

2013/14 ANNUAL REPORT





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ABOUT GOLD COAST TOURISM

Gold Coast Tourism is a not-for-profit, membership based, destination marketing organisation structured to promote the city as a leisure and business event destination through global and domestic trade, media and travel industry channels. We represent a membership base of approximately 500 accommodation venues, theme parks and attractions, tour operators, restaurants and cafes, entertainment venues, transport providers and professional support services. Furthermore we work on behalf of almost 27,000 commercial businesses which contribute to our operation through a tourism levy. Our industry partnerships span all levels of tourism authority including, but not limited to, Tourism Australia, Tourism and Events Queensland, City of Gold Coast, Connecting Southern Gold Coast, Broadbeach Alliance and Surfers Paradise Alliance.

OUR ROLE

Tourism directly contributes \$4.8 billion into the Gold Coast economy annually and accounts for more than 30,000 direct jobs in the city. Established in 1975, Gold Coast Tourism employs a staff of marketing and sales professionals to positively promote the destination. Our work generates exposure and converts the interest of potential leisure and business consumers from outside the Gold Coast region into visitation for the businesses of the city. Our strategies and activities are developed in consultation with the local industry, government, state and national tourism bodies, national and international travel trade and other industry partners.

OUR MISSION

To grow tourist visitation, demand and expenditure to the Gold Coast, to add value to members through promotion and destination awareness.

OUR VISION

For the Gold Coast to be recognised locally, nationally and internationally as one of the world’s great visitor destinations.

OUR BRAND VALUES

The Gold Coast is Australia’s favourite playground. It is a welcoming, vibrant, diverse, fun and entertaining destination. These values are reflected in the work of Gold Coast Tourism.

BUSINESS GOALS

- Increase visitor demand, arrivals and expenditure for the city
- Operate with a sustainable business model
- Deliver value to members
- Deliver business outcomes based upon quality research, best practice and return on investment
- Apply available resources in the most effective and productive manner
- Identify and invest in growth opportunities
- Demonstrate industry and destination management leadership
- Establish Gold Coast Tourism as an employer of choice



ABOUT GOLD COAST TOURISM

CORPORATE GOVERNANCE

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

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

Responsible corporate governance is evident in Gold Coast Tourism's operations at many levels. Some examples include:

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

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. The Committee meets at least twice a year.

The current Committee members are:

- Paul Steer (Chair)
- Bruce Nicholls
- Adrienne Readings

Of note, the current Chair is the Managing Partner, Gold Coast for KPMG, who brings a wealth of relevant experience to the Committee's operations.

Committee meetings are also attended by the Chief Executive Officer, the Director - Corporate Services, and the Director - Communications and Marketing Services.



ABOUT GOLD COAST TOURISM

OUR MARKETING APPROACH

Gold Coast Tourism's focused and strategic approach to marketing the Gold Coast as a holiday and business events destination ensures we achieve maximum value from our investments of resources.

In our largest market, Australia, we balance independent and cooperative activity depending on season, sector and circumstance. Our cooperative activity includes regular campaigns with Gold Coast Tourism member businesses, Surfers Paradise Alliance, Broadbeach Alliance, Connecting Southern Gold Coast, Gold Coast Airport, Tourism and Events Queensland, travel retailers and airlines.

Internationally, we leverage our cooperative partnerships even further to enhance our spend and gain greater reach. Our chief international marketing partners are Tourism Australia, Tourism and Events Queensland and international airlines.

The primary markets in which we are most active are judged on six key criteria. They are:

- Current visitor volume and expenditure to Gold Coast
- Forecast outbound visitor volume and expenditure
- Current or probable aviation access into Gold Coast or Brisbane airports
- Priority regions identified by Tourism Australia and Tourism and Events Queensland
- Fit with Gold Coast target audience segmentation and prioritisation

Gold Coast Tourism operates to promote the destination image and attract leisure and business event visitors to the city. This is executed through five main categories of activity, each with a specific purpose to increase awareness, engagement or conversion. They are:

- Consumer marketing campaigns and promotions
- Trade campaigns and partnerships
- Bidding and sales activity
- Public relations and media
- Familiarisations (media and trade)

Consumer activity primarily consists of targeted marketing utilising owned, earned or paid channels to positively promote the Gold Coast holiday experience throughout the year.

Trade activity enables us to leverage, update and educate the travel wholesalers, inbound tourism operators, professional conference organisers and travel agent networks which are crucial influencers and sales conversion partners for travel to the Gold Coast.

It is also important to visit the markets to conduct sales calls and talk first hand with consumers, travel agents, wholesalers, airlines and representatives of Tourism Australia and Tourism and Events Queensland. Tourism marketing is a business built on relationships and it is necessary to meet face to face several times throughout the year to ensure the destination remains relevant and understood. This is especially important in the Business Events arena where professional conference organisers recommend the Gold Coast to their clients for conference and incentive events.

Promotions and public relations work is generally organised to complement the marketing campaigns through below-the-line channels such as events, social media and publicity.

Bringing targeted media or trade representatives to experience the destination first hand has proven to be one of the most effective ways to gain exposure or advocacy for the city within a highly competitive environment. Throughout the year we will host hundreds of media and trade contacts whose personal experience goes on to positively influence millions of their audience or clients.



CHAIRMAN'S SUMMARY

Gold Coast Tourism (GCT) was at the forefront of an improved year for the Gold Coast tourism industry by successfully increasing visitor demand and visitor expenditure for the city against competitor destinations and industry dynamics.

Industry performance data produced by Tourism Research Australia for the 2013-14 financial year has reconfirmed the Gold Coast's position as Australia's number one holiday and leisure tourism destination. In the year ending June 2014, the region attracted more than 11 million visitors and generated over \$4.8 billion in visitor expenditure. That means the Gold Coast visitor economy increased by around \$206 million or 4.2 percent over the past 12 months.

These strong results are a credit to the massive investment and hard work of the Gold Coast tourism industry, the continued commitment of the City of Gold Coast to direct stakeholder levies to essential promotion through GCT, and co-operative support from Tourism Events Queensland.

The sector-leading partnership between the industry via GCT and the City of Gold Coast was evolved even further this year with the development and delivery of the *Destination Tourism Management Plan* (DTMP). The DTMP is a landmark commitment between the Gold Coast tourism industry, the City of Gold Coast and the Queensland Government. It underpins our partnership, provides a framework to achieve our challenging shared goal of doubling the Gold Coast visitor economy by 2020, and affirms our intent to maintain our position as Australia's most successful, robust, and productive tourism region. Close alignment of Gold Coast Tourism's best practice destination marketing with the City of Gold Coast's tourism investment and development activities will deliver wide-ranging benefits throughout the local economy.

Another partnership of great benefit to the entire industry was the extraordinary collaboration between the Gold Coast's major theme parks and Queensland Government to deliver the *Theme Park Capital* campaign. While focused on the Gold Coast's themed attractions, the campaign upheld the greater objective to extend the profile and promotion of the Gold Coast for the benefit of the entire industry. GCT facilitated the partnership and we are not only pleased with the unprecedented national exposure achieved, but also with the opportunity it has created for the destination's major marketing forces to further align in the future.

I have also been particularly encouraged by the progress or finalisation of some important developments around the city that directly impact on our industry and the visitor experience.

The most notable is the Glink light rail through the central strip that will significantly improve visitor dispersal and expenditure. The completion of the final phase of Glink construction heralded a welcome transition for traders along the route, particularly those in Surfers Paradise who have had to manage this, along with a number of other significant development disruptions, over the past five years. GCT will continue to strongly advocate for further connectivity of the Glink to maximise the broader tourism opportunity. Also noteworthy has been the commencement of the \$670 million Pacific Fair Shopping Centre redevelopment and the \$345 million Jupiters Hotel and Casino redevelopment. Each are flagships of a renewed confidence and momentum on the Gold Coast and each are undeniable endorsements of its \$4.8 billion tourism industry.

There has never been a more important time for strong partnerships between tourism stakeholders. The Gold Coast tourism industry is firmly back on positive ground and we must now move to not only sustain real growth but aggressively increase our market share. In key areas we have led the industry to achieve significant competitive advantage, and now we are better positioned than any other destination to generate and take advantage of new opportunity.

I would like to thank each and every one of our industry colleagues and partners for the commitment and hard work they have shown over the past 12 months. We have a great industry with great people and I am very proud to be part of it.

Paul Donovan
Chairman | Gold Coast Tourism Corporation Ltd

2012/13	2013/14	Change
11,832,733	11,055,804	-6.50%
Total Visitor Arrivals	Total Visitor Arrivals	
22,329,368	22,462,740	0.60%
Total Visitor Nights	Total Visitor Nights	
\$4.6b	\$4.8b	4.40%
Total Visitor Expenditure	Total Visitor Expenditure	



CEO'S SUMMARY

In 2013-14 Gold Coast Tourism (GCT) again delivered a successful schedule of destination marketing, media, and industry leadership that directly delivered more than \$98 million to the city's \$4.8 billion tourism industry.

In line with the fundamentals set down in the new *Destination Tourism Management Plan* (DTMP), GCT achieved within success parameters 18 of the 20 core performance measures established as service standards in the Five Year Tourism Agreement with the City of Gold Coast, exceeding 15. The two not achieved, (Direct Business Sales Generated and Total Marketing Campaign Reach) were complicated by, or no longer applicable due to changes in the monitoring and reporting methodology.

The DTMP has been a major milestone for GCT as it directs our aggressive approach to destination marketing. Moreover, it brings together for the first time both supply and demand drivers with one agreed vision, aligning resources and developing the industry at all levels of tourism agency and government department toward a targeted \$7 billion Gold Coast visitor economy by 2020.

Through the DTMP the organisation continues to be dedicated to measuring its performance and value through a framework of agreed actions, targets, and reporting. In the 2013-14 financial year this saw a 4.4 percent growth in Total Visitor Expenditure compared to 2012-13. The Gold Coast outperformed its Queensland comparison set including Sunshine Coast (-10.3 percent), Brisbane (-3.6 percent), Tropical North Queensland (-4.9 percent), and the Queensland trend (-1.7 percent).

Domestically, the Gold Coast also recorded solid growth in Overnight Visitor Arrivals out of Brisbane (+8 percent to 1,079,000), Melbourne (+19 percent to 349,000), Regional Queensland (+16 percent to 372,000), and Regional New South Wales (+6 percent to 315,000). Against this strong trend Sydney underperformed as a source market with a decline of 21 percent to 462,000. Although this decline comes off a 38 percent increase in 2012-13, Sydney will receive additional attention in FY15.

Internationally, the Gold Coast performed strongly across the board, generating a 13 percent increase in International Visitor Expenditure to \$969 million, an 11 percent increase in International Visitor Nights, and a 5 percent increase in International Visitor Arrivals. Our stronger international source markets continued to perform well with Visitor Arrivals out of China (+4 percent to 187,000), United Kingdom (+3 percent to 60,000), Singapore (+3 percent to 42,000), and

Malaysia (+40 percent to 31,000). Significantly, two of our most important international source markets appear to have turned a corner after years of decline due to factors beyond our influence. In the 2013-14 financial year, Visitor Arrivals from New Zealand increased 9 percent to 185,000 and Visitor Arrivals from Japan increased 3 percent to 56,000.

Key strategic investments by GCT have undoubtedly assisted these strong results, in particular: our increased domestic activity with a focus on Brisbane and regional Australia; our innovative engagement with trade and consumers in Greater China; our effective alliances with airlines providing access from key domestic and international source markets; our digital leadership across the five stages of travel and a quality approach to business event research, bidding and sales. These important growth initiatives are each reported in further detail along with other key activities in the following Business Unit Reports.

Looking to the year ahead, Business Unit Plans focus on larger, more impactful activities that can compete better in an increasingly crowded marketplace. In order to properly resource a more forceful campaign schedule, GCT has moved to reprioritise its workforce, markets, and channels with a focus on increasing marketing effectiveness and operational efficiency.

We will continue to strongly promote the \$4.8 billion Gold Coast tourism industry we represent and the City of Gold Coast as a whole.

Under the vision of the DTMP, leadership of the Board of Directors and with direct input from members, industry representatives and stakeholders, in the coming year GCT will progress priorities for tourism planning, investment, development and marketing to grow the Gold Coast tourism industry with continuing confidence in FY15 and beyond.

Martin Winter
Chief Executive Officer | Gold Coast Tourism



MEMBERSHIP SERVICES

Membership Services achieved all set targets for the FY13/14 business plan relating to member engagement, including member satisfaction, product development, training and development of members and exposure across digital platforms.

Longevity of members was displayed with an 80 percent retention rate thanks to the strong relationships built over previous years and perceived value of membership. Furthermore, by converting 80 prospective members, the Membership Services team showcased an interesting cross section of offerings for the destination.

From the 496 member engagement meetings held, against a target of 440, a crucial strengthening of member rapport was obtained. Increased awareness of GCT's activities resulted in a satisfying 95 percent of members noting in the Annual Survey these meetings were valuable. A strong member satisfaction rating of 3.85 out of 5.0, also indicated industry's endorsement of GCT's Membership Services - an increase from 3.7 on the previous year. Furthermore, 84 percent rated their relationship with GCT as 'extremely valuable' or 'somewhat valuable'. During FY13/14, member engagement was increased online via our LinkedIn group with growth to 301 individuals. 22 Business Events members took advantage of showcases to highlight product enhancements to the team ensuring updated product knowledge.

The Membership Services business unit also hosted 11 workshops, presentations and networking events during the year. The program of events was designed again with the feedback obtained from members in the Annual Survey which indicated an overwhelming demand for Digital Marketing and International Ready topics. Consequently, topics covered included - Facebook, Online Booking Portals, New Zealand Market and Tourism Australia's *Restaurant Australia* campaign. 91 percent of attendees rated events as good or excellent.

The implementation of an updated CRM system, Simpleview, was introduced half way through the financial year. Further utilisation of the system allows more thorough ROI reporting for members on an ongoing basis. The enabled electronic distribution of accounts and online payment access led to a streamlined renewal process leading into the new financial year.

HIGHLIGHTS

- 477 members
- \$427,730 membership revenue
- 80 new members acquired
- 496 engagement meetings conducted
- 11 Industry events and workshops conducted
- 1,547 attendees at events
- 52 industry and stakeholder events/ meetings/presentations attended
- 3.85/5 member satisfaction rate
- 301 LinkedIn group members

GCT MEMBERS BY CATEGORY

31% Accommodation

22% Attraction/Activity

20% Service

8% Restaurant/Cafe

8% Other

4% Shopping

4% Transport

2% Tour

1% Venue

HIGHLIGHTS

CAMPAIGNS

- Zuji.com.au
- Gold Coast Sevens
- V8 Supercars Gold Coast 600
- *And Action* Summer with Jetstar and TEQ
- Flight Centre Group, Infinity Holidays and Escape Travel
- PGA - Golf
- STA Travel
- Webjet.com.au Summer
- News Ltd Gold Coast Supplement with TEQ
- Qantas Airways and TEQ
- TigerAir
- Wotif.com
- *And Action* Winter with TEQ
- Webjet.com.au Winter
- Flight Centre Group and Infinity Holidays
- Tourism and Events Queensland Gold Coast Airport Marathon
- AFL with Gold Coast Suns
- NRL with Gold Coast Titans
- Bleach* Festival
- Cooly Rocks On
- Surfers Paradise Festival
- Blues on Broadbeach
- Gold Coast Whale Watching
- RACQ Travel and Tourism
- Global Work and Travel Co

FAMILIARISATIONS

- Gold Coast National Mega Famil with Virgin Australia and TEQ
- Accor Getaways
- Viva! Holidays
- Australian Youth Tourism Exchange
- Helloworld
- Flight Centre Group and Infinity Holidays
- Tourism Australia's Best Job

MISSIONS

- World Youth Student Travel Convention, Sydney
- Tourism and Events Queensland Youth Trade Workshop, Sydney
- Independent Travellers Exchange, Sydney
- Website Travel Training Summit, Sydney
- ANZA Education Trade Event, Sydney
- Website Travel Training Summit, Cairns
- Australian Youth Tourism Exchange, Sydney
- TNT Travel Consumer Show, Sydney



AUSTRALIA MARKETING

The Australia Marketing Team remained focused on increasing visitation, overnight stays, length of stay and expenditure into the Gold Coast region across the year and delivered a comprehensive calendar of activity in support of this. A greater emphasis was placed on establishing a direct to consumer presence with VisitGoldCoast.com used as our call to action and online platform to support our national campaign activity undertaken in partnership with Tourism and Events Queensland. This activity generated just under 30,000 direct leads to GCT Member Products across the year and strengthened our destination positioning with our *And Action* creative used nationally.

The largest visitor source market for the Gold Coast continues to be our 'Drive' market of Brisbane, South East Queensland and Northern New South Wales which delivered an increase of 8 percent in overnight visitors and 19 percent in visitor nights across the year. In FY14 our online 'Drive' platform delivered over 18,500 website referrals and a further 36,000 voucher downloads directly to GCT Member Products. Our Sports and Events activity continued to play a major role in generating visitation from this market, as GCT's strategic approach of promoting both overnight and longer 'event' stays, strengthened the City's image as a world class events destination.

In targeting our core interstate audience, GCT continued to leverage our aviation and trade partners with the aim of maximising the destination's cut-through in these competitive markets. Cooperative campaign work was undertaken with the likes of Jetstar, Flight Centre Group, Wotif Group, Webjet, TigerAir and Qantas Airways with the sole objective of increasing visitation, overnight stays, length of stay and expenditure into the Gold Coast region.

Throughout FY14 GCT remained focused on targeting the 1.5 million international youth travellers that visit Australia annually and in conjunction with the Gold Coast Adventure Travel Group initiated a number of campaigns and attended a number of consumer and trade events to secure increased visitation and length of stay from this segment. The Gold Coast has firmly positioned itself as Australia's adventure playground and is in a strong position to attract further growth from this market across FY15.



HIGHLIGHTS

CAMPAIGNS

- Flight Centre New Zealand Gold Coast
- Smiling Indonesia Sensational Sale
- Chinese New Year Charter
- Fujian, Ningbo, Chengdu Star Tour
- Talk Sport/Experience Travel GC7's
- HIS Osaka GO GO! Gold Coast
- Make My Trip India
- Ottila India
- JTB Japan Group Tour
- Wing-On Hong Kong Gold Coast
- Phoenix Tours Taiwan
- Gold Coast Brand Campaign New Zealand
- V8 Supercar New Zealand
- House of Travel New Zealand
- HIS Tokyo Gold Coast

FAMILIARISATIONS

- Gold Coast Marathon Taiwan Media
- NZ Herald New Zealand Media
- Garuda Indonesia Trade
- Nicky Wu China Celebrity
- Etihad Middle East Media
- JTB West Japan Group Tour Trade
- Zhejiang & Fujian Star Tour Manager Training
- Women's Weekly New Zealand Media
- ATEC Inbound Operator Workshop and Famil
- Sanjeev Kapoor India Celebrity Chef
- Jetstar Japan Trade
- India Freelance Journalists
- Minami Sanriku Jr. High School student visit
- New Zealand Trade Mega

MISSIONS

- ATEC Sydney Inbound Operator Workshops
- Flight Centre Travel Expo New Zealand
- NATAS Travel Fair, Singapore
- India Travel Mission
- Gold Coast Japan Roadshow
- AIRais Middle East consumer event
- SATTE Travel Trade Fair, India
- GCT South East Asia Mission
- PGA China Golf Show
- MATTA Travel Travel Fair, Malaysia
- Astindo Travel Fair, Indonesia

INTERNATIONAL MARKETING

International visitation to the Gold Coast performed strongly throughout FY14, recording 5 percent growth alongside a solid 13 percent growth in visitor spend. Nine out of Gold Coast's ten largest source markets recorded positive growth for the year-ending June 30, 2014, with Malaysia and India the standouts, with 40 percent and 28 percent growth respectively.

Gold Coast Tourism's increased marketing investment in New Zealand generated strong and timely dividends to the city, with the market recording 9 percent growth. Another pleasing turnaround this year has been Japan, recording growth of 33 percent, against a backdrop of restrained economic conditions and air capacity. Gold Coast Tourism continues to maintain its focus on this longstanding and still lucrative market for the city.

The growth in Chinese visitation to the Gold Coast, whilst notably not the double-digit growth witnessed in 2012/13, was still a solid result for the destination. With the impacts on holiday pricing due to changes to the China Tourism Law from October 2014, the anticipated declines during the December and June quarter partially offset the 40 percent gains recorded over the other two quarters. FY14 saw a continued increase of Gold Coast Tourism resources in China with ongoing development of our digital marketing platforms, increased celebrity advocacy, and further development and training of our key distribution partners across Tier 1 and Tier 2 cities.

Singapore and Malaysia, with a continued marketing push with our LCC partners Scoot and Air Asia, helped deliver growth from both these critical markets to the Gold Coast. Our partnership with Tourism Events Queensland and Tourism Australia likewise ensured the destination was kept front-of-mind during key SE Asia travel fairs and booking periods.

The Middle East market for year-ending June 2014 conversely recorded what was an expected nominal decline in visitor numbers with the timing of Ramadan having adversely affected visitation during the 2013 season (July-Aug). From all accounts the market has shown promising signs of growth this last season (Jul-Aug 2014) and looks set, with Gold Coast Tourism reigniting its marketing push into the region, to be a strong year ahead.

Finally India, whilst still in relative infancy in terms of numbers to the Gold Coast, delivered strong growth to the region off the back of renewed efforts through our representative office in Mumbai, with holiday-specific visitation up 60 percent and overall visitor growth increasing 30 percent.





BUSINESS EVENTS

In FY14, Gold Coast Business Events delivered a broad range of marketing and sales initiatives as it continued to establish the Gold Coast as a strong competitor both nationally and internationally in the business events space.

Despite operating in an increasingly competitive global environment, internationally, the team won a total of eight association conference bids, four international corporate bids and 55 incentive bids on behalf of the Gold Coast. Incentive wins included groups from China, India, Indonesia, Malaysia, Japan, New Zealand and Singapore.

On the national stage, the Gold Coast continued to be a favoured business events destination, with the team securing 51 event wins. The combined result of international and national events resulted in an economic contribution of over \$53 million to the local economy.

In June we launched the inaugural *This is Gold Coast Business Exchange*, a new event targeting the corporate and association sectors with a collaborative destination approach to attract new business to the city. The program delivered a combination of social events, a trade show with over 820 pre-scheduled appointments, and a range of exciting destination experiences. Over 40 members participated in the program as well as 40 Association and Corporate buyers from Australia, New Zealand, China and Singapore, plus six Business Event trade publications.

The Business Events Ambassador Program grew again this year with the induction of six additional Ambassadors. The *Bring a Colleague* lunch was launched, which saw every Ambassador bring a colleague who was a specialist in their industry and interested in contributing to the conference bidding network.

To date we have secured 12 international conference bid wins in conjunction with our Ambassadors and many more are in the development stage.

This year also saw a shift to delivering more cooperative events in the national market, resulting in more opportunities for members to be involved. This activity will continue into the FY15 period.

Traditional sales and marketing activity ramped up significantly in FY14 with the team conducting a total of 661 sales calls, 43 site inspections and 19 destination and media famil programs across key markets.

HIGHLIGHTS

FAMILIARISATIONS

- India Universal Journeys Corporate Group
- Korean and Japanese Buyers - Post Dreamtime
- Corporate Korean Buyers
- Post AIME USA BE Incentive Houses
- China BE Agents
- *This is Gold Coast Business Exchange* - Post Famil
- CIM Publication
- CEI Asia
- MICENet
- Meeting Newz Magazine
- MIX Magazine
- Executive PA Magazine
- Spice Magazine
- Travel Vision Japan
- Weekly Chosun Korea
- Sisa Journal Korea
- Maeil Business News Korea
- China BT MICE
- Global Entrepreneur China

SALES ACTIVITY AND MISSIONS

- Sales Calls Conducted 661
- Site Inspections Hosted 43
- *This is Gold Coast Business Exchange*
- Gold Coast Connect Brisbane
- ICCA Asia Pacific Client Supplier Workshop
- PCO Association National Conference
- CIBTM China
- Gold Coast Medical Association Conference
- PAICE New Zealand
- AIME Trade Show, Global
- BEA North Asia Showcase
- BEA South East Asia Showcase
- IMEX Frankfurt, Global
- IMEX USA, Global
- Associations Forum Conference



\$35,384,538

Destination media exposure generated

1,271,374

Social media followers

2,625,796

Unique website visitors

\$3,289,644

Sales leads generated

74,295

Destination App downloads

\$509,800

In-house marketing services production

COMMUNICATIONS AND MARKETING SERVICES

HIGHLIGHTS

- Exceeded all Key Performance Measures
- Evolved Content Marketing to increase awareness, engagement, and conversion
- Advanced Key Influencer Program to increase new media and social media outcomes
- Doubled digital traffic to owned assets and direct leads to member businesses
- Strategic and creative direction of the Surfers Paradise *Rediscover an Icon* campaign
- Continued success of the China Consumer and Digital Program
- Development and delivery of the *Gold Coast Destination Tourism Management Plan*
- Australian Marketing Institute Award for *Don't Cut Fun Short* campaign

The Communication and Marketing Services business unit exceeded all of its Key Performance Measures in FY14, including generating more than \$35 million in destination media exposure, attracting over 2.6 million unique visitors to the destination digital channels, and hosting 65 domestic and international key influencers on familiarisations.

GCT is now established as an Australian tourism industry leader in digital delivery. Over the 12 months to June 2014, GCT increased website traffic 103 percent to an average 220,000 unique visitors per month, increased direct sales leads 130 percent to 23,000 per month, increased total social media following 55 percent to 1.2 million highly engaged followers, and has positioned the Gold Coast as the most visited regional tourism organisation website and the most popular regional tourism organisation Facebook profile in Australia.

The evolution from traditional marketing and communications focused on mainstream media to content marketing for both above and below the line channels progressed well in FY14. The two most obvious examples of our approach to content development and distribution were the *Game On Gold Coast* Campaign and the *Gold Coast Time-Lapse* Video. The *Game On Gold Coast* Campaign exceeded its aggressive performance targets reaching an audience of 18.5 million people, generating 3,400 social media messages, and facilitating 613 pieces of new user-generated Gold Coast content. At the time of reporting, the *Gold Coast Time-Lapse* Video was well on its way to exceed its performance targets having already generated more than 740,000 views and being shared over 4,000 times.

The Key Influencer Program is another example of this evolution, superseding the traditional Media Familiarisation Program in FY14 and reaching many more new media and social media audiences than in previous years. We brought 65 targeted domestic and international media and key influencers to the Gold Coast on familiarisation and they generated around 40 percent of the total \$35 million in media outcomes for the year. In FY14 the Key Influencer Program was also very much focused on extending the more traditional beach and theme park angles with greater coverage Hinterland, Southern Gold Coast, dining, Gold Coast culture, and active adventure themes.

And there was pleasing recognition of the *Don't Cut Fun Short* drive-market campaign which was run throughout FY14. Demonstrating a clear understanding of its target audience, a proven change in consumer perception, excellent creative delivery, and measurable commercial outcomes, the *Don't Cut Fun Short* campaign won the Australian Marketing Institute's Brand Revitalisation State Award and was recognised as a national finalist.

DESTINATION MANAGEMENT

From a solid foundation, the Destination and Corporate Partnerships Department continued to develop and maximise relationships with key stakeholders. Endorsement of the *Destination Tourism Management Plan* signals a new level of commitment to Gold Coast Tourism's destination-led *One Vision, One Voice* partnership approach to destination marketing.

In an increasingly competitive domestic and international tourism marketplace, the Gold Coast's strength is being demonstrated through improved collaboration of cross-agency strategies, activities and resources in key source markets.

Gold Coast Tourism continues to serve as the primary interface between the tourism industry and government. With ongoing evolution of Local, State and Federal Government priorities, Gold Coast 2018 Commonwealth Games™ approaching, and a suite of significant city projects completed and planned (or underway) including the completion of phase one of the Gold Coast light rail network, Destination and Corporate Partnerships plays an essential role in maximising opportunities for the region.

HIGHLIGHTS

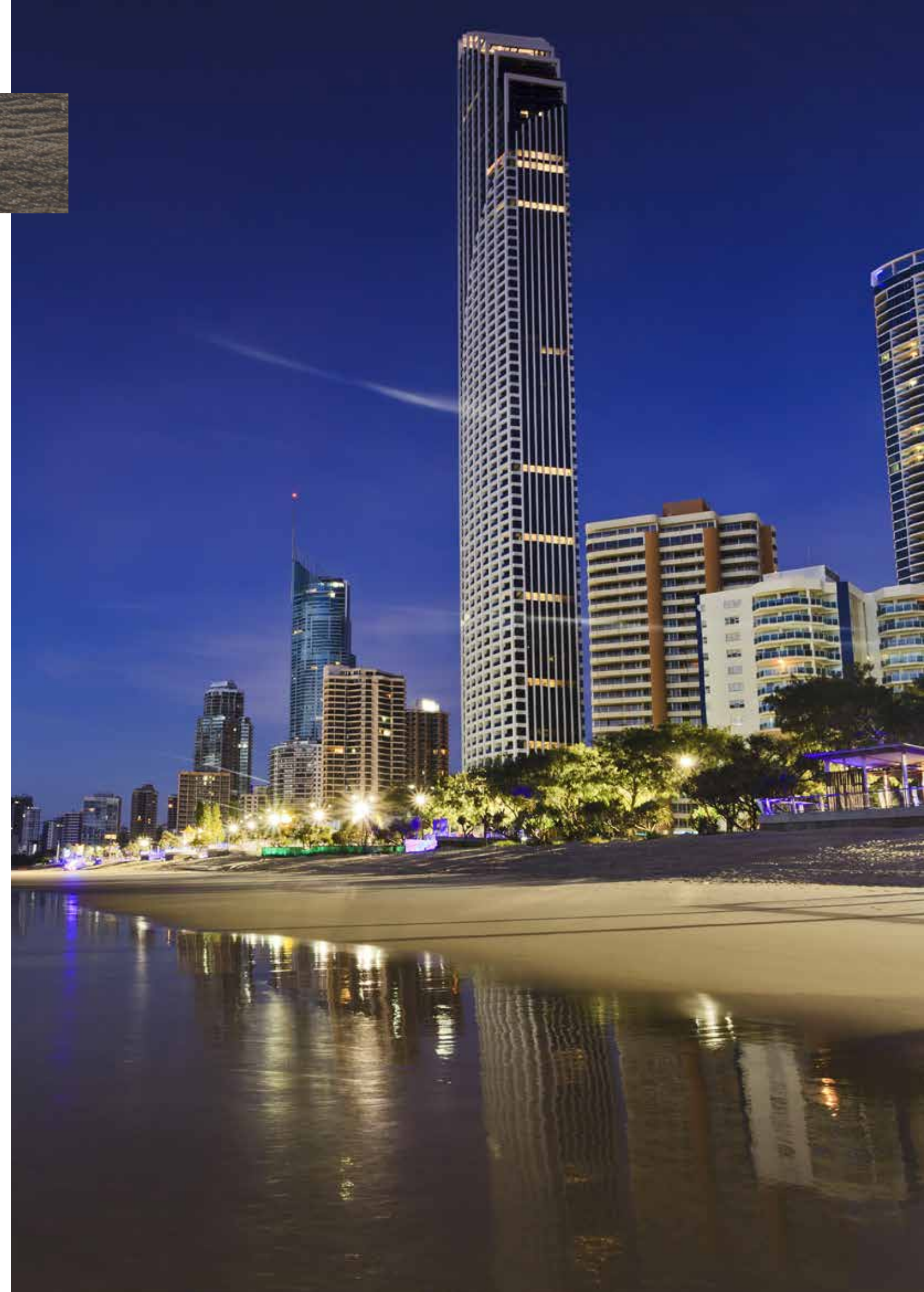
- Collaboration with City of Gold Coast's Economic Development and Major Projects Branch to deliver and endorse the *Destination Tourism Management Plan*
- Entered recurring annual partnership with Tourism Events Queensland detailing agreed activities to achieve the destination's goals of increasing visits and expenditure
- Secured contestable funds of \$425,000 through the Queensland Government's Regional Tourism Organisation Funding Scheme

ENGAGEMENT

- GCT and Tourism Industry Meetings / Events
- GCT and Local, State and Federal Government Meetings / Events
- Interface with Local Tourism Organisations: Surfers Paradise Alliance, Broadbeach Alliance and Connecting Southern Gold Coast
- Political lobbying for destination objectives

REPRESENTATION

- Association of Australian Convention Bureaux
- International Congress and Conventions Association
- Tourism Events Queensland Destination Director Gold Coast
- GC2018 Tourism Marketing Strategy Working Group
- City of Gold Coast Events Advisory Committee
- Tourism Implementation Committee GC DTMP
- Gold Coast Adventure Travel Group
- Australian Tourism Export Council SE Queensland Committee
- Japan Tourism Gold Coast Committee
- Gold Coast Central Chamber of Commerce Sub - Committee
- Events Management Queensland Gold Coast Board
- GoldlinQ Business Advisory Committee
- Gold Coast Cultural Strategy and Cultural Centre precinct development
- Gold Coast Airport Master Plan Community Consultation Committee
- Regional Tourism Organisation Committee
- Heart of the City Advisory Committee
- Broadbeach Advisory Committee
- Tourism Action Group
- V8 Supercars Community Consultation Committee
- Gold Coast Waterways Board





VISITOR INFORMATION CENTRES

Gold Coast Tourism continues to operate two accredited Visitor Information Centres (VIC's), one in Surfers Paradise and the other in the domestic terminal of Gold Coast Airport.

As online content grows globally, finding trusted information sources is increasingly important. The VIC's provide this point of difference with one-on-one unbiased advice available for more than 360 days a year from friendly, knowledgeable staff and volunteers with the added ability to promote and book accommodation, tours, cruises, bus, train and light rail tickets, theme park tickets as well as the sale of Gold Coast 2018 Commonwealth Games™ branded merchandise.

HIGHLIGHTS

- \$1,681,000 - Member product sales
- 244,000 - Visitor enquiries
- 144 - VIC member packages
- 105 percent - Growth in Airport VIC sales in the first two months after securing an agreement to sell Go Cards, also culminating in improved visitor servicing
- During the year the Light Rail was still under construction, maintained sales in Surfers Paradise VIC
- Within two months post-opening of the Light Rail, increased growth by 41 percent in Surfers Paradise VIC



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DIRECTORS' REPORT

The Directors present the following report of Gold Coast Tourism Corporation Limited (“Company”) for the year ended 30 June 2014:

Directors

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

Directors	No. of Directors' Meetings Attended During the Year	No. of Directors' Meetings Eligible to Attend During the Year	No. of Audit Committee meetings attended	No. of Audit Committee meetings eligible to attend
Paul Donovan (Chairman)	9	12	-	-
Adrienne Readings (Vice Chairman)	11	12	1	1
Paul Steer	10	12	2	2
Bruce Nicholls	11	12	1	2
Bob East	10	12	-	-
Jonathan Fisher	11	12	-	-
Craig Davidson (Appointed - 26/11/13)	6	7	-	-
John Morris (Appointed – 24/06/14)	-	-	-	-
Cr. Greg Betts (Appointed – 27/06/14)	-	-	-	-
Cr. Glen Tozer (Appointed – 27/06/14)	-	-	-	-
Dean Gould (Resigned - 26/11/13)	3	5	1	1
Aaron Gomes (Resigned - 12/06/14)	5	8	-	-
Cr. Jan Grew (Resigned – 27/06/14)	9	12	-	-
Cr. Tracey Gilmore - Alternate (Resigned – 27/06/14)	-	-	-	-
The position of Honorary Secretary was held by: John Punch	11	12	-	-

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.

DIRECTORS' REPORT (Continued)

Principal Activities

The principal activity of the Company for the year ended 30 June 2014 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.

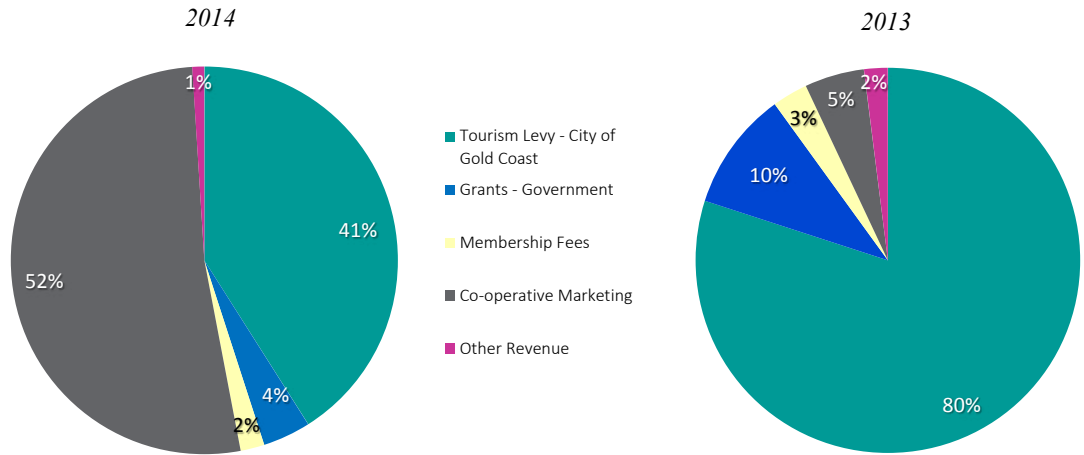
Performance Measures

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 loss for the year of \$31,662 (2013: \$606,861 profit).

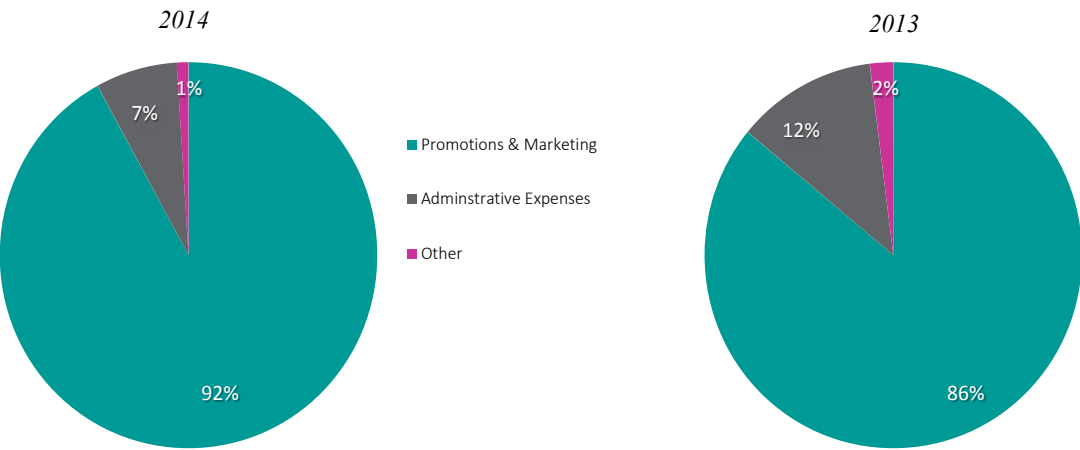
Revenue



The Company continued to maintain a strong membership fee base of \$427,730 (2013: \$438,573) and obtained funding of \$12.5m (2013: \$13.5m) from the Tourism Levy. The Company also received co-operative marketing revenue of \$15.8m (2013: \$872,848), the major portion of this being from the Theme Park Capital Co-operative Marketing Campaign which amounted to \$14.6m (2013: Nil). The Company was entrusted with the additional \$14.6m by government and industry, who provided the funds, in recognition of the Company’s high governance standards, and its role as the leader of the local tourism industry.

DIRECTORS' REPORT (Continued)

Expenditure



The 2014 expenditure of \$30.5m (2013: \$16.2m) continued to focus on external promotions and marketing of the Gold Coast. Approximately 92% (2013: 86%) of total expenditure of the Company focused on external activities. Expenditure increased by \$14.3m in 2014, primarily driven by the Theme Park Capital Campaign spend of \$14.6m (2013: Nil).

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 towards the achievement of the shared objective to double tourism revenue by 2020. The strategies include focusing on the emerging markets including Chinese tourism, events (sporting, festivals and cultural), conferences, and the Gold Coast Commonwealth Games in profiling the Gold Coast as an international destination.

Significant Changes in State of Affairs

There were no significant changes in the state of affairs during the financial year.

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 \$9,540 based on 477 current ordinary members.

DIRECTORS' REPORT (Continued)

Information on Directors

Name	Position	Entity	Board Position	Number of years on Board of Directors
DONOVAN, Paul	General Manager (Marketing & Bus. Dev.)	Gold Coast Airport	Chairman	9 years
READINGS, Adrienne	General Manager	Gold Coast Convention & Exhibition Centre	Vice Chairman	10 years
NICHOLLS, Bruce	Managing Director	Tallship Island Adventures Pty Ltd	Director	11 years
STEER, Paul	Managing Partner	KPMG	Director	7 years
EAST, Bob	Chief Executive Officer	Mantra Group	Director	2 years
FISHER, Jonathan	Chief Executive Officer	Currumbin Wildlife Sanctuary	Director	1 year
DAVIDSON, Craig	Chief Executive Officer	Ardent Leisure Theme Parks	Director	Appointed – 26/11/13
MORRIS, John	General Manager	RACV Queensland Resorts	Director	Appointed – 24/06/14
BETTS, Greg	Councillor	City of Gold Coast	Director	Appointed – 27/06/14
TOZER, Glen	Councillor	City of Gold Coast	Director - (Alternate)	Appointed – 27/06/14
GOMES, Aaron	Managing Director	Jupiters Gold Coast	Director	Resigned – 12/06/14
GOULD, Dean	Director Communications	Griffith University	Director	Resigned – 26/11/13
GREW, Jan	Councillor	City of Gold Coast	Director	Resigned – 27/06/14
GILMORE, Tracey	Councillor	City of Gold Coast	Director - (Alternate)	Resigned – 27/06/14

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.

DIRECTORS' REPORT (Continued)

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 56.

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


.....
Director

Dated at Broadbeach this 23rd day of September 2014.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Notes	2014 \$	2013 \$
Revenue	3	30,204,369	16,671,651
Cost of Goods Sold		(3,541)	(20,946)
Information Centre Expenses		(377,842)	(393,760)
Promotions and Marketing Expenses		(28,164,942)	(13,921,756)
Administrative Expenses		(1,963,321)	(1,888,539)
Net (Loss) / Income from Operating Activities	4	(305,277)	446,650
Financial Income		278,965	165,516
Financial Expenses		(5,350)	(5,305)
Net Finance Income		273,615	160,211
Net (Loss) / Income for the year		(31,662)	606,861
Other Comprehensive Income		-	-
Total Comprehensive (Loss) / Income for the year		(31,662)	606,861

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2014

	Notes	2014 \$	2013 \$
Current Assets			
Cash and cash equivalents	14(a)	5,200,269	4,145,706
Trade and other receivables	5	343,072	188,389
Inventories	6	12,108	9,878
Other current assets	7	224,146	108,356
Total Current Assets		<u>5,779,595</u>	<u>4,452,329</u>
Non-Current Assets			
Property, plant and equipment	8	618,240	767,342
Intangible assets	9	103,557	91,890
Total Non-Current Assets		<u>721,797</u>	<u>859,232</u>
TOTAL ASSETS		<u>6,501,392</u>	<u>5,311,561</u>
Current Liabilities			
Trade and other payables	10	3,951,060	2,751,542
Provisions	11	228,213	230,800
Total Current Liabilities		<u>4,179,273</u>	<u>2,982,342</u>
Non-Current Liabilities			
Provisions	11	271,423	246,861
Total Non-Current Liabilities		<u>271,423</u>	<u>246,861</u>
TOTAL LIABILITIES		<u>4,450,696</u>	<u>3,229,203</u>
NET ASSETS		<u>2,050,696</u>	<u>2,082,358</u>
Equity			
Reserves	12	171,126	109,174
Accumulated surplus		1,879,570	1,973,184
TOTAL EQUITY		<u>2,050,696</u>	<u>2,082,358</u>

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2014

	Reserves \$	Accumulated Surplus \$	TOTAL \$
Balance at 1 July 2012	31,682	1,443,815	1,475,497
Total Comprehensive Income for the year	-	606,861	606,861
Transfer from reserve	(36,116)	36,116	-
Transfer to reserve	113,608	(113,608)	-
Balance at 30 June 2013	<u>109,174</u>	<u>1,973,184</u>	<u>2,082,358</u>
Balance at 1 July 2013	109,174	1,973,184	2,082,358
Total Comprehensive Loss for the year	-	(31,662)	(31,662)
Transfer from reserve	(65,008)	65,008	-
Transfer to reserve	126,960	(126,960)	-
Balance at 30 June 2014	<u>171,126</u>	<u>1,879,570</u>	<u>2,050,696</u>

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	Notes	2014 \$	2013 \$
Cash Flows from Operating Activities			
Receipts from sales of goods and other receipts		35,265,964	20,134,754
Payments to suppliers and employees		(34,313,476)	(19,318,444)
Interest received		278,965	165,516
Net cash provided by operating activities	14(b)	1,231,453	981,826
Cash Flows from Investing Activities			
Purchase of plant and equipment		(131,742)	(91,260)
Purchase of intangibles		(63,758)	(83,435)
Proceeds from sale of plant and equipment		18,610	2,043
Net cash used in investing activities		(176,890)	(172,652)
Net increase in cash and cash equivalents		1,054,563	809,174
Cash and cash equivalents at the beginning of the financial year		4,145,706	3,336,532
Cash and cash equivalents at the end of the year	14(a)	5,200,269	4,145,706

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1. INTRODUCTION

Gold Coast Tourism Corporation Limited for the year ended 30 June 2014 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 23rd September 2014 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

2. SUMMARY OF ACCOUNTING POLICIES (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 pay increases through promotion 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 profit or loss 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 1/3%	Prime Cost

Amortisation Rates:

- Computer software	40%	Prime Cost
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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 profit or loss 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.

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:

- (a) foreign currency monetary items are reported using the closing rate;
- (b) 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
- (c) 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 loss 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 entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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 entity.

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) Revenue

i) Sale of Goods

Revenue from the sale of goods is recognised when all significant risks and rewards of ownership have been transferred to the buyer. In most cases this coincides with the transfer of legal title or the passing of possession to the buyer.

ii) 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.

iii) Grants and Co-operative Marketing Revenue

Non-reciprocal grant and co-operative marketing revenue ("the funding") is recognised in profit or loss when the entity obtains control of the funding and it is probable that the economic benefits gained from the funding will flow to the entity and the amount of the funding can be measured reliably.

If conditions are attached to the funding which must be satisfied before it is eligible to receive the contribution, the recognition of the funding as revenue will be deferred until those conditions are satisfied.

When the funding is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the funding is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the funding is recognised as income on receipt.

iv) Interest

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

v) Member Subscriptions

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

2. SUMMARY OF ACCOUNTING POLICIES (Continued)

n) Leases

Operating lease rental expense is recognised as an expense on a straight line basis over the lease term, or on a systematic basis more representative of the time pattern of the user's benefit.

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 2014, the Company incurred an operating loss of \$305,277 (2013: surplus of \$446,650), and had a net asset position of \$2,050,696 (2013: \$2,082,358).

The Company successfully negotiated an agreement with the City of Gold Coast for funding of \$61,000,000 over five years from 1 July 2011. This funding is subject to annual review of Gold Coast Tourism's performance against agreed key performance indicators. 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 adopted

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the Company from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

The following Accounting Standards and Interpretations are most relevant to the Company:

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13

The Company has applied AASB 13 and its consequential amendments from 1 July 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used.

AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)

The Company has applied AASB 119 and its consequential amendments from 1 July 2013. The standard eliminates the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring re-measurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The standard also changed the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. Annual leave that is not expected to be wholly settled within 12 months is now discounted allowing for expected salary levels in the future period when the leave is expected to be taken.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

2. SUMMARY OF ACCOUNTING POLICIES (Continued)

AASB 2012-2 Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities

The Company has applied AASB 2012-2 from 1 July 2013. The amendments enhance AASB 7 'Financial Instruments: Disclosures' and requires disclosure of information about rights of set-off and related arrangements, such as collateral agreements. The amendments apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement.

AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle
The Company has applied AASB 2012-5 from 1 July 2013. The amendments affect five Australian Accounting Standards as follows:

- Confirmation that repeat application of AASB 1 'First-time Adoption of Australian Accounting Standards' is permitted;
- Clarification of borrowing cost exemption in AASB 1;
- Clarification of the comparative information requirements when an entity provides an optional third column or is required to present a third statement of financial position in accordance with AASB 101 'Presentation of Financial Statements';

Clarification that servicing of equipment is covered by AASB 116 'Property, Plant and Equipment', if such equipment is used for more than one period.

The adoption of these amendments from 1 July 2014 will not have a material impact on the Company.

r) **New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2014. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below.

AASB 9 Financial Instruments and its consequential amendments

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2017 and completes phases I and III of the IASB's project to replace IAS 39 (AASB 139) 'Financial Instruments: Recognition and Measurement'. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks.

The Company will adopt this standard and the amendments from 1 July 2017 but the impact of its adoption is yet to be assessed by the Company.

AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities

The amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement.

The adoption of the amendments from 1 July 2014 will not have a material impact on the Company.

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets

These amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

2. SUMMARY OF ACCOUNTING POLICIES (Continued)

The adoption of these amendments from 1 July 2014 may increase the disclosures by the Company.

Annual Improvements to IFRSs 2010-2012 Cycle

These amendments are applicable to annual reporting periods beginning on or after 1 July 2014 and affects several Accounting Standards as follows:

- Clarifies that the issuance of AASB 13 'Fair Value Measurement' and the amending of AASB 139 'Financial Instruments: Recognition and Measurement' and AASB 9 'Financial Instruments' did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amount, if the effect of discounting is immaterial;
- Clarifies that in AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets', when an asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount (i.e. proportional restatement of accumulated amortisation); and
- Amends AASB 124 'Related Party Disclosures' to clarify that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a 'related party' of the reporting entity.

The adoption of these amendments from 1 July 2014 will not have a material impact on the Company.

Annual Improvements to IFRSs 2011-2013 Cycle

These amendments are applicable to annual reporting periods beginning on or after 1 July 2014 and affects four Accounting Standards as follows:

- Clarifies that the scope of the portfolio exemption in AASB 13 'Fair Value Measurement' includes all contracts accounted for within the scope of AASB 139 'Financial Instruments: Recognition and Measurement' or AASB 9 'Financial Instruments', regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132 'Financial Instruments: Presentation'.

The adoption of these amendments from 1 July 2014 will not have a material impact on the Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
3. REVENUE		
Sale of goods and services	187,101	191,923
Tourism Levy - City of Gold Coast	12,500,000	13,408,000
Grant (Core) - Tourism and Events Queensland	300,000	200,714
Grant (Business Events) - Tourism and Events Queensland	612,795	639,099
Grant (Other) - Tourism and Events Queensland	362,500	689,621
Grant (EMDG) - Austrade	10,652	170,658
Membership subscriptions	427,730	438,573
Co-Operative marketing – Themepark Capital Campaign	14,616,383	-
Co-Operative marketing - Other	1,166,743	872,848
Other	20,465	60,215
	30,204,369	16,671,651

Co-operative marketing revenue in the amount of \$14,616,383 is shown separately above for the Theme Park Capital Campaign. This is once off revenue received from a marketing agreement entered into between the Company, Industry Partners and the Queensland Government. Corresponding expenditure of the same amount has been charged to promotions and marketing expenses in the Statement of Comprehensive Income.

4. ITEMS INCLUDED IN (LOSS)/SURPLUS**Additional information on the nature of expenses:**

Depreciation and amortisation expense	310,396	294,618
Inventories:		
- Amount of inventories recognised as an expense	3,541	20,946
Employee benefits expense:		
- Salaries and wages	4,385,192	4,676,871
- Superannuation	345,208	354,599
Foreign exchange loss	50,602	18,249
Minimum operating lease payments	613,574	544,130

5. TRADE AND OTHER RECEIVABLES

Trade receivables	312,145	158,588
Sundry	30,927	29,801
	343,072	188,389

6. INVENTORIES

Ticket and retail merchandise stock at cost	12,108	9,878
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7. OTHER CURRENT ASSETS

Prepayments	198,422	107,356
Deposits	-	1,000
GST Receivable	25,724	-
	224,146	108,356

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
8. PROPERTY, PLANT AND EQUIPMENT		
a) Property, Plant and Equipment		
Office Furniture & Fittings - at cost	302,584	300,781
Less: Accumulated Depreciation	(163,142)	(104,445)
	139,442	196,336
Computer Equipment - at cost	390,927	352,313
Less: Accumulated Depreciation	(289,057)	(276,542)
	101,870	75,771
Motor Vehicles - at cost	83,117	83,591
Less: Accumulated Depreciation	(22,221)	(42,202)
	60,896	41,389
Leasehold Improvements – at cost	676,524	676,524
Less: Accumulated Depreciation	(361,839)	(231,086)
	314,685	445,438
Promotional Equipment - at cost	97,272	97,460
Less: Accumulated Depreciation	(95,925)	(89,052)
	1,347	8,408
Total Property, Plant and Equipment	618,240	767,342

b) Movement During the Year**2014**

	Office Furniture & Fittings \$	Computer Equipment \$	Motor Vehicles \$	Leasehold Improvements \$	Promotional Equipment \$	Total \$
Opening written down value	196,336	75,771	41,389	445,438	8,408	767,342
Additions at cost	2,604	77,257	50,835	-	1,046	131,742
Disposals at written down value	(681)	(306)	(21,503)		(49)	(22,539)
Depreciation expense	(58,817)	(50,852)	(9,825)	(130,753)	(8,058)	(258,305)
Closing written down value	139,442	101,870	60,896	314,685	1,347	618,240

2013

	Office Furniture & Fittings \$	Computer Equipment \$	Motor Vehicles \$	Leasehold Improvements \$	Promotional Equipment \$	Total \$
Opening written down value	237,258	86,642	51,680	555,682	18,509	949,771
Additions at cost	17,633	52,621	-	21,006	-	91,260
Disposals at written down value	-	(974)	-	(2,750)	(273)	(3,997)
Depreciation expense	(58,555)	(62,518)	(10,291)	(128,500)	(9,828)	(269,692)
Closing written down value	196,336	75,771	41,389	445,438	8,408	767,342

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
9. INTANGIBLE ASSETS		
a) Intangible Assets		
Computer Software – at cost	223,366	159,608
Less: Accumulated Amortisation	(119,809)	(67,718)
	<u>103,557</u>	<u>91,890</u>
b) Movement During the Year		
Computer Software:		
Opening written down value	91,890	33,381
Additions at cost	63,758	83,435
Disposals at written down value	-	-
Amortisation expense	(52,091)	(24,926)
Closing written down value	<u>103,557</u>	<u>91,890</u>
10. TRADE AND OTHER PAYABLES		
Trade payables and accruals	3,005,262	1,818,910
Members subscriptions in advance	110,425	242,092
Revenue received in advance	835,373	490,638
GST	-	199,902
	<u>3,951,060</u>	<u>2,751,542</u>
11. PROVISIONS		
Current		
Annual leave	228,213	230,800
	<u>228,213</u>	<u>230,800</u>
Non Current		
Long service leave	159,064	139,853
Leasehold premises - make good	112,359	107,008
	<u>271,423</u>	<u>246,861</u>

a) Make Good Provision

The Company is required to restore the leased premises at Levels 2 and 3, Oracle North, Broadbeach to their original condition at the end of the lease term. A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised as part of the cost of the leasehold improvements and are amortised over the shorter of the term of the lease or the useful life of the assets.

b) Movements in Provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

Balance at the beginning of the year	107,008	101,911
Charged to profit/(loss) - unwinding of discount	5,351	5,097
Balance at end of year	<u>112,359</u>	<u>107,008</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
12. MOVEMENT IN RESERVES		
Reserve - Subvention funds:		
Balance at the beginning of the year	109,174	31,682
Transfer to meet current period expenditure	(65,008)	(36,116)
Transfer to meet current and future expected expenditure	126,960	113,608
Balance at end of year	<u>171,126</u>	<u>109,174</u>
A reserve has been created to build funding for future expected expenditure in relation to convention bids.		
13. AUDITOR'S REMUNERATION		
Audit of financial report - current year provision	18,000	22,800
- prior year under provision	1,628	864
	<u>19,628</u>	<u>23,664</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
14. CASH FLOW RECONCILIATION		
a) Reconciliation of 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	<u>5,200,269</u>	<u>4,145,706</u>
b) Reconciliation of Net Cash Provided By Operating Activities		
(Loss) / Surplus for the year	(31,662)	606,861
Depreciation and amortisation	310,396	294,618
Loss on disposal of assets	3,929	1,953
<i>Changes in assets and liabilities:</i>		
Trade and other receivables	(154,683)	(90,784)
Inventory	(2,230)	1,151
Other current assets	(115,790)	12,369
Trade and other payables	1,199,518	127,537
Provisions	21,975	28,121
Net cash provided by operating activities	<u>1,231,453</u>	<u>981,826</u>

15. COMMITMENTS FOR EXPENDITURE

Operating Lease Commitments:

Non cancellable lease commitments, contracted for but not recognised as liabilities are payable as follows:

-within 12 months	583,147	601,436
-12 months or longer and no longer than 5 years	1,665,357	2,246,379
- later than 5 years	-	-
	<u>2,248,504</u>	<u>2,847,815</u>

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	796,982	1,155,725
-12 months or longer and no longer than 5 years	55,652	164,682
	<u>852,634</u>	<u>1,320,407</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

16. RELATED PARTY TRANSACTIONS

During the financial year the following transactions were undertaken between related parties. These transactions were undertaken in the normal course of business.

Directors/CEO	Related Party	Directors/CEO position in related party	Purchases (Venue Hire, Accommodation, Parking & Professional fees.) \$	Revenue (Membership fees, Co Op campaigns, & Ticket sales commission.) \$
Paul Donovan (Chairman)	Gold Coast Airport Pty Ltd	General Manager (Marketing & Bus. Dev.)	423	42,827
	Tourism and Events Queensland	Board Director	1,709,367	1,648,056
	Gold Coast Titans	Board Director	591	94
Adrienne Readings (Vice Chairman)	Gold Coast Convention & Exhibition Centre	General Manager	11,425	12,549
Bruce Nicholls	Tallship Island Adventures Pty Ltd	Managing Director	10,815	20,039
Paul Steer	KPMG	Partner	57,333	341
Dean Gould	Griffith University	Director	-	341
Bob East	Mantra Group	CEO	4,758	19,838
	Gold Coast Suns	Board Director	19,871	886
	Queensland Tourism Industry Council	Board Director	8,282	-
Jan Grew & Tracey Gilmore	City of Gold Coast	Councillors	59	12,542,500
Craig Davidson	Ardent Leisure Theme Parks	CEO	6,656	1,040,871
Jonathan Fisher	Currumbin Wildlife Sanctuary	CEO	470	20,384
Aaron Gomes	Jupiters Gold Coast	Managing Director	4,115	12,617
John Punch	Short Punch & Greatorix	Partner	700	-
Martin Winter (CEO)	ICCA Asia Pacific and ICCA International	Chairperson and Director	5,146	-
	Assoc. of Australian Convention Bureaux	Director	34,103	7,924

Trade receivables due from related parties at balance date amount to \$ 8,459 and trade payables due to related parties at balance date amount to \$ 70,473.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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 income was received or due and receivable by the Directors for the year. Names of Directors in office during the financial year are included in the Directors' Report.

Key executives remuneration included in expenditure amounted to \$1,428,053 (2013: \$1,378,178).

	2014 \$	2013 \$
Short-term employee benefits	1,325,636	1,282,494
Post-employment benefits	102,417	95,684
	<u>1,428,053</u>	<u>1,378,178</u>

19. SEGMENT INFORMATION

The Company operates in one industry segment being the promotion of tourism on the Gold Coast. The Company operates in one geographical segment, that being Queensland with a representative office in Shanghai.

Operating segments have been determined on the basis of reports reviewed by the Board of Directors (who are identified as the chief operating decision makers).

The financial results from this reportable segment are equivalent to the financial statements of the consolidated entity as a whole.

The chief operating decision makers review the results of the entity on the above basis.

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 entity 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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 2014, if interest rates had changed by +/- 100 basis points from the year end rates with all other variables held constant, the loss would have been \$51,948 lower/higher (2013 change of 100 bps: \$41,404 lower/higher). The following table summarises the sensitivity of the Company's financial assets and liabilities to interest rate risk.

30 June 2014	Carrying amount \$	-1% Profit/(Loss) \$	-1% Equity \$	+1% Profit/(Loss) \$	+1% Equity \$
Financial Assets					
Cash and cash equivalents	5,194,769	(51,948)	(51,948)	51,948	51,948
Trade receivables	312,145	-	-	-	-
Financial Liabilities					
Trade and other payables	(3,005,262)	-	-	-	-
Total increase/(decrease)		(51,948)	(51,948)	51,948	51,948
30 June 2013	Carrying amount \$	-1% Profit/(Loss) \$	-1% Equity \$	+1% Profit/(Loss) \$	+1% Equity \$
Financial Assets					
Cash and cash equivalents	4,140,356	(41,404)	(41,404)	41,404	41,404
Trade receivables	158,588	-	-	-	-
Financial Liabilities					
Trade and other payables	(1,818,910)	-	-	-	-
Total increase/(decrease)		(41,404)	(41,404)	41,404	41,404

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

20. FINANCIAL RISK MANAGEMENT (Continued)

The ageing of trade receivables at the reporting date was:

	2014 Gross \$	2014 Allowance \$	2013 Gross \$	2013 Allowance \$
Current	293,821	-	138,656	-
31 - 60 days	14,908	-	19,267	-
61 - 90 days	2,310	-	-	-
91 days and over	1,106	-	665	-
	312,145	-	158,588	-

During the financial year nil bad and doubtful debts were written off (2013: 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.

The following is the contractual maturity analysis for financial liabilities:

	2014 Contractual Repayment Amount \$	6 mths or less \$	6 - 12 mths \$	1 - 5 years \$
Trade payables	492,921	492,921	-	-
Sundry payables and accruals	3,458,139	3,458,139	-	-
	3,951,060	3,951,060	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

20. FINANCIAL RISK MANAGEMENT (Continued)

	2013 Contractual Repayment Amount \$	6 mths or less \$	6 - 12 mths \$	1 - 5 years \$
Trade payables	429,468	429,468	-	-
Sundry payables and accruals	2,322,074	2,322,074	-	-
	2,751,542	2,751,542	-	-

The Company maintains the following facilities:

Credit Standby Facilities

The Company has credit standby facilities of up to \$400,000 available as a business credit card.

Unused/Used Financing Facilities

The Company has financing facilities of up to \$100,000 available from ANZ Online.

Encashment Facility

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

Unused Foreign Exchange Facility

The Company has a facility of \$20,000 in place for foreign exchange contracts.

Indemnity Guarantees

The Company has signed an indemnity guarantee for \$239,621 over the operating lease for the Company's new 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.

20. CONTINGENT LIABILITY

The Company had no contingent liabilities as at 30 June 2014 and 30 June 2013.



Crowe Horwath
South QLD
ABN 94 495 774 523
Member Crowe Horwath International
Level 5, 3321 Central Place
Emerald Lakes, Carrara QLD 4211
Australia
PO Box 7926 GCMC
Bundall QLD 4217 Australia
Tel 07 5644 6100
Fax 07 5644 6199
www.crowehorwath.com.au

Auditor's independence declaration

GOLD COAST TOURISM CORPORATION LIMITED ACN 009 935 184

AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF GOLD COAST TOURISM CORPORATION LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

Logan Meehan
Crowe Horwath South Queensland
Crowe Horwath South Queensland

Logan Meehan
Logan Meehan
Principal
Level 5, 3321 Central Place
Emerald Lakes, Carrara QLD 4211

Dated this 12th day of September 2014

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DIRECTORS' DECLARATION

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 2014 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

Dated at Broadbeach this 23rd day of September 2014.



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Member Crowe Horwath International
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Australia
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Independent auditor's report to the members

GOLD COAST TOURISM CORPORATION LIMITED ACN 009 935 184

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GOLD COAST TOURISM CORPORATION LIMITED**

Report on the Financial Report

We have audited the accompanying financial report of Gold Coast Tourism Corporation Limited (the Company), which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

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Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Gold Coast Tourism Corporation Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion, the financial report of Gold Coast Tourism Corporation Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Crowe Horwath South Queensland
Crowe Horwath South Queensland

Logan Meehan
Principal

Level 5, 3321 Central Place
Emerald Lakes, Carrara QLD 4211

Dated this 24th day of September 2014

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