u>88,281</u>
6 PROPERTY, PLANT AND EQUIPMENT		
Leasehold Improvements	23,777	23,777
Accumulated Depreciation	<u>(15,511)</u>	<u>(12,719)</u>
	8,266	11,058
Motor Vehicles	131,642	131,642
Accumulated Depreciation	<u>(91,211)</u>	<u>(78,509)</u>
	40,431	53,133
Office Equipment	92,311	85,744
Accumulated Depreciation	<u>(81,750)</u>	<u>(77,343)</u>
	10,561	8,401
Plant and Equipment	68,883	64,000
Accumulated Depreciation	<u>(56,467)</u>	<u>(50,744)</u>
	12,416	13,256

Tourism Central Australia Incorporated

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
Total Property, Plant and Equipment	<u>71,674</u>	<u>85,848</u>
7 TRADE AND OTHER PAYABLES		
Creditors and Accruals	140,109	127,645
Goods and services tax	-	126,554
Superannuation Payable	34,439	24,465
Withholding taxes payable	12,894	15,777
Larapinta Key Deposit	5,050	5,100
Supplier Funds	<u>475,034</u>	<u>201,629</u>
	<u>667,526</u>	<u>501,170</u>
8 PROVISIONS		
Analysis of Total Provisions		
Current		
Annual Leave	<u>76,284</u>	<u>50,942</u>
Non-Current		
Long Service Leave	<u>16,325</u>	<u>14,750</u>
9 OTHER		
<i>UNEXPENDED GRANTS</i>		
TNT - Tourism Industry Development Program (TIDO)	75,000	75,000
TNT - Tennant Creek Funding	169,200	169,200
TNT - Mates Rates Campaign	1,250,000	1,250,000
TNT - Financial Fitness Fund	30,742	23,746
Austrade Covid Recovery	(666,795)	520,800
Battery Hill Museum Preservation	5	35,920
Caravan and Camping	12,500	-
Voucher Campaign Funds	<u>6,164</u>	<u>5,504</u>
	<u>876,816</u>	<u>2,080,170</u>
10 RESERVE		
Strategic Projects Fund Reserve	<u>253,072</u>	<u>280,000</u>
	<u>253,072</u>	<u>280,000</u>

A strategic projects fund reserve of \$280,000 was allocated from the 2020-21 surplus by the Tourism Central Australia Board to reserve funds for future strategic projects. During the 2021-22 financial year, \$26,928 of these funds have now been utilised, leaving a balance of \$253,072 in the Strategic Projects Fund Reserve.

11 RELATED PARTY DISCLOSURES

There are no Related Party Disclosures

Tourism Central Australia Incorporated

DETAILED INCOME AND EXPENDITURE STATEMENT FOR THE
YEAR ENDED 30 JUNE 2022

	Notes	2022 \$	2021 \$
REVENUE			
Sales - Products		276,924	213,127
Commission on Visitor Information Centre Sales		234,997	405,726
		<u>511,921</u>	<u>618,853</u>
Cost of Goods Sold			
Cost of Goods Sold (Products)		141,621	128,586
Credit Card Merchant Fees		27,709	32,035
		<u>169,330</u>	<u>160,621</u>
		<u>342,591</u>	<u>458,232</u>
OTHER REVENUE			
Advertising Co-Operative		3,061	22,727
Consumer and Trade Show Participation		1,818	7,244
Interest		85	208
Membership		90,767	3,257
NT Government Grant - Operations		1,215,777	1,261,028
AusTrade Funding		3,300,810	229,200
Other Grants		84,064	26,819
Sundry Income		79,420	200,036
		<u>4,775,802</u>	<u>1,750,519</u>



Tourism Central Australia Incorporated

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

Notes	2022 \$	2021 \$
LESS EXPENDITURE		
Advertising	152,892	11,359
Airport Welcome Desk Management	1,803	1,652
Audit fees	6,264	30,832
Austrade Covid Recovery	3,138,885	229,200
Art Trail	15,000	-
Bookeasy Commission Payments	46,508	86,350
Cleaning	1,827	1,003
Awards Night Expense	-	-
Committe Expenses	5,872	7,936
Computer expenses	22,848	24,900
Depreciation & amortisation	25,624	32,652
Familiarisation Tours	2,983	-
FBT Expense	9,506	5,245
Financial Literacy Program	24,665	
Fixed Assets Written Off	-	59
Function costs	8,428	20,079
Insurance	23,626	16,356
Marketing & Design	11,153	15,118
Meeting Expense	755	886
Rent on Storage Shed	3,313	2,823
Motor vehicle expenses	10,245	13,763
Mystery Shop Program	4,890	1,800
Office & Stationary Expenses	10,683	11,522
Visitor Maps	4,683	7,168
Postage	2,301	1,929
Printing & stationery	9,044	7,018
Professional Services	45,000	18,425
Recruitment	3,454	12,471
Red Centre Adventurers	-	63,845
Rent on building	38,517	28,395
Salaries & wages	1,154,866	913,027
Salaries & wages - accrual & provision movement	27,454	37,828
Security costs	3,945	4,471
Staff Costs	2,627	6,594
Digital Marketing	-	19,774
Subscription, Membership and Licences	43,985	39,160
Superannuation	111,288	80,636
Supplier Funds Misappropriation	185	
Telephone and Fax	21,300	14,200
Tennant Creek Battery Hill Projects	40,816	19,167
Training and Uniforms	6,185	17,994
Travel & accommodation	17,442	31,534
Consumer Shows	40,887	42,432
VIC Refreshment	-	11,043
VIC Upgrades	4,250	-
VIC Signage	9,324	27,753
	5,115,323	1,918,399

Tourism Central Australia Incorporated

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 \$	2021 \$
SURPLUS/(DEFICIT) FOR THE YEAR		<u>3,070</u>	<u>290,352</u>



TOURISM
CENTRAL AUSTRALIA

The Heart. The Soul. The Centre.