

Mackay Tourism Ltd

ABN: 56 074 909 265

Financial Statements

For the Year Ended 30 June 2022

Mackay Tourism Ltd

ABN: 56 074 909 265

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For the Year Ended 30 June 2022

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Mackay Tourism Ltd

ABN: 56 074 909 265

Directors' Report

30 June 2022

The directors present their report on Mackay Tourism Ltd for the financial year ended 30 June 2022.

General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Cr Justin Englert Chair - Appointed December 2020
Experience Councillor of Mackay Regional Council.

Ian Mason Appointed January 2022

Qualifications Bachelor of Business in Tourism and Travel Management majoring in Marketing and a Master of Communications.

Experience Executive Tourism roles at Bass Coast Shire Council and Macedon Ranges Shire Council.

Jane Pickels
Experience Councillor Isaac Regional Council.

Rob Kidd Appointed - January 2021
Experience 4MK Mackay Breakfast announcer 2020; Star 101.9 Mackay Breakfast announcer; 4CC Gladstone Breakfast announcer/program director 2005 - 2010; Classic Rock 91.5/Vega Melbourne announcer/music director 2003 - 2005; MMM Melbourne announcer/Assistant music director 2001 - 2003; Since 1996 worked at 4CRM, 4TO, 4CC, 4MK FM & 4RO; JSIS Engineering Mackay sales manager 1998 - 1996.

Kristen Stevenson Appointed January 2022

Qualifications Certificate III in Hairdressing

Experience 2018 to Current President Valkyrie P & C, Treasurer of Nebo Bushmans Carnival Inc and Isolated Childrens' & Parents Association, 2009 to 2016 Financial Controller of MES Investments Pty Ltd and 2017 to current Director Future Hotels Pty Ltd,

Robert Cocco Appointed - January 2021
Qualifications CEO of Regional Development Australia; Bachelor of Applied Science - Biology; Bachelor of Applied Science - Chemistry; Post Graduate Master's in Business Administration
Experience Over 20 years' experience as CEO and Executive Manager of Not-for-Profit and For-profit organisations; over 15 years' experience as Board Director and Committee Member across, Agribusiness, Government, METS, Construction, Natural Resources, domestic and global, ranking in size and governance from small Not-for-profit to medium for-profit organisations.

Adrian Young Appointed - January 2021
Qualifications General Manager Harrup Park
Experience Project management; strategic planning; risk and analysis and management; Event planning.

Mackay Tourism Ltd

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Directors' Report

30 June 2022

General information

Information on directors

Nicola Willis

Qualifications

HR degree Bachelor of Science

Experience

20 years in Recruitment Industry specializing in staff attraction and retention.

Charlie Bone

Qualifications

Bachelor of Business Deakin University

Experience

Sunstate Fuel Manager of Finance and Administration 2000-2001, CFO 2001-2003, Regional Manager for NQ 2004-2006 and General Manager of B2B Division 2006-2007, General Manager Logistics and Operations 2007-2009, General Manager Dermondly Petroleum SA 2010, Toll Liquid Distributor & Workshop Operations - National Commercial & Operations Manager 2011, M Group Tyre & Mechanical General Manager 2011 to 2017, BIS Regional Manager Northern NSW, QLD & NT 2017 to current

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of Mackay Tourism Ltd during the financial year was the development of Tourism in the Mackay - Isaac Region. No significant changes in the nature of the Company's activity occurred during the financial year.

Short term objectives

The Company's short term objectives are to:

- Increase visitors numbers to Mackay - Isaac region
- Increase visitors length of stay in the Mackay - Isaac region
- Increase visitor expenditure in the Mackay - Isaac region

Long term objectives

The Company's long term objectives are to:

- Make tourism a cornerstone of the Mackay - Isaac regional economy, creating employment and enhancing liveability for our regional community.

How principal activities assisted in achieving the objectives

The principal activities during 2021 - 2022 contributed to these objectives through our marketing activities, stimulating our target visitor markets, our destination development strengthening our competitiveness, and our industry activities helping build business professionalism in the delivery of our tourism experiences and services.

Mackay Tourism Ltd

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Directors' Report

30 June 2022

General information

Performance measures

The Company measures its performance by monitoring visitor arrival and length to stay statistics and expenditure, monitoring sales at our Visitors Information Centre, monitoring sales of memberships to local business, and their degree of participation in our programs of promotional and educational activities.

Members' guarantee

Mackay Tourism Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ NIL for members that are corporations and \$ NIL for all other members, subject to the provisions of the company's constitution.

At 30 June 2022 the collective liability of members was \$ NIL (2021: \$ NIL).

Meetings of directors

During the financial year, 8 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Cr Justin Englen	8	8
Ian Mason	3	2
Jane Pickels	8	6
Rob Kidd	8	7
Kristen Stevenson	3	1
Robert Cocco	8	8
Adrian Young	8	7
Nicola Willis	8	8
Adrian Miles	8	8
Charlie Bone	8	7

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2022 has been received and can be found on page 4 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director:

Robert Cocco

Director:

Jane Pickels

Dated this 16th day of December 2022

Mackay Tourism Ltd

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Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Mackay Tourism Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Paul Hinton - C.A

Mackay Tourism Ltd

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Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2022

	2022	2021
	\$	\$
Revenue		
Operational funding	912,000	892,000
Co-op marketing income	759,060	342,344
Program and event funding	570,688	469,272
Member subscriptions	59,283	-
Business support income	77,600	17,280
VIC commission & merchandise	50,415	41,028
Brochure & display	50,035	40,049
Interest received	379	898
Cash flow boost subsidy	-	58,008
Total Revenue	2,479,460	1,860,879
Expenses		
Loss on sale of property, plant & equipment	(385)	(32,838)
Depreciation and amortisation expense	(11,056)	(10,819)
VIC merchandise & booking fees	(17,128)	(14,793)
Visitors guide production & distribution	(57,051)	(51,948)
Business support expenses	(114,767)	(55,504)
Other operating expenses	(131,192)	(177,534)
Co-op marketing expense	(133,879)	(291,804)
Other marketing expenses	(138,358)	(125,019)
Employee benefits expense	(675,210)	(568,161)
Program and event expenses	(1,291,420)	(458,234)
Operating Surplus/ (Deficit) before income tax	(90,986)	74,225
Income tax expense	-	-
Operating Surplus/ (Deficit) after income tax	(90,985)	74,225
Other comprehensive income	-	-
Items that will not be reclassified subsequently to profit or loss	-	-
Total comprehensive income for the year	(90,985)	74,225

The accompanying notes form part of these financial statements.

Mackay Tourism Ltd

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Statement of Financial Position
30 June 2022

	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	2	566,258	519,506
Trade and other receivables	3	52,796	385,000
Inventories	4	22,212	22,407
Other Assets		7,650	28,460
Total current assets		648,916	955,373
Non-current assets			
Property, plant and equipment	5	32,197	39,744
Total non-current assets		32,197	39,744
Total assets		681,113	995,117
Liabilities			
Current liabilities			
Trade and other payables	7	169,297	132,369
Contract liabilities	8	293,973	553,920
Total current liabilities		463,270	686,289
Total liabilities		463,270	686,289
Net assets		217,843	308,828
Equity			
Retained earnings	10	217,843	308,828
Total equity		217,843	308,828

The accompanying notes form part of these financial statements.

Mackay Tourism Ltd

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Statement of Changes in Equity
For the Year Ended 30 June 2022**2022**

	Retained Earnings	Asset Realisation Reserve	Total
	\$	\$	\$
Balance at 1 July 2021	308,828	-	308,828
Surplus / (deficit) for the year	(90,985)	-	(90,985)
Balance at 30 June 2022	217,843	-	217,843

2021

	Retained Earnings	Asset Realisation Reserve	Total
	\$	\$	\$
Balance at 1 July 2020	316,583	164,324	480,907
Surplus / (deficit) for the year	74,225	-	74,225
Prior year audit adjustment	(81,978)	-	(81,978)
Revaluation increment (decrement)	-	(164,324)	(164,324)
Balance at 30 June 2021	308,828	-	308,828

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
Cash flows activities from operating activities:			
Receipts from customers		2,832,095	1,406,640
Payments to suppliers and employees		(2,781,828)	(1,219,057)
Interest received		379	898
Net cash provided by/(used in) operating activities	12	<u>50,646</u>	<u>188,481</u>
 Cash flow activities from investing activities:			
Purchase of property, plant and equipment		<u>(3,894)</u>	<u>(13,509)</u>
Net cash provided by/(used in) investing activities		<u>(3,894)</u>	<u>(13,509)</u>
 Net increase/(decrease) in cash and cash equivalents held		46,752	174,972
Cash and cash equivalents at beginning of year		<u>519,506</u>	<u>344,534</u>
Cash and cash equivalents at end of financial year	2	<u>566,258</u>	<u>519,506</u>

The accompanying notes form part of these financial statements.

Mackay Tourism Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

Basis for preparation

The financial report covers Mackay Tourism Ltd as an individual entity. The company is a not-for-profit entity limited by guarantee, incorporated and domiciled in Australia. The principal accounting policies adopted in the preparation of the financial statements are set out below.

In the directors' opinion, the company is not a reporting entity because there are not users dependent on the general purpose financial statements. The directors have determined that the accounting policies are appropriate to meet the needs of the members of the company. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act 2001*. The company is a not-profit-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001*. Such accounting policies are consistent with those previous periods unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical cost unless otherwise stated in the notes. The amounts presented in the financial statements have been rounded up to the nearest dollar.

(a) Revenue and other income

Revenue is recognised at the amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring of goods and services to a customer. For each contract with a customer, the company; identifies the contract with a customer; identifies the performance obligation in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand alone selling price for each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer for the goods and services promised. All revenue is recognised when the amount of revenue is reliably measured.

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefit gained from the grant will flow to the entity and the amount of the grant can be reliably measured.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Interest revenue and other revenue

Interest is recognised as interest accrued using the effective interest method. Other revenue is recognised when it is received or when the right to receive payment is established.

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Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(a) Revenue and other income

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

Membership revenue

Revenue from membership subscriptions is now recognised on an accruals basis to reflect the financial year.

(b) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts are shown within short term borrowings in current liabilities on the statement of financial position.

(d) Trade and other receivables

Accounts receivable and other debtors include amounts due from members to any other grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All over receivables are classified as non-current assets.

(e) Inventories

Inventories are measured at the lower cost and current replacement cost.

(f) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

The carrying amount of property, plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount of these assets. In the event that the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A form of assessment of recoverable amount is made when impairment indicators are present.

Plant and equipment

Plant and equipment are measured using the historical cost model.

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(f) Property, plant and equipment

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and equipment	20% - 25%
Motor Vehicles	25%
Computer & communications equipment	20% - 100%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing proceeds with the carrying amounts. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(g) Intangible assets

Owned digital media

Owned digital media has finite life and is carried as cost less any accumulated amortisation and impairment losses.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(h) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to date that the company commits itself to either the purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through the profit and loss", in which case transaction costs are expensed to profit or loss immediately. The company has no instruments carried at fair value through the profit and loss.

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(h) Financial instruments

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between the initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest* method is used to allocate interest income or interest expense over the relevant period is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of income or expense item in profit or loss.

Fair value is the price the company would received to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value of all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

(i) Loans and receivables

Loans and receivables are non-derived financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

(ii) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liabilities were acquired. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

The Company's financial liabilities include trade and other payables and unearned income amounts which are all measured at amortised cost using the effective interest rate method.

Impairment of Financial Assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets have been impaired. A financial asset (or group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

Mackay Tourism Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(h) Financial instruments

Classification and subsequent measurement

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal repayments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised costs (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit loss. After having taken all possible measures of recovery, if the management establishes that the carrying amount be recovered by any means, at that point the written off amounts are charges to the allowance account or the carrying amount of the impaired financial asset is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of the financial assets that would otherwise have been passed due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liabilities, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer or non-cash assets or liabilities assumed, is recognised in profit or loss.

(i) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(j) Employee benefits

Provision is made for the Company's obligation for short term employee benefits. Short-term employee benefits (other than termination benefits) are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and annual leave. Short term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. The company's obligation for short-term employee benefits such as wages, salaries and annual leave are recognised as part of the accounts payable and other payables in the statement of financial position.

Contributions are made by the entity to an employee Superannuation fund and are charged as expenses when incurred.

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(k) Trade payables

Trade and other payables represent liabilities outstanding at the end of the reporting period for goods and services received by the company during the reporting period that remain unpaid. The balance is recognised as a current liability with the amount normally paid within 30 days of recognition of the liability.

(l) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(m) Economic dependence

Mackay Tourism Ltd is dependent on the Mackay Regional Council and Tourism and Events Queensland for the significant proportion of its revenue used for operational purposes. At the date of this report the directors have no reason to believe the Mackay Regional Council and Tourism and Events Queensland will not continue to support Mackay Tourism Ltd.

2 Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash at bank and in hand	249,105	68,610
Short-term deposits	317,153	450,896
	<u>566,258</u>	<u>519,506</u>

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2022	2021
	\$	\$
Cash and cash equivalents	<u>566,258</u>	<u>519,506</u>
Balance as per statement of cash flows	<u>566,258</u>	<u>519,506</u>

3 Trade and other receivables

	2022	2021
	\$	\$
Current		
Trade receivables	52,022	385,000
Sundry debtors	774	-
	<u>52,796</u>	<u>385,000</u>

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Notes to the Financial Statements
For the Year Ended 30 June 2022**4 Inventories**

	2022	2021
	\$	\$
Current		
At cost:		
Stock on hand	22,212	22,407
	<u>22,212</u>	<u>22,407</u>

5 Property, plant and equipment

	2022	2021
	\$	\$
Plant and equipment		
At cost	42,085	43,509
Accumulated depreciation	(29,794)	(27,912)
	<u>12,291</u>	<u>15,597</u>
Motor vehicles		
At cost	35,105	35,105
Accumulated depreciation	(20,575)	(15,732)
	<u>14,530</u>	<u>19,373</u>
Computer equipment		
At cost	17,120	13,680
Accumulated depreciation	(11,744)	(8,906)
	<u>5,376</u>	<u>4,774</u>
Total property, plant and equipment	<u>32,197</u>	<u>39,744</u>

6 Intangible assets

	2022	2021
	\$	\$
Owned digital media at cost	73,065	73,065
Accumulated depreciation and impairment	(73,065)	(73,065)
	<u>-</u>	<u>-</u>

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Notes to the Financial Statements For the Year Ended 30 June 2022

7 Trade and other payables

	2022	2021
	\$	\$
Current		
Trade payables	5,141	44,983
Credit card	11,878	8,735
Travel bookings	18,508	2,025
GST payable	22,290	28,819
Sundry Creditors and accruals	62,635	117
Provision for annual leave	20,929	15,658
Superannuation payable	18,597	17,930
PAYG tax payable	9,319	14,102
	<u>169,297</u>	<u>132,369</u>

8 Contract liabilities

	2022	2021
	\$	\$
Current		
Unearned / deferred income	293,973	553,920
Total	<u>293,973</u>	<u>553,920</u>

9 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 100 each towards meeting any outstanding's and obligations of the Company. At 30 June 2022 the number of members was 170 (2021: 180).

Mackay Tourism Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2022

10 Retained earnings

	2022	2021
	\$	\$
Retained earnings at the beginning of the year	308,828	316,583
Net surplus/ (deficit) for the year	(90,985)	74,223
Prior year audit adjustment	-	(81,978)
Retained earnings at end of the year	217,843	308,828

11 Contingencies and capital commitments

In the opinion of the Directors, the Company did not have any significant contingencies or expenditure commitments at 30 June 2022 (30 June 2021: None) that are not adequately disclosed in the financial statements.

12 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

	2022	2021
	\$	\$
Net surplus/ (deficit) for the year	(90,985)	74,223
Non-cash flows in profit:		
- depreciation	11,056	10,819
- net gain on disposal of property, plant and equipment	383	32,838
- prior year audit adjustment	-	(81,982)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	332,207	(362,326)
- (increase)/decrease in other assets	20,809	(9,036)
- (increase)/decrease in inventories	196	(4,054)
- increase/(decrease) in trade and other payables	36,927	25,118
- (increase)/decrease in contract liabilities	(259,947)	502,879
Cashflows from operations	50,646	188,479

13 Statutory Information

The registered office and principal place of business of the company is:

Mackay Tourism Ltd
Blue Water Lagoon
MACKAY MC QLD 4740

Mackay Tourism Ltd

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Directors' Declaration

The directors of the entity declare that:

- 1 The financial statements and notes, as set out on pages 5 to 17, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director 

Director 

Dated 16th Dec 2022

Mackay Tourism Ltd

Independent Auditor's Report to the members of Mackay Tourism Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Mackay Tourism Ltd (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter,

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Mackay Tourism Ltd

Independent Auditor's Report to the members of Mackay Tourism Ltd

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report 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 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 the 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 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 appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used in the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of 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 Company's ability to continue as 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 Company 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.

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

Paul Hinton - CA

Mackay