



TOURISM
CENTRAL AUSTRALIA

The Heart. The Soul. The Centre.

ANNUAL REPORT

2022 - 2023

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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 to present the Tourism Central Australia Annual Report for the fiscal year 2022/23.

The year has been the tale of two stories. 2022 has been well reported as a 'unicorn' year for tourism in Central Australia. Not only did we see a tsunami of visitation, but this equated to the Northern Territory reaching its Tourism 2030 expenditure projections early.

However, this trend did not continue. In January the region felt the effects of crime and anti-social behaviour never seen before. This then led to a firestorm of national negative media that was not only relentless but devastating to our brand and our industry.

As the voice of tourism our role as an advocacy organisation was critical. TCA was in constant contact with Government, we advocated strongly in the media and represented our members in key forums.

Our key advocacy achievements this year included doubling the education subsidy for school groups to come to the NT, an extra \$500K support for business events in Central Australia, an extra round of VEEP that has funded Central Australian businesses over \$600K and the establishment of the \$20M Aviation

Attraction Fund which has already netted dividends with the recent announcement of Bonza airlines starting up services between Alice Springs and Melbourne.

Tourism Central Australia also kept to core business and worked tirelessly to promote our members through all our marketing channels as well as the two visitor information centres. In total, we were able to generate over \$2.4M in booking sales which go directly into the pockets of our members.

I am also pleased to report to members that TCA successfully received a new 5 year funding agreement from Tourism NT and the NT Government. Without this funding TCA could not do what we do and we are very thankful to the Northern Territory Government's ongoing commitment to TCA.

This financial year was both challenging and rewarding for Central Australian tourism, but our unwavering spirit, combined with our innovative approaches, has resulted in noteworthy achievements. We embraced the challenges, made informed decisions, and paved a path for resilient growth.

However, the accomplishments of this year wouldn't have been possible without the dedication, hard work, and passion of our Tourism Central Australia Board of Directors. It is your belief in the potential of our region and your commitment to enhancing the tourist experience that drives our success. I thank you for giving up your time and volunteering on our Board.



I would like to thank the entire team at Tourism Central Australia, led by CEO Danial Rochford. The staff's commitment and focus has made things happen this year. Thank you also to all our tourism volunteer ambassadors as well. Their personal support towards TCA is unwavering.

Can I also acknowledge the tremendous support from our key government partners Tourism NT, whose partnership is significant and critical, to NT Parks and Wildlife Service and our four local Governments, thank you.

Finally, can I thank every single TCA member. Our members are what makes TCA strong and your continued support is very much appreciated.

With much of the work done by TCA this year, I am positive we will start to see our industry move forward as we move into 2024. Here's to a brighter future.

Patrick Bedford

Chairperson

Tourism Central Australia





02 | Board of Directors



Patrick Bedford
Chairperson



Andrea Lehman
Deputy Chairperson



David White
Secretary



Jodie Summers
Treasurer



Bradley Kerkman
Finance & Risk
Committee
Representative



Kyle Pearson
Board Director



Craig Jervis
Board Director



Tony McFadzean
Board Director



Chris Hill
Board Director



Allan Woo
Board Director



Matt Paterson
Board Director



Jeff McLaughlin
Board Director



Chris Day
Board Director



Scott Lovett
Board Director

Dale McIver was elected at the AGM in November 2022, but resigned during the financial year.



03 | Chief Executive Officer's Report

I am pleased to table my 4th annual report as Chief Executive Officer of Tourism Central Australia. In this report I will showcase all the key highlights of the 22/23 financial year. Before I do this can I first acknowledge the tremendous work undertaken by all the team at TCA. The TCA team right across the region are so committed and put all their energies into the work they do on behalf of our members and our region.

Can I also take this opportunity to publicly acknowledge too the amazing work done by our loyal tourism ambassadors who volunteer their time and effort for TCA and our members.

In the financial year 2022/23 our longest serving employee Susan Silvester was recognised at the annual Brolga Awards as the Tourism Employee of the Year. I am sure every member will join me in saying congratulations to Susan for this award as well as thinking how well deserved it was.

Much has been talked about already that this year was very much in two parts. The first six months saw a significant surge in visitation to the region and the Northern Territory. This surge was driven by post covid domestic demand. This demand was certainly welcomed by all our members who have had to endure some difficult days in the preceding years as a result of the pandemic and border closures.

That said, the second half of the financial year was a different story. The year started disastrously with Alice Springs catapulted into a firestorm of negative national media regarding its crime situation. This issue as well as a series of headwinds fuelled by rising cost of living, increased international competition, the resurgence of cruise shipping and the issues affecting the Fitzroy River Crossing in WA all made the first six months of 2023 very difficult.

What we saw very early into the 2023 tourism season was a significant reduction in visitation. While many operators faced significant downturns, there were some operators that bucked that trend.

As always, when our industry faces down issues, TCA stepped up to the plate in the advocacy work we have done.

The Chair's report has identified many of TCA's advocacy wins – many of which have directly supported our members.

The biggest of these wins must be the establishment of the aviation attraction fund. TCA has long advocated on the importance of improving aviation route development in Central Australia. That new attraction fund has netted immediate benefits with the announcement of Bonza Airlines.

From a corporate perspective I am pleased to report that TCA signed a new five year funding agreement with Tourism NT and the Northern Territory Government. This agreements cements TCA's role into the future and allows us to do what we do on behalf of our members and our region. A huge thank you to the Government for their continuing support.



03 | Chief Executive Officer's Report

Marketing

The year commenced with the final stages of the AUSTRADE program. Funds remaining from the 'Mates Rates' and 'Charter Flight' campaigns was invested into a partnership with Flight Centre Travel Group. The tactical portion of the campaign ran from 14 July to 7 September 2022 and provided consumers who booked eligible Red Centre travel through Flight Centre with \$250 off every \$1,000 they spent on travel up to the end of March 2023. The marketing spend of \$400,000 returned sales of \$2,053,860. The campaign resulted in 595 bookings, 1135 passengers and 1314 room nights. Bookings were split Yulara 56% and Alice Springs 44%.

The AUSTRADE program also included a digital marketing and packaging component. In addition to the creation of 150 new webpages, this project included a search engine marketing (SEM) campaign utilising Google Ads. Over the months July to November 2022, an investment of \$58k delivered 31,000 visitors to TCA's website and generated over \$282,000 in revenue.

The final element of the AUSTRADE program was the addition of an Events Specialist to the TCA team. Karan Bhuta handed this role over to Georgia Tidey in September 2022. While continuing with local event liaison and monthly updates to the Events Calendar, Georgia's primary focus was the delivery of the hugely successful Central Australia Events Week in November. Facilitated by Krista Hauritz with support from TCA and NTMEC, the week included a Business Planning masterclass; Funding and Grant Writing workshop; Event Marketing masterclass; one-on-one event mentoring, an evening of networking

for tourism operators and event organisers; and a speaker panel featuring interstate event guests.

On 12 November 2022, TCA was the winner of the 'Tourism Marketing and Campaigns' category at the Broлга Awards. This was a very timely recognition of the 'Get Out There' campaign that was at the heart of our AUSTRADE activity which concluded at the end of November 2022.

January 2023 saw the first of two partnerships with Webjet and funded by Tourism NT. The campaign offered travellers \$150 off flights to the Red Centre for travel between mid-January and early April. The campaign attracted 618 passengers (319 to Uluru, 219 to Alice Springs) and provided \$92,700 in discounts. A second Webjet campaign took place in June. This resulted in bookings for 2001 passengers with two thirds going to Uluru and one third to Alice Springs.

Caravan and Camping shows form an important component of TCA's integrated marketing activities. Each year TCA subsidises and coordinates participation in major city shows to provide members an accessible and affordable opportunity to showcase their products and services in markets which have the potential to deliver business. After three disrupted years, the show season returned to normal in 2023. Representatives from TCA and member businesses attended shows in Adelaide, Melbourne, Perth, Sydney and Brisbane with a total visitor attendance of 194,000. Despite considerable negative media coverage about Alice Springs, the sentiment at the shows was mostly very positive with many people still planning trips to Central Australia.





Other marketing activity during the FY23 included a Cooperative Marketing campaign using Facebook and a multi-channel campaign focused on getting people out and about in the Red Centre. The carousel format Facebook campaign featured a different theme each month – events, adventure, and Red Centre attractions. Collectively, they resulted in over four million impressions and 17,600 link clicks to members' pages on the TCA website during the months February to May.

It was a challenging year for social media. Our paid activity, as part of the AUSTRADE program, performed very well. Across the year we reached over 35 million people. We gained 15,000 new Facebook followers and 1,000 new Instagram followers. Sadly, our organic (unpaid) posts struggled as Meta, the owner of both Facebook and Instagram, continue to modify their algorithms to favour the paid model. Nevertheless, our best posts are still reaching large numbers of people. Reaching 845,000 people and received 9,500 likes, the top image of the year featured [drum roll] Karlu Karlu.

Alice Springs Visitor Information Centre

The rise and fall of visitation in the financial year was evident in all the key metrics from the Visitor Information Centre in Alice Springs.

In total we saw an increase of visitation to the centre of 6.9% with over 75,000 visitors coming into the centre in the year.

Booking commissions also increased by 15% with a total of \$276,635 being received in net commissions. More importantly this has provided well over \$2M in

gross bookings to our members which is well up on pre covid numbers.

Retail sales have gone from strength to strength with sales up 23.8% to almost \$342,000 in gross revenue. This increase in revenue is a huge support in TCA's overall finances.

In the last six months of 2022, the centre struggled to reach peak staffing levels due to the overall worker shortages faced by the region. This however stabilised in 2023 with the centre reaching peak employment. We also increased our volunteer base with an additional three tourism ambassadors joining the team.

Over the past 12 months we have made several changes in the Visitor Information Centre. We have replaced the carpet, removed the large TV screen replacing it with slatwall panels giving us more space for retail. The TV screen used for the ticket machine was moved to behind reception with 3 new screens installed above the brochure racks. These screens highlight our region as well as being available for local events.

The large black display panels have been removed, Parks and Wildlife now have displays on the windows. The feedback stand has been relocated near the front door. We have introduced a concierge desk with seating for the volunteers and staff as an additional information desk.

Following a spate of broken windows (19 in January alone) the owners of the building decided to install shutters on all downstairs windows in the building. This has made a significant difference with zero incidents in the last 6 months.



03 | Chief Executive Officer's Report

TCA continued to extend operations by using our mobile information centre at key local events. Our partnership with the Henley on Todd event continued to flourish this year with TCA receiving almost \$3,500 in merchandise net revenue.

Tennant Creek Operations

The Battery Hill Gold Mining and Heritage Centre incorporating the Tennent Creek Information Centre, has provided excellent experiences to visitors and the locals alike to the Barkly, through improved business operations and touring services.

Due to heavy rainfall in January 2023 the underground mine flooded and tours ceased operation for the second half of the reporting period. However, the museums continued to be patronised, with a substantial increase of 41% on the previous year revenue.

I'm pleased to report the mine tour has now recommenced and feedback to date has been highly complementary, with visitors comments comprising of "informative and educational", "friendly and enthusiastic" and "well read and knowledgeable".

The VIC retail space was refreshed with additional product displays, having significantly improved the overall flow of the space and access to brochure displays. The brochure racking has been modified and flows in regional areas with new signage. A new promotional screen showcasing images of the Barkly region, has encouraged more questions and requests for information.

Membership and Industry Support

The year started in a very positive mood. After losing some of the Members gained during the pandemic when membership was free, the number of paid memberships levelled out at 338. This was about 13% up on the pre-pandemic membership. A review by the Membership & Industry Support Team revealed that most of the losses, after the reintroduction of fees, were in the hospitality and services sector. This prompted plans to restructure TCA's membership offering ahead of 2023 with a view to providing better value to that sector in order to grow membership and revenue.

Meanwhile, the Tourism Business Development Program, delivered by TCA on behalf of Tourism NT, got off to a flying start. With a yearly target KPI of 200 Surveys, broken down into quarterly targets (Q1 to Q4) of 60, 50, 28 and 62 respectively, the team exceeded for the first quarter target 16%. The second quarter started well, but with much attention turned to the membership restructure, the delivery of enterprise surveys began to fall behind schedule. This was later compounded by the unexpected departure of both members of the Membership and Industry Support team in January.

The Membership restructure which included the introduction of new categories, revamping existing categories, changing prices, reviewing and improving membership benefits, overhauling the online membership portal and the creation of a new membership prospectus, was finally sent out to





existing members at the start of December. About 28% of memberships renewed in December, most of these prior to the Christmas break. With so many businesses closed in January, the number only rose to about 41% by the end of January and to 51% by end of February.

February saw the start of a completely new Membership & Industry Support Team. Despite a very steep learning curve, they doggedly set out to get all memberships paid and to get back on track with the Business Development Program.

In addition to conducting Enterprise Surveys, the Business Development Program also involved the delivery of at least three practical workshops. The KPI was reached in the first half of the year and in February Chris Telenta conducted two Bookeasy workshops to assist operators in uploading their new season's products and to update existing products & pricing. This was followed in March with Tourism Tribe's online seminar 'How to Showcase your Video to the World'. The workshop series was completed in May with an Impart Media webinar to give members a practical understanding of Bookeasy's new gift voucher functionality and how it can benefit their business.

The Membership team did a sterling job of attracting new members. Between January and the end of June 23 businesses became TCA members, many of them in the hospitality sector that we had set out to attract with the membership restructure.

To add greater stability to the Membership & Industry Support team and to further enhance the support they provide, a process of internal TCA restructuring was developed for implementation in 23/24. This restructure sees the Marketing team merged with Membership & Industry Support to form the Membership & Marketing team which will consist of four staff each with responsibilities across both aspects of the department. The primary focus will be on member engagement and each member organisation will be assigned to a specific Membership & Marketing Specialist (MMS) who will be their primary point of contact with TCA. The new team will continue to establish and develop strong relationships with member businesses and individuals so that collectively we can build a stronger visitor economy in Central Australia.

Danial Rochford
Chief Executive Officer

Tourism Central Australia

04 | Tourism Central Australia Team



Danial Rochford
Chief Executive Officer



Steve Jarrett
Membership &
Marketing Manager



Merrilyn Spencer
Finance & HR Manager



Kylie Payne
Corporate & Executive
Services Manager



Susan Silvester
Manager (Alice
Springs Visitor
Information Centre)



Selina Manouge
Manager Battery Hill
Gold Mining &
Heritage Centre



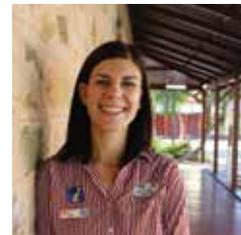
Jaimie Mitchell
Membership &
Marketing Specialist



Georgia Tidey
Membership &
Marketing Specialist



Jeremy Goddard
Membership &
Marketing Specialist



Emily Ilgen
Visitor Information
Centre Officer
(Alice Springs)



Annalese Parsons
Visitor Information
Centre Officer
(Alice Springs)



Ola Rzeszowska
Visitor Information
Centre Officer
(Alice Springs)



Glen Nelson
Visitor Information
Centre Officer
(Alice Springs)



Tash Furrows
Visitor Information
Centre Officer
(Alice Springs)



Pennie Cowin
Visitor Information
Centre Officer
(Tennant Creek)

TOURISM AMBASSADORS

Lynne Peterkin
Katalina Mindszenty
Scott Balfour
Stephanie King

Kim Shegog
Jo Black
Laine Dumny
Celia Otley

Bev Devine
Graeme Reynolds
Cheryl Slater
Christopher Slater

Russell North



05 | Treasurer's Report

Every year comes with a unique set of challenges and the financial year 2023 (FY23) was no different.

The year kicked off to a great start, with strong tour and retail sales producing commercial revenue which substantially exceeded budget, we were looking forward to the year ahead.

Unfortunately, we were hit with yet another blow following detrimental and ongoing national media coverage of worsening crime issues in the Central and Barkly regions, the resulting decline in visitation over the second half of the year resulted in a significant drop in revenue, particularly for retail sales in our Visitor Information Centres. A difficult time for all given crime was, and is, a significant national issue - not specific to Central Australia.

The closure of our Tennant Creek Mine tours due to flooding in the mine shaft also hit our bottom line.

Like many of you, Tourism Central Australia (TCA) experienced significant challenges finding staff, while this helped the finances it did leave the team very short. To our staff, thank you for the outstanding job you all did to see us through the year.

Despite the challenges, TCA has continued to work hard to support our members with new and increased initiatives and programs, and strong advocacy to all tiers of government. The team have been committed to doing everything they possibly can with some careful operational and financial management.

Due to the team's careful spend and the unfortunate staff shortages, TCA has been able to record a healthy surplus for FY23 of \$108K. This is up from \$3K in the previous financial year.

The Board have made the strategic decision to reallocate this surplus into TCA's Strategic Projects reserve fund. This fund now has a balance of almost \$350K. No funds were spent from the reserve fund in FY23.

Our total revenue for the financial year was \$3.03M

Some key highlights in the financial year 22/23 include:

- \$274,000 commission on travel sales,
- \$107,500 membership renewals,
- \$342,000 retail sales,
- \$39,500 Battery Hill Mine tours.

Expenditure for the year totalled \$2.93M. Key highlights included:

- \$1.2M spent on promoting our region through advertising and promotions
- \$17,000 producing Visitor Maps for distribution through the Visitor Centres and Consumer Shows
- \$13,800 was spent on new and upgraded signage
- \$8,900 of improvements to our Visitor Information Centres

The sign-off of a new 5-year funding agreement was a key highlight of the year, thank you to Danial and Patrick for all their work in negotiating a great package for Central Australia which includes additional new funding for forward financial years.



05 | Treasurer's Report

This result is reflective of the strong partnership TCA has with Tourism NT and the Northern Territory Government.

I would like to take this opportunity to acknowledge the ongoing and valuable support from the Northern Territory Government and thank the Federal Government for their significant support through the now finalised AUSTRADE COVID Recovery grant.

I would like to express my sincere gratitude to the TCA Board, CEO and staff, particularly Danial Rochford, Merrilyn Spencer and the Board's Finance and Risk Committee members David White, Bradley Kerkman and Patrick Bedford, for their ongoing commitment and contribution to our members and industry.



Thank you

Jodie Summers

Treasurer

Tourism Central Australia Inc.



***Tourism Central Australia
Incorporated***

***SPECIAL PURPOSE FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023***

Tourism Central Australia Incorporated

INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

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Tourism Central Australia Incorporated

STATEMENT BY THE BOARD
FOR THE YEAR ENDED 30 JUNE 2023

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

Board Members

Patrick Bedford [CHAIR from AGM date]
Karl Bajzik [CHAIR from Aug 2022 until AGM]
Andrea Lehman [VICE CHAIR from AGM]
Jodie Summers [TREASURER] (continuing)
Steve Baldwin (continuing)
Chris Hill (appointed at AGM)
Craig Jarvis (appointed at AGM)

Bradley Kirkman (appointed at AGM)
Tony McFadzean (continuing)
Dale McIver (appointed at AGM, resigned Apr 2023)
Raelene Ohlson (up until AGM)
Mark Swindells (up until AGM)
David White (continuing)
Allan Woo (continuing)

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 net profit of the Association for the relevant financial year was: \$108,057 (FY22: \$3,070)
- c) the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association
- d) 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

1 / 11 / 2023



Board Member

1 / 11 / 2023

Tourism Central Australia Incorporated

INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2023

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 2023, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Board.

In our opinion, the accompanying financial report of the Association presents fairly, in all material respects, the financial position of the Association as at 30 June 2023 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.

Tourism Central Australia Incorporated

INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2023

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 2023 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 controls 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 controls.
- 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.

Tourism Central Australia Incorporated

INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2023

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.



Claire Young, FCPA
Director
ClarityNT

ALICE SPRINGS

3 day of *November* 2023

Tourism Central Australia Incorporated

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
Revenue			
Revenue from sale of goods		616,128	511,921
Cost of sales		<u>(230,287)</u>	<u>(169,330)</u>
Gross Profit		<u>385,841</u>	<u>342,591</u>
Grants and contributions provided		2,460,173	4,600,651
Interest income		3,680	85
Other operating revenues	2	189,965	175,066
Employee costs		(1,161,287)	(1,306,569)
Depreciation & amortisation		(20,839)	(25,624)
Other expenses		(1,749,476)	(3,783,130)
Net profit/(loss) on disposal of assets		-	-
Surplus for the year		<u>108,057</u>	<u>3,070</u>
Other Comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		<u><u>108,057</u></u>	<u><u>3,070</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 2023

	Notes	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	1,251,215	1,706,539
Trade and other receivables	4	56,622	101,998
Prepayments		19,702	40,226
Inventories	5	130,110	77,924
		<u>1,457,649</u>	<u>1,926,687</u>
NON CURRENT ASSETS			
Property, plant and equipment	6	<u>86,697</u>	<u>71,674</u>
TOTAL ASSETS		<u>1,544,346</u>	<u>1,998,361</u>
CURRENT LIABILITIES			
Trade and other payables	7	802,019	667,526
Provisions	8	65,737	76,284
Other	9	183,519	876,816
		<u>1,051,275</u>	<u>1,620,626</u>
NON-CURRENT LIABILITIES			
Provisions	8	<u>23,604</u>	<u>16,325</u>
		<u>23,604</u>	<u>16,325</u>
TOTAL LIABILITIES		<u>1,074,879</u>	<u>1,636,951</u>
NET ASSETS		<u>469,467</u>	<u>361,410</u>
EQUITY			
Current year surplus / (deficit)		108,057	3,070
Accumulated surplus / (deficit)		5,338	105,268
Strategic Projects Funds Reserve	10	356,072	253,072
TOTAL EQUITY		<u>469,467</u>	<u>361,410</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 2023

	Retained earnings \$	Strategic Project Fund Reserves \$	Total equity \$
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>
Balance at 1 July 2022	108,338	253,072	361,410
Total comprehensive income for the year	108,057	-	108,057
Transfer (from) / to reserves	(103,000)	103,000	-
Balance at 30 June 2023	<u>113,395</u>	<u>356,072</u>	<u>469,467</u>

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

Tourism Central Australia Incorporated

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

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 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.

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 *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.

Basis of Preparation

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

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 - 20%
Computer Equipment	20 - 25%
Office Equipment	20 - 33%
Promotional Equipment	25%
Motor vehicles	18 - 25%

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. The balance includes items paid by the Association and not yet received.

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 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*

Tourism Central Australia Incorporated

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Employee Benefits

Liabilities for employee benefits for wages, salaries, annual leave and long-service leave represent present obligations resulting from employee services, 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. These contributions have not been included in the provision balance(s).

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; 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.

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.

In profitable years, the Board may allocate funds to the Strategic Reserves Fund, subject to a motion for recording in the financial system. This practice is crucial for Not For Profit organisations to build up reserves for future needs such as equipment replacement, support during downturns, or funding strategic initiatives, ultimately enhancing long-term sustainability.

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 2023

	2023	2022
	\$	\$
2 SUNDRY REVENUE		
Advertising Co-Operative	14,450	3,061
Consumer and Trade Show Participation	4,727	1,818
Membership	107,411	90,767
Sundry Income	63,377	79,420
	<u>189,965</u>	<u>175,066</u>
3 CASH AND CASH EQUIVALENTS		
Cash at bank - Cash Management Account	150,844	789,927
Cash at bank - Operator Trust (Savings) Account	392,247	405,552
Cash at bank - Operator Trust Account	703,381	500,404
Debit Card Account	2,474	2,297
Undeposited Funds	2,269	8,359
	<u>1,251,215</u>	<u>1,706,539</u>
4 TRADE AND OTHER RECEIVABLES		
Trade receivables	7,759	13,598
Goods and services tax	48,863	88,400
	<u>56,622</u>	<u>101,998</u>
5 INVENTORIES		
At cost:	130,110	77,924
Stock on hand	<u>130,110</u>	<u>77,924</u>
6 PROPERTY, PLANT AND EQUIPMENT		
Leasehold Improvements	23,777	23,777
Accumulated Depreciation	<u>(17,541)</u>	<u>(15,511)</u>
	6,236	8,266
Motor Vehicles	159,687	131,642
Accumulated Depreciation	<u>(102,605)</u>	<u>(91,211)</u>
	57,082	40,431
Office Equipment	100,128	92,311
Accumulated Depreciation	<u>(85,510)</u>	<u>(81,750)</u>
	14,618	10,561
Plant and Equipment	68,883	68,883
Accumulated Depreciation	<u>(60,122)</u>	<u>(56,467)</u>
	8,761	12,416
Total Property, Plant and Equipment	<u>86,697</u>	<u>71,674</u>

Tourism Central Australia Incorporated

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
7 TRADE AND OTHER PAYABLES		
Creditors and Accruals	197,248	140,109
Superannuation Payable	25,818	34,439
Withholding taxes payable	13,338	12,894
Larapinta Key Deposit	5,800	5,050
Supplier Funds	559,815	475,034
	<u>802,019</u>	<u>667,526</u>
8 PROVISIONS		
Analysis of Total Provisions		
Current		
Annual Leave	<u>65,737</u>	<u>76,284</u>
Non-Current		
Long Service Leave	<u>23,604</u>	<u>16,325</u>
9 OTHER		
<i>UNEXPENDED GRANTS</i>		
TNT - Tourism Industry Development Program (TIDO)	-	75,000
TNT - Tennant Creek Funding	169,200	169,200
TNT - Mates Rates Campaign	-	1,250,000
TNT - Financial Fitness Fund	-	30,742
Austrade Covid Recovery	1,819	(666,795)
Battery Hill Museum Preservation	-	5
Caravan and Camping	12,500	12,500
Voucher Campaign Funds	-	6,164
	<u>183,519</u>	<u>876,816</u>
10 RESERVE		
Strategic Projects Fund Reserve	<u>356,072</u>	<u>253,072</u>
	<u>356,072</u>	<u>253,072</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, and in 2022-23 an additional \$103,000 was allocated to the reserve fund, leaving a balance of \$356,072 in the Strategic Projects Fund Reserve.

11 RELATED PARTY DISCLOSURES

There are no Related Party Disclosures

Tourism Central Australia Incorporated

UNAUDITED DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
REVENUE			
Sales - Products		342,010	276,924
Commission on Visitor Information Centre Sales		274,118	234,997
		<u>616,128</u>	<u>511,921</u>
Cost of Goods Sold			
Cost of Goods Sold (Products)		188,573	141,621
Credit Card Merchant Fees		41,714	27,709
		<u>230,287</u>	<u>169,330</u>
		<u>385,841</u>	<u>342,591</u>
OTHER REVENUE			
Advertising Co-Operative		14,450	3,061
Consumer and Trade Show Participation		4,727	1,818
Interest		3,680	85
Membership		107,411	90,767
NT Government Grant - Operations		1,213,158	1,215,777
AusTrade Funding		1,231,615	3,300,810
Other Grants		15,400	84,064
Sundry Income		63,377	79,420
		<u>2,653,818</u>	<u>4,775,802</u>

Tourism Central Australia Incorporated

UNAUDITED DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
LESS EXPENDITURE			
Accounting and Audit Fees		6,000	6,264
Advertising		147,384	152,893
Airport Management Fee		1,953	1,803
Art Trail		2,462	15,000
Austrade Covid Recovery		1,153,451	3,138,885
Bookeasy Commision Payments		54,033	46,509
Cleaning		2,159	1,827
Committee Expenses		4,131	5,872
Consumer Shows		57,025	40,887
Depreciation		20,839	25,624
Famil Tours		-	2,983
FBT Expense		8,404	9,506
Financial Literacy Program		-	24,665
Function Costs		6,674	8,428
Graphic Design		10,395	9,836
Information Technology		11,808	22,848
Insurance		26,287	23,626
Marketing Expenses: Mates Rates		-	1,317
Meeting Expenses		1,532	755
Membership Expenses		15,227	-
Motor Vehicle Expenses		12,131	10,245
Mystery Shop Program		2,880	4,890
Office & Stationary Expenses		9,088	7,836
Postage and Freight		2,055	2,301
Printing		8,073	9,044
Professional services		25,272	45,000
Realised Currency Gains		175	256
Recruitment		8,701	3,454
Rent on Building		39,087	38,517
Rent on Storage Shed		3,360	3,313
Security		2,415	3,945
Staff Costs		5,899	2,627
Staff Retention		6,373	2,847
Subscriptions, Memberships and Licences		46,690	43,729
Superannuation		97,596	111,288
Supplier Funds Misappropriation		-	185
TC Venue Hire Expense		470	-
Telephone & Internet		15,334	21,300
Tennant Creek Battery Hill Projects		-	40,816

Tourism Central Australia Incorporated

UNAUDITED DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
Training and Uniforms		11,710	6,185
Travel and Accommodation		18,253	17,442
Unrealised Currency Gains		(62)	-
VIC Signage		13,795	9,324
VIC Upgrades		8,882	4,250
Visitor Maps		17,075	4,683
Wages and Salaries		1,049,684	1,154,866
Wages and Salaries - accrual and provision movement		(3,097)	27,454
		<u>2,931,602</u>	<u>5,115,323</u>
SURPLUS/(DEFICIT) FOR THE YEAR		<u>108,057</u>	<u>3,070</u>



TOURISM
CENTRAL AUSTRALIA

The Heart. The Soul. The Centre.