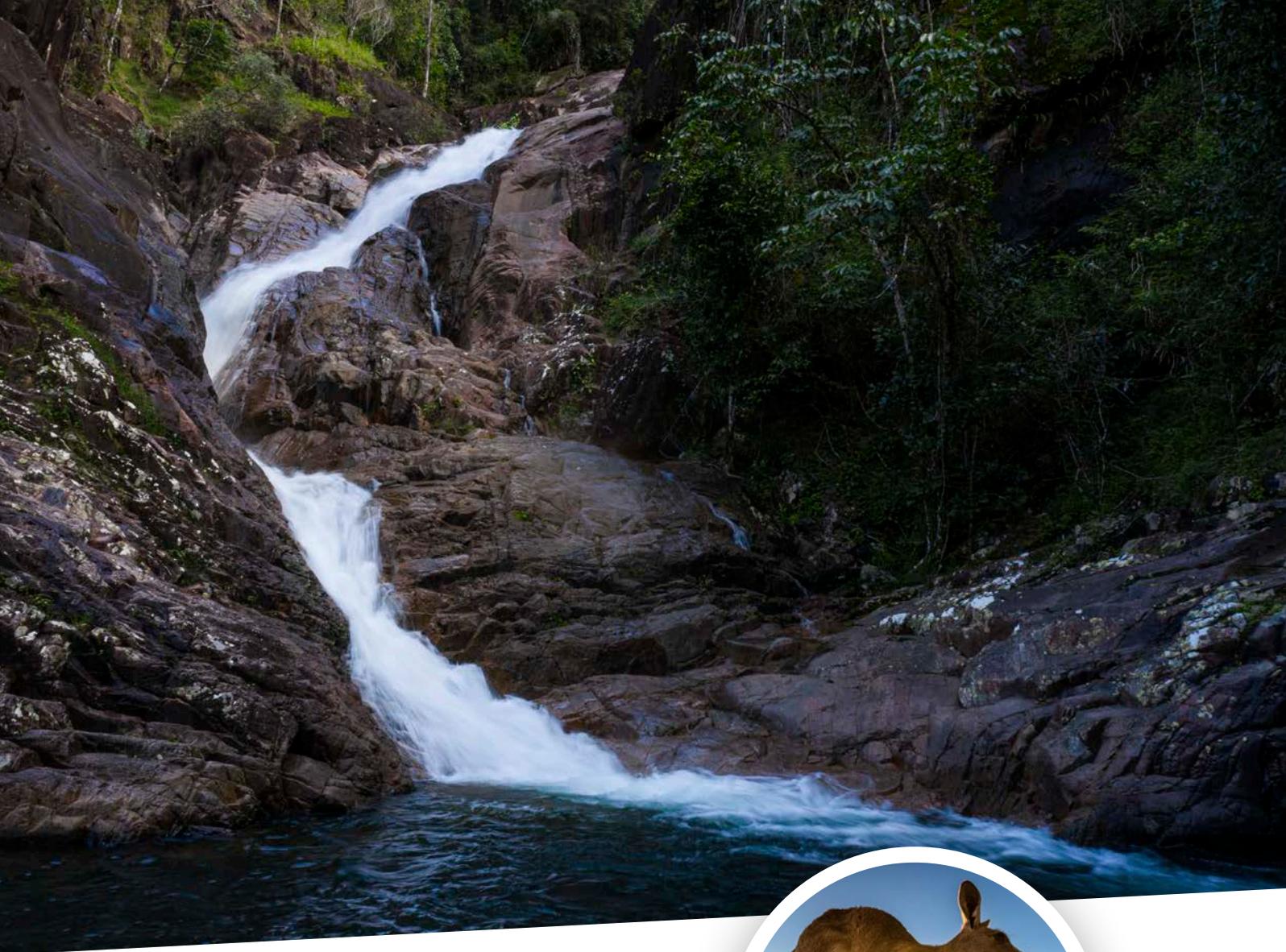




Mackay Tourism
Annual Report
2018 - 2019

mackayregion.com

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Thanks to our SPONSORS





INTRODUCTION

Mackay Tourism Limited (MTL) is a Regional Tourism Organisation (RTO) that represents the Mackay and Isaac Regions. MTL exists to market these regions to domestic and international visitors, and to assist in the development of these regions tourism industries.

MTL is a company limited by guarantee, with a member elected board. MTL collaborates and partners with businesses, local, regional, state and federal agencies and organisations to generate economic growth through tourism. The board’s objective is for MTL to work with industry in continuing to grow this key pillar of the local economy thereby fostering economic diversity and employment. MTL delivers destination marketing, industry development and visitor access and dispersal services.

MTL Vision:

Be the leading Tourism Organisation creating a ‘must visit’ destination by showcasing memorable, authentic and unique nature, heritage and colourful flavour based experiences to the world.

MTL Mission:

Through innovative marketing, be the story tellers for our region; supporting operators and events, developing experiences and inspiring visitors.

This annual report details the activities and outcomes of the work undertaken by the organisation in the 2018 - 2019 financial year.

Every effort has been made to provide accurate information at the time of printing.

REPORT CARD

Communications



19,966
Facebook likes
(Increase of 38.5%)



10,976
Instagram followers
(Increase of 36.8%)



624
LinkedIn followers
(Increase of 11.2%)

\$9,039,332 Mackay Tourism Potential
on Investment (POI)



in media
value
\$3,117,411

858

media
mentions



11 Families to the region,
with a POI of

\$2,745,327



14
New
publications



51 Member
Updates sent

Tourism Development



23

Development events



409

Development event attendees



35

operators awarded
Best of Queensland



18

New MTL
Members

Marketing



08

Marketing
campaigns



64

Marketing campaign
operators



331,084

Website visits



Visitor Information



16,467 Visitor Information Centre **walk-ins**
(increase of 24.3%)



DOMESTIC

Year ending March 2018

12.1%
Increase

Domestic visitors:
1,002,000

47.9%
Increase

Domestic expenditure:
\$545,000,000

25.6%
Increase

Domestic holiday visitation:
216,000



INTERNATIONAL

Year ending March 2018

7.7%
Increase

International visitors:
52,000

18.1%
Increase

International expenditure:
\$19,000,000

12.5%
Increase

International holiday visitors:
39,000



\$535.00 Average
visitor spend
Increase of 31.8%



8.9%
MTL revenue change

MTL Win Sunrise M is for Mackay Campaign

\$1,836,642 generated in
media value



\$848,840
generated in
social media POI

16,300

number of **votes** cast for
M to stand for Mackay,
edging out Maryborough

548,000

number of **viewers** on **Sunrise**
and **across social media** who saw
pitch video developed by MTL
and Mackay Regional Council,
featuring Mayor Greg Williamson



MTL Win Bushfire Response and Recovery Campaign



633,856
total social media following of
bushfire recovery campaign famils



13,073
website **clicks**
during the campaign



\$5,569,024
POI from MTL Recovery
Campaign Phases 1 & 2
and famil campaign

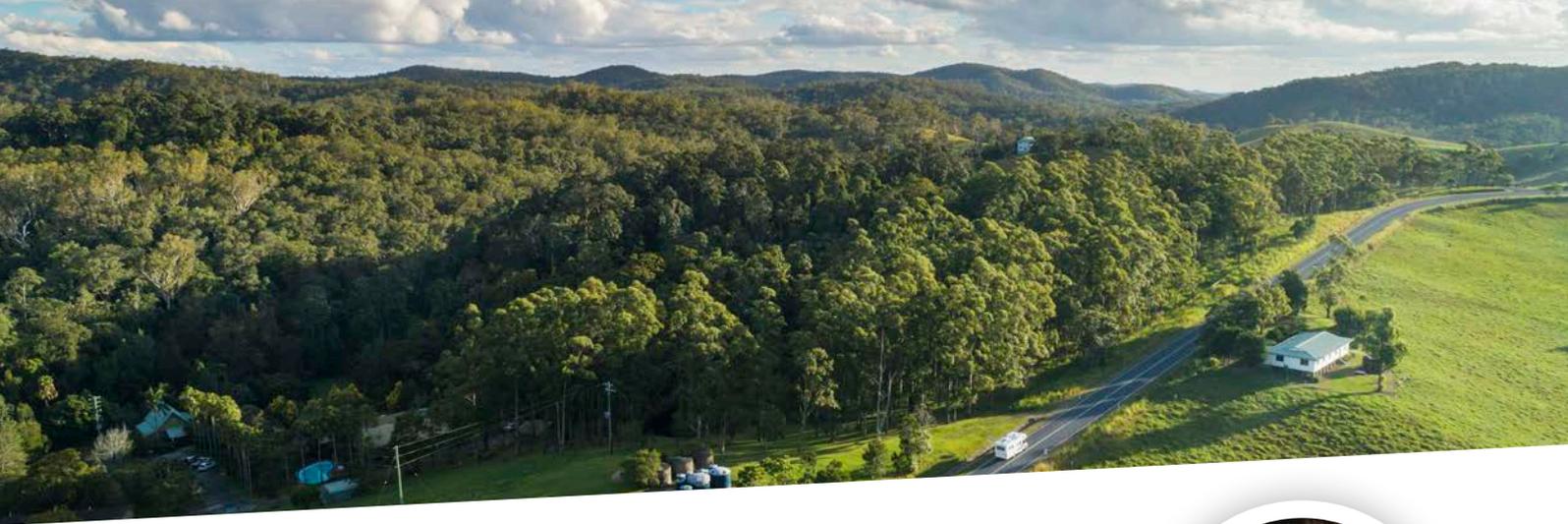


07
locations filmed in 360 and uploaded to
the augmented reality website Live Orbis



mackayregion.com

Mackay Tourism
Queensland



CHAIR'S REPORT

During the 2018/19 financial year, I was bestowed the honour of Chair of Mackay Tourism. It has given me great pleasure in representing Mackay Tourism, our valued members and the region's tourism industry.

I wish to start by thanking my predecessor Rob Porter, for his dedication to our region's tourism industry. Rob's tenure as Chair of Mackay Tourism coincided with a period of unprecedented success for tourism operators. As an industry, we are grateful for his service and wish him all the best in his future endeavours.

I would like to thank our Board of Directors, members, stakeholders, General Manager Tas Webber and his team of volunteers and staff, for their commitment to professionalism and hard work in securing several wins for our region.

2018/19 witnessed Mackay Tourism, and the tourism industry it represents, go from strength to strength, setting new industry standards and visitation records.

The Mackay Region now lays claim to attracting over a million visitors a year and contributing over half a billion dollars in overnight visitor expenditure. Amongst the many achievements signalling the strong growth of our region's tourism industry, was Mackay ranking third nationwide for fastest growing regional destinations, with Expedia Group reporting a 90 per cent increase in tourism demand for Mackay.

On 1 July 2018, Mackay Regional Council and Mackay Tourism opened the new Visitor Information Centre at the Sarina Field of Dreams. The Mackay Region Visitor Information Centre has since established itself as the shopfront to our region and showcases Mackay Tourism members to thousands of visitors.

For a week in October, the entire community came together to let the viewers of Sunrise know that 'M is for Mackay'. Mackay Tourism partnered with Mackay Regional Council to produce a high-quality video pitch, displayed on Sunrise and across social media, as to what



made our region great. The entire Mackay community rallied behind our cause, with the pitch and voting links shared by hundreds of local individuals, businesses, schools and community groups, culminating in Mackay edging out Maryborough with 16,300 votes. Just a few days later, Bluewater Quay provided the perfect sunrise for Sunrise to present the weather.

Given Mackay Tourism's small team, and the very tight timeframes, to pull this off was an incredible achievement, delivering \$1,836,642 in media, and \$848,840 in social media value for The Mackay Region.

I would also like to commend Mackay Tourism, our members and stakeholders for their resilience shown during last year's bushfires. As an industry, tourism rallied to support those adversely affected by this unprecedented natural disaster. Mackay Tourism's communications strategy during the disaster has been recognised as the preferred industry standard and the Bushfire Recovery Campaign generated over \$5 million in potential on investment for the region and those members most affected.

Looking back on 2018/19, tourism operators should celebrate their achievements and be proud of the work of Mackay Tourism. Looking ahead, members must be instilled with confidence that their membership and support of Mackay Tourism will continue to deliver more outstanding accomplishments.

Thank you to our valued sponsors, stakeholders, and to you our members. Mackay Tourism can only be as strong as the members we serve, so the achievements of this year are a testament to you all.

Warm regards,
Michele Shea
Chair
Mackay Tourism Ltd

GENERAL MANAGER'S REPORT

2018/19 has been a remarkable year for tourism in The Mackay Region - a year defined by success, innovation and resilience. These twelve months have witnessed tourism's continued growth in importance to The Mackay and Isaac Region economies, with our region featuring every more prominently as a 'must visit' destination.

Building on the resounding successes of 2017/18, 2018/19 saw new records being set for visitation and expenditure.

For the first time ever, The Mackay Region welcomed over a million visitors for a twelve-month period. Year ending March 2019, saw our region welcome a record 1,002,000 domestic and 52,000 international visitors. Eclipsing the million-visitor mark is a clear indication that The Mackay Region is firmly on the map of desired tourism destinations.

The stunning increases in visitation has also generated record levels of overnight visitor expenditure. Domestic and international visitors injected \$564 million into The Mackay Region for year ending March 2019, representing an incredible 46.6 per cent increase year on year.

It is this substantial expenditure from visitors and the investment in infrastructure, staff and services from tourism operators that has made tourism an integral pillar of the Mackay and Isaac Region economies. Furthermore, tourism's economic and environmental sustainability, means our industry will deliver world-class tourism experiences to visitors and remain profitable long into the future.

2018/19 saw Mackay Tourism continue to adopt innovative and successful marketing, communications, development and visitor information services. Our team punches well above its weight in delivering results for our members.

More members than ever before bought into Mackay Tourism's marketing campaigns. These campaigns grew the awareness of members and our region through partnerships with some of Australia's most recognisable brands including Qantas, AFC and Sunrise.

Publicity for The Mackay Region as a tourism destination also reached record levels through a

combination of high-quality social media activities, famils, publications and working closely with our media partners. Mackay Tourism's pioneering 'Always-on' strategy and Bushfire Recovery Campaign generated over \$9 million in social media potential on investment (POI) for the region, with an additional \$2.7 million in POI from famils.

Tourism development continued to equip our members with the skills to take on an ever-changing marketplace. Mackay Tourism delivered the Leadership Program, providing vital leadership insights to 18 industry professionals. 2019/20 looks to break new ground for development, networking and partnership opportunities for members with the employment of a Tourism Development Manager.

Officially opened on 1 July 2018 in Sarina, The Mackay Region Visitor Information Centre has established itself as the gateway to The Mackay Region, delivering the latest in visitor information services. The new information centre, alongside the existing centre on Nebo Road, welcomed a 25% increase in visitors for 2018/19, all of whom were met with a friendly face, and information on how to best enjoy our beautiful region and support our members.

Thank you to our sponsors for the support they have provided throughout the year, including Mackay Regional Council, Isaac Regional Council, Tourism and Events Queensland, Mackay Airport, Channel Seven, Southern Cross Austereo, the Daily Mercury and QantasLink.

I would also like to thank our Chair Michelle Shea, our Board of Directors, members, volunteers, staff and stakeholders for your ongoing support. Your continued commitment, innovation and investment will ensure that in 2019/20 The Mackay Region will continue its stellar growth.

Kindest regards,

Tas Webber
General Manager
Mackay Tourism Ltd



DIRECTOR'S REPORT

30 June 2019

Mackay Tourism Ltd

ABN: 56 074 909 265

Directors' Report

30 June 2019

The directors present their report on Mackay Tourism Ltd for the financial year ended 30 June 2019.

Information on directors

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

Colin Adamson

Resigned 26/10/2018

Qualifications

Mechanical Engineer

Experience

Owner Reeforest Adventure Tours

Nick uit den Bogaard

Experience

Advisory Board Member Accommodation Association of Australia
Regional leader Choice Hotels Australasia, Owner of Comfort Resort Blue Pacific

Jane Pickels

Experience

Councillor Isaac Regional Council

Justin Englert

Qualifications

Advance Diploma in Public Safety

Experience

Councillor Mackay Regional Council, Avionics Fitter Royal Australian Air Force, Electrician, Co-founder SES Association of QLD

Judy Langdon

Qualifications

Master of Education, Diploma of Secondary Teaching (Visual Art and English)

Experience

Partner - Hay Point Country Bed and Breakfast. 20 years teaching with Education Queensland

Rob Porter

Resigned 23/11/2018

Qualifications

Graduate Certificate Business Administration (General Management)
Member of Australian Institute of Company Directors

Experience

General Manager - Mackay Airport

Matt Cielens

Appointed 25/10/2018

Qualifications

Bachelor Degree in Hotel Management

Experience

20 years domestic international hospitality experience

Mackay Tourism Ltd

ABN: 56 074 909 265

Directors' Report

30 June 2019

General information

Michele Shea

Qualifications &
Experience

Film & Media Degree
Business Owner - The Old Station Teahouse

Luana Royle

Qualifications &
Experience

TAA Certificate IV, Certificate III in Pathology, Certificate IV in Disabilities,
Certificate IV in Business
Business Owner - Rainforest Scuba

Garry Porter

Qualifications &
Experience

Appointed 30/05/2019

20 years of aviation and airline experience, both domestically and internationally and has held senior management roles in Customer Experience, Ground Operations, Operations Control, Commercial and General Management.

General Manager of Mackay Airport and the deputy chair for the Australian Airports Association Customer Experience Working Group.

Nicola Willis

Qualifications &
Experience

Appointed 25/10/2018

HR Degree ; Bachelor of Science
19 years in Recruitment Industry specializing in staff attraction and retention

Oscar Krobath

Qualifications &
Experience

Appointed 27/06/2019

Qualified Chef
40 years' experience in hospitality and tourism industries

Paul Kelly

Qualifications &
Experience

Solicitor – Director of Kelly Legal

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

Principal activities

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

Short term objectives

The Company's short term objectives are to:

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

Mackay Tourism Ltd

ABN: 56 074 909 265

Directors' Report

30 June 2019

General information

- Increase visitor expenditure in the Mackay - Isaac region

Long term objectives

The Company's long term objectives are to:

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

How principal activities assisted in achieving the objectives

The principal activities during 2018 - 2019 contributed to these objectives through our marketing activities stimulating our target visitor markets, our destination development strengthening our competitiveness, and our industry activities helping build business professionalism in the delivery of our tourism experiences and services.

Performance measures

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

Members guarantee

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

At 30 June 2019 the collective liability of members was \$ NIL (2018: \$ NIL).

Meetings of directors

During the financial year, 10 meetings of directors were held. Attendances by each director during the year were as follows:

Directors' Meetings		
	Number eligible to attend	Number attended
Oscar Krobath	1	1
Colin Adamson	4	4
Nick unit den Bogaard	10	9
Jane Pickels	10	9
Justin Englert	10	10
Judy Langdon	10	9
Rob Porter	4	2
Nicola Willis	7	7
Nigel Irving	5	5
Michele Shea	10	10
Luana Royle	8	5
Bayden Matheson	1	0
Paul Kelly	10	8
Matt Cielens	7	4

Mackay Tourism Ltd

ABN: 56 074 909 265

Directors' Report

30 June 2019

General information

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 2019 has been received and can be found on page 4 of the financial report.

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

Director: 

Director: 

Dated this 20th day of September 2019



Partners

Chris Sammut FCA
Paul Hinton CA
Therese Scotton CA
Geoff O'Connor CPA, Affiliate CA
John Lavis CA, CTA
Ryan Leach CA
Brenton Lazzarini CA

Mackay Tourism Ltd

ABN: 56 074 909 265

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019, there have been:

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

Paul Hinton - CA

23 September 2019

Mackay QLD

Liability limited by a scheme approved under professional standards legislation.

Website: www.bennettpartners.com.au

Email: enquiries@bennettpartners.com.au

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Bennett Partners Pty Ltd ATF The Bennett Partners Trust ABN 21 171 313 477
Bennett Partners ABN 59 281 397 611

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Brisbane: Level 3, 400 Queen Street, Brisbane QLD 4000
GPO Box 2561, Brisbane QLD 4001 Phone: 07 3221 6200

Mackay Tourism Ltd

ABN: 56 074 909 265

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2019

	2019	2018
	\$	\$
Revenue		
Brochure & display	43,665	41,785
Grant funding	10,000	50,000
VIC commission & merchandise	47,824	56,560
Interest income	6,162	6,238
Marketing	164,320	134,762
Operating funding	909,833	862,000
Other income	111,518	42,271
Membership	49,201	38,817
Total revenue	1,342,523	1,232,433
Expenses		
Visitors guide production & distribution	(51,816)	(43,375)
Networking	(4,216)	(5,444)
Grant funding expense	(108,174)	(125,194)
Marketing	(355,581)	(297,423)
Tourism awards	-	(19,319)
Motor vehicle	(13,274)	(14,342)
Other operating expenses	(172,257)	(139,886)
Employee benefits expense	(641,593)	(529,611)
Depreciation and amortisation expense	(15,122)	(22,400)
VIC merchandise & booking fees	(9,608)	(18,707)
Operating Surplus/ (Deficit) before income tax	(29,118)	16,732
Income tax expense	-	-
Operating Surplus/(Deficit) after income tax for the year	(29,118)	16,732
Other comprehensive income		
Items that will be reclassified subsequently to profit or loss		
Transfer (to) / from internal operational reserve	157,279	-
Other comprehensive income for the year, net of tax	157,279	-
Total comprehensive income for the year	128,161	16,732

The accompanying notes form part of these financial statements.

Mackay Tourism Ltd

ABN: 56 074 909 265

Statement of Financial Position

30 June 2019

	Note	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents	2	358,751	797,726
Trade and other receivables	3	481,521	14,835
Inventories	4	20,561	11,311
Other assets		11,656	200
Total current assets		<u>872,489</u>	824,072
Non-current assets			
Property, plant and equipment	5	253,689	253,552
Intangible assets	6	-	30
Total non-current assets		<u>253,689</u>	253,582
Total assets		<u><u>1,126,178</u></u>	<u><u>1,077,654</u></u>
Liabilities			
Current liabilities			
Trade and other payables	7	100,023	72,577
Other financial liabilities	8	481,549	440,000
Other liabilities	9	56,050	47,404
Total current liabilities		<u>637,622</u>	559,981
Total liabilities		<u>637,622</u>	559,981
Net assets		<u><u>488,556</u></u>	<u><u>517,673</u></u>
Equity			
Internal Operational Reserve		-	157,279
Asset Revaluation Reserve		164,324	164,324
Retained earnings		324,232	196,070
Total equity		<u><u>488,556</u></u>	<u><u>517,673</u></u>

The accompanying notes form part of these financial statements.

Mackay Tourism Ltd

ABN: 56 074 909 265

Statement of Changes in Equity

For the Year Ended 30 June 2019

2019

	Retained Earnings	Asset Realisation Reserve	Internal Operational Reserves	Total
	\$	\$	\$	\$
Balance at 1 July 2018	196,069	164,324	157,279	517,672
Surplus / (deficit) for the year	(29,118)	-	-	(29,118)
Transfers to / (from) internal operational reserve	157,279	-	(157,279)	-
Balance at 30 June 2019	324,230	164,324	-	488,554

2018

	Retained Earnings	Asset Realisation Reserve	Internal Operational Reserves	Total
	\$	\$	\$	\$
Balance at 1 July 2017	179,339	164,324	157,279	500,942
Surplus / (deficit) for the year	16,730	-	-	16,730
Transfers from retained earnings to internal operational reserve	-	-	-	-
Balance at 30 June 2018	196,069	164,324	157,279	517,672

The accompanying notes form part of these financial statements.

Mackay Tourism Ltd

ABN: 56 074 909 265

Statement of Cash Flows For the Year Ended 30 June 2019

	2019	2018
Note	\$	\$
Cash flows from operating activities:		
Receipts from customers	854,133	1,249,545
Payments to suppliers and employees	(1,287,581)	(972,247)
Interest received	6,162	6,238
Net cash provided by/(used in) operating activities	13 <u>(427,286)</u>	<u>283,536</u>
Cash flows from investing activities:		
Proceeds from sale of plant and equipment	5,000	-
Purchase of property, plant and equipment	(16,689)	(23,209)
Net cash provided by/(used in) investing activities	<u>(11,689)</u>	<u>(23,209)</u>
Cash flows from financing activities:		
Net increase/(decrease) in cash and cash equivalents held	(438,975)	260,327
Cash and cash equivalents at beginning of year	797,726	537,399
Cash and cash equivalents at end of financial year	2 <u><u>358,751</u></u>	<u><u>797,726</u></u>

The accompanying notes form part of these financial statements.

Mackay Tourism Ltd

ABN: 56 074 909 265

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

Basis for preparation

The directors have prepared the financial statements on the basis that the not-for-profit entity is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purpose under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical cost unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Income tax

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

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Sale of goods

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

Grant revenue

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

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. Mackay Tourism Ltd receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Mackay Tourism Ltd

ABN: 56 074 909 265

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(b) Revenue and other income

Interest revenue

Interest is recognised using the effective interest method.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Membership revenue

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

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(c) Cash and cash equivalents

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

(d) Trade and other receivables

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

(e) Inventories

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

(f) Property, plant and equipment

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

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

Buildings

Buildings are measured using the revaluation model on a depreciated replacement cost basis.

Mackay Tourism Ltd

ABN: 56 074 909 265

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(f) Property, plant and equipment

Plant and equipment

Plant and equipment are measured using the revaluation model.

Depreciation

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

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

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

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

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

(g) Intangible assets

Owned digital media

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

Amortisation

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

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

Mackay Tourism Ltd

ABN: 56 074 909 265

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(h) Financial instruments

Initial recognition and measurement

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

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through the profit or loss", in which case transaction costs are expensed to profit or loss immediately. The company has not instruments carried at fair value through the profit or loss.

Classification and subsequent measurement

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

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

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

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

(i) Loans and receivables

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

(ii) Financial liabilities

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

The Company's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Mackay Tourism Ltd

ABN: 56 074 909 265

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(h) Financial instruments

Impairment of Financial Assets

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

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

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

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

Derecognition

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

(i) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST. The net amount GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

(j) Trade and other payables

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

Mackay Tourism Ltd

ABN: 56 074 909 265

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(k) Leases

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

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

(l) Employee benefits

Short-term employee benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee 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.

The company's obligation for short-term employee benefits such as wages, salaries and annual leave are recognised as part of accounts payable and other payables in the statement of financial position.

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

(m) Economic dependence

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

	2019	2018
	\$	\$
2 Cash and cash equivalents		
Cash at bank and in hand	107,536	548,083
Short-term deposits	251,215	250,303
Other cash and cash equivalents	-	(660)
	358,751	797,726

Reconciliation of cash

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

	2019	2018
	\$	\$
Cash and cash equivalents	358,751	797,726
Balance as per statement of cash flows	358,751	797,726

Mackay Tourism Ltd

ABN: 56 074 909 265

Notes to the Financial Statements

For the Year Ended 30 June 2019

	2019	2018
3 Trade and other receivables	\$	\$
Current		
Trade receivables	481,521	14,835
	<u>481,521</u>	<u>14,835</u>
4 Inventories	\$	\$
Current		
At cost:		
Stock on hand	20,561	11,311
	<u>20,561</u>	<u>11,311</u>
5 Property, plant and equipment		
Buildings		
At directors valuation	367,512	367,512
Accumulated depreciation	(179,586)	(171,364)
	<u>187,926</u>	<u>196,148</u>
Plant and equipment		
At cost	63,196	63,196
Accumulated depreciation	(35,850)	(30,995)
	<u>27,346</u>	<u>32,201</u>
Motor vehicles		
At cost	35,105	41,292
Accumulated depreciation	(664)	(18,539)
	<u>34,441</u>	<u>22,753</u>
Computer equipment		
At cost	13,764	11,164
Accumulated depreciation	(9,788)	(8,714)
	<u>3,976</u>	<u>2,450</u>
Total property, plant and equipment	<u>253,689</u>	<u>253,552</u>
<p>The Company's buildings have been valued on the basis of the depreciated replacement cost of the building and improvements. The building is situated on Mackay Regional Council land and therefore valuation at a market sales value is not appropriate. The company's directors have reviewed this valuation methodology at year end and consider the carrying value at year end a conservative value of the depreciated replacement cost of the company's building.</p>		
6 Intangible assets		
Owned digital media		
Cost	73,065	73,065
Accumulated amortisation and impairment	(73,065)	(73,035)
	<u>-</u>	<u>30</u>

Mackay Tourism Ltd

ABN: 56 074 909 265

Notes to the Financial Statements

For the Year Ended 30 June 2019

	2019	2018
	\$	\$
7 Trade and other payables		
Current		
Trade payables	33,576	11,302
Travel bookings	7,052	18,408
GST payable	10,924	(4,961)
Provision for annual leave	19,177	23,579
Superannuation payable	12,822	11,467
Other accruals	4,945	(351)
PAYG tax payable	11,526	13,134
	100,022	72,578

	2019	2018
	\$	\$
8 Other financial liabilities		
Current		
Council grant	440,000	440,000
Deferred income	41,549	-
	481,549	440,000

	2019	2018
	\$	\$
9 Other liabilities		
Current		
Memberships paid in advance	56,050	47,404
	56,050	47,404

10 Reserves

- (a) Asset revaluation reserve

The asset revaluation reserve records fair value movements on property, plant and equipment.

11 Members' guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 100 each towards meeting any outstanding obligations of the Company. At 30 June 2019 the number of members was 163 (2018: 154).

12 Contingencies and capital commitments

In the opinion of the Directors, the Company did not have any significant contingencies or expenditure commitments at 30 June 2019 (30 June 2018: None) that are not adequately disclosed in the financial statements.

Mackay Tourism Ltd

ABN: 56 074 909 265

Notes to the Financial Statements

For the Year Ended 30 June 2019

13 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:

	2019	2018
	\$	\$
Net surplus/(deficit) attributable to members	(29,118)	16,732
Non-cash flows in profit:		
- depreciation	15,122	22,400
- net gain on disposal of property, plant and equipment	(3,539)	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(466,686)	23,551
- (increase)/decrease in other assets	(11,456)	(200)
- (increase)/decrease in inventories	(9,250)	(4,329)
- increase/(decrease) in income in advance	41,549	190,000
- increase/(decrease) in trade and other payables	27,446	(12,019)
- increase/(decrease) in other liabilities	8,646	47,404
Cash flows from operations	<u>(427,286)</u>	<u>283,539</u>

14 Statutory information

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

Mackay Tourism Ltd
320 Nebo Road
MACKAY QLD 4740

Mackay Tourism Ltd

ABN: 56 074 909 265

Directors Declaration

The directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 of the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 17, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of is in accordance with the accounting policy described in Note 1 of the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that 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.....

Dated this 20th day of September 2019



Partners

Chris Sammut FCA
Paul Hinton CA
Therese Scotton CA
Geoff O'Connor CPA, Affiliate CA
John Lavis CA, CTA
Ryan Leach CA
Brenton Lazzarini CA

Independent Audit Report to the members of Mackay Tourism Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Mackay Tourism Ltd (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the committee statement.

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

- (i) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Emphasis of Matter - Basis of Accounting

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

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Liability limited by a scheme approved under professional standards legislation.

Website: www.bennettpartners.com.au

Email: enquiries@bennettpartners.com.au

Bennett Partners Pty Ltd ACN 010 430 314, ABN 65 010 430 314, AFSL 48053
Bennett Partners Pty Ltd ATF The Bennett Partners Trust ABN 21 171 313 477
Bennett Partners ABN 59 281 397 611

Mackay: First floor, 122 Wood Street, Mackay QLD 4740
PO Box 92, Mackay QLD 4740 Phone: 07 4951 1455
Brisbane: Level 3,400 Queen Street, Brisbane QLD 4000
GPO Box 2561, Brisbane QLD 4001 Phone: 07 3221 6200



Partners

Chris Sammut FCA
Paul Hinton CA
Therese Scotton CA
Geoff O'Connor CPA, Affiliate CA
John Lavis CA, CTA
Ryan Leach CA
Brenton Lazzarini CA

Mackay Tourism Ltd

Independent Audit Report to the members of Mackay Tourism Ltd

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

A handwritten signature in black ink, appearing to read "P. Hinton".

Paul Hinton - CA

Dated this.....1st..... day ofOctober.....2019

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MEMBERS 2018-2019



9th Lane Grind
Airlie Beach Eco Cabins
Airlie Beach YHA
Andergrove Van Park
Armstrong Beach Caravan Park
Austral Hotel
Ball Bay Campground
BarraCrab Caravan Park
BB Print
Bennett Partners
BIG 4 Adventure Whitsunday Resort
BIG 4 Mackay Blacks Beach Holiday Park
BIG 4 Mackay Marine Tourist Park
Black Owl Design
Breakwater Bar and Restaurant
Broken River Mountain Resort
Broken River Visitor Information Centre
Bucasia BF Caravan Park
Bush Village Budget Cabins
Bushmans Bakery
Caneland Central
Cape Hillsborough Nature Tourist Park
Cape Palmerston Holiday Park
Central Tourist Park
Channel 7
Church Café Pinnacle
Clarion Mackay Marina
Clean Feeling
Clermont Visitor Information Centre
Cloudbreak Lowlines
Comfort Resort Blue Pacific
Conservation Volunteers Australia
Coral Cay Resort Motor Inn
Coral Sands Motel
Core Publishing & Events Pty Ltd
CQUniversity
Crediton Hall Campground
Cruise Whitsundays
Daily Mercury
Direct Hotels - Pacific Sands
Discovery Parks - Airlie Beach
Dolphin Heads Resort
DR Tourism
EconoLodge Beachside Motel
Eimeo Pacific Hotel
Eungella Business Group
Eungella Chalet
Events by Ramona
Explore Whitsundays
Extrastaff

Finch Hatton Gallery
Finch Hatton Gorge Cabins
Freckle Farm
Gallagher Insurance Broker
Global Product Search - Pancake Bliss
Goanna Brewing
Great Keppel Island Hideaway
Hamilton Island
Harrup Park Country Club
Hay Point Country B&B
Helloworld
Hi-Ways Units Motel
Ibis Mackay
Inshore Fishing Mackay
Institute of Tourism Leadership Australia
Isaac Regional Council
Island Gateway Holiday Park
Jayco Mackay
Kelly Legal
Kitten Vintage
Koncept Konnect
Kool Temptations
Lanai Riverside Apartments
Linked Group Service Pty Ltd
Mackay & District Australian South Sea Islander Association Inc.
Mackay & District Italian Assoc. Italian Street Party
Mackay Airport
Mackay Aqua Park
Mackay Entertainment and Convention Centre
Mackay Historical Society & Museum
Mackay Marina Run
Mackay North State School
Mackay Oceanside Central Motel
Mackay Reef Fish Supplies
Mackay Regional Chamber of Commerce
Mackay Regional Council
Mackay Resort Motel
Mackay Transit Coaches Pty Ltd
Mackay Whitsunday Taxi
Magpies Sporting Club Inc
Melba House
Miner's Lodge Motor Inc
Mirani Caravan Park & Swimming Pool
Moana Caravan Park
Museum Of Tropical Queensland
MyCow Pty Ltd
Nebo Hotel
North Queensland Bulk Ports
Ocean International



MEMBERS 2018-2019 cont.

Ocean Rafting
Organic and Nature Store
P Comino & Sons
Pacific Petroleum
Paronella Park
Payne Print
Peppers Airlie Beach
Pinnacle Family Hotel
Pioneer Valley Show
Plattered Up
Platypus Lodge Restaurant & Café
Porters Mitre IO
Premier Caravan Park
Qantas
Queensland Rail
Queensland Tourism and Hospitality Brokers
Quest Mackay
Quest Mackay On Gordon
Rainforest Scuba
Red Cat Adventure Tours
Reeforest Adventure Tours
Riviera
Rover Holiday Units
Rydges Mackay Suites
Sandpiper Motel
Sarina Arts & Crafts
Sarina Beach Coconut Festival
Sarina Beach Motel
Sarina Golf Club
Sarina Motor Inn
Sarina Palms Caravan Village
Sarina Sugar Shed
Seabreeze Tourist Park

SeaEagles Resort
Seaforth Camping Ground
Shakespeare Motel
Shamrock Gardens Motel
Sorbello's Italian Restaurant
Southern Cross Austereo
St Helens Beach Camping Area
Sun Plaza Motel
That Sapphire Place
The Dispensary Mackay
The Family Table
The Feathered Nest
The Old Station Teahouse
The Park Mackay
The Shores Holiday Apartments
Think Office Technology
Torgas
Toscana Village Resort
Tourism Events Queensland
Travellers Rest Caravan & Camping Park
Tropic Coast Motel
Tropicana Caravan park
Twenty50 Nice Cream
White Lace Motor Inn
Whitsunday Crocodile Safari
Whitsunday JetSki Tours
Whitsunday Sailing Adventures
Windmill Motel and Events Centre

This list contains operators who have been financial members for a period within the 2018-2019 financial year.