

TOURISM COUNCIL WESTERN AUSTRALIA LIMITED

ABN 69 095 581 776

Financial Statements

For the Year Ended 30 June 2021

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Directors' Report

30 June 2021

Your directors present their report on Tourism Council Western Australia Limited (the Company or TCWA) for the financial year ended 30 June 2021 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
Andrew David HILL	Chair Appointed Director	Appointed 16 October 2019
Matt NORTON	Elected Director	Re-elected 20 October 2020
Stephanie LANG	Elected Director	Re-elected 15 October 2019
Catrin ALLSOP	Elected Director	Re-elected 15 October 2019
Kristy BAILEY	Elected Director	Re-elected 15 October 2019
Debra Anne BLASKETT	Deputy Chair Appointed Director	Re-appointed 20 November 2018 Appointed Deputy Chair 16 October 2019 Resigned 17 June 2020
Andrew LANE	Elected Director	Elected 20 October 2020
Carolyn TURNBULL	Appointed Director	Appointed 26 August 2020 Resigned 21 October 2020
David Julian CONSTANTINE	Appointed Director	Appointed 18 December 2019 Resigned 20 December 2020
Sally Anne PULLIN	Elected Director	Elected 20 October 2020
Nathan James FROST	Deputy Chair Appointed Director	Re-Appointed 13 February 2020 Appointed Deputy Chair 26 August 2020
Michael James MCKENNA	Appointed Director	Re-Appointed 21 October 2020
Kate HOLSGROVE	Appointed Director	Appointed 21 October 2020

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.

2. Principal activities

The principal activity of the Company 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 Quality Tourism Accreditation Program and the WA Tourism Awards.

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

3. Objectives

The Company has identified the following objectives:

Industry Representation Objectives

TCWA 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

TCWA 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**

TCWA 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.

4. Strategies

TCWA has adopted the following strategies for achieving these objectives:

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

5. 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

6. Operating results and review of operations for the year

Operation results

The surplus of the Company amounted to \$185,110 (2020: \$272,097).

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.

7. 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.

The impact of Covid 19 on the entities situation is described in Note 1(d) to the financial statements.

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.

8. Information on Directors

Andrew David HILL

Chair

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 Chamber of Commerce and Industry WA and was previously President of the Accommodation Division for the Australian Hotels Association (AHA) WA, with formal induction into the AHA Hall of fame in 2015 for his dedication and commitment to the tourism sector.

Nathan FROST

Deputy Chair

Experience

Nathan is the Area General Manager of Operations for AccorHotels. 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 Traineeship 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 by the ever-changing landscape with regard to technology in hotels.

Catrin ALLSOP

Elected Director

Experience

With more than 17 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 Board Director of the Tourism Council, Committee Member of WA Branch of the Australian Tourism Export Council, and significant involvement in key industry project areas such as aviation, wine tourism 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. Catrin holds a Bachelor of Arts (Hons) in International Management and Business Administration.

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 Director of both Swan River Seaplanes and 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). Throughout her career she has represented businesses from all aspects of the tourism industry including retail and wholesale travel companies, conference and incentive houses, cruise operators, tour operators and luxury resorts.

Kate HOLSGROVE

Appointed Director

Experience

Kate Holsgrove has been the Chief Commercial Officer at Perth Airport since February 2019 where she leads the Retail, Ground Transport, Customer Experience, Marketing & Digital teams. An experienced retail and property professional with more than 15 years' experience in senior leadership and multi-site roles, Kate was previously Regional Manager WA for Scentre Group (owner and manager of Westfield shopping centres). Kate returned to WA in 2015 after holding various Regional Manager roles in both Sydney and Canberra. Kate holds a Masters in Business Administration, is a licenced Real Estate agent and company director.

Andrew LANE

Elected Director

Experience

Andrew commenced his formal tourism career in WA at the Perth Convention Bureau in the mid-90s securing Meetings, Incentives, Conventions & Exhibitions (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 and 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 focused on building key tourism assets, including Como The Treasury 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, as well as establishing a new service to Rottnest Island (SeaLink Rottnest).

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 development, including the opening and launch of Seashells Mandurah and Yallingup, the creation of a new brand and positioning strategy for SHG and winning eight Western Australian and two Australian tourism awards. Prior to her time at Seashells, Stephanie spent nine years as Sales Manager UK/Europe for Tourism WA 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 Regional Tourism Organisation, Mandurah & Peel Tourism Organisation, plus a number of Tourism WA advisory panels.

Mike McKENNA	Appointed Director
Experience	<p>Mike McKenna joined VenuesLive at Optus Stadium in November 2016 as Chief Executive Officer following more than 11 years on the Executive Team at Cricket Australia. In his time at Cricket Australia, Mike was responsible for marketing, venue operations, commercial revenue, event management and promotion of all forms of cricket. Mike was responsible for the development of the men's and women's Big Bash League. Prior to joining Cricket Australia Mike was General Manager Commercial Operations with Essendon Football Club, National Marketing Manager for professional services firm Arthur Andersen and held a variety of sales and marketing roles with Black +Decker and Carter Holt Harvey. As Chief Executive Officer of Optus Stadium, Mike leads a team of professionals who are responsible for operating the venue on behalf of the Government of Western Australia, attracting and delivering world-class sport and entertainment experiences for a local, national and international audience.</p>
Matt NORTON	Elected Director
Experience	<p>In 2009, Matt was appointed to the Visitor Centre Manager Role at the Geographe Bay Tourism Association Visitor Centre which evolved into the Tourism Services Manager, responsible for the MRBTA's four visitor centres after the amalgamation of the AMRTA and GBTA. New challenges in 2018 included running the MRBTA's newest attraction, Forest Adventures South West, and the marketing and promotion of the Margaret River Region Caves and Lighthouses. This role oversees a revenue base of \$5.5 million in tourism sales. Recently, Matt has been supporting the ground handling team servicing FIFO flights at the Busselton Margaret River Airport.</p>
Sally PULLIN	Elected Director
Experience	<p>Sally has a diverse background in tourism and hospitality over a 30-year career. After completing her Bachelor of Commerce (Marketing) degree, Sally's early career was spent working up the chain of the international hotel sector through customer service, accommodation and conference sales management, before moving to renowned Melbourne caterer Peter Rowland Catering as a Group Venue Sales Manager. In 2007 Sally and her husband relocated to Albany to join her family's premium hosted accommodation business, The Beach House at Bayside, which was inducted into the Qantas Australian Tourism Awards Hall of Fame in 2018. Sally sits on the board of Australia's South West Regional Tourism Organisation, has sat on the WA Tourism Awards Judging Panel and has a passion in ensuring invested micro-business operators have an industry voice.</p>

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
Andrew David HILL	6	6
Andrew LANE	6	5
Carolyn TURNBULL	1	1
Catrin ALLSOP	6	5
Matt NORTON	6	5
Stephanie LANG	6	5
David Julian CONSTANTINE	3	0
Kate HOLSGROVE	5	5
Kristy BAILEY	6	6
Michael James MCKENNA	6	5
Nathan James FROST	6	5
Sally Anne PULLIN	6	6
Evan HALL (CEO)	6	6

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 2021 the number of members was 1,697 (2020: 1,676)

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 2021 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

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Liability limited by a scheme approved under Professional Standards Legislation.

13 September 2021

The Board of Directors
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 2021 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

RG Ledger
Chartered Accountant
Registered Company Auditor

Statement of Profit & Loss Other Comprehensive Income

For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
REVENUE			
Industry Development & Accreditation		1,159,194	1,139,197
Industry Events & Awards		216,580	485,525
Insurance Claims		2,583	2,196
Interest		8,385	27,586
COVID-19 Government Receipts	3	290,700	110,000
Major Projects		-	278,740
Membership & Partnerships		517,203	387,391
Profit on sale of fixed assets		-	16,818
Sundry Income		16,636	7,230
TOTAL REVENUE		2,211,281	2,454,683
EXPENSES			
Industry Development Expenses		(156,005)	(311,436)
Industry Event & Awards Expenses		(86,989)	(290,877)
Major Project Expenses		(500,740)	(285,233)
Membership Representation Expenses		(108,320)	(104,679)
Operational Expenses		(281,978)	(212,393)
Salaries and Superannuation Expenses		(892,138)	(977,969)
TOTAL EXPENSES		(2,026,171)	(2,182,587)
Surplus for the year		185,110	272,096
Total comprehensive Income for the year		185,110	272,096
Surplus attributable to members of the entity		185,110	272,096
Net Profit		185,110	272,096

The accompanying notes form part of these financial statements.

Statement of Financial Position

As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	2,370,629	1,573,422
Trade and other receivables	5	110,964	(2,646)
Other assets	6	13,489	13,488
TOTAL CURRENT ASSETS		2,495,082	1,584,264
NON - CURRENT ASSETS			
Plant and equipment	7	-	-
Furniture, Fixtures & Fittings	7	-	-
Motor vehicle	7	-	-
Computer software	7	-	-
TOTAL NON - CURRENT ASSETS		-	-
TOTAL ASSETS		2,495,082	1,584,264
CURRENT LIABILITIES			
Trade and other payables	8	135,746	48,262
Employee benefits	9	129,244	163,301
Income received in advance	10	213,810	13,828
Provisions	11	736,640	235,900
TOTAL CURRENT LIABILITIES		1,215,440	461,291
TOTAL LIABILITIES		1,215,440	461,291
NET ASSETS		1,279,642	1,122,973
EQUITY			
Retained Earnings		1,094,532	822,436
Current year earnings		185,110	272,096
TOTAL EQUITY		1,279,642	1,094,532

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 30 June 2021

2021	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2020	1,094,532	1,094,532
Surplus for the year attributable to members of the entity	185,110	185,110
Total comprehensive profit attributable to members of the entity	185,110	185,110
Balance at 30 June 2021	1,279,642	1,279,642
	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2019	822,436	822,436
Surplus for the year attributable to members of the entity	272,096	272,096
Total comprehensive profit attributable to members of the entity	272,096	272,096
Balance at 30 June 2020	1,094,532	1,094,532

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2021

	2021	2020
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Customers	2,461,289	2,302,979
Receipts from Government	290,700	-
Interest received	8,385	27,586
Payments to suppliers and employees	(1,938,687)	(2,538,340)
Net cash provided by (used by) operating activities	821,687	(207,775)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(24,480)	-
Proceeds of sale of motor vehicle		18,500
Net cash used by investing activities	(24,480)	18,500
Net increase/(decrease) in cash and cash equivalents held	797,207	(189,275)
Cash and cash equivalents at beginning of year	1,573,422	1,762,697
Cash and cash equivalents at end of financial year	2,370,629	1,573,422

The accompanying notes form part of these financial statements.

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2021

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).

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.

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2021

1. Basis of preparation (cont)

d) The impact and uncertainty arising from Covid 19.

On 11 March 2020, the Australian government declared that Covid 19 was a pandemic. The effect of the pandemic has been particularly noticeable upon the tourism industry as it has prevented consumers from travelling intrastate, interstate and overseas.

This has had a material adverse effect upon the industry's revenue for the 2020 and 2021 financial years.

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.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2. Significant accounting policies (continued)

a) Financial instruments (continued)

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.

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.

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2. Significant accounting policies (continued)

b) Impairment (continued)

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.

i. Non-derivative financial assets

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 accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2. Significant accounting policies (continued)

b) Impairment (continued)

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.

c) Plant and equipment

The audit and finance committee has determined to expense all acquisitions of motor vehicles, office equipment, and furniture, fixtures and fittings in the year in which they are purchased.

The policy is not in accordance with accounting standard AASB 116, which states that the depreciable amount of an asset shall be allocated on a systematic basis over its useful life.

During the financial year, the company acquired computer equipment totalling \$24,480 which was fully depreciated by 30 June 2021.

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.

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2021

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. Re-measurements 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 2021

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, 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.

As a result of COVID-19, TCWA gave its Quality Tourism Framework (QTF) members a six month moratorium in paying their QTF accreditation fees. In November 2020, TCWA began implementing a new payment system whereby members could arrange to pay their fees from their bank account monthly from January 2021 or make their annual payment on a calendar year basis.

Membership fees (Gold, Silver and Bronze memberships) were billed using the normal annual process.

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.

During the 2020/2021 financial year, TCWA was unable to hold its biannual Perth Conference or annual WA Tourism Awards Gala Evening due to the impact of Covid 19.

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).

Notes to the Financial Statements

For the Year Ended 30 June 2021

2. Significant accounting policies (continued)

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.

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.

k) 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.

3. Covid 19 Government Payments

		2021	2020
	Note	\$	\$
Covid 19 Cash Booster payments		50,000	50,000
Covid 19 Job Keeper payments		240,700	60,000
TOTAL		290,700	110,000

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2021

4. Cash and Cash Equivalents

	2021	2020
Note	\$	\$
Cash at bank	190,629	67,996
Short term deposits with bank	2,180,000	1,505,426
	2,370,629	1,573,422

The effective interest rate on short-term bank deposits was 0.385% per annum (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:

	2021	2020
	\$	\$
Cash and cash equivalents	2,370,629	1,573,422

5. Trade and Other receivables

	2021	2020
	\$	\$
CURRENT		
Trade receivables	87,772	(2,646)
EFTPOS Settlements Clearing	(270)	
Stripe Settlements Clearing	354	
Pinch Payments Settlement Clearing	340	
ATO Integrated Client Account	22,768	
TOTAL	110,964	(2,646)

Notes to the Financial Statements

For the Year Ended 30 June 2021

6. Other assets

	2021	2020
	\$	\$
CURRENT		
Convention expenses paid in advance	13,488	13,488
	13,488	13,488

7. Plant and Equipment

	2021	2020
Note	\$	\$
Furniture, fixture and fittings		
At cost	18,645	18,645
Accumulated depreciation	(18,645)	(18,645)
TOTAL Furniture, fixture and fittings	-	-
Motor vehicles		
At cost	126,836	126,836
Accumulated depreciation	(128,836)	(128,836)
TOTAL Motor vehicles	-	-
Computer Software		
At cost	31,166	31,166
Accumulated depreciation	(31,166)	(31,166)
TOTAL Computer software	-	-
Office equipment		
At cost	75,650	51,170
Accumulated depreciation	(75,640)	(51,170)
TOTAL Office equipment	-	-
TOTAL PLANT AND EQUIPMENT	-	-

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2021

7. Plant and Equipment (continued)

The council has determined to expense all acquisitions of motor vehicles, office equipment, and furniture, fixtures and fittings in the year they were acquired.

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 & Fittings \$	Motor Vehicles \$	Office Equipment \$	Computer Software \$	Total \$
Balance at 1 July 2019	-	-	-	-	-
Additions	-	-	-	-	-
Disposal	-	-	-	-	-
Depreciation expenses	-	-	-	-	-
Balance at 30 June 2020	-	-	-	-	-
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Balance at 1 July 2020	-	-	-	-	-
Additions	-	-	24,480	-	-
Disposal	-	-	-	-	-
Depreciation expenses	-	-	(24,480)	-	-
Balance at 30 June 2021	-	-	-	-	-

8. Trade and other payables

	Note	2021 \$	2020 \$
CURRENT			
Trade payables		49,548	4,836
Customer credits		1,295	-
Group Tax Clearing		39,098	-
GST Collected		31,173	-
Corporate Credit Cards		4,021	-
Sundry payables and accrued expenses		10,611	43,426
TOTAL		135,746	48,262

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2021

9. Employee Benefits

	2021	2020
	\$	\$
CURRENT		
Provision for annual leave	20,026	62,771
Provision for long service leave	57,316	39,567
Provision for staff benefits	a 50,000	55,000
Provision for superannuation on annual leave	1,902	5,963
	129,244	163,301

10. Income received in advance

	2021	2020
Note	\$	\$
CURRENT		
Income received in advance - membership subscriptions,	213,810	13,828
TOTAL	213,810	13,828

11. Provision for marketing campaign

	2021	2020
	\$	\$
CURRENT		
Provision for italic <i>i</i> marketing	a 66,640	66,640
Provision for major projects	b 520,000	169,250
Provision for event risk	c 150,000	-
TOTAL	736,640	235,900

a The provision for italic *i* marketing was created when TCWA merged with the Visitor Centre Association of WA (VCAWA) and relates to the remaining funds that were transferred from VCAWA to TCWA when the merger occurred.

b TCWA's 2021/22 Business Plan dated July 2021 details a number of potential major projects to be considered for implementation in 2021/22 as well as the funding allocated for these projects. A final decision as to which projects will commence during the year has not been made.

c TCWA has raised a provision for event risk of \$150,000. TCWA's business plan states that it will draw down from this provision to cover event expenses (WA Tourism Awards

The accompanying notes form part of these financial statements.

Dinner Nov 2021 and WA Tourism Conference May 2022) should an event face unforeseen expenses or loss of revenue.

AASB137 (para 14) states that a provision should only be recognised in TCWA's accounts when an entity has a present obligation (legal or constructive) as a result of a past event. TCWA's accounting treatment for the provision for event risk does not comply with this element of the standard. The impact of TCWA's treatment for this risk is to reduce net surplus by \$150,000.

12. 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.

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:

	2021	2020
	\$	\$
Profit For The Year	185,110	272,097
Cash flows excluded from profit attributable to operating activities		
Non – cash flows in profit:		
▪ Depreciation	24,480	-
Changes in assets and receivables		
▪ Change in trade and other receivables	(113,610)	14,569
▪ Change in other assets	-	14,650
▪ Change in income received in advance	199,981	(261,054)
▪ Change in employee benefits	(34,057)	-
▪ Change in trade and other payables	59,043	(11,564)
▪ Change in provisions	500,740	(236,473)
Cash flow from operations	821,687	(207,775)

Notes to the Financial Statements

For the Year Ended 30 June 2021

14. Auditors' remuneration

Remuneration of the auditor of the company for:

	2021	2020
	\$	\$
Audit the financial report	8,000	7,700

15. 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 2021 the number of members was 1,697 (2020: 1,676).

16. 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 2021 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:.....

Dated:

Dated: