

An aerial photograph of the Gold Coast, Australia, showing the city skyline across the water. In the foreground, there are green islands and numerous sailboats in the harbor. The sky is clear and blue.

Annual REPORT

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DESTINATION
GOLDCOAST.

A U S T R A L I A ' S F A V O U R I T E P L A Y G R O U N D

“
**DESTINATION GOLD COAST’S
CORE OBJECTIVE IS TO
ATTRACT MORE VISITORS
AND GROW EXPENDITURE
ON THE GOLD COAST**
”



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HIGHLIGHTS 2019-20



\$109.8M

**MEDIA AND PUBLICITY
VALUE GENERATED**



\$94M

**BUSINESS EVENTS
ECONOMIC IMPACT LED BY DGC**



\$9.7M

**VALUE OF DIGITAL
REFERRALS TO INDUSTRY**



\$7.2M

**PARTNERSHIP MARKETING
FUNDS CONTRIBUTED
EXCL. BASE FUNDING**



84%

**TOTAL EXPENDITURE INVESTED
IN MARKETING ACTIVITIES**



500+

INDUSTRY MEMBERS



**THE
BACHELOR US**

**FILMED FOR THE FIRST
TIME IN AUSTRALIA & ON
THE GOLD COAST**



50+

**INAUGURAL
MARKETING CAMPAIGN**

¹National Institute of Economic and Industry Research (NIEIR) ©2020. Compiled and presented in economy.id by .id the population experts. Data is based on 2016-17 constant prices for all years. NIEIR data are inflation adjusted each year to allow direct comparison, and new data releases normally adjust previous years' figures to a new base year / Tourism Research Australia, Businesses in Australia 2019.

ABOUT US

Destination Gold Coast (DGC) is the trading name of Gold Coast Tourism Corporation Limited (GCT). This report references both the formal corporation name and the trading name.

Tourism is the largest economic sector in the Gold Coast, employing 60,000 people in 4,600 businesses.¹

DGC is an independent not-for-profit, marketing organisation that promotes the Gold Coast as a premier leisure and business events destination on behalf of more than 500 members, and the 26,000 businesses that contribute to the Gold Coast tourism levy.

Established in 1975, DGC has evolved into a highly effective and modern Destination Marketing Organisation (DMO) that has assisted to build Gold Coast's tourism sector to become the fourth largest tourism destination in Australia.

The organisation employs a data-driven approach to formulate cutting-edge strategies and activities for Gold Coast tourism in consultation with the local industry, government, state and national tourism bodies, national and international travel trade and other industry partners.

DGC also manages two accredited Visitor Information Centres on the Gold Coast in Surfers Paradise and at the Gold Coast Airport.

A team of experienced and hard-working professionals recognise the importance of building the Gold Coast community through sustained economic growth delivered through tourism.

For more information about Destination Gold Coast visit destinationgoldcoast.com.



 TALLEBUDGERA CREEK

DESTINATION GOLD COAST



PURPOSE

Through increased visitation to the Gold Coast, DGC fulfils its purpose:
“We create a better Gold Coast.”



VISION

Gold Coast is primarily a leisure destination. With the strongest leisure offering in Australia, and 60 years of brand equity nationally and internationally, DGC pursues this vision relentlessly and unapologetically.



VALUES

ACCOUNTABILITY
COLLABORATION
TRUST

DESTINATION GOLD COAST'S VALUES



ACCOUNTABILITY

We deliver maximum value to the Gold Coast community through delivering on our promises. We hold ourselves and each other to the highest standards of achievement.



COLLABORATION

We deliver the best possible results through working effectively with each other, and with our valued partners, members and stakeholders.



TRUST

We take seriously the responsibility of delivering the maximum return on investment for public funds and are committed to transparency of our operations.

OUR STRATEGY 2019-20

DGC overhauled its strategic priorities last financial year to include an organisation-wide framework inclusive of Board and stakeholder input to deliver its objectives in 2020 and beyond. In pursuit to be Australia's favourite leisure and business events destination, six priorities were identified.

A longer-term focus for the business will achieve a step change in DGC's performance as the Gold Coast's destination marketing organisation and deliver meaningful outcomes for the local economy and community.



STEM THE LOSS OF DOMESTIC VISITOR MARKET SHARE



BE A 'TOP 2' MUST-SEE DESTINATION FOR INTERNATIONAL MARKETS



GROW DIGITAL ENGAGEMENT AND FOOTPRINT



EVOLVE THE GOLD COAST BRAND



POSITION GOLD COAST AS A PREMIER EVENTS DESTINATION



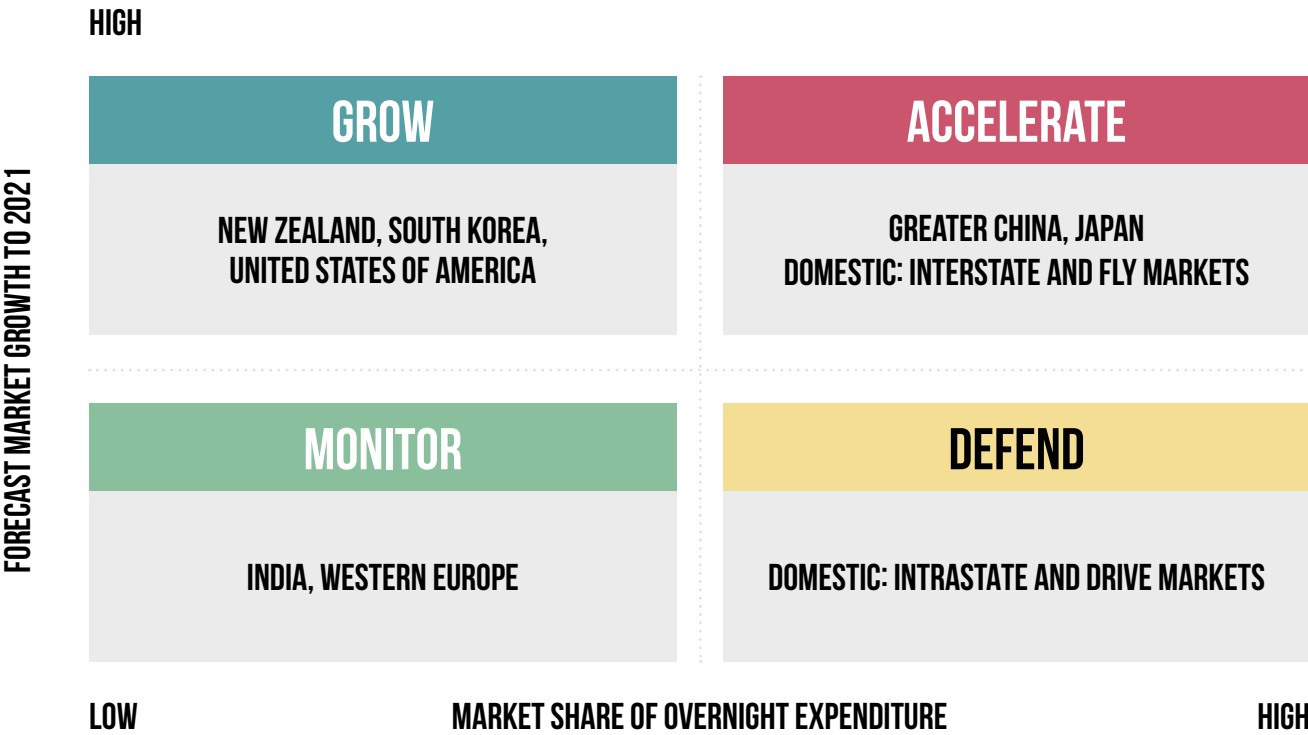
POSITION GOLD COAST AS THE DESTINATION OF CHOICE FOR CONFERENCES, CONVENTIONS, EXHIBITIONS, MEETINGS AND INCENTIVES TO DELIVER DIRECT ECONOMIC BENEFIT TO THE TOURISM SECTOR



TAMBORINE MOUNTAIN

MARKET PRIORITISATION

Market prioritisation saw an emphasis on core domestic and international markets that would deliver strong return on investment. This was segmented into four quadrants with a view to accelerate, grow, monitor or defend key markets against forecasted growth opportunities that would increase the Gold Coast's share of overnight expenditure.





YEAR IN REVIEW

EXECUTIVE CHAIRMAN'S REPORT

The start of 2020 presented us with more challenges than we ever imagined – the worst crisis in living memory – not just for Australians, but particularly for the Gold Coast tourism sector.

The distresses, confusion and utter devastation is etched in our community's mind. It's visible in the faces and voices of our operators, hoteliers, hard-working business owners and is a stark reality for 60,000 tourism and hospitality employees.

We were enjoying a bumper summer period off the back of record-breaking visitation (14.2 million visitors, up 13.5 per cent) and a 4.1 per cent increase in expenditure to \$5.9 billion in 2019. Gold Coast Airport celebrated its strongest December ever in terms of passenger volume and early indicators in January were encouraging for the region despite the devastation of Australia's 'black summer' bushfires which were raging across the country.

The global health pandemic has affected industries and businesses worldwide, none more so than tourism, aviation, hospitality and events who were undoubtably hit hard as a result of coronavirus (COVID-19). The significant disruption and shock cannot be understated and what's more, the social, mental health and commercial stability of operators, businesses and our sector has been tested at levels we haven't experienced in our lifetime.

The gains amassed over the past year were all but erased and life as we know it completely changed. 2020 is a watershed moment for our city, far removed from the highs of the 2018 Commonwealth Games, but equally inspiring is our resilience, compassion for one another and unified response in shaping our recovery.

As a city we have faced numerous challenges from sub-tropical cyclones and drought, the global financial lows of the last decade, to the collapse of domestic airlines Ansett and more recently Tigerair, but this year is unprecedented.

In September 2019, we were saddened to witness bushfires claim 6,000 hectares across the Gold Coast Hinterland and Scenic Rim regions. The displacement and damage of flora and fauna alongside the destruction of heritage-listed Binna Burra Lodge, was the first shock we encountered.

Next, we were confronted by the worst bushfires in Australian history and although the Gold Coast was largely unaffected, our global reputation took a substantial hit. In February, national borders shut for the first time in our history. The outbreak of the coronavirus pandemic subsequently saw tourism grind to a halt.

The Australian economy is now in its first recession in nearly 30 years – possibly the deepest since the Great Depression – and here on the Gold Coast with one in every six jobs linked to tourism, the long-term implications will be felt for some years before we return to pre-COVID levels.

Federal Government lifeline subsidies, JobKeeper and JobSeeker, have kept many businesses and their staff gainfully employed but we must also acknowledge those who didn't qualify for JobKeeper payments.

The numerous COVID-19 support loans no doubt assisted businesses to manage their working capital needs including wages, paying creditors, rent, rates and stock. The certainty of continued fiscal relief for businesses and their employees operating in survival mode remains a priority.

Official figures released in May by the Government show the Gold Coast was one of the hardest hit across the country with more than 27,000 businesses applying for JobKeeper for 100,000 staff equating to \$150 million in payments each fortnight.

In the year ending June 2020, visitors to the Gold Coast decreased by 17.9 per cent to 11.1 million and expenditure declined by 24.8 per cent to \$4.5 billion. The economic and health fallout of COVID-19 is undeniably far more impactful than what we could have ever imagined.

A critical factor that hinges on Gold Coast's long-term ability to bounce back, which is in fact an integral component of our revival as Australia's premier holiday destination, is aviation access and affordability. Domestic travellers are our bread and butter market and affordability is critical for Aussie families. It was a relief that Virgin Australia successfully navigated their voluntary administration process, albeit as a much leaner and smaller carrier. We must also acknowledge that after close to 13 years of operation as a low-cost airline carrier, the Tigerair brand was retired. Competition is a must as we look to rebuild our economy and the continuity of two viable carriers in the domestic fly market ensures more Australians will be able to afford a holiday on the Gold Coast as travel confidence grows. As Brisbane and Gold Coast Airports continue to gradually increase services over the coming months and years, our relationships with both corporations must be maximised.

This year, with the support of additional aviation attraction funds from the City of Gold Coast, DGC along with its industry partners, secured an additional 212,498 inbound seats per annum, estimated to have injected \$262 million in tourism spend. This included the introduction of the first-ever direct service from Seoul, Korea to the Gold Coast launched in December and an increase in Air New Zealand's capacity from Auckland to the Gold Coast. A cooperative marketing agreement delivered a daily service between Tokyo, Haneda to Brisbane, which was expected to further boost record Japanese visitation from March. However, as airlines worldwide have been largely grounded, these critical connections were subsequently suspended. As with tourism, the impacts to aviation in the long-term are not fully apparent although data from the International Air Transport Association (IATA) released in July, forecasts a much slower recovery in global passenger traffic with pre-COVID levels not expected to return until 2024.

Three major campaigns executed during the financial year have included an inaugural \$2 million push targeting those aged 50 years or above as part of our scope to grow the Gold Coast visitor economy by focusing on attracting high-spending travellers. Four other campaigns presented to Council in February as part of DGC's crisis mitigation strategy, were curtailed or postponed due to state and national border closures. The City of Gold Coast provided \$1 million in emergency funding support and the State Government provided \$2.4 million. Along with funds from existing

marketing programs, DGC pivoted its efforts to retain \$7.2 million in cost saving measures to enhance tourism recovery efforts in FY21.

Overseas, DGC delivered 20 marketing campaigns across key markets to inspire travellers. In another first, the Gold Coast was showcased in an episode of the smash US hit romance reality series The Bachelor. A huge success, the episode trended in the number one spot on US social media channels and is estimated to have generated \$40 million in global publicity for the region.

Prior to COVID-19, the Gold Coast strengthened its position as a leading delegate and leisure destination to amass 49 per cent of Queensland's conference and business events market share. The combined result of DGC-led efforts, directly secured 112 business events throughout the year, with an economic impact of \$94 million. Limits to mass gatherings and social restrictions affected confirmed business events from mid-March, but despite the challenges, many were able to be rescheduled in future years. Now more than ever, subvention funding is critical to rebounding in a highly competitive marketplace that will focus on the domestic market in the short-term as international conferences remain out of reach.

The ban on mass gatherings in Australia led to the cancellation of a number of events including the Gold Coast Marathon, GC600 and Blues on Broadbeach just to name a few, and we look forward to the return of major sports and leisure events in 2021 and beyond.

We have been updating members throughout this crisis, connecting with peers, lending a supportive ear and advocating for the sector across all levels of government to ensure our collective voices are heard, but we have also been planning for revival.

We are not resting on our laurels. Gold Coast's hotels, cafés and restaurants, theme parks, attractions, experiences and services are at the heart of everything we do.

During lockdown, we produced three inspirational videos that generated more than 8 million views across Facebook, Instagram and YouTube. A Queensland-centric campaign was then launched in June to encourage backyard tourists to explore the Gold Coast. We certainly haven't remained idle – pushing hard at every turn to capitalise on all available markets. This included further marketing activity amplified across South East Queensland, South Australia, Townsville and Cairns ahead of summer. For the first time, geo-targeted digital billboards promoted Gold Coast experiences in high traffic locations throughout Brisbane that were visible to an estimated audience of 1 million commuters each week over six weeks. Gold Coast's largest-ever \$3.5 million domestic campaign has set sail and plans are at the ready to roll out our biggest campaign in New Zealand once trans-Tasman travel is attainable.

PAUL DONOVAN | EXECUTIVE CHAIRMAN
Gold Coast Tourism Corporation Ltd

A community of interconnected industries, we are cognisant of supporting our stakeholders. Collaboration is key and we will continue to maximise marketing funds to generate the biggest bang for every tourism dollar spent.

An important ingredient in recovery is strong, effective destination marketing – our core role at Destination Gold Coast – in a post-COVID-19 domestic market that will be more competitive than ever. The right level of investment and sound strategic choices will be critical to the future of the local tourism industry.

While COVID-19 has had a devastating impact on the sector, it does also present an opportunity to capture the hearts and minds of Aussies that would normally travel overseas to become repeat visitors to the Gold Coast. That's 9.9 million people of which some 7 million were leisure travellers who spent a whopping \$64 billion abroad. What is required is the ability to reach larger audiences, drive conversion and repeat visitation in close collaboration with our stakeholders. Fortunately, we are well positioned to capitalise on our brand equity as a market leader and preferred holiday destination.

Yes, we have a lot of work ahead of us. We encountered a detour, but it is by no means a dead end. I am especially grateful to the Board who continue to volunteer their time and expertise to guide our organisation, and to the staff who are incredibly passionate professionals that dedicate their working days to building a better Gold Coast through tourism. I would also like to acknowledge former CEO Annaliese Battista for her outstanding contribution to the Gold Coast tourism sector and service over the past two years.

Together with support from the City of Gold Coast, State and Federal Government, Tourism and Events Queensland and Tourism Australia we will rebound and rebuild a sustainable tourism economy.

“
IT IS A DETOUR NOT A DEAD END AND WE MUST NAVIGATE OUR WAY THROUGH AND OUT THE OTHER SIDE TOGETHER. THERE WILL BE MANY CHALLENGES, BUT THE TEAM AT DESTINATION GOLD COAST ARE HERE TO SUPPORT YOU.
”



TOURISM PERFORMANCE

RAINBOW BAY

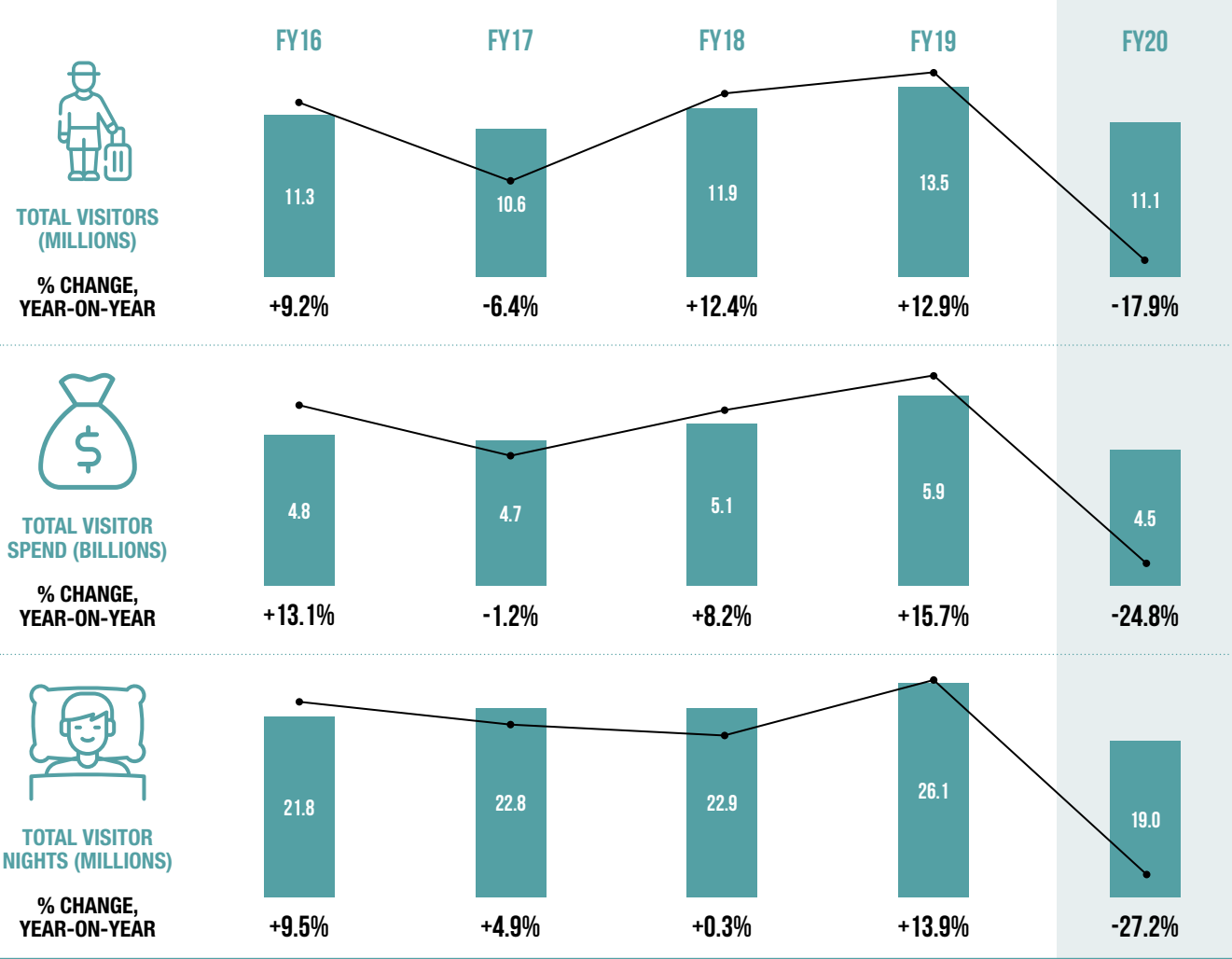
The earliest impacts on Gold Coast tourism following a timeline of border closures and shutdowns throughout the first and second quarters of 2020 show the sharp decline in visitation and subsequent economic shock. Data for the financial year encapsulates Australia's ban on non-essential travel (23 March), closure of Queensland's borders and interstate travel ban (3 April), Queensland day trips permitted from 2 May and intrastate overnight travel from 1 June.

GOLD COAST VISITOR ECONOMY

Tourism Research Australia figures show that in 2019-20, the Gold Coast visitor economy declined by 24.8 per cent to \$4.5 billion. Overall, visitor numbers declined by 17.9 per cent to 11.1 million and visitor nights declined by 27.2 per cent to 19 million for the year. The decline in expenditure was more marked than the decline in visitor numbers as the visitor losses came from Gold Coast's most lucrative visitor segment - interstate overnight travellers - followed by our second most lucrative segment - international visitors. Destination Gold Coast research, conducted by Tourism Economics (a subsidiary of Oxford Economics),

found that interstate domestic overnight visitors to the Gold Coast produced a return on investment of \$60.39 per \$1 of marketing expenditure in financial year 2019, compared to \$17.58 for intrastate domestic overnight visitors. Reopening of Queensland's borders to key interstate markets should produce a significant improvement in visitor expenditure in the Gold Coast in the short term, however current forecasts estimate that it may take until financial year 2023 before the levels of expenditure seen in the previous financial year are exceeded.

GOLD COAST VISITOR ECONOMY - YEAR ENDING JUNE 2020²



²Tourism Research Australia National and International Visitor Surveys, June 2020.

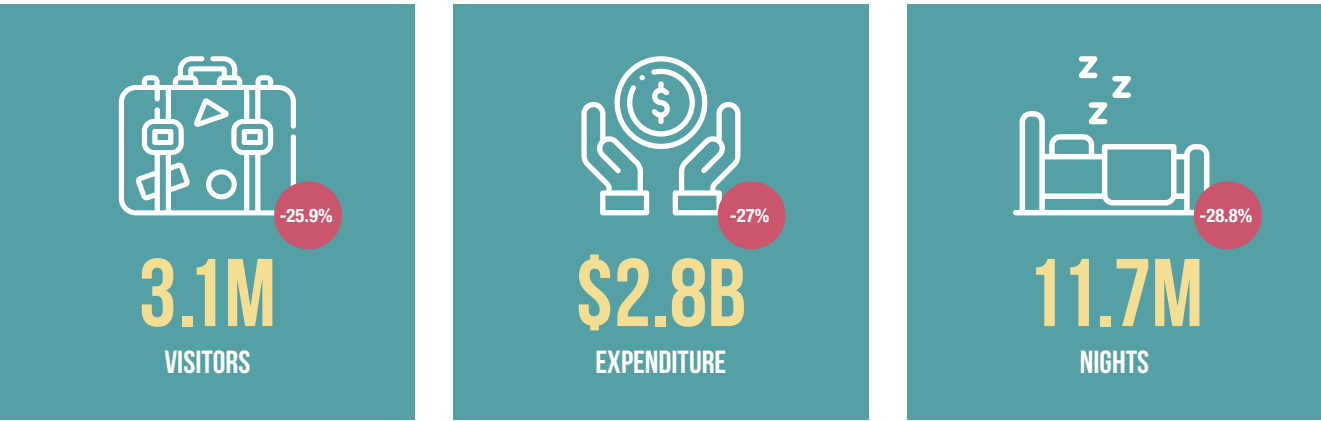
DOMESTIC PERFORMANCE

Figures³ for the three months to June 2020 highlight the sharp decline to domestic overnight trips to the Gold Coast by 78.1 per cent to 233,000 visitors, while the total number of visitors for 2019-20 financial year dropped 25.9 per cent to 3.1 million domestic overnight visitors.

The decrease in domestic overnight visitation drove down total visitor expenditure by 27 per cent to \$2.8 billion and nights tumbled by 28.8 per cent to 11.7 million for the year, highlighting the impact on accommodation. Interstate travel to the Gold Coast declined by 25.3 per cent for the 12

months to June 2020, while intrastate travel saw a greater decline of 26.4 per cent. Daytrips over the same period experienced the lowest decline of 12.3 per cent to 7.3 million visitors, as spend in the Gold Coast from this market decreased by 6.2 per cent to \$758 million.

These figures represent a loss of approximately 1.1 million domestic overnight visitors year-on-year. Including daytrips, these figures are down 2.1 million visitors and \$1 billion over the same period from the domestic travel market for the Gold Coast.



³Tourism Research Australia National Visitor Survey, June 2020.



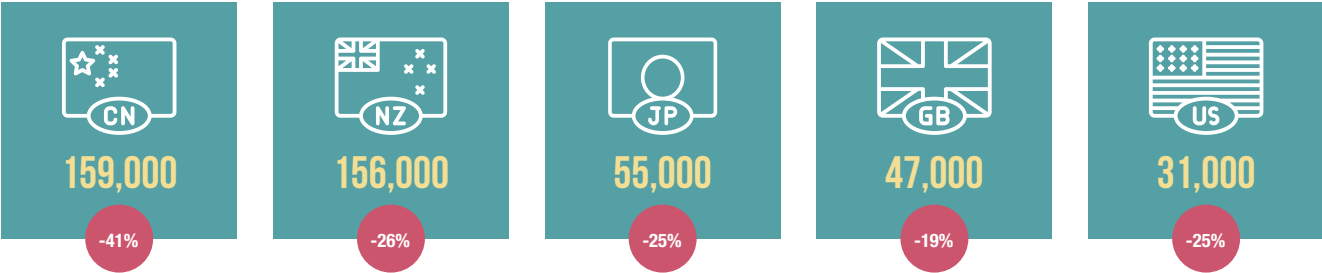
PALAZZO VERSACE

INTERNATIONAL PERFORMANCE

This was an unprecedented year for international travel, with the complete closure of Australia to overseas tourist arrivals for most of the 2020 calendar year. After the highs of the previous year, 2019-20 saw a 30.1 per cent decline in international visitor numbers (734,000) to the Gold Coast, a 24.3 per cent decrease in visitor nights (7.3 million) and 29.6 per cent cut to international visitor expenditure (\$962 million) in the region. Declines in international visitor numbers and expenditure are not unique to the Gold

Coast, but as Australia's largest regional city, and highly dependent on international tourism, the impact on the local economy and tourism sector will likely be very significant for the foreseeable future. Progress on travel bubbles, particularly with other regions in the Asia-Pacific that have been very effective in controlling COVID-19, could significantly ameliorate this loss of tourism revenue.

TOP 5 SOURCE MARKETS⁴



⁴Tourism Research Australia International Visitor Survey, June 2020.

ACCOMMODATION

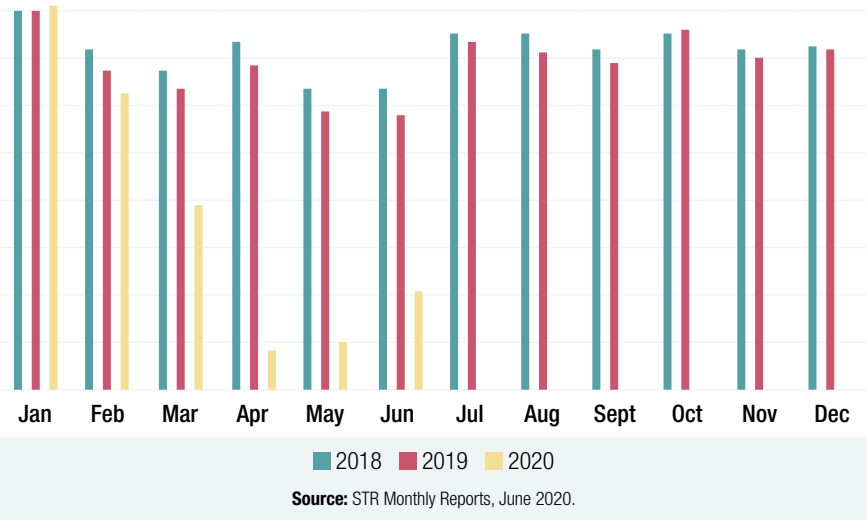
According to STR data there were an estimated 332 commercial accommodation establishments in the Gold Coast as at June 2020, with a combined total of 20,678 rooms. This was a decline of two properties and 678 rooms compared to the previous June. In the shared private accommodation market, there were a total of 6,583 available listings, down 19.8 per cent for the year.

In the 12 months to June 2020, the occupancy rate for commercial accommodation fell by 20.5 per cent due to the COVID-19 pandemic, reaching 55.8 per cent for the period. At the same time, private shared accommodation occupancy rates fell by 14.6 per cent to 42 per cent as the supply of available listings contracted.

Unlike many destinations during COVID-19, notably against similar global peers, the Gold Coast retained continuity of open inventory throughout the height of government restrictions. The profile of properties through the management rights model saw operators continue to trade where in other markets, properties decided to close for a temporary period.

	FY20	% CHANGE
Occupancy	55.8%	-20.5%
Average Daily Rate	\$199.48	+1.4%
Revenue Per Available Room	\$111.24	-19.5%

GOLD COAST MONTHLY OCCUPANCY RATE 2018-2020



CRISIS RESPONSE & RECOVERY

CHALLENGES

As a stalwart of Gold Coast's economic fabric for more than 60 years, tourism has endured highs and lows, none more socially and fiscally disruptive than COVID-19. In a year of great adversity and crises, the strength and resilience of the tourism industry to survive and restart has required a unified response.

At the heart of this resilience is an unshakable characteristic - it's our community, operators, products and lifestyle that makes the Gold Coast 'Australia's Favourite Playground'. Together, we've pivoted, responded and stood tall to pave a way forward.



SEPTEMBER

Gold Coast Hinterland and Scenic Rim bushfires



JANUARY 1-3

Australian bushfires garner worldwide coverage



JANUARY 31

World Health Organisation declares the virus outbreak a "public health emergency of international concern"



MARCH 2

Australia records first cases of human-to-human transmission of COVID-19



MARCH 17

International travel banned in Australia



APRIL 3

Queensland's border closed



OCTOBER 26 & 27

Live weather crosses on the Today program in the Gold Coast Hinterland and Scenic Rim (DGC recovery-led efforts)



JANUARY 25

First recorded COVID-19 case in Australia



FEBRUARY 1

Australia imposes China travel ban



MARCH 15

Gatherings of more than 500 people banned in Australia and major Gold Coast events cancelled




MARCH 20

Australia's borders close to all non-citizens and non-residents



MAY 15

Queensland restrictions ease with day trips allowed within region up to 150km

 TALLEBUDGERA CREEK

“ DESTINATION GOLD COAST REDIVERTED \$7.2 MILLION IN MARKETING ACTIVITY TO SUPPORT RECOVERY IN FY21 ”



NAVIGATING CRISIS

In a year of unimaginable challenges, we watched in disbelief as the start of the bushfire season in September ravaged 6,000 hectares of the Gold Coast Hinterland and Scenic Rim and destroyed a tourism icon in heritage-listed Binna Burra Lodge. Drought fuelled a series of the worst Australian bushfires on record that claimed lives, homes, and the loss or displacement of some three billion animals as a result. Alongside the destruction, an unprecedented volume of global media coverage coupled with the outbreak of a global pandemic, compounded a nation wide downturn in visitation to Australia.

The Gold Coast was one of the first tourism destinations to be significantly impacted by the COVID-19 crisis with disruptions to Chinese New Year and seven-day Golden Week period, traditionally a peak travel time for Chinese visitors to Australia.

An early-February assessment of the immediate impact to the Gold Coast resulting from the pandemic and bushfire season was a minimum loss of \$40 million for the economy.

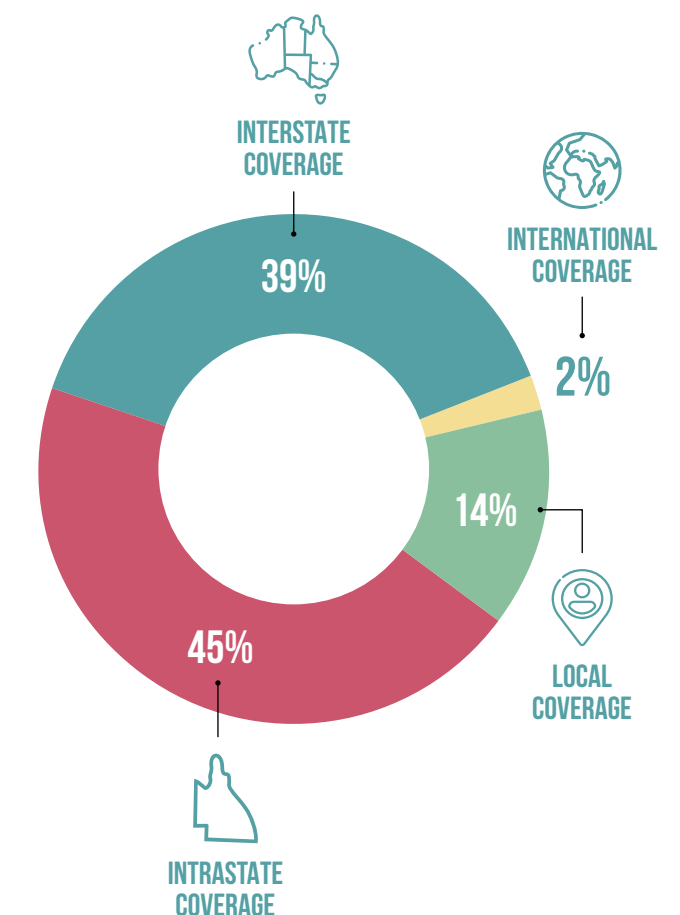
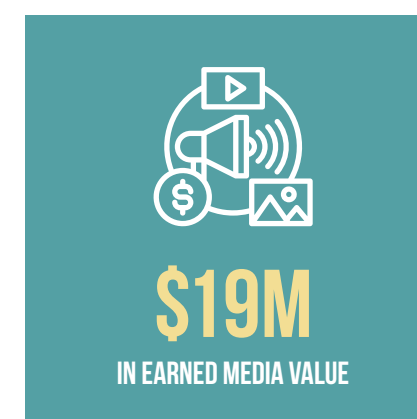
These initial challenges to the tourism sector were dwarfed by the rapid global spread of COVID-19 with the region disproportionately affected, largely through the exposure of its largest economic sector being tourism, which accounted for a \$1.4 billion loss in visitor expenditure for the financial year.

Prior to all non-essential travel effectively being shut down for three months, DGC sought emergency relief funding from the State Government and the City of Gold Coast to safeguard visitor dollars the region heavily relies on by recalibrating its marketing output to increase domestic and New Zealand activity. The City of Gold Coast provided \$1 million in emergency support and the State Government provided \$2.4 million. Simultaneous marketing campaigns were launched in an attempt to maintain the visitor economy supported by the emergency funds secured. While the campaigns were cut short due to the restrictions of COVID-19, results at the time were positive. The retained funds along with redirecting existing program marketing amounted to \$7.2 million that is being utilised to support recovery in FY21.

During the crisis period, DGC was in direct contact with both federal and state-based tourism bodies and associations, business advisory groups and other key stakeholders. This enabled DGC to manage effective crisis responses across a heightened media landscape, lead tourism advocacy efforts and deliver consistent and accurate messaging for members.

With international travel ruled out for the foreseeable future and domestic travel largely restricted to time market forces, crisis and stakeholder communication focused on providing up-to-date messaging across corporate and consumer platforms.

CRISIS RESPONSE



MINDFUL MARKETING

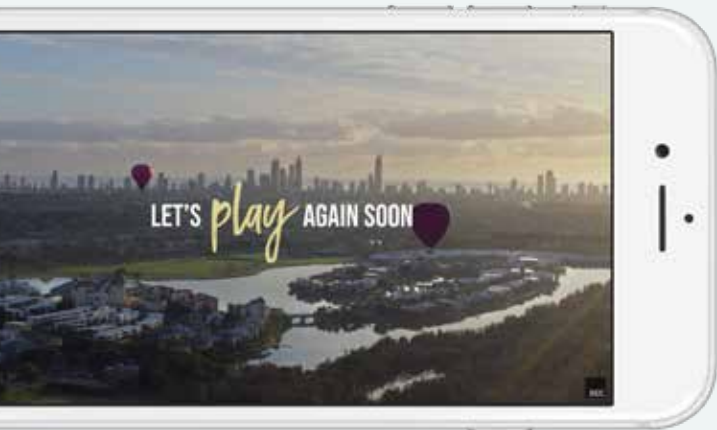
In September, 84-year-old iconic retreat Binna Burra Lodge was gutted by fire, but a year on, visitors have returned to the newly built café and Sky Lodge accommodation. Images of the devastation were widely circulated across Australian and global news outlets. In response, DGC provided ongoing digital, social media, editorial and content support to promote the region and its operators to stimulate visitation. In October, DGC partnered with the Today program for a weekend of live weather crosses that showcased the region and the experiences on offer. More than 2.8 million Aussies tuned in to discover the wonders of the green behind the gold, which generated hundreds of thousands of dollars in publicity for the hinterland across 12 segments. The Gold Coast Hinterland continues to

be a part of our marketing efforts, with the region’s natural assets a key element of our tourism offering. A further \$1 million was invested in brand marketing in which the hinterland and nature-based experiences were heavily featured including in showreel footage and campaign imagery to entice high-spending travellers to explore every facet of the Gold Coast. From March, DGC suspended or cancelled all ‘always on’ paid and marketing activity in response to the pandemic, shifting its approach to focus on brand-inspired content across owned channels. This included a series of inspirational video content to keep the Gold Coast top-of-mind for when domestic travel resumes. These three videos garnered more than 8 million views across Facebook, Instagram and YouTube.



VIDEO 1
THANKS TO YOU, PARENTS

The 60-second video heroes the efforts of parents and carers at home during lockdown and the critical role they played in helping fast track the recovery of tourism.



VIDEO 2
WE'RE PREPARING FOR YOUR RETURN

Synonymous with the Gold Coast’s fun, laid-back atmosphere and its friendly locals, the 60-second video features a series of creative clips from renowned operators as they excitedly prepare to welcome back visitors to ‘Australia’s Favourite Playground’.



VIDEO 3
YOU DESERVE A HOLIDAY

The third and final video instalment coincided with Warner Bros. Movie World and Wet'n'Wild adding to the growing list of family favourites that reopened to the public. The video was promoted to Australian families in interstate markets (with the exclusion of Victoria) with one simple message: ‘You Deserve a Holiday’. After months of restrictions, uncertainty and struggles, July 10 marked the reopening of Queensland’s border before subsequently reclosing in August 2020. The video celebrated a stage where it was safe to welcome back families to experience ‘Australia’s Favourite Playground’ once again.



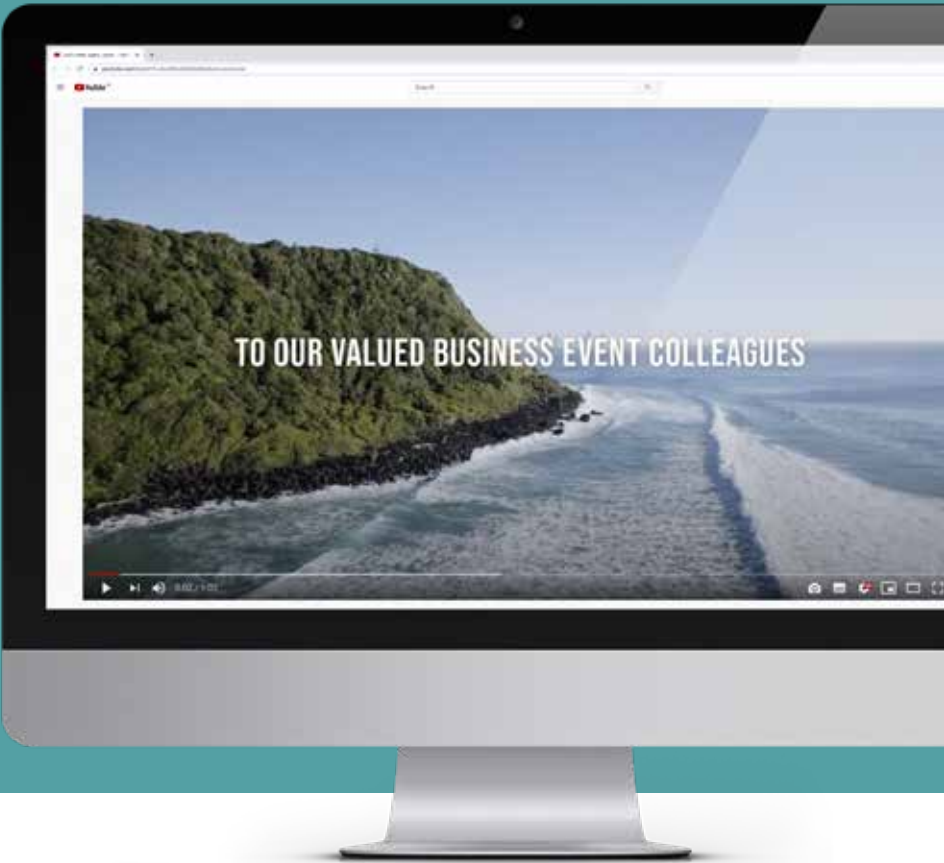
BUSINESS EVENTS

DESTINATION GOLD COAST WAS THE FIRST AUSTRALIAN DESTINATION TO DELIVER A ‘REMIND’ MARKETING MESSAGE TO THE BUSINESS EVENTS SECTOR.

VIEWS: 5,600

The 60-second video features business events professionals from well-known Gold Coast venues and industry suppliers as they prepare to deliver incredible experiences when travel and social restrictions ease. Whether it’s being creative or excitedly dreaming-up new ideas to venues ensuring everything is spick and span, the Gold Coast will be ready and waiting when the time comes - that’s the message for conference organisers. Events and hospitality industries have been one of the hardest hit by COVID-19 and DGC saw an opportunity to lead the way to keep spirits high as the embattled sector looks to rebuild post-pandemic.

Feedback from business events industry representatives was overwhelmingly positive, and amplification of the ‘Let’s Meet Again Soon’ message with shareable campaign assets were established for member usage to ensure a collaborative approach and accurate messaging.

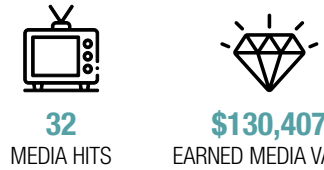
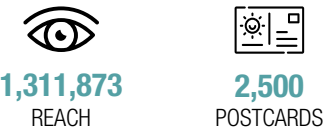


PAID EFFORTS

Destination Gold Coast rallied tourism operators and local personalities to handwrite 2,500 bespoke messages on postcards featuring the city’s favourite hotspots and hidden gems to spark interest for when the travel bug bites again. Thousands of Aussies in Brisbane and Sydney received postcards in their mailboxes designed to tap into family holiday nostalgia with the campaign timed to support the easing of Queensland’s travel restrictions (coinciding with the border reopening on July 10 before being shut for a second time). Gold Coast NRL great and reality television star Mat Rogers, along with homegrown Olympic gold medallist Giaan Rooney were enlisted to invite Australian families to come back and play, as the Gold Coast prepared to welcome back a host of interstate visitors.



2,500 HANDWRITTEN
MESSAGES FROM
MEMBERS MAILED TO
FAMILY HOUSEHOLDS
IN BRISBANE AND
SYDNEY



OWNED CHANNELS

Destination Gold Coast swiftly reassessed and pivoted social media marketing and messaging to align with a shift in consumer sentiment and confidence regarding travel. Whilst travellers from Australia and across the world couldn't physically visit the Gold Coast, it became paramount for DGC to maintain its community engagement. DGC published heartfelt content that spoke to its varying audiences including those in isolation during lockdown combined with empathetic and uplifting messaging to keep the destination top-of-mind. This measured approach sought to tastefully inspire consumers to dream of their next holiday on the Gold Coast. As travel restrictions eased, followers were provided accurate and consistent updates on the reopening of tourism attractions in real-time. This presented an opportunity to promote incredible stories of how our industry innovated and adapted their offering and business models to cater for unprecedented and rapid change brought about by the health pandemic.



CORPORATE COVID-19 RESPONSE

48 UNIQUE POSTS

 102,306 IMPRESSIONS

 6,863 INTERACTIONS

 6.37% AVG. ENGAGEMENT RATE

 6 VIDEOS

 10,216 VIDEO VIEWS



LEISURE

TOP PERFORMING POST

 1,774,256 IMPRESSIONS

 37,139 INTERACTIONS

Below: Standout social media post on DGC's Facebook - Queensland's border reopening.



WEBSITE

From late March, DGC experienced a sharp decline in website traffic coinciding with a national shutdown. For the remainder of the financial year, a volume of website queries containing COVID-19 specific keyword searches spiked including 'restaurants near me open during COVID-19' and 'COVID-19 fun'. In June, DGC launched its dedicated COVID-19 webpage for travellers in addition to a page tailored for industry support measures to assist businesses. These pages attracted 361 and 996 page views respectively within 20 days.

TRADE & MEMBER ENGAGEMENT

Throughout this exceptionally difficult crisis, our team fielded many calls for help and assistance. We hope to have played a small but important role in listening to our tourism community.

Proactive outreach to 123 industry members took place during March to June. Twelve virtual meetings were held weekly with business events members and more than 40 organisations banded together to share market intelligence and leverage recovery strategies.

Destination Gold Coast also communicated with over 1,500 travel trade representatives and organisations in core international markets via webinars, online forums and trade-specific social media platforms to ensure partners remained informed and the destination kept top-of-mind.


In addition to updates supplied to industry via a weekly eDM, six videos also featured organisation-led advocacy efforts and marketing updates across YouTube and LinkedIn channels.

Dissemination of accurate communication and streamlined information was critical for members and sector representatives who were not only navigating numerous challenges but also the daily updates and news that bombarded in-boxes, mainstream media and digital channels. Staying connected with industry provided support to operators and offered DGC valuable insights to keep a finger on the pulse of the developments from interconnected industries.



1,500

INTERACTIONS WITH TRAVEL
REPRESENTATIVES & ORGANISATIONS

 O'REILLY'S RAINFOREST RETREAT

OPPORTUNITY

Destinations worldwide are now working to chart the best way forward to support the return of tourism-based economies as soon as it is safe to do so. Like so many other Australian Destination Marketing Organisations, DGC's priority is jump-starting the domestic market by immediately focusing on stimulating demand, visitation and expenditure for the city.

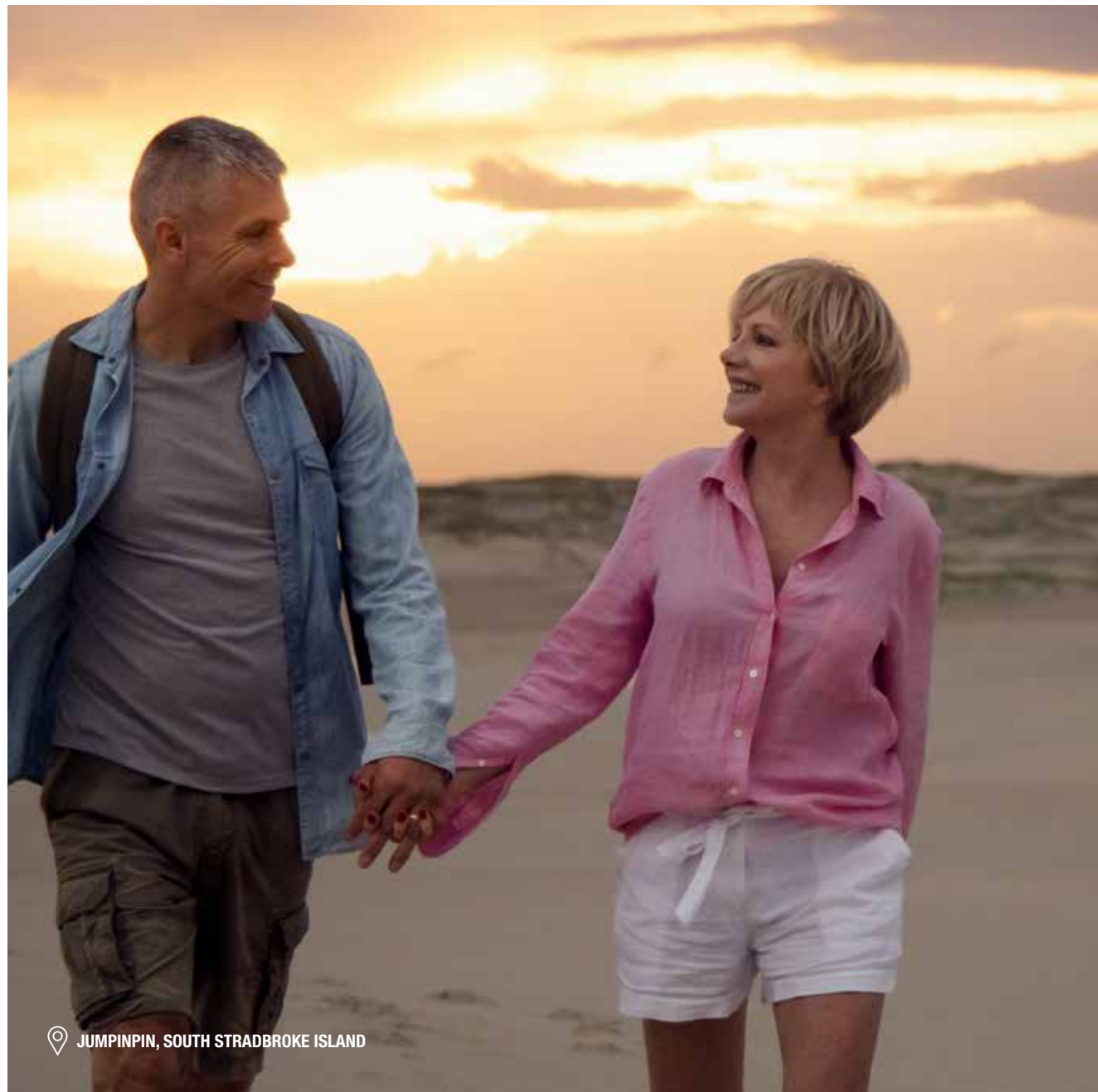
We know the tourism market will be cluttered and more competitive than ever as destinations work to re-establish their market share and trade and aviation partners strive to turn a profit.

The Gold Coast is in a fortunate position where we can leverage our highly successful brand 'Australia's Favourite Playground' to entice visitors from our bread and butter domestic market. A wealth of research consistently shows the Gold Coast near or at the top of the list for post-COVID interstate travel consideration and the opportunity must be seized to convert interest.

#comebackandplay RECOVERY PLAN

Destination Gold Coast's flexible Recovery Plan outlines key phases to kick-start the return of holidaymakers to 'Australia's Favourite Playground' and includes a market re-prioritisation in the immediate term through to restart strategies and results. Continued brand awareness and messaging inviting Aussies and Kiwis to 'Come Back and Play' ensures the Gold Coast's pre-COVID \$5.9 billion tourism sector not only remains top-of-mind, but also increases the likelihood of a successful bounce-back. DGC has also retained key relationships and a presence in key international markets to ensure the destination is able to mobilise quickly when international travel resumes. The 'Result' phase will take a few years to fully materialise and factors including consumer confidence, aviation connectivity and affordability for Australian families will be crucial for success.

PHASE	PHASE 1 : REASSESS	PHASE 2 : REMIND	PHASE 3 : RESTART	RESULT
	MARCH - APRIL 2020	MAY - JULY 2020	JUNE 2020 - JUNE 2021	FY22
PHASE EXPLAINED	 Re-evaluate current plans	 Stay top of mind for when restrictions lifted	It's time to <i>#comebackandplay</i>	 RETURN TO GROWTH
TRIGGERS	 Travel restrictions	 All Australian destinations going after domestic market	 Travel bans lifted and 'Australia's Favourite Playground' is open again	
ACTIVITY	 Activity: Keep strategy, re-think activity	 Create content to keep Gold Coast top of mind	 Series of pre-planned campaigns targeting families	
MARKETS	 Markets: Consider which markets will open first and plan	 Australia + New Zealand	<div>CAMPAIGN 1</div> <div>Drive</div> <div>CAMPAIGN 3</div> <div>AUS + NZ</div> <div>CAMPAIGN 2</div> <div>Drive + Fly</div> <div>CAMPAIGN 4</div> <div>AUS + INT</div>	



📍 JUMPINPIN, SOUTH STRADBROKE ISLAND

TOURISM RESILIENCE

In direct response to the health pandemic a proportion of Gold Coast operators, especially those hospitality-based, were able to quickly mitigate impacts to their business. However, we also acknowledge that not all operators were able to cater to the confronting challenges that COVID-19 posed to businesses, their staff and to individual well-being.

Granddad Jack's award-winning Craft Distillery started producing hand sanitiser when nationwide stocks were low, Gold Coast Convention and Exhibition Centre kept their kitchen humming by cooking meals for the most vulnerable in the community, The Village Markets shifted their entire offering to an online 'insta-market' and Miami Marketta established a drive-thru service. At the height of the outbreak, Vibe Hotel in Surfers Paradise worked with government agencies to temporarily house homeless Gold Coasters. A striking number of eateries, restaurants and cafés across the region implemented takeaway alternatives or offered pre-packaged meals. Alongside vital Federal Government, Queensland Government and City of Gold Coast relief and fiscal assistance offered to businesses, these are just some examples that highlight the tenacity of Gold Coast's tourism sector throughout the crisis, which embodies the true meaning of resilience.

“
**TOURISM IS THE CORNERSTONE
 OF GOLD COAST'S ECONOMY
 AND TOGETHER, AUSTRALIA'S
 FAVOURITE PLAYGROUND WILL
 REBOUND WITH A ROAR**
 ”

”



MARKETING PERFORMANCE

📍 WARNER BROS. MOVIE WORLD

HIGHLIGHTS

FAMILY CAMPAIGN: PRE-SUMMER



41,033

REFERRALS TO INDUSTRY
FROM DGC WEBSITE VISITS



18.4M

PEOPLE REACHED



14,300

ROOM NIGHTS GENERATED

OVER 50s CAMPAIGN



48,799

REFERRALS TO INDUSTRY
FROM DGC WEBSITE VISITS



35M

PEOPLE REACHED



▲ 8%

UPLIFT IN YEAR-ON-YEAR
INBOUND PASSENGERS

FAMILY CAMPAIGN: PRE-EASTER



26,986

REFERRALS TO INDUSTRY
FROM DGC WEBSITE VISITS



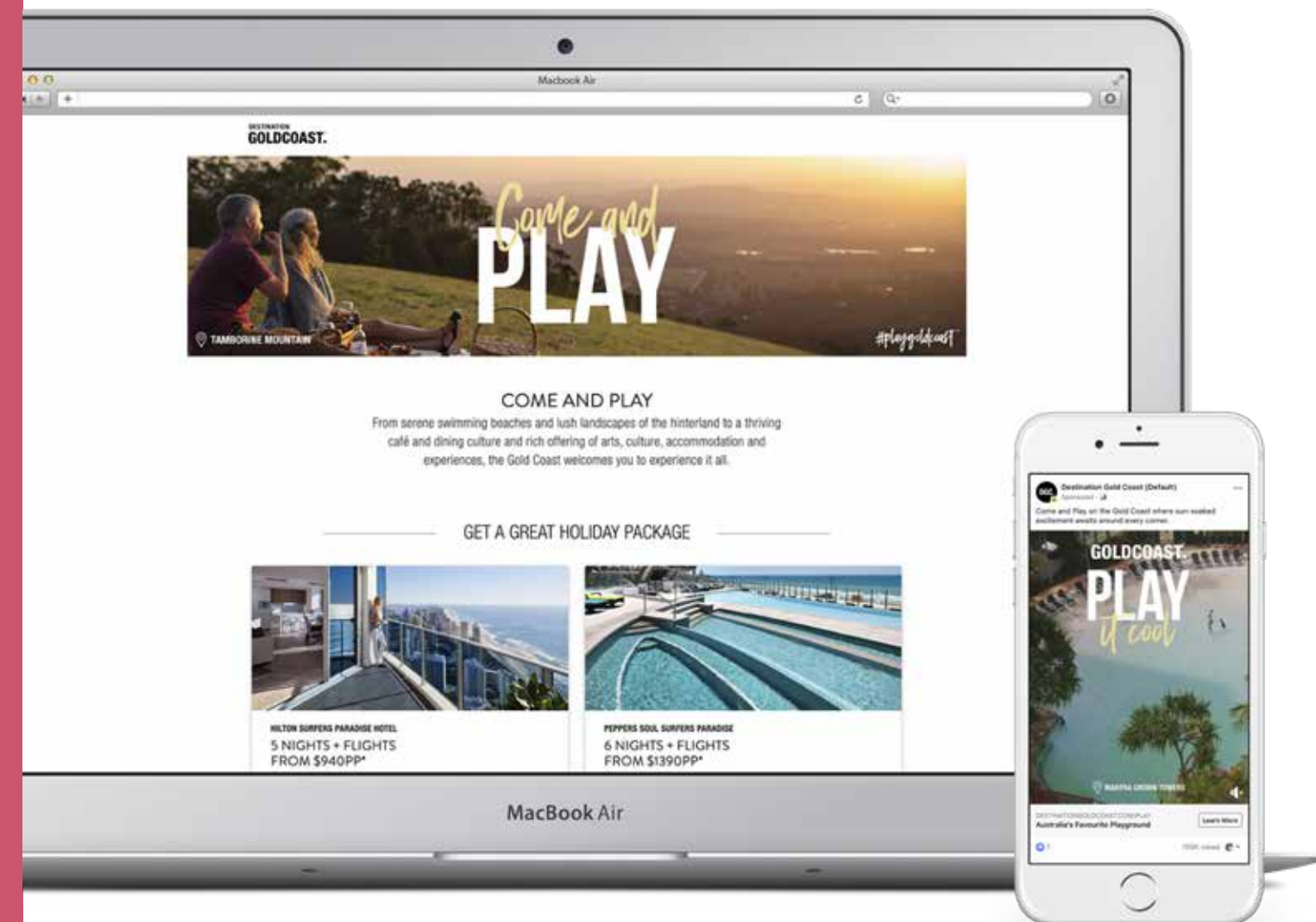
14.2M

PEOPLE REACHED



2,005

ROOM NIGHTS GENERATED



AUSTRALIA MARKETING

In an extraordinary year for tourism and despite the numerous challenges, Destination Gold Coast remained steadfast in its approach to defend and grow its Australian market share.

In a fiercely competitive environment fuelled by informed consumers, DGC cut through with a number of high-impact campaigns that captured the attention of Australians inspired to book a Gold Coast holiday.

Having welcomed a record number of domestic overnight visitors in 2019, DGC achieved this initial result by focusing on fewer, bigger and better domestic marketing initiatives to drive maximum influence and results. In 2019-20, the 'Australia's Favourite Playground' brand and 'Come and Play' campaign platform continued to emphasise the Gold Coast's strongest attributes and key drivers for visitation; including theme parks, beaches, eating local produce and relaxing by the pool.

From July 2019 to March 2020, DGC executed three major marketing campaigns with an objective to build brand momentum, boost overnight visitation and expenditure.

A Pre-Summer campaign was marketed for eight weeks from November with extensive media outreach to entice family holidaymakers. This was supported by successful tactical partnerships with Accor Hotels and Expedia, delivering 14,300 room nights and 5,300 airline seats.

In a first for DGC, this was followed by a dedicated \$2 million campaign in February targeting those aged over-50 to reach the high value market segment and influence in the short-term whilst shifting consideration in the long-term. Those exposed to the campaign were left with a more positive perception of the Gold Coast and consequently, were more likely to consider visiting for a holiday according to 59 per cent of ad-tracking respondents.

In response to Australia's bushfire crisis and the unfolding COVID-19 pandemic, DGC leveraged additional funds from the City of Gold Coast and Tourism and Events Queensland via the Queensland Government to launch a concurrent Pre-Easter campaign targeting families in the lead up to school holidays. Both campaigns were halted due to imposed travel restrictions and border closures.

In addition to large-scale brand campaigns, DGC continued to leverage the Gold Coast's calendar of events, with tactical marketing that included above and below-the-line activity for key leisure events identified as drivers for visitation to the region. This included an events guide distributed in December to households in Brisbane, Sydney and Melbourne, plus a strong digital presence across owned and paid channels to promote an 'always-on' approach.

- Over 640,000 households received the 'Come and Play' Leisure Events Guide in key domestic drive and fly markets.
- 118,000 competition entries secured for 'Play Your Way' digital leisure events competition-based campaign.

In March 2020, DGC cancelled all domestic campaign activity while simultaneously developing a four-phased recovery plan to chart the best way forward through the COVID crisis.

For the remainder of the fiscal year, DGC entered into the 'Remind' phase of recovery and produced a series of heart-warming videos with the objective to safeguard the hard-earned equity won domestically for the Gold Coast's tourism brand in the previous year.



SEAWORLD

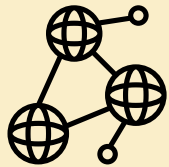
INTERNATIONAL MARKETING

Prior to the COVID-19 pandemic and subsequent international border closure in late March, international tourism was in a strong position for the Gold Coast achieving growth in key source markets. Destination Gold Coast's strategic focus and significant investment to attract high-spending travellers (HSTs) from Japan and the USA proved fruitful with both markets continuing an impressive growth trajectory with year-on-year increases of 10 per cent and 11 per cent respectively, in 2019.



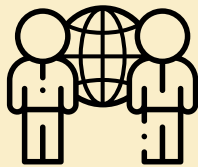
46

TRADE MEDIA FAMILIS



16

INTERNATIONAL
NETWORKING EVENTS



230

NETWORKING EVENT
ATTENDEES

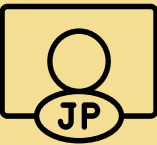
In 2019-20, DGC sought to rationalise international marketing expenditure. Spend on international marketing was optimised through a more targeted approach. Apart from New Zealand, a majority of international activity was redirected into growing trade partnerships, rediverting away from consumer marketing. DGC focused predominately on its core markets of China, New Zealand and Japan.

Aviation attraction remained critical to increasing connectivity to Gold Coast's doorstep in order to grow international visitation and entice new markets. With the support of additional funding secured from City of Gold Coast for aviation attraction, DGC safeguarded an additional 212,498 inbound seats

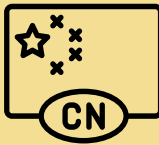
per year into both Brisbane Airport and Gold Coast Airport was estimated to deliver \$262 million in additional tourism spend for the city. This included the introduction of the first-ever direct service from Seoul, Korea to the Gold Coast launched in December and an increase in Air New Zealand's capacity from Auckland to the Gold Coast. Our region was not immune to the impacts that grounded airlines worldwide, which signalled the demise of non-essential travel. As a result, the new and increased services were suspended. Aviation demand is expected to gradually return once international borders reopen.

HIGHLIGHTS

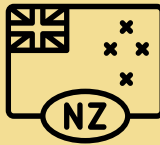
A suite of innovative and engaging marketing initiatives were delivered to inspire millions of global travellers to consider visiting the Gold Coast from core international visitor markets of New Zealand, China, Japan, South East Asia, Korea and North America. Highlights include:



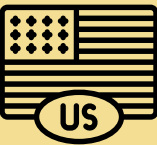
Partnered with one of Japan's largest travel providers, H.I.S. on a playful campaign with a popular Japanese social media star to inspire travel to the Gold Coast. Appealing to a young, professional demographic that boasts over two million followers, Mr Yabatan delivered a successful campaign, boosting both awareness and conversion to reach more than 31 million consumers in Japan that generated over 55,000 engagements. H.I.S. reported a 130 per cent increase in holiday package sales year-on-year directly following the campaign compared to the same period in December last year.



Recognising that Chinese travellers aged over-50 make up more than 50 per cent of China's visitation to the Gold Coast, DGC launched a targeted trade campaign to promote the destination to senior travellers. The Funghua campaign, meaning 'young at heart', connected travellers with meaningful experiences that offer a deeper connection with the destination. The campaign attracted the attention of many travel trade partners in China and included an incentive for Funghua group booking sales. In the four months following the first group arrival in September 2019, over 1,700 consumers travelled to the Gold Coast on a Funghua package.



In response to Australia's border closure to China in February, DGC swiftly rediverted funds to activate a direct-to-consumer campaign in New Zealand. Targeting this market in the lead up to their peak travel period represented the most viable short-term solution to offset an international visitor deficit. In partnership with New Zealand Online Travel Agent (OTA), House of Travel, DGC initiated a \$1.25 million 'Come and Play' campaign with a national multi-screen media buy to earn consumers attention and influence their research and booking behaviour. While the partnership with House of Travel was cut short due to the restrictions of COVID-19, the results at the time were positive, reaching almost 7 million people.



The Bachelor US is known for taking their journey to love across the globe to some of the most romantic and exotic places, and the Gold Coast managed to lure America's most watched reality TV program to film an episode in Australia for the first time ever. Episode 9 of season 24, which aired in late February, was filmed in various locations across the Gold Coast and profiled the diverse experiences on offer for travellers. Broadcast during prime time television in the USA, the partnership was secured to capitalise on the launch of new direct Qantas flights from San Francisco and Chicago into Brisbane Airport. The Gold Coast episode attracted a season high rating of 6.79 million viewers in the US and millions

more globally, estimated to have reached 16 million people. On US social media, the episode trended in the number one spot generating 1.1 million posts and DGC estimates the full spectrum of global coverage generated \$40 million in publicity value. To measure effectiveness and sentiment, DGC commissioned a survey in the US following the episode which assessed the awareness of the Gold Coast and The Bachelor broadcast. The survey was completed by 1,000 North American adult travellers with 52 per cent of respondents surveyed at the time indicating that they were strongly considering a trip to the Gold Coast in the next two years.



THE BACHELOR HIGHLIGHTS

 **\$40 MILLION** IN PUBLICITY VALUE

 **16 MILLION** PEOPLE REACHED

 **FIRST-EVER** FEATURE IN THE BACHELOR US



RACV ROYAL PINES RESORT

BUSINESS EVENTS

Boasting 49 per cent market share in Queensland, the business events industry is valued at \$570 million annually on the Gold Coast. In 2019-20, DGC’s key strategic objective for business events was to position the Gold Coast as a leading delegate and leisure destination to deliver direct economic benefit to the tourism sector. The combined result of DGC-led efforts directly secured 112 business events throughout the year, with an economic impact of more than \$94 million.

KEY INITIATIVES THAT CONTRIBUTED TO GROWTH INCLUDE:

- Creating opportunities for industry to increase demand for member products and services.
- Development of a partnership strategy in collaboration with key partners and the City of Gold Coast to harness new bidding opportunities for the region.
- Broadening subvention funding to retain business and include multi-year contracts was included and new reporting processes were implemented to clearly demonstrate return on investment.

DGC developed a new business events positioning statement, ‘Australia’s Favourite Host’ to lead the messaging and promotion of Gold Coast’s attributes and effectively manage challenges in a COVID-19 environment and beyond.

The global pandemic dramatically impacted confirmed events as restrictions limited mass gatherings and social distancing alongside border closures which prevented events proceeding from late March. Despite the challenges, of the 94 events that were confirmed for the 2020 calendar year, 55 per cent of events were postponed, 22 per cent were cancelled, 16 per cent were held, and 5 per cent remained unchanged.

DGC continued to focus on retaining confirmed and future business events by nurturing partnerships, engaging with key stakeholders and preparing to activate opportunities in markets as restrictions eased ahead of competing destinations.

All trade activity and events from mid-March were cancelled including DGC’s annual signature event, This Is Gold Coast Business Exchange. DGC’s decreased investment in core market activities was balanced through the delivery of a digital marketing strategy.

The Gold Coast is predominately a domestic business events destination (80 per cent) and is therefore well positioned to leverage opportunities as domestic travel restrictions lift. DGC remained active in the New Zealand market, despite many competitors reducing their on-the-ground presence in recent years. This will provide the Gold Coast with a competitive advantage when trans-Tasman travel opens up.

Challenges that will affect business events in FY21 include social distancing, business confidence, the appetite of organisations to include conferences and meetings in their core operations and competition from Australian cities who are heavily reliant on international business events.

HIGHLIGHTS

DGC continues to work closely with key partners to leverage business events opportunities for the Gold Coast. Three major international incentive and association conferences were secured in the financial year in partnership with Tourism Australia supported by the Business Events Bid Fund Program, and Tourism and Events Queensland’s Business Events Acquisition and Leveraging Fund. These included:

- ZHIBAN KEJI INCENTIVE | **941 DELEGATES**
- NOJIMA CORPORATION INCENTIVE | **3,152 DELEGATES**
- INTERNATIONAL SOCIETY FOR EYE RESEARCH (ISER), ISER BIENNIAL MEETING | **1,200 DELEGATES**

“
**AUSTRALIA’S
FAVOURITE
HOST**
”



1,579

MEETINGS AND CONFERENCES
HELD ANNUALLY ON THE
GOLD COAST



193,382

DELEGATES



\$570M

ECONOMIC IMPACT



604,621

NUMBER OF DELEGATE DAYS



43%

OF QUEENSLAND DELEGATES
COME TO THE GOLD COAST



26%

INCREASE IN INCENTIVE GROUPS
CONVENING ON THE GOLD COAST



5%

INCREASE IN
DELEGATE NUMBERS



1 OUT OF 2

CONFERENCES HELD IN
QUEENSLAND MEET ON
THE GOLD COAST

Data above relates to the Queensland Business Events Survey (QBES) 2018-19 compiled by Queensland Treasury for Tourism and Events Queensland. Due to a change in reporting methodology, meeting & conventions and delegate data do not include unidentified incentive data. Economic Impact includes unidentified incentive data.



SOCIAL MEDIA

Continuing to share a mix of user-generated, partner and original content, DGC noted strong increases across all owned social media platforms in 2019-20, to boast a total of 1.5 million followers and 2.4 million interactions throughout the year. Growth across these platforms was promising in the second-half of 2019, however a decline from March through to June occurred when COVID-19 news dominated social media.

Throughout the year, DGC engaged a refreshed approach to create original video content to drive engagement with a focus to feature individual member products in lieu of solely relying on user-generated content to promote the destination. Optimised for mobile and designed for sound-off, DGC filmed and promoted 34 different experiences from dining to adventure, accommodation and attractions. The videos contributed to 183 days of watch time.

 GOLD COAST BROADWATER

Destination Gold Coast continues to work towards growth of its digital engagement and footprint to evolve the Gold Coast brand. During 2019-20, a greater emphasis was placed on the inclusion of membership products across content channels including video, blog and social media. New placements were trialled across each channel, specifically Instagram and Facebook stories and dynamic Facebook advertisements to showcase a range of product offers to relevant audiences who were more inclined to act. DGC also committed to the creation of more original video content for use across social channels to increase user engagement.

DIGITAL PERFORMANCE

In 2019-20, more than \$9.7 million in digital referrals were provided to industry against a target of \$6 million.

EDM AND BLOG

A continued approach to expand DGC's eDM program saw the delivery of three Online Holiday Deal (OHD) bursts to assist with further referrals for members and conversion opportunities. Campaign leads including OHDs recorded 200,651 total interactions, with 89 per cent unique users.

Upweighted activity across DGC's 'We are Gold Coast' blog saw a total of 53 curated pieces featured with 516,490 total page views during the financial year. Top performing blog articles centred heavily on nature-based experiences including waterfalls, swimming and snorkelling as well as key local activities.

WEBSITE

For year ending 30 June 2020, there were 1.5 million unique visitors to our website – a year-on-year decrease of 23 per cent. The decrease is largely due to a drop-off in website traffic from March onwards when pandemic restrictions adversely affected travel. Prior to this period, unique visitors to the website had increased by 2.7 per cent for the year.

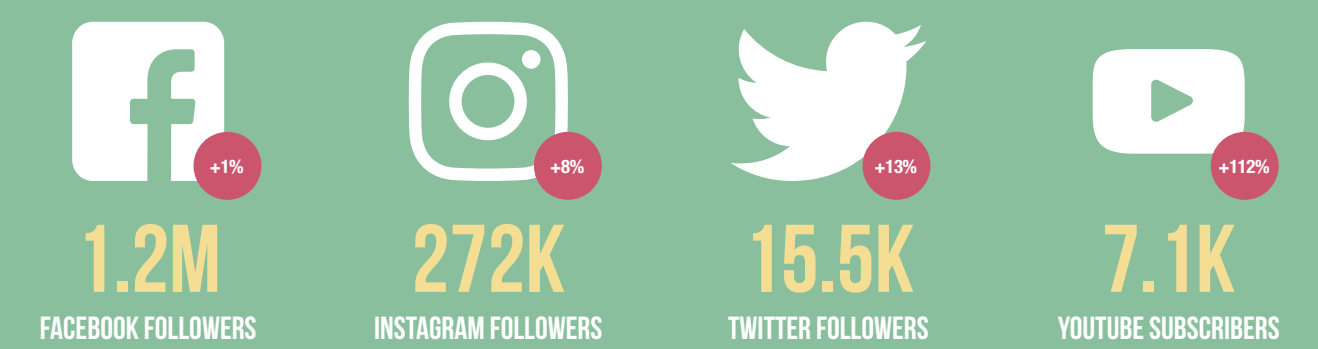
In order to provide a more personalised and enhanced user experience, DGC implemented a website segmentation strategy. This comprised of gathering data from DGC's online chatbot to nurture subscribers with content relevant to their specific areas of interest (attractions, food, shopping etc.). This strategy achieved an outstanding view rate of 70 per cent and click rate of 13 per cent having provided more

relevant and engaging content for subscribers. The enhancement to technology presented an opportunity to further increase the size of DGC's database, with the ability to address an active and already engaged audience.

Following an extensive tender process, DGC appointed Aceik as the developer to design and build a new website for DGC. The initial phase, discovery and design has commenced to ensure strategic alignment between the project and functionality of the site. The project is expected to be completed in 2021.

OWNED

1.5 MILLION FOLLOWERS ACROSS SOCIAL MEDIA PLATFORMS⁵



⁵ Facebook, Twitter, YouTube and Instagram analytics.


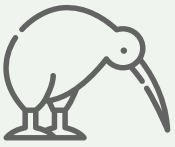



PAID

ADVERTISING THROUGH DIGITAL CHANNELS DELIVERED:





WEBSITE HIGHLIGHTS

USERS IN TOP 5 COUNTRIES


1. AUSTRALIA	 1,234,731 79.29%
2. NEW ZEALAND	 104,366 6.70%
3. UNITED STATES	 64,979 4.17%
4. INDIA	 19,653 1.26%
5. UNITED KINGDOM	 16,581 1.06%


USERS BY GENDER



MALE 35%


FEMALE 65%


USERS BY DEVICE



TABLET 7%



DESKTOP 25%



MOBILE 68%


TOP QUERIES


GOLD COAST


THINGS TO DO GOLD COAST


BURLEIGH HEADS


ATTRACTIONS


DESTINATION GOLD COAST

MOST CLICKED PAGES FROM SEARCH ENGINES

1. THINGS TO DO
2. DESTINATIONGOLDCOAST.COM
3. TOP 7 GOLD COAST WATERFALLS
4. GOLD COAST RAINY DAY ACTIVITIES
5. PLACES TO SEE - BURLEIGH HEADS
6. GOLD COAST MARKETS SCENE



RAINBOW BAY

BRAND AND CONTENT

In early 2019, DGC refreshed its positioning, transitioning messaging and imagery to support a more consumer-driven destination marketing brand, launching 'Australia's Favourite Playground' with great success and support from Gold Coast's tourism sector and community.

Key to evolving the region's tourism brand included development and implementation of an overarching refresh adapted to meet business objectives whilst simultaneously providing a consistent and professional approach to DGC's respective audiences. This encompassed the delivery of key messages, communication and campaigns aligned to DGC's position as 'Australia's Favourite Playground' and 'Come and Play' platform.

The production of integrated branding elements and assets including high quality destination vision (brand and aerial showreels representing at least 15 locations from South Stradbroke to Snapper Rocks), 50 brand-centric images, an original music track performed by the band Sheppard to underpin advertising campaigns and a new Brand Playbook and Style Guide were instrumental in creating and maintaining a suite of branded legacy assets.

In delivering on our objective to create content and build inspiration to grow visitation, DGC increased its production of original video content with a mobile-first approach.

'ALWAYS-ON' CONTENT

A strategic and comprehensive 'always-on' content calendar aligned with key target markets, campaigns, events and monthly 'Golden Trail' supported PR and media activity to engage consumers.



COMMUNICATIONS, PUBLIC RELATIONS AND MEDIA HOSTING



75

MEDIA & TRADE
FAMILIARISATIONS HOSTED



\$109.8M

IN MEDIA &
PUBLICITY VALUE



4,500

PIECES OF CONTENT
& NEWS STORIES

In addition to servicing key functions of corporate affairs, communication and public relations (PR), a streamlined approach to consolidating trade and media hosting programs was undertaken. Activity across print, digital, social media and broadcasting channels remained integral to servicing marketing and campaigns in tandem with advocacy, sector support and reputation management through generating positive publicity and editorial content to inspire visitation to 'Australia's Favourite Playground'. PR strategies and initiatives reflected DGC's position as both an industry leader and commentator with consistent local, national and global media coverage. In 2019-20, PR and media hosting activities generated \$109.8 million in equivalent advertising value, resulting in 4,500 pieces of content and news stories (direct or indirect).

DGC hosted approximately 486 influencers, trade and media representatives for the year and a total of 75 familiarisations. Highlights include global coverage associated with filming The Bachelor US in Australia for the first time, Channel 9 Today program weather crosses in the Gold Coast

Hinterland and southern Gold Coast, articles in the Australian Financial Review, The Australian (Travel), Escape, Australian Traveller, New Zealand Herald and Holidays with Kids.

Constructive dialogue with all tiers of government and the City of Gold Coast was also maintained in addition to the delivery of City of Gold Coast Council communication and compliance reporting. Effective management of key relationships was upheld with Tourism Australia, Tourism and Events Queensland and key conferencing and business events bodies. Continued media relations support was provided to DGC's senior management and Board to raise the profile of Gold Coast's tourism sector through advocacy measures and actions including crisis and issues management as a result of COVID-19. DGC continued to also curate destination news and provide accurate and informative updates that were delivered across digital, consumer and corporate channels including LinkedIn and DGC's weekly industry newsletter.



CORPORATE PAGE

DGC continued to profile the organisation on its LinkedIn Corporate and Business Events Showcase pages increasing followers, unique impressions and total engagement due to the steady publication of quality and timely content.



+44%

8,561

FOLLOWERS



204,476

UNIQUE IMPRESSIONS



33,120

ENGAGEMENTS

INDUSTRY ENGAGEMENT

2019-20 was an extraordinary year for Gold Coast tourism which led to unprecedented collaboration across all levels of government and with industry. Destination Gold Coast continued to support engagement activities in region throughout the year based on the needs of stakeholders and consumers' expectations. In partnership with stakeholders, a range of initiatives were delivered to connect industry with the following experience development opportunities:

- Business Capability Programs (via Queensland Tourism Industry Council) which included trade ready, domestic marketing, social media and mentoring.
- Tourism and Events Queensland's Best of Queensland Experiences Program and Good to Go marketing response to COVID-19.

Throughout the year, DGC represented the interests of the organisation across several key advisory groups, boards and forums. This included, the Tourism and Transport Forum, Australian Tourism Export Council, Regional Tourism Organisation Managers Network, World Surfing Reserve Local Stewardship Committee and The Cross Border Tourism Working Group.

The ongoing impacts of COVID-19 are acknowledged as one the most significant to affect the sector. DGC continues to advocate on behalf of industry through all levels of government to support recovery and to place the destination in an enviable position when signs of revival present themselves. An increased focus by way of resourcing and strategic intent has been placed on DGC's stakeholder engagement activities in the new fiscal year.



 GOLD COAST BROADWATER

MEMBERSHIP SERVICES

Destination Gold Coast's members remain the foundation of Gold Coast tourism. With 526 members, DGC achieved an 89 per cent retention rate during the financial year. Revenue grew by 8 per cent to \$453,120.

The annual membership survey completed by 26 per cent of members show that 79 per cent of members were either very satisfied or satisfied with their membership. Encouragingly, 74 per cent of members noted in the annual survey that they valued networking opportunities. A total of 27 networking, trade and industry events were facilitated which saw more than 1,100 attendees engage with their peers. The 2019 Annual General Meeting included the presentation of 17 longevity awards for membership spanning between 20 to 40 years.

This year, Gold Coast tourism operators embraced the Year of Indigenous Tourism in celebration of the region's First Nations experiences, cultural heritage and stories. With more demand than ever for cultural tourism experiences in Queensland, and with international and domestic visitors seeking more purposeful and authentic travel experiences, DGC held a dedicated networking event in March to advocate for more funding and sector development opportunities for indigenous tourism.

Online platform ReviewPro continues to be a valuable resource to members and an audit of all scheduled reporting was carried out during the onset of COVID-19. Members were encouraged to take advantage of the online review aggregator through an assessment of an individual ReviewPro report followed by tailored advice on how to best utilise insights to grow positive consumer sentiment.

The Australian Tourism Data Warehouse continues to be a preferred platform facilitating the integration of DGC's online holiday deals program, which saw a record number of Gold Coast products take advantage of DGC's Queensland-centric marketing campaign. As a result, all sectors within the industry were well represented and promoted online via both Destination Gold Coast and Tourism and Events Queensland's holiday deals. As a result of COVID-19 and its direct impact to tourism businesses, DGC membership fees will be waived for FY21 as a gesture of industry camaraderie and support.



526
TOTAL DGC MEMBERS



129
MEMBER AND PROSPECT
FACE-TO-FACE MEETINGS



27
NETWORKING AND
MEMBER EVENTS



79%
MEMBERSHIP
SATISFACTION

VISITOR INFORMATION CENTRES

Destination Gold Coast continues to operate two fully accredited Visitor Information Centres (VICs), situated in Cavill Mall in the heart of Surfers Paradise and at Gold Coast Airport. The two sites are managed by two permanent staff and a number of casuals and volunteers, many of whom have been assisting our visitors for over 10 years.

Both centres' friendly and knowledgeable staff welcome an average of 14,000 visitor enquiries each month. The Gold Coast visitor experience is further enriched by the ability to book accommodation, tours, cruises, bus, train, light rail and theme park tickets online.

Due to COVID-19 restrictions and the resultant impact on tourism, both VICs were closed from April.



Prior to closing, the VICs had sold in excess of \$908,000 member and Gold Coast product. This was a 12 per cent increase on the same period last year. A total of 108 members were represented both digitally and with brochures in the two VICs. The key objective of the VICs is to provide unbiased quality information and service to visitors to increase stay, expenditure and return visitation.

The Surfers Paradise VIC reopened in mid-June in a reduced capacity to provide support to visitors and member products able to trade. To this end, members have been given complimentary VIC packages at both centres, allowing promotion of product for the new financial year.

MANAGEMENT

EXECUTIVE LEADERSHIP TEAM

This financial year, DGC implemented operational changes. The movement saw two business units, Domestic Marketing and Digital, Brant and Content, streamlined to Digital, Campaigns and Content.

The senior executive team comprised of two executives to steer robust marketing, effective operations and optimised engagement with industry partners, stakeholders and the visitor experience ongoing.

In FY21, the Board will appoint a new Chief Executive Officer to lead the organisation in delivering a blueprint for Gold Coast tourism and serve in the executive leadership team.



CARLA ANDERSON
EXECUTIVE DIRECTOR MARKETING

Carla was appointed in January 2019 as Executive Director Marketing to streamline marketing, content and digital functions to ensure an integrated approach to consumer-facing promotion and content generation. With more than 25 years' marketing experience, including roles in Europe and the Middle East, Carla has led consumer and business-to-business marketing, education, personnel services and fast-moving consumer goods teams.



MILES ROPER
EXECUTIVE DIRECTOR CORPORATE SERVICES

As Executive Director Corporate Services, Miles oversees governance and risk, destination engagement, member services, finance and research functions. Miles has more than 12 years' experience in the role, is a Certified Practising Accountant (CPA) and has attained the Australian Institute of Company Directors, Company Directors' Course certification.



The Destination Gold Coast Board represents the diverse businesses which comprise Gold Coast's travel, business events and tourism industries. They volunteer their time as serving members to oversee the organisation. A combination of experience, stability and entrepreneurship means decisions are made with due diligence and courage.

OUR BOARD



OUR BOARD

PAUL DONOVAN
CHAIR
Experienced aviation and tourism executive, former Tourism and Events Queensland Board member and current Chair of Events Management Queensland and Titans Community Foundation.

ADRIENNE READINGS
DEPUTY CHAIR
General Manager, Gold Coast Convention and Exhibition Centre; experienced senior manager with hotels. More than 20 years' experience in the hospitality and convention industry.

JOHN PUNCH
OAM, HON. SECRETARY
An original member and founding director of Gold Coast Tourism, John has been a continuous serving member of the board since formation in 1975.

PETA FIELDING
CEO of Burleigh Brewing Company and a Queensland Business of the Year winner. Director of Bleached Arts Ltd and Board member of Major Events Gold Coast. Former Chair of the Australian Craft Beer Industry Association.

MARK HODGE
Senior Vice President Operations, Accor Hotels Apartments and Leases. With over 30 years' in the tourism and hospitality industry, Mark has extensive experience in hotel operations management.

JOHN MORRIS
General Manager, RACV Queensland Resorts. With over 25 years' hospitality experience, John has a background in senior sales, marketing and general management roles domestically, in the Pacific and in South East Asia.

LINDSAY WALLACE
Principal Consultant of LiveWire Consultancy. Lindsay brings 30 years' experience from private and not-for-profit enterprises to contract and consult on projects in tourism and management.

CR BOB LA CASTRA
Division 8 Councillor for City of Gold Coast and Chair of Council's Tourism, Events and Governance Committee. An active and long-standing entertainer across Australia and internationally.

NICK SCOTT
Chairman of Regional Development Australia (Gold Coast) and on the board of Bond University Business School as well as Gold Coast Academy of Sport. More than 37 years' working as a media executive.

ADAM TWEMLOW
Partner at KPMG. Formerly Royal Bank of Scotland in London and KPMG USA. Board member of the Perry Cross Spinal Research Foundation and on The Southport School Council.

CLARK KIRBY
CEO Village Roadshow Theme Parks. Clark oversees the Australian operations including Movie World, Sea World, Topgolf, Wet'n'Wild, Paradise Country and Outback Spectacular, along with the Village Roadshow studios. Clark is also a Board member of Major Events Gold Coast.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

As a public company largely funded via a tourism levy collected by the City of Gold Coast, and by the Queensland Government (represented by Tourism and Events Queensland), Gold Coast Tourism Corporation (GCT), trading as Destination Gold Coast, is committed to observing best-practice corporate governance.

By acting transparently, professionally and ethically, DGC ensures the effective investment of its funds for the greatest benefit to its levy payers and members, while maintaining the sustainability of the organisation for the benefit of the Gold Coast in future years.

Responsible corporate governance is evident in Gold Coast Tourism Corporation's operations at many levels, some examples include:

- Regular self-assessment by the Board to improve performance
- Regular reviews of DGC's risk register
- Regular reviews of DGC's insurances, as assisted by a respected insurance agency
- Documentation and discussion of any possible conflicts of interest
- Selection criteria for prospective Board members to maximise and balance skill sets
- An annual independent financial audit by a respected audit firm
- Regular Director workshops to enhance the Board's performance
- Keeping a gift register for any gifts received by staff.

AUDIT AND FINANCE COMMITTEE

This Committee oversees the annual audit process, risk management and insurances, legal issues and compliance and reports to the Board on these matters. The Committee has a clear charter and seeks independent advice as appropriate.

The Committee consists of at least three independent Board Directors. Committee members are appointed by the Board with the Committee meeting at least twice a year.

REMUNERATION COMMITTEE

This Committee was introduced during 2017-18, met twice during the year, and will meet at least twice per annum in future.

It has been introduced to allow a more structured and transparent approach to the effective tracking of the performance of the CEO and senior executives, in particular. Remuneration of the CEO and senior executives will be reviewed by the Committee in light of this performance.

The Committee also has oversight of the remuneration policies for all staff, including engaging external experts periodically to check Destination Gold Coast is paying staff in line with relevant benchmarks.

The members of the Committee are the Board Chair, Board Deputy Chair, Audit & Finance Committee Chair and a fourth member of the Board selected by the Board. The Audit & Finance Committee Chair will be the Chair of the Remuneration Committee.

The current members of the Committee are:

- Adam Twemlow (Chair)
- Paul Donovan
- Adrienne Readings
- Peta Fielding

The current Committee members are:

- Adam Twemlow (Chair)
- Adrienne Readings
- Lindsay Wallace

Committee meetings are also attended by the Chief Executive Officer (CEO) and the Director Corporate Services.



FINANCIALS

FOR THE YEAR ENDING 30 JUNE 2020

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GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

DIRECTORS' REPORT

The Directors present the following report of Gold Coast Tourism Corporation Limited (“the Company”) for the year ended 30 June 2020:

Directors

The names of Directors who held office at any time during or since the financial year are:

Directors	Directors' Meetings		Audit Committee Meetings		Remuneration Committee Meetings	
	Attended	Eligible	Attended	Eligible	Attended	Eligible
Paul Donovan (Chairman)	8	8	-	-	-	-
Adrienne Readings (Vice Chairman)	8	8	2	2	1	1
Craig Davidson (resigned - Nov 19)	4	4	-	-	-	-
John Morris	8	8	-	-	-	-
Lindsay Wallace	8	8	2	2	-	-
Peta Fielding	7	8	-	-	1	1
Nicholas Scott	8	8	-	-	-	-
Adam Twemlow	7	8	2	2	1	1
Clark Kirby	3	8	-	-	-	-
Mark Hodge (appointed - Nov 19)	4	5	-	-	-	-
Cr. Bob La Castra	3	N/A	-	-	-	-
The position of Honorary Secretary was held by: John Punch	7	8	-	-	-	-

Objectives

The objective of the Company is to grow tourist, business and event visitation and expenditure on the Gold Coast, thereby facilitating wealth generation in the tourism and business events sectors for the benefit of stakeholders and the community.

The long-term objectives are for the Gold Coast to be recognised locally, nationally and internationally as one of the world’s great tourist and business events destinations, and for Gold Coast Tourism to be universally acknowledged as a successful, globally aware destination marketing organisation that embraces a culture of continuous improvement, customer focus, current technology, contemporary leadership and excellence.

Strategy for achieving the objectives

The key strategies include:

- Apply available resources in the most effective and productive manner to achieve the Company’s marketing objectives.
- Assume industry leadership by providing a clear voice on destinational issues including safety and image.
- Continue to build strategic partnerships to leverage available resources and develop genuine cooperative relationships into the future.
- Identify and invest in growth opportunities.
- Establish Gold Coast Tourism as an employer of choice.
- Identify and promote the development of appropriate new product and infrastructure necessary for long term industry sustainability.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

DIRECTORS' REPORT (Continued)

Principal Activities

The principal activity of the Company for the year ended 30 June 2020 was the marketing of the Gold Coast region as a leisure tourism, business and events destination.

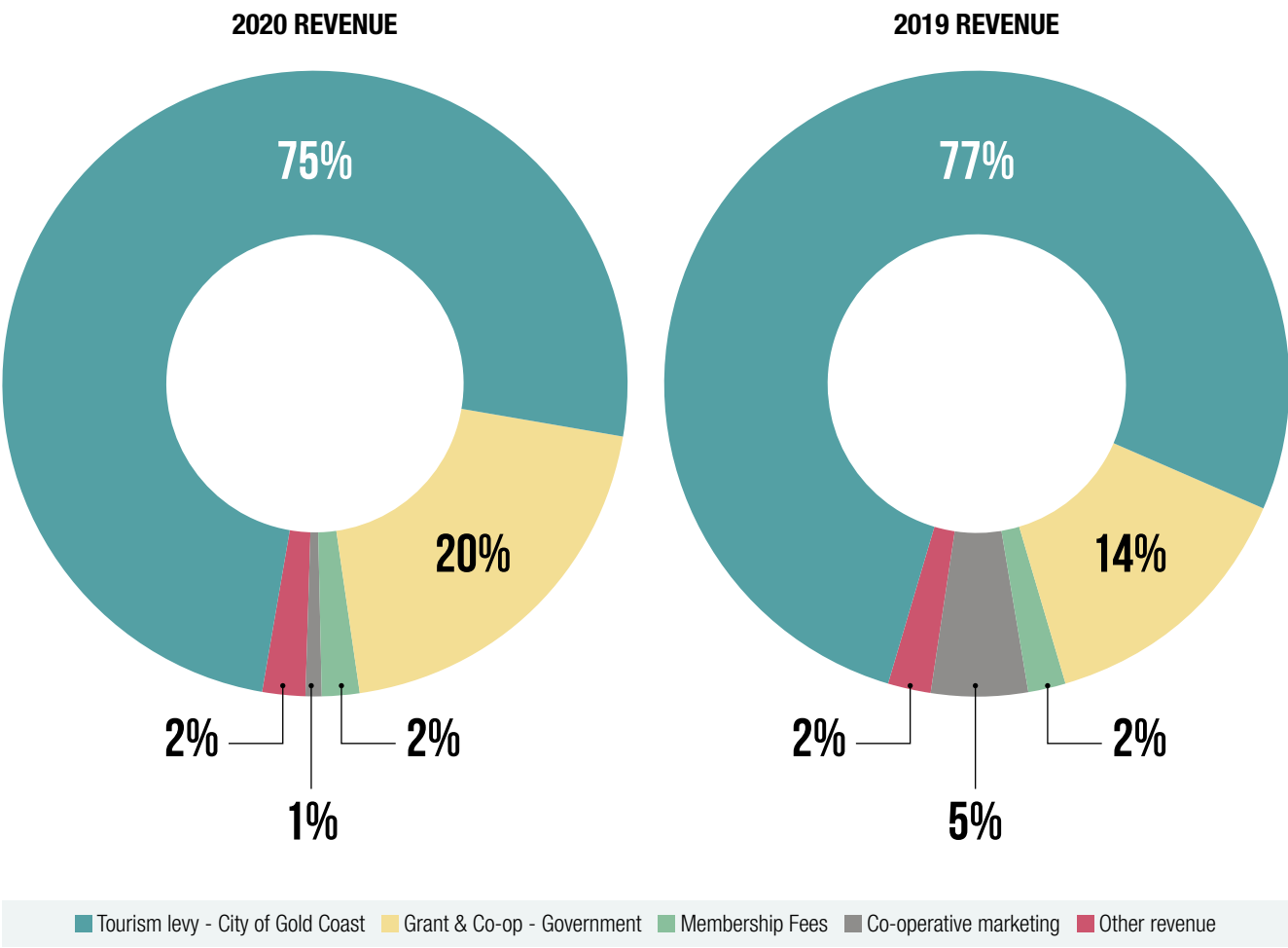
There were no significant changes in the nature of the Company's activities during the financial year.

Performance Measures

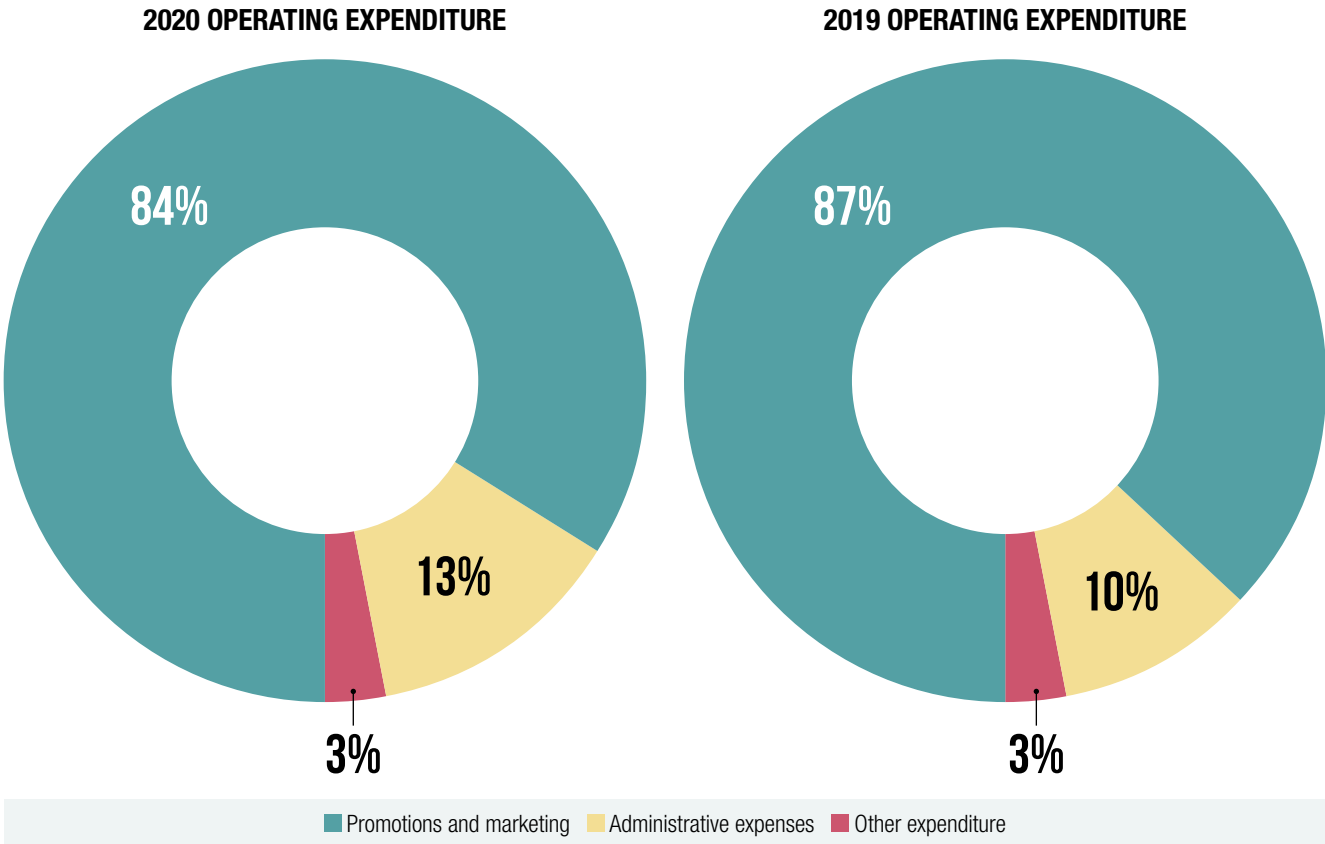
The Company measures its performance in terms of both the level of tourist visitation and expenditure to the Gold Coast and the volume and quality of the marketing activities it undertakes. Visitor statistics released by Tourism Research Australia assist with the assessment of performance in visitation and expenditure.

Review and Results of Operations

The Company has incurred a net surplus for the year of \$4,925,716 (2019: \$354,857 surplus).



The Company continued to maintain a strong membership fee base of \$411,364 (2019: \$416,520) and obtained funding of \$16.6m (2019: \$16.8m) from the Tourism Levy. The Company also received co-operative marketing revenue of \$183,118 (2019: \$1.1m).



The 2020 operating expenditure of \$16.9m (2019: \$21.1m) continued to focus on external promotions and marketing of the Gold Coast. Approximately 84% (2019: 87%) of total expenditure of the Company focused on marketing activities.

The net assets of \$7.6m at 30 June 2020 are represented by Members’ equity at year end, which includes an accumulated surplus of \$7.4m.

During August 2020 the Company’s Chief Executive Officer resigned. The Company is currently in the process of recruitment to fill this position. In the interim, the Company’s Chairman has taken on an executive role. This event is not expected to significantly affect the operations of the Company.

Likely future Developments and Expected Results

The Company will continue to implement strategies to increase visitation to the Gold Coast. This includes continued engagement with its members, City of Gold Coast, Tourism and Events Queensland and Tourism Australia. Given the impacts of Covid-19, the short term focus is on domestic markets and the longer term strategies will focus on the growth markets including Chinese tourism, events (sporting, festivals and cultural), conferences and incentive groups in profiling the Gold Coast as an international destination.

Significant Changes in State of Affairs

The Covid-19 pandemic has had a significant impact on the tourism industry from the first quarter of 2020 as a result of travel restrictions as well as a slump in demand among travellers. The Company parked and reassessed its marketing activity from this period. The Company actively reviewed all existing marketing plans and reduced and repointed where necessary to ensure the best use of funds given the available opportunities resulting from challenges such as border closures. This allowed the Company to accumulate surplus funds in excess of what was originally budgeted, placing the Company in a good position to re-enter the market in the years to follow.

Contribution on Winding Up

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 towards meeting any outstanding obligations of the Company. The total amount that members of the Company are liable to contribute if the Company is wound up is \$9,800 based on 490 current ordinary members.

Information on Directors

Name	Position	Entity	Board Position	Number of years on Board of Directors
DONOVAN, Paul	General Manager (Business Relationships)	Queensland Airports Limited (Member nominee for City of Gold Coast)	Chairman	15 years
READINGS, Adrienne	General Manager	Gold Coast Convention & Exhibition Centre	Vice Chairman	16 years
DAVIDSON, Craig (resigned – Nov 19)	Associate	Tourism and Hospitality Services Australasia	Director	7 years
MORRIS, John	General Manager	RACV Queensland Resorts	Director	6 years
WALLACE, Lindsay	Principal Consultant	LiveWire Consultancy	Director	5 years
FIELDING, Peta	Chief Executive Officer	Burleigh Brewing Company	Director	4 years
SCOTT, Nicholas	Board Director	(Member nominee for City of Gold Coast)	Director	4 years
TWEMLOW, Adam	Partner	KPMG	Director	3 years
LA CASTRA, Bob (resigned – May 20)	Councillor	City of Gold Coast	Director	3 years
YOUNG, Pauline	Councillor	City of Gold Coast	Director (Alternate)	3 years
KIRBY, Clark	Executive Chairman and CEO	Village Roadshow Theme Parks Group	Director	2 years
HODGE, Mark (appointed – Nov 19)	Senior Vice President of Operations	Accor Hotels Apartments & Leases	Director	1 year

Company Secretary

John Punch was appointed to the position of Honorary Secretary in February 1975 and is a senior partner in the legal practice Short Punch & Greatorix.

Indemnification and Insurance of Directors and Officers

The Company has not, during the financial year, in respect of any person who is or has been an officer or auditor of the Company or a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Performance in Relation to Environmental Regulation

There have been no breaches of environmental regulations by the Company during or since the financial year.

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company in relation to activities performed by the Company.

Auditor's Independence Declaration

The auditor's independence declaration under Section 307C of the *Corporations Act 2001* is attached to this financial report on page 75.

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



.....
Director

Broadbeach, 21 September 2020.

In the opinion of the Directors of Gold Coast Tourism Corporation Limited:

- the attached financial statements and notes thereto comply with the *Corporations Act 2001*, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the Company's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the Directors



.....
Director

Broadbeach, 21 September 2020.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 \$	2019 \$
Revenue	3	21,957,184	21,574,978
Cost of goods sold		(176,796)	(240,549)
Information centre expenses		(362,870)	(406,342)
Promotions and marketing expenses		(14,120,864)	(18,306,046)
Administrative expenses		(2,236,998)	(2,190,660)
Net Surplus from Operating Activities	4	5,059,656	431,381
Financial income		134,155	210,778
Financial expenses		(268,095)	(287,302)
Net finance income/(cost)		(133,940)	(76,524)
Net Surplus for the year		4,925,716	354,857
Other Comprehensive income		-	-
Total Comprehensive Surplus for the year		4,925,716	354,857

The above Statement should be read in conjunction with the attached Notes.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

STATEMENT OF FINANCIAL POSITION AS AT JUNE 2020

	Notes	2020 \$	2019 \$
Current Assets			
Cash and cash equivalents	15	8,885,708	3,673,560
Financial assets	6	154,909	2,454,909
Trade and other receivables	7	26,802	222,028
Inventories		27,488	40,853
Other current assets	8	522,523	477,059
Total Current Assets		9,617,430	6,868,409
Non-Current Assets			
Property, plant and equipment	5,9	3,807,868	4,304,168
Intangible assets	10	75,985	9,901
Total Non-Current Assets		3,883,853	4,314,069
TOTAL ASSETS		13,501,283	11,182,478
Current Liabilities			
Trade and other payables	11	1,063,973	3,389,937
Bank overdraft	15	11,808	77,770
Provisions and lease liabilities	5,12	867,556	685,718
Total Current Liabilities		1,943,337	4,153,425
Non-Current Liabilities			
Provisions and lease liabilities	5,12	3,951,343	4,348,166
Total Non-Current Liabilities		3,951,343	4,348,166
TOTAL LIABILITIES		5,894,680	8,501,591
NET ASSETS		7,606,603	2,680,887
Equity			
Reserves	13	250,000	250,000
Accumulated surplus		7,356,603	2,430,887
TOTAL EQUITY		7,606,603	2,680,887

The above Statement should be read in conjunction with the attached Notes.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Reserves	Accumulated Surplus	TOTAL
	\$	\$	\$
Balance at 1 July 2019	250,000	2,076,030	2,326,030
Total Comprehensive surplus for the year	-	354,857	354,857
Balance at 30 June 2019	<u>250,000</u>	<u>2,430,887</u>	<u>2,680,887</u>
Balance at 1 July 2019	250,000	2,430,887	2,680,887
Total Comprehensive surplus for the year	-	4,925,716	4,925,716
Balance at 30 June 2020	<u>250,000</u>	<u>7,356,603</u>	<u>7,606,603</u>

The above Statement should be read in conjunction with the attached Notes.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 \$	2019 \$
Cash Flows from Operating Activities			
Net Surplus for the year		4,925,716	354,857
Adjustments for:			
- Depreciation		592,603	590,643
- Net finance costs/(income)		133,940	76,524
- Deficit on disposal of fixed assets		5,237	(4,258)
Changes in Assets and Liabilities:			
- Trade and other receivables		195,226	(117,234)
- Inventory		13,365	4,709
- Other current assets		(45,464)	(289,368)
- Trade and other payables		(2,325,964)	(318,417)
- Provisions and lease liabilities		117,221	(302,101)
Cash generated from/(utilised by) operating activities		3,611,880	(4,645)
Interest paid		(268,095)	(287,302)
NET CASH GENERATED FROM/(UTILISED BY) OPERATING ACTIVITIES		3,343,785	(291,947)
Cash Flows from Financing and Investing Activities			
Interest received		134,155	210,778
Payment for reduction of lease liability		(332,206)	(290,587)
Purchase of plant and equipment		(86,263)	(83,244)
Purchase of intangibles		(84,121)	-
Proceeds from sale of financial assets		2,300,000	84,712
Proceeds from sale of plant and equipment		2,760	23,665
NET CASH GENERATED FROM/(UTILISED BY) INVESTING ACTIVITIES		1,934,325	(54,676)
Net increase/(decrease) in cash and cash equivalents		5,278,110	(346,623)
Cash and cash equivalents at the beginning of the financial year		3,595,790	3,942,413
CASH AND CASH EQUIVALENTS AT YEAR END	15	8,873,900	3,595,790

The above Statement should be read in conjunction with the attached Notes.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. INTRODUCTION

Gold Coast Tourism Corporation Limited for the year ended 30 June 2020 is an unlisted not-for-profit public company limited by guarantee and is incorporated and domiciled in Australia.

Operations and Principal Activities

The operations and principal activities comprise the marketing of the Gold Coast region as a leisure tourism, business and events destination.

Presentation

The financial report is presented in Australian dollars and amounts are rounded to the nearest dollar.

Registered Office

The registered office of Gold Coast Tourism is situated at Level 3, Oracle North, 12 Charles Avenue, Broadbeach, Queensland, 4218, Australia.

Authorisation of Financial Report

The financial report was authorised for issue on 21 September 2020 by the Directors.

2. SUMMARY OF ACCOUNTING POLICIES

The principal accounting policies adopted by Gold Coast Tourism Corporation Limited are stated in order to assist in a general understanding of the financial report. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Statement of Compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for not-for-profit oriented entities.

b) Basis of Preparation

The financial statements have been prepared under the historical cost convention. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

c) Critical Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors that are believed to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. SUMMARY OF ACCOUNTING POLICIES (Continued)

c) Critical Accounting Judgements, Estimates and Assumptions (Continued)

Estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant, equipment and intangibles. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Long service leave provision

As discussed in note 2(f), the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and inflation have been taken into account.

d) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories acquired at no cost, or for nominal consideration, is the current replacement cost as at the date of acquisition. Otherwise costs are assigned to inventory quantities on hand at reporting date using the weighted average basis.

e) Property, Plant, Equipment and Intangibles

Property, plant, equipment and intangibles are brought to account at cost less, where applicable, any accumulated depreciation or amortisation. Items of property, plant, equipment and intangibles with a total cost of less than \$300 are treated as an expense in the year of acquisition. All other items of property, plant, equipment and intangibles are capitalised and subject to impairment testing.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in surplus or deficit in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation and amortisation rates for each class of assets are as follows:

Depreciation Rates:

- Office furniture & fittings	20%	Prime Cost
- Computer equipment	40%	Prime Cost
- Motor vehicles	22%	Reducing Balance
- Leasehold improvements	20%	Prime Cost
- Promotional equipment	33.3%	Prime Cost
- Right-of-use assets	-	Straight-line basis, over the shorter of the asset's useful life and the lease term.

Amortisation Rates:

- Software, media assets and digital development costs	1 – 3 years	Prime Cost
--	-------------	------------

2. SUMMARY OF ACCOUNTING POLICIES (Continued)**f) Employee Benefits***Short-term employee provisions*

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that 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.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in surplus or deficit as a part of employee benefits expense.

The Company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

g) Income Tax

No provision for income tax has been made as the Company is exempt under the *Income Tax Assessment Act 1997*.

h) Foreign Currency Transactions and Balances

A foreign currency transaction shall be recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each balance date:

- i) foreign currency monetary items are reported using the closing rate;
- ii) non-monetary items which are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- iii) non-monetary items which are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially translated during the period, or in previous financial statements, are recognised in the statement of comprehensive income in the period in which they arise.

i) Impairment of Assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment deficit is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use. Value in use is the present value of future cash flows expected to be derived from the asset or cash-generating unit. When the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and when the Company would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

2. SUMMARY OF ACCOUNTING POLICIES (Continued)**j) Payables**

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company. Trade and sundry payables are non-interest bearing, and unsecured and are normally settled on 30 day terms.

k) Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for doubtful debts is recognised when collection of the full amount is no longer probable. Receivables are usually settled on 30 day terms and are non-interest bearing.

l) Financial Instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the financial instrument.

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire or are transferred and no longer controlled by the Company.

A financial liability is removed from the statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

m) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents with maturity dates in excess of three months are shown as financial assets in the statement of financial position.

n) Revenue*i) Ticket Sales*

When the Company acts in the capacity of an agent rather than as principal in a transaction, the revenue recognised is the net amount of commission made by the Company.

ii) Grants and Co-operative Marketing Revenue

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a third party
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

iii) Interest

Interest revenue is recognised using the effective interest method. It includes the amortisation of any discount or premium.

iv) Member Subscriptions

Member subscriptions are recognised over the period for which the subscription is payable.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. SUMMARY OF ACCOUNTING POLICIES (Continued)

o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowing using the effective interest method. Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired.

p) Going Concern

At 30 June 2020, the Company achieved an operating surplus of \$5,059,656 (2019: surplus of \$431,381) and had a net asset position of \$7,606,603 (2019: \$2,680,887).

The Company's current five-year funding agreement with City of Gold Coast expires on 30th June 2021. The Company is currently negotiating a further five-year agreement on similar terms. In the interim, given delays as a result of Covid 19 and the recent Council elections, the Company has obtained confirmation from Council that funding will be extended for a further six months to the value of \$7.75m. On this basis the Company considers the preparation of the financial statements on a going concern basis is appropriate.

q) New, revised or amending Accounting Standards and Interpretations not yet mandatory or early adopted

The Company will adopt these standards from 1st July 2020. It is assessed that the adoption of these standards will have no significant impact on the Company.

AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material
This standard is applicable to annual reporting periods beginning on or after 1 January 2020

This Standard amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The amendments clarify that materiality will depend on the nature or magnitude of information. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

AASB 2019-1 Amendments to Australian Accounting Standards – Definition of Business
This standard is applicable to annual reporting periods beginning on or after 1 January 2020

The revised Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. AASB 2019-1 has also been issued, which sets out the amendments to other pronouncements for references to the revised Conceptual Framework. The changes to the Conceptual Framework may affect the application of accounting standards in situations where no standard applies to a particular transaction or event.

AASB 2018-6 Conceptual Framework for Financial Reporting Amendments to Australian Accounting Standards – Reference to the Conceptual Framework
This standard is applicable to annual reporting periods beginning on or after 1 January 2020

The Standard amends the definition of a business in AASB 3 Business Combinations. The amendments clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
3. REVENUE		
Sale of goods and services	273,563	363,739
Tourism levy - City of Gold Coast	16,582,324	16,750,000
Grants and Contributions - Tourism and Events Queensland	3,696,777	2,276,509
Grant (Business Events) - Tourism and Events Queensland	600,000	600,000
Grant (EMDG) - Austrade	150,000	68,275
Membership subscriptions	411,364	416,520
Co-Operative marketing - Other	183,118	1,076,753
Other	60,038	23,182
	21,957,184	21,574,978

The Tourism levy referred to above relates to the funding received from the City of Gold Coast via the Tourism and Economic Diversification Component of the Differential General Rate.

4. EXPENDITURE

Additional information on the nature of expenses:

Depreciation and amortisation expense:		
- Right-of-use assets	492,263	492,262
- Property, plant and equipment	82,303	66,292
- Intangible assets	18,037	32,089
Inventories:		
- Amount of inventories recognised as an expense	176,796	240,549
Employee benefits expense:		
- Salaries and wages	4,098,944	4,856,041
- Superannuation	373,224	420,754
Foreign exchange deficit	8,398	7,477
Deficit/(Surplus) on sale of fixed assets	5,237	(4,258)
Leases:		
- Interest on lease liabilities	267,302	285,863
- Expenses relating to short-term leases	194,467	234,159

Administrative Expenses referred to in the statement of comprehensive income comprise all salary costs for administrative staff in Corporate Services, including but not limited to, expenditure on staff recruiting, staff development, rent, electricity, insurance, depreciation, telephone and information technological services.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
5. LEASES		
(i) Amounts relating to leases shown in the statement of financial position		
Right-of-use assets *		
Lease Premises	3,650,946	4,143,209
* included in the line item 'Property, plant and equipment' in the statement of financial position		
Lease liabilities **		
Current	377,339	332,205
Non-current	3,893,264	4,270,603
	<u>4,270,603</u>	<u>4,602,808</u>

** included in the line item 'Lease liability' in the statement of financial position.

(ii) Amounts relating to leases shown in the statement of comprehensive income

Depreciation charge of right-of-use assets (included in administrative expenses)	492,263	492,262
Interest expense (included in finance cost)	267,302	285,863
Expense relating to short-term leases (included in expenditure)	194,467	234,159

(iii) The Company's leasing activities and how these are accounted for

The Company may from time to time lease various properties or equipment. Rental contracts are typically made for fixed periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

5. LEASES (Continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Company's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date, less any lease incentives received
- any initial direct costs and restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in surplus or deficit. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

	2020 \$	2019 \$
6. FINANCIAL ASSETS		
Fixed term deposit	-	2,300,000
Fixed term guarantee deposit	154,909	154,909
	<u>154,909</u>	<u>2,454,909</u>

Financial assets relate to term deposits with maturities greater than 3 months that have been reclassified from cash and cash equivalents in accordance with note 2(m).

7. TRADE AND OTHER RECEIVABLES

Trade receivables	-	220,000
Sundry	26,802	2,028
	<u>26,802</u>	<u>222,028</u>

8. OTHER CURRENT ASSETS

GST Receivable	151,928	255,104
Prepayments	370,595	221,820
Deposits	-	135
	<u>522,523</u>	<u>477,059</u>

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
9. PROPERTY, PLANT AND EQUIPMENT		
a) Property, Plant and Equipment		
Right-of-use Assets - at cost	4,922,624	4,922,624
Less: Accumulated Depreciation	(1,271,678)	(779,415)
	<u>3,650,946</u>	<u>4,143,209</u>
Office Furniture & Fittings - at cost	341,865	348,273
Less: Accumulated Depreciation	(323,463)	(311,992)
	<u>18,402</u>	<u>36,281</u>
Computer Equipment - at cost	356,236	369,925
Less: Accumulated Depreciation	(299,222)	(300,531)
	<u>57,014</u>	<u>69,394</u>
Motor Vehicles - at cost	18,548	18,549
Less: Accumulated Depreciation	(12,437)	(10,917)
	<u>6,111</u>	<u>7,632</u>
Leasehold Improvements - at cost	669,106	621,125
Less: Accumulated Depreciation	(597,395)	(580,187)
	<u>71,711</u>	<u>40,938</u>
Promotional Equipment - at cost	13,478	13,476
Less: Accumulated Depreciation	(9,794)	(6,762)
	<u>3,684</u>	<u>6,714</u>
Total Property, Plant and Equipment	<u>3,807,868</u>	<u>4,304,168</u>

b) Movement during the year 2020

	Right-of-use Assets \$	Office Furniture & Fittings \$	Computer Equipment \$	Motor Vehicles \$	Leasehold Improvements \$	Promotional Equipment \$	Total \$
Opening written down value	4,143,209	36,281	69,394	7,632	40,938	6,714	4,304,168
Additions at cost			38,283		47,980		86,263
Disposals at written down value		(5,447)	(2,550)				(7,997)
Depreciation expense	(492,263)	(12,432)	(48,113)	(1,521)	(17,207)	(3,030)	(574,566)
Closing written down value	3,650,946	18,402	57,014	6,111	71,711	3,684	3,807,868

2019

	Right-of-use Assets \$	Office Furniture & Fittings \$	Computer Equipment \$	Motor Vehicles \$	Leasehold Improvements \$	Promotional Equipment \$	Total \$
Opening written down value	4,635,471	29,059	52,152	29,313	48,301	4,588	4,798,884
Additions at cost		19,974	55,440		3,840	3,990	83,244
Disposals at written down value			(690)	(18,716)			(19,406)
Depreciation expense	(492,262)	(12,752)	(37,508)	(2,965)	(11,203)	(1,864)	(558,554)
Closing written down value	4,143,209	36,281	69,394	7,632	40,938	6,714	4,304,168

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
10. INTANGIBLE ASSETS		
a) Intangible Assets		
Software, media assets and digital development- at cost	621,156	537,035
Less: Accumulated Amortisation	(545,171)	(527,134)
	<u>75,985</u>	<u>9,901</u>
b) Movement during the year		
Software, media assets and digital development:		
Opening balance at cost	537,035	1,140,863
Additions at cost	84,121	-
Disposals at cost	-	(603,828)
Amortisation expense during the year	(18,037)	(32,089)
Amortisation expense brought forward	(527,134)	(495,045)
Closing written down value	<u>75,985</u>	<u>9,901</u>
11. TRADE AND OTHER PAYABLES		
Trade payables and accruals	633,177	2,720,673
Members subscriptions in advance	564	184,866
Revenue received in advance	425,057	484,398
Sundry payables	5,175	-
	<u>1,063,973</u>	<u>3,389,937</u>
12. PROVISIONS AND LEASE LIABILITIES		
Current		
Annual leave	247,200	202,051
Current portion of long service leave	152,258	151,461
Lease liability	377,339	332,206
Staff training provision	90,759	-
	<u>867,556</u>	<u>685,718</u>
Non Current		
Long service leave	58,079	77,563
Lease liability	3,893,264	4,270,603
	<u>3,951,343</u>	<u>4,348,166</u>

The lease liability arises from the capitalisation of the Company's head office lease premises in Broadbeach in accordance with the requirements of AASB16. The liability relates to the future lease payments over the lease term of ten years.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
13. MOVEMENT IN RESERVES		
Reserve - Subvention funds:		
Balance at the beginning of the year	250,000	250,000
Transfer to meet current period expenditure	-	-
Transfer to meet current and future expected expenditure	-	-
Balance at end of year	<u>250,000</u>	<u>250,000</u>

This reserve has been created to build funding for future expected expenditure in relation to convention and association bids.

14. COMMITMENTS FOR EXPENDITURE

Marketing Agreements:

The Company is committed to various marketing and agency agreements, contracted for but not recognised as liabilities which are payable as follows:

- within 12 months	1,724,718	2,205,277
- 12 months or longer and no longer than 5 years	2,077,045	1,171,864
	<u>3,801,763</u>	<u>3,377,141</u>

15. CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash and cash equivalents as per statement of financial position	8,885,708	3,673,560
Bank overdraft*	(11,808)	(77,770)
Balance as per statement of cash flows	<u>8,873,900</u>	<u>3,595,790</u>

* bank overdraft represents a credit facility in place to cover credit card expenditure incurred each month. The overdraft is repaid shortly after each month end with no interest expense incurred.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

16. RELATED PARTY TRANSACTIONS

During the financial year the following transactions were undertaken with related parties. Transactions with City of Gold Coast and Tourism Events Queensland are not reflected below, as they are not considered related entities under the control of the Company's Directors. All transactions were undertaken in the normal course of business.

Directors/CEO	Related Party	Directors/CEO position in related party	Purchases (Venue Hire, Accommodation, Parking, VIC ticket purchases & Professional fees.) \$	Revenue (Membership fees, Co Op campaigns & Joint activities.) \$
Paul Donovan (Chairman)	Queensland Airports Ltd	General Manager (Business Relationships)	1,960	2,591
Adrienne Readings (Vice Chairman)	Gold Coast Convention & Exhibition Centre	General Manager	4,931	26,934
John Morris	RACV Queensland Resorts	General Manager	825	7,534
Lindsay Wallace	HOTA Home of the Arts	Director	-	2,550
Peta Fielding	Burleigh Brewing Company	CEO	-	1,005
Adam Twemlow	KPMG	Partner	-	191
Mark Hodge (appointed - 27/11/19)	Mantra/Accor Group	Senior Vice President of Operations	8,552	7,581
Clark Kirby	Village Roadshow Theme Parks Group	Executive Chairman & CEO	316,996	11,182
Annaliese Battista CEO	GC Suns Football Club	Board Member	42	955
	Assoc. of Australian Convention Bureaux	Board Member	25,389	-
	Tourism and Transport Forum	Advisory Board Member	28,875	-
John Punch	Short Punch & Greatorix	Partner	-	-

There were no trade receivables due from related parties. Trade payables due to related parties amounted to \$2,754 at balance date.

Note:

- Includes Theme Park ticket purchases of \$309,488 for resale through the Company's two Visitor Information Centres.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

17. EVENTS AFTER BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of the affairs of the Company in subsequent financial years.

18. KEY MANAGEMENT PERSONNEL REMUNERATION

No remuneration was received or receivable by Non-Executive (Board) Directors for the year, other than incidental travel and meeting related costs reimbursed or covered for expenditure incurred. Names of Directors in office during the financial year are included in the Directors' Report.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Chief Executive Officer and Executive Directors of the Company.

Executive's remuneration included in expenditure amounted to \$824,937 (2019: \$1,562,493).

	2020 \$	2019 \$
Short-term employee benefits	766,368	1,495,332
Post-employment benefits	58,569	67,161
	<u>824,937</u>	<u>1,562,493</u>

19. AUDITOR'S REMUNERATION

Audit of financial report	21,000	20,900
Other non-audit services provided	-	-
	<u>21,000</u>	<u>20,900</u>

20. FINANCIAL RISK MANAGEMENT

Gold Coast Tourism Corporation Limited is a not-for-profit tourism promotion agency, primarily funded by the City of Gold Coast. The Company manages its capital to ensure that it meets its strategic objectives and to ensure it will continue as a going concern. The capital structure of the Company consists of cash and cash equivalents.

Primary responsibility for identification and control of financial risks rests with the Directors of Gold Coast Tourism Corporation Limited. The Directors review and agree to policies for managing each of the risks identified below, including limits for approved instruments, transaction values and counterparties with whom the Company transacts.

The Company uses different methods to measure different types of risk to which it is exposed. These methods include detailed budgeted cashflow analysis for liquidity risk. In terms of interest rate risk the Company does not have significant exposure at balance date and as such the effect of volatility of interest rates within expected reasonable possible movements would not be significant.

GOLD COAST TOURISM CORPORATION LIMITED - ACN 009 935 184

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

20. FINANCIAL RISK MANAGEMENT (Continued)

a) Market Risk

- (i) The Company does not have any significant foreign exchange exposures at balance date and as such the effect of volatility of foreign exchange rates within expected reasonable possible movements would not be significant.
- (ii) The Company's main interest rate risk relates to its cash and cash equivalents.

At 30 June 2020, if interest rates had changed by +/- 100 basis points from the year end rates with all other variables held constant, the surplus would have been \$61,227 lower/higher (2019 change of 100 bps: \$65,558 lower/higher).

b) Credit Risk

Credit risk arises principally from the Company's receivables and cash and cash equivalents.

Trade receivables are generally on 30 day terms. Credit risk is kept continually under review and managed to reduce the incidence of material losses being incurred by the non receipt of monies due.

The Company trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Company's policy to securitise its trade receivables. It is the Company's policy to consider the credit worthiness of all customers who wish to trade on credit terms.

The ageing of trade receivables at the reporting date was:

	2020 Gross \$	2020 Allowance \$	2019 Gross \$	2019 Allowance \$
Current	-	-	220,000	-
31 - 60 days	-	-	-	-
61 - 90 days	-	-	-	-
91 days and over	-	-	-	-
		-	220,000	-

During the financial year nil bad and doubtful debts were written off (2019: Nil). At balance date no trade receivables were deemed irrecoverable.

Cash Investments

The Company limits its risk exposure on cash investments by investing in term deposits or similar, with major banking institutions, and management does not expect any counterparty to fail to meet its obligations.

c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. This process involves the review and updating of cash flow forecasts and, when necessary the obtaining of credit standby arrangements and loan facilities.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020



Crowe South QLD
ABN 94 495 774 523
Level 2, Corporate Centre One
2 Corporate Court
Bundall QLD 4217
Australia
Main +61 (07) 5644 6100
Fax +61 (07) 5644 6199
www.crowe.com.au

20. FINANCIAL RISK MANAGEMENT (Continued)

c) Liquidity Risk (Continued)

The following is the contractual maturity analysis for financial liabilities:

2020	Contractual Repayment Amount \$	6 mths or less \$	6 - 12 mths \$	1 - 5 years \$
Trade payables	278,194	278,194	-	-
Sundry payables and accruals	354,983	354,983	-	-
Lease liability	4,135,581	306,667	316,821	3,512,093
	4,768,758	939,844	316,821	3,512,093

2019	Contractual Repayment Amount \$	6 mths or less \$	6 - 12 mths \$	1 - 5 years \$
Trade payables	1,032,883	1,032,883	-	-
Sundry payables and accruals	2,357,054	2,357,054	-	-
Lease liability	3,976,521	294,872	304,636	3,377,013
	7,366,458	3,684,809	304,636	3,377,013

The Company maintains the following facilities:

Credit Standby Facilities

The Company has credit standby facilities of up to \$200,000 available as a business credit card facility.

Encashment Facility

The Company has an encashment facility of \$4,000 to facilitate cashing of cheques through the ANZ Broadbeach branch.

Indemnity Guarantees

The Company has signed an indemnity guarantee for \$154,909 over the lease for the Company's premises at Suite N201 & N301, Oracle North, 12 Charles Avenue, Broadbeach.

d) Fair Values

The carrying amount of financial assets and liabilities recorded in the financial statements are stated at fair value unless otherwise stated. The fair value of financial assets is the amount that could be received on disposal less any costs of disposal. The fair value of financial liabilities is the amount that could be paid to extinguish the debt, plus any costs of extinguishment.

21. CONTINGENT LIABILITY

The Company had no contingent liabilities as at 30 June 2020 and 30 June 2019.

Auditor's Independence Declaration

As auditor of Gold Coast Tourism Corporation Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Gold Coast Tourism Corporation Limited during the year.

Crowe South QLD
Crowe South QLD

Logan Meehan
Logan Meehan
Partner – Audit & Assurance

Dated: 21 September 2020
Gold Coast

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately-owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe South QLD, an affiliate of Findex (Aust) Pty Ltd.

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Independent Auditor's Report

To the Members of Gold Coast Tourism Corporations Limited

Opinion

We have audited the financial report of Gold Coast Tourism Corporation Limited ("the Company"), which comprises the statement of financial position as at 30 June 2020, the statement of 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 Gold Coast Tourism Corporation Limited is in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the Company's financial position as at 30 June 2020 and of its financial performance for the year then ended.
- (b) 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* (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.

Other Information

The directors are responsible for the other information. The other information comprises the information contained in the Company's annual Report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately-owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe South QLD, an affiliate of Findex (Aust) Pty Ltd.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the 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 ability of the Company 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.

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 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 this 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company'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 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, among 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 the audit.

Crowe South QLD
Crowe South QLD

Logan Meehan
Logan Meehan
Partner – Audit & Assurance

Dated: 23 September 2020
Gold Coast

DESTINATION
GOLDCOAST.

PO Box 226
Broadbeach Qld 4218
ACN: 009 935 184

+61 7 5592 2699

www.destinationgoldcoast.com



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