

Tourism TASMANIA

Annual Report 2014-15

Tonight's seafood dinner is still swimming

#discovertasmania

Welcome to
Tasmania

WHERE PRODUCE IS NEVER
FAR FROM THE PLATE



Submission to the Minister

Dear Minister

Annual Report for the year ended 30 June 2015. In accordance with the *State Service Act 2000*, section 36, the *Financial Management and Audit Act 1990* section 27 and *Tourism Tasmania Act 1996* section 41, we are pleased to present the Tourism Tasmania Annual Report for the financial year ending 30 June 2015.

Yours sincerely

James Cretan
Chairman
Tourism Tasmania Board

John Fitzgerald
Chief Executive Officer
Tourism Tasmania

October 2015

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About our Annual Report

Tourism Tasmania's Annual Report 2014-15 details Tourism Tasmania's performance during the year in review, describes core priorities that have shaped and contributed to that performance, explains how Tourism Tasmania has achieved its stated goals within budget and provides a comprehensive financial report. The Annual Report is available on online at

► http://www.tourismtasmania.com.au/publications/annual_report

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Our Structure and Who We Are

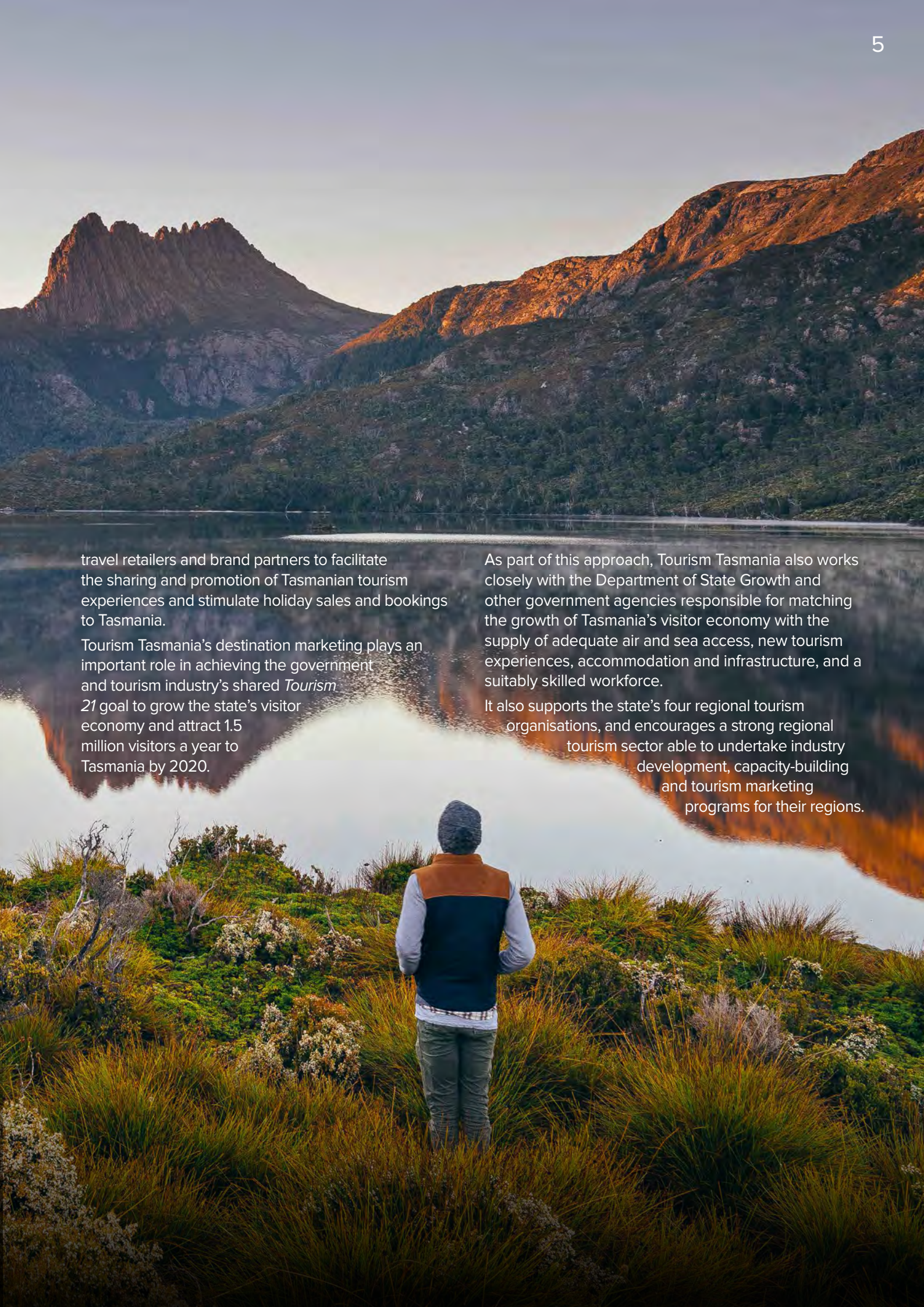
Tourism Tasmania is the Tasmanian Government's tourism marketing agency. Its main purpose is to connect people to Tasmania through domestic and international marketing programs that create demand for Tasmanian holidays and attract more visitors to the state.

These programs encompass destination brand development and marketing, domestic and international tourism

campaigns, major event marketing, niche tourism promotions, public relations, social media and online marketing.

To support its own marketing programs, Tourism Tasmania enters into commercial marketing partnerships with domestic and international carriers,



A person wearing a grey beanie, a blue and orange jacket, and green pants stands on a grassy hill, looking out over a calm lake. The lake reflects the surrounding mountains and the warm, golden light of the setting or rising sun. The mountains in the background are rugged and covered in dense green forest. The sky is a soft, pale blue, suggesting dusk or dawn.

travel retailers and brand partners to facilitate the sharing and promotion of Tasmanian tourism experiences and stimulate holiday sales and bookings to Tasmania.

Tourism Tasmania's destination marketing plays an important role in achieving the government and tourism industry's shared *Tourism 21* goal to grow the state's visitor economy and attract 1.5 million visitors a year to Tasmania by 2020.

As part of this approach, Tourism Tasmania also works closely with the Department of State Growth and other government agencies responsible for matching the growth of Tasmania's visitor economy with the supply of adequate air and sea access, new tourism experiences, accommodation and infrastructure, and a suitably skilled workforce.

It also supports the state's four regional tourism organisations, and encourages a strong regional tourism sector able to undertake industry development, capacity-building and tourism marketing programs for their regions.



Freycinet Marine Farm – Saffire Freycinet Oyster Experience

Chairperson's Report

Having now served as chair for nearly 12 months, I'm both pleased and proud of the work of Tourism Tasmania in what has been a terrific year for tourism in the state.

My appointment coincided with the election of a new government and along with it a new vision for tourism and a new goal of attracting 1.5 million visitors a year by 2020.

At the same time, the Tasmanian Government made Tourism Tasmania a standalone agency, giving us the independence to respond quickly to emerging opportunities and greater creative freedom to promote the state.

This independence complements our earlier move away from being a full-service State Tourism Organisation to streamline our operations and better focus on marketing.

Of course, we know there are many reasons why people visit the state – not just for holidays – and Tourism Tasmania on its own is unlikely to achieve this target. We also know there are constraints to growth that if not addressed will further compromise our ability to reach our goal.

To grow total visitation we need to rely on the work of a range of stakeholders, not just Tourism Tasmania. That's why the Tasmanian Government's approach recognises the importance of all partners in achieving our target.

With Tourism Tasmania's move away from industry support, the Department of State Growth has taken on supply-side development. This reallocation of

responsibilities will ensure our industry continues to meet the expectations of our visitors.

The capacity to communicate and operate at the local level is also vitally important and that's why the government is committing to a new three-year funding agreement with our Regional Tourism Organisations (RTOs). Our RTOs not only fulfil a critical role in providing marketing and distribution opportunities, and industry development for their local tourism operators but also act as advocates for their region.

We are also working closely with the Tourism Industry Council Tasmania (TICT), the peak industry body for Tasmania's tourism operators.

T21 (previously *Tourism 21*) is the partnership agreement between the Tasmanian tourism industry represented by TICT and the Government of Tasmania. Building on the success of previous agreements, *T21 – The Tasmanian Visitor Economy Strategy 2015-2020* is expected to be finalised in October. The new agreement will provide strategic direction and help align the future investment of government resources and industry to better achieve the strategy's shared goals.

The revised strategy is a timely and natural extension of the *Tourism 21* approach. By identifying and elevating the value of increased visitation to Tasmania across all sectors of the Tasmanian economy, the government is placing visitors at the core of Tasmania's economic agenda.

Having previously undertaken a major refocus in our strategic intent and restructured our operations, along with our more recent move to a stand-alone agency, Tourism Tasmania is now well placed to drive demand and help achieve our new priorities for the state.

I thank Grant Hunt, the previous chair for his leadership and Brett Torossi for acting as chair in the interim. I also thank the Minister for Tourism for his support and of course, John as CEO and his dedicated staff for their hard work in achieving such impressive results over this past year. I look forward to an even more exciting year ahead.

James Cretan
Chair Tourism Tasmania



Chief Executive Officer's Report

What a great year this has been for us in Tasmania. Among a range of accolades and opportunities, Lonely Planet ranked Tasmania number four in its top ten regions in the world to visit in 2015, and a visit to Hobart by the Chinese President and First Lady dramatically raised our profile in one of our most significant international markets.

Best of all, our visitor numbers increased over 8% on last year while expenditure was up by 9%. This terrific result comes on top of similar increases the year before and as long as we can continue to match supply and demand, indicators suggest there should be more to come.

We know we have a fantastic offer. Our challenge is to get more people here to find out for themselves why Tasmania is such a special place to visit.

This year we received additional funding from the Tasmanian Government to help grow our market share, an unambiguous vote of confidence in our work and its importance to the state.

This increased funding capability has allowed us to further explore the creative possibilities of our tourism brand with the result that our two most recent Go Behind the Scenery domestic marketing campaigns successfully exceeded our expectations.

On the international front, we continue to work closely with Tourism Australia to grow our international market share.

Our opportunity to host the Invite the World to Dinner final gala event of Tourism Australia's Restaurant Australia campaign

successfully raised our international profile with some of the world's most influential food writers and celebrities and brought considerable domestic and international credibility to our food and beverage sector.

Our relationship with China was also reinforced with a Trade Mission, led by the Premier and accompanied by myself and other representatives of the government, to boost our trade and cultural ties with the world's second largest economy.

Of course, to increase visitor numbers we need to make it easier for people to get here and we're working closely with TT-Line and our aviation partners to secure more flights, better access and competitive fares.

At the same time, TT-Line's refurbishment of the Spirits of Tasmania is another example of a move to improve the quality of the Tasmanian travel experience and the increase in the number of seats is already leading to more bookings.

A planned extension to the Hobart Airport runway to accommodate larger aircraft and more flights will also increase our opportunities to welcome more international visitors.

Despite this potential for growth, to stay ahead of the game we need to work smarter, so over the coming year we will look at new ways of doing business and review our plans to make sure they reflect our new approach.

We're also moving to new premises. The new office space will better meet our physical needs, will save us money over time and provide an inspiring work place conducive to creative problem solving and the ability to capitalise on emerging opportunities.

In a big year of opportunity, I thank and acknowledge all of my team who have had a very busy and successful year, the Board for their ongoing support and contribution to our strategies and the Minister for Tourism, our Premier, for his ongoing commitment to Tourism Tasmania and our sector more broadly. The team and I look forward to helping grow the economic and social value of tourism in Tasmania over the coming year.

John Fitzgerald
Chief Executive Officer

The Board of Directors 2014-15

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.



James Cretan

As chair of the Tourism Tasmania Board, James oversees the agency's strategic direction and plays a significant role in communication with government and industry. He is an executive director and chair of Kriticos

Nominees, a family company that owns and operates Cradle Mountain Wilderness Village, Swansea Holiday Park, Shoreline Hotel and Tasmanian Collection Service. He is also 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 an owner and director of Intuit Technologies, Tasmania's largest private ICT company. James was a director of TAFE Tasmania from 2004 and chair from January 2006 to May 2008 before becoming chair of The Skills Institute. James is also the chair of the board of The Friends School in Hobart.



John Fitzgerald

John is Chief Executive Officer of Tourism Tasmania. He has had an extensive career in senior executive management positions in the tourism industry in Australia, having held positions at national, State/Territory

and regional levels over the past 15 years, following a decade in the thoroughbred racing industry. Previous to his appointment at Tourism Tasmania, John held the position of 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 with the Australian Tourism

Data Warehouse (ATDW) and previously through the NT Major Events Company, the Darwin Waterfront Corporation, the Queensland Tourism Industry Council and the national Indigenous Tourism Working Group.



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, she 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; non-singing director, The Festival of Voices; chair, Tasmanian Heritage Council; trustee, Tasmanian Museum and Art Gallery; chair, Tasmanian Museum and Art Gallery Audit Committee; chair, Tasmanian Cultural Policy Steering Group and director of the National Board of Creative Partnerships Australia.



Simon Currant

Simon is the visionary and developer behind some of Tasmania's and Australia's most celebrated tourism experiences including Cradle Mountain Lodge, Franklin Manor, Strahan Village, Gordon River Cruises, Peppermint

Bay, Hobart Cruises and his latest venture, a wilderness retreat within the Tasmanian Wilderness World Heritage Area, Pumphouse Point. In 2010, Simon was appointed the inaugural chairman of the Tourism Quality Council of Australia (TQCA). Simon has been chairman of the Tourism

Industry Council Tasmania since 2000 and is a former long-term director of TT-Line. A Churchill Fellow, he was awarded a Centenary Medal in 2001 and was also named Tasmanian of the Year in 2004. In 2006, Simon was honoured as a Member of the Order of Australia for services to the community and the Tasmanian tourism industry. Simon consults both nationally and internationally, providing expert advice in operations, new destination evaluation, market evaluation and product concept development.



Dallas Newton

Dallas Newton runs a tourism consultancy advising on sales, marketing and distribution strategies for Australian operators with global distribution. He previously owned and was managing director of APT

Day Tours in Sydney and Melbourne. Prior to that, Dallas was the director of Sales and Marketing with APT Pacific Touring from 2001 to 2006. Dallas holds a Bachelor of Business (Accounting) from RMIT. He has held positions on the Tourism Australia, Western Hemisphere Market Advisory Board; Tourism Australia, Indian Market Advisory Board (2011); and Victoria University Program Advisory Committee Marketing Faculty as well as formal board positions on APT and AATKings. Dallas is currently a member of Tourism Tasmania's Audit Finance and Risk Committee.



Kate Vale

Kate has enjoyed a distinguished career spanning twenty years in some of the most prestigious digital environments in the world. As managing director of Spotify for Australia and New Zealand, Kate heads

up all aspects of the business for the region, managing a team of 17 in Sydney. Prior to joining Spotify, Kate was

Google's first regional hire as head of sales for Australia and New Zealand before moving to YouTube in 2009.

Michelle Cox

Michelle is the chief operating officer of marketing communications agency group Bastion. Entering 20 years of leadership, Michelle has a demonstrated track record in growing returns across Australia, Asia Pacific and global markets. With multi-national experience in marketing, communications, travel and tourism,



Michelle applies entrepreneurial thinking to find creative solutions for her clients. Previous appointments include managing director Asia Pacific for STA Travel and general manager of marketing for the APT Group. Michelle has held executive and board appointments including executive director – Bastion EBA, chairman Australian Tourism Export Council (ATEC) – Northern Territory; deputy chair, Central Australian Tourism Industry Association (CATIA) and director Asia Pacific London with STA Global Leadership Board.



Kimberly Seagram

Kimberly Seagram is co-owner and co-developer of the award-winning Stillwater Restaurant and Providore and the Black Cow Bistro in Launceston. She has served as deputy chair of Brand Tasmania, and chair of the Launceston, Tamar and the North

Zone Marketing Group amongst other board positions. Kim and her husband owned and operated Lalla Gully Vineyard and she held the position of marketing director of Vineyards Association of Tasmania for over a decade. Prior to living in Tasmania, Kim held a number of positions in the Canadian tourism industry in operations, sales and promotion.



Statement of Corporate Intent

Statement of Corporate Intent: July 2013 to June 2016

This Statement of Corporate Intent is a summary of the Tourism Tasmania *Corporate Plan June 2013 to July 2016*. It recognises the authority's role as a leader in the tourism sector and seeks to align its overarching goals with the organisational priorities for the forthcoming three-year period. The *Corporate Plan 2013-2016* recognises the dynamic nature of the global tourism landscape and the important role Tourism Tasmania plays in fostering the sustainable growth of Tasmanian tourism, while developing innovative and informed marketing initiatives that drive visitation to Tasmania.

Our Role

Tourism Tasmania's role is to maximise the contribution of tourism to Tasmania's economic growth.

Our Goals

Tourism Tasmania's four goals are to:

1. Maximise Tasmania's tourism potential
2. Drive demand for Tasmania
3. Enhance industry's competitive position with market-leading research and analysis
4. Be a highly effective organisation.

These goals are the result of a comprehensive and detailed analysis of the current environment and future trends in tourism and firmly establishes Tourism Tasmania's vision for the three-year period 2013-2016.

To achieve these four goals we have articulated our priorities for 2013-2016 and the strategic initiatives we will undertake to deliver benefits for the Tasmanian tourism industry. These are in the Tourism Tasmania *Corporate Plan 2013-2016*, available online at

www.tourismtasmania.com.au/publications/corporate_plan



Dark Mofo, kunanyi / Mt Wellington

Visitors to Tasmania

The Tasmanian Visitor Survey is a systematic sample survey of departing passengers at the airports in Hobart, Launceston, Devonport and Burnie as well as the Spirit of Tasmania terminal in Devonport.

In addition to the Tasmanian Visitor Survey, data is collected from the National Visitor Survey and the International Visitor Survey, both conducted by Tourism Research Australia.

The following tables summarise the 2014-2015 results.

Key indicators			
Visitors	12 months ending June '14	12 months ending June '15	% change
Total visitors	1,057,900	1,146,600	8
Total nights	9,440,000	9,720,000	3
Average length of stay	8.9	8.5	-5
Expenditure (million)	\$1,727	\$1,885	9
Holiday			
Visitors	478,300	541,700	13
Nights	4,549,400	4,933,600	8
Average length of stay	9.3	9.1	-3
Expenditure (million)	\$1,095	\$1,281	17

Source: Tasmanian Visitor Survey - visitors on scheduled air and sea services

Interstate visitors	12 months ending June '14	12 months ending June '15	% change
Total visitors	909,900	988,000	9
Total nights	7,210,000	7,590,000	5
Average length of stay	7.9	7.7	-3
Expenditure (million)	\$1,438	\$1,592	11
Holiday			
Visitors	374,100	425,200	14
Nights	3,152,200	3,607,200	14
Average length of stay	8.9	8.7	-2
Expenditure (million)	\$886	\$1,039	17

Source: Tasmanian Visitor Survey - visitors on scheduled air and sea services



International visitors	12 months ending June '14	12 months ending June '15	% change
Total visitors	162,800	198,300	22
Total nights	2,752,000	3,218,000	17
Average length of stay	16.9	16.2	-4
Expenditure (million)	\$235	\$298	27
Holiday			
Visitors	124,900	150,700	21
Nights	1,352,300	1,755,800	30
Average length of stay	10.8	11.7	8
Expenditure (million)	\$140	\$184	31

Source: International Visitor Survey

Intrastate visitors	12 months ending June '14	12 months ending June '15	% change
Total overnight visitors	1,225,000	1,271,000	4

Source: National Visitor Survey

Cruise ship visitors	12 months ending June '14	12 months ending June '15	% change
Total cruise ship visitors	155,359	162,815	5

Source: Tasports



Highlights 2014-15

Cataract Gorge

The total value of interstate media advertising and supporting marketing activities for our marketing campaign Go Behind the Scenery – Spring 2014 was \$5 million, making it one of the largest seasonal tourism campaigns undertaken by Tourism Tasmania and its partners.

Tourism Tasmania delivered a comprehensive multi-platform campaign leveraging the exposure generated by the visit to Tasmania of Chinese President Xi Jinping. Media coverage of the President's visit by leading Chinese media organisations in China reached over 200 million people. Around 11.68 million people viewed Tourism Tasmania's campaign hashtag on Weibo because of the campaign.

Lonely Planet ranked Tasmania number four in their list of Top Ten Regions in the World to Visit in 2015. In response, Tourism Tasmania implemented dedicated industry, trade and consumer communications strategies to stimulate local industry sentiment and maximise the tourism opportunities and returns generated by the announcement. Tourism Tasmania's social media coverage achieved 2.7 million views during the first week of the announcement.

Tourism Tasmania hosted Invite the World to Dinner, a gala event that saw some of the world's most recognised chefs, food critics and international media-influencers come to Tasmania for a food celebration featuring Tasmania's quality produce. The combined reach of the international influencers through social channels was 106 million, with 7.2 million impressions across Tourism Tasmania's social media channels.

In conjunction with Invite the World to Dinner, Tourism Tasmania delivered 27 pre and post famils that incorporated food and wine experiences from across the state.

In September, Tourism Tasmania led a Sales Mission to Pan Asia, attended by 16 Tasmanian businesses and in March, Tourism Tasmania CEO John Fitzgerald accompanied a trade delegation to China, led by the Premier of Tasmania.

A Win Your Stay competition, held as part of Tourism Tasmania's Autumn 2015 marketing campaign, saw 5,000 new sign ups to the Discover Tasmania newsletter.

Since introducing three Tassie Specialist online training modules, 500 travel agents have successfully completed the training and qualified as Tassie Specialists. This past year saw 308 agents qualify.

Tourism Tasmania introduced a two-day Tassie Specialist Conference exclusively for qualified Tassie Specialists that included participation in pre and post famils managed by Tourism Tasmania. The inaugural event attracted 75 specialist travel agents who engaged with 30 Tasmanian operators.

A Talkabout Tassie Roadshow saw 18 Tasmanian operators present their product to around 260 travel agents in Melbourne, Sydney and Brisbane.

Over the year, Tourism Tasmania's social media community across Facebook, Twitter and Instagram substantially increased from 68,669 followers to 305,694 followers, an increase of 345 per cent, demonstrating the growing popularity of Tasmania as a travel destination on social media.



Performance against our goals and objectives

Goal 1 Maximise Tasmania's tourism potential

Regional Tourism

Tasmania's four Regional Tourism Organisations (RTOs) cover the North West and West Coast region, the South, the North and the East Coast. Supported by Tourism Tasmania, this arrangement represents a tourism industry-led approach to regional tourism in Tasmania.

These organisations set the strategic direction for tourism in their region, identify annual priorities and deliver programs that engage the participation of their industry and stakeholders.

In 2014-15, Tourism Tasmania continued to support the four RTOs in providing \$970,000 in annual funding through existing three-year grants deeds to July 2015.

Now in their third year of operation, each of the RTOs has successfully implemented their strategic and marketing plans, represented the interests of their stakeholders and industry, expanded the capacity and capability of the tourism industry in their regions and implemented effective digital strategies.

Each RTO plays a critical role in providing support and leadership at a regional level through advocacy

and stakeholder engagement promoting the competitive strengths of their region.

In addition, all four RTOs contributed to the TICT facilitated Industry Development Directions Statement for the Tasmanian Tourism Industry.

Over the year, highlights included Destination Southern Tasmania's successful Tips and Tipples networking events and the Cricket World Cup promotional activity.

In the North West, Cradle Coast Tourism launched the Cradle Coast Regional Events Strategy, while East Coast Tourism launched the Great Eastern Drive.

In the north, Tourism Northern Tasmania began implementing the Northern Cycling Strategy and Tourism Infrastructure Audit as well as launched the first stage of the Blue Derby Mountain Bike Trail.

The positive impact of the RTO model is evident in the increase in intrastate travel and regional visitation. In the year ending June 2015, the number of overnight intrastate holiday trips in Tasmania increased by 15 per cent and all regions experienced visitor growth for the January to March quarter of between 13 per cent (West Coast) and 28 per cent (East Coast).

The Tasmanian Government underlined its support with its commitment of a further three years and an additional \$230 000 a year through the Department of State Growth for industry development to further build the capacity of the industry.

Tasmanian Visitor Information Network

The Tasmanian Visitor Information Network (TVIN) consists of 19 Visitor Information Centres distributed across the state. Network members are required to meet national standards and adhere to a code of conduct. In recognition of the important role this service plays in the provision of visitor information, Tourism Tasmania provided grants to the value of \$340 000 to the gateway visitor centres of Hobart and Launceston and



Lyell Highway into Queenstown



Blue Derby

continued to fund the administration of the network.

In acknowledging the rapidly changing environment of visitor information provision, particularly with the advent of new technologies, Tourism Tasmania worked with the TVIN to ensure the network remains responsive to visitor and industry expectations and continues to provide a valued role in the tourism distribution chain as well as in their local communities.

Tourism Tasmania will continue to work with TVIN and gateway visitor centres to provide contemporary visitor servicing and further align the activities of the network with the Regional Tourism Organisations.

T21

T21 (previously *Tourism 21*) is a joint strategic business plan agreed to between the Tasmanian Government and Tasmania's tourism industry represented by the Tourism Industry Council Tasmania (TICT). The Tasmanian Government established the plan more than a decade ago to improve the performance, competitiveness and structural efficiency of Tasmania's tourism industry.

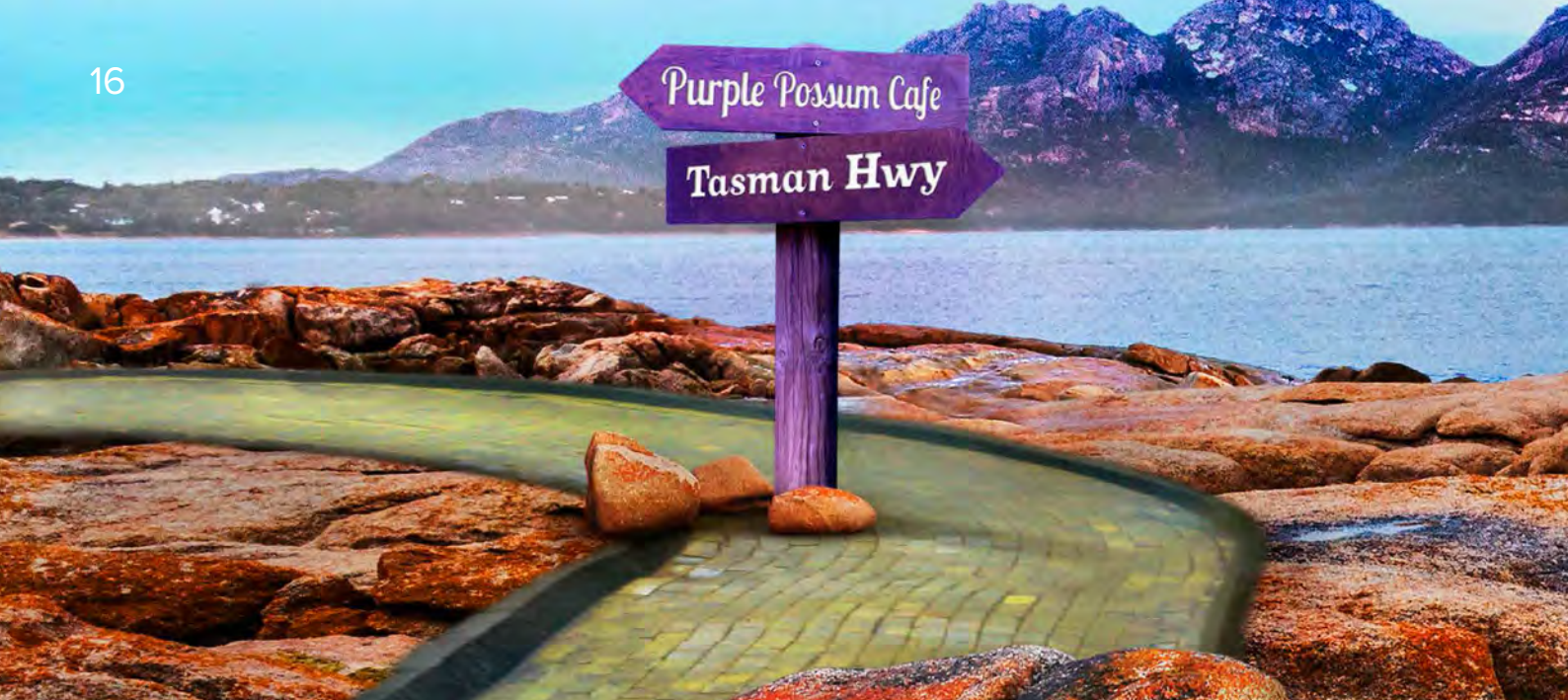
Since then, the government and TICT have regularly reviewed the plan to ensure it remains relevant to the prevailing economic climate and that the plan's goals are achievable.

With the shared Tasmanian Government and industry policy to attract 1.5 million visitors a year by 2020, the government and TICT are reassessing the goals and strategies.

Rather than a minor adjustment however, government and industry aim to revise the plan's fundamental strategies – knowing that to achieve the target will require a more holistic approach than that embodied in the earlier plan. *T21 – The Tasmanian Visitor Economy Strategy 2015-2020* aligns multiple areas of government and the private sector and not just Tourism Tasmania.

Success in reaching the new target will require us to overcome existing constraints on growth including the need to develop new infrastructure, the need to grow a quality service culture in Tasmania and the need for more and cheaper access to the island by air and sea carriers.

Tourism Tasmania participated in a series of workshops around the state to gather contributions from interested stakeholders on how to best overcome the barriers to growth.



Goal 2

Drive demand for Tasmania

Marketing campaigns

Tourism Tasmania aims to increase demand for Tasmania and encourage more people to visit. To do this, Tourism Tasmania runs two major marketing campaigns each year to generate awareness of Tasmania and encourage potential visitors to convert their interest into a booking.

To make the most of these campaigns, Tourism Tasmania integrates them with other Tourism Tasmania activities including distribution, sector partnerships and public relations activities.

The campaigns continue to build on the previous Go Behind the Scenery campaigns, first introduced in 2013 and reinforce the same message, while showing people how easy it is to plan and book a Tasmanian holiday as well as give them the confidence to book now.

Go Behind the Scenery – Spring 2014

The campaign built on the findings and insights gained from formal tracking research conducted during the earlier campaigns.

Tourism Tasmania's innovative Go Behind the Scenery – Spring 2014 marketing campaign ran for seven

weeks in Victoria, New South Wales and Queensland from 17 August to 5 October 2014.

Tourism Tasmania designed the campaign to encourage more Australians to plan and book a visit to Tasmania during the coming spring and summer seasons.

The campaign saw Tourism Tasmania invest around \$3.5 million in media advertising in Melbourne, Sydney and Brisbane for the two-month promotion. In return for its media investment, Tourism Tasmania negotiated additional bonus TV, print, cinema, outdoor and digital advertising.

This does not include Tourism Tasmania's additional investment in cooperative marketing programs with travel and air partners or the investment made by the travel and air partners themselves to promote Tasmania and generate sales. The additional investment from Tourism Tasmania and its travel partners in these supporting activities was a further \$1.5 million, bringing the total investment to \$5 million.

Central to the campaign was the Behind the Scenery microsite. Over the period of the campaign, the site received 246,237 visitors. The microsite also featured a Win a Walk on Us competition designed to increase the number of subscribers to the Discover Tasmania newsletter and further engage with those already subscribed. Tourism Tasmania received 8,270 entries and along with competition entries from a Broadsheet Subscriber Drive generated 9,741 new subscribers.

As part of the campaign, Tourism Tasmania also undertook trade, public relations, online, sector and other marketing activities between August and November that significantly increased the size, reach and longevity of the spring campaign.

In addition, a number of other Tasmanian tourism organisations also promoted the state through their own marketing activities including TT-Line, Tasmania's regional tourism organisations, Tasmanian travel wholesalers and individual tourism businesses.



East Coast artwork for Go Behind the Scenery – Spring 2014 advertisements

Major partner Flight Centre and access partner Jetstar also experienced a significant increase in sales across the campaign period when compared to the same period last year.

Go Behind the Scenery – Autumn 2015

Tourism Tasmania’s Go Behind the Scenery – Autumn 2015 campaign launched on 1 March and built on the previous Go Behind the Scenery – Spring 2014. The campaign ran for seven weeks though to 19 April 2015.

Tourism Tasmania invested over \$3.75 million in media, along with \$500,000 in production.

The campaign ensured all campaign messages, partner activities and campaign creative reinforced Tasmania’s tourism brand, first introduced in 2013.

The campaign aimed to get people’s attention and show them how easy it is to plan and book a Tasmanian holiday during autumn.

The campaign showcased Tasmania’s behind the scenes experiences while communicating that a holiday in Tasmania is all about its people and the proximity to outstanding produce.

With research showing that potential visitors to Tasmania want to know how to travel in the state, the campaign continued to provide consumers with travel information and detailed itineraries. In keeping with Tourism Tasmania’s marketing strategy, the campaign also provided deals to encourage consumers to book now.



Spring 2014 itineraries



Go Behind the Scenery – Autumn 2015 advertisement



Go Behind the Scenery – Autumn 2015 advertisement



Along with print, digital and office tower advertising, the refreshed Go Behind the Scenery microsite was central to the campaign. Over the course of the campaign, the microsite attracted over 120,186 website visitors looking for more information on holidaying in Tasmania.

The campaign microsite built on the previous content to provide richer information. The microsite featured eight new videos in the See & Do section and a new set of three, seven and 14-day itineraries. The First Timers section detailed some key experiences around the state as seen through the eyes of first time visitors and a new Social Locals section provided information on how and when visitors could #Askatassielocal during their 'take overs' of Discover Tasmania's social channels.

The microsite also featured a Win Your Stay competition that aimed to increase the number of subscribers to the Discover Tasmania newsletter and further engage those already subscribed. In all, the competition attracted 7,604 entries. Consistent with Tourism Tasmania's use of direct marketing, the campaign also saw sign ups to the Discover Tasmania newsletter increase by 5,000 subscribers through competitions run

in conjunction with Broadsheet and leveraged off the Qantas Australian Tourism Awards (QATA).

In addition, the campaign introduced a social media promotion based on a local's perspective of regional highlights, attractions and life in Tasmania. Tourism Tasmania devised a series of four, three-day projects in which local Tasmanian identities from each of Tasmania's regions directly engaged with our social media community. As a result, the total reach on Facebook over the four takeovers was 2,465,998.

The campaign creative also included links to Tourism Tasmania's social media channels on Facebook, Twitter and Instagram.

Over the campaign, aviation access partners sold 261,621 seats.

Tourism Tasmania will launch Go Behind the Scenery – Spring 2015 in mid to late August 2015.

Winter activation 2015

In addition to the Go Behind the Scenery campaigns planned for the coming year, Tourism Tasmania will invest around \$500,000 in a winter campaign in Melbourne and Sydney. The campaign aims to establish Tasmania as a short-break destination in winter and will feature itineraries and packages that can be booked for travel immediately.



Winter activation 2015



Filmshoot at Freycinet Marine Farm

Visiting influencer program

Tourism Tasmania's visiting influencer program (VIP) hosts journalists, social media commentators and other influencers to showcase Tasmania as a holiday destination. These activities support and broaden the reach of Tourism Tasmania's marketing messages through positive editorial and advocacy.

Over this past year, Tourism Tasmania assisted the makers of *What a Wonderful World*, a Chinese travelogue documentary broadcast on CCTV and 110 local stations in China, including three satellite TV stations and 11 online video portals. The program will also screen on four airlines – Cathay Pacific Airways, Dragon Airlines, United Airlines and Ethiopian Airlines – towards the end of 2015. The producers visited locations in Tasmania for film content including Launceston, Tamar Valley, Freycinet National Park and several experiences featuring wildlife and gourmet in the wilderness.

A small film crew from Singapore-based Channel News Asia visited Tasmania in June to film three episodes of a morning show TV program called *First Look Asia* hosted by Annalisa Burgos. Over 28 Asian countries and territories watch Channel News Asia.

Tourism Tasmania worked in collaboration with Tourism Victoria to assist *TVB Travelogue* – a travel, cooking and shopping series on seasonal produce and meeting the maker experiences. Tasmania will feature in five 30-minute episodes of the series to air on Hong Kong's largest station – TVB in November 2015 as part of TVB's anniversary celebrations.

Tourism Tasmania worked closely with Tourism Australia to host the filming of food-travel-lifestyle show *Savour Australia*, hosted by Jason Godfrey. The series is a sequel to the highly successful earlier *Jason Down Under* series and follows the host's gourmet journey across seven states and territories in Australia. The project extended the Restaurant Australia messaging of 'people, place and produce' to middle class, affluent Malaysian consumers. The resulting series will broadcast on Malaysia's LiTV channel.

Tourism Tasmania's visiting influencer program also worked with Tourism Australia to support their Invite the World to Dinner gala event in Hobart, the highlight of Tourism Australia's Restaurant Australia campaign.

Tourism Tasmania organised 27 famils across Tasmania for domestic and international media in conjunction with the event.

Tourism Tasmania hosted a media event for ten of Australia's top media and freelance writers in Tasmania from 16-17 June 2015. The event aimed to strengthen Tourism Tasmania's relationships with Australia's leading travel editors and writers in preparation for brand and campaign activity in 2015-16 and to thank them for their continued support of Tasmania. The event also provided an opportunity to seed new story ideas including What's New in Tassie, the Three Capes Track and the centenary of the first national park in Tasmania, as well as introduce the media to Tasmania's 2014 Qantas Australian Tourism Award winners.

In addition to these major projects, Tourism Tasmania partnered with special-interest experiences and peak industry bodies to reach target niche audiences and worked in collaboration with major event organisers of MOFO, Dark MOFO, Festival of Voices, and The Falls Festival to secure media coverage in national and international publications.



'The Instagram page was actually the reason why I visited Tasmania, otherwise I probably would not have taken notice of this little beautiful island while being in Australia! Thanks for that, love Tasmania!'

Anonymous

Social media

Social media is an important part of Tourism Tasmania's consumer marketing campaigns and advocacy and is a core component of the organisation's new approach to marketing the state. The social media program aims to foster advocacy for Tasmania outside traditional media channels and generate awareness, interest and a desire to visit Tasmania. These activities ensure Tourism Tasmania's ongoing presence in the marketplace outside of paid advertising activity.



Social media activities encourage and facilitate consumer sharing of Tasmanian experiences on three key platforms: Instagram, Twitter and Facebook.

In 2014-15, Tourism Tasmania's social media community across Facebook, Twitter and Instagram substantially increased from 68,669 followers to 305,694 followers, an increase of 345 per cent, demonstrating the growing popularity of Tasmania as a travel destination on social media.

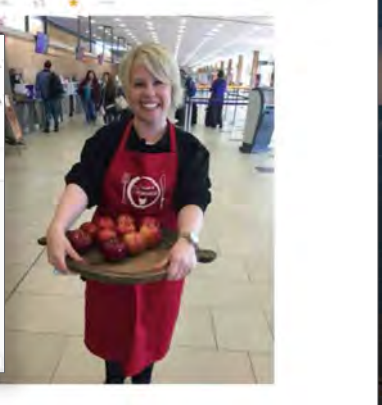
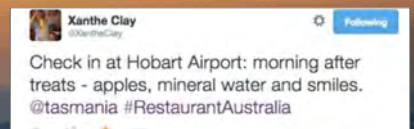
This coming year will see further integration of social media into our marketing mix with greater reliance on third-party advocacy and the use of word-of-mouth to promote the destination, all objectives ideally suited to social media.

Tourism Tasmania uses the hashtag #discovertasmania to encourage sharing of content across all social channels. Over recent months, Tourism Tasmania has received an average of 1,300 images each week from visitors and locals through its Instagram account alone.

Tourism Tasmania also leveraged Dark Mofo through its visiting influencer program, social media and public relations activities, distribution activity and co-operative campaigns with partners. In 2015, co-operative marketing activity included a social media campaign, \$20 Get a Room, to generate awareness of Dark Mofo and Tasmania and encourage travel to Tasmania. The combined reach of the campaign through social channels was 233,703 along with targeted email messaging to a database of over 1 million.

Public relations

Tourism Tasmania's public relations (PR) program aims to generate awareness, interest and a desire to visit Tasmania by showcasing the state's experiences, products and events to domestic and international influencers. The PR activities support and broaden the reach of Tourism Tasmania's key marketing campaigns and brand messages. PR supports Tasmanian events, new products and



Instameet. Inset: Restaurant Australia social

'Awesome account. I'm visiting in March and will be planning activities based on brilliant posts!'

Anonymous

experiences, awards and accolades, and industry and sector partnerships through the generation of media and influencer interest and coverage both through traditional and non-traditional channels.

Quarterly What's On and What's New media releases are distributed throughout the year to domestic and international media and influencers.

Tourism Tasmania hosted PR events and campaigns to strengthen Tourism Tasmania's engagement with leading travel editors, journalists, leading photographers, online content generators and opinion leaders.

Tourism Tasmania also works to generate content for social media channels, seed story ideas and generate media coverage.

Tourism Tasmania's international PR effort extends to working closely with Tourism Australia's head office and in-market representatives to obtain maximum share of voice for Tasmania. Tourism Tasmania's PR activities also aim to capitalise on emerging opportunities.

Lonely Planet Best in Travel 2015 announcement

In October 2014, Lonely Planet ranked Tasmania number four in Lonely Planet's list of top ten regions in the world to visit in 2015, and the only Australian and New Zealand destination to be included in the 2015 edition in the three 'best of' list for the top ten regions, countries and cities. This announcement presented an opportunity for Tourism Tasmania to strengthen Tasmania's global profile and stimulate further interest, appeal and intention to travel to Tasmania during 2015.

Tourism Tasmania implemented dedicated industry, trade and consumer communications strategies to stimulate local industry sentiment and maximise the tourism opportunities and returns generated by the announcement. Local and national print, online, radio, television and social media coverage of the announcement was significant during the week of the announcement with 30 radio interviews, 15 television news segments and over 72 print and online articles generated. Prolific Twitter, Instagram and Facebook activity was seen worldwide with Tourism Tasmania's social media coverage achieving 2.7 million views during the first week of the announcement.

2014 Qantas Australian Tourism Awards

Tasmania's tourism sector achieved a record number of wins in the Qantas Australian Tourism Awards 2014, with a record 10 gold, three silver and three bronze awards. Tourism Tasmania undertook a range of promotions to capitalise on this result including using its social media channels to build anticipation, highlight Tasmania's awards success and encourage widespread sharing of the announcement.

Lonely Planet
Top 10 Regions
Best in Travel
2015
Tasmania

Ripe 4 the picking

Tasmania is one of the World's Top Regions to Visit in 2015
(According to Lonely Planet)

TASMANIA, 21 OCTOBER 2014 - When the world's most trusted travel publisher announces internationally that Tassie is 'ripe for the picking' we can't help but feel rather chuffed. Today, Lonely Planet named Tasmania one of the world's top regions to visit in 2015 - the only destination in Australia or New Zealand to make the list. They're literally salivating over Bury Island oysters and modern Tasmania's weaving of wilderness, culture and events, coining Australia's island state 'wild and dramatic, cultured and quirky, isolated yet accessible'.

Naming Tasmania as number four in the 'Top 10 Regions in the World to Visit in 2015' in their Best in Travel 2015 publication, Lonely Planet says the Tassie food scene is a gourmet's paradise, best exemplified by the diversity of produce found in the wilds of Bury Island. Whether it's getting a luscious 80 of oysters at Carl Shuckard Oyster Farm, downing a few glasses of pinot noir at Australia's most southern winery, or gorging on freshly picked berries from the local berry farm, there's no better place to taste Tassie on a plate.

For the Multimedia News Release, including high resolution images see this link: media.tourismtasmania.com.au

"There's a spotlight shining on Tassie at the moment, and it's only going to get brighter following this latest announcement by Lonely Planet," said John O'Sullivan, CEO of Tourism Tasmania. "Tassie has always had as much to offer visitors who journey to Australia's island state, and this latest accolade from Lonely Planet cements our place globally as a destination of world-class natural, cultural, heritage and gourmet experiences, all within easy reach of each other."

Tourism Tasmania Managing Director, John O'Sullivan, said that with three Lonely Planet accolades in the past five years, Tasmania is quickly being recognised as one of Australia's 'hidden gems'. "The awards just keep coming for Tassie, and hopefully with them many more international visitors, lured by an island which epitomises some of the very strengths of Australia's international appeal - raw, unspoilt natural beauty and incredible fresh food, wine and culinary experiences", he said.

Mr O'Sullivan noted that Tourism Australia's latest global food and wine campaign - Restaurant Australia - culminates in Tasmania next month, with a gala dinner at MCOA for 80 of the world's most influential food and wine figures. "The timing of this latest Lonely Planet accolade couldn't be better, with the focus of the world's media open to fall upon Tassie, and the island getting the perfect first-hand opportunity to showcase its award-winning credentials", he said, but in time for dinner, Lonely Planet dines in that "The diversity of offerings from Tasmania's plate may require multiple helpings".

Lonely Planet Asia Pacific Sales & Marketing Director, Chris Zaher said of the occasion, "Spurred by the brilliant revival of super-cool Hobart, today's Tasmania is fresh, hip and inclusive. The state can boast a year-round calendar of events for all tastes, some of Australia's most diverse, remote and wild outdoor

WWW.DISCOVERTASMANIA.COM.AU
#DiscoverTasmania #LonelyPlanet #Tasmania #BestInTravel2015

Tourism Tasmania media release for Lonely Planet accolade



Other associated PR activities included a promotion to win the ultimate Tassie holiday experience and a full-page tourism advertisement and editorial in *The Weekend Australian Magazine*, and newspaper advertisements in the *Sydney Morning Herald* and *The Age*. Tourism Tasmania also placed online advertisements on the *Sydney Morning Herald*, *The Age* and *The Guardian* websites, as well as on Trip Advisor's homepage and their Tasmania destination pages.

Tourism Tasmania also distributed a special awards e-newsletter promoting the Tasmanian award winners and the competition to Tasmania's 112,000 domestic newsletter subscribers.

Partnership marketing

Tourism Tasmania works cooperatively with industry and intergovernmental partners to reach targeted audiences who travel in order to pursue their particular interest or passion. Marketing those experiences and events in which Tasmania has a natural or unique advantage allows Tourism Tasmania to attract consumers who already have a high potential to visit.

This year, Tourism Tasmania undertook cooperative marketing activities with special interest partners such as

consumer direct campaigns, specialist media and trade famils, as well as attendance at specialist consumer expos including the Melbourne International Flower and Garden Show and the Adventure Travel and Backpacker Expo.

Tourism Tasmania, in partnership with Tourism Australia and industry operators, supports the Best of Australia programs. These programs promote Tasmania's leading experiences in our domestic and international markets and include Great Golf Courses of Australia, Great Walks of Australia and the Ultimate Winery Experiences of Australia. The programs are supported through public relations activities, media and specialist travel trade initiatives.

Tourism Tasmania supported marketing activity in the international backpacker, youth and student market through cooperative marketing activities. Tourism Tasmania also supported the fifth edition of *Safari Pete's Guide to Backpacking Tasmania*, the only free backpacker guidebook in the Australian market.

Events

Events contribute to Tasmania's culturally vibrant brand and often provide a trigger for visitation. Tourism Tasmania supports a number of events and identifies opportunities to extend their messaging and build Tasmania's profile through partnering channels.

The Tasmanian Government contributes to the funding of the V8 Supercars Tasmania 400 Series in Tasmania. This year's event was held on 27-29 March and attracted over 53,500 people. The event had a combined average television audience of 1.386 million live across Fox Sports, Network Ten and also on Foxtel Play and Foxtel Go.

Tourism Tasmania harnessed the opportunity to leverage the exposure of the destination through V8's broadcasting, digital and social channels. In response, social content reached an audience in excess of 232,800 followers and 567,588 across digital platforms.

Tourism Tasmania supports a number of sporting events by providing



ICC Cricket World Cup 2015

destination content and targeted messaging, generating interest through Tourism Tasmania's social channels and sharing content previously published on the partner's social channels. In 2014-15, this included the ICC Cricket World Cup 2015, Sydney to Hobart Yacht Race, AFL games in Tasmania and other smaller sporting events.

Tasmania's sponsorship of the Hawthorn Football Club continues to allow Tourism Tasmania to harness significant promotional opportunities each year including the placement of marketing assets on the Hawthorn Football Club website, home game print and big screen assets and the Tasmania Game of the Year, a Melbourne-based home game that provides further promotional opportunities.

This year's Tasmania Game of the Year maintained the momentum generated by Tourism Australia's Restaurant Australia campaign in featuring Tasmania's food and beverage experiences while highlighting our people, place and produce on the ground to a crowd of more than 66,000 fans and inside at the President's Function to over 500 influential guests.

Tourism Tasmania also worked with other events and festivals to varying degrees including helping the Festival

of Voices and Falls Festival develop brand-aligned content and reach new audiences.

International marketing

Tourism Tasmania's international strategy aims to maximise existing market share in mature international markets and capitalise on the potential growth of emerging international markets.

In 2014-15, Tourism Tasmania committed \$3.2 million on international marketing activity. This included in-market representation and cooperative activity with Tourism Australia and the Restaurant Australia campaign and the hosting of the Invite the World to Dinner gala event.

The investment also assisted Australian-based inbound tour operators, domestic-based international marketing partnerships and the Tasmanian tourism industry attend major international trade events to promote the destination and the products they offer.



Tasmania Game of the Year



Tourism Australia thank you advertisement



I have never experienced a banquet as successful on a purely gastronomic level as the one prepared by Ben Shewry, Neil Perry and Peter Gilmore at Mona in Tasmania. It could not have been better..."

AA Gill, TV and restaurant critic, UK

Restaurant Australia

Tourism Tasmania continued to strengthen its partnership with Tourism Australia through participation in Tourism Australia's global multimillion-dollar Restaurant Australia campaign. The campaign aimed to promote Australia to international travellers as a destination that delivers quality food and drink experiences – not just good restaurants.

The campaign had an estimated advertising value of over \$44,127,500 with an estimated audience of 1.26 billion. The overall national campaign investment exceeded \$30 million.

Nearly 2,200,000 people watched a cinema advertisement promoting the campaign.

Tourism Australia also produced a documentary on Restaurant Australia, to be released in August 2015 with a domestic and international broadcast schedule.

Invite the World to Dinner

Tasmania's reputation for premium quality food and drink along with its unique eating experiences made it the ideal location to host Invite the World to Dinner, the final gala dinner event of Tourism Australia's Restaurant Australia campaign held at the Museum of Old and New Art – Mona in November 2014.

The event saw 86 of the world's most influential food and beverage media,

chefs and personalities come to Tasmania for a food celebration featuring a menu highlighting Tasmania's quality produce. The conclusion of the event saw all 86 influencers convene at Mona for a final dinner for 250 guests.

A total of 13 film crews from Australia and overseas visited Tasmania for the Invite the World to Dinner phase of the project.

The combined reach through social channels of the 86 international influencers was 106 million, with 7.2 million impressions across Tourism Tasmania's social media channels.

In conjunction with the event, Tourism Tasmania delivered 27 pre and post famils that incorporated food and wine experiences across the state.

Visit by Chinese president

In November 2014, Tourism Tasmania delivered a comprehensive multi-platform campaign to leverage the exposure generated by the visit to Tasmania of Chinese President Xi Jinping and First Lady Peng Liyuan. The campaign generated extensive traditional media and social media interest, both domestically within Australia and in China.

As a result of the campaign, 11.68 million people on Weibo viewed Tourism Tasmania's campaign hashtag.

China's official and most influential TV channel CCTV covered the president's visit to Tasmania for six minutes out of their 30-minute daily news program, focussing significant attention on Tasmania within China. Media coverage of the visit in China by leading TV and online media reached over 200 million people.

Qantas agreement

Tourism Tasmania implemented in-market consumer campaigns including an extensive cooperative campaign (consumer and trade) partnering with Qantas in Singapore and Hong Kong as part of Tourism Tasmania's three-year Memorandum of Understanding with Qantas.



ATE booth

Invite the World to Dinner at Mona

Trade events

To promote Tasmania in our international markets, Tourism Tasmania, along with select Tasmanian businesses, travelled overseas to attend major international trade events. These included the Australia Marketplace in Los Angeles, the International Tourismus Borse (ITB) in Berlin, the National Association of Travel Agents Singapore Travel Fair and the Malaysia Association of Tour and Travel Agents Travel Fair.

Tourism Tasmania also led a highly successful Sales Mission to Pan Asia in September, attended by 16 Tasmanian businesses and in March 2015, Tourism Tasmania CEO John Fitzgerald accompanied a trade delegation to China, led by the Premier of Tasmania.

Tourism Tasmania also promotes the state to international sellers in Australia. To do so, Tourism Tasmania attended the Australian Tourism Exchange (ATE) Media Marketplace in Melbourne accompanied by a record number of 23 Tasmanian operators, and Corroboree Europe in Adelaide, attended by 300 qualified Aussie Specialist agents from key European markets.

Tourism Tasmania also worked to promote the state's tourism offer to over 300 Chinese travel agents on Hamilton Island at Corroboree Greater China in April 2015.

International promotions

To encourage sales, Tourism Tasmania works with partners to promote the destination within our target markets.

Tourism Tasmania partnered with North American Down Under Answers (DUA), Qantas, Tourism Victoria and the South Australian Tourism Commission (SATC) to deliver a Southern Splendours co-op campaign promoting Melbourne, Hobart and Adelaide. Initial results from the campaign show an increase in passenger bookings from January-March 2015 to 193, a significant increase from 130 bookings for the previous full six-month period of January-June 2014.

Following Tourism Tasmania's highly successful campaign with Signature Travel Network in 2013-14, Tourism Tasmania again partnered with Signature Travel Network and other state tourism organisations to deliver an integrated campaign with a total investment of \$33,000. The campaign launched in January 2015 and included extensive print marketing in Signature Travel's consumer publications, online advertorial, dedicated destination microsites and a consumer prize of a trip to Australia. As a result of the campaign, Signature Travel Network Australia's revenue for January-March 2015 increased by around 16 per cent on the same period the previous year.



Asia Mission 2015 in Shanghai



Tourism Tasmania also partnered with the German outdoor clothing, accessory and travel retailer Globetrotter.de on a comprehensive campaign. Other partners in the campaign included Tourism Australia, Tourism NT, Tourism Victoria and tactical conversion partner Travel Essence who will deliver a co-operative marketing campaign focused on promoting Australia's walking experiences. The campaign launched in June 2015 with an investment by Tourism Tasmania of \$22,000.

Distribution

Cooperative promotions

Tourism Tasmania works with travel distributors that sell Tasmanian travel products including travel retailers, wholesalers, airlines, online travel agents and inbound tour operators.

Our aim is to help sellers convert holiday planners to visitors by providing high quality Tasmanian holiday information, encouraging them to contract a wide range of Tasmanian travel products and helping them communicate the Tasmanian brand to their customers.

This year, Tourism Tasmania undertook cooperative advertising with retail partners Flight Centre, Travel Associates, AOT (Sunlover), TasVacations, Travelodge, RACQ and RACT.

Tourism Tasmania partnered with TasVacations in national retail and

consumer-direct campaigns through retail agencies and auto associations including RACQ, NRMA and RAA. The campaign saw a strong increase in sales in the second half of the year.

Tourism Tasmania worked with access partner Jetstar on an integrated digital, print and broadcast campaign to provide rich content and regional touring messages. Tasmania was the first destination to take over the home page of the Jetstar website. During the campaign there were 9,903 seats sold, representing an increase of 7,210 seats more than the average daily bookings for the four weeks before the campaign.

For the first time, Tourism Tasmania partnered with Travelodge to support the development of a microsite with experience vignettes and deals.

Tourism Tasmania also worked with Tiger Airways on a two-week tactical seat sale and dedicated Tasmanian microsite delivered in Melbourne through radio and digital channels and with access partners Virgin Australia and Qantas on a range of cooperative partnership activities.

In addition, Jetstar, Virgin and Qantas seat sales were again timed to coincide with Tourism Tasmania's Go Behind the Scenery spring and autumn campaigns.



Chinese President Xi Jinping and First Lady Peng Liyuan



Corinna

TasBound 2015

22-23 May

Flight Centre was again the exclusive conversion partner in our Go Behind the Scenery spring and autumn campaigns with all campaign calls to action going to Flight Centre.

Training and famils

Tourism Tasmania delivers training programs for travel sellers to give them the necessary understanding and information on the destination to make the most of their Tasmanian sales. Since introducing its three Tassie Specialist online training modules, 500 travel agents have completed the training, qualifying them as Tassie Specialists. This past year saw 308 sellers qualify as Tassie Specialists.

Tourism Tasmania also conducted training with Infinity Holidays, Flight Centre's wholesale arm, in preparation for Tourism Tasmania's 2015 pre-spring campaign.

To inform sellers of Tasmanian product, Tourism Tasmania holds an annual Talkabout Tasmania Roadshow.

Talkabout Tasmania Roadshow 2014

The Roadshow gives travel sellers the opportunity to meet local Tassie operators and gain insights into Tasmanian products that will be advantageous to them when selling Tasmania. This year, 18 Tasmanian operators presented their product to around 260 travel agents in Melbourne, Sydney and Brisbane.

This year also saw Tourism Tasmania introduce a Tassie Specialist Conference, open exclusively for qualified Tassie Specialists. The all-inclusive two-day conference included the opportunity to participate in pre and post famils managed by Tourism Tasmania. The inaugural event attracted 75 specialist travel agents who engaged with 30 Tasmanian operators.

Also for the first time, Tourism Tasmania held a dedicated Australian Tourism Export Council (ATEC) event – Tasbound. The event was open to members and non-members of ATEC and attracted 38 Tasmanian operators and 36 inbound tour operators. This compared favourably to a similar joint ATEC event held in Victoria last year that attracted around 30 inbound tour operators.

TigerTOUR tourism database

Tourism Tasmania maintains a database of over 2,000 Tasmanian tourism products including accommodation, attractions, hire, tours and events. The TigerTOUR database is a vital marketing resource for Tasmania's tourism industry and is used by Tourism Tasmania to source product information for its Discover Tasmania website and the bi-monthly *Tasmanian Travelways* magazine.

In addition, the Australian Tourism Data Warehouse (ATDW) incorporates the TigerTOUR database into its nation-wide dataset of tourism product. ATDW distributes this data to over 140 different travel websites and apps such as Australia.com, visitor information centres and regional tourism websites.

In 2014, Tourism Tasmania began transitioning responsibility for updating the business listings in the TigerTOUR database to the individual businesses themselves through the introduction of the MyTigerTOUR



online interface. MyTigerTOUR gives operators the ability to edit their listing themselves online at anytime. This includes adjusting their rates or entry price, their contact information and updating their images.

Introducing the ability for businesses to self-author is in advance of a larger project scheduled for late 2015 that will see the TigerTOUR database decommissioned with Tasmanian businesses subsequently entering and editing their listing directly onto the national database managed by ATDW. Tourism Tasmania will continue to publish all listings on its Discover Tasmania website.

Tourism Tasmania worked with Tasmania's regional tourism organisations to introduce the new self-authoring approach to operators on a region-by-region basis. To help operators transition to self-authoring, Tourism Tasmania held a series of workshops in partnership with the RTOs in each region across Tasmania.

These workshops complemented other information resources, developed by Tourism Tasmania and published on Tourism Tasmania's corporate website, to help operators make the transition. Tourism Tasmania also used direct electronic and print messaging

to advise operators of the change and provide assistance in adopting the new approach. Tourism Tasmania will continue to quality assure all business information prior to publishing on the ATDW database.

Discover Tasmania website

Tourism Tasmania's Discover Tasmania website aims to engage and motivate audiences and inform them about Tasmania. The website publishes information on how to get here, how to get around and the experiences and attractions on offer. It also includes a full listing of all Tasmanian tourism products, extensive mapping to make it easier for visitors to plan their travel, and details of all featured events to be held over the coming year to assist in long-term holiday planning.

Tourism Tasmania launched a redeveloped Discover Tasmania website in February 2014. Further development since the website's launch included the addition of a social hub page to bring together the best of Tourism Tasmania's social media posts in a single location. Doing so provides further incentive for people to share their interest in Tasmania.

Tourism Tasmania also redeveloped the events landing page on the website to better promote main events, provide a schedule of natural events across the state and a football fixture for the year in advance. The new page also now includes a list of all featured events for the year to assist potential visitors with their long-term planning and a redeveloped events calendar that makes it easier for website visitors to search all events over any given period.

In addition, Tourism Tasmania extended the mapping functionality of the website to enable the display of search results in map view.

Over the year there were 1,686,759 visits to the website with an average visit time of nearly five minutes. Note that a comparison with previous years is not possible as significant changes in Tourism Tasmania's business processes, especially in the closure of its international websites, resulted in a discontinuity in the data series.



Bay of Fires

Goal 3

Enhance industry's competitive position with market-leading research and analysis

Tourism Tasmania uses a range of research programs and sources to ensure its business decisions and those of the state's tourism industry are evidence-based.

It undertakes market research to measure Tasmania's tourism performance, examine the global tourism and travel environment, understand the characteristics and

travel behaviour of visitors to Tasmania, and to explore the motivations and desires of potential visitors.

Tourism Tasmania also coordinates the provision and analysis of transport data for the State Government's Director of Aviation and Access Development to support the formulation of business cases aimed at improving air services to Tasmania.

In addition to using the research for its own business purposes, Tourism Tasmania shares its research and insights with marketing partners and the state's tourism industry to help them better understand Tasmania's customers.

Tourism Tasmania publishes visitor statistics and customer insights on its corporate website for the public, media, regional tourism organisations and tourism businesses. Tourism Tasmania also publishes the statistics in written reports, links to external research providers and on Tourism Tasmania's TVS Analyser service.



Aviation and access development

Tasmanian Visitor Survey

Tourism Tasmania reports on the state's tourism performance and the characteristics and travel behaviour of visitors to Tasmania using statistics obtained from Tourism Tasmania's Tasmanian Visitor Survey (TVS) as well as Tourism Research Australia's International and National Visitor Surveys. The reports include a quarterly Tasmanian Tourism Snapshot and commentary from Tourism Tasmania, and a Fast Facts information sheet.

The TVS is an exit survey of around 9,000 visitors to Tasmania a year and provides a profile of the characteristics, travel behaviour and expenditure of international and domestic visitors to the state. Roy Morgan Research administers the TVS for Tourism Tasmania.



Tourism Info Monitor

Tourism Tasmania monitors the domestic travel marketplace to understand how Tasmania is performing as a holiday destination and identify potential marketing opportunities.

The Tourism Info Monitor (TIM) is a quarterly survey of around 1,500 travelling Australians. It monitors changes in their characteristics, behaviours, perceptions, motivations and intentions, to gain a deeper understanding of potential visitors to Tasmania.

Tourism Tasmania reports the results of the TIM survey every quarter. The report includes a summary of the findings accompanied by a two-page overview of the main survey insights.

The Tourism Info Monitor shows that among travelling Australians, Tasmania continues to rank as their second most appealing Australian holiday destination behind Queensland, and that around one third of travelling Australians are considering a holiday to Tasmania within the next three years.

With food and wine identified globally as an important part of people's holiday experiences, in 2014-15, Tourism Tasmania introduced new elements to the TIM survey to gain an

understanding of Australians' perception of Tasmania's food and wine tourism experiences. One of the key aspects of Tasmania that quickly came to mind when travelling Australians were asked about Tasmania and holidays was its food and beverages.

Tourism Tasmania also included the category of indigenous tourism experiences in its list of preferred activities to understand the level of preference for this experience in domestic holidays. The Tourism Info Monitor shows results that around one out of every five travelling Australians likes to participate in indigenous tourism experiences while on holiday.

Campaign tracking

In addition to the regular visitor tracking and market monitoring research programs, Tourism Tasmania also uses research to evaluate the performance and outcomes of its marketing campaigns.

Tourism Tasmania engaged research company TNS to undertake consumer tracking of its two Go Behind the Scenery campaigns conducted during spring 2014 and autumn 2015 with the findings used to inform subsequent campaigns. In particular, the findings highlighted the increased role of print and online advertising in encouraging bookings and visits to Tasmania, and in stimulating conversations about Tasmanian holidays with friends, family and colleagues.

Student market

Tourism Tasmania also engaged research firm Instinct and Reason to examine the international student market in Melbourne, Sydney and Brisbane. This segment was identified as a marketing opportunity to attract more international visitors to the state. The research was to understand the motivations and considerations of international students when deciding which areas of Australia they would like to visit during their holidays before returning home. The research contributed insights and input into a broader marketing strategy for this market segment.



Goal 4

Be a highly effective organisation

Stakeholder engagement

Tourism Tasmania regularly engages with Tasmania's tourism industry and relevant stakeholders to inform them of the activities of Tourism Tasmania and the business opportunities available to them.

Tourism Tasmania uses a range of channels to communicate with stakeholders and the public including *Tourism Talk* – a fortnightly newsletter with a subscriber base of around 2360, industry advisories – email news notifications distributed to all members of the TigerTOUR database, and through website publishing, RSS broadcasts and Twitter feeds.

During this financial year, Tourism Tasmania distributed nine industry advisories on topics including campaign launches, announcements from the CEO and the publication and analysis of research outcomes.

Tourism Tasmania continued to use video messages to communicate to stakeholders and over the year produced six video messages from the CEO providing general background information on the work of Tourism Tasmania as well as encouraging contributions to a whole of government review of *T21 – The Tasmanian Visitor Economy Strategy 2015-2020*.

Tourism Tasmania also engaged widely with all Tasmanian tourism operators to support them in their transition to a new MyTigerTOUR self-authoring interface to the TigerTOUR database.

Tourism Tasmania continues to publish a corporate website to keep stakeholders informed of the activities of the agency, the outcomes of research and to provide online services to enable them to register for workshops and other corporate events. In 2014-15 there were 97,554 visits to the corporate website compared to 90,887 the previous year, an increase of 7.3 per cent.

Tourism Tasmania also publishes a Trade Resources website to assist in the delivery of information and tools to distribution partners to help them sell Tasmania. The website provides online training services to support Tourism Tasmania's Tassie Specialist Program.

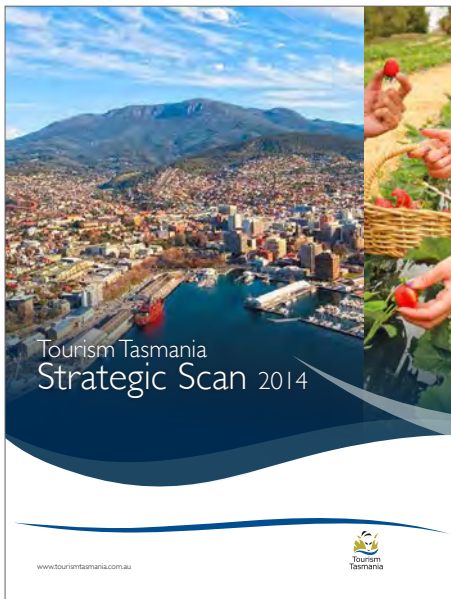
Tourism Tasmania supports the Minister for Tourism, Hospitality and Events in providing executive communication services including preparing speaking points and media releases on funding announcements, tourism industry events, new product openings, Tasmanian Visitor Survey results and other Tasmanian tourism initiatives.

To keep the public informed of the activities of the agency, Tourism Tasmania provides regular briefings, fact sheets and research data to Tasmanian and interstate media and responds to requests for comment or statistics on tourism issues in the state.

In addition, Tourism Tasmania communicates with significant stakeholders directly through the work and engagement of the CEO and directors through their attendance at industry forums such as the Tourism Conference and those presented by the regional tourism organisations.

The CEO of Tourism Tasmania also sits on boards and committees at the local and national level and maintains a regular schedule of meetings with relevant counterparts in government and the tourism industry.

With regard to commercial partnerships, sector-specific industry groups, visiting media and marketing initiatives, engagement is managed on an individual basis through relevant teams within the organisation.



Business services

Tourism Tasmania's Business Services manages the flow of government and ministerial information into and out of Tourism Tasmania on behalf of the Minister, undertakes contractual and procurement oversight and provides board secretariat services for the Tourism Tasmania Board and the Audit Finance and Risk Committee.

It also plays a vital role in providing timely and accurate budget and financial information and advice, as well as maintaining financial controls to ensure accountability for government resources.

Internal audit

The Audit Finance and Risk Committee (AFRC) selects audit topics for the calendar year that are aligned to the agency's risk management framework.

The committee commenced or completed audits during 2014-2015 addressing the regional tourism organisation model. The audit assessed the controls and maturity of the model in the context of established future goals.

The committee also commenced a review of corporate services to assess the corporate support functions required to meet the agency's current and future needs.

The AFRC monitors management's response to recommendations made from internal audits, with the internal auditor also providing periodic updates. Management has or is in the process of addressing all previous recommendations.

Risk management

Reviewing business risks is fundamental to Tourism Tasmania's strategic and business processes. Tourism Tasmania takes a comprehensive approach to managing risk using a risk register framework, a process that identifies the business risks arising from its strategic direction and operating environment.

The Audit Finance and Risk Committee (AFRC) undertakes an annual review of Tourism Tasmania's strategic risks and ensures that the internal audit program reflects these risks. Management reports quarterly to the AFRC on the risk treatment plans and on any new or escalated risks and the appropriate processes to manage them.

Tourism Tasmania incorporates risk management in its project plans. This included a risk assessment of our contribution to Restaurant Australia, with the project used as the case study for the annual risk management training provided to staff and facilitated by internal auditors.



Restaurant Australia welcome



Tourism Tasmania is a member of the Tasmanian Risk Management Fund (TRMF). The TRMF is a significant mitigation measure to make sure there is adequate financial provision to insure the risks of the agency. The insurance cover is for travel, property, accident, transit, motor vehicles, general liability and workers compensation.

Workplace health and safety

Tourism Tasmania has a strong commitment to active management in workplace health and safety in promptly identifying risks and addressing problems.

Activities undertaken for 2014-15 included:

- Continuation of annual influenza vaccination program for staff
- Supporting employees during extended absences from work and providing a supportive return to work program
- Warden training by the Tasmanian Fire Service for two employees
- Access to independent employee assistance programs to help with work related or personal matters
- Mandatory completion of online WHS training modules as part of the induction program for new staff
- Conducting ergonomic assessments for employees.

Tourism Tasmania acts on all recommendations from the independent assessor within a reasonable timeframe.

From 1 July 2014 to 30 June 2015 there were five incidents reported, one workers compensation claim, one first aid officer and three fire wardens.

Performance management

Tourism Tasmania's integrated performance framework includes:

- People and Performance Plans (PPPs) that align individual performance deliverables directly to the key outcomes of business units, agency goals and the agency's overall purpose
- A performance assessment matrix for salary progression, advanced assessment and accelerated progression of high-performing people
- Guidelines for managing poor and under-performance.



Statutory Information

Board committees

Audit, Finance and Risk

The Audit, Finance and Risk Committee (AFRC) meets at least five times a year. The primary role of the committee 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 three board members. Attending the AFRC on request are the Deputy Auditor General, finance director State Growth, and Tourism Tasmania's director operations and planning, business services coordinator, business services officer and internal auditors.

Government procurement

Tourism Tasmania undertakes procurement in accordance with the mandatory requirements of the Treasurer's Instructions relating to procurement, including ensuring businesses are given every opportunity to compete for agency business. It is Tourism Tasmania's policy to support Tasmanian businesses whenever they offer best value for money for the government.

The following details are provided in accordance with Treasury Instructions 1111 for all contracts awarded and procurement processes undertaken (excluding consultancies) during 2014-15 financial year with values in excess of \$50,000.

Tourism Tasmania

Board of Directors attendance 1 July 2014 to 30 June 2015

Board	Current Term	Number of board meetings (7 meetings)	Audit Finance & Risk Committee (6 meetings)
James Cretan (Chair)	12/8/14 - 11/8/2017 (1st term)	6	n/a
Michelle Cox	30/10/2014 - 29/10/2017 (1st term)	5	3
Simon Curren	2/9/2013 - 1/9/2015 (6th term)	7	n/a
Dallas Newton +	2/3/2012 - 1/3/2015 (1st term)	6	5
Brett Torossi	14/10/2013 - 13/10/2015 (2nd term)	7	6
Kate Vale	30/10/2014 - 29/10/2016 (1st term)	4	n/a
John Fitzgerald* (CEO)	15/1/2013 - 14/01/2018 (end of appointment)	7	n/a

*John Fitzgerald is the Chief Executive Officer and his representation on the Board is for the term of his appointment.

+ Dallas Newton's term is extended to 1 September 2015

No longer serving on the Tourism Tasmania board of directors – terms concluded during the 2014-2015 FY

Kim Seagram	15/10/2012 – 30/04/2015 (3rd term)	6	n/a
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Summary of participation by local business

(for contracts, tenders and/or quotations with a value of \$50,000 or over, ex GST)

Total number of contracts awarded	3
Total number of contracts awarded to Tasmanian businesses	0
Value of contracts awarded	\$2,029,350
Value of contracts awarded to Tasmanian businesses	0
Total number of tenders called and written quotation processes run	3
Total number of bids and/or written quotations received	20
Total number of bids and/or written quotations received from Tasmanian businesses	0



New Year's Eve in Hobart

Our staff

As at 30 June 2015, Tourism Tasmania had 52 staff consisting of 46 full-time and 6 part-time staff. Of the 52 staff there were 48 permanent, two fixed term, one Head of Agency and one SES. In addition, casual guides engaged by Tourism Tasmania amounted to 0.96 paid FTE (average over 26 pay periods).

Of the 52 staff there were 34 female (65%) and 18 male (35%).

Contracts and consultants

The following tables provide detailed information on Tourism Tasmania's contracts and consultancies procured or awarded during 2014-15.

Contracts with a value of \$50,000 or over (ex GST) and excluding consultancy contracts

Name of contractor	Location of contractor	Description of contract	Period of contract	Total value of contract
Development Counsellors International	New York City, USA	Provision of in-market trade representation for the North American market	One financial year 1/07/2014 to 30/06/2015 with option to extend for one year to 2016	\$260,000
Last Order Please	Frankfurt, Germany	Provision of in-market trade representation for continental Europe	One financial year 1/7/2015 to 30/6/2016 with option to extend for one year to 2017	\$245,600
Initiative Media Australia Pty Ltd	NSW, Australia	Media Strategy and Buying	Three financial years 1 June 2015 to 30 June 2018 Two one-year option to extend for two years to 2020	\$1,523,750

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

Nil

Contracts awarded because of an exemption to TI114

Nil

Contract extension approved in accordance with TI 1115(4)

Name of contractor	Description of contract	Period of extension	Total value of contract extension
Roy Morgan Research	Tasmanian Visitor Survey	1/01/2016 to 31/12/2016	\$367,000
Development Counsellors International	Provision of in-market trade representation for the North American market	1/07/2015 to 30/06/2016	\$115,000



Falls Festival, Marion Bay

Right to Information

Tourism Tasmania has a legal obligation to respond to requests for information in accordance with the *Right to Information Act 2009*. The act provides members of the public with the right to access information held by government and its agencies, with the exception of information deemed by the Act to be exempt.

In 2014-15, Tourism Tasmania provided information as an active release in relation to one request.

Tourism Tasmania did not receive any other RTI requests.

A Whole-Of-Government framework for Tasmanians with a disability

Tourism Tasmania continues to develop the Tourism Tasmania consumer website www.discovertasmania.com.au in accordance with the Tasmanian Government's accessibility standards with due attention paid to the principles laid down by World Wide Web Consortium (W3C). Tourism Tasmania publishes the website with a content management system that is widely used by a range of government organisations, universities, art galleries, large museums and commercial enterprises in Australia and worldwide. On the website, Tourism Tasmania provides accessible product, attractions and tours to ensure they are easily found by this market segment.

List of Publications

Research

Tasmanian Tourism Snapshot (Quarterly)

Tourism Info Monitor (Quarterly)

Corporate

Tourism Tasmania Annual Report 2013-2014

Corporate Plan 2013-2016

Statement of Corporate Intent 2013-2016

Fast Facts (Quarterly)

Newsletters

Discover Tasmania – consumer newsletter

Tourism Talk – industry newsletter

Tassie Trade – travel trade newsletter

Websites

www.discovertasmania.com.au

www.gobehindthescenery.com.au

www.tourismtasmania.com.au

www.tassietrade.com.au

www.discovertasmania.com.au/our/china

www.discovertasmania.com.au/our/malaysia

www.discovertasmania.com.au/our/singapore

www.discovertasmania.com.au/our/hong-kong

Tourism **TASMANIA** ★

Financial Statements

For the year ended 30 June 2015



Tourism
Tasmania

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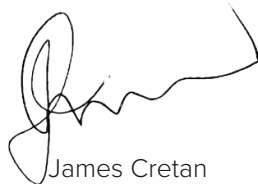
Certification of Financial Statements

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 paragraph 7 of the *Tourism Tasmania Act 1996* to present fairly the financial transactions for the year ended 30 June 2015 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
11 August 2015



James Cretan
CHAIR OF THE BOARD
11 August 2015

Tourism Tasmania

Statement of Comprehensive Income

for the year ended 30 June 2015

	Notes	2015 Budget \$'000	2015 Actual \$'000	2014 Actual \$'000
Continuing operations				
Revenue and other income from transactions				
Revenue from Government				
Appropriation revenue — recurrent	2.6(a), 7.1	24,563	24,563	24,192
Sales of goods and services	2.6(b), 7.2	600	272	418
Other revenue	2.6(c), 7.3	...	172	76
Total revenue and other income from transactions		25,163	25,007	24,686
Expenses from transactions				
Employee benefits	2.7(a), 8.1	5,981	5,882	7,038
Amortisation	2.7(b), 8.2	162	190	149
Supplies and consumables	2.7(c), 8.3	4,641	4,957	4,662
Grants and subsidies	2.7(d), 8.4	1,678	1,487	2,610
Advertising and promotion	2.7(e), 8.5	12,573	12,296	9,986
Finance costs	2.7(f), 8.6	...	14	(4)
Other expenses	2.7(g), 8.7	290	290	284
Total expenses from transactions		25,325	25,116	24,725
Net result from transactions (net operating balance)		(162)	(109)	(39)
Other economic flows included in net result				
Net gain/(loss) on non-financial assets	2.8(a), 9.1	...	...	(5)
Total other economic flows included in net result		...	...	(5)
Net result from continuing operations		(162)	(109)	(44)
Net result		(162)	(109)	(44)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Other movements taken directly to equity		(63)	...	...
Total other comprehensive income		(63)	...	...
Comprehensive result		(225)	(109)	(44)

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.

Tourism Tasmania

Statement of Financial Position

as at 30 June 2015

	Notes	2015 Budget \$'000	2015 Actual \$'000	2014 Actual \$'000
Assets				
<i>Financial assets</i>				
Cash and deposits	2.9(a), 13.1	1	30	16
Receivables	2.9(b), 10.1	8	99	108
<i>Non-financial assets</i>				
Leasehold improvements	2.9(c), 10.2	194	199	234
Intangibles	2.9(d), 10.3	...	556	711
Other assets	2.9(e), 10.4	1,156	742	541
Total assets		1,359	1,626	1,610
Liabilities				
Payables	2.10(a), 11.1	77	90	60
Provisions	2.10(b), 11.2	347	197	340
Employee benefits	2.10(c), 11.3	1,156	1,390	1,165
Other liabilities	2.10(e), 11.4	4	9	5
Total liabilities		1,584	1,686	1,570
Net assets/(liabilities)		(225)	(60)	40
Equity				
Accumulated funds/(deficit)		(225)	(60)	40
Total equity/(deficit)		(225)	(60)	40

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.

Tourism Tasmania

Statement of Cash Flows

for the year ended 30 June 2015

	Notes	2015 Budget \$'000	2015 Actual \$'000	2014 Actual \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities				
Cash inflows				
Appropriation receipts – recurrent		24,563	24,563	24,192
Sales of goods and services		600	337	418
GST receipts		...	1,600	1,744
Other cash receipts		...	107	76
Total cash inflows		25,163	26,607	26,430
Cash outflows				
Employee benefits		(5,981)	(5,681)	(7,028)
Supplies and consumables		(4,641)	(5,258)	(4,798)
Grants and subsidies		(1,678)	(1,487)	(2,712)
GST payments		...	(1,581)	(1,599)
Advertising and promotion		(12,773)	(12,518)	(9,389)
Other cash payments		(90)	(68)	(294)
Total cash outflows		(25,163)	(26,593)	(25,820)
Net cash from (used by) operating activities	13.2	...	14	610
Cash flows from investing activities				
Cash inflows				
Equity injections and cashflows from restructuring		1	...	...
Total cash inflows		1	...	...
Cash outflows				
Payments for acquisition of non-financial assets		...	...	(595)
Total cash outflows		...	...	(595)
Net cash from (used by) investing activities		1	...	(595)
Net increase (decrease) in cash held and cash equivalents		1	14	15
Cash and deposits at the beginning of the reporting period		...	16	1
Cash and deposits at the end of the reporting period	13.1	1	30	16

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.

Tourism Tasmania

Statement of Changes in Equity

for the year ended 30 June 2015

	Accumulated funds (deficit) \$'000	Total Equity (deficit) \$'000
Balance as at 1 July 2014	40	40
Net effects of changes in prior year adjustments	9	9
	49	49
Total comprehensive result	(109)	(109)
Balance as at 30 June 2015	(60)	(60)

	Accumulated funds (deficit) \$'000	Total Equity (deficit) \$'000
Balance as at 1 July 2013	84	84
Total comprehensive result	(44)	(44)
Balance as at 30 June 2014	40	40

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 ended 30 June 2015

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Note 1

Administered Financial Statements

1.1 Schedule of Administered Income and Expenses

	2015 Budget \$'000	2015 Actual \$'000	2014 Actual \$'000
Administered revenue and other income from transactions			
Revenue from Government			
Appropriation revenue – recurrent	1,000
Total administered revenue and other income from transactions	1,000
Administered expenses from transactions			
Grants and subsidies			
Tasmanian Icon Program	1,000
Total administered expenses from transactions	1,000
Administered net result from transactions

Tourism Tasmania does not have any administered assets or liabilities.

Administration of these grant payments have been transferred to Arts Tasmania and Sport and Recreation from 2014-15 onwards.

Note 2

Significant Accounting Policies

2.1 Objectives and Funding

Tourism Tasmania was established under the *Tourism Tasmania Act 1996*. Under Section 4(1) of the *Tourism Tasmania Act 1996*, the body corporate operates under the corporate name Tourism Tasmania.

Tourism Tasmania's role is to lead the industry in jointly delivering marketing and development programs that drive benefits for Tasmania from domestic and international tourism.

Tourism Tasmania's priorities are to:

- Maximise Tasmania's tourism potential
- Drive demand for Tasmania
- Enhance industry's competitive position with market-leading research and sound policy advice
- Be a highly effective organisation.

Tourism Tasmania activities are classified as either controlled or administered.

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 predominantly funded through Parliamentary appropriations. It also provides services on a fee for service basis, as outlined in Note 7.2. The Financial Statements encompass all funds through which Tourism Tasmania controls resources to carry on its functions.

2.2 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*.

The Financial Statements were signed by Tourism Tasmania Chief Executive Officer and the Chair of the Board on 11 August 2015.

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 2.5 below.

The Financial Statements have been prepared on the basis that Tourism Tasmania is a going concern. 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.

2.3 Reporting Entity

From 1 July 2014, Tourism Tasmania became a State Authority and State Service Agency established under the *State Service Act 2000*. This had no material impact on Tourism Tasmania's Financial Statements for 2014-15.

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.

2.4 Functional and Presentation Currency

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

2.5 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 1055 *Budgetary Reporting* – The objective of this Standard is to specify budgetary disclosure requirements for the whole of government, General Government Sector (GGS) and not-for-profit entities within the GGS of each government. Disclosures made in accordance with this Standard provide users with information relevant to assessing performance of an entity, including accountability for resources entrusted to it. There is no financial impact.
- 2013 9 *Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments [Operative dates: Part A Conceptual Framework – 20 December 2013; Part B Materiality – 1 January 2014; Part C Financial Instruments – 1 January 2015]* – The objective of this Standard is to make amendments to the Standards and Interpretations listed in the Appendix:
 - (a) as a consequence of the issue of Accounting Framework AASB CF 2013 1 *Amendments to the Australian Conceptual Framework*, and editorial corrections, as set out in Part A of this Standard;
 - (b) to delete references to AASB 1031 *Materiality* in other Australian Accounting Standards, and to make editorial corrections, as set out in Part B of this Standard; and
 - (c) as a consequence of the issuance of IFRS 9 *Financial Instruments – Hedge Accounting* and amendments to IFRS 9, IFRS 7 and IAS 39 by the IASB in November 2013, as set out in Part C of this Standard.

There is no financial impact.

(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. This Standard applies to annual reporting periods beginning on or after 1 January 2017. Where an entity applies the Standard to an earlier annual reporting period, it shall disclose that fact. Tourism Tasmania has not yet determined the potential effect of the revised Standard.

- 2010-7, 2014-7 and 2014-8 *Amendments to Australian Accounting Standards arising from AASB 9* – The objective of these Standards is to make amendments to various standards as a consequence of the issuance of AASB 9 *Financial Instruments* in December 2010. Tourism Tasmania has determined that the potential impact of implementation will be nil.
- 2014 4 *Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & AASB 138]* – The objective of this Standard is to make amendments to:
 - (a) AASB 116 *Property, Plant and Equipment*; and
 - (b) AASB 138 *Intangible Assets*;

as a consequence of the issuance of International Financial Reporting Standard *Clarification of Acceptable Methods of Depreciation and Amortisation* (Amendments to IAS 16 and IAS 38) by the International Accounting Standards Board in May 2014. It is anticipated that there will not be any financial impact.
- 2014 8 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) – Application of AASB 9 (December 2009) and AASB 9 (December 2010) [AASB 9 (2009 & 2010)]* – The objective of this Standard The objective of this Standard is to make amendments to:
 - (a) AASB 9 *Financial Instruments* (December 2009); and
 - (b) AASB 9 *Financial Instruments* (December 2010);

as a consequence of the issuance of AASB 9 *Financial Instruments* in December 2014. It is anticipated that there will not be any financial impact.
- 2015 2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, AASB 101, AASB 134 & AASB 1049]* – The objective of this Standard is to make amendments to various standards (as noted) as a consequence of the issuance of International Financial Reporting Standard *Disclosure Initiative* (Amendments to IAS 1) by the International Accounting Standards Board in December 2014, and to make an editorial correction. It is anticipated that there will not be any financial impact.
- 2015 3 *Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality* – The objective of this Standard is to effect the withdrawal of AASB 1031 *Materiality* and to delete references to AASB 1031 in the Australian Accounting Standards, as set out in paragraph 13 of this Standard. Tourism Tasmania has determined that the potential impact is nil.
- 2015-6 *Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities* – The objective of this Standard is to extend the scope of AASB 124 *Related Party Disclosures* to include not-for-profit public sector entities. There will be no material financial impact.

2.6 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.

(a) 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 7.1, control arises in the period of appropriation.

(b) Sales of goods and services

Amounts earned in exchange for the provision of goods are recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from the provision of services is recognised in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

(c) Other revenue

Other revenues are recognised when an increase in future economic benefits related to an increase of an asset or a decrease of a liability has arisen that can be measured reliably.

2.7 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.

(a) 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.

(b) 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.

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

Leasehold improvements 5-12 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

(c) 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.

(d) 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.

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.

(e) 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.

(f) Finance costs

Tourism Tasmania has no borrowings. The only finance costs incurred relate to unwinding of discounting of provisions.

(g) 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.

2.8 Other Economic Flows included in Net Result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

(a) Gain/(loss) on sale of non-financial assets

Gains or losses from the sale of Non-financial assets are recognised when control of the assets has passed to the buyer.

(b) Impairment – Non financial assets

All non financial assets are assessed to determine whether any impairment exists. Impairment exists when the recoverable amount of an asset is less than its carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use. Tourism Tasmania's assets are not used for the purpose of generating cash flows; therefore value in use is based on depreciated replacement cost where the asset would be replaced if deprived of it.

All impairment losses are recognised in the Statement of Comprehensive Income.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change

in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(c) Other gains/(losses) from other economic flows

Other gains/(losses) from other economic flows includes gains or losses from reclassifications of amounts from reserves and/or accumulated surplus to net result, and from the revaluation of the present values of the long service leave liability due to changes in the bond interest rate.

2.9 Assets

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.

(a) Cash and deposits

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.

(b) Receivables

Receivables are recognised at amortised cost, less any impairment losses, however, due to the short settlement period, receivables are not discounted back to their present value.

(c) Plant and equipment and leasehold improvements

(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).

(d) 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.

(e) 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.

2.10 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.

(a) 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.

(b) Provisions

A provision arises if, as a result of a past event, Tourism Tasmania has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability. Any right to reimbursement relating to some or all of the provision is recognised as an asset when it is virtually certain that the reimbursement will be received.

(c) 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.

(d) Superannuation

(i) Defined contribution plans

A defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive

obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense when they fall due.

(ii) Defined benefit plans

A defined benefit plan is a post employment benefit plan other than a defined contribution plan. Tourism Tasmania does not recognise a liability for the accruing superannuation benefits for employees delivering Tourism Tasmania activities. This liability is recognised within the Finance-General Division of the Department of Treasury and Finance.

(e) 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.

2.11 Leases

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.

2.12 Judgements and Assumptions

In the application of Australian Accounting Standards, Tourism Tasmania is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Details of significant accounting judgements are included at Note 6.

2.13 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.

2.14 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 2.5.

Where amounts have been reclassified within the Financial Statements, the comparative statements have been restated.

2.15 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 "...".

2.16 Taxation

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

2.17 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.

2.18 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.

In 2014-15 Tourism Australia exercised its right to sell shares under the shareholder's Agreement. Paragraph 10 of the Shareholders Agreement states that a shareholder can only dispose of shares to another shareholder. Sale of 54,261 shares from Tourism Australia to Tourism Tasmania with a total sale value of \$4.00 ("Share Package") occurred as at 30 June 2015.

Tourism Tasmania believes that because of the nature of ATDW and its shareholders and restrictions in the shareholder agreement, the shares have little 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'.

Note 3

Tourism Tasmania Output Schedule

3.1 Output Group Information

Tourism Tasmania is a marketing-led organisation with a specific focus on research driven marketing and distribution programs. Its role is to deliver programs that create demand for tourism in Tasmania, to support a strong regional tourism network and to drive broad benefits for the Tasmanian economy.

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 4 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 4

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 Plan (AOP) 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 calculated by Treasury through BMS with budget aligned to type of expenditure.

4.1 Statement of Comprehensive Income

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Continuing operations					
Sales of goods and services	(a)	600	272	(328)	(55)
Other revenue	(b)	...	172	172	100
Supplies and consumables	(c)	4,641	4,957	316	7
Grants and subsidies	(d)	1,678	1,487	(191)	(11)

Notes to Statement of Comprehensive Income variances

- (a) Sales of goods and services are below budget due mainly to a reduction in receipts from reimbursements and recoveries.
- (b) Other revenue transactions such as recoveries, reimbursements and other revenue from continuing operations, were not anticipated when the budget was set.

- (c) Supplies and consumables are above budget primarily due to the corporate support contracted services provided by the Department of State Growth of \$1.2 million.
- (d) Grants and subsidies payments were overestimated when the original budget was set.

4.2 Statement of Financial Position

	Note	Budget \$'000	2015 Actual \$'000	2014 Actual \$'000	Budget Variance \$'000	Actual Variance \$'000
Receivables	(a)	8	99	108	91	...
Intangibles	(b)	...	556	711	556	155
Other assets	(c)	1,156	742	541	(414)	(201)
Provisions	(d)	347	197	340	(150)	143
Employee benefits	(e)	1,156	1,390	1,165	234	(225)

Notes to Statement of Financial Position variances

- (a) Receivables are below budget due to lower than estimated tax assets as at 30 June 2015.
- (b) Intangibles assets were not anticipated when the budget was set. Actual 2015 result is lower than prior year due to the capitalisation of the new DT.com website and full year amortisation of the website.
- (c) Other assets are below budget due to a lower than estimated balance of prepayments as at 30 June 2015. Actual 2015

- (d) Provisions are below budget and lower than last year actual due to the 2014-15 balance being reversed due to a reliable estimate not being able to be obtained in light of the current building lease renegotiations.
- (e) Employee benefits are above budget due to higher than estimated salary-related accruals. Actual 2015 result is higher than prior year mainly as a result of an increase in LSL balances.

4.3 Statement of Cash Flows

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Sales of goods and services	(a)	600	337	(263)	(44)
GST receipts	(b)	...	1,600	1,600	100
Other cash receipts	(c)	...	107	107	100
Supplies and consumables	(d)	(4,641)	(5,258)	(617)	13
Grants and subsidies	(e)	(1,678)	(1,487)	191	(11)
GST payments	(b)	...	(1,581)	(1,581)	(100)

Notes to Statement of Cash Flows variances

- (a) Sales of goods and services are below budget due mainly to a reduction in receipts from reimbursements and recoveries.
- (b) GST receipts and GST payments relating to Tourism Tasmania were previously grouped in the former Department of Economic Development, Tourism and the Arts and were not split out when the original budget was set for 2014-15. This will be corrected in subsequent years.

- (c) Other cash receipts transactions such as recoveries, reimbursements and other revenue from continuing operations, were not anticipated when the budget was set.
- (d) Supplies and consumables are above budget primarily due to the corporate support contracted services provided by the Department of State Growth of \$1.2 million.
- (e) Grants and subsidies payments were overestimated when the original budget was set.

Note 5

Events Occurring After Balance Date

There have been no events subsequent to balance date which would have a material effect on Tourism Tasmania's Financial Statements as at 30 June 2015 with the exception of the following:

Tourism Tasmania will have an office relocation during the 2015-16 financial year.

Note 6

Significant Accounting Judgements

Judgements made by Tourism Tasmania that have significant effects on the Financial Statements are disclosed in the relevant notes as follows:

- Provisions (refer to Notes 2.10(b), 11.2),
- Employee benefits (refer to Notes 2.10(c), 11.3); and
- Amortisation (refer to Notes 2.7(b), 8.2).

Tourism Tasmania has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Note 7

Income from Transactions

7.1 Revenue from Government

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.

	2015 Budget \$'000	2015 Actual \$'000	2014 Actual \$'000
Appropriation revenue – recurrent			
Current year	24,563	24,563	24,192
Total revenue from Government	24,563	24,563	24,192

7.2 Sales of Goods and Services

	2015 \$'000	2014 \$'000
User charges including advertising	272	418
Total	272	418

7.3 Other Revenue

	2015 \$'000	2014 \$'000
Recoveries, reimbursements and other revenue from continuing operations	172	76
Total	172	76

Note 8

Expenses from Transactions

8.1 Employee Benefits

(a) Employee expenses

	2015 \$'000	2014 \$'000
Wages and salaries	4,252	5,094
Annual leave	315	380
Long service leave	184	127
Sick leave	136	138
Superannuation – defined benefit scheme	56	66
Superannuation – contribution schemes	566	641
Other post-employment benefits	209	337
Other employee expenses	164	255
Total	5,882	7,038

Superannuation expenses relating to defined benefits schemes relate to payments into the Consolidated Fund. The amount of the payment is based on an employer contribution rate determined by the Treasurer, on the advice of the State Actuary. The current employer contribution is 12.75 per cent (2013-14 12.5 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 (2013-14 9.25 per cent) of salary. In addition, Tourism Tasmania is also required to pay into the Consolidated Fund a “gap” payment equivalent to 3.25 per cent (2014: 3.5 per cent) of salary in respect of employees who are members of contribution schemes.

(b) Remuneration of Key management personnel

2015	SHORT-TERM BENEFITS		Super annuation	LONG-TERM BENEFITS			Total
	Salary	Other Benefits		Post-Employment Benefits	Termination Benefits	Other Benefits & Long-Service Leave	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Board Members							
James Cretan, Chairperson (from 12/08/2014)	41	...	4	...	...	...	45
Simon Carrant	28	...	3	...	...	...	31
Brett Torossi	28	...	3	...	...	...	31
Dallas Newton	28	...	3	...	...	...	31
Kim Seagram (to 28/02/2015)	20	...	2	...	...	...	22
Michele Cox (from 30/10/2014)	18	...	2	...	...	...	20
Kate Vale (from 30/10/2014)	18	...	2	...	...	...	20
Management personnel							
John Fitzgerald, CEO	234	6	22	...	...	6	268
Mark Jones, Director Operations & Planning	145	2	14	...	...	4	165
Guy Taylor, Executive Director of Marketing (from 11/08/2014)	154	12	15	...	...	1	182
Total	714	20	70	...	...	11	815

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 2014-15 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, any 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.

Note 9

Other Economic Flows included in Net Result

8.2 Amortisation

	2015 \$'000	2014 \$'000
Intangibles	155	115
Leasehold Improvements	35	34
Total amortisation	190	149

8.3 Supplies and Consumables

	2015 \$'000	2014 \$'000
Audit fees – financial audit	40	45
Audit fees – internal audit	47	94
Operating lease costs	340	601
Consultants and contracted services	3,386	2,326
Property expenses	57	99
Maintenance	4	16
Communications	81	163
Information technology	368	684
Travel and transport	479	476
Other supplies and consumables	155	158
Total	4,957	4,662

Consultants and Contracted services are higher in 2014-15 mainly due to the corporate support contracted services provided by the Department of State Growth of \$1.2 million.

8.4 Grants and Subsidies

	2015 \$'000	2014 \$'000
Regional tourism support	977	1,085
Convention program support	...	710
Cantilevered Look Out	...	230
Hospitality	...	100
Contribution to Tasmanian Visitor Information Network (TVIN)	340	340
Contribution to Tourism Industry Council Tasmania (TICT)	170	145
Total	1,487	2,610

8.5 Advertising and Promotion

	2015 \$'000	2014 \$'000
Advertising and promotion	12,296	9,986
Total	12,296	9,986

8.6 Finance Costs

	2015 \$'000	2014 \$'000
Unwinding of discounting of provisions	14	(4)
Total	14	(4)

8.7 Other Expenses

	2015 \$'000	2014 \$'000
Salary on costs	57	56
Seminars and conferences	21	35
Contribution to Dark MOFO	200	200
Other	12	(7)
Total	290	284

9.1 Net gain/(loss) on non-financial assets

	2015 \$'000	2014 \$'000
Net gain/(loss) on disposal of non-financial assets	...	(5)
Total net gain/(loss) on non-financial assets	...	(5)

Note 10

Assets

10.1 Receivables

	2015 \$'000	2014 \$'000
Receivables	...	...
Tax assets	99	108
Total	99	108
Settled within 12 months	99	108
Settled in more than 12 months	...	...
Total	99	108

10.2 Leasehold improvements

(a) Carrying amount	2015 \$'000	2014 \$'000
Leasehold improvements		
At cost	388	388
Less: Accumulated amortisation	(189)	(154)
Total leasehold improvements	199	234

(b) Reconciliation of movements	2015 \$'000	2014 \$'000
Carrying amount at 1 July	234	262
Additions	...	6
Amortisation expense	(35)	(34)
Carrying amount at 30 June	199	234

10.3 Intangibles

(a) Carrying amount	2015 \$'000	2014 \$'000
Intangibles with a finite useful life		
Software at cost	776	776
Less: Accumulated amortisation	(220)	(65)
Total	556	711

(b) Reconciliation of movements	2015 \$'000	2014 \$'000
Carrying amount at 1 July	711	242
Additions to work in progress	...	589
Disposals	...	(5)
Amortisation expense	(155)	(115)
Carrying amount at 30 June	556	711

10.4 Other Assets

(a) Carrying amount	2015 \$'000	2014 \$'000
Other current assets		
Prepayments	742	541
Total	742	541
Utilised within 12 months	681	466
Utilised in more than 12 months	61	75
Total	742	541

Note 11

Liabilities

11.1 Payables

	2015 \$'000	2014 \$'000
Creditors	21	18
Accrued expenses	69	42
Total	90	60
Settled within 12 months	90	60
Settled in more than 12 months	...	...
Total	90	60

Settlement is usually made within 30 days.

11.2 Provisions

(a) Carrying amount

	2015 \$'000	2014 \$'000
Operating lease provisions	...	159
Operating lease make-good provisions	197	181
Total	197	340
Settled within 12 months	191	159
Settled in more than 12 months	6	181
Total	197	340

The amount of provisions is the best estimate of the expenditure required to settle the present obligation, as at the end of the reporting period. The best estimate at the end of the reporting period, takes into account increases of costs, using the Consumer Price Index (CPI). The provision is discounted to reflect the present value of such expenditures where the time value of money is material.

(b) Reconciliation of movements in provisions

	Operating lease make-good provision		Operating lease provisions		Total Provisions	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Balance at 1 July	181	188	159	159	340	347
Increases	6	6	...	...	6	6
Changes against the provision	...	(3)	(159)	...	(159)	(3)
Changes in discounting	10	(10)	...	...	10	(10)
Reversals	...	...	...	...	...	...
Balance at 30 June	197	181	...	159	197	340

The movement in the operating lease provisions relates to the balance being reversed as it was unnecessarily raised in prior years resulting in a change in accounting treatment this year.

11.3 Employee Benefits

	2015 \$'000	2014 \$'000
Accrued salaries	182	162
Annual leave	341	325
Long service leave	863	666
SSALS and PLS provisions	4	12
Total	1,390	1,165
Settled within 12 months	567	549
Settled in more than 12 months	823	616
Total	1,390	1,165

11.4 Other Liabilities

	2015 \$'000	2014 \$'000
Other liabilities		
Employee benefits – on-costs	9	5
Total	9	5
Settled within 12 months	3	2
Settled in more than 12 months	6	3
Total	9	5

Note 12

Commitments and Contingencies

12.1 Schedule of Commitments

	2015 \$'000	2014 \$'000
By type		
<i>Lease Commitments</i>		
Operating leases	572	6,744
Total lease commitments	572	6,744
<i>Other Commitments</i>		
Program commitments	4,341	7,965
Total other commitments	4,341	7,965
Total	4,913	14,709
By maturity		
<i>Operating lease commitments</i>		
One year or less	495	503
From one to five years	57	2,548
More than five years	20	3,693
Total lease commitments	572	6,744
<i>Other commitments</i>		
One year or less	3,467	3,960
From one to five years	874	4,005
More than five years	...	...
Total other commitments	4,341	7,965
Total	4,913	14,709

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. The current lease period of these premises decreased from 11 years to only 1 year as a result of the Administrative restructure. A reliable estimate for leases below 1 year have not been able to be obtained in light of the current building lease renegotiations.

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.

12.2 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 2015, Tourism Tasmania did not have any contingent assets or liabilities.

Note 13

Cash Flow Reconciliation

13.1 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.

	2015 \$'000	2014 \$'000
Special Deposits and Trust Fund balance		
T535 Operating Account	29	15
Total	29	15
Other cash held		
Cash on hand and at bank	1	1
Total	1	1
Total cash and deposits	30	16

13.2 Reconciliation of Net Result to Net Cash from Operating Activities

	2015 \$'000	2014 \$'000
Net result from transactions (net operating balance)	(109)	(39)
Depreciation and amortisation	190	149
Net effects of changes in prior year adjustments	9	...
Decrease (increase) in Receivables	9	(100)
Decrease (increase) in Other assets	(201)	613
Increase (decrease) in Employee benefits	225	10
Increase (decrease) in Payables	30	(17)
Increase (decrease) in Provisions	(143)	(7)
Increase (decrease) in Other liabilities	4	1
Net cash from (used by) operating activities	14	610

Note 14

Financial Instruments

14.1 Risk Exposures

(a) Risk management policies

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

- credit risk;
- liquidity risk; and

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)
Financial Assets		
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.

Except as detailed in the following table, the carrying amount of financial assets recorded in the Financial Statements, net of any allowances for losses, represents Tourism Tasmania's maximum exposure to credit risk without taking into account of any collateral or other security.

Analysis of financial assets that are past due at 30 June 2015 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	99	...	...	...	99

Analysis of financial assets that are past due at 30 June 2014 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	108	...	...	...	108

(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)
Financial Liabilities		
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.	Tourism Tasmania's terms of trade are 30 days.

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

2015

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	Undiscounted Total \$'000	Carrying Amount \$'000
Payables	90	...	...	...	...	...	90	90
Total	90	...	...	...	...	...	90	90

Financial liabilities

Payables	90	...	...	...	...	...	90	90
Total	90	...	...	...	...	...	90	90

2014

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	Undiscounted Total \$'000	Carrying Amount \$'000
Payables	60	...	...	...	...	...	60	60
Total	60	...	...	...	...	...	60	60

Financial liabilities

Payables	60	...	...	...	...	...	60	60
Total	60	...	...	...	...	...	60	60

Independent Auditor's Report

To Members of the Tasmanian Parliament

Tourism Tasmania

Financial Report for the Year Ended 30 June 2015

Report on the Financial Statements

I have audited the accompanying financial statements of Tourism Tasmania (the Authority), which comprises the statement of financial position as at 30 June 2015 and the statements of comprehensive income, changes in equity and cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the certification by the Chair of the Board and Chief Executive Officer.

Auditor's Opinion

In my opinion the Authority's financial statements:

- (a) presents fairly, in all material respects, its financial position as at 30 June 2015, and its financial performance, cash flows and changes in equity for the year then ended
- (b) are in accordance with the *Tourism Tasmania Act 1996* and Australian Accounting Standards.

The Responsibility of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and Section 38 of *Tourism Tasmania Act 1996*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based upon my audit. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan

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and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on my judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, I considered internal control relevant to the Directors' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

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

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in the Authority's financial report.

Independence

In conducting this audit, I have complied with the independence requirements of Australian Auditing Standards and other relevant ethical requirements. The *Audit Act 2008* further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of State Entities but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Tasmanian Audit Office are not compromised in their role by the possibility of losing clients or income.

Tasmanian Audit Office



E R De Santi
Deputy Auditor-General
Delegate of the Auditor-General

Hobart
28 September 2015

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Tourism
Tasmania

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