



# TOURISM TASMANIA

## ANNUAL REPORT 2018-19



# About our Annual Report

The Tourism Tasmania Annual Report 2018-19 details the Authority's performance during the year in review, describes the activities that shaped and contributed to that performance, explains how Tourism Tasmania has achieved its stated targets and provides a comprehensive financial report.

The Annual Report is available online at  
[https://www.tourismtasmania.com.au/about/publications/annual\\_report](https://www.tourismtasmania.com.au/about/publications/annual_report)

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## How to contact us

Postal: GPO Box 399  
 Hobart, Tasmania, 7001 Australia  
 Head office: Level 3, 15 Murray Street  
 Hobart, Tasmania, 7000 Australia  
 T: +61 (03) 6165 5334 Int'l +61 3 6165 5334  
 E: [reception@tourism.tas.gov.au](mailto:reception@tourism.tas.gov.au)

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# Submission to the Minister

## Dear Minister

Section 41 of the *Tourism Tasmania Act 1996* (the Act) requires that the board of directors must prepare for the Authority (Tourism Tasmania) an annual report for each financial year. The Act states that the annual report is to include the following information and documents:

- The statement of corporate intent which relates to the corporate plan that takes effect at the beginning of the next financial year.
- The financial statements of the Authority for the financial year to which the annual report relates, including a copy of the opinion of the Auditor-General in respect of the financial statements.
- A report on the operations of the Authority during that financial year.
- Section 42 of the Act states that the Minister must lay a copy of the annual report before each House of Parliament within four months after the end of the financial year to which the annual report relates.

Accordingly, I have pleasure in submitting to you for presentation to Parliament, this report on the affairs and activities of Tourism Tasmania for the financial year ended 30 June 2019.

Yours sincerely

James Cretan  
Chairman  
Tourism Tasmania Board

John Fitzgerald  
Chief Executive Officer  
Tourism Tasmania

October 2019

## Tourism Tasmania's role

Tourism Tasmania is a demand generator and brand leader with clear objectives to attract leisure visitors to the state and grow air and sea access for travellers and the Tasmanian community.

Tourism Tasmania is also a leader and influencer, actively contributing knowledge and ideas to help shape policy on the development of a thriving and sustainable tourism industry now and into the future.

Its programs are a key pillar of the broader Tasmanian visitor economy strategy, partnering with industry and across government to deliver on T21 goals.



# Statement of corporate intent

While this publication looks back over the past twelve months, the *Tourism Tasmania Act 1996* states that the Annual Report is to include the Statement of Corporate Intent relating to the corporate plan that takes effect at the beginning of the next financial year.

This Statement of Corporate Intent is a summary of the *Tourism Tasmania Corporate Plan 2019-2021*.

The Plan recognised Tourism Tasmania's role as a demand generator and brand leader in Tasmania's visitor economy. It also establishes the Authority's role as a leader and influencer in shaping the future of sustainable tourism in the state and sets out the approach it will take over the next three years to achieve the government and industry's agreed Tourism 21 (T21) goals.

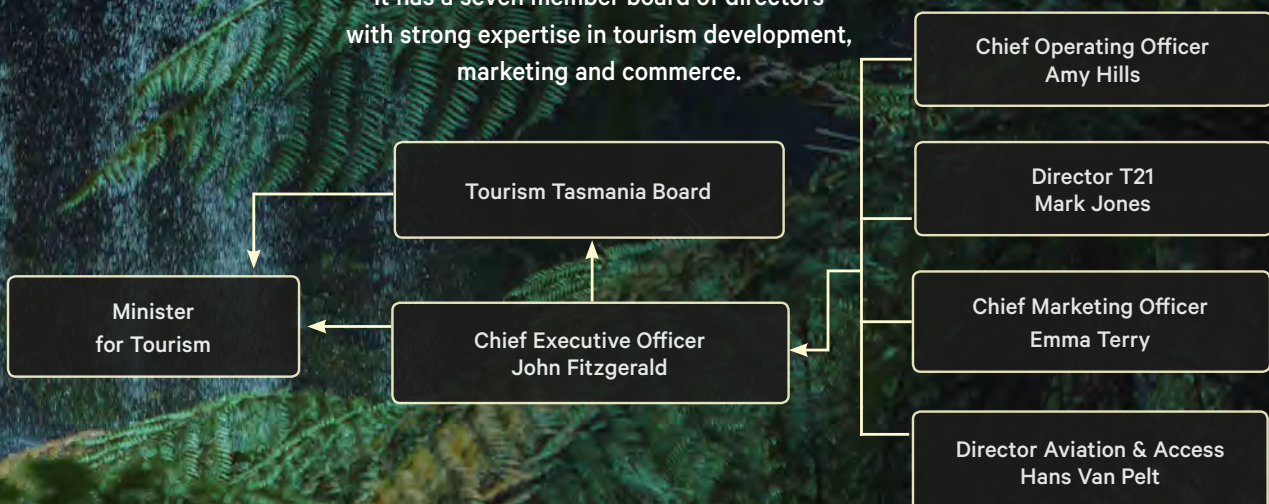
Tourism Tasmania's vision is to connect travellers culturally and emotionally with our island, delivering social and economic benefits shared with all Tasmanians. Its clear focus is to entice customers aligned to the tourism brand to travel to Tasmania by engaging them through its marketing program. Through its work it encourages its people to challenge traditional thinking, be customer-centric and be accountable yet fearless in communicating what we know Tasmania to be.

Tourism Tasmania also influences access to our island to make it easier for its customers to visit Tasmania.

## About us

Tourism Tasmania is a State Authority created under the *Tourism Tasmania Act 1996*.

It has a seven member board of directors with strong expertise in tourism development, marketing and commerce.





# Chair's Report

Tasmania's visitor economy reached an important milestone in the past year. In the 12 months to March, we reached a record \$2.49 billion in visitor spending, an important measure of success under the T21 – Visitor Economy Strategy. Tourism Tasmania played a significant role in achieving this result. While this is an important number, to maximise the benefit for all Tasmanians Tourism Tasmania is also focused on greater regional dispersal and yield from our visitors. Targeting visitors who are more likely to travel further and invest in our regional economies, now a fundamental pillar of the Agency's strategy. Over the same period that we've experienced record visitor expenditure, we have started to see signs of slowing visitor growth, down from the record levels the state has experienced in recent years. This means that our strategy to attract visitors who will fall in love with our state and invest in regional communities will become even more important, as we look to compete with destinations across the globe for visitors who will be enriched by the unique attributes our island offers them.

During the year, Tourism Tasmania fulfilled its role as the state's destination marketing agency as well as being an advocate for better access to the state, by air and by sea. The Agency has taken a lead role in coordinating strategic management of the cruise industry across government, reviewing the port infrastructure and capability across the state, while successfully negotiating with cruise lines to have ships of a certain size voluntarily not enter Wineglass Bay. The Agency's winter campaign ran for 12 weeks in domestic markets and eight weeks in Hong Kong to promote Tasmania as a great winter holiday destination.

The Tourism Tasmania Board reset its expectations of the Agency over the next three years, developing a new Strategy Map to guide its strategic direction. An important deliverable of that Strategy is to have a clearly

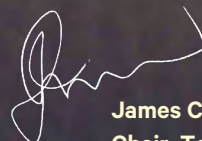
defined and understood role for Tourism Tasmania in the visitor economy and as such, the Agency has placed considerable focus on refining its partnership with the state's four regional tourism organisations. The Agency has also taken a facilitation role in the creation of the new regional tourism organisation for the North West and West. As a Board we are very pleased with the outcome and look forward to working with it collaboratively at this exciting time in the region's future.

Tourism Tasmania is also taking a leadership role in partnership with industry, in developing a new 10 year vision for the visitor economy in our state. This will involve an unprecedented level of engagement with government agencies, peak bodies, regional leaders, the tourism industry and the Tasmanian community. We want our visitor economy to be embraced by Tasmanians for the value it delivers, whether that be through additional jobs, improved air access, or cultural enrichment. The conversations we will be having at the state and regional level about what success looks like for our visitor economy in a decade's time will help us more clearly articulate this value. And importantly, this vision will be a shared one, which embraces protection of our Tasmanian way of life as well as valuing visitors for their contribution.

Again, I'd like to commend industry for working with us and across government as part of a collaborative approach to product and experience development that is brand aligned. The Reimagining our Regions project, which was piloted in the state's far north-west, is just one example of the type of innovative and future focused thinking we need in Tasmania.

I'd also like to thank the Premier and Minister for Tourism, Will Hodgman, for his government's ongoing support for the work of Tourism Tasmania and understanding of the important role the state's destination marketing organisation plays in supporting a strong state-wide economy.

Finally, I'd like to acknowledge Tourism Tasmania's CEO, John Fitzgerald, his executive team and the broader Tourism Tasmania team. The organisation continues to forge an important path for Tasmania as a globally competitive destination and has never lost sight of the important role it plays in delivering for Tasmanians.



**James Cretan**  
Chair, Tourism Tasmania



# Chief Executive Officer's Report

The past year has represented an important foundation building period for Tourism Tasmania, consolidating the successes of recent years and preparing ourselves to transition to being a truly global brand.

After 6-7 years of strong growth there is a need for us to keep evolving our proposition and more deeply understanding and connecting with our customers, as we enter a period where there will be more global headwinds. Our focus has been on confirming the right customers for Tasmania and developing a marketing strategy that targets those travellers.

Importantly, we have used the past 12 months to research, develop and prepare for the launch of our evolved tourism brand – a platform that will carry us as a destination on the national and international stage through 2020 and beyond.

Our marketing campaigns have been building on our objectives to connect with the travellers who understand what we have to offer, are looking for deeper connections and want to share a slice of our way of life on their next holiday.

We continue to position Tasmania as a premium and distinct destination for visitors who seek enrichment. We've done a lot of work in the domestic market to define our target visitor segments – we are calling them the Erudites and Raw Urbanites, with our international marketing directed to targeting high value travellers with an interest in nature, culture, food and wine and who are keen to experience our unique events.

Our research tells us that there are increasing numbers of people who travel to a destination in order to pursue their passions or interests. We know Tasmania has a clear competitive advantage in a number of areas, so during the year the team launched the Unordinary Adventures program designed to position Tasmania as a leading destination for fly fishing, mountain biking, golf and walking.

This program will ensure Tasmania is seen as a destination that elevates these experiences beyond just the ordinary and inspires passion seekers and enthusiasts to visit us, travel throughout the regions and contribute to our local communities.

We know Tasmania is also home to some of the best food and wine experiences in the world, with another significant program launched this year to grow international wine tourism in the state. Our program brings together local wine and tourism businesses, regional tourism organisations and Wine Tasmania as part of a \$500,000 global marketing campaign to attract visitors to our regions, with support through the Australian Government's \$50 million Export and Regional Wine Support Package.

It includes PR and media activities in premium international markets within North America and Hong Kong, as well as working with international travel trade partners to grow wine-focused itineraries to encourage visitors to experience Tasmanian vineyards and cellar doors.

Bushfires during the peak summer season impacted communities and tourism businesses in the Central Highlands, Derwent Valley and Far South. Tourism Tasmania played an important role during that period in distributing public safety information to industry and visitors on the ground as well as ensuring that people travelling to Tasmania or thinking about travelling understood that many parts of the state were unaffected and open for business.

To help tourism businesses affected by the bushfire incidents, Tourism Tasmania in partnership with Destination Southern Tasmania implemented 'Love Autumn in the South'. The campaign encouraged Tasmanians and visitors to visit and support businesses in the affected regions.

Damage to infrastructure at the Tahune Airwalk resulted in its extended closure during 2019 and as a key visitor drawcard to the region, it extended the impact on communities and tourism operators in the area across the year.

Funding from Tourism Tasmania and the Australian Government's Department of Communications and the Arts was provided to DarkLab to develop Project X, a program of public artworks and cultural experiences to boost visitation in the Huon and Far South region.

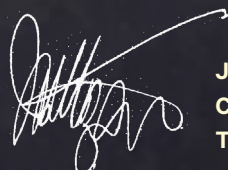
The north of the state was in the national spotlight this year with the 2018 Qantas Australian Tourism Awards held in Cataract Gorge on a glorious summer evening. Hundreds of national tourism industry peers couldn't help but be impressed by the stunning event location and high quality Tasmanian food and hospitality.

A unique competition was launched nationally, supported by Tourism Tasmania, to celebrate and promote Mona Foma in Launceston. The competition winners were flown in style on a special Air Mofo charter flight from Melbourne with the team leveraging the opportunity through public relations and influencer activity to build greater awareness of Launceston and northern Tasmania.

Tourism Tasmania also consolidated its work in collaborating with agencies across government on the T21 – Visitor Economy Strategy.

The Agency is taking a leading role, with the Tourism Industry Council of Tasmania, in developing Tasmania's new 10 year outlook – Tourism 2030. We will need to continue to innovate if we are to enjoy the benefits of a strong visitor economy. The next 12 months mark an exciting opportunity for our regions, industry and visitor economy leaders to come together to plan for a collective vision for our visitor economy – one that is embraced by all Tasmanians.

I'd like to thank the Chair, James Cretan, and the entire Board for its support of the Agency during the year, and look forward to the many exciting initiatives we have to come in the year ahead.



**John Fitzgerald**  
Chief Executive Officer  
Tourism Tasmania





## James Cretan BMed Sci, MBBS, FAICD

James is the chair of the Tourism Tasmania Board of Directors and a member of the Premier's Visitor Economy Advisory Committee. He oversees the agency's strategic direction and plays a significant role in communication with government and industry. James is an executive director of Kriticos Nominees, a family company that owns and operates Cradle Mountain Wilderness Village, Swansea Beach Chalets, Shoreline Hotel and Tasmanian Collection Service. He is a director and chair of the Plastic Fabrications Group, a manufacturer and supplier of a wide range of plastic and related products to the aquaculture and marine industry, and is also a shareholder of Intuit Technologies, Tasmania's largest private ICT company. He was a director of TAFE Tasmania from 2004 and chair from January 2006 to May 2008 before becoming chair of the Tasmanian Skills Institute from 2008 to 2013. James is also a Fellow of the Australian Institute of Company Directors.



## Brett Torossi

Brett is the chair of Tourism Tasmania's Audit Finance and Risk Committee. She is founder, owner and managing director of New Ground Network. As a respected property developer and businesswoman, Brett focuses on creating and developing properties that are innovative, sustainable and commercially successful. Brett's other board appointments include; director, Wallis Watson Capital Ltd; director, Avalon Coastal Retreat Pty Ltd; director, Tasmanian Development Board; board member, The Festival of Voices; chair, Tasmanian Heritage Council; trustee, Tasmanian Museum and Art Gallery; chair, Tasmanian Museum and Art Gallery Audit Committee; state chair, International Women's Forum and director of the National Board of Creative Partnerships Australia.

# Our board of directors 2018-19



## John Fitzgerald BA GAICD

John is chief executive officer of Tourism Tasmania, joining the organisation in January 2013. He has an extensive career in senior executive management positions in the tourism sector in Australia, having held positions at national, state/territory and regional levels over the past 18 years after a decade in the thoroughbred racing industry. Previous to his appointment at Tourism Tasmania, John was CEO at Tourism NT following senior appointments in his native Queensland, including as CEO of Tourism Sunshine Coast. John's experience and contribution in the sector has extended to numerous board memberships and directorships including currently as chair of the T21 Steering Committee, overseeing Tasmania's visitor economy strategy implementation and also as a director of Business Events Tasmania. His previous director experience includes the Darwin Waterfront Corporation, the Queensland Tourism Industry Council and chairing the national Indigenous Tourism Working Group. John is a graduate of the Australian Institute of Company Directors.



## Annie Beaulieu

Annie Beaulieu brings a passion for sustainability, a global perspective and strong business, political and scientific acumen. As an accomplished executive and strategic board member with over 20 years' experience in four different countries, Annie has developed an entrepreneurial leadership style with highly effective, adaptable, organisational and interpersonal skills. Taking a collaborative approach to complex problem solving, Annie founded, Good Compass, a global venture recognised through a number of innovation awards, working at the intersection of sustainable development, behavioural science, technology and tourism. Annie is a member of the G20|G7 Research Group, the UN One Planet Network and was a Global Advisory Board member of the World Tourism Forum Lucerne in Switzerland. She continues to operate as a board member of her family business in Canada. She holds a Bachelor of Science from McGill University, a Master of Business Administration in international trade and completed the Future Directors Institute program. Annie is a relentless adventurer, avid diver, long distance cyclist, passionate downhill skier and mountaineer. Annie Beaulieu commenced her three year tenure in May 2019.





## Kate Vale BBus

Kate has enjoyed a distinguished career spanning almost 20 years in some of the most prestigious digital environments in the world. Most recently Kate was Spotify's managing director of Australia and New Zealand where she was responsible for all aspects of the business for the region and managing a team in Sydney for close to six years. In 2002, prior to joining Spotify, Kate was Google's first regional hire heading up the Australian and New Zealand business before moving to head up YouTube in-region in 2009. Kate is also a non-executive director of Neto and an advisor for Muru Music.

Kate Vale ceased her tenure in May 2019.



## Ian Rankine GAICD

Ian has enjoyed an extensive career spanning over 40 years in the Australian and Tasmanian tourism industry. As Chief Executive of TasVacations and Innkeepers Tasmania, Ian oversees the strategic business planning and day to day operation of both organisations. He has a comprehensive understanding of all facets of the tourism industry ranging from the supply side issues of small to medium size businesses to the market driven demand challenges facing Tasmania. Ian is a former board member and Chair of Tasmania's South Regional Tourism Association (Totally South) and has been a board member of Tourism Industry Council of Tasmania (TICT) since 2008. He has been acknowledged with a number of industry awards recognising his lengthy and dedicated commitment to Tasmania's tourism industry. Ian is a graduate of the Australian Institute of Company Directors.

Tourism Tasmania operates under the *Tourism Tasmania Act 1996* and is governed by a board appointed by the Governor on the recommendation of the Minister.



## Rebecca King MAICD

Rebecca is a multi-award winning marketing consultant who has worked in small business, state government, the airline industry and media. She is currently a director of online marketing consultancy Kingthing Marketing and a leader in the tourism industry nationally in digital marketing. She is nationally renowned among developers, tourism organisations and existing businesses as offering sound, innovative business advice backed by 20 years in marketing and the tourism industry. She worked as the marketing manager of Tamar River Cruises when the company won nine awards including Tasmanian Tourism Awards and the Telstra Business award for Innovation. Rebecca was awarded the 2006 Telstra Tasmanian Corporate Business Woman of the Year. In 2014 she was awarded the state and national tourism awards for Education and Training. Kingthing Marketing was a finalist in the 2018 Telstra Business Awards and won a Tasmanian Employer of Choice Award. Rebecca is a non-executive director on the Tasmanian Chamber of Commerce and Industry board and has completed the Australian Institute of Company Directors course.



## Michelle COX AD AppSc, MAICD

Michelle is the founder and director of tourism marketing and consulting firm, The Linchpin Company. She has over 25 years of leadership experience and a demonstrated track record in growing returns across Australia, Asia Pacific and global markets. She also has multi-national experience in marketing, communications, travel and tourism and acquisitions. Previous appointments include Executive Director, Mergers and Acquisitions for Bastion Collective; Managing Director, Asia Pacific for STA travel and General Manager Marketing for the APT Group. Michelle has held executive and board appointments including executive director, Bastion Collective Global Board; chair of the Australian Tourism Export Council, Northern Territory; deputy chair, Central Australian Tourism Industry Association and director of Asia Pacific, STA Global Leadership Board. Michelle has completed the Australian Institute of Company Directors course.



# T21 – The Tasmanian Visitor Economy Strategy

Tourism Tasmania is a lead partner in Tasmania’s visitor economy, working with industry and across government to achieve the goals in the T21 strategy. The Agency’s work program has directly contributed to the T21 priorities of generating demand for travel to Tasmania and expanding air and sea access. Tourism Tasmania also provided secretariat services to the Premier’s Visitor Economy Advisory Council and the T21 Steering Committee, which respectively have responsibility for oversight of the T21 strategy and implementation of T21 priority actions.

Tourism Tasmania also provided secretariat services on behalf of government agencies to support Tasmania’s participation at the Australian Standing Committee on Tourism and the national Tourism Ministers’ Meetings.

In support of the Tasmanian Government’s partnership with the tourism industry through the T21 strategy, grant funding in excess of \$3.7 million has been committed to the four regional tourism organisations (RTOs) for the three-year period 2017-18 to 2019-20.

The RTOs play an important regional coordinating role, working with state and local governments, industry bodies and operators in supporting industry development and product development.

An RTO pulse check and T21 Governance Review were undertaken to help shape the forward program and develop agreed partnership principles to support the delivery of T21 goals.

A new position Director, Visitor Economy Strategy, was created within Tourism Tasmania’s leadership team to lead and influence policy development across government and to consolidate and coordinate T21 programs with a focus on visitor yield and dispersal.

This position will also undertake a key role of working with government and industry stakeholders on the development of the next iteration of the T21 – Tasmanian Visitor Economy Strategy, which is currently due to expire on 31 December 2020.

The T21 Progress Report 6 was issued in December 2018 and T21 Progress Report 7 released in May 2019. Copies of the T21 strategy and reports are available at [www.t21.net.au](http://www.t21.net.au)

# Visitors to Tasmania – stats and insights

Tourism Tasmania gathers data on visitation to Tasmania through the Tasmanian Visitor Survey, the National Visitor Survey and the International Visitor Survey. These instruments provide insights into Tasmania’s visitors and measure the state’s progress against the goals in T21 – The Tasmanian Visitor Economy Strategy. Tourism Tasmania’s contribution to the T21 goals is to increase the number of leisure visitors (holiday and visiting friends and relatives) to the state.

## All visitors

T21 Measure	12 months to June 2018	12 months to June 2019	% change
Total visitors	1,300,000	1,315,600	1%
Expenditure (million)	\$2,405	\$2,503	4%

## Leisure visitors

Measure	12 months to June 2018	12 months to June 2019	% change
Leisure visitors	979,900	969,900	-1%
Leisure expenditure (million)	\$1,979	\$2,019	2%

Source: Tasmanian Visitor Survey









*"Tasmania is full of genuine, hardworking people who are passionate about our state and way of life. We are proud that Tourism Tasmania's role in driving demand and visitation to the state contributes to a strong Tasmanian visitor economy and supports 42,800 jobs across the state."*

*James Cretan, Chair*



**\$3.2 BILLION**  
CONTRIBUTED TO  
TASMANIAN GSP BY TOURISM



**17.2%**  
OF TASMANIAN JOBS  
SUPPORTED BY TOURISM



**\$1,903**  
AVERAGE SPEND PER VISITOR  
IN TASMANIA





25,880

LEADS TO CONVERSION PARTNER WEBSITES FROM DISCOVER TASMANIA WEBSITE



403,809

LEADS TO TASMANIAN INDUSTRY FROM DISCOVER TASMANIA WEBSITE



384,679

FACEBOOK FOLLOWERS



753,824

WEIBO FOLLOWERS

12%

OF VISITORS ARRIVE BY SEA



499,374

INSTAGRAM FOLLOWERS



669

INSTAGRAM IMAGES POSTED



5.8 MILLION

INSTAGRAM ENGAGEMENTS



1,788,216

NUMBER OF UNIQUE VISITORS TO DISCOVERTASMANIA.COM.AU



71%

OF VISITORS ARE REPEAT VISITORS TO TASMANIA



AUSTRALIANS NAMED TASMANIA AS MOST ASPIRED TO DESTINATION



902,000

PEOPLE WALKED PAST THE FEED YOUR CURIOUS POP-UP BOOK



# Marketing Tasmania

Tourism Tasmania's destination marketing program is highly planned and designed to ensure that Tasmania stands out from a crowded market and remains competitive with other destinations seeking a share of the visitor market.

As the state's destination marketer, Tourism Tasmania showcases the state in key domestic and international markets, targeting well-defined segments of the travelling leisure market who are more likely to travel further, stay longer and spend more in our local communities.

To support the growth of Tasmania's visitor economy, Tourism Tasmania works with the Tasmanian tourism industry, air and sea access, travel trade, media, brand and event partners on campaigns to promote the state.

Its marketing program aims to connect with consumers throughout their entire travel experience: from aspiration and desire to travel, to planning and booking, then visiting and advocating for Tasmania and undertaking return travel.





The Tourism Tasmania marketing strategy is shaped by a number of considerations including government and industry goals outlined in the T21 – The Tasmanian Visitor Economy Strategy, an understanding of our key domestic and international markets, clearly defined customer segments and in-depth understanding of the Tasmanian tourism brand and experiences.

It is delivered through a number of mechanisms including marketing and advertising campaigns aimed at generating demand to the state especially over the shoulder and low seasons, as well as tactical programs and cooperative trade marketing activities. These activities are underpinned and supported by an always – on program of social media, PR and earned media, event and brand partnerships and travel trade training and engagement.

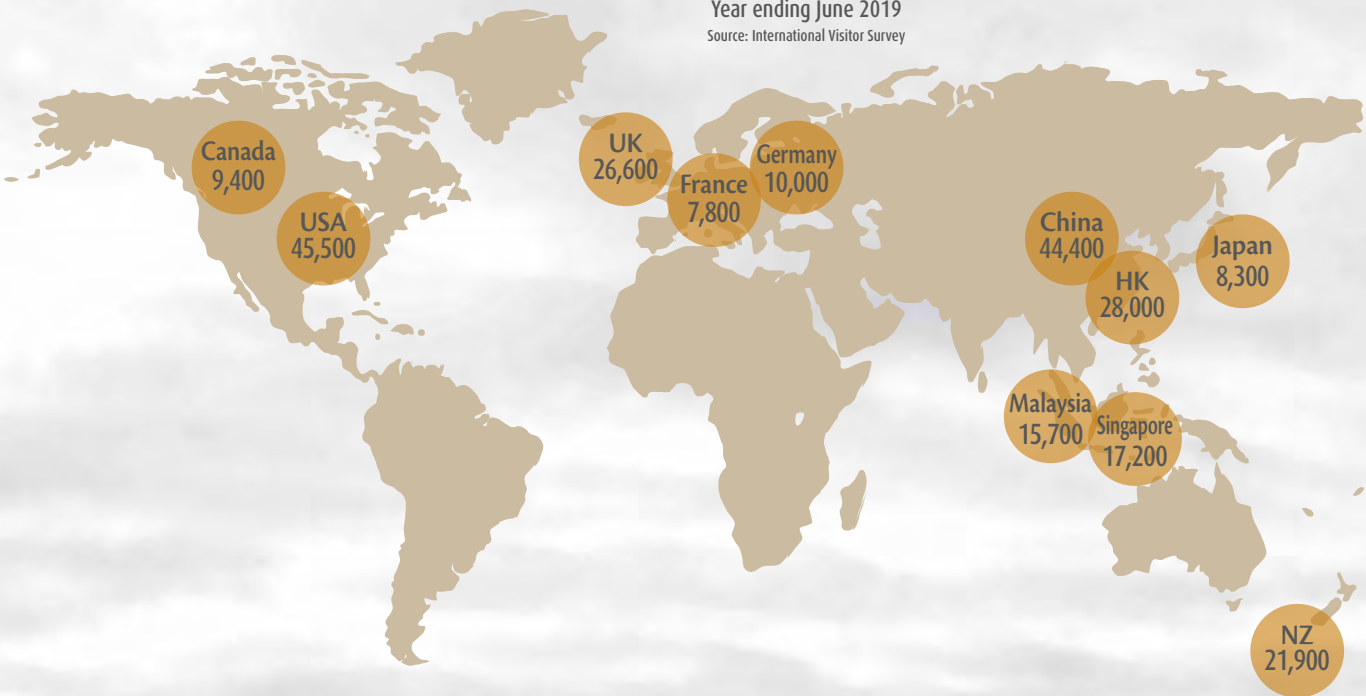




# Our markets

## Visitors from key international markets

Year ending June 2019  
Source: International Visitor Survey



## Visitors from key domestic markets

Year ending June 2019  
Source: Tasmanian Visitor Survey



# Our customers

Tourism Tasmania's destination marketing strategy is heavily informed by research and insights about the types of customers who will suit the experiences our island has to offer.

It targets a discrete sub-section of the travelling leisure market that has disposable income and prioritises funds for travel, is more inclined to treasure our state and seek enrichment from their holidays, and more likely stay longer, travel further and explore regional areas.

In order to ensure the marketing program continues to reach potential travellers, Tourism Tasmania has evolved and refined its target segments to focus on Raw Urbanites and Erudites.

Together, they account for approximately 33% of travelling Australians, and by their nature include some crossover with our previous target segment, the Life Long Learners.

These two market segments have similar travel needs and are strongly aligned with Tasmania's brand strengths. Both segments seek enrichment from their holidays in Tasmania, Raw Urbanites through connection with one another,

locals and the environment and Erudites through the acquisition of knowledge and culture.

In international markets, Tourism Tasmania aligns its program with Tourism Australia through targeting High Value Travellers. This market travels long-haul on a regular basis; is driven by food and wine, aquatic, coastal, nature and wildlife experiences when choosing a holiday destination; is considering or intending to visit Australia and has a higher than average trip expenditure and length of stay.

Tasmania traditionally attracts visitors from the US, China, Hong Kong and the UK, with over 50 per cent of the international visitors to Tasmania generated from these regions. These markets have highly mobile populations providing opportunities for Tasmania to expand the High Value Traveller market.





# Our brand

Tourism Tasmania has disrupted the domestic tourism landscape by communicating in unexpected ways through the Go Behind the Scenery brand platform. Tourism Tasmania set the state apart from other destinations by rejecting the 'sea of sameness' and paving its own way. After five years, an opportunity has been taken to evolve the brand to ensure a fresh and distinctive position in market is developed to support Tasmania's evolving visitor economy.

A new brand narrative and strategic foundation has been created that draws on the previous brand work, industry insights and the broader community interviews undertaken by the Tasmanian brand project through Brand Tasmania. In March 2019, Tourism Tasmania appointed two new creative agencies BMF and Clemenger BBDO and has been working with these agencies to shape a new chapter in Tasmania's tourism story.

The creative expression of the evolved brand is currently in development along with new creative assets and a campaign to launch the brand platform to both the local industry and domestic audiences in 2019.

## Our major marketing campaigns

### Feed your curious

The 'Feed the Curious' domestic campaign launched on 6 May 2018 and ran for 17 weeks. It was the final campaign aimed specifically at the Life Long Learner audience.

The campaign aimed to drive visitation to Tasmania by increasing consideration of our state and enabling a clear path to progress down the consumer journey to planning and booking. It was driven by an integrated marketing program including a television commercial, digital display and video, out of home activations, social media, cinema and print. Conversion partnerships achieved broad reach and impact across our key markets and targeting at least one stage of the consumer journey.

The campaign's digital platform received 515,000 unique viewers, generated 22,000 clicks to industry, 5,900 clicks to campaign partners and 4.9 million engagements on social platforms.

Research from the Tourism Information Monitor that surveys the Australian travelling population shows the aspiration and consideration to travel to Tasmania increased in response to the campaign.

A further campaign goal was focused on removing perceived barriers to travel with rational messaging that drives action. This was achieved through using the attributes of the destination to address market specific barriers to travel such as "it's too cold" or "it's too far away" alongside strong conversion messages.



Your curious is asking *where to next?*  
It wants to experience something else.  
Slightly odd, definitely different.  
It wants to be challenged. No, it needs to be.  
To grow, to question, to get lost and to be found.  
Your curious is hungry.

## FEED YOUR CURIOUS



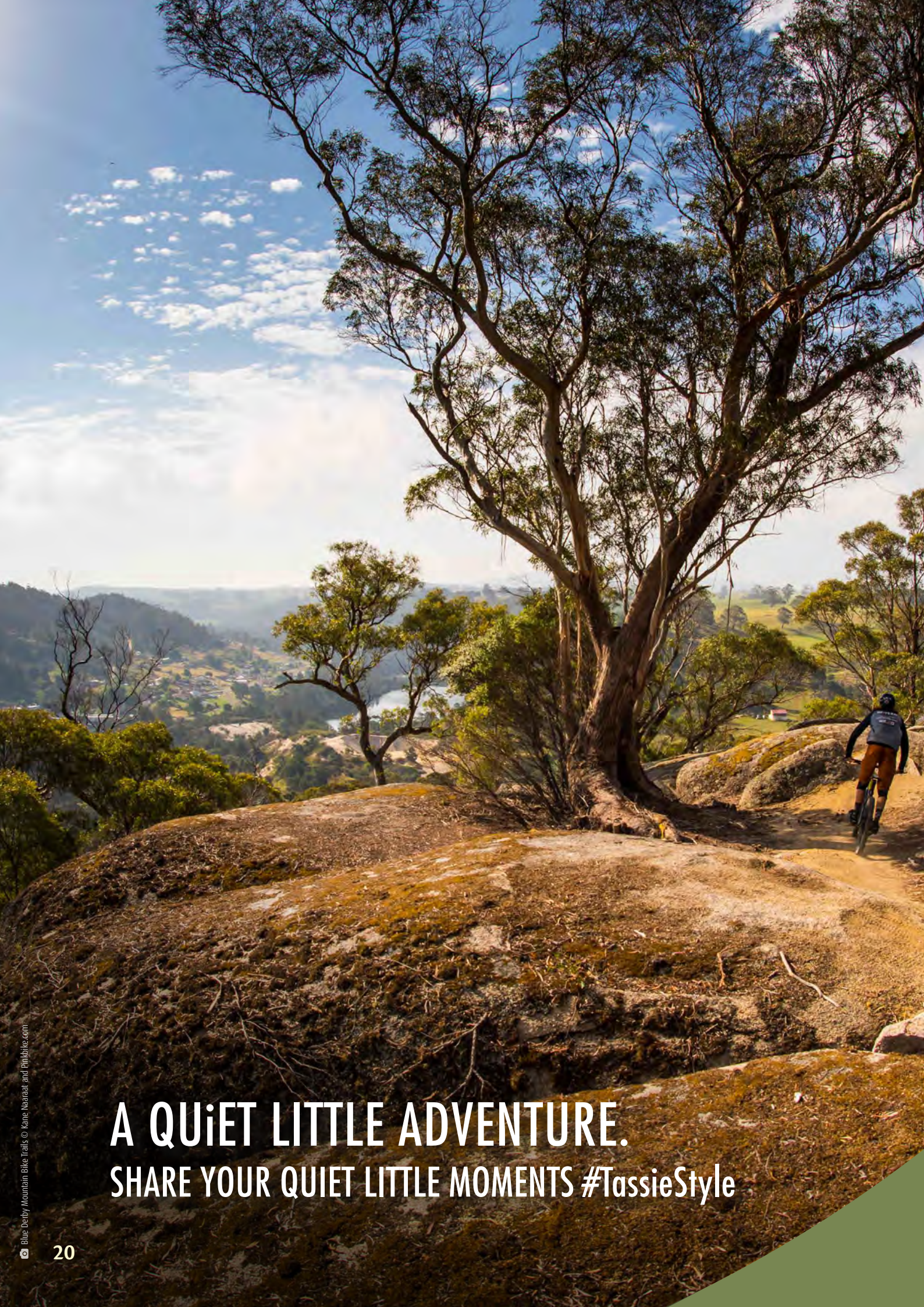
# Tasmania

→ GO BEHIND THE SCENERY ←

Plan your curious trip at [gobehindthescenery.com.au](http://gobehindthescenery.com.au)

[fb.com/tasmania](https://www.facebook.com/tasmania) [@tasmania](https://twitter.com/tasmania) [@tasmania](https://www.instagram.com/tasmania)





**A QUIET LITTLE ADVENTURE.**  
**SHARE YOUR QUIET LITTLE MOMENTS #TassieStyle**





## A Quiet Little... #TassieStyle

Tourism Tasmania's A Quiet Little...#TassieStyle campaign (AQL) was launched in the 2018-19 summer season. The activity encouraged Instagram users to share their quiet little Tasmanian moments through social media photos or videos and engaged partners to promote the campaign at events and gateways, generating advocacy from locals, the tourism industry and the seasonal influx of visitors to the state.

The campaign was supported by advertising at the airport, out of home and through mobile and travel partners ring-fenced to Tasmania. An Instameet was held in partnership with Mona and Tourism Northern Tasmania during the Mona Foma festival and with the Cradle Coast regional tourism organisation for A Quiet Little... #TassieStyle influencer fam in February.

Over the campaign period from 17 December 2018 through to 20 March 2019, there were 23,885 posts shared to the hashtag, not including posts used in Instagram Stories. The campaign strategy targeted value-based engagement rather than employing a volume-driven tactic.

In March, previously planned activity for this campaign was redeployed to support the Love Autumn in the South campaign, recognising the need for immediate regional support as a result of the bushfire events.

The #TassieStyle hashtag continues to serve as a strong advocacy mechanism even out of campaign periods with an average of 1,000 posts tagged to Instagram each week, bringing our lifetime #TassieStyle posts tagged to over 200,000 since the program's inception in 2016.

# Tasmania

← GO BEHIND THE SCENERY →

[GOBEHINDTHESCENERY.COM.AU](http://GOBEHINDTHESCENERY.COM.AU)



# Come thrive on winter

Tasmania

◀ GO BEHIND THE SCENERY ▶

[discovertasmania.com.au/winter](http://discovertasmania.com.au/winter)



# Warmest Winter Campaign

Like most travel destinations, the summer months drive the greatest visitor numbers to Tasmania. Tourism Tasmania's 'warmest winter' campaign built on the momentum from recent years by leveraging Tasmania's distinct events and unique points of difference over the winter season to stimulate demand for and conversion to a winter holiday experience in Tasmania and smooth visitation peaks across the seasons.

Tasmania's events over this period have high talkability and appeal – they are edgy, unconventional and soul stirring. They provide a strong hook to inspire and convert, and are woven throughout the marketing messages. The Tasmanian community increasingly revels in the season and are 'out and about', seeking to be enriched, alive and connected, and we invite visitors to come and experience this for themselves.

The Warmest Winter domestic campaign ran from 6 May 2019 through to 30 July 2019.

Tourism Tasmania's new and refined visitor audiences were targeted through this campaign to build destination appeal, encourage destination advocacy and convert intention into visitation.

It was built around a program of activities including advertising through print, digital and out of home media; content partnerships with a number of leading publishers; and partnerships with commercial travel sellers and airlines.

A collaborative marketing partnership program was executed with Tasmania's annual winter event partners – Dark Mofo, Festival of Voices, Huon Valley Mid-Winter Festival and Tasmanian Whisky Week – to leverage the unique appeal of the events to inspire and convert.



*Over 50 local tourism operators signed up with Expedia to provide discounted deals direct to the consumer over the winter travel period through this campaign.*


Campaign activity drove visitation to a winter campaign microsite, created within the [discovertasmania.com.au](http://discovertasmania.com.au) environment, and strengthened engagement through targeted content and encouraged conversion through partner deals with Expedia.

Tourism Tasmania's partnership with Expedia enabled discounted deals and offers from local Tasmanian tourism operators to be promoted across Expedia and Tourism Tasmania's owned channels. This included bespoke digital content and a website with tailored interactive features built specifically for the campaign to highlight Tasmania's unique winter offering. The campaign to date is on track to deliver in excess of 290,000 visitors landing on the winter campaign microsite.

The Google Digital Network (GDN) is the largest driver of traffic delivering over 57% with the top performing content being '10 Ways to Embrace a Tassie Winter'.

Native content partnerships are on track to deliver over 316,000 views of partner created content and a strong average dwell time in excess of 6 minutes.



A close-up photograph of a person's hand holding a wooden fly fishing net over a body of water. The net is made of a fine mesh and is partially submerged. The background shows a sunset or sunrise over the water, with a warm, golden glow. The overall mood is serene and adventurous.

## Tactical programs Unordinary Adventures

The Unordinary Adventures program is a new Tourism Tasmania initiative that aims to encourage the regional dispersal of visitors and increase the financial contributions these visitors make to local communities.

The program targets visitors who travel to pursue their passions and positions Tasmania as a leading destination for mountain biking, golf, walking and fly fishing enthusiasts.

These key special interest areas in Tasmania offer world-class experiences, have critical mass in terms of the experience offering and have a sizeable audience segment. The unique Tasmanian hospitality and stunning environment elevates these experiences beyond just ordinary and have the potential to leave a profound and lasting impression on visitors.

The Unordinary Adventures program was officially launched by the Premier in June 2019, with the strategic approach to be delivered in close partnership with industry through a shared approach to marketing our world-class destination.







# Touring and Drive Journeys

One of Tourism Tasmania's objectives is to position Tasmania as one of the world's leading touring holiday destinations.

A strategy is being developed to ensure that touring holidaymakers travel further, stay longer and invest more in regional communities.

To support this strategy, the Tasmanian Government committed funding and support for the development and implementation of five new iconic drive journeys statewide as part of a whole-of-government strategy to grow regional visitor dispersal and yield.

The project is a collaboration between the Department of State Growth, Tourism Tasmania and the regional tourism organisations.

Tourism Tasmania has appointed a dedicated Journeys Marketing Manager to lead the development of an overarching platform that positions and promotes the state as an iconic self-drive touring destination.

Tourism Tasmania continues to collaborate with the Department of State Growth and Tasmania's regional tourism organisations to develop a strategy that provides a seamless customer experience, linking marketing with the on-ground visitor experience.

An integrated marketing campaign was undertaken to introduce consumers to the Western Wilds drive journey through a range of global media and public relations activity, building awareness and consideration of the journey as well as providing continuing support for the Great Eastern Drive.



*Tourism Tasmania partnered with Qantas and three Australian personalities to promote Tasmania's newest drive journey, the Western Wilds.*

*Singer-songwriter Xavier Rudd, former professional surfer Taj Burrow and Australian actress Marny Kennedy visited Tasmania for five days and were challenged to disconnect from social media and switch to #flightmode in order to truly connect with both Tasmania and each other.*

*Highlights of the group's trip included the Agrarian Kitchen Eatery in New Norfolk, Pumphouse Point at Lake St Clair, mountain biking through the Spray Tunnel at Zeehan, a performance of The Ship that Never Was play in Strahan and cruising the Pieman River at Corinna.*

*A series of videos capturing the Western Wilds highlights was developed for Qantas' social and digital media platforms targeting younger Australians who have an interest in nature and outdoor adventures.*





## Love Autumn in the South

Following bushfires in the Huon Valley, Derwent Valley and Central Highlands over January and February 2019, Tourism Tasmania, in partnership with Destination Southern Tasmania, developed an integrated marketing program to stimulate visitation to the affected regions.

The campaign called Love Autumn in the South ran from March to May, targeting Tasmanians and on the ground interstate visitors, encouraging them to get out and embrace Tassie's autumn.

The campaign conveyed the beauty and visitor appeal of southern Tasmania during autumn, and the vast array of things to do and see at this time, including events, markets, attractions and places to eat. The fiery autumn spectacle of nature, the fresh harvests and down-to-earth produce and events were celebrated throughout the campaign period.

The campaign included an A5 weekend lift out in The Mercury newspaper with a further 10,000 copies distributed throughout hotels, visitor information centres and the airport during the campaign.

Advertisements and features in weekend newspapers throughout the campaign included local events and autumn experiences with themes of fishing, walking, southwest adventures, Huon Valley – Ten Days on the Island extension program, Central Highlands whisky and the produce of the Derwent Valley.

An apple cart honesty-box activation and digital billboards were delivered at Hobart Airport, capturing both local and interstate traffic and radio broadcasts, digital banner ads, outdoor billboards, PR activity and a campaign landing page for the Discover Southern Tasmania website were also delivered throughout the period.





Project X Media Launch

## Project X

Project X is a series of artworks and activations developed by Mona subsidiary DarkLab designed to bring visitors back into the Huon and Far South region following the bushfires in early 2019.

On 30 March 2019, funding of \$500,000 from the Tasmanian Government through Tourism Tasmania and \$1.5 million through the Department of Communications and the Arts was committed to develop Project X.

The DarkLab program will offer a diverse program of activity and opportunities to engage with and reflect on the ecological, social and cultural context of the valley connect visitors to the unique natural values of the regions and provide an opportunity to experience immersive works of art.

The first activation in the program was Hrafn: Conversations with Odin by UK sound artist Chris Watson. The work was installed at Hastings Caves during the 2019 Dark Mofo festival with a sell-out season that included transport from Hobart and a supper club at a Geeveston café after every performance.

DarkLab is continuing to develop the program and work with high profile artists to deliver artworks, events, community projects and activations during the next financial year.

Tourism Tasmania is working with DarkLab to support the marketing of the program and assisting with stakeholder engagement.





# International Wine Tourism

Tourism Tasmania has developed a new international marketing program to attract visitors from key international markets to Tasmania's high quality wine tourism experiences.

Tasmania's regions are home to some of the best food, wine and beverage experiences in the world including a great selection of vineyards, cellar doors, wine and food festivals, distillery tours, cooking schools, paddock to plate experiences and fantastic cafes, bars and restaurants.

Research indicates that Tasmania's produce and hospitality is identified regularly as one of the state's most enticing offerings. This campaign provides an opportunity to further boost awareness and knowledge of Tasmania's high quality wine tourism experiences in the key markets of Hong Kong and North America.

A Tasmania wine showcase event was held in Hong Kong for over 50 key media representatives and a tactical conversion campaign with Miramar Travel and Travel Expert was delivered. The Hong Kong campaign will be leveraged by social media influencer activity and the North America campaign will be launched in late 2019.

The program was made possible through funding from the Australian Government's Export and Regional Wine Support Package, to deliver a new international wine marketing campaign to attract visitors to our regions.



Always on marketing activity







© Ansley Harriott

## Advocacy

### Visiting influencer program and public relations

Tourism Tasmania proactively hosts and supports journalists, social media advocates and influencers to publish destination content on Tasmania by supporting visits to the state. This increases their knowledge and provides a first-hand experience of our tourism offerings.

In 2018-19, Tourism Tasmania hosted 109 media visits from domestic media or influencers generating articles that supported brand messaging that included regional dispersal and challenged perceived barriers in travelling to Tasmania. A responsive media program resulted in articles published or syndicated across the domestic marketing in print and digital.

The program resulted in media exposure for the state's tourism brand in domestic publications including Australian Traveller, The Guardian, The Australian, The Australian Financial Review, Brisbane Courier Mail, RACV, Qantas The Australian Way, Qantas Travel Insider, Spirit Magazine, News Ltd., The Age/SMH, Delicious, ABC, Sunrise Weather, Gourmet Traveller, Gourmet Traveller Wine, Australian House and Garden, The Weekend Australian, MindFood, Luxury Escapes, and many more. This year, Tourism Tasmania also worked with high profile national television production companies from the major networks including SBS, Channel 9 and Channel 10.

Tourism Tasmania extended its PR and media representation services in the key international markets of North America and Germany. These new contracts have generated highly targeted and strategic publicity outcomes.



© National Geographic / Germany

Tourism Tasmania's global media and PR activity resulted in Tasmania being featured in a number of target media across our key international markets, including: The New York Times, Air Canada's in-flight magazine (En-Route), AFAR Magazine, CNN, The Robb Report, Travel and Leisure and Thrillist; The New York Times Traveller Magazine (China Edition), China Morning Post; Prestige Magazine, DestinAsian, Men's Folio, Action Asia, Hong Kong Economic Times, MarcoPolo.de, Geo Online, Grazia Online, Freizeit Woche, Süddeutsche Zeitung, The Times, Conde Naste, The Telegraph, Evening Standard, Etihad in-flight magazine (Atlas), The New Zealand Herald, Air NZ in-flight magazine (Kia Ora) and Harmony Moment Magazine.





Tasmania was the backdrop for a cover-story and six-page feature in the New York Times Travel Magazine (China edition) in June.

The article entitled *Dream in Tasmania* follows famous Chinese actor Duan Yihong during his week-long travels through Tasmania. During his stay, he visited Cradle Mountain, Cataract Gorge, Bonorong Wildlife Sanctuary, Sheffield, Hobart, kunanyi/Mt Wellington, the Tasman Peninsula and Mona.

Celebrity endorsement is an influential means of targeting Chinese travellers.

Duan Yihong has strong alignment with high net worth individuals in China (as evidenced by his role as an ambassador for the luxury watch brand Glashütte Original), and also increases the appeal of Tasmania as a premium destination.

This visit also resulted in significant content published on a range of Chinese social media channels including Tourism Australia, New York Times Traveller Magazine (China) and Duan Yihong's personal social media platforms, resulting in over 1 million views and 53,000 interactions.



Duan Yihong - Richmond Bridge

## Social media

Tourism Tasmania's global social media strategy continues to maximise engagement, meaningful conversations and positive sentiment through a constant presence on the key platforms of Facebook, Instagram, Twitter, Weibo and WeChat. Social video content has moved beyond domestic audiences to increase brand awareness in global markets, with successful activity in countries including Germany, France, the United States, China and Hong Kong. These social media initiatives were aligned to core marketing activities to further boost our target messages and partner programs in each of those markets.

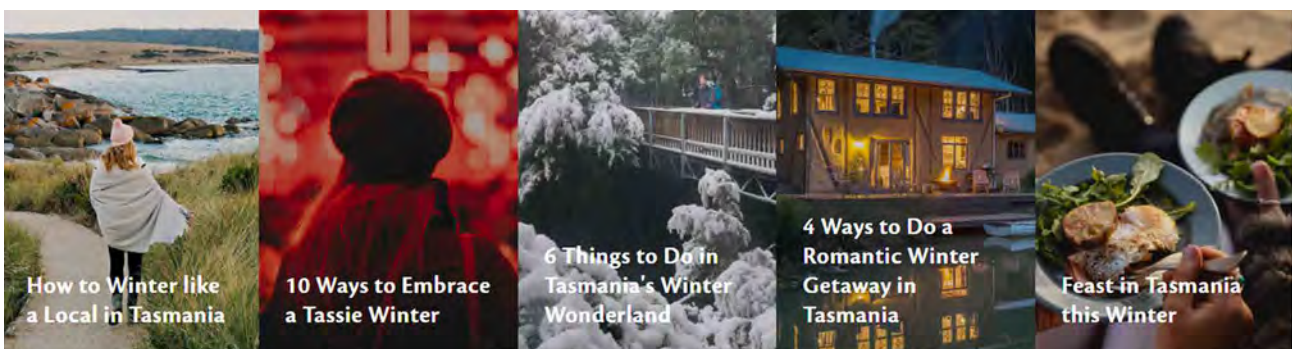
Social media engagement with followers and advocates resulted in the delivery of effective, relevant and engaging content about Tasmania, inspiring them to share the state with their own social media networks. Tourism Tasmania worked

closely with Tourism Australia and the agency's in-market representatives to obtain a strong share of voice for Tasmania across Tourism Australia's global social media platforms including a new strategic focus on Instagram stories.

Social media was integrated into our ongoing marketing campaigns to connect potential visitors from all over the world with stories about Tasmania and keep the destination on their travel radar.



**In a milestone achievement, Tourism Tasmania's Instagram account (@Tasmania) surpassed 500,000 followers, bringing the agency closer to one million cumulative followers across all social media channels.**



Warmest Winter Social Media



# Partnerships



Tourism Tasmania strategically partners with brands, companies, events and travel trade to extend Tasmania's tourism brand, market reach and encourage travel bookings to the state. Cooperative marketing activities were undertaken with our partners to extend tourism messages to their customer base and to connect with consumers in new and interesting ways.

## Brand partnerships

Tourism Tasmania's brand partners have strong alignment to Tourism Tasmania through their consumer values, target markets and the leveraging opportunities offered through their marketing channels.

In 2018-19, brand partners were determined by their ability to communicate Tasmania as a winter destination with fashion and lifestyle known to build appeal and desire for a winter experience. David Jones and Orotan were two iconic Australian brands that used Tasmania's unique scenery as backdrops to their autumn/winter fashion campaigns.

The strategic partnership with Orotan was aligned with the agency's support of the World Fly Fishing Championships and Unordinary Adventures program. It resulted in Tasmanian stories on Orotan's channels including The Art of Fly Fishing



*Australian retail company David Jones launched its Art of Living Autumn Winter 2019 collection at Mona in February. The event is one of the largest annual media events in Australia attracting the nation's top tier media representatives across fashion, lifestyle, design and food publications with 100 media and influencers travelling to Tasmania for the event.*

in Tasmania, Hiking in the Highlands, Picnic at Pumphouse and a Designers Guide to Northern Tasmania. The unexpected pairing of fashion with fly fishing generated eye catching and memorable content.

Tourism Tasmania also partnered with international brand Merrell for its autumn/winter campaign. This activity promoted regional dispersal and visitation to areas affected by bushfires including Huon Valley and Mount Field National Park, which were chosen as locations for the photoshoots.

Imagery from all campaigns was used in digital marketing, printed catalogues and displayed in stores across the country.





© Air Molo, Mona Foma © Mona and Jesse Huniford

## Events

Tasmania's unique events provided Tourism Tasmania with an opportunity to present a timely reason to travel to the state and reinforce the state's destination appeal.

Publicity and images from these events contributed to Tourism Tasmania's marketing and communications programs and generated attention for the state.

The partnerships enable Tasmanian destination messaging to be woven into festival promotional activities targeting interstate and international visitors. The events partnership program includes content generation, supports visiting journalist and influencer visits and Instameets.

In 2018-19, Tourism Tasmania partnered with the Rolex Sydney Hobart Yacht Race, Taste of Tasmania Festival, Mona Foma, Junction Arts Festival, Dark Mofo including a special Dark Mofo P&O cruise visit from Sydney, Festival of Voices, Huon Valley Mid-Winter Fest and Tasmanian Whisky Week.

Tasmania's sponsorship of the Hawthorn Football Club allowed Tourism Tasmania to leverage significant promotional opportunities through the club's marketing channels. This year the Tasmanian Game of the Year was against the West Coast Eagles at the Melbourne Cricket Ground. The Virgin Australia direct flight from Perth to Tasmania was a key promotional hook during the game and the President's Function luncheon was activated with Tasmanian winter-themed visual assets, styling and food and beverage offerings.



© Virgin cabin crew member Kayla Symonds, John Fitzgerald, Russell Shaw, Will Hodgman, Brittany Holmes



© Winter campaign launch





## Travel trade partnerships and cooperative marketing

Consumers continue to rely on the advice of local travel experts when planning and booking their holidays.

While not all people book via travel trade, they can be heavily influenced through television commercials, retail shopfronts (imagery, brochures) and large media presence across print and digital channels. Therefore being involved in the global distribution of trade is vital to ongoing visitation to Tasmania.

Tourism Tasmania worked closely with travel sellers and participated in travel trade events both nationally and internationally. In addition, Tourism Tasmania works closely with travel trade partners on cooperative marketing campaigns to boost flight, accommodation and holiday bookings for the state.

These partnerships included collaborations with Expedia, Helloworld, TasVacations, Skyscanner, RACT Destinations, Europcar, P&O Cruises, Arrival Guides, Luxury Escapes and TripAdvisor in domestic markets. International travel trade partnerships and collaborations in Europe, North America, South East Asia, China, UK and NZ were activated with Travel Essence, Australie a la Carte, FTI Group, Swain Destinations, Virtuoso Group, Down Under Answers, Cox & Kings and Austravel UK.

Tourism Tasmania partnered with Qantas Airways across the full year through seat sales as well as content creation. This activity was delivered both domestically and internationally. In South East Asia and Hong Kong the focus was on increasing awareness of autumn and winter activities and boosting shoulder season travel to Tasmania. In Europe the focus was on 'Under Down Under' to highlight Tasmania as the hidden gem of Australia.

Tourism Tasmania partnered with Jetstar Airlines on two seat sales to drive visitation over shoulder and winter travel periods. Discounted airfares were promoted through a nationwide media schedule and results for 2018-19 were the highest on record for this partner.

A seat sale campaign with Tigerair Australia was delivered in February 2019 in partnership with Tourism Tasmania. The campaign encouraged consumers to Live Like a Local and



highlighted a range of behind the scenery experiences available in southern Tasmania.

Virgin Australia and Tourism Tasmania partnered to deliver an interactive gin bar experience in both Sydney and Perth domestic airports during April and May 2019. This included hosting Tasmanian gin distillers in Virgin lounges to share first hand their passion for Tasmania with consumers. Activity in Perth was complemented by promotion of discounted airfares, encouraging travel to Tasmania over the winter months.

Tourism Tasmania hosted three domestic trade famils, directly increasing participant's knowledge and confidence of selling Tasmania through on ground engagement with 30 frontline travel agents including Phil Hoffmann agents from Adelaide, Virgin Australia Perth agents and TravelManagers agents from across the country.

Tourism Tasmania also welcomed ten Flight Centre UK trade agents and product managers to experience Tasmania first hand on a six day famil. This activity helped reinforce the relationship that commenced with Flight Centre UK in early 2018 to ensure there would be continued and greater exposure of Tasmania through their channels and training of their staff.

The Tassie Specialist Program was established by Tourism Tasmania in 2012 and is currently in its 8th year. The program seeks to increase Australian based travel seller's knowledge of Tasmania, through training and development opportunities that increase their confidence and propensity to sell Tasmania as a holiday destination to their clients. This year, 208 new agents completed the program and qualified as Tassie Specialists, taking the total to 896.



# Global operations

## International program

Tourism Tasmania employs marketing managers in key international markets to build awareness of the state as a travel destination, align content and brand messaging and manage relationships with key partners.

Tourism Tasmania is represented in the key markets of Continental Europe, North America, China, Hong Kong and South East Asia. Tourism Tasmania manages marketing activity in the United Kingdom and New Zealand from its Hobart office.

A snapshot of the key activities delivered internationally in 2018-19 include:

A National Geographic partnership in North America and Europe promoting Tasmania's Western Wilds and the Tasmanian Wilderness World Heritage Area (TWWHA). This included high quality digital content in the US and a 24 page printed supplement in National Geographic and National Geographic Traveller magazines in Germany. This also included US based social media influencer and blogger Nastasia Yakoub, who travelled to Tasmania to experience the Western Wilds and generate content that she shared with her extensive audience.

An extensive awareness and conversion program was delivered in the Mass Transit Railway system in Hong Kong to build awareness of Tasmania as a winter destination. The activity ran from 21 February through to 19 April 2019 and was the first time Tourism Tasmania has actively promoted a winter program internationally.

Go Tassie was a consumer focused campaign undertaken to boost autumn and winter travel to Tasmania from China. The activity incorporated partnerships with eight major trade partners, media events and a social media and digital marketing. The activity promoted high quality Tasmanian travel products with the goal of increasing overnight visitor expenditure and regional dispersal from the China market in Tasmania.

Tourism Tasmania partnered with one of the largest online audio channels in the China market, Qingting FM, to launch Voice of Tassie, an integrated consumer digital content marketing campaign targeted at High Value Travellers.

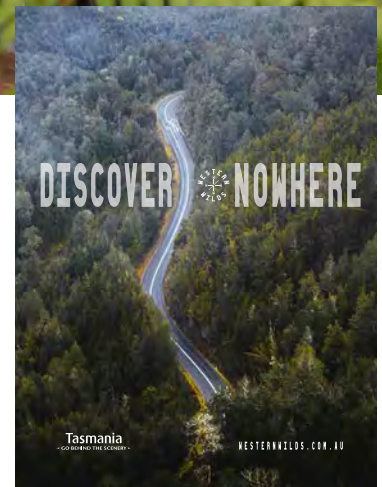
The activity included tailored audio content including interviews with the Premier Will Hodgman and Tasmanian tourism industry representatives.

Tourism Tasmania partnered with upmarket travel company Cox & Kings in the UK to showcase Tasmania through instore and digital promotions over six months. This also involved a hosted trade and consumer event at Australia House in London, together with an agent webinar and multiple articles in its Compass Magazine and increased interest in Tasmania significantly.

Our international market representatives attended multiple international trade events, including ITB (Berlin), FESPO (Zurich), Adventure World Travel Summit (Italy), North America Australia Marketplace (LA), Meeting Place (Darwin), MATTA (KL), MITM (Penang) and NATAS (Singapore).

The Tourism Tasmania team also joined 27 Tasmanian operators at Australia's largest annual travel and tourism business-to-business event, Australian Tourism Exchange (ATE) in Perth in April 2019. The event brings together the world's most influential travel trade companies with tourism operators every year, focusing on growing the inbound travel business to Australia.

Tourism Tasmania undertook its annual Asia Mission in China, Hong Kong, Malaysia and Singapore in September 2018. The mission was attended by 15 Tasmanian businesses, and was





Asia Mission 2018



A&K Raptor Refuge media event



International Wine Tourism, Hong Kong PR Launch



A&K Raptor Refuge media event - release of Wedge-tailed Eagle



led by the Premier of Tasmania, Will Hodgman, and Tourism Tasmania CEO, John Fitzgerald. The program included business to business workshops, VIP partner meetings, networking luncheons and cocktail events, attended by over 210 travel trade representatives.

A targeted program was undertaken in the US that included a comprehensive schedule of media and trade events as well as targeted meetings with key strategic partners who are leaders in the premium and luxury travel space.

In early March 2019, Tourism Tasmania visited New Zealand, hosting three destination focused events in Auckland, Wellington and Christchurch for travel companies.

## Tourism Australia partnership

Tourism Tasmania's partnership with Tourism Australia remains a vital part of the state's international tourism marketing efforts with multiple cooperative programs, research and insight sharing, the Aussie Specialist program, the Signature Experiences program and trade event participation.

In 2018-19, Tourism Tasmania partnered with Tourism Australia on the Un-Discover Australia campaign across South East Asia that was designed to improve awareness of experiences beyond well-known Australian icons. The activity was supported by all state tourism organisations and included trade partner cooperative marketing, airline partnerships, media buy activity, TV broadcasts and famils.

Tourism Tasmania also partnered with Tourism Australia repeated its Global Youth/Working Holiday Maker Campaign



*Tourism Tasmania supported luxury travel company Abercrombie & Kent (A&K) to build a relationship with Tasmanian not-for-profit organisation Raptor Refuge. A&K has a strong focus on philanthropy and Raptor Refuge has now become the sole philanthropic project in Australia for A&K. This partnership supports Raptor Refuge's projects in saving and rehabilitating the Tasmanian Wedge Tailed eagle and simultaneously grow the profile of Tasmania with this world leading luxury travel company.*

referred to as "Australia Inc" through the content driven phase of the campaign with VICE media. This enabled Tourism Tasmania to distribute Tasmanian content via VICE channels in the UK and German markets.

A key year-long content-led partnership was undertaken with one of the UK's leading news outlets, The Telegraph, targeting high value British travellers. Tourism Tasmania partnered with Austravel as the distribution partner to drive bookings for Tasmania and increasing dispersal by showcasing incredible experiences across Tasmanian gateways and regions.

Tourism Tasmania also participated and invested in Tourism Australia's various global marketing programs such as the Aussie Specialist Program, including the German Premier Aussie Specialist Program Weekend, French TA Roadshow, Corroboree East, One Voice campaign in Hong Kong and the Signature Experiences of Australia Program.





## Making it easier to get to Tasmania

The Tasmanian Government's Access 2020 Strategy aims to increase domestic air and sea capacity and frequency, improve seasonal demand, maximise low fare availability and increase international visitation. The plan also specifically aims to introduce a small number of direct international flights to Hobart and increase yield from cruise ship visits across the state. The Tasmanian Government's Director of Access and Aviation Development is supported by Tourism Tasmania through the provision of research services, and logistical and project support to achieve the access strategy and goals.





## Air

Air capacity to Tasmania increased with 260,166 new seats on the key routes to Hobart and Launceston from Melbourne, Sydney, Brisbane and Adelaide, well over the annual target of 140,000 needed to meet Access 2020 goals and the most significant annual capacity gains for Tasmania to date.

The increase in capacity over the year was a result of additional ad-hoc seats being made available over a longer peak season, the addition of more peak time services and upgrades to larger aircraft with greater seating capacity. It also saw the introduction of a year round Hobart to Gold Coast service and a three times weekly year round Hobart to Perth service, which commenced in September 2018 with Virgin Australia.

As well as improving domestic access to Tasmania, the strategy is focused on developing, in conjunction with Hobart Airport, business cases to attract and commence a small number of international passenger services into and out of Tasmania. It is also continuing to achieve improvements in international service connectivity, through code share arrangements on more domestic services and Hobart Airport has commenced a terminal expansion project that will enable international passenger processing from December 2020.

The Australian Government Hobart City deal supports international access with a ten year commitment to cover Border Force resourcing required to process international passengers and freight at Hobart Airport.

## Sea


Cruise shipping continues to be an important contributor to the overall success of Tasmania's visitor economy. Direct expenditure from cruise ship passengers and crew was estimated to be \$30.5 million dollars in 2018-19 in addition to indirect expenditure, port fees and local provisioning for ships.

In 2018-19, there were 105 port calls by cruise ships in Tasmania with a total of 275,951 passenger and crew days in port. This is a decrease from 125 port calls and 346,236 passengers and crew port days in the previous year.

To support this segment of the industry, the Access Working Group completed a Cruise Shipping Analysis & Regional Port Review which informed the implementation of the voluntary policy that excludes all vessels over 100 passengers from Wineglass Bay, as well as an examination of the current shore program in Hobart, Burnie and Port Arthur with the view to increasing the take-up of both ship-sold and independent shore tours.

A Blueprint for Sustainable Cruise Shipping in Tasmania was also developed that sets goals for delivering sustainable cruise ship growth and maximising benefits to Tasmanian communities.





## Being an inspiring enterprise

Tourism Tasmania recognises that a strong, positive and proactive workforce is needed to continue to succeed and achieve its goals.

### People and workforce

Tourism Tasmania recognises that the success of the agency is built on its people and culture.

A bespoke performance system was developed and implemented in 2018-19 that focused on feedback and growth to achieve high performance and the delivery of work programs aligned to the agency's strategic objectives.

A range of development activities were undertaken with staff participating in cross-agency legal, privacy and procurement/contracting training, with an additional 90 training/development opportunities and 37 conference attendances supported.

A Flexible Work Arrangements policy was launched, ensuring that staff can work in the right places at the right times to optimise their creativity and productivity.





The Values Working Group, chaired by the CEO, continued to work on embedding Tourism Tasmania's values in everything that the agency does with work commencing on the development of a people strategy and three-year implementation plan.

## Systems, technology and innovation

Tourism Tasmania continues to embrace technology solutions that enhance efficiency and effectiveness and trial new ways of collaborating across teams and across the organisation.

## Corporate governance and risk management

As part of the agency's commitment to continuous improvement legal and procurement training was undertaken to increase staff awareness of accountabilities under the Tasmanian Government's Procurement Framework.

The board and senior management reviewed and updated Tourism Tasmania's Strategic and Operational Risk Register. The management of the identified risks is being transitioned to an online environment to increase accountability and improve reporting. In addition, the Workplace Health Safety and Wellbeing risk management policy was reviewed and a toolkit developed for staff.



## Statutory information

In 2018-19, the Tourism Tasmania board of directors met six times.

Board member		Meetings attended
James Cretan	Chair	6
John Fitzgerald	Board Director	6
Brett Torossi	Board Director	5
Rebecca King	Board Director	5
Ian Rankine	Board Director	6
Michelle Cox	Board Director	6
Annie Beaulieu	Board Director	1
Kate Vale	Board Director	4

• Kate Vale ceased her tenure in May 2019

• Annie Beaulieu commenced her three year tenure in May 2019

## Audit, Finance and Risk Committee (AFRC)

The primary role of the AFRC is to assist the board of directors fulfil its corporate governance responsibilities in overseeing and reviewing Tourism Tasmania's internal controls, internal audit relationships, contract engagements, risk management and financial reporting.

The committee comprises two board directors and a non-executive independent auditor with expertise in corporate governance and financial reporting.

Regular attendees of the AFRC meetings are Tourism Tasmania's chief operating officer, better business manager, the appointed internal auditors – Tasmanian Audit Office and the signing officer.

In 2018-19, the AFRC met five times.

Board member	Meetings attended
Brett Torossi, Chair	5
Rebecca King, AFRC board director committee member	1
Ian Rankine, AFRC board director committee member	3
Nicholas Burrows, non-executive independent audit committee member	5

• Ian Rankine was appointed as an AFRC committee member effective from November 2018 for an initial period up to September 2019 in line with the current term of his board appointment

## Our staff – numbers

At 30 June 2019, Tourism Tasmania staffing consisted of 40 full-time, 13 part-time and 10 fixed-term employees, plus 1 head of agency and 1 senior executive service position. There were 51 (78%) female and 14 (22%) male staff members.

## Public Interest Disclosures Act

The purpose of the Public Interest Disclosures Act 2002 (Act) is to encourage and facilitate the making of disclosures about the improper conduct of public officers or public bodies. The Act provides protection to persons who make disclosures in accordance with the Act and establishes a system by which the matters disclosed can be investigated and action to rectify any deficiencies can be taken. The agency is committed to the aims and objectives of the Act. It does not tolerate improper conduct or detrimental action by the agency or members, officers or employees. The procedures for reporting disclosures are available at <https://www.tourismtasmania.com.au>. The agency has not received any disclosures either directly or indirectly referred via the Ombudsman in the year to 30 June 2019.

## Right to information

Tourism Tasmania responds to requests for information in accordance with the Right to Information Act 2009.

The Act allows members of the public the right to access information held by the government and its agencies, with the exception of information deemed by the Act to be exempt. In 2018-19 there were no requests for information from Tourism Tasmania.



## Workplace health and safety

Workplace health safety and wellbeing (WHSW) is of paramount importance at Tourism Tasmania. It reviewed and updated its overarching WHSW policy and those that sit alongside it including risk management, contractor management and incident, accident and near miss policies and supporting documents. Tourism Tasmania also commissioned an internal audit of its WHSW activities.

### Activities undertaken during 2018-19.

Activity	No
<b>Health and wellbeing initiatives</b>	<b>27</b>
• Annual flu vaccinations	4
• Managing Mental Health in the Workplace	1
• WHSW compliance training course	1
• First Aid training	1
• Sit stand desks installed on advice from ergonomics consultant	3
Number of new incidents	2
Number of incidents resulting in injury	0
Number of new workers compensation claims received	0
Number of people attending Employee Assistance Program	3
Fire Wardens	4

## Tasmanian Government's Disability Framework for Action

The government's vision is for a fully inclusive society that values and respects all people with disability as equal and contributing member of the community. *Accessible Island: Tasmania's Disability Framework for Action 2018-2021* plays a critical role in guiding the government's work for all Tasmanians with disability. Tourism Tasmania contributes to this framework by ensuring its websites are WCAG AA level accessibility compliant including accessible online forms, with plain English guidelines and training provided to web content authors.

Tourism Tasmania, Department of State Growth, the Tourism Industry Council Tasmania commenced discussions with disability sector advocates to scope a program of work that will increase consumer awareness of tourism products in Tasmania that offer accessible tourism experiences, raise awareness of this visitor segment within the industry and provide guidance on how visitor experiences and products can be adapted or enhanced for the accessible tourism market. The Tourism Industry Council Tasmania will lead the development of an accessible tourism action plan for Tasmania as part of the T21 program of work.

## Government procurement

Tourism Tasmania undertakes procurement in accordance with the requirements of the Treasurer's Instructions, including ensuring Tasmanian businesses are given every opportunity to compete for agency business. The following details are provided in accordance with Treasury Instruction 1111 for all contracts awarded and procurement processes undertaken (excluding consultancies) during the 2018-19 financial year with values in excess of \$50,000 ex GST. Consultancies valued in excess of \$50,000 ex GST are reported separately.

Summary of participation by local business	Nº
Total number of contracts awarded	35
Total number of contracts awarded to Tasmanian businesses	8
Value of contracts awarded	\$7,765,153
Value of contracts awarded to Tasmanian businesses	\$1,223,335
Total number of tenders called and requests for quotation for services processes undertaken (above \$50,000 ex GST)	33
Total number of bids and/or quotations received (above \$50,000 ex GST)	105
Total number of bids and/or written quotations received from Tasmanian businesses	18



# Contracts & consultants

The following tables provide detailed information on Tourism Tasmania's contracts and consultancies procured or awarded during 2018-19.

Tourism Tasmania undertakes a number of cooperative marketing activities (CMAs) with a range of industry partners. A change in advice regarding the treatment of these CMA sees them reported as of Financial Year 2018-19.

Contractor	Location	Description	Period	Total Value	Exemptions
Tourism Australia	New South Wales	Consumer demand collaborative project	1/07/2018 to 30/06/2020	\$171,600	TI 1114
Tourism Australia	New South Wales	CMA Signature Experiences	1/07/2018 to 30/06/2021	\$165,000	TI 1114
Tasvacations Pty Ltd	Tasmania	CMA Touring	1/07/2018 to 30/06/2019	\$89,609	TI 1114
Tourism Australia	New South Wales	CMA United Kingdom	1/10/2018 to 30/06/2019	\$89,493	TI 1114
Austravel Ltd	United Kingdom	International media buy and CMA	2/10/2018 to 30/06/2019	\$70,182	TI 1114
Shanghai Shuze Network Technology Co Ltd	China	International media buy – Voice of Tassie campaign	29/10/2018 to 31/03/2019	\$100,000	TI 1114
Julie Earle-Levine Consulting LLC	Unites States of America	Public and media relations in North America	1/11/2018 to 30/06/2019	\$51,200	
Marcel Brunthaler & Tobias Geisier ' Hannsman PR	Germany	Public and media relations in Germany	1/11/2018 to 30/06/2019	\$65,080	
Jetstar Airways Pty Ltd	Victoria	CMA	8/11/2018 to 8/04/2019	\$300,000	TI 1114 ^TI 1401 TI 1119
Shanghai Spring Travel Service Co. Ltd	China	International media buy	21/11/2018 to 31/01/2019	\$140,000	TI 1114
Expertise Events Pty Ltd	New South Wales	Build of exhibition booth for Australian Tourism Exchange	10/12/2018 to 12/04/2019	\$70,000	TI 1114
Roy Morgan Research Limited	Victoria	Tasmanian Visitor Survey research services	1/01/2019 to 31/03/2021	\$646,158	TI 1119
Australia A la Carte	France	CMA France	4/01/2019 to 20/03/2019	\$95,000	TI 1114
QANTAS Airways Limited	New South Wales	CMA South East Asia	02/02/2019 to 28/06/2019	\$75,000	TI 1114
David Jones Pty Ltd	Victoria	CMA Art of Living	04/02/2019 to 15/11/2019	\$-	TI 1114 TI 1401
Helloworld Travel Limited	Tasmania	CMA	06/02/2019 to 17/05/2019	\$160,000	TI 1114
Tiger Airways Australia Pty Ltd	Victoria	CMA – domestic	18/02/2019 to 03/03/2019	\$75,000	TI 1114
QANTAS Airways Limited	New South Wales	CMA – Hong Kong	04/03/2019 to 28/06/2019	\$75,000	TI 1114
Ctrip International Ltd.	China	International media buy and CMA	7/03/2019 to 28/06/2019	\$126,000	TI 1114
Clemenger BBDO (Sydney) Pty Ltd	New South Wales	Digital creative agency services	15/03/2019 to 14/03/2022	\$1,055,385	TI 1119
The Trustee for the BMF Unit Trust trading as BMF Advertising Pty Ltd	New South Wales	Lead creative agency services	22/03/2019 to 21/03/2022	\$1,476,720	TI 1119
Initiative Media Australia Pty Ltd	Victoria	Provision of event management services	28/03/2019 to 31/07/2019	\$500,000	
Red Agency Pty Ltd	New South Wales	Provision of event management services	27/03/2019 to 16/07/2019	\$140,000	



Contractor	Location	Description	Period	Total Value	Exemptions
Hype TV Pty Ltd	Tasmania	CMA travel media hosting	27/04/2019 to 1/05/2019	\$72,101	TI 1114
Virgin Australia Airlines Pty Ltd	Queensland	CMA winter campaign	23/04/2019 to 31/05/2019	\$-	TI 1114 TI 1401
QANTAS Airways Limited	New South Wales	CMA youth campaign	1/05/2019 to 30/09/2019	\$160,000	TI 1114
Tourism Research Technology Pty Ltd	Tasmania	Visitor tracking	1/05/2019 to 30/06/2021	\$285,000	TI 1114
Tourism Australia	New South Wales	CMA youth campaign	15/05/2019 to 31/07/2019	\$80,000	TI 1114
Wild Creature Films Pty Ltd	Tasmania	Wildlife interaction film production	29/05/2019 to 1/05/2020	\$86,000	TI 1114
Wild Pacific Media Pty Ltd	New South Wales	Filming of Imax wonders of the East Australia current	1/06/2019 to 31/08/2019	\$90,000	TI 1114
Squiz Australia Pty Ltd	Tasmania	Website hosting and management	16/06/2019 to 15/06/2020	\$140,000	TI 1114
Singapore Airlines Ltd	Malaysia	CMA	8/2/2019 to 28/6/2019	\$60,000	TI 114
TripAdvisor Singapore Pvt Ltd	Singapore	CMA international and domestic media buy	30/05/2017 to 30/06/2018	\$300,000	TI 1114 TI 1119

#### \*Exemptions

TI 1114 – Direct/limited Submission Sourcing: Goods and Services - due to exceptional circumstances

TI 1401 – Confidentiality of Government contracts - confidentiality provision relates to contract value

^TI 1401 – Confidentiality of Government contracts - confidentiality provision relates to campaign sales dates

TI 1119 – Buy Local Policy: Goods and Services – disaggregation of goods/ services over \$250,000

#### Notes to the Contracts table:

- In the absence of an open tender process or a direct source exemption, Initiative Media Australia Pty Ltd was awarded a contract for the provision of a campaign activity
- Note, in 2017-18 a Cooperative Marketing Agreement valued at \$365,000, to promote Tasmania as a tourism destination with Jetstar Airways Pty Limited was awarded but not reported.

## Consultancy contracts with a value of \$50,000 or over (excluding GST)

Contractor	Location	Description	Period	Total Value	Exemptions
Deloitte Access Economics	Tasmania	Supply and demand forecasting	08/04/2019 to 04/11/2019	\$250,000	TI 1114
Deloitte Risk Advisory Group Ltd	Tasmania	Internal audit services	1/05/2019 to 30/06/2022	\$140,625	N/A

#### \*Exemptions

TI 1114 – Direct/limited Submission Sourcing: Goods and Services - due to exceptional circumstances

TI 1401 – Confidentiality of Government contracts - confidentiality provision relates to sharing of data

## Contracts or extensions approved in accordance with TI 1115

Contractor	Location	Description	Period	Total Value	Exemptions
Media Equation		Annual maintenance and hosting fee	1/07/2019 to 30/06/2020	\$24,530	\$250,000 TI 1114
Isentia Pty Ltd		Media monitoring services	02/03/2019 to 01/09/2019	\$10,000	\$165,000 TI 1114
Custard Pty Ltd		Media promotional activities	01/04/2019 to 30/06/2019	\$469,334	\$140,625 N/A
Initiative Media Australia Pty Ltd		Media planning, buying and strategy services	01/06/2019 to 30/06/2020	\$304,750	





# FINANCIAL STATEMENTS

FOR THE YEAR ENDING 30 JUNE 2019





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# CERTIFICATION OF FINANCIAL STATEMENTS

The accompanying Financial Statements of Tourism Tasmania are in agreement with the relevant accounts and records and have been prepared in compliance with the Treasurer's Instructions issued under the provisions of the *Financial Management and Audit Act 1990* and Part 7 of the *Tourism Tasmania Act 1996* to present fairly the financial transactions for the year ended 30 June 2019 and the financial position as at the end of the year.

At the date of signing we were not aware of any circumstances which would render the particulars included in the Financial Statements misleading or inaccurate.



John Fitzgerald  
CHIEF EXECUTIVE OFFICER  
19 September 2019



James Cretan  
CHAIR OF THE BOARD  
19 September 2019



# STATEMENT OF COMPREHENSIVE INCOME

## FOR THE YEAR ENDED 30 JUNE 2019

	NOTES	2019 BUDGET \$'000	2019 ACTUAL \$'000	2018 ACTUAL \$'000
<b>Continuing operations</b>				
<b>Revenue and other income from transactions</b>				
Revenue from Government				
Appropriation revenue – recurrent	3.1	33,004	32,401	28,676
Grants	3.2	...	125	...
Sales of goods and services		...	...	3
Recoveries	3.3	610	589	683
<b>Total revenue and other income from transactions</b>		<b>33,614</b>	<b>33,115</b>	<b>29,362</b>
<b>Expenses from transactions</b>				
Employee benefits	4.1	6,312	7,145	6,653
Depreciation and amortisation	4.2	128	163	225
Supplies and consumables	4.3	5,223	3,771	3,929
Grants and subsidies	4.4	1,680	2,436	1,749
Advertising and promotion	4.5	20,330	19,752	17,053
Other expenses	4.6	69	246	169
<b>Total expenses from transactions</b>		<b>33,742</b>	<b>33,513</b>	<b>29,778</b>
<b>Net result from transactions (net operating balance)</b>		<b>(128)</b>	<b>(398)</b>	<b>(416)</b>
<b>Net result</b>		<b>(128)</b>	<b>(398)</b>	<b>(416)</b>
<b>Comprehensive result</b>		<b>(128)</b>	<b>(398)</b>	<b>(416)</b>

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.



# STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	NOTES	2019 BUDGET \$'000	2019 ACTUAL \$'000	2018 ACTUAL \$'000
<b>Assets</b>				
<i>Financial assets</i>				
Cash and deposits	8.1	1	(95)	(425)
Receivables	5.1	261	239	627
<i>Non-financial assets</i>				
Leasehold improvements	5.2	...	329	359
Plant and equipment	5.2	401	73	67
Intangibles	5.3	...	...	91
Other assets	5.4	673	462	704
<b>Total assets</b>		<b>1,336</b>	<b>1,008</b>	<b>1,423</b>
<b>Liabilities</b>				
Payables	6.1	36	143	117
Employee benefits	6.2	1,312	1,512	1,495
Other liabilities	6.3	57	11	71
<b>Total liabilities</b>		<b>1,405</b>	<b>1,666</b>	<b>1,683</b>
<b>Net assets/(liabilities)</b>		<b>(69)</b>	<b>(658)</b>	<b>(260)</b>
<b>Equity</b>				
Accumulated funds/(deficit)		(69)	(658)	(260)
<b>Total equity/(deficit)</b>		<b>(69)</b>	<b>(658)</b>	<b>(260)</b>

This Statement of Financial Position should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.



# STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED 30 JUNE 2019

	NOTES	2019 BUDGET \$'000	2019 ACTUAL \$'000	2018 ACTUAL \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>				
<b>Cash inflows</b>				
Appropriation receipts - recurrent		33,004	32,401	28,176
Grants - Continuing operations		...	125	...
Sales of goods and services		...	...	3
GST receipts		...	2,509	1,430
Other cash receipts		610	589	696
<b>Total cash inflows</b>		<b>29,701</b>	<b>30,305</b>	<b>29,116</b>
<b>Cash outflows</b>				
Employee benefits		(6,312)	(7,306)	(6,554)
Supplies and consumables		(5,223)	(4,138)	(4,014)
Grants and subsidies		(1,680)	(2,436)	(1,749)
GST payments		...	(2,180)	(1,790)
Advertising and promotion		(20,330)	(19,115)	(16,924)
Other cash payments		(69)	(71)	(85)
<b>Total cash outflows</b>		<b>(33,614)</b>	<b>(35,246)</b>	<b>(31,116)</b>
<b>Net cash from (used by) operating activities</b>	8.2	...	378	(811)
<b>Cash flows from investing activities</b>				
<b>Cash outflows</b>				
Payments for acquisition of non-financial assets		...	(48)	(36)
<b>Total cash outflows</b>		<b>...</b>	<b>(48)</b>	<b>(36)</b>
<b>Net cash from (used by) investing activities</b>		<b>...</b>	<b>(48)</b>	<b>(36)</b>
<b>Net increase (decrease) in cash held and cash equivalents</b>		<b>...</b>	<b>330</b>	<b>(847)</b>
<b>Cash and deposits at the beginning of the reporting period</b>		<b>1</b>	<b>(425)</b>	<b>422</b>
<b>Cash and deposits at the end of the reporting period</b>	8.1	<b>1</b>	<b>(95)</b>	<b>(425)</b>

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.



# STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED 30 JUNE 2019

	ACCUMULATED FUNDS (DEFICIT) \$'000	TOTAL EQUITY (DEFICIT) \$'000
<b>Balance as at 1 July 2018</b>	<b>(260)</b>	<b>(260)</b>
Total comprehensive result	(398)	(398)
<b>Balance as at 30 June 2019</b>	<b>(658)</b>	<b>(658)</b>

	ACCUMULATED FUNDS (DEFICIT) \$'000	TOTAL EQUITY (DEFICIT) \$'000
<b>Balance as at 1 July 2017</b>	<b>156</b>	<b>156</b>
Total comprehensive result	(416)	(416)
<b>Balance as at 30 June 2018</b>	<b>(260)</b>	<b>(260)</b>

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.



# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2019

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# NOTE 1

## TOURISM TASMANIA OUTPUT SCHEDULE

### 1.1 OUTPUT GROUP INFORMATION

Tourism Tasmania's role is to create demand for travel to the State by connecting people culturally and emotionally to Tasmania through domestic and international marketing programs that lead and activate the Tasmanian brand, and grow economic and social value.

Tourism Tasmania only has a single output to fulfil its role. The summary of budgeted and actual revenues and expenses for this Output are the same as in the Statement of Comprehensive Income. Therefore, the inclusion of a separate Output Schedule is not necessary.

Explanations of material variances between budget and actual outcomes are provided in Note 2 below. A reconciliation of the net result of the Output Group to the net surplus on the Statement of Comprehensive Income is not necessary as Tourism Tasmania only has one output group. For the same reason there is no separate reconciliation between the total net assets deployed for the Output Group to net assets on the Statement of Financial Position.



# NOTE 2

## EXPLANATIONS OF MATERIAL VARIANCES BETWEEN BUDGET AND ACTUAL OUTCOMES

The following are brief explanations of material variances between Budget estimates and actual outcomes. Variances are considered material where the variance exceeds the greater of 10 per cent of Budget estimate and \$50,000.

Tourism Tasmania has a focused Annual Operating Budget (AOB) that is overseen by a Board of Directors with the funding aligned to projects and performance is monitored against that budget, this differentiates from the original budget in the Financial Statements that is generated in Treasury's Budget Management Information System for inclusion in the specific year's Budget Papers.

### 2.1 STATEMENT OF COMPREHENSIVE INCOME

	NOTE	BUDGET \$'000	ACTUAL \$'000	VARIANCE \$'000	VARIANCE %
Grants revenue	(a)	...	125	125	100%
Employee benefits	(b)	6,312	7,145	(833)	(13%)
Supplies and consumables	(c)	5,223	3,771	1,452	28%
Grants and subsidies expense	(d)	1,680	2,436	(756)	(45%)
Other expenses	(e)	69	246	(177)	(256%)

#### NOTES TO STATEMENT OF COMPREHENSIVE INCOME VARIANCES

- (a) Federal grant received from Wine Australia of \$250,000 over two years, provided on the condition that Tourism Tasmania match funding to bring the amount to \$500,000 over two years.
- (b) Employee Benefits were above the original budget mainly as a result of filling vacancies to expected FTE level.
- (c) Variance reflects reduced expenditure on contracted services and other supplies and consumables.
- (d) Variance represents industry partnership grants to Darklab for Project X \$500,000, University of Tasmania, Menzies Institute of \$127,000.
- (e) Variance reflects the allocation of employee training, conferences, health and wellbeing expenses (\$178,000) to this category, whereas original budget includes such expenses in other supplies and consumables.

### 2.2 STATEMENT OF FINANCIAL POSITION

	NOTE	BUDGET \$'000	2019 ACTUAL \$'000	2018 ACTUAL \$'000	BUDGET VARIANCE \$'000	ACTUAL VARIANCE \$'000
Cash and deposits	(a)	1	(95)	(425)	(96)	330
Leasehold improvements	(b)	...	329	359	329	(30)
Plant and equipment	(c)	401	73	67	(328)	6
Other assets	(d)	673	462	704	(211)	(242)
Employee benefits	(e)	1,312	1,512	1,495	(200)	17
Payables	(f)	36	143	117	(107)	(26)

#### NOTES TO STATEMENT OF FINANCIAL POSITION VARIANCES

- (a) The overdrawn cash balance predominantly reflects the year end GST refund receivable.
- (b) & (c) Variance reflects the actual classification of the assets, whereas budget classifies the assets as simply plant and equipment.
- (d) Variance to budget and prior year reflects lower than expected prepayments over the year end. Main variances to the prior year include Initiative Media Australia \$76,000, Taylor Nelson Sofres Australia \$35,000, Roy Morgan Research \$88,776 and Tourism Australia Aussie Specialist Program \$75,000.
- (e) Employee Benefits liability is above the original budget reflecting a number of employees having exceeded 10 years long service leave entitlements during the year taking their accrual into the current (full accrual) category.
- (f) Variance is the result of accrual of payments made after the year end for services supplied in 2018-19.

### 2.3 STATEMENT OF CASH FLOWS

	NOTE	BUDGET \$'000	ACTUAL \$'000	VARIANCE \$'000	VARIANCE %
Grants revenue	(a)	...	125	125	100%
GST receipts	(b)	...	2,509	2,509	100%
GST payments	(c)	...	(2,180)	(2,180)	(100%)
Employee benefits	(d)	(6,312)	(7,306)	(994)	16%
Supplies and consumables	(e)	(5,223)	(4,138)	1,085	21%
Grants and subsidies expense	(f)	(1,680)	(2,436)	(756)	(45%)

#### NOTES TO STATEMENT OF CASH FLOWS VARIANCES

- (a) Federal grant received from Wine Australia of \$250,000 over two years, provided on the condition that Tourism Tasmania match funding to bring the amount to \$500,000 over two years.
- (b) & (c) Net difference between GST receipts and payments \$329,000. No budget set.
- (d) Employee Benefits were above the original budget mainly as a result of filling vacancies to expected FTE level.
- (e) Variance reflects reduced expenditure on contracted services and other supplies and consumables.
- (f) Variance reflects the allocation of employee training, conferences, health and wellbeing expenses (\$178,000) to this category, whereas original budget includes such expenses in other supplies and consumables.



# NOTE 3

## INCOME FROM TRANSACTIONS

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

### 3.1 REVENUE FROM GOVERNMENT

Appropriations, whether recurrent or capital, are recognised as revenues in the period in which Tourism Tasmania gains control of the appropriated funds. Except for any amounts identified as carried forward in Notes 3.1, control arises in the period of appropriation.

Revenue from Government includes revenue from appropriations and appropriations carried forward under section 8A(2) of the *Public Account Act 1986*.

The Budget information is based on original estimates and has not been subject to audit.

	2019 BUDGET \$'000	2019 ACTUAL \$'000	2018 ACTUAL \$'000
Appropriation revenue – recurrent			
Current year	33,004	32,401	28,676
Less: Revenue received in advance	...	...	...
Appropriation carried forward under section 8A(2) of the Public Account Act 1986 taken up as revenue in the current year	...	...	500
Less: Revenue received in advance returned to Treasury	...	...	(500)
<b>Total revenue from Government</b>	<b>33,004</b>	<b>32,401</b>	<b>28,676</b>

### 3.2 GRANTS

Grants payable by the Australian Government are recognised as revenue when the Department gains control of the underlying assets. Where grants are reciprocal, revenue is recognised as performance occurs under the grant.

Non-reciprocal grants are recognised as revenue when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

	2019 \$'000	2018 \$'000
<b>Continuing operations</b>		
<b>Grants from the Australian Government</b>		
Wine Australia grant	125	...
<b>Total revenue from Grants</b>	<b>125</b>	<b>...</b>

Federal grant received from Wine Australia of \$250,000 over two years, provided on the condition that Tourism Tasmania match funding to bring the amount to \$500,000 over two years.

### 3.3 RECOVERIES

	2019 \$'000	2018 \$'000
Aviation and Access	200	200
Grants and Subsidies	260	260
Marketing activities	125	212
Other recoveries	4	11
<b>Total Recoveries</b>	<b>589</b>	<b>683</b>

Recoveries include contributions from Department of State Growth towards Tourism Industry Council (TICT) (\$0.03M), Regional Tourism Organisations (RTO) (\$0.23M), Western Wilds Website (\$0.03M), Access and Aviation (\$0.2M), Reimbursements and Recoveries (\$0.08M) and conversion Partner Marketing Activity contribution of (\$0.15M).

# NOTE 4

## EXPENSES FROM TRANSACTIONS

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

### 4.1 EMPLOYEE BENEFITS

Employee Benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

#### (A) EMPLOYEE EXPENSES

	2019 \$'000	2018 \$'000
Wages and salaries	5,405	4,923
Annual leave	398	423
Long service leave	86	175
Sick leave	143	110
Superannuation – defined benefit scheme	67	63
Superannuation – contribution schemes	673	635
Other post-employment benefits	148	123
Other employee expenses	225	201
<b>Total</b>	<b>7,145</b>	<b>6,653</b>

Superannuation expenses relating to defined benefit schemes relate to payments into the Consolidated Fund. The amount of the payment is based on a department contribution rate determined by the Treasurer, on the advice of the State Actuary. The current department contribution is 12.95 per cent (2018: 12.95 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to superannuation funds at a rate of 9.5 per cent (2018: 9.5 per cent) of salary. In addition, departments are also required to pay into the Consolidated Fund a “gap” payment equivalent to 3.45 per cent (2018: 3.45 per cent) of salary in respect of employees who are members of contribution schemes.



## (B) REMUNERATION OF KEY MANAGEMENT PERSONNEL

2019	SHORT-TERM BENEFITS		LONG-TERM BENEFITS		TOTAL \$'000
	SALARY \$'000	OTHER BENEFITS \$'000	SUPERANNUATION \$'000	OTHER BENEFITS & LONG-SERVICE LEAVE \$'000	
<b>Board Members</b>					
James Cretan, Chairperson	52	...	5	...	57
Brett Torossi	32	...	3	...	35
Michelle Cox	29	...	3	...	32
Kate Vale (to 28 March 2019)	22	...	2	...	24
Rebecca King	29	...	3	...	32
Ian Rankine	29	...	3	...	32
Annie Beaulieu (from 17 June 2019)	2	...	...	...	2
<b>Management personnel</b>					
John Fitzgerald, CEO*	254	13	24	6	297
Mark Jones, Chief Operating Officer (1 July 2018 to 16 September 2019)	28	...	3	...	31
Emma Terry, Chief Marketing Officer	197	11	19	12	239
Johan Van Pelt, Director Aviation & Access Development	170	...	16	10	196
Amy Hills, Chief Operating Officer (from 17 September to 30 June 2019)	112	...	11	8	131
Mark Jones, Director T21 (from 17 September to 30 June 2019)	131	6	12	8	157
<b>Total</b>	<b>1,087</b>	<b>30</b>	<b>104</b>	<b>44</b>	<b>1,265</b>

2018	SHORT-TERM BENEFITS		LONG-TERM BENEFITS		TOTAL \$'000
	SALARY \$'000	OTHER BENEFITS \$'000	SUPERANNUATION \$'000	OTHER BENEFITS & LONG-SERVICE LEAVE \$'000	
<b>Board Members</b>					
James Cretan, Chairperson	52	...	5	...	57
Simon Carrant (to 1 September 2017)	6	...	1	...	7
Brett Torossi	32	...	3	...	35
Michelle Cox	29	...	3	...	32
Kate Vale	29	...	3	...	32
Rebecca King	29	...	3	...	32
Ian Rankine (from 5 September 2017)	24	...	2	...	26
<b>Management personnel</b>					
John Fitzgerald, CEO*	249	3	24	7	283
Mark Jones, Chief Operating Officer	159	6	15	(6)	174
Anthony Quarmbly, Director of Consumer Marketing (to 29 September 2017)	53	(2)	5	(14)	42
Emma Terry, Chief Marketing Officer	216	25	21	3	265
Johan Van Pelt, Director Aviation & Access Development	169	...	15	...	184
<b>Total</b>	<b>1,047</b>	<b>32</b>	<b>100</b>	<b>(10)</b>	<b>1,169</b>

\*The CEO is also a Board Director as provided by section 8, part 3 of the *Tourism Tasmania Act 1996*.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of Tourism Tasmania, directly or indirectly.

Remuneration during 2018-19 for key personnel is set by the *State Service Act 2000*. Remuneration and other terms of employment are specified in employment contracts. Short-term benefits include motor vehicle and car parking fringe benefits in addition to annual leave and any other short term benefits. Fringe benefits have been reported at the grossed up reportable fringe benefits amount. The Fringe Benefits Tax (FBT) year runs from 1 April to 31 March each year, and FBT attributable to key management personnel is reported on that basis. Long term employee expenses include long service leave, superannuation obligations and termination payments.

### Acting Arrangements

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to their position during their period of absence. Individuals are considered members of key management personnel when acting arrangements are for more than a period of one month.



### (C) RELATED PARTY TRANSACTIONS

AASB 124 *Related Party Disclosures* requires related party disclosures to ensure that the financial statements contain disclosures necessary to draw attention to the possibility that Tourism Tasmania financial results may have been affected by the existence of related parties and by transactions with such parties.

This note is not intended to disclose conflicts of interest for which there are administrative procedures in place.

The extent of information disclosed about related party transactions and balances is subject to the application of professional judgement by Tourism Tasmania. It is important to understand that the disclosures included in this note will vary depending on factors such as the nature of the transactions, the relationships between the parties to the transaction and the materiality of each transaction. Those transactions which are not materially significant by their nature, impact or value, in relation to the Tourism Tasmania normal activities, are not included in this note.

The aggregate value of related party transactions and outstanding balances (if any) is as follows:

	2019 AGGREGATE VALUE OF TRANSACTIONS	30 JUNE 2019 TOTAL AMOUNT OUTSTANDING OR COMMITTED
	\$'000	\$'000
Purchase of services (on commercial arm's length terms)	74	...

### 4.2 DEPRECIATION AND AMORTISATION

All applicable Non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements, once the asset is held ready for use.

Leasehold improvements 10 years

Depreciation is provided for on a straight-line basis using rates which are reviewed annually. The major depreciation period is:

Plant and equipment 3-25 years

All intangible assets having a limited useful life are systematically amortised over their useful lives reflecting the pattern in which the asset's future economic benefits are expected to be consumed by Tourism Tasmania. The major amortisation period is:

Software 5 years

#### (A) DEPRECIATION

	2019 \$'000	2018 \$'000
Plant and equipment	25	25
<b>Total</b>	<b>25</b>	<b>25</b>

#### (B) AMORTISATION

	2019 \$'000	2018 \$'000
Intangibles	90	155
Leasehold Improvements	48	45
<b>Total</b>	<b>138</b>	<b>200</b>
<b>Total depreciation and amortisation</b>	<b>163</b>	<b>225</b>

### 4.3 SUPPLIES AND CONSUMABLES

Supplies and consumables, including audit fees, communications, information technology, operating lease costs, property expenses, purchase of goods and services, travel and transport, and legal expenses, are recognised when it is probable that the consumption or loss of future economic benefits resulting in a reduction in assets and/or an increase in liabilities has occurred and the consumption or loss of future economic benefits can be measured reliably.

	2019 \$'000	2018 \$'000
Audit fees – financial audit	44	42
Audit fees – internal audit	71	62
Operating lease costs	423	414
Consultants	39	91
Contracted services	295	618
Corporate overhead fee	933	1,000
Property expenses	62	99
Maintenance	14	12
Communications	101	129
Information technology	743	705
Travel and transport	440	380
Other supplies and consumables	606	377
<b>Total</b>	<b>3,771</b>	<b>3,929</b>

### 4.4 GRANTS AND SUBSIDIES

Grant and subsidies expenditure is recognised to the extent that:

- the services required to be performed by the grantee have been performed; or
- the grant eligibility criteria have been satisfied.

A liability is recorded when Tourism Tasmania has a binding agreement to make the grants but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a prepayment is recognised.

	2019 \$'000	2018 \$'000
Regional Tourism Organisations support	1,239	919
Contribution to Tasmanian Visitor Information Network (TVIN)	340	340
Contribution to Tourism Industry Council Tasmania (TICT)	200	240
Wine Industry Tasmania	...	250
Industry Partnerships	657	...
<b>Total</b>	<b>2,436</b>	<b>1,749</b>

Variation in Regional Tourism Organisations support is due to Quarter 1 funding in 2018 paid in 2017, TICT contribution in 2018 includes \$40,000 for Qantas Australian Tourism Awards held in Launceston. Industry Partnerships includes grants to Darklab for Project X of \$500,000 and University of Tasmania, Menzies Institute of \$127,000.



# NOTE 5

## ASSETS

### 4.5 ADVERTISING AND PROMOTION

Advertising and promotion are recognised as expenses when a decrease in future economic benefits related to a decrease in assets or an increase in a liability has arisen that can be measured reliably.

	2019 \$'000	2018 \$'000
On-line advertising	2,759	3,944
Media advertising	2,722	3,393
Co-operative/partnership marketing	6,183	3,984
Industry trade promotions	736	527
Visitor Joint Promotion (VJP) expenses	738	617
Other advertising/promotional expenses	2,206	855
Contracted Services - Marketing	4,074	3,564
Non-staff travel expenses	334	169
<b>Total</b>	<b>19,752</b>	<b>17,053</b>

An increase of \$3 million in additional Tourism Marketing Funding brought the total Direct Marketing Spend to \$21.3 million for 2019. This was made up of advertising and promotion of \$19.71 million but also comprised Supplies and Consumables of \$1.33 million and Employee Benefits for Guide Salaries of \$218,498 (refer Notes 4.1(a) and 4.3).

### 4.6 OTHER EXPENSES

Other expenses are recognised when it is probable that the consumption or loss of future economic benefits resulting in a reduction in assets and/or an increase in liabilities has occurred and the consumption or loss of future economic benefits can be measured reliably.

	2019 \$'000	2018 \$'000
Salary on costs	55	57
Training seminars and conferences	132	85
Workplace health, safety and wellbeing	35	17
Other	24	10
<b>Total</b>	<b>246</b>	<b>169</b>

Increase in training seminars and conferences in-line with the agency's new plan.

Assets are recognised in the Statement of Financial Position when it is probable that future economic benefits will flow to Tourism Tasmania and the asset has a cost or value that can be measured reliably.

### 5.1 RECEIVABLES

Receivables are recognised at amortised cost, less any impairment losses (of which there were none), however, due to the short settlement period, receivables are not discounted back to their present value.

	2019 \$'000	2018 \$'000
Receivables	239	627
Less: Provision for impairment	...	...
Less: Expected credit loss	...	...
<b>Total</b>	<b>239</b>	<b>627</b>
Tax assets	239	627
<b>Total</b>	<b>239</b>	<b>627</b>
Settled within 12 months	239	627
Settled in more than 12 months	...	...
<b>Total</b>	<b>239</b>	<b>627</b>

### 5.2 LEASEHOLD IMPROVEMENTS AND PLANT AND EQUIPMENT

#### (I) VALUATION BASIS

Non-current physical assets are recorded at historic cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components).

#### (II) SUBSEQUENT COSTS

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to Tourism Tasmania and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day to day servicing of plant and equipment are recognised in profit or loss as incurred.

#### (III) ASSET RECOGNITION THRESHOLD

The asset capitalisation threshold adopted by Tourism Tasmania is \$10,000 for all assets. Assets valued at less than \$10,000 are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).



## LEASEHOLD IMPROVEMENTS

### (A) CARRYING AMOUNT

	2019 \$'000	2018 \$'000
<b>Leasehold improvements</b>		
At cost	480	446
Less: Accumulated amortisation	(151)	(104)
	329	342
Work in progress (at cost)	...	17
<b>Total leasehold improvements</b>	<b>329</b>	<b>359</b>

### (B) RECONCILIATION OF MOVEMENTS

	2019 \$'000	2018 \$'000
<b>Carrying amount at 1 July</b>	<b>359</b>	<b>368</b>
Additions	18	36
Disposals	...	...
Amortisation expense	(48)	(45)
<b>Carrying amount at 30 June</b>	<b>329</b>	<b>359</b>

## PLANT AND EQUIPMENT

### (C) CARRYING AMOUNT

	2019 \$'000	2018 \$'000
<b>Plant and equipment</b>		
At cost	93	92
Less: Accumulated depreciation	(51)	(25)
	42	67
Work in progress (at cost)	31	...
<b>Total plant and equipment</b>	<b>73</b>	<b>67</b>

Plant and Equipment costs are for Public Art and office collaborative technology devices.

### (D) RECONCILIATION OF MOVEMENTS

	2019 \$'000	2018 \$'000
<b>Carrying amount at 1 July</b>	<b>67</b>	<b>92</b>
Additions	31	...
Depreciation expense	(25)	(25)
<b>Carrying amount at 30 June</b>	<b>73</b>	<b>67</b>

## 5.3 INTANGIBLES

An intangible asset is recognised where:

- it is probable that an expected future benefit attributable to the asset will flow to Tourism Tasmania; and
- the cost of the asset can be reliably measured.

Intangible assets held by Tourism Tasmania are valued at fair value less any subsequent accumulated amortisation and any subsequent accumulated impairment losses where an active market exists.

Where no active market exists, intangibles are valued at cost less any accumulated amortisation and any accumulated impairment losses.

### (A) CARRYING AMOUNT

	2019 \$'000	2018 \$'000
<b>Intangibles with a finite useful life</b>		
Software at cost	776	776
Less: Accumulated amortisation	(776)	(685)
<b>Total</b>	<b>...</b>	<b>91</b>

### (B) RECONCILIATION OF MOVEMENTS

	2019 \$'000	2018 \$'000
<b>Carrying amount at 1 July</b>	<b>91</b>	<b>245</b>
Amortisation expense	(91)	(154)
<b>Carrying amount at 30 June</b>	<b>...</b>	<b>91</b>

## 5.4 OTHER ASSETS

Other assets are recognised in the Statement of Financial Position when it is probable that future economic benefits will flow to Tourism Tasmania and the asset has a cost or value that can be measured reliably.

	2019 \$'000	2018 \$'000
<b>Other assets</b>		
Prepayments	462	704
<b>Total</b>	<b>462</b>	<b>704</b>
Utilised within 12 months	462	703
Utilised in more than 12 months	...	1
<b>Total</b>	<b>462</b>	<b>704</b>

Prepayments are for contracted commitments or annual subscriptions that are all to be expended over a 12 month period.



# NOTE 6

## LIABILITIES

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

### 6.1 PAYABLES

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when Tourism Tasmania becomes obliged to make future payments as a result of a purchase of assets or services.

	2019 \$'000	2018 \$'000
Creditors	102	110
Accrued expenses	41	7
<b>Total</b>	<b>143</b>	<b>117</b>
Settled within 12 months	143	117
Settled in more than 12 months	...	...
<b>Total</b>	<b>143</b>	<b>117</b>

Settlement is usually made within 30 days.

### 6.2 EMPLOYEE BENEFITS

Liabilities for wages and salaries and annual leave are recognised when an employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid. Other employee entitlements are measured as the present value of the benefit at 30 June, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

	2019 \$'000	2018 \$'000
Accrued salaries	64	70
Annual leave	494	473
Long service leave	954	952
<b>Total</b>	<b>1,512</b>	<b>1,495</b>
Settled within 12 months	651	637
Settled in more than 12 months	861	858
<b>Total</b>	<b>1,512</b>	<b>1,495</b>

### 6.3 OTHER LIABILITIES

Other liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

	2019 \$'000	2018 \$'000
<b>Other liabilities</b>		
Employee benefits – on-costs	11	10
PAYG withholding tax liability	...	61
<b>Total</b>	<b>11</b>	<b>71</b>
Settled within 12 months	4	65
Settled in more than 12 months	7	6
<b>Total</b>	<b>11</b>	<b>71</b>



# NOTE 7

## COMMITMENTS AND CONTINGENCIES

### 7.1 SCHEDULE OF COMMITMENTS

	2019 \$'000	2018 \$'000
<b>By type</b>		
<i>Lease Commitments</i>		
Operating leases	3,185	4,035
<b>Total lease commitments</b>	<b>3,185</b>	<b>4,035</b>
<i>Other Commitments</i>		
Program commitments	10,389	9,250
<b>Total other commitments</b>	<b>10,389</b>	<b>9,250</b>
<b>Total</b>	<b>13,574</b>	<b>13,285</b>
<b>By maturity</b>		
<i>Operating lease commitments</i>		
One year or less	533	493
From one to five years	2,652	2,498
More than five years	0	1,044
<b>Total lease commitments</b>	<b>3,185</b>	<b>4,035</b>
<i>Other commitments</i>		
One year or less	5,841	5,283
From one to five years	4,548	3,967
More than five years	...	...
<b>Total other commitments</b>	<b>10,389</b>	<b>9,250</b>
<b>Total</b>	<b>13,574</b>	<b>13,285</b>

Tourism Tasmania has entered into a number of operating lease agreements for property, plant and equipment, where the lessors effectively retain all risks and benefits incidental to ownership of the items leased. Equal instalments of lease payments are charged to the Statement of Comprehensive Income over the lease term, as this is representative of the pattern of benefits to be derived from the leased property.

Tourism Tasmania is prohibited by Treasurer's Instruction 502 *Leases* from holding finance leases.

Operating leases are associated with rental costs for leased premises occupied by Tourism Tasmania, office equipment and motor vehicles leased through the Government's fleet manager. The rentals on leased premises generally contain renewal options that extend the lease to match the current lease periods. Tourism Tasmania entered into a new 10 year lease at 15 Murray Street Hobart effective 1 July 2015.

The Program commitments shows amounts approved to clients payable over a period of one year or greater on which the actual amount payable is dependent upon expenditure being incurred and certain conditions being met by these clients and a claim submitted and approved for payment.

### 7.2 CONTINGENT ASSETS AND LIABILITIES

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding the amount or timing of the underlying claim or obligation.

As at 30 June 2019, Tourism Tasmania did not have any contingent assets or liabilities.

# NOTE 8

## CASH FLOW RECONCILIATION

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in the Special Deposits and Trust Fund. Deposits are recognised at amortised cost, being their face value.

### 8.1 CASH AND DEPOSITS

Cash and deposits includes the balance of the Special Deposits and Trust Fund Accounts held by Tourism Tasmania and other cash held.

	2019 \$'000	2018 \$'000
<b>Special Deposits and Trust Fund balance</b>		
T535 Operating Account	(96)	(426)
<b>Total</b>	<b>(96)</b>	<b>(426)</b>
<b>Other cash held</b>		
Petty cash float	1	1
<b>Total</b>	<b>1</b>	<b>1</b>
<b>Total cash and deposits</b>	<b>(95)</b>	<b>(425)</b>

The overdrawn cash balance predominantly reflects the year end GST refund receivable. Treasurer's approval for an overdraft limit \$500,000 is held.

### 8.2 RECONCILIATION OF NET RESULT TO NET CASH FROM (USED BY) OPERATING ACTIVITIES

	2019 \$'000	2018 \$'000
<b>Net result</b>	<b>(398)</b>	<b>(416)</b>
Increase (decrease) S8A(2) Carry forwards	...	(500)
Depreciation and amortisation	163	225
Decrease (increase) in Receivables	388	(366)
Decrease (increase) in Other assets	242	(31)
Increase (decrease) in Employee benefits	17	183
Increase (decrease) in Payables	26	81
Increase (decrease) in Other liabilities	(60)	13
<b>Net cash from (used by) operating activities</b>	<b>378</b>	<b>(811)</b>



# NOTE 9

## FINANCIAL INSTRUMENTS

### 9.1 RISK EXPOSURES

#### (A) RISK MANAGEMENT POLICIES

Tourism Tasmania has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk.

The Tourism Tasmania Board of Directors has overall responsibility for the establishment and oversight of Tourism Tasmania's risk management framework. Risk management policies are established to identify and analyse risks faced by Tourism Tasmania, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

#### (B) CREDIT RISK EXPOSURES

Credit risk is the risk of financial loss to Tourism Tasmania if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The credit risk on financial assets of Tourism Tasmania which have been recognised in the Statement of Financial Position is the carrying amount, net of any provision for doubtful debts. Tourism Tasmania extends 30 day credit terms for sundry receivables.

Tourism Tasmania is not materially exposed to any individual overseas country or individual customer. Concentrations of credit risk by industry on Account Receivables are 100%.

FINANCIAL INSTRUMENT	ACCOUNTING AND STRATEGIC POLICIES (including recognition criteria, measurement basis and credit quality of instrument)	NATURE OF UNDERLYING INSTRUMENT (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
<b>Financial Assets</b>		
Receivables	Receivables are recognised at amortised cost, less any impairment losses.	The general term of trade for receivables is 30 days.
Cash and deposits	Deposits are recognised at the nominal amounts.	Cash means notes, coins and any deposits held at call with a bank or financial institution, as well as funds held in the Special Deposits and Trust Fund. Tourism Tasmania does not earn any interest on funds held.

#### Receivables age analysis – expected credit loss

The simplified approach to measuring expected credit losses is applied, which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on historical observed loss rates adjusted for forward looking factors that will have an impact on the ability to settle the receivables. There were no losses nor loss allowance for trade debtors as at 30 June 2019 and 1 July 2018 (adoption of AASB 9).

The following table is for comparative purposes only, and represents the age analysis that was published as part of Tourism Tasmania's 2017-18 financial statements under the previous accounting standards.

#### Analysis of financial assets that are past due at 30 June 2018 but not impaired

	NOT PAST DUE \$'000	PAST DUE >30 DAYS \$'000	PAST DUE >60 DAYS \$'000	PAST DUE >90 DAYS \$'000	TOTAL \$'000
Receivables	627	...	...	...	627

#### (C) LIQUIDITY RISK

Liquidity risk is the risk that Tourism Tasmania will not be able to meet its financial obligations as they fall due. Tourism Tasmania's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due on the basis of continued funding from the Government.

FINANCIAL INSTRUMENT	ACCOUNTING AND STRATEGIC POLICIES (including recognition criteria and measurement basis)	NATURE OF UNDERLYING INSTRUMENT (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
<b>Financial Liabilities</b>		
Payables	Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when Tourism Tasmania becomes obliged to make future payments as a result of a purchase of assets or services.	Settled within 30 days.

The following tables detail the undiscounted cash flows payable by Tourism Tasmania relating to the remaining contractual maturity for its financial liabilities:

#### 2019

##### MATURITY ANALYSIS FOR FINANCIAL LIABILITIES

	1 YEAR \$'000	2 YEARS \$'000	3 YEARS \$'000	4 YEARS \$'000	5 YEARS \$'000	MORE THAN 5 YEARS \$'000	UNDISCO UNTED TOTAL \$'000	CARRYING AMOUNT \$'000
<b>Financial liabilities</b>								
Payables	143	...	...	...	...	...	143	143
<b>Total</b>	<b>143</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>143</b>	<b>143</b>

#### 2018

##### MATURITY ANALYSIS FOR FINANCIAL LIABILITIES

	1 YEAR \$'000	2 YEARS \$'000	3 YEARS \$'000	4 YEARS \$'000	5 YEARS \$'000	MORE THAN 5 YEARS \$'000	UNDISCO UNTED TOTAL \$'000	CARRYING AMOUNT \$'000
<b>Financial liabilities</b>								
Payables	117	...	...	...	...	...	117	117
<b>Total</b>	<b>117</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>117</b>	<b>117</b>



# NOTE 10

## EVENTS OCCURRING AFTER BALANCE DATE

The Public Sector Union Wages Agreement 2018 was registered by the Tasmanian Industrial Commission on 19 August 2019. As part of the terms of this Agreement, Tourism employees covered by the Tasmanian State Service Award, are entitled to receive an increase of 2.1 per cent per annum effective from the pay period commencing on 13 December 2018. Tourism Tasmania is expecting to pay this retrospective increase in respect of the period from 13 December 2018 to 30 June 2019 by 18 September 2019. The estimated amount of the payment is \$55,800.

### 9.2 CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

AASB 9 CARRYING AMOUNT	2019 \$'000
<b>Financial assets</b>	
Amortised cost	234
<b>Total</b>	<b>234</b>
<b>Financial Liabilities</b>	
Financial liabilities measured at amortised cost	143
<b>Total</b>	<b>143</b>
<hr/>	
AASB 139 CARRYING AMOUNT	2018 \$'000
<b>Financial assets</b>	
Loans and receivables	627
<b>Total</b>	<b>627</b>
<b>Financial Liabilities</b>	
Financial liabilities measured at amortised cost	117
<b>Total</b>	<b>117</b>

### 9.3 COMPARISON BETWEEN CARRYING AMOUNT AND NET FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Tourism Tasmania does not recognise any financial assets or financial liabilities at fair value.

### 9.4 NET FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Tourism Tasmania does not recognise any financial assets or financial liabilities at fair value.



# NOTE 11

## OTHER SIGNIFICANT ACCOUNTING POLICIES AND JUDGEMENTS

### 11.1 OBJECTIVES AND FUNDING

Tourism Tasmania's role is to create demand for travel to the State by connecting people culturally and emotionally to Tasmania through domestic and international marketing programs that lead and activate the Tasmanian brand, and grow economic and social value.

The principles that will guide our actions focus on understanding Tasmania's uniqueness, challenging traditional thinking, being consumer-centric and being accountable, yet fearless.

Under T21 – *The Tasmanian Visitor Economy Strategy 2015-20* the government and the industry will collectively focus on four priorities to reach the 1.5 million visitor goal and generate the improved economic benefits. Under this joint approach, Tourism Tasmania will focus on stimulating more demand for leisure travel to Tasmania as its main contribution to reaching the 1.5 million visitor goal.

Tourism Tasmania activities are classified as controlled.

Controlled activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by Tourism Tasmania in its own right.

The activities of Tourism Tasmania are predominantly funded through Parliamentary appropriations. The Financial Statements encompass all funds through which Tourism Tasmania controls resources to carry on its functions.

### 11.2 BASIS OF ACCOUNTING

The Financial Statements are general purpose Financial Statements and have been prepared in accordance with:

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board; and
- The Treasurer's Instructions issued under the provisions of the *Financial Management and Audit Act 1990*.

Compliance with the Australian Accounting Standards (AASBs and AASs) may not result in compliance with International Financial Reporting Standards (IFRS), as the AASBs and AASs include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. Tourism Tasmania is considered to be not-for-profit and has adopted some accounting policies under AASBs and AASs that do not comply with IFRS.

The Financial Statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The accounting policies are generally consistent with the previous year except for those changes outlined in Note 11.5 below.

The Financial Statements have been prepared on the basis that Tourism Tasmania is a going concern as the 2019-20 State Budget Papers disclose that Tourism Tasmania is fully funded by appropriation in 2019-20 and over the forward estimates. The continued existence of Tourism Tasmania in its present form, undertaking its current activities, is dependent on Government policy and on continuing appropriations by Parliament for Tourism Tasmania's administration and activities. Tourism Tasmania has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities in the next reporting period.

### 11.3 REPORTING ENTITY

The Financial Statements include all the controlled activities of Tourism Tasmania. The Financial Statements consolidate material transactions and balances of Tourism Tasmania its output group.

### 11.4 FUNCTIONAL AND PRESENTATION CURRENCY

These Financial Statements are presented in Australian dollars, which is Tourism Tasmania's functional currency.

### 11.5 CHANGES IN ACCOUNTING POLICIES

#### (A) IMPACT OF NEW AND REVISED ACCOUNTING STANDARDS

In the current year, Tourism Tasmania has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

- *AASB 7 Financial Instruments: Disclosures* – the objective of this Standard is to require entities to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the entity's financial position and performance; and the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the end of the reporting period, and how the entity manages those risks. The amendments to this Standard have resulted in a reconciliation being required where there is a reclassification of financial assets or liabilities resulting from the adoption of AASB 9. There is no financial impact.
- *AASB 9 Financial Instruments* – the objective of this Standard is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant information to users of financial statements for their assessment of the amounts, timing, uncertainty of an entity's future cash flows, and to make amendments to various accounting standards as a consequence of the issuance of AASB 9. AASB 9 has replaced accounting for impairment losses with a forward looking expected credit loss approach. Tourism Tasmania has applied AASB 9 on a cumulative basis and has not restated comparative information which was reported under AASB 139. Any differences arising from the adoption of AASB 9 have been recognised directly to equity. There is no financial impact for Tourism Tasmania.

#### (B) IMPACT OF NEW AND REVISED ACCOUNTING STANDARDS YET TO BE APPLIED

The following applicable Standards have been issued by the AASB and are yet to be applied:

- *AASB 15 Revenue from Contracts with Customers* – The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, an uncertainty of revenue and cash flows arising from a contract with a customer. In accordance with 2015-8 *Amendments to Australian Accounting Standards - Effective Date of AAS 15*, this Standard applies to annual reporting periods beginning on or after 1 January 2019. Where an entity applies the Standard to an earlier annual reporting period, it will disclose that fact. Tourism Tasmania has commenced reviewing the financial impact of this standard and at this stage, the initial application of AASB 15 is not expected to significantly impact Tourism Tasmania's financial position.



- *2014-5 Amendments to Australian Accounting Standards arising from AASB 15* – The objective of this Standard is to make amendments to Australian Accounting Standards and Interpretations arising from the issuance of AASB 15 *Revenue from Contracts with Customers*. This Standard applies when AASB 15 is applied, except that the amendments to AASB 9 (December 2009) and AASB 9 (December 2010) apply to annual reporting periods beginning on or after 1 January 2018. This Standard will be applied when AASB 15 is applied. There will be no significant impact for Tourism Tasmania.
- *2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15* – The objective of this Standard is to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. This Standard applies to annual periods beginning on or after 1 January 2019. The impact is enhanced disclosure in relation to revenue. The impact is enhanced disclosure in relation to revenue. The impact is enhanced disclosure in relation to revenue. There will be no significant impact for Tourism Tasmania.
- *AASB 16 Leases* – The objective of this Standard is to introduce a single lessee accounting model and require a lessee to recognise assets and liabilities. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The standard will result in most of Tourism Tasmania's operating leases being brought onto the Statement of Financial Position and additional note disclosures. The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term, and required lease payments. A corresponding right to use asset will be recognised, which will be amortised over the term of the lease. There are limited exceptions relating to low-value leases and short-term leases. Operating lease costs will no longer be shown. The Statement of Comprehensive Income impact of the leases will be through amortisation and interest charges. Tourism Tasmania's current operating lease cost is shown in note 4.3. In the Statement of Cash Flows, lease payments will be shown as cash flows from financing activities instead of operating activities. Further information on Tourism Tasmania's current operating lease position can be found in note 7.1. The financial impact will be the recognition of right of use asset (\$2.45 million) and a lease liability (\$2.65 million).
- *AASB 1058 Income of Not for Profit Entities* – The objective of this Standard is to establish principles for not for profit entities that apply to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not for profit entity to further its objectives, and the receipt of volunteer services. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The impact is enhanced disclosure in relation to income of not for profit entities. The financial impact is expected to be minimal.
- *AASB 1059 Service Concession Arrangements: Grantors* – The objective of this Standard is to prescribe the accounting for a service concession arrangement by a grantor that is a public sector entity. This Standard applies on or after 1 January 2020. The impact of this Standard is enhanced disclosure in relation to service concession arrangements for grantors that are public sector entities. There is no financial impact.

## 11.6 FOREIGN CURRENCY

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date. Associated gains and losses are not material.

## 11.7 COMPARATIVE FIGURES

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards. Details of the impact of any changes in accounting policy on comparative figures are at Note 11.5.

## 11.8 ROUNDING

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated. As a consequence, rounded figures may not add to totals. Amounts less than \$500 are rounded to zero and are indicated by the symbol "...".

## 11.9 TAXATION

Tourism Tasmania is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

### 11.10 GOODS AND SERVICES TAX

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax, except where the GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the ATO is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the Australian Taxation Office is, in accordance with the Australian Accounting Standards, classified as operating cash flows.

### 11.11 NON TRADED INVESTMENTS

In June 2001 Tourism Tasmania along with all the other State tourism authorities, and Tourism Australia contributed share capital in the establishment of Australian Tourism Data Warehouse Pty Ltd (ATDW). ATDW is a company limited by share, incorporated in NSW. The company is a central content and distribution platform for the Australian tourism industry.

Tourism Tasmania believes that because of the nature of ATDW and its shareholders and restrictions in the shareholder agreement, the shares have nominal value using the definition in AASB 13 of fair value. The standard defines 'fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date'.



**Independent Auditor's Report**

**To the Members of Parliament**

**Tourism Tasmania**

**Report on the Audit of the Financial Statements**

**Opinion**

I have audited the financial statements of Tourism Tasmania (the Authority), which comprises the statement of financial position as at 30 June 2019 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the Chair of the Board and Chief Executive Officer (the Directors).

In my opinion, the accompanying financial statements:

- (a) presents fairly, in all material respects, the financial position of the Authority as at 30 June 2019 and its financial performance and its cash flows for the year then ended
- (b) are in accordance with the *Tourism Tasmania Act 1996*, *Financial Management and Audit Act 1990* and Australian Accounting Standards.

**Basis for Opinion**

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Authority in accordance with 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 my audit of the financial statements in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information included in the financial statements.



I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Responsibilities of Management the Directors for the Financial Statements**

The directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, Section 38 of the *Tourism Tasmania Act 1996* and the financial reporting requirements of Section 27 (1) of the *Financial Management and Audit Act 1990*. This responsibility includes such internal control as determined necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Authority'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 Authority is to be dissolved by an Act of Parliament, or the directors intend to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 Authority'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 Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to

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draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Authority 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.

I 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 I identify during my audit.



Ric De Santi  
**Deputy Auditor-General**

**Tasmanian Audit Office**

19 September 2019  
Hobart

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