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ANNUAL REPORT 14/15









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# ABOUT GOLD COAST TOURISM

## OUR MISSION

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



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 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 including:

- 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
- 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
- keeping a gift register for any gifts received by staff.

## AUDIT AND FINANCE COMMITTEE

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

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

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.

## 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 investment in 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 five key criteria including:

1. current visitor volume and expenditure to Gold Coast
2. forecast outbound visitor volume and expenditure
3. current or probable aviation access into Gold Coast or Brisbane airports
4. priority regions identified by Tourism Australia and Tourism and Events Queensland
5. 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 include:

1. consumer marketing campaigns and promotions
2. trade campaigns and partnerships
3. bidding and sales activity
4. public relations and media
5. 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 Gold Coast Tourism hosts hundreds of media and trade contacts whose personal experience goes on to positively influence millions of their audience or clients.







# CHAIRMAN'S SUMMARY

During 2014 – 2015 the Gold Coast Tourism industry continued to perform strongly, further demonstrating the critical contribution the sector makes to the city's economy.

According to Deloitte Access Economics, the Gold Coast was the best performing holiday destination in the country over the year, and despite softer than anticipated National Visitor Survey results, the industry remains very optimistic. International visitor figures, business events data and directly measurable alternative indicators such as STR Global accommodation and airport passenger data, all suggest the Gold Coast is performing well.

In terms of international visitor arrivals, the Gold Coast performed very strongly with 6.2% growth in visitor numbers, and more importantly, a 13.4% increase in international visitor expenditure taking direct receipts to a record \$1.1 billion. Our two key markets, China and New Zealand, were the main contributors and were well supported by arrivals from both western and eastern hemispheres. Major events, international students and VFR continued to contribute strongly to our results and the conference, congress and incentive sector established new highs as confirmed by the state government's measure of business events. The 39% growth in qualified business conducted on the Gold Coast endorses the city's global International Congress and Convention ranking which improved from 265 to 152; ahead of same-category destinations such as Las Vegas, Honolulu and Monte Carlo, as well as many national and state capital cities.

The stellar performance of these two sectors contrasted with an apparent decline in overnight Australian visitors - although TRA has advised that the accuracy of the domestic survey should not be relied upon due to a change in collection methodology - and because the domestic market success is fundamental to our industry, immediate additional investment has been made to further increase awareness and drive demand in our key markets of Sydney and Melbourne. In 2015 – 2016, the Gold Coast is looking to further build on the 10.7% increase in day trip arrivals and to turn around the 5.9% decline in overnight arrivals as suggested by the NVS.

Increased aviation options will be integral to this success, so Jetstar's announcement that it will significantly increase its seat inventory by 110,000 for flights to the Gold Coast across its summer schedule is well timed. Qantas' Melbourne - Gold Coast service and Jetstar's new Avalon - Gold Coast service, both scheduled to commence in the last week of October, are welcomed new additions.

This is my 8th year as Chairman of Gold Coast Tourism, and without doubt, I have never been more positive about the future of our industry. Hotel construction is booming on the back of a new-found confidence in the tourism sector and significant new infrastructure is being built for the 2018 Commonwealth Games and at both Gold Coast and Brisbane Airports. The G:link has proven its worth by exceeding passenger expectations and delivering new business to traders along its route, and I look forward to the completion of Stage Two, which will unlock the latent tourism potential this world-class service provides.

The positive tone being experienced across the city is a result of the hard work, constructive outlook and genuine desire for cooperation between all sectors of government and the tourism industry. The Mayor and his fellow City of Gold Coast Councillors, the Tourism Minister, state government departmental officers and our colleagues at TEQ - plus the private sector through our members, other stakeholders and LTO's - have all played their part. Gold Coast Tourism has continued to provide the essential central focus to bring the parties together, leverage opportunities and drive consumer demand to achieve the results. I wish to thank the Board of Directors, management, staff and all others who have contributed to this outcome. I am proud to be counted alongside them.

The sector - leading partnership between industry and our stakeholders prescribed in the Destination Tourism Management Plan continues to direct our activity and sustain our focus on maintaining our position as Australia's most successful, robust and productive tourism region. The Gold Coast Tourism industry's future is both exciting and promising.

I look forward to continuing my work in making this a reality.



Paul Donovan  
Chairman | Gold Coast Tourism Corporation Ltd



# CEO'S SUMMARY

In the 2014 – 2015 financial year Gold Coast Tourism continued its strong leadership and aggressive promotion of the destination to deliver very solid results and a significantly improved outlook for the industry. The implementation of extensive marketing, sales and communication activity, in-line with the objectives of the Destination Tourism Management Plan (DTMP), produced for the first time a direct return in excess of \$100 million to our stakeholders and to the city, while piloting the \$4.8 billion sector to new levels. Strategic investments in central China and the continued shift of resources into digital marketing channels bore fruit during the year and hold great promise for significant further growth.

Some of the key organisational achievements included the delivery of more than 75 marketing campaigns across seven markets, attraction of 2 million website visitors and securement of 1.8 million social media fans, creation of \$2.4 million in direct sales for members through our Visitor Information Centres, securement of \$5 million in leveraged marketing funds from industry stakeholders, delivery of \$14.8 million worth of qualified online business leads to members, securement of \$30 million worth of positive, unpaid media exposure and the winning of \$49 million worth of business events for the city.

These and other results either met or exceeded the performance measures established as service standards under our agreement with the City, and were further enhanced by an improvement in member satisfaction, as measured by survey, for the third successive year. Furthermore, of the 24 actions involving the organisation with shared responsibility for implementation in the DTMP, 23 have either been completed or are progressing. Of particular note are the cross-agency committees for aviation and major events that have the objective of coordinating the activity of Gold Coast Tourism, City of Gold Coast, Tourism and Events Queensland (TEQ), Gold Coast Airport (GCAL) and Brisbane Airport (BAC) to avoid duplication of resources. Gold Coast Tourism's aim is to ensure that the City's International Plan which supports the delivery of the Economic Development Strategy, has access to and receives support from, Gold Coast Tourism's considerable influence and assets.

According to the National Visitor Survey (NVS) conducted by Tourism Research Australia (TRA), 2014 – 2015 produced mixed results for the Gold Coast with a very strong international performance that was offset by a disappointing domestic result. International visitor arrivals grew by 6.2% over the previous year, and more importantly, increased expenditure by 13.4% to more than \$1.1 billion. Best performing markets were Germany (+48%), Korea (+35%), USA (+14%) and UK (+10%) with China (+13%) and New Zealand (+3%) adding most to the total due to the dominant position they hold in terms of numbers. Malaysian arrivals declined as a result of circumstances surrounding Malaysian Airlines and Japanese numbers continued to slide away. The introduction of Qantas' new Tokyo - Brisbane route in late 2015 is expected to put an end to this trend.

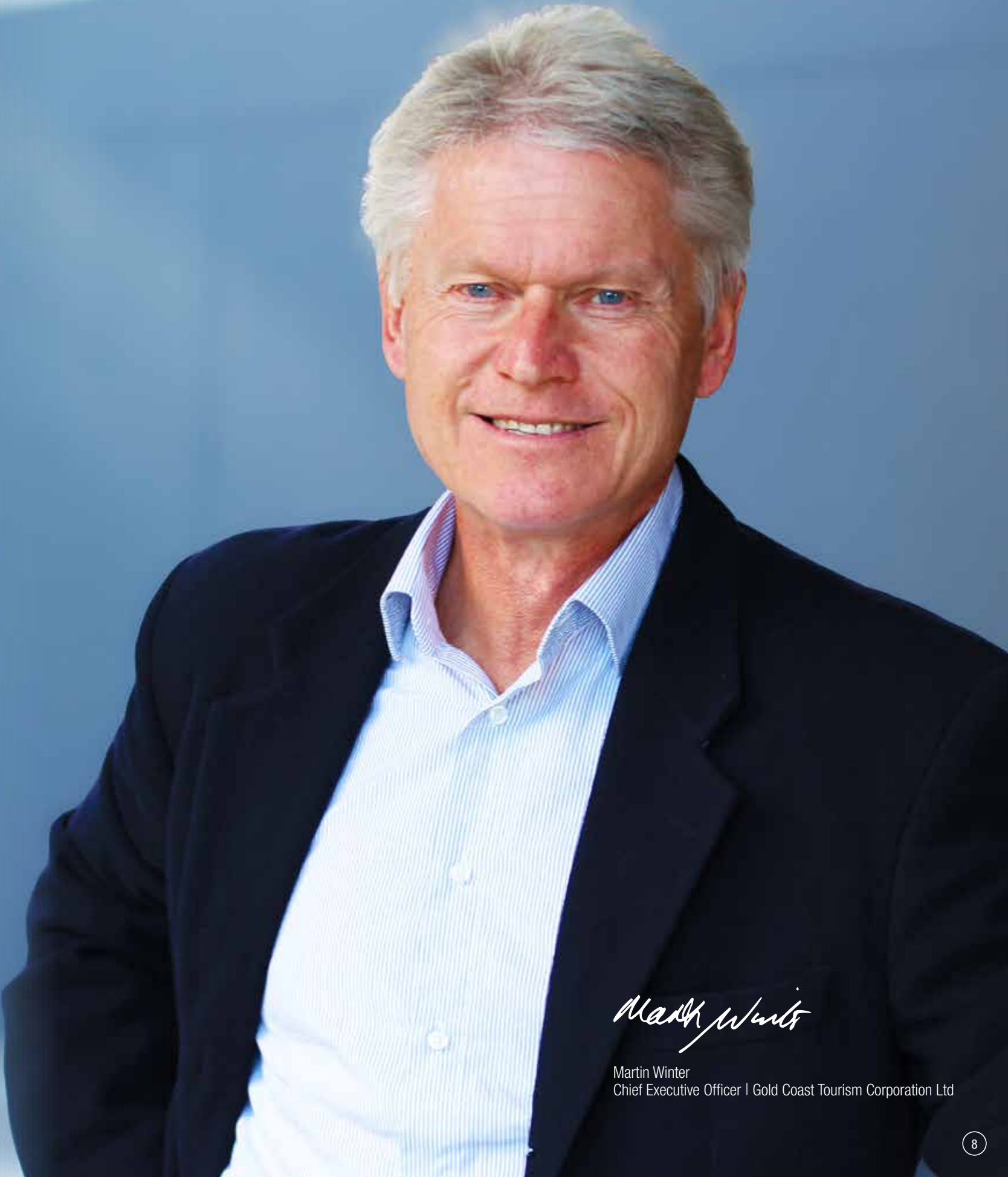
Domestically, the NVS reported an 11% increase in day trips to the Gold Coast but a 5.9% decline in overnight visitors, with expenditure falling 12.3%. TRA's cautionary note regarding the accuracy of these figures due to changes to sampling methodology over the year appear to be validated when compared to other data. According to STR Global, in the same period, hotel occupancy on the Gold Coast grew from 69.1% to 71.9%, and accommodation providers received 8.5% more revenue per available room over the period. TRA's research volatility is expected to settle down over time when more reliable trend data can be reviewed.

Looking forward, the 15% decline in value of the Australian dollar over the past 12 months is highly likely to benefit domestic tourism to the Gold Coast. Research conducted by the Tourism and Transport Forum (TTF) suggests that nearly 40% of Australians have changed their travel intentions because of the falling Australian dollar, with 56% of Australians intending to take a domestic holiday in the next 12 months.

This is good news, as is the announcement by Tourism Australia (TA) that in April next year, Australia's largest international travel trade event, the Australian Tourism Exchange (ATE), will be held on the Gold Coast. ATE will inject \$10 million into the local economy during the week of the event and provide the most significant long-term boost to the Gold Coast Tourism industry ever experienced from a single event. Six hundred international travel wholesalers, agents and tourism-sector media from 30 countries, plus thousands of Australian delegates, will all visit the Gold Coast.

These two major economic drivers, coupled with Gold Coast Tourism's ongoing commitment in building closer alliances with airlines to create new routes, will contribute strongly in executing more impactful marketing activities so as to be able to compete better in a crowded marketplace; whilst relentlessly maintaining our digital leadership across the five stages of travel. With the organisation's ongoing commitment to applying a quality approach to all of our business activities, this all imparts great confidence for the year ahead.

In 2014 – 2015, Gold Coast Tourism was Queensland's most efficient tourism industry marketing organisation, spending 84% of its available resources on promotion, compared to the State RTO average of 51%. It operates with a very commercial, private enterprise-driven mind-set that focuses on extracting the maximum value from every dollar spent. With continuing leading input from the Board of Directors, City of Gold Coast, TEQ, TA, members, the wider industry and other stakeholders, I am confident that the industry will continue to thrive, improve its sustainability and deliver further record results.



*Martin Winter*

Martin Winter  
Chief Executive Officer | Gold Coast Tourism Corporation Ltd



# MEMBERSHIP SERVICES



Membership Services achieved set targets for the FY14/15 business plan relating to member engagement, product development, training and development of members and exposure across digital platforms.

Longevity of members was displayed with an 87% retention rate thanks to the strong relationships built over previous years and perceived value of membership. Eleven Longevity Awards of 20 or more years were presented. Furthermore, by converting 70 prospective members, the Membership Services team has showcased an interesting cross section of offerings for the destination.

From the 432 member engagement meetings held, against a target of 400, a crucial strengthening of member rapport was obtained. Increased awareness of Gold Coast Tourism’s activities resulted in a satisfying 96 percent of members noting in the Annual Survey these meetings were valuable. A member satisfaction rating of 3.9 out of 5.0 also indicated industry’s endorsement of Gold Coast Tourism’s Membership Services - an increase from 3.85 on the previous year. In this survey, an impressive 100 percent rated their relationship with Gold Coast Tourism as valuable across various support platforms.

The Membership Services business unit also hosted 14 workshops, presentations and networking events during the year. The program of events was again designed 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; a digital event delivering innovation through leading media platforms, both South East Asia and Middle East market updates, a presentation of the continually insightful Domestic research as well as quarterly Business Events update events. 90% of attendees rated events as ‘good’ or ‘excellent’.

Following the implementation of an updated CRM system the previous year, further utilisation of the system has allowed even more thorough ROI reporting for members on an ongoing basis, contributing to strong member satisfaction and increased engagement across multiple marketing channels.

The electronic distribution of accounts and online payment access led to an even more streamlined renewal process resulting in more members renewing within a shorter time frame. The Membership Services business unit also commenced utilising the Extranet function of this CRM, named Gold Coast Tourismnet, to provide members with a constant platform for tracking their engagement and supplying business resources. Members can now easily access statistics, industry resources and past presentations with 45% of member businesses acquiring Gold Coast Tourismnet access since its inception late last year.

The introduction of new tiered Business Events membership packages allowed members to engage in this sector at a variety of levels relevant to their business. This has increased the Business Events membership from 81 to 120 members.

## HIGHLIGHTS

- 460 members
- \$404,108 membership revenue
- 70 new members acquired
- 432 engagement meetings conducted
- 14 industry events and workshops conducted
- 1,405 attendees at events
- 67 industry and stakeholder events / meetings / presentations attended
- 3.9 / 5 member satisfaction rate





# AUSTRALIA MARKETING



For the year ending June 2015, Tourism Research Australia reported that the Gold Coast welcomed 3.3 million domestic overnight visitors, generating in excess of \$2.4 billion in visitor expenditure with an average length of stay of 4 nights. Domestic day trip visitation increased by 10.7% across this same time with the region welcoming 7.4 million day trip visitors, generating \$614 million in visitor expenditure for the region.

Throughout the year the Australia Marketing Team remained focused on increasing visitation and subsequent expenditure delivering a comprehensive calendar of campaign activity. A greater emphasis was once again placed on direct to consumer channels with VisitGoldCoast.com (VGC) used as the call to action and online platform nationally. Three national brand campaigns supported this approach, two of these in partnership with Tourism and Events Queensland, with an extensive above the line media buy showcasing our Gold Coast, Famous for Fun ‘And...Action’ suite of creative assets. Over 70 Gold Coast Tourism Members were involved in these campaigns by way of online holiday deals, with just under 60,000 direct leads generated to their businesses.

In strategically targeting interstate markets, the Australia Marketing Team continued to leverage our aviation and travel trade partners with the aim of maximising the destination’s cut-through and subsequent conversions. Campaign work was undertaken with Jetstar Airways, HotelClub, Virgin Australia, Flight Centre Group, Webjet.com.au, Wotif Group, TigerAir and Qantas Airways.

Sports and events activity continued to be a core focus for the Team, working with the City of Gold Coast and Tourism and Events Queensland to strengthen the city’s image as a world-class sports and events destination in the lead up to the 2018 Commonwealth Games. Over 20 campaigns were delivered throughout the year in support of the extensive calendar of sports and events with Gold Coast Tourism once again focused on increasing overnight visitation, expenditure and length of stay around these.

Targeting the 1.5 million international youth travellers that visit Australia annually remained a priority for the Australia Marketing Team and in conjunction with the Gold Coast Adventure Travel Group, initiated campaigns with STA Travel, Student Beans and StudentUniverse while also attending a number of trade events to secure increased visitation from this segment. The city has secured strong growth from this market with an increase in arrivals of over 8% to 132,000 backpackers for the year ending June 2015, representing 15% of all international arrivals into the Gold Coast. Collaboration with Study Gold Coast continued throughout the year to support the growth of the international education sector which is also vital to the success of the international youth market.

## HIGHLIGHTS CAMPAIGNS

- HotelClub
- ‘And...Action’ Summer with Jetstar Airways and TEQ
- Flight Centre Group, Infinity Holidays and Escape Travel
- StudentUniverse
- STA Travel
- Qantas Airways and TEQ
- Student Beans
- TigerAir
- ‘And...Action’ Easter
- Wotif.com
- Virgin Australia
- Webjet.com.au
- Flight Centre Group and Infinity Holidays
- ‘And...Action’ Winter with TEQ
- Swell Sculpture Festival
- Gold Coast Sevens
- V8 Supercars Gold Coast 600
- PGA
- Jeep Magic Millions Racing Carnival
- Australian Ladies Masters Golf
- Quicksilver & Roxy Pro
- Bleach\*
- Gold Coast Film Festival

- Surf Life Saving Australia - The Aussies 2015
- Surfers Paradise Festival
- Gold Coast Airport Marathon
- AFL with Gold Coast Suns
- NRL with Gold Coast Titans
- Blues on Broadbeach

## FAMILIARISATIONS

- Gold Coast National Mega Famil with Virgin Australia
- Flight Centre 7th Wonder
- Travellers Choice
- Virgin Australia VIC
- Wotif National Marketing Team
- TNT Magazine
- The Word Australia

## MISSIONS

- World Youth Student Travel Convention, Dublin
- Website Travel Training Summit, Sydney
- ANZA Education Trade Event, Auckland
- Website Travel Training Summit, Cairns
- Backpacker Youth Travel Exchange, Sydney



# INTERNATIONAL MARKETING



International visitation to the Gold Coast continued to perform strongly throughout FY15, recording 6.2 percent growth alongside a solid 13.4 percent growth in visitor spend. Seven out of Gold Coast’s ten largest source markets recorded positive growth for the year- ending June 30, 2015, with China and Korea standouts growing 13 percent and 35 percent respectively.

Gold Coast Tourism’s marketing investment in our leading holiday source market of New Zealand generated strong results for the city, recording 3 percent growth to 189 thousand visitors. Growth in Chinese visitation was equally a solid result with the Chinese market now generating 212 thousand visitors each year to the city.

FY15 saw prioritisation of Gold Coast Tourism’s investment towards Tier 1 markets of New Zealand and China, and Tier 2 markets of Japan and South Asia, increasing our engagement at both consumer and travel trade levels. The rollout of our Gold Coast winter brand campaign across New Zealand generated unprecedented consumer reach, when coupled with tactical campaign activation with Flight Centre and Webjet New Zealand, the Gold Coast remained front and centre with Kiwi’s travel destination consideration.

Gold Coast’s accessibility to the burgeoning Chinese market was further enhanced in FY15 with Gold Coast Tourism, in partnership with Gold Coast Airport and Tourism Events Queensland, securing air services from Central China set to commence in September 2015 along with seasonal charter services from mainland China via Hong Kong from January 2016. Together with a heightened destination profile as a result of Gold Coast Tourism China’s celebrity ambassador project, a constant flow of tactical campaign activity with UTour, Swallow Holidays, Step into the World and China Southern Airlines, the Gold Coast tourism industry is particularly well-placed to take advantage of further anticipated growth from the Chinese market in the coming year.

Whilst growth was restrained from Singapore and Malaysia in FY15, Gold Coast Tourism was active with airline partners Scoot and Air Asia along with key travel agency groups, rolling out a number of tactical campaigns and showcasing the Gold Coast through the NATAS, OutBound and MATTA consumer travel fairs in Singapore and Kuala Lumpur; this sustained both destination profile and conversion during the more traditional off-season periods of the year.

The Japan market to Australia, whilst still facing downward pressure in FY15, has more recently started to show good signs of recovery with the recommencement of Qantas services into Brisbane from August 2015, and the much anticipated return of All Nippon Airways into Sydney from December 2015. With Gold Coast Tourism having already undertaken significant promotional activity in Japan to support the new Qantas service, and through continued tactical and famil support for Jetstar’s direct Gold Coast services, no less than eight media and travel trade famils were hosted from Japan; the year ahead looks bright for the once lucrative Japanese market.

The Middle East and India have both shown encouraging signs of growth by the end of FY15 and into the new financial year. The Middle East market, having moved beyond the impacts of Ramadan timing, has already started to deliver increased visitor numbers to the

Gold Coast during this latest Northern Summer season. With significant promotional activity launched with leading Middle East agent DNATA in the lead-up to the travel season, and through an increased marketing investment planned for the Middle East in FY16, the 2016 Middle East travel season bodes well for the Gold Coast. Likewise, India has delivered strong growth in visitor numbers to the Gold Coast over this past year, and with a consistent engagement and cooperative promotional activities being undertaken with key distribution partners via our Mumbai-based representative, the Gold Coast continues to make inroads in terms of attracting a broader market mix and the development of higher yielding itinerary offerings.

## HIGHLIGHTS

### FAMILIARISATIONS

- Scoot Singapore Campaign
- Kuoni India Retail Campaign
- HIS Osaka Regional Campaign
- Big Reunion UK Campaign
- UTour China Travel Store Promotion
- Malaysia Trade Consortia Campaign
- Flight Centre New Zealand campaign
- New Zealand Gold Coast Brand Campaign
- China Southern Gold Coast / Brisbane Campaign
- DNATA Middle East Retail Campaign
- Qantas Japan Brisbane Launch Campaign

### FAMILIARISATIONS

- DNATA Middle East Trade Famil
- Taiwan Media Famil
- Gold Coast Marathon Japan Trade & Media Famil

- Hong Kong Media Famil
- China VIP Celebrity Famil
- Flight Centre UK Big Aussie Reunion
- Hanako Japan Media Famil
- The Bachelor New Zealand Filming
- ADU Johor Agent Famil
- Hubei Wanda China Famil
- New Zealand Mega Trade Famil
- Jetstar Japan Trade Famil

### MISSIONS/ROADSHOWS

- Gold Coast Tourism Japan Roadshow
- QOT Japan
- QOT SEAsia
- New Zealand Sales Mission
- SATTE India
- Flight Centre Expo New Zealand
- MATTA Travel Fair, Malaysia
- OutBound Travel Fair, Singapore







# BUSINESS EVENTS



Gold Coast Business Events delivered a broad range of marketing and sales initiatives in FY15 further establishing 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 secured a total of 14 association conferences, six corporate meetings and 51 incentive events. 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 a record 64 event wins. The combined result of international and national events resulted in an economic contribution of over \$49 million to the local economy.

Our signature event, This is Gold Coast Business Exchange, operated again in June attracting over 40 qualified corporate and association planners from Australia, New Zealand, Malaysia and USA, plus four National Business Event trade publications. The program delivered a combination of themed social events, a trade exhibition with over 1,515 pre-scheduled appointments, and a range of exciting destination experiences. Over 40 members participated with most acquiring several new event leads.

FY15 saw Gold Coast Business Events delivering more cooperative events in the national market with the aim of providing additional opportunities for members to showcase their product to the business events market and connect with a new client base. Gold Coast Business Events also offered a new range of exclusive activities in both national and international markets for Gold members.

Traditional sales and marketing activity continued to be strong in FY15 with the team conducting a total of 517 sales calls, hosting 50 site inspections and 10 destination and media famil programs across key markets. In addition, the team supplied event servicing to over 150 clients for destination collateral, images and general information to support upcoming business events to the city.

The QBES (Queensland Business Event Survey) figures continue to be strong, with Gold Coast operating over 2,200 business events in FY14 representing 41% market share of all business events to Queensland.

## HIGHLIGHTS

### FAMILIARISATIONS

- Garuda Indonesia Corporate
- HIS Japan Sales & Operations Team
- Marriott Resort Corporate Sleepover - Activity
- BEA New Zealand PCO's
- Event Travel Management - Activity
- This is Gold Coast Business Exchange - Post Famil
- CIM Publication
- MICENet
- Meeting Newz Magazine
- Business Event News

### SALES ACTIVITY AND MISSIONS

- Sales Calls Conducted - 517
- Site Inspections Hosted - 50
- This is Gold Coast Business Exchange - 40 clients
- Gold Coast Connect - Brisbane
- Gold Coast Connect - Sydney

- Gold Coast Connect - Melbourne
- China Corporate Sales Mission
- ICCA Asia Pacific Client Supplier Workshop
- PCO Association National Conference
- Gold Coast Medical Association Conference
- Associations Forum Conference & Exhibition
- PAICE New Zealand
- AIME Trade Show - Global
- BEA North Asia Showcase
- BEA South East Asia Showcase
- IMEX Frankfurt - Global
- IMEX USA - Global



# COMMUNICATIONS AND MARKETING SERVICES

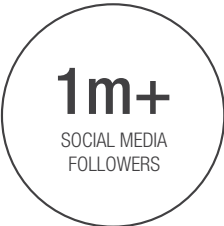
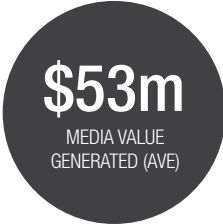
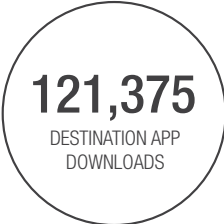


Gold Coast Tourism’s digital assets over the 12 months to June 2015 are now ranked in the top 10 tourism bodies in Australia. The organisation’s main consumer facing website has seen increased overall website traffic of +43%, increased direct sales leads of +33%, increased total social media following +48% to 1.8m engaged followers and has positioned the Gold Coast as the most visited regional tourism organisation website and most popular regional tourism organisation Facebook profile in Australia.

The social channels and the Photo Meet Content Program contributed an additional \$3.9m in media value through the use of familiarisation activity for 180 domestic and key international influencers, with the focus on active beach culture and theme parks, alongside greater coverage for the Hinterland, Southern Gold Coast and flourishing dining scene. 1,400 pieces of content were produced reaching 24 million with 3.9 million engagements.

## HIGHLIGHTS

- Social Media followers 1,881,173
- Unique website visitors 2,733,949
- Sales leads generated \$6,716,040
- Destination App downloads 121,375



Gold Coast Tourism’s media and publicity strategy assisted in the delivery of \$53 million in advertising value equivalency (AVE) in 2014-15. Key to this was the Australian media famil program, through which 33 Australian journalists generated over \$6.4 million in AVE and reached a collective audience of almost 16 million people. The large increase in destination coverage was made possible thanks to Gold Coast Tourism’s media partnerships with the likes of Tourism and Events Queensland, the Today Show and Channel 7 Sunrise. Through these partnerships, Gold Coast Tourism supported the generation of an additional \$27 million in media coverage for the Gold Coast.





# DESTINATION MANAGEMENT



In FY15, the Destination and Corporate Partnerships Team alongside industry partners, actively participated in the facilitation, monitoring and progress reporting of the Gold Coast Tourism Destination Tourism Management Plan (DTMP). The DTMP has been developed by the City of Gold Coast and Gold Coast Tourism based on an extensive base of tourism intelligence, industry engagement and is acknowledged as the primary guide to achieving real, sustainable growth in overnight annual visitor expenditure for the Gold Coast.

FY15 has seen unprecedented collaboration across local, state and federal government agencies resulting in significant outcomes for the destination. Game-changing investment attraction activity was stimulated in FY15 into tourism infrastructure whilst landmark direct flights from mainland China to Gold Coast Airport were also secured. Additionally, aviation capacity was enhanced from the Gold Coast's traditional tier one international priority market of New Zealand as well as some improvements in domestic connectivity.

Within the seven strategic priorities of the DTMP, sixty-eight key actions have been identified to deliver outcomes for the destination. 15 including the establishment of the City Aviation Committee, establishment of the Major Events Strategic Planning Committee and the commencement of initiatives to enhance the quality of service for the Gold Coast. The unified, action based DTMP will continue to be the reference point in how we optimise our existing rich annual events calendar in the city and will maximise the economic potential of destination defining events such as the Australian Tourism Exchange 2016 and the 2018 Gold Coast Commonwealth Games. As demonstrated in FY15, the Destination and Corporate Partnerships Team will remain committed in FY16 and beyond to further develop strong cooperative relationships with key stakeholders throughout the tourism industry and government.

## HIGHLIGHTS

- Continued collaboration with City of Gold Coast's Economic Development and Major Projects Branch to manage and report on actions within the Destination Tourism Management Plan
- Secured contestable funds of \$800,000 through the Queensland Government's Regional Tourism Organisation Funding Scheme
- Renewed annual partnership with Tourism and Events Queensland detailing agreed activities to increase visitor expenditure

## ENGAGEMENT

- Gold Coast Tourism and Tourism Industry Meetings / Events
- Gold Coast Tourism and local, state and federal government meetings / events
- Interface with Local Tourism Organisations: Surfers Paradise Alliance, Broadbeach Alliance and Connecting Southern Gold Coast
- Interface with Study Gold Coast
- Political lobbying for destination objectives

## REPRESENTATION

- Embracing 2018 Gold Coast Quality Service Project Steering Committee
- Southern Gateway Advisory Committee
- Safer Suburbs Forum

- Tourism and Events Queensland Destination Director - Gold Coast
- Surf World Museum Committee
- Australia's Green Cauldron Committee
- Australian Tourism Exchange 2016 Local Advisory Group
- Association of Australian Convention Bureaux
- International Congress and Conventions Association
- QIBT Academic Board
- GC 2018 Tourism Marketing Strategy Working Group
- City of Gold Coast Events Advisory Committee
- City Aviation Committee
- Major Events Strategic Planning Committee
- DTMP Tourism Implementation Committee
- Japan Tourism Gold Coast Committee
- Gold Coast Chamber of Commerce Sub-Committee
- Events Management Queensland Gold Coast Board
- Regional Tourism Organisation Committee
- Gold Coast Cultural Strategy
- Gold Coast Airport Master Plan Community Consultation Committee
- Heart of the City Advisory Committee
- Broadbeach Advisory Committee
- Springbrook Chamber of Commerce consultation
- 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.

The Airport VIC has now been operating for three years in its new location and has more than doubled its sales and visitor enquiries since relocating from Griffith Street in the center of Coolangatta.

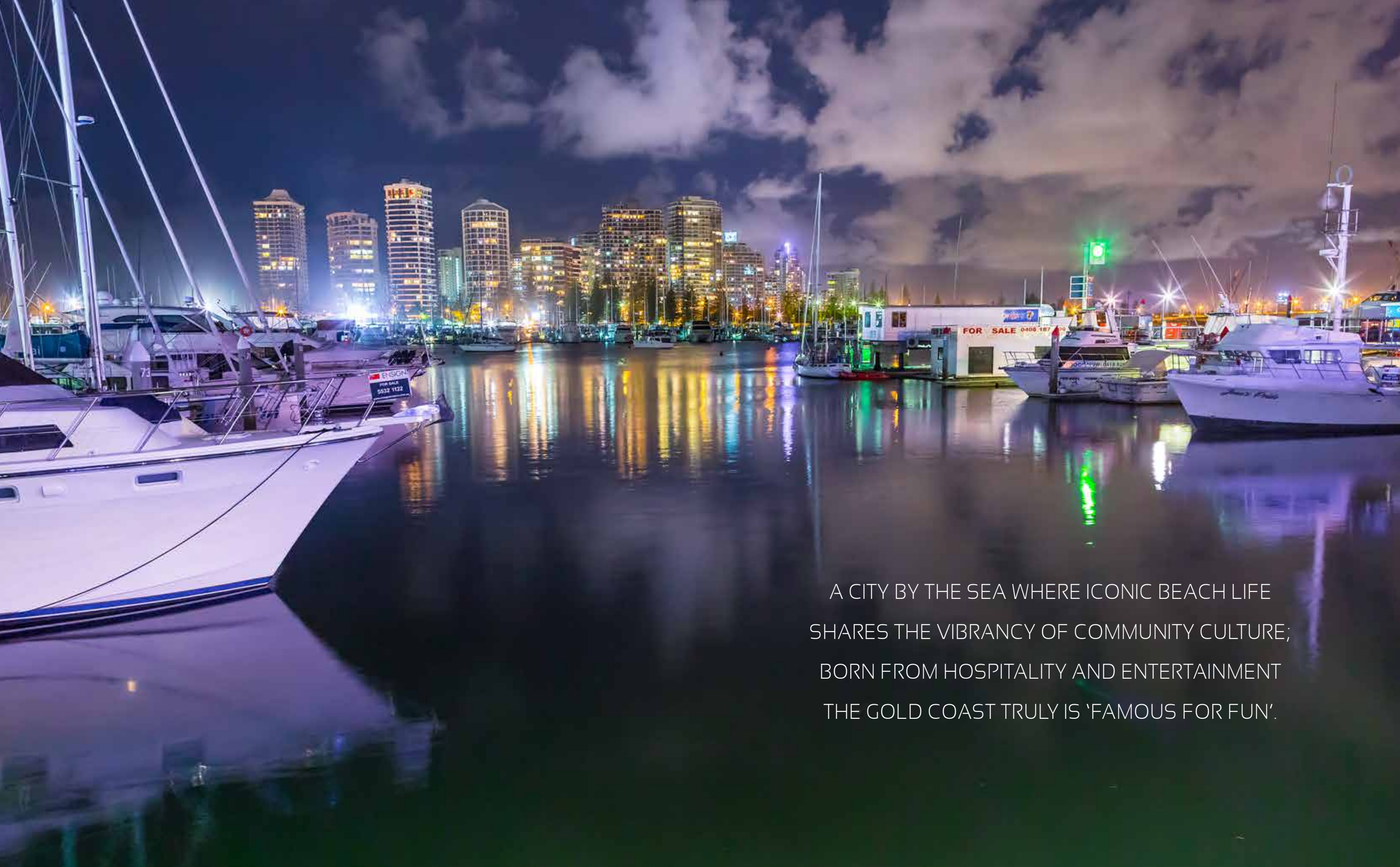
As online content grows globally, finding trusted information sources is increasingly important for visitors. Although VIC's need to continually evolve to take advantage of these digital opportunities, they still remain a cornerstone to the visitor experience and expenditure with one-on-one unbiased 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 G:link light rail tickets, theme park tickets as well as the sale of Gold Coast 2018 Commonwealth Games branded merchandise.

## HIGHLIGHTS

- \$2.4 million in member product sales (43% up on prior year)
- 111% growth in Airport VIC sales in the first full year of trading after securing an agreement to sell Go Cards
- 18% growth in Surfers Paradise VIC sales in the first full year of trading after the opening of the G:link
- 244,000 visitor enquiries
- 132 VIC member packages







A CITY BY THE SEA WHERE ICONIC BEACH LIFE  
SHARES THE VIBRANCY OF COMMUNITY CULTURE;  
BORN FROM HOSPITALITY AND ENTERTAINMENT  
THE GOLD COAST TRULY IS 'FAMOUS FOR FUN'.



DIRECTORS' REPORT

The Directors present the following report of Gold Coast Tourism Corporation Limited ("Company") for the year ended 30 June 2015:

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	11	-	-
Adrienne Readings (Vice Chairman)	10	11	1	2
Paul Steer	8	11	2	2
Bruce Nicholls	9	11	2	2
Bob East	8	11	-	-
Jonathan Fisher	8	11	-	-
Craig Davidson	10	11	-	-
John Morris (Reappointed 18/12/14)	9	10	-	-
Cr. Greg Betts	9	11	-	-
Cr. Glenn Tozer - Alternate	-	-	-	-
The position of Honorary Secretary was held by: John Punch	7	11	-	-

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 destinalional 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 2015 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.

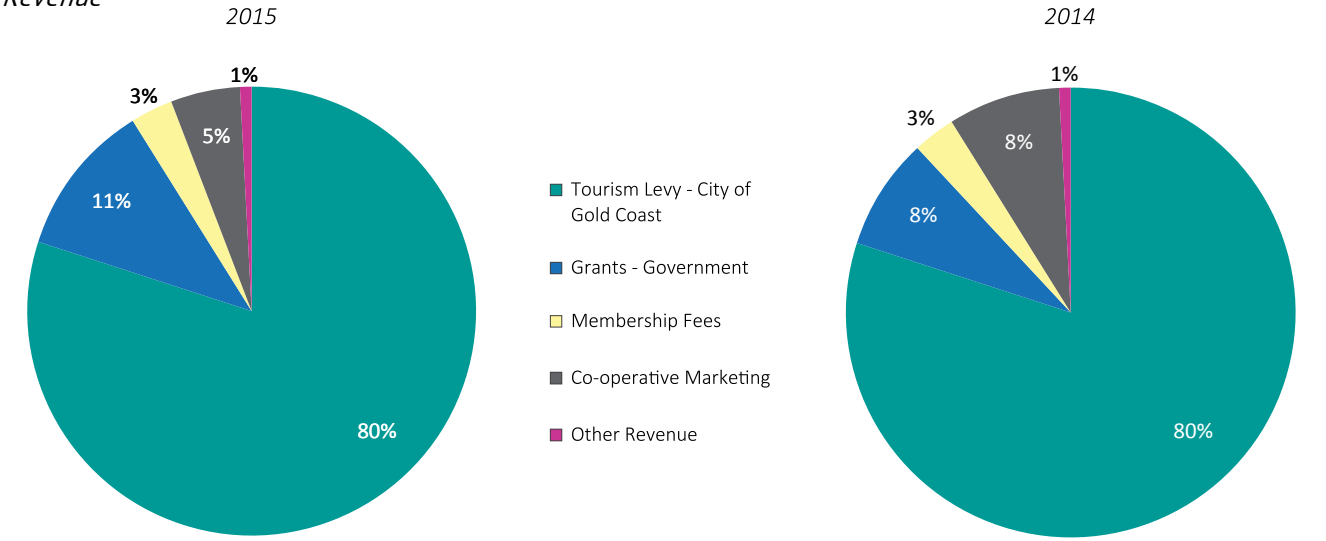
Performance Measures

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 profit for the year of \$119,280 (2014: \$31,662 loss).

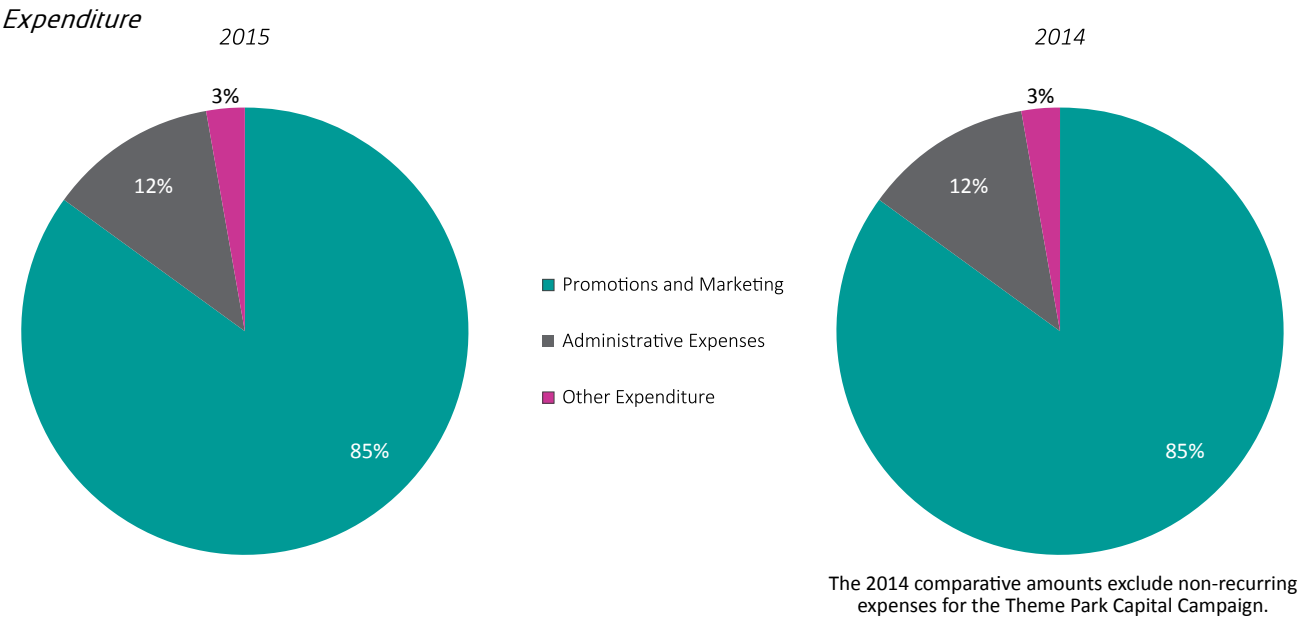
Revenue



The 2014 comparative amounts exclude nonrecurring revenue for the Theme Park Capital Campaign.

The Company continued to maintain a strong membership fee base of \$404,108 (2014: \$427,730) and obtained funding of \$12.6m (2014: \$12.5m) from the Tourism Levy. The Company also received co-operative marketing revenue of \$762,408 (2014: \$15.8m), the major portion of the prior year figure being from the Theme Park Capital Co-operative Marketing Campaign which amounted to \$14.6m of the \$15.8m.





The 2015 expenditure of \$15.8m (2014: \$30.5m) continued to focus on external promotions and marketing of the Gold Coast. Approximately 85% (2014: 92%) of total expenditure of the Company focused on external activities.

**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 \$9,200 based on 460 current ordinary members.

**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	10 years
READINGS, Adrienne	General Manager	Gold Coast Convention & Exhibition Centre	Vice Chairman	11 years
NICHOLLS, Bruce	Managing Director	Tallship Island Adventures Pty Ltd	Director	12 years
STEER, Paul	Finance Adviser	in8capital	Director	8 years
EAST, Bob	Chief Executive Officer	Mantra Group	Director	3 years
FISHER, Jonathan	Chief Executive Officer	National Trust of Australia (Queensland)	Director	2 years
DAVIDSON, Craig	Chief Executive Officer	Ardent Leisure Theme Parks	Director	1 year
MORRIS, John	General Manager	RACV Queensland Resorts	Director	1 year
BETTS, Greg	Councillor	City of Gold Coast	Director	1 year
TOZER, Glenn	Councillor	City of Gold Coast	Director - (Alternate)	1 year

Lindsay Wallace was invited to attend the Board meetings as an observer from January 2015. Lindsay is the Tourism Marketing Manager at AMP Capital Shopping Centres.

**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 54.

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



Director

Broadbeach, 29 September 2015.

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 \$	2014 \$
Revenue	3	15,785,850	30,204,369
Cost of Goods Sold		(2,443)	(3,541)
Information Centre Expenses		(375,377)	(377,842)
Promotions and Marketing Expenses		(13,505,368)	(28,164,942)
Administrative Expenses		(1,958,945)	(1,963,321)
<b>Net (Loss) / Income from Operating Activities</b>	4	<b>(56,283)</b>	<b>(305,277)</b>
Financial Income		181,181	278,965
Financial Expenses		(5,618)	(5,350)
Net Finance Income		175,563	273,615
<b>Net Income / (Loss) for the year</b>		<b>119,280</b>	<b>(31,662)</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income / (Loss) for the year</b>		<b>119,280</b>	<b>(31,662)</b>

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



## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

	Notes	2015 \$	2014 \$
<b>Current Assets</b>			
Cash and cash equivalents	13(a)	5,842,919	5,200,269
Trade and other receivables	5	172,424	343,072
Inventories		11,162	12,108
Other current assets	6	427,088	224,146
<b>Total Current Assets</b>		<u>6,453,593</u>	<u>5,779,595</u>
<b>Non-Current Assets</b>			
Property, plant and equipment	7	415,165	618,240
Intangible assets	8	124,827	103,557
<b>Total Non-Current Assets</b>		<u>539,992</u>	<u>721,797</u>
<b>TOTAL ASSETS</b>		<u>6,993,585</u>	<u>6,501,392</u>
<b>Current Liabilities</b>			
Trade and other payables	9	4,284,822	3,951,060
Provisions	10	249,657	228,213
<b>Total Current Liabilities</b>		<u>4,534,479</u>	<u>4,179,273</u>
<b>Non-Current Liabilities</b>			
Provisions	10	289,131	271,423
<b>Total Non-Current Liabilities</b>		<u>289,131</u>	<u>271,423</u>
<b>TOTAL LIABILITIES</b>		<u>4,823,610</u>	<u>4,450,696</u>
<b>NET ASSETS</b>		<u>2,169,975</u>	<u>2,050,696</u>
<b>Equity</b>			
Reserves	11	215,090	171,126
Accumulated surplus		1,954,885	1,879,570
<b>TOTAL EQUITY</b>		<u>2,169,975</u>	<u>2,050,696</u>

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

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2015

	Reserves \$	Accumulated Surplus \$	TOTAL \$
<b>Balance at 1 July 2013</b>	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)	-
<b>Balance at 30 June 2014</b>	<u>171,126</u>	<u>1,879,570</u>	<u>2,050,696</u>
<b>Balance at 1 July 2014</b>	171,126	1,879,570	2,050,696
Total Comprehensive Income for the year	-	119,279	119,279
Transfer from reserve	(84,995)	84,995	-
Transfer to reserve	128,959	(128,959)	-
<b>Balance at 30 June 2015</b>	<u>215,090</u>	<u>1,954,885</u>	<u>2,169,975</u>

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



STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 \$	2014 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from sales of goods and other receipts		20,273,061	35,265,964
Payments to suppliers and employees		(19,644,693)	(34,313,476)
Interest received		181,181	278,965
<b>Net cash provided by operating activities</b>	13(b)	<u>809,549</u>	<u>1,231,453</u>
<b>Cash Flows from Investing Activities</b>			
Purchase of plant and equipment		(84,384)	(131,742)
Purchase of intangibles		(94,445)	(63,758)
Proceeds from sale of plant and equipment		11,930	18,610
<b>Net cash used in investing activities</b>		<u>(166,899)</u>	<u>(176,890)</u>
<b>Net increase in cash and cash equivalents</b>		<u>642,650</u>	<u>1,054,563</u>
Cash and cash equivalents at the beginning of the financial year		5,200,269	4,145,706
<b>Cash and cash equivalents at the end of the year</b>	13(a)	<u><u>5,842,919</u></u>	<u><u>5,200,269</u></u>

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 2015

**1. INTRODUCTION**

Gold Coast Tourism Corporation Limited for the year ended 30 June 2015 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 29<sup>th</sup> September 2015 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.



## 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	33.3%	Prime Cost

Amortisation Rates:

- Computer software	40%	Prime Cost
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## 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.



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 2015

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 2015, the Company incurred an operating loss of \$56,283 (2014: loss of \$305,277), and had a net asset position of \$2,169,975 (2014: \$2,050,696).

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. The Company is currently in negotiations with the City of Gold Coast for a further five year agreement. 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.

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

The Company has applied AASB 2012-3 from 1 July 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.

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

The Company has applied AASB 2013-3 from 1 July 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.



## 2. SUMMARY OF ACCOUNTING POLICIES (Continued)

### *AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)*

The Company has applied Parts A to C of AASB 2014-1 from 1 July 2014. These amendments affect the following standards: AASB 13 'Fair Value Measurement': clarifies that the portfolio exemption applies to the valuation of contracts within the scope of AASB 9 and AASB 139; AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets': clarifies that on revaluation, restatement of accumulated depreciation will not necessarily be in the same proportion to the change in the gross carrying value of the asset; AASB 124 'Related Party Disclosures': extends the definition of 'related party' to include a management entity that provides KMP services to the entity or its parent and requires disclosure of the fees paid to the management entity.

### 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 2015. 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*

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The Company will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the Company.

#### *AASB 15 Revenue from Contracts with Customers*

This standard is applicable to annual reporting periods beginning on or after 1 January 2017. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The Company will adopt this standard from 1 July 2017 but the impact of its adoption is yet to be assessed by the Company.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2015

### 3. REVENUE

	2015 \$	2014 \$
Sale of goods and services	216,323	187,101
Tourism Levy - City of Gold Coast	12,600,000	12,500,000
Grant (Core) - Tourism and Events Queensland	300,000	300,000
Grant (Business Events) - Tourism and Events Queensland	616,401	612,795
Grant (Other) - Tourism and Events Queensland	609,081	362,500
Grant (EMDG) - Austrade	271,926	10,652
Membership subscriptions	404,108	427,730
Co-Operative marketing - Themepark Capital Campaign	-	14,616,383
Co-Operative marketing - Other	762,408	1,166,743
Profit on sale of fixed assets	640	-
Other	4,963	20,465
	<u>15,785,850</u>	<u>30,204,369</u>

The above 2014 comparative figures reflect Co-operative marketing revenue in the amount of \$14,616,383 shown separately for the Theme Park Capital Campaign. This was once off revenue received from a marketing agreement entered into between the Company, Industry Partners and the Queensland Government. Corresponding expenditure in 2014 of the same amount has been charged to promotions and marketing expenses in the Statement of Comprehensive Income.

### 4. ITEMS INCLUDED IN LOSS

#### **Additional information on the nature of expenses:**

Depreciation and amortisation expense	349,343	310,396
Loss on sale of fixed assets	-	3,929
Inventories:		
- Amount of inventories recognised as an expense	2,443	3,541
Employee benefits expense:		
- Salaries and wages	3,910,646	4,385,192
- Superannuation	348,058	345,208
Foreign exchange loss	19,330	50,602
Minimum operating lease payments	593,871	613,574

### 5. TRADE AND OTHER RECEIVABLES

Trade receivables	156,312	312,145
Sundry	16,112	30,927
	<u>172,424</u>	<u>343,072</u>

### 6. OTHER CURRENT ASSETS

Prepayments	199,797	198,422
GST Receivable	227,291	25,724
	<u>427,088</u>	<u>224,146</u>



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

7. PROPERTY, PLANT AND EQUIPMENT

a) Property, Plant and Equipment

Office Furniture & Fittings - at cost	314,335	302,584
Less: Accumulated Depreciation	(222,287)	(163,142)
	<u>92,048</u>	<u>139,442</u>
Computer Equipment - at cost	327,386	390,927
Less: Accumulated Depreciation	(246,230)	(289,057)
	<u>81,156</u>	<u>101,870</u>
Motor Vehicles - at cost	69,383	83,117
Less: Accumulated Depreciation	(12,320)	(22,221)
	<u>57,063</u>	<u>60,896</u>
Leasehold Improvements - at cost	676,484	676,524
Less: Accumulated Depreciation	(492,062)	(361,839)
	<u>184,422</u>	<u>314,685</u>
Promotional Equipment - at cost	19,071	97,272
Less: Accumulated Depreciation	(18,595)	(95,925)
	<u>476</u>	<u>1,347</u>
<b>Total Property, Plant and Equipment</b>	<b><u>415,165</u></b>	<b><u>618,240</u></b>

b) Movement During the Year

2015

	Office Furniture & Fittings \$	Computer Equipment \$	Motor Vehicles \$	Leasehold Improvements \$	Promotional Equipment \$	Total \$
Opening written down value	139,442	101,870	60,896	314,685	1,347	618,240
Additions at cost	12,150	52,817	18,548	869	-	84,384
Disposals at written down value	-	(641)	(10,256)	(394)	-	(11,291)
Depreciation expense	(59,544)	(72,890)	(12,125)	(130,738)	(871)	(276,168)
Closing written down value	<b>92,048</b>	<b>81,156</b>	<b>57,063</b>	<b>184,422</b>	<b>476</b>	<b>415,165</b>

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	<b>139,442</b>	<b>101,870</b>	<b>60,896</b>	<b>314,685</b>	<b>1,347</b>	<b>618,240</b>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

8. INTANGIBLE ASSETS

a) Intangible Assets

Computer Software at cost	317,811	223,366
Less: Accumulated Amortisation	(192,984)	(119,809)
	<u>124,827</u>	<u>103,557</u>

b) Movement During the Year

Computer Software:

Opening written down value	103,557	91,890
Additions at cost	94,445	63,758
Disposals at written down value	-	-
Amortisation expense	(73,175)	(52,091)
Closing written down value	<u>124,827</u>	<u>103,557</u>

9. TRADE AND OTHER PAYABLES

Trade payables and accruals	2,993,492	3,005,262
Members subscriptions in advance	181,085	110,425
Revenue received in advance	1,110,245	835,373
	<u>4,284,822</u>	<u>3,951,060</u>

10. PROVISIONS

Current

Annual leave	249,657	228,213
	<u>249,657</u>	<u>228,213</u>

Non Current

Long service leave	171,154	159,064
Leasehold premises - make good	117,977	112,359
	<u>289,131</u>	<u>271,423</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	112,359	107,008
Charged to profit/(loss) - unwinding of discount	5,618	5,351
Balance at end of year	<u>117,977</u>	<u>112,359</u>



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$	2014 \$
<b>11. MOVEMENT IN RESERVES</b>		
<b>Reserve - Subvention funds:</b>		
Balance at the beginning of the year	171,126	109,174
Transfer to meet current period expenditure	(84,995)	(65,008)
Transfer to meet current and future expected expenditure	128,959	126,960
Balance at end of year	<u>215,090</u>	<u>171,126</u>
A reserve has been created to build funding for future expected expenditure in relation to convention bids.		
<b>12. AUDITOR'S REMUNERATION</b>		
Audit of financial report - current year provision	18,500	18,000
- prior year (over) / under provision	(500)	1,628
	<u>18,000</u>	<u>19,628</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$	2014 \$
<b>13. CASH FLOW RECONCILIATION</b>		
<b>a) Reconciliation of Cash and Cash Equivalents</b>		
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>5,842,919</u>	<u>5,200,269</u>
<b>b) Reconciliation of Net Cash Provided By Operating Activities</b>		
Profit / (Loss) for the year	119,280	(31,662)
Depreciation and amortisation	349,343	310,396
(Profit) / Loss on disposal of assets	(640)	3,929
<i>Changes in assets and liabilities:</i>		
Trade and other receivables	170,648	(154,683)
Inventory	946	(2,230)
Other current assets	(202,942)	(115,790)
Trade and other payables	333,762	1,199,518
Provisions	39,152	21,975
<b>Net cash provided by operating activities</b>	<u>809,549</u>	<u>1,231,453</u>
<b>14. COMMITMENTS FOR EXPENDITURE</b>		
<b>Operating Lease Commitments:</b>		
Non cancellable lease commitments, contracted for but not recognised as liabilities are payable as follows:		
-within 12 months	568,913	583,147
-12 months or longer and no longer than 5 years	1,098,014	1,665,357
- later than 5 years	-	-
	<u>1,666,927</u>	<u>2,248,504</u>
<b>Marketing Agreements:</b>		
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	994,981	796,982
-12 months or longer and no longer than 5 years	307,197	55,652
	<u>1,302,178</u>	<u>852,634</u>



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015

15. 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.)	8,502	9,166
	Tourism and Events Queensland	Board Director	2,402,244	1,350,848
	Gold Coast Titans	Board Director	3,306	-
Adrienne Readings (Vice Chairman)	Gold Coast Convention & Exhibition Centre	General Manager	17,160	32,630
Bruce Nicholls	Tallship Island Adventures Pty Ltd	Managing Director	18,109	20,406
Paul Steer	KPMG	Partner - Until 28/2/2015	12,791	191
Bob East	Mantra Group	CEO	79,285	62,092
	Gold Coast Suns	Board Director	9,552	918
Greg Betts & Glenn Tozer	City of Gold Coast	Councillors	330,089	12,631,000
Craig Davidson	Ardent Leisure Theme Parks	CEO	9,877	52,764
Jonathan Fisher	Currumbin Wildlife Sanctuary	CEO	3,817	18,390
	Griffith Institute of Tourism	Committee Member	7,997	-
	Surf World Museum	Committee Member	-	350
John Morris	RACV Queensland Resorts	General Manager	6,644	6,400
John Punch	Short Punch & Greatorix	Partner	2,172	-
Martin Winter (CEO)	QTIC Destination Q	Committee Member	9,848	-
	Assoc. of Australian Convention Bureaux	Director	45,626	-

Trade receivables due from related parties at balance date amount to \$55,559 and trade payables due to related parties at balance date amount to \$315,710.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015

16. 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.

17. 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 \$1,421,012 (2014: \$1,428,053).

	2015 \$	2014 \$
Short-term employee benefits	1,320,313	1,325,636
Post-employment benefits	100,699	102,417
	<u>1,421,012</u>	<u>1,428,053</u>

18. 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.



18. 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.
- (iii) The Company's main interest rate risk relates to its cash and cash equivalents.

At 30 June 2015, 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 \$58,374 lower/higher (2014 change of 100 bps: \$51,948 lower/higher). The following table summarises the sensitivity of the Company's financial assets and liabilities to interest rate risk.

30 June 2015	Carrying amount \$	-1% Profit/(Loss) \$	-1% Equity \$	+1% Profit/(Loss) \$	+1% Equity \$
<b>Financial Assets</b>					
Cash and cash equivalents	5,837,419	(58,374)	(58,374)	58,374	58,374
Trade receivables	156,312	-	-	-	-
<b>Financial Liabilities</b>					
Trade and other payables	(2,993,492)	-	-	-	-
<b>Total increase/(decrease)</b>		<b>(58,374)</b>	<b>(58,374)</b>	<b>58,374</b>	<b>58,374</b>

30 June 2014	Carrying amount \$	-1% Profit/(Loss) \$	-1% Equity \$	+1% Profit/(Loss) \$	+1% Equity \$
<b>Financial Assets</b>					
Cash and cash equivalents	5,194,769	(51,948)	(51,948)	51,948	51,948
Trade receivables	312,145	-	-	-	-
<b>Financial Liabilities</b>					
Trade and other payables	(3,005,262)	-	-	-	-
<b>Total increase/(decrease)</b>		<b>(51,948)</b>	<b>(51,948)</b>	<b>51,948</b>	<b>51,948</b>

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.

18. FINANCIAL RISK MANAGEMENT (Continued)

The ageing of trade receivables at the reporting date was:

	2015 Gross \$	2015 Allowance \$	2014 Gross \$	2014 Allowance \$
Current	119,981	-	293,821	-
31 - 60 days	34,247	-	14,908	-
61 - 90 days	-	-	2,310	-
91 days and over	2,084	-	1,106	-
	<b>156,312</b>	<b>-</b>	<b>312,145</b>	<b>-</b>

During the financial year nil bad and doubtful debts were written off (2014: 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:*

2015	Contractual Repayment Amount \$	6 mths or less \$	6 - 12 mths \$	1 - 5 years \$
Trade payables	1,278,757	1,278,757	-	-
Sundry payables and accruals	3,006,065	3,006,065	-	-
	<b>4,284,822</b>	<b>4,284,822</b>	<b>-</b>	<b>-</b>



18. FINANCIAL RISK MANAGEMENT (Continued)

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	-	-

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.

19. CONTINGENT LIABILITY

The Company had no contingent liabilities as at 30 June 2015 and 30 June 2014.



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**Auditor's Independence Declaration under Section 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 2015 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.

*Crowe Horwath South QLD*  
Crowe Horwath South QLD

*Logan Meehan*  
Logan Meehan  
Partner – Audit & Assurance  
Level 5, 3321 Central Place  
Emerald Lakes, Carrara QLD 4211

Dated this *29<sup>th</sup>* day of *September* 2015

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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 2015 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the Directors



Director

Broadbeach, 29 September 2015.



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Independent Auditor 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 2015, the statement of 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.

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.

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*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 2015 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 QLD*  
Crowe Horwath South QLD

*Logan Meehan*  
Logan Meehan  
Partner – Audit & Assurance  
Level 5, 3321 Central Place  
Emerald Lakes, Carrara QLD 4211

Dated this *30<sup>th</sup>* day of *September* 2015

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