

DRAFT

Dated 23 July 2018

TOURISM COUNCIL WESTERN AUSTRALIA LIMITED

ABN 69 095 581 776

Financial Statements

For the Year Ended 30 June 2018

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Directors' Report

30 June 2018

Your directors present their report on Tourism Council Western Australia Limited (the Company) for the financial year ended 30 June 2018 and the auditor's report thereon.

1. General information

Directors

The names of the directors in office at any time during, or since the end of the year are:

Names	Title	Appointed/Resigned
Emmanuel Michael PAPADOULIS	President	Resigned 21 July 2017
Christopher Robert PYE	Elected Director	Resigned 21 July 2017
Christopher Robert PYE	President	Appointed 21 July 2017
Andrew David HILL	Vice President	Re-elected 6 October 2016
Sonja Elisabeth MITCHELL	Elected Director	Elected 6 October 2016
Matt NORTON	Elected Director	Elected 6 October 2016
Debra Ann BLASKETT	Appointed Director	Appointed 20 June 2017
Karen Louise PRIEST	Elected Director	Resigned 21 July 2017
Nigel KEEN	Appointed Director	Term Ended 17 October 2017
Andrew LANE	Appointed Director	Appointed 15 August 2017, term ended 17 October.
Catrin ALLSOP	Appointed Director	Appointed 15 August 2017, term ended 17 October
Catrin ALLSOP	Elected Director	Elected 17 October 2017
Stephanie LANG	Elected Director	Re-elected 17 October 2017
Kristy BAILEY	Non-Executive Director	Elected 17 October 2017
Nathan James FROST	Non-Executive Director	Appointed 24 April 2018

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

Company secretary

The following person held the position of company secretary at the end of the financial year:

Evan Hall, appointed in May 2011.

Evan Hall is an economist with extensive experience in federal and state advocacy. A recognised tourism industry leader, Evan joined Tourism Council WA in May 2011 following five years at the Tourism & Transport Forum as National Policy Director. Evan was previously an elected official with the Community & Public Sector Union, directing federal advocacy campaigns on immigration, customs and quarantine issues and in the commercial broadcasting and telecommunications sectors.

Principal activities

The principal activity of Tourism Council Western Australia Limited during the financial year was representing the tourism industry in Western Australia and promoting an understanding of the industry and delivering tourism industry development programs including the Australian Tourism Accreditation Program; the Visitor Centre Accreditation Program and the WA Tourism Awards.

No significant changes in the nature of the entity's activity occurred during the financial year.

Directors' Report

30 June 2018

2. Objectives

Tourism Council WA has identified the following objectives:

Industry Representation Objectives

Tourism Council WA will develop and advocate industry policy which ensures:

- effective destination promotion, cooperative marketing and distribution of tourism product;
- an effective state calendar of major and regional events;
- planning policy that facilitates private tourism development and enhances destination character;
- public investment in tourism infrastructure, precincts, parks and facilities;
- protection and support of cultural, indigenous and natural heritage;
- effective aviation, cruise shipping and land transport services to tourism destinations;
- tourism industry, business and workforce development programs; and
- reduced regulatory burden and sovereign risk on tourism business investment.

Industry Communication & Events Objectives

Tourism Council WA will deliver industry communications and events which:

- provide valuable insights and information for members
- enable members to discuss issues with key government and industry decision makers;
- provide a platform to promote industry policy;
- facilitate networking and business development opportunities; and
- promote and celebrate the industry's achievements and value.

Industry Development Objectives

Tourism Council WA will deliver services which:

- assist members with their priority training and business development needs;
- deliver training workshops at the best possible time, location and pricing for members;
- improve product standards, marketing and destination reputation; and
- assist members to enhance their sustainability and profitability.

3. Strategies

Tourism Council WA has adopted the following strategies for achieving these objectives:

- preparation and implementation of a 3 years business plan;
- developing and implementing industry development grants and policy projects; and
- development of information technology and human resources capabilities.

Directors' Report

30 June 2018

4. Key Performance Indicators

Tourism Council WA uses the following key performance indicators to measure performance:

- Public Policy Outcomes
- Membership
- Member Satisfaction
- Media Hits
- Newsletter list & opens
- Corporate Website Sessions, Facebook Likes & Twitter Followers
- Event Attendees
- Individual Business Support
- Accredited Businesses
- Training Workshop Attendees
- Surplus compared to budget
- Equity

5. Operating results and review of operations for the year

Operation results

The surplus/ (deficit) of the Company amounted to \$177,245 (2017: -\$191,367).

Review of operations

A review of the operations of the Company during the financial year and the results of those operations found that during the year, the Company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

6. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

After balance date events

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

Future developments and results

The Company expects to maintain the present status and level of operations and hence there are no likely developments in the company's operations.

Environment issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or a state or territory of Australia.

Directors' Report

30 June 2018

Information on directors

Emmanuel Michael PAPADOULIS President 1 July 2017 – 21 July 2017

Experience

Experienced in all facets of business management and specialising in marketing coaching, and Destination management. Manning is recognised as a critical thinker who uses evaluation and innovation to develop and implement strategic plans. Manny has earned a reputation for excellence in the tourism industry and a past President of Tourism Council WA, Australian Tourism Export Council (WA), and the Bus and Coach Association of WA. Manny is seen as a stalwart of the WA tourism industry. Manny has acted as advocate for major tourism corporations and is well connected politically with both sides of politics at a State and Federal level. Currently Principal of Icon Tourism Manny brings a wealth of relevant knowledge, contacts and experience to all business projects.

Christopher Robert PYE

President 21 July 2017 – Present

Experience

Chris' entrepreneurial spirit has resulted in his success as CEO and Chairman of Hospitality Inns, DriveWA, WA Pass, the Eco Company (managing agents for Karijini Eco Retreat) and is the Chair of Australia's Golden Outback. Chris' foresight, vision, leadership, hard work, and passion for the WA hospitality and tourism industries has strongly contributed to his own personal success, and to the success of each of his companies. Despite his demanding position, Chris finds the time to act as the WA Representative on the Best Western Member's Advisory Council, Chris also dedicates much of his time to the children charity, Variety WA.

Andrew David HILL

Vice President 21 July 2017 - Present

Experience

Andrew is the Chief Operating Officer – Food, Beverage & Entertainment at Crown Perth with an overall responsibility for over 3,000 employees. Appointed COO in 2008, he previously held the position of Executive General Manager, Catering & Entertainment at Crown Perth (formerly Burswood Entertainment Complex) since his arrival from Crown Casino Melbourne in 2005, where he held the position of Director of Catering. Andrew has been a board member of the Tourism Council of Western Australia for the last twelve years enjoying the strategic challenges of board involvement in the development of the industry in Western Australia. Andrew also sits on the Tourism Committee for the Perth Chamber of Commerce and Industry and was previously President of the Accommodation Division for the Australian Hotels Association (AHA) W.A, with formal induction into the AHA Hall of fame in 2015 for his dedication and commitment to the tourism sector.

Sonja Elisabeth MITCHELL

Elected Director

Experience

Sonja Mitchell has been involved in the tourism aviation industry in the Kimberley and regional Australia for 25 years, firstly as a Commercial Pilot in the Kimberley and then progressing through to roles of Operations Manager, General Manager and CEO of Slingair. Slingair Heliwork WA won 18 WA tourism awards under Sonja's guidance. Sonja was awarded the "Individual Award for Excellence" by Australia's North West Tourism in 2006, recognising a personal contribution to the development of the Kimberley tourism industry. She has held numerous board positions including; the South West Development Commission and served as a commissioner for Tourism WA from 2001 to 2007. Since 2007 Sonja has specialised in business development, aviation and tourism marketing. Past businesses she has worked with include; Karri Valley Resort, Darby Park Margaret River, Faraway Bay, Luridgii Aboriginal Eco Tours, Whitsunday Helicopters, Sydney Helicopters and Mackay Helicopters. Her current role is Sales and Marketing Manager for HeliSpirit, Aviair, Bungle Bungle Savannah Lodge and Bungle Bungle Guided Tours.

Matt NORTON

Elected Director

Experience

Matt commenced work with the Geographe Bay Tourism Association in 2009 as the Visitor Centre Manager. With the amalgamation of the AMRTA and GBTA, he was appointed the Tourism Services Manager, responsible for the MRBTA's four Visitor Centres and membership teams. In addition to his role as Tourism Services Manager, he has been the Chair of the Visitor Centre Association WA for the past three years and was involved in the amalgamation of VCAWA with TCWA, which has seen a united voice and increased exposure for Visitor Centres.

He believes in working together across all tourism industries, sharing information and experiences. He has been very supportive of the joint WA Tourism Conference where Caravan Industry Australia WA, the Visitor Centres WA and FACET joined with TCWA to provide a state tourism conference. He is a strong advocate in promoting the 'value of tourism' for Western Australia, attracting visitors to a vibrant capital city and from Perth to experience the diverse beauty of the regions.

Debra Anne BLASKETT

Appointed Director

Experience

Debra Blaskett was appointed to the position of Chief Corporate Services Officer at Perth Airport in October 2016 and is responsible for the areas of Human Resources, Corporate Affairs, Marketing and Customer Experience, Business Transformation, Corporate Risk and Corporate Compliance. Ms Blaskett has held a number of senior positions in the Commonwealth public service across the portfolios of Australian External Territories Administration, aviation security regulation and offshore oil

and gas security regulation. She has managed the Aviation Security, Airport Operations, Emergency Planning and Risk areas for Perth Airport and holds a Bachelor of Jurisprudence, Bachelor of Laws and Bachelor of Arts (Hons) degrees. She is a member of the Western Australian Security Industry Advisory Council.

Karen Louise PRIEST

Elected Director

Experience

Karen has held a number of diverse senior management roles in marketing, business development and communications in Western Australia, New Zealand, South Africa and the United Kingdom. Karen has been employed in hotel management roles and the wine industry and gained significant experience working for various regional, state and national destination marketing agencies including Tourism Western Australia, New Caledonia Tourism, Tourism Australia and Australia's South West. Karen has an extensive network of contacts within tourism, media and the public and private sectors in Australia and overseas. Karen is the recent recipient of the 2012 Australian Hotels Association (Western Australia) Executive Level Manager Award. Karen has sat on various Boards and Committees previously including the Perth Convention Bureau, the WA Branch of the Australian Tourism Export Council (ATEC), Fremantle Chamber of Commerce, Friends of the Bibbulmun Track and also sat on the marketing advisory panel for Tourism Western Australia.

Nigel KEEN

Appointed Director

Experience

Nigel Keen was appointed the General Manager of the Perth Convention and Exhibition Centre (PCEC) in 2012 to proactively lead, shape and grow the executive team across all business activities, engage and maintain key stakeholder relationships with State Government Agencies and industry while keeping abreast of the latest trends and developments on the National and International stage. He values connections with other influential association organisations and leaders such as EEAA, BECA, ICCA, AIPC, ACCG and is a highly regarded, impartial Board Director of the Perth Convention Bureau. With over 30 years of industry exposure, strong leadership skills and an extensive international career behind him, Nigel brings a depth of knowledge and expertise from both an operational and strategic perspective. Nigel's fervent commitment and passion to his role within the WA Business Events and Tourism industry is frequently noted and commended by his peers and clients for his personal contribution in promoting the legacies that the business events sector brings our State, at every opportunity.

Andrew LANE

Appointed Director

Experience

Andrew commenced his formal tourism career in WA at the Perth Convention Bureau in the mid 90's securing MICE business from South East Asia. From there he spent several years at Tourism Australia in Sydney in a

range of senior management roles including a stint in their US office working with key industry wholesalers and distribution partners. After leaving Tourism Australia, Andrew helped establish an online booking platform (V3), heading up their East Coast operations. The platform was involved heavily in trying to expand the online environment to a broader tourism base, including smaller accommodation providers as well as tours, attractions & events. After seven years with V3, Andrew decided to move back to WA and took a brief time out of the tourism industry, establishing a commercial building business that focussed on building key tourism assets, including The Como Hotel, Elizabeth Quay and Crown Towers. Now as General Manager of SeaLink (WA) Andrew is responsible for repositioning Captain Cook Cruises as a key tourism asset for the State.

Catrin ALLSOP

Elected Director

Experience

With more than 15 years' experience in the tourism industry, Catrin is the Chief Executive Officer of Australia's South West, one of the State's Regional Tourism Organisations. Catrin brings strong leadership, proven strategic implementation and effective stakeholder engagement skills to the organisation and region. Catrin's industry representation includes Committee Member of WA Branch of the Australian Tourism Export Council, previous board member of Australia's South West, involvement in key industry project areas such as aviation, cruise and film as well as various collaborations with industry stakeholders in developing Memorandums of Understanding to increase co-operation and reduce duplication in destination marketing. Previously, Catrin was Sales and Marketing Manager at Abbey Beach Resort as well as running her own small business. Catrin holds a Bachelor of Arts (Hons) in International Management and Business Administration.

Stephanie LANG

Elected Director

Experience

Stephanie is the Director of Sales & Marketing for Seashells Hospitality Group (SHG) which involves a spectrum of consumer and trade sales, marketing and public relations activities for Seashells' resorts in Mandurah, Scarborough, Broome, Yallingup and Fremantle. Stephanie has been directly involved in tourism product developments, including the opening and launch of Seashells Mandurah and Yallingup, the creation of a new brand and positioning strategy for SHG and winning 8 Western Australian and 2 Australian tourism awards. Prior to her time at Seashells Stephanie spent 9 years as Sales Manager UK/ Europe for Tourism Western Australia in London and this role was responsible for the advertising, public relations and WA market development throughout the UK and Europe. Stephanie is a current committee member of the Australian Tourism Export Council WA Branch and held the position of Chair from 2006 to 2008. Prior board positions have been held with the Perth Convention Bureau, Perth Region Tourism Organisation,

Mandurah & Peel Tourism Organisation, plus a number of Tourism Western Australia advisory panels.

Kristy BAILEY

Elected Director

Experience

Kristy has more than 18 years' experience in strategic marketing, communications and PR within the tourism industry and continues this industry involvement as Marketing Manager at Horizontal Falls Seaplane Adventures as well as through her position as Managing Director of One Eighty Marketing. She holds a range of qualifications including a Diploma in Tourism and a Masters in Marketing and additionally holds membership with several professional organisations including the Australian Marketing Institute where she is a recognised Certified Practising Marketer (CPM).

Nathan James FROST

Appointed Director

Experience

Nathan is the Area General Manager of Operations for AccorHotels Western Australia. Nathan currently is responsible for the management of 13 properties in the region from Bunker Bay to Kununurra. A graduate of the Blue Mountains International Hotel Management School in 1998 and AccorHotels National Management Trainee-ship in 2002, Nathan has held senior management roles with AccorHotels in both Australia and New Zealand with experience in managing economy, mid-scale and luxury hotels. Nathan was appointed to his current position in May 2017. Nathan is passionate about driving destination visitation and is intrigued with the ever changing landscape with regard to technology in hotels.

Directors' Report

30 June 2018

During the financial year, 6 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Emmanuel Michael PAPADOULIS	1	1
Christopher Robert PYE	7	7
Andrew David HILL	7	6
Sonja Elisabeth MITCHELL	7	7
Matt NORTON	7	6
Debra Anne BLASKETT	7	6
Karen Louise PRIEST	1	1
Nigel KEEN	3	3
Andrew LANE	2	2
Stephanie LANG	7	6
Catrin ALLSOP	6	5
Kristy BAILEY	4	4
Nathan James FROST	2	2

Members guarantee

The Company is limited by guarantee. If the Company is wound up, the articles of association state that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the Company. At 30 June 2018 the number of members was 1,546 (2017: 1,361).

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Company.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2018 has been received and can be found within the financial report.

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

Director:

Director:

Name:

Name:

Date:

Date:

GREG LEDGER PTY LTD

CHARTERED ACCOUNTANT

ABN 63 066 718 134

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Wembley, WA 6913

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Liability limited by a scheme approved under Professional Standards Legislation.

26 July 2018

The Board of Management
Tourism Council Western Australia Ltd
PO Box 91
BURSWOOD WA 6100

AUDITOR INDEPENDENCE DECLARATION

This declaration is made in connection with the audit of the financial report of Tourism Council Western Australia Ltd for the year ended 30 June 2018 and in accordance with the provisions of the Corporations Act 2001.

I declare that, to the best of my knowledge and belief, there have been:

- No contravention of the auditor independence requirements of the Corporations Act 2001 in relation to this audit;
- No contravention of the Code of Professional Conduct of the Institute of Chartered Accountants in Australia in relation to this audit.

Yours sincerely

Ross Gregory Ledger
Chartered Accountant
Registered Company Auditor

Statement of Profit & Loss Other Comprehensive Income

For the Year Ended 30 June 2018

	Note	2018	2017
		\$	\$
Other income	3	2,186,957	2,142,715
Interest income		39,575	43,882
Insurance Claims		21,599	1,810
Employee costs – salaried staff		(903,290)	(837,903)
Depreciation and amortisation expense		(6,674)	(15,450)
Advertising & Marketing		(100,005)	(476,536)
Directors remuneration		(18,000)	(18,000)
Function expenses		(318,690)	(334,952)
Program administration, communication and office costs		(96,593)	(83,615)
Licensing fee		(7,750)	(14,135)
Printing		(9,407)	(11,547)
Special Projects Contractor		(17,100)	(97,947)
Travel and accommodation		(103,577)	(71,666)
Telephone		(21,555)	(22,821)
Grants and project expenses		(353,210)	(160,387)
IT System & Website expenses		(50,852)	(108,758)
Insurance		(22,292)	(34,061)
Other expenses		(41,891)	(91,996)
Surplus/(Deficit) for the year		<u>177,245</u>	<u>(191,367)</u>
Total comprehensive income for the year		<u>177,245</u>	<u>(191,367)</u>
Surplus/(Deficit) attribute to members of the entity		<u>177,245</u>	<u>(191,367)</u>
Net Profit/(Loss)		<u>177,245</u>	<u>(191,367)</u>

The accompanying notes form part of these financial statements.

Tourism Council Western Australia Limited
ABN 69 095 581 776

Statement of Financial Position

As At 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,874,111	1,830,260
Trade and other receivables	5	2,126	8,956
Other assets	6	26,245	-
		<hr/>	
TOTAL CURRENT ASSETS		1,902,482	1,839,216
NON – CURRENT ASSETS			
Plant and equipment	7	574	6,619
Intangible assets	8	-	629
		<hr/>	
TOTAL NON – CURRENT ASSETS		574	7,248
		<hr/>	
TOTAL ASSETS		1,903,056	1,846,464
CURRENT LIABILITIES			
Trade and other payables	9	101,693	70,451
Employee benefits	10	125,729	123,585
Income received in advance	11	551,127	833,366
Provision for marketing campaign	12	353,225	208,225
Provision for IT System Upgrade		-	27,000
		<hr/>	
TOTAL CURRENT LIABILITIES		1,131,774	1,262,627
NON – CURRENT LIABILITIES			
Employee benefits	10	25,439	15,239
		<hr/>	
TOTAL NON – CURRENT LIABILITIES		25,439	15,239
		<hr/>	
TOTAL LIABILITIES		1,157,213	1,277,866
		<hr/>	
NET ASSETS		745,843	568,598
EQUITY			
TOTAL EQUITY		745,843	568,598

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2018

2018	Accumulated Surplus/ (Deficit) \$	Total \$
Balance at 1 July 2017	568,598	568,598
Surplus for the year attributable to members of the entity	177,245	177,245
Total comprehensive profit attributable to members of the entity	177,245	177,245
Balance at 30 June 2018	745,843	745,843
2017	Accumulated Surplus/ (Deficit) \$	Total \$
Balance at 1 July 2016	759,965	759,965
Deficit for the year attributable to members of the entity	(191,367)	(191,367)
Total comprehensive loss attributable to members of the entity	(191,367)	(191,367)
Balance at 30 June 2017	568,598	568,598

Statement of Cash Flows

For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		2,058,778	2,247,201
Receipts from grants		214,500	188,722
Payments to suppliers and employees		(2,269,002)	(2,467,920)
Interest received		39,575	43,882
		<hr/>	<hr/>
Net cash provided by operating activities	14	43,851	11,885
		<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment	7	-	(4,701)
Disposal of property, plant and equipment	7	-	7,413
Purchase of intangible assets			-
		<hr/>	<hr/>
Net cash used by investing activities		-	2,712
		<hr/>	<hr/>
Net increase in cash and cash equivalents held		43,851	14,597
Cash and cash equivalents at beginning of year		1,830,260	1,815,663
		<hr/>	<hr/>
Cash and cash equivalents at end of financial year	4	1,874,111	1,830,260
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2018

The financial report is for the entity Tourism Council Western Australia Limited as an individual entity. Tourism Council Western Australia Limited is a company limited by guarantee, incorporated and domiciled in Australia.

1. Basis of preparation

a) Basis of accounting

In the opinion of the directors, the Company is not publicly accountable nor a reporting entity. The financial statements of the Company have been drawn up as special purpose financial statements for distribution to the members and for the purposes of fulfilling the requirements of the Corporations Act 2001. The Company is a not-for-profit entity.

The special purpose financial statements have been prepared in accordance with the requirements of the Corporations Act 2001 and the recognition, measurement and classification aspects of all applicable Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB).

The special purpose financial statements include only the disclosure requirements of the following AASBs and those disclosures considered necessary by the directors to meet the needs of members:

AASB 101 Presentation of Financial Statements

AASB 107 Statement of Cash Flows

AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1031 Materiality

AASB 1048 Interpretation and Application Standards

AASB 1054 Australian Additional Disclosures

The financial statements do not comply with the International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB). They were authorised for issue by the Company on 26 July 2018.

b) Basis of measurement

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified where applicable, by the measurement at fair value of selected non – current assets, financial assets and financial liabilities.

c) Functional and presentation currency

The financial statements are presented in Australian dollars, which is the Company's functional currency.

Notes to the Financial Statements

For the Year Ended 30 June 2018

2. Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

a) Financial instruments

i. Non – derivative financial assets

The Company initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company has the following non – derivative financial assets: loan and receivables.

Loan and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

Notes to the Financial Statements

For the Year Ended 30 June 2018

2. Significant accounting policies (continued)

a) Financial instruments (continued)

ii. Non-derivative financial liabilities

The Company recognises financial liabilities initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company has the following non-derivative financial liabilities: trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method. Loans and borrowings include preference shares.

b) Impairment

i. Non-derivative financial assets

A financial asset is assessed at each reporting date to determine whether it is any objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Company or economic conditions that correlate with defaults.

Financial assets measured at amortised cost

The Company considers evidence of impairment for financial assets measured at amortised cost at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

Notes to the Financial Statements

For the Year Ended 30 June 2018

2. Significant accounting policies (continued)

b) Impairment (continued)

i. Non-derivative financial assets (continued)

In assessing collective impairment the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. When the Company considers there are no realistic prospects of recovery of the asset, the relevant amounts are written off. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

ii. Non-financial assets

The carrying amounts of the Company's non – financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash – generating asset unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs) and then to reduce the carrying amount of the other assets in the CGU (group of CGUs) on a pro rata basis. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the Financial Statements

For the Year Ended 30 June 2018

2. Significant accounting policies (continued)

c) Plant and equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

Depreciation

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Furniture, Fixtures and Fittings	30% diminishing value
Motor Vehicles	30% - 50% diminishing value
Office Equipment	33.33% straight line

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. There gains and losses are included in the statement of profit or loss.

d) Intangibles

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation impairment losses. It has an estimated useful life of between one and three years. It is assessed annually impairment.

e) Income tax

No provision for income tax has been raised as the Company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

Notes to the Financial Statements

For the Year Ended 30 June 2018

2. Significant accounting policies (continued)

f) Employee benefits

i. Short – term employee benefits

Short – term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short – term cash bonus or profit – sharing plans if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

ii. Other long – term employee benefits

The Company's net obligation in respect of long term employee benefits is the amount of future benefit that employees have earned in return for their service in the return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

g) Finance and other income

i. Interest revenue

Interest revenue is recognised using the effective interest rate method.

ii. Non – reciprocal grants

Non – reciprocal grant revenue is recognised in the statement of profit or loss when the Company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Company and the amount of the grant can be measured reliably.

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

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

Notes to the Financial Statements

For the Year Ended 30 June 2018

2. Significant accounting policies (continued)

g) Finance and other income (continued)

iii. Membership subscriptions and accreditation income

Revenue from the provision of membership subscriptions and accreditation renewals is recognised in the year to which the membership subscriptions and accreditations renewals relate, and not when it is received. These amounts are invoiced prior to June for the next twelve months and a liability recognised for any income received in advance at year end.

iv. Function income

Revenue received and expenditure incurred before year end in respect of functions held in the latter year is recognised upon the holding of the event. At year end therefore there is revenue recognised as income received in advance and expenditure recognised as prepayments in the statement of financial position in respect to the function.

v. Workshop and Project Income

Revenue from funding agreements in relation to various projects and workshops is recognised in the year to which the project relates, and not when it is received. Any amounts invoiced prior to June in relation to the next financial year are therefore recognised as income received in advance at year end.

All revenue is stated net of the amount of goods and services tax (GST).

h) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office.

Receivable and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to the ATO is included with other receivables or payables in the statement of financial position.

Cash flow are presented on a gross basis. The GST component of cash flow arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

i) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Notes to the Financial Statements

For the Year Ended 30 June 2018

2. Significant accounting policies (continued)

j) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates – impairment

The company assesses impairment at the end of the reporting year by evaluating conditions specific to the company that may be indicative of impairment triggers.

The company assesses impairment at the end of the reporting year by evaluating condition specific to the company that may be indicative of impairment triggers.

k) New accounting standards for application in future periods

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2017, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except for AASB 9 Financial Instruments, which becomes mandatory for the Company's 2019 financial statements and AASB 15 Revenue from Contracts with Customers, which early and the extent of the impact has not been determined.

Notes to the Financial Statements

For the Year Ended 30 June 2018

3. Other income

	2018	2017
Note	\$	\$
Member subscriptions	335,464	336,677
Operating grants	336,939	171,565
Accreditation income	463,037	428,420
Function income	457,895	604,292
Workshop and project income	593,622	601,761
TOTAL REVENUE	2,186,957	2,142,715

4. Cash and Cash Equivalents

	2018	2017
Note	\$	\$
Cash on hand	-	-
Cash at bank	419,362	526,141
Short term bank deposits	1,454,749	1,304,119
	1,874,111	1,830,260

The effective interest rate on short-term bank deposits was 2.35% (term: 3 months).

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	1,874,111	1,830,260
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5. Trade and Other receivables

	2018	2017
Note	\$	\$
CURRENT		
Trade receivables	2,126	8,956
TOTAL	2,126	8,956

Notes to the Financial Statements

For the Year Ended 30 June 2018

6. Other assets

	2018	2017
Note	\$	\$
CURRENT		
Expense paid in advance	26,245	-
	26,245	-

7. Plant and Equipment

	2018	2017
Note	\$	\$
Furniture, fixture and fittings		
At cost	18,645	18,645
Accumulated depreciation	(18,206)	(15,395)
TOTAL Furniture, fixture and fittings	439	3,250
Motor vehicles		
At cost	56,455	56,455
Accumulated depreciation	(56,455)	(54,746)
TOTAL Motor vehicles	-	1,709
Office equipment		
At cost	51,170	51,170
Accumulated depreciation	(51,035)	(49,510)
TOTAL Office equipment	135	1,660
TOTAL PLANT AND EQUIPMENT	574	6,619

Notes to the Financial Statements

For the Year Ended 30 June 2018

7. Plant and Equipment (continued)

a) Movements in carrying amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Total
	\$	\$	\$	\$
Balance at 1 July 2016	4,682	3,417	6,170	14,269
Additions	-	-	4,701	4,701
Disposal	-	-	(7,413)	(7,413)
Depreciation expenses	(1,432)	(1,708)	(1,798)	(4,938)
Balance at 30 June 2017	3,250	1,709	1,660	6,619
Balance at 1 July 2017	3,250	1,709	1,660	6,619
Additions	-	-	-	-
Disposal	-	-	-	-
Depreciation expenses	(2,811)	(1,709)	(1,525)	6,045
Balance at 30 June 2018	439	-	135	574

8. Intangible assets

	2018	2017
Note	\$	\$
COMPUTER SOFTWARE		
Cost	31,166	31,166
Accumulation amortisation and impairment	(31,166)	(30,537)
Net carrying values	-	629

9. Trade and other payables

	2018	2017
Note	\$	\$
CURRENT		
Trade payables	60,564	12,277
Sundry payables and accrued expenses	41,129	58,174
TOTAL	101,693	70,451

Notes to the Financial Statements

For the Year Ended 30 June 2018

10. Employee Benefits

	2018	2017
Note	\$	\$
CURRENT		
Provision for employee benefits	125,729	123,585
NON CURRENT		
Provision for employee benefits	25,439	15,239

11. Income received in advance

	2018	2017
Note	\$	\$
CURRENT		
Income received in advance - membership subscriptions, Funding agreements and projects, and others	376,251	833,366
	174,876	-
TOTAL	551,127	833,366

12. Provision for marketing campaign

	2018	2017
Note	\$	\$
CURRENT		
Provision for <i>I MKTG</i>	83,225	83,225
Provision for Tourism Works	270,000	125,000
TOTAL	353,225	208,225

13. Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Notes to the Financial Statements

For the Year Ended 30 June 2018

14. Cash flow information

a) Reconciliation of result for the year to cash flows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2018	2017
Profit For The Year	177,245	(191,367)
Cash flows excluded from profit attributable to operating activities		
Non – cash flows in profit:		
▪ Amortisation	629	3,723
▪ Depreciation	6,045	4,938
Changes in assets and receivables		
▪ Change in trade and other receivables	6,830	(8,956)
▪ Change in other assets	(26,245)	51,365
▪ Change in income and received in advance	(282,239)	83,240
▪ Change in trade and other payables	31,242	79,426
▪ Change in provisions	130,344	(10,484)
Cash flow from operations	43,851	11,885

15. Auditors' remuneration

Remuneration of the auditor of the company, Greg Ledger Pty Ltd, for:

	2018	2017
Audit the financial report	7,800	7,530

16. Members guarantee

The company is limited by guarantee. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 30 June 2018 the number of members was 1,546 (2017: 1,361).

17. Company details

The registered office of and principal place of business of the company is:
Tourism Council Western Australia Limited
1 Resort Drive
BURSWOOD WA 6100

Directors' Declaration

In the opinion of the directors of the Tourism Council Western Australia Limited ("the Company"):

- a) the Company is not publicity accountable nor reporting entity:

- b) the financial statements and notes are in accordance with the *Corporation Act 2001*, including:
 - i. giving a true and fair view of the financial position of the Company as at 30 June 2018 and of its performance for the financial year ended on that date in accordance with the basis of preparation described in Notes 1 to 2; and

 - ii. complying with Australian Accounting Standards (including the Australian Accounting interpretations) to the extent described in Notes 1 to 2 and *Corporations Act 2001*; and

- c) There are reasonable grounds to believe the Company will be able to pay its debts as and when they become due and payable.

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

Director:.....

Director:.....

Christopher Robert PYE

Andrew David HILL

Dated:

Dated: