



# ANNUAL REPORT

2009 – 2010

## OVERVIEW OF KEY VISITOR STATISTICS

The National and International Visitor Surveys are based on different survey methodologies. The IVS is a face to face survey with international visitors at airport departure lounges across Australia. The NVS is a random telephone survey with residents across Australia.

The NVS is undergoing review to improve reliability, especially around interstate estimates. In WA the interstate estimates are based on a sample of 500 interviews across the year, which means that the confidence intervals are large (see note below).

**Total Visitor Estimates - Western Australia**  
**Year ending March 2010**  
**\$4.5 billion spend    5.5 million visitors    43.1 million nights**

Intrastate Estimates	Interstate Estimates	International Estimates
\$1,806 million spend	\$985 million spend	\$1,752 million spend
3,909,000 visitors	1,018,000 visitors	688,500 visitors
14,290,000 nights	7,708,000 nights	21,147,900 nights

Source: Tourism Research Australia – National Visitor Survey (Visitors aged 15+ years); International Visitor Survey (Visitors aged 15+ years). Note that visitor numbers, nights and spend are estimates based on the results of the surveys. The Confidence Intervals (CI) associated with the estimates are below.

Intrastate CI: Spend +/-4.8%, Visitors +/-7.2%, Nights +/-11.4%; Interstate CI: Spend +/-4.8%, Visitors +/-13.1%, Nights +/-14.8%; International CI: Spend +/-6.6%, Visitors +/-5.8%, Nights +/-9.3%

## TOP 10 INTERNATIONAL MARKETS

WA (year ending March 2010)	Expenditure (\$ million)	WA Market Share %
1. United Kingdom	\$273	15
2. Singapore	\$195	24
3. Malaysia	\$173	24
4. New Zealand	\$99	7
5. Indonesia	\$75	18
6. USA	\$72	6
7. China	\$68	3
8. South Africa	\$59	29
9. Japan	\$59	9
10. Hong Kong	\$54	10

Source: Tourism Research Australia – International Visitor Survey (IVS) YE March 2010

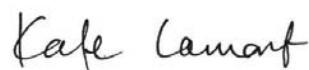
## MESSAGE TO THE MINISTER

To Honourable Dr Elizabeth Constable MLA  
Minister for Tourism

Dear Minister

In accordance with Section 63 of the *Financial Management Act 2006*, it is my pleasure to submit for your information and presentation to Parliament the Annual Report of the Western Australian Tourism Commission (operating as Tourism Western Australia) for the financial year ended 30 June 2010.

The annual report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.



**Kate Lamont**  
CHAIRMAN  
WESTERN AUSTRALIAN TOURISM COMMISSION BOARD

15 September 2010



# CONTENTS

<b>Message to the Minister</b>	<b>3</b>
<b>1.0 Overview</b>	<b>5</b>
1.1 Executive Summary	5
1.2 Operational Structure	8
1.3 Performance Management Framework	15
1.3.1 Outcome-Based Management Framework	15
1.3.2 Changes to Outcome-Based Management Framework	15
1.3.3 Shared Responsibilities with Other Agencies	15
<b>2.0 Agency Performance – Report on Operations</b>	<b>16</b>
2.1 Report on Operations	16
2.2 Financial Targets	21
2.3 Key Performance Indicators	22
<b>3.0 Significant Issues Impacting the Agency</b>	<b>23</b>
<b>4.0 Disclosures and Legal Compliance</b>	<b>25</b>
4.1 Financial Statements	25
Certification of Financial Statements	
Statement of Comprehensive Income	
Statement of Financial Position	
Statement of Changes in Equity	
Cash Flow Statement	
Notes to the Financial Statements	
4.2 Key Performance Indicators	63
Certification of Key Performance Indicators	
Detailed Information in Support of Key Performance Indicators	
4.3 Ministerial Directives	70
4.4 Other Financial Disclosures	70
4.4.1 Pricing Policies of Services Provided	70
4.4.2 Capital Works	70
4.4.3 Employment and Industrial Relations	71
4.5 Governance Disclosures	72
4.6 Other Legal Requirements	72
4.7 Government Policy Requirements	76
<b>Contact details</b>	<b>77</b>

## 1.0 OVERVIEW

### 1.1 EXECUTIVE SUMMARY

#### MESSAGE FROM THE CHAIRMAN

Tourism is often referred to as one of Western Australia's key economic drivers.

The sector generates over 80,000 jobs and injects over \$7 billion into the Western Australian economy: this is a significant contribution; however, the State's tourism industry is not achieving its full potential.

In the last year, the Board of Tourism Western Australia undertook a significant strategic review to transform the organization to enable the agency to better partner with industry and deliver greater business growth for tourism operators and investors, as well as increasing the industry's economic value. Our aim is to double the sector's current \$7 billion contribution by 2020.

Tourism WA will focus its efforts on three core areas to increase visitor numbers and visitor spend: marketing the State as a competitive tourist destination; developing, attracting and marketing events; and supporting significant tourism infrastructure and development projects.

Tourism WA has a compelling brand position: the 'Experience Extraordinary' brand was launched in February and, I am pleased to report, is achieving strong results in our key markets.

To develop the State's infrastructure, Tourism WA will channel its efforts into projects that will have the biggest impact on the growth of tourism, such as national and international aviation access to the Margaret River region, eco-retreats across the State, growing Broome as an international leisure aviation gateway and increasing quality hotel rooms in Perth.

Our links with Asia are a significant opportunity. Perth is the closest western capital to Asia and Western Australia already has key trading partners in Asia, close proximity and a shared time zone. While some of our existing core tourism markets are drawn from Asia, there remains tremendous potential to increase the number of visitors from this region.

The bottom line is that we are aiming to maximise the Government's investment in our State's tourism industry.

Tourism WA's job is to bring the customers to the door of the tourism industry and our new business model frees up more than \$31 million over the next four years to do this.

Tourism WA will be the tourism industry's strategic partner in sector growth. I am confident that both the agency and the State's tourism industry are well positioned for an exciting future.

I would like to thank the Board, executive and employees for their contribution over the last year and I look forward to a collaborative year ahead with Western Australia's tourism industry.



**Kate Lamont**  
CHAIRMAN

15 September 2010

## MESSAGE FROM THE CHIEF EXECUTIVE

This has been an exciting year for Tourism Western Australia.

We created a new brand positioning for Western Australia with a unique marketing campaign that has achieved strong results with industry and international media.

'Experience Extraordinary' was launched in February and is already resonating with consumers in our core markets. The brand communicates one undeniable truth: Western Australia has many unique tourism experiences that cannot be found anywhere else in Australia or the world.

The first marketing campaign to bring this new brand to life was the Extraordinary Taxi Ride. Inspiration for this quirky campaign came from the 1930s when taxi driver Charlie Heard drove three elderly lady passengers from Melbourne to Darwin and back. For our own Extraordinary Taxi Ride, we divided the State into 11 distinct legs – individual trips that visitors can actually do. Passengers from WA, Singapore, Malaysia, New South Wales, Victoria, the United Kingdom, New Zealand and Germany travelled a combined distance of more than 13,000 kilometres over nine and a half weeks, experiencing the State's rich array of natural assets.

The campaign was promoted in the domestic market, as well as in the countries of origin of the passengers. I am pleased to report that the campaign reached more than 90 million prospective visitors worldwide through public relations, and our major travel partners reported up to triple digit percentage increases in bookings to Western Australia as a direct result of their participation in the campaign. More than 100 of the State's tourism operators participated in the campaign by providing support for the journey, and I would like to acknowledge them for helping to promote Western Australia on a world stage.

Western Australia hosted 20 major sporting and cultural events in 2009-10, including the new event, One Movement for Music Festival. This two-day music conference and festival is a development event for Western Australia which featured a strong line-up in 2009. Growing new events that are unique to Western

Australia is an important part of our events strategy. The inaugural One Movement event delivered significant benefits and we expect that it will grow in stature and size in years to come.

Eventscorp has strengthened its support of arts and cultural events by developing a new five-year agreement with the Art Gallery of Western Australia to bring a series of annual art exhibitions to Perth. The first exhibition under this agreement will be the Peggy Guggenheim exhibition which opens in late 2010. This exhibition from Venice has never been the subject of a major exhibition in Australia and will bring the works of painters and sculptors such as Pablo Picasso, René Magritte, Piet Mondrian, Max Ernst and Jackson Pollock to our State.

Another first for this year was Eventscorp's agreement with the Perth Theatre Trust to bring dramatic arts to Perth that are not being shown anywhere else in the nation. The Graduate, starring international actress and model Jerry Hall, played at His Majesty's Theatre in 2010 as the opening act in this new deal.

The Landbank program continued to grow in the last year, with a number of new development sites released to the market in locations such as Albany and East Perth. Tourism WA partnered with the Department of Environment and Conservation to launch Naturebank in late 2009. The purpose of Naturebank is to facilitate the development of low impact accommodation in some of our most extraordinary natural destinations, including national parks like the iconic Purnululu National Park.

Industry partnerships are vital to Tourism Western Australia. In the marketing area, a record \$4.1 million in cooperative partnership contributions from the tourism industry was achieved. I would like to thank the tourism industry for partnering with us to promote Western Australia, and I look forward to continuing to grow this cooperative effort in the years ahead.

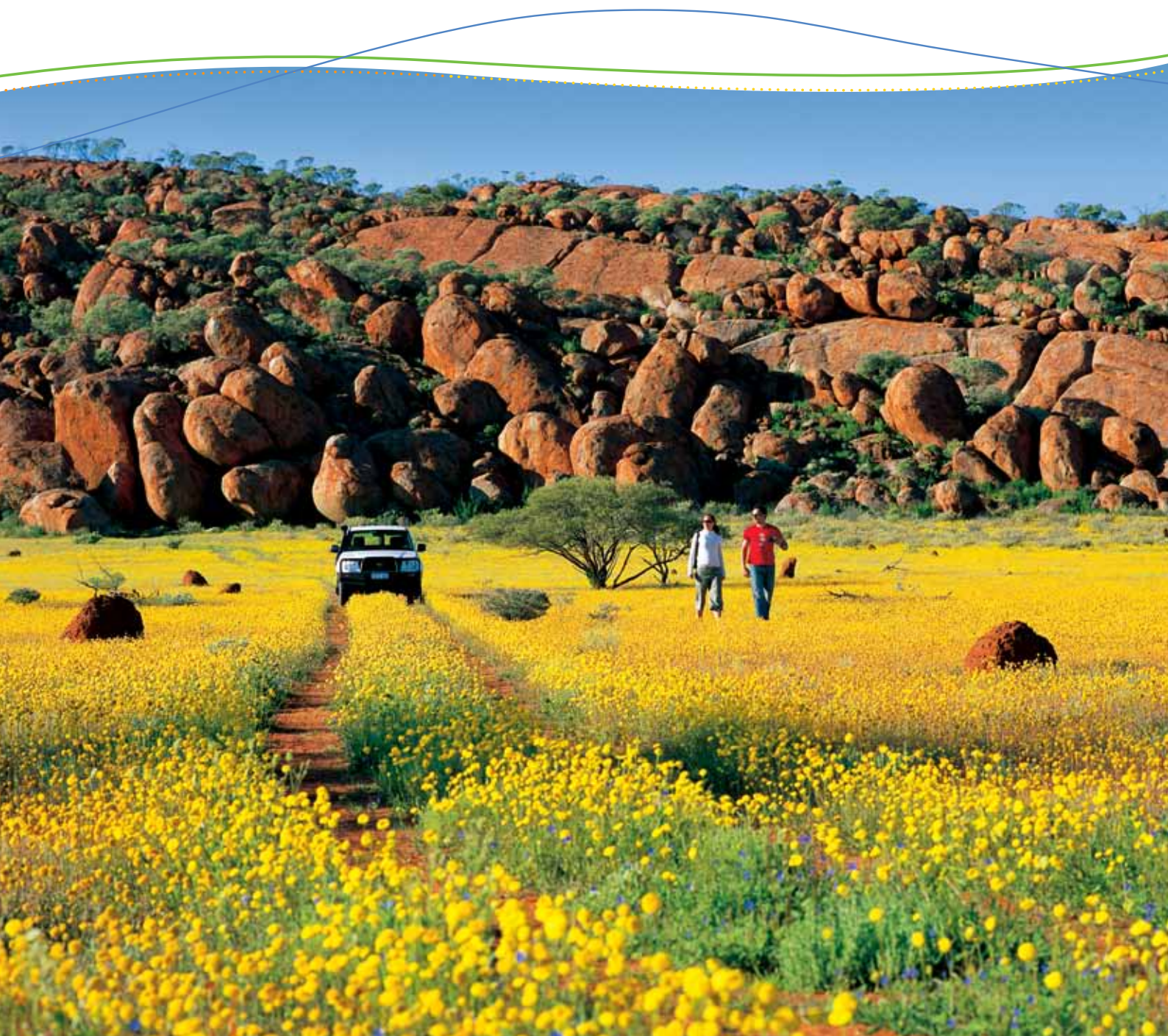
Our partnerships with the Regional Tourism Organisations (RTOs) were an area of review in the last year. New five-year agreements have been signed with each of the RTOs, and we have renewed our commitment to this business model for delivering marketing at a regional level.

We have also laid the foundations to create a structure for Tourism WA to enable us to achieve the Board's vision to double tourism's contribution to the Western Australian economy over the next ten years. Our approach has been one of focus – concentrating on fewer projects that have the potential to deliver bigger impacts for the industry.

I would like to acknowledge the support from the tourism industry in the last year, and thank the employees of Tourism WA for their commitment and enthusiasm.



**Stephanie Buckland**  
ACTING CHIEF EXECUTIVE OFFICER



## 1.2 OPERATIONAL STRUCTURE

### ENABLING LEGISLATION

The Western Australian Tourism Commission (operating as Tourism Western Australia) is established under the *Western Australian Tourism Commission Act 1983* ('The Act').

The Act, as amended in 2003, provides for the establishment of a governing Board of ten members appointed by the Governor, one of whom is appointed by the Governor as Chairman.

The Act provides the functions (Section 13) of the Commission and the necessary powers (Section 14) to undertake and fulfill those functions.

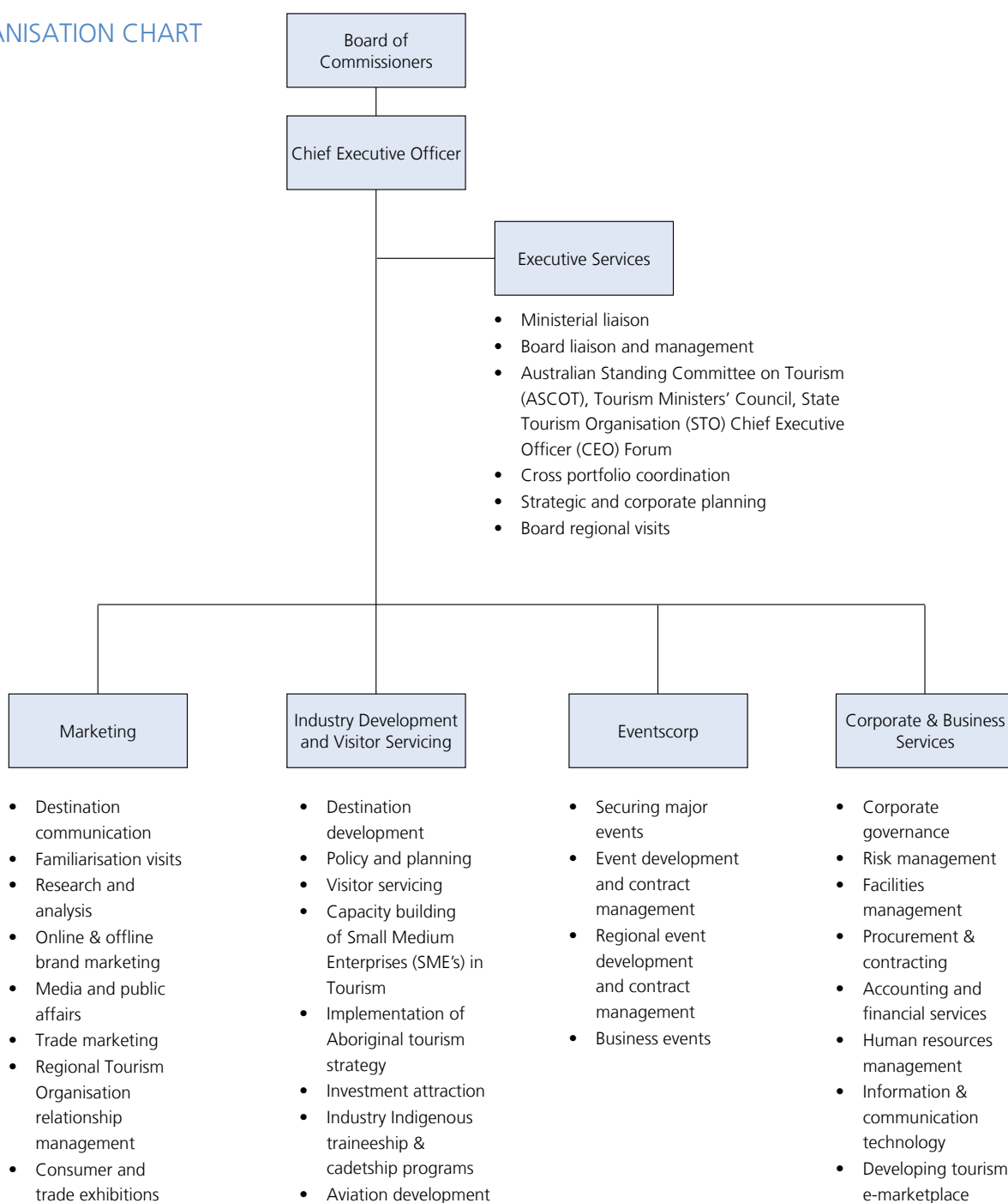
### RESPONSIBLE MINISTER

The Minister responsible for Tourism WA is the Hon Dr Elizabeth Constable MLA, Minister for Education; Tourism.

### OUR PURPOSE

To develop, promote and protect Western Australia's iconic tourism experiences.

### ORGANISATION CHART



## Administered legislation

Tourism WA administers the *Western Australian Tourism Commission Act 1983*.

## Other key legislation

Key legislation impacting on our operations includes:

- *Aboriginal Heritage Act 1972*
- *Caravan Parks and Camping Grounds Act 1995*
- *Casino (Burswood Island) Agreement Act 1985*
- *Conservation and Land Management Act 1984*
- *Environmental Protection Act 1986*
- *Financial Management Act 2006*
- *Heritage of Western Australia Act 1990*
- *Land Administration Act 1997*
- *Land Tax Assessment Act 2002*
- *Liquor Control Act 1988*
- *Metropolitan Water Supply, Sewerage and Drainage Act 1909*
- *Mining Act 1978*
- *National Trust of Australia (WA) Act 1964*
- *Native Title (State Provisions) Act 1999*
- *Planning and Development Act 2005*
- *Public Sector Management Act 1994*
- *Rottneet Island Authority Act 1987*
- *Royalties for Regions Act 2009*
- *Stamp Act 1921*
- *State Administrative Tribunal Act 2004*
- *State Supply Commission Act 1991*
- *Strata Titles Act 1985*
- *Transport Coordination Act 1966*
- *Travel Agents Act 1985*

## BOARD OF COMMISSIONERS

The Board has overall responsibility for corporate governance. It sets the strategic direction of the agency and the goals of management. Day-to-day operations are delegated by the Board to the Chief Executive Officer and the Executive Management Team.

## BOARD PROFILES

### Kate Lamont (Chairman)

Kate Lamont is an operating partner in the Lamont family business, which operates wine production and sales with restaurants in the Swan Valley, Margaret River, East Perth and Cottesloe. Ms Lamont has more than two decades of experience in the food and wine industry and was recently appointed to the Board of Tourism Australia.

Ms Lamont is a director of the Chamber of Commerce and Industry Western Australia and sits on the State Government's Skills Formation Taskforce representing hospitality and tourism interests. Ms Lamont's term commenced 11 May 2004 and she became Chairman from 1 September 2006.

### David Mazitelli (Deputy Chairman)

David Mazitelli is the Chairman of EC3 Global, the commercialisation subsidiary of the Sustainable Tourism Cooperative Research Centre, and is the immediate past chairman of the Australian Tourism Export Council, the peak industry body that represents the interests of over 1,150 tourism export companies throughout Australia.

He has held senior positions within the Federal Government, including Deputy Secretary of the Department of Industry, Tourism and Resources with broad ranging responsibilities, including the oversight of the department's tourism policy functions. Before this he was Executive Director of the Federal Department of Tourism.

He served on the Board of the Australian Tourist Commission (now Tourism Australia) for ten years.

He was a councillor on the Tourism Forecasting Council and a board member of both Tourism Training Australia and See Australia Limited. Mr Mazitelli is currently a Director on the Board of the Sustainable Tourism Cooperative Research Centre and the Perth Convention Bureau. His term commenced 1 October 2006.

### Gail Reynolds-Adamson

Gail Reynolds-Adamson is a Director of Kepa Kurl Enterprises Pty Ltd, a locally-owned and private Aboriginal tourism company based in Esperance, which operates eco-cultural discovery tours, an Aboriginal art gallery and gift shop, as well as a consultancy service specialising in the delivery of cross-cultural awareness training programs. She is currently on the Board of Indigenous Business Australia.

Ms Reynolds-Adamson is also on the Board of Indigenous Community Volunteers (ICV), an independent, not-for-profit company that offers support to Indigenous communities to pursue their community development goals. Her term expired in June 2010.

#### Trish Ridsdale

Trish Ridsdale is the Chairman of Travellers Choice, a leading Australian retail travel company and also holds directorships in the wine and medical research industries. She is the Principal of Board Business, a specialist consultancy that advises Boards in the areas of company strategy, risk performance and governance. Since 1997, Ms Ridsdale has been a director educator for the Australian Institute of Company Directors and is a Fellow of that organisation. Her term commenced 3 July 2007.

#### Dixie Marshall

Dixie Marshall is Channel Nine Perth's senior newsreader. With a career spanning more than 25 years, Ms Marshall is widely regarded as one of Perth's best journalists. She has worked for The Australian and The West Australian newspapers and a range of radio stations. Ms Marshall

was the first woman in Australia to commentate AFL on television and co-hosted the national Sportsworld program. She has won a host of awards for news and sports reporting. Ms Marshall's term commenced 1 October 2008.

#### Howard Cearn

Howard Cearn is the founder and Chairman of brainCELLS Creative Marketing, specialising in brand development and management. He is a founder of Little Creatures Brewing Pty Ltd, which has since listed on the Australian Stock Exchange as Little World Beverages where he sits as a Director and consults as a member of the creative development team. Additionally, he has interests in the Margaret River wine region as a Director of Swings & Roundabouts Wines. Further tourism experience was gained with two years at Budget Rent a Car, and considerable event and sponsorship strategy exposure with Lion Nathan as Marketing Director of the Swan Brewery. Mr Cearn term commenced 1 July 2006.



### John Welborn

John Welborn is the Managing Director of Prairie Downs Metals Ltd, a Perth based junior exploration mining company listed on the Australian Stock Exchange, bringing strong leadership and direction to the development of its base metal project in the Pilbara. Mr Welborn is also a passionate supporter of workforce development, a key area of importance for tourism, and brings his experience in corporate finance and company administration to the Board. Mr Welborn is also Chairman of FutureNow, the Creative and Leisure Industries Training Council. A former investment banker, Mr Welborn is also well-known for his achievements on the rugby field – he is Western Australia's first born and bred Wallaby having played six tests for Australia between 1996 and 1999 – and brings to the Board firsthand experience in major events. He was also a founding player with the Western Force in its inaugural season in 2006, and now retired from playing, serves as a Director of RugbyWA. Mr Welborn's term commenced in March 2010.

### Al Donald

Al Donald is an experienced corporate lawyer specialising in negotiated acquisitions, joint ventures and private capital fundraising. He is a former head of Freehills' national Mergers & Acquisitions group. In Australia Mr Donald has worked exclusively for Freehills in both the Sydney and Perth offices, and has been a partner since 1991. He worked in New York from 1985 to 1988 with leading United States and international law firm Skadden, Arps, Slate, Meagher & Flom, specialising in acquisitions and financing work. He was admitted to the New York Bar in 1986. Mr Donald is an honours graduate of the University of Western Australia. His term commenced 1 February 2009.

### Stephen Wicks

Stephen Wicks is the Regional General Manager WA for Mirvac Hotels and Resorts. Mr Wicks brings more than 14 years high-level experience in WA regional, eastern states and international hotel operations and development to the Board. While WA-born, he has held management roles in leading five star hotels in Sydney, Brisbane, Surfers Paradise, Hong Kong and Vietnam. Mr Wicks' experience includes involvement in the design, tender and management contract negotiations for hotel projects in Perth, Mandurah and Port Hedland.

He was part of the Mirvac team that established Quay West Resort Bunker Bay in the State's South-West as

one of the premium five star resort hotels in regional Australia. Mr Wicks is an adjunct professor with the University of Queensland's School of Tourism and a member of the Tourism Committee of the Chamber of Commerce and Industry Western Australia and, holds an MBA (Exec) from UNSW.

### John Spence

John Spence owns and operates Karma Royal Group, which develops and markets resorts in India, South East Asia and Australia. He is currently working on the development of an all villa resort in Margaret River, which includes a private aircraft landing strip. Mr Spence also has other business interests aside from the resorts, including a sports promotions company and a DVD production company. His company is based in Bali, and has a Western Australian office in Subiaco. Mr Spence resigned from the Board in March 2010.

## CORPORATE GOVERNANCE

### Western Australian Tourism Commission Board meetings and attendance

Of the 10 Board meetings conducted this financial year, the attendance was as follows:

	Meetings attended	Meetings eligible to attend
Kate Lamont	10	10
David Mazitelli	9	10
Trish Ridsdale	8	10
Gail Reynolds-Adamson	8	10
Howard Cearns	10	10
John Spence	2	6
Dixie Marshall	8	10
Al Donald	10	10
John Wellborn	4	4
Stephen Wicks	2	2

### Declaration of interests

The Board has a standing declaration of interest process where Board agenda papers are not distributed to those members who have a declared or perceived interest in relation to any matter. In addition to this process, Board members declare other interests from time to time as matters arise.

### Independent external advice

Individual Board members have the right to seek independent professional advice on particular matters before the Board, subject to approval from the Chairman, at Tourism WA's expense.

### Committees

To assist the Board in achieving the highest standards of corporate governance, Board members closely involve themselves with critical areas of Tourism WA's activities through the establishment of advisory committees.

The Board had three committees to assist it in the delivery of Tourism WA's objectives and one committee to assist in its financial management and conformance activities.

The **Strategic Marketing Committee** provided high level strategic advice on Tourism WA's marketing activities in domestic and international markets and monitored the success of its activities.

The **Infrastructure and Investment Committee** made recommendations to the Board on matters affecting the implementation of significant tourism infrastructure developments and where resources should be directed.

The **Aboriginal Tourism Committee** provided advice and input that will assist in the achievement of the strategic objective to accelerate the development of Aboriginal tourism.

The **Audit and Risk Committee** provided additional assurance regarding the quality and reliability of financial information. The committee reviews financial performance and provides advice to the Board on areas of concern.

The committee also oversees internal control procedures and limits, which are subject to internal and external audit review. An internal audit plan is approved each year and the committee reviews the results of these audits.

### Ethical standards

Tourism WA's Board acknowledges the need for the highest standard of corporate governance practices and ethical conduct by all members, employees and contractors.



## EXECUTIVE MANAGEMENT TEAM

The Chief Executive Officer, the five Executive Directors, the Executive Services Manager and the Director Corporate Communications are ongoing members of the Executive Management Team.

### Stephanie Buckland, Acting Chief Executive Officer

Stephanie became the acting CEO in January 2010. Stephanie was previously the Executive Director Marketing at Tourism WA, a role she held since March 2008. In her previous role, Stephanie's responsibilities included leading Tourism WA's domestic and international marketing activities, including consumer and trade marketing, public relations and research.

She brings 14 years of private sector marketing experience to Tourism WA from the packaged goods and financial services industries. As Head of Marketing for Bankwest, Stephanie developed the marketing strategy for the bank's successful expansion to the east coast of Australia. Stephanie also worked for Pfizer Consumer Healthcare for 12 years marketing well-known consumer brands such as Listerine mouthwash, both in the USA and Australia.

Stephanie has an undergraduate degree in marketing from Pennsylvania State University, USA, and a Masters in Business Administration from the University of Virginia, USA.

### Richard Muirhead, Chief Executive Officer

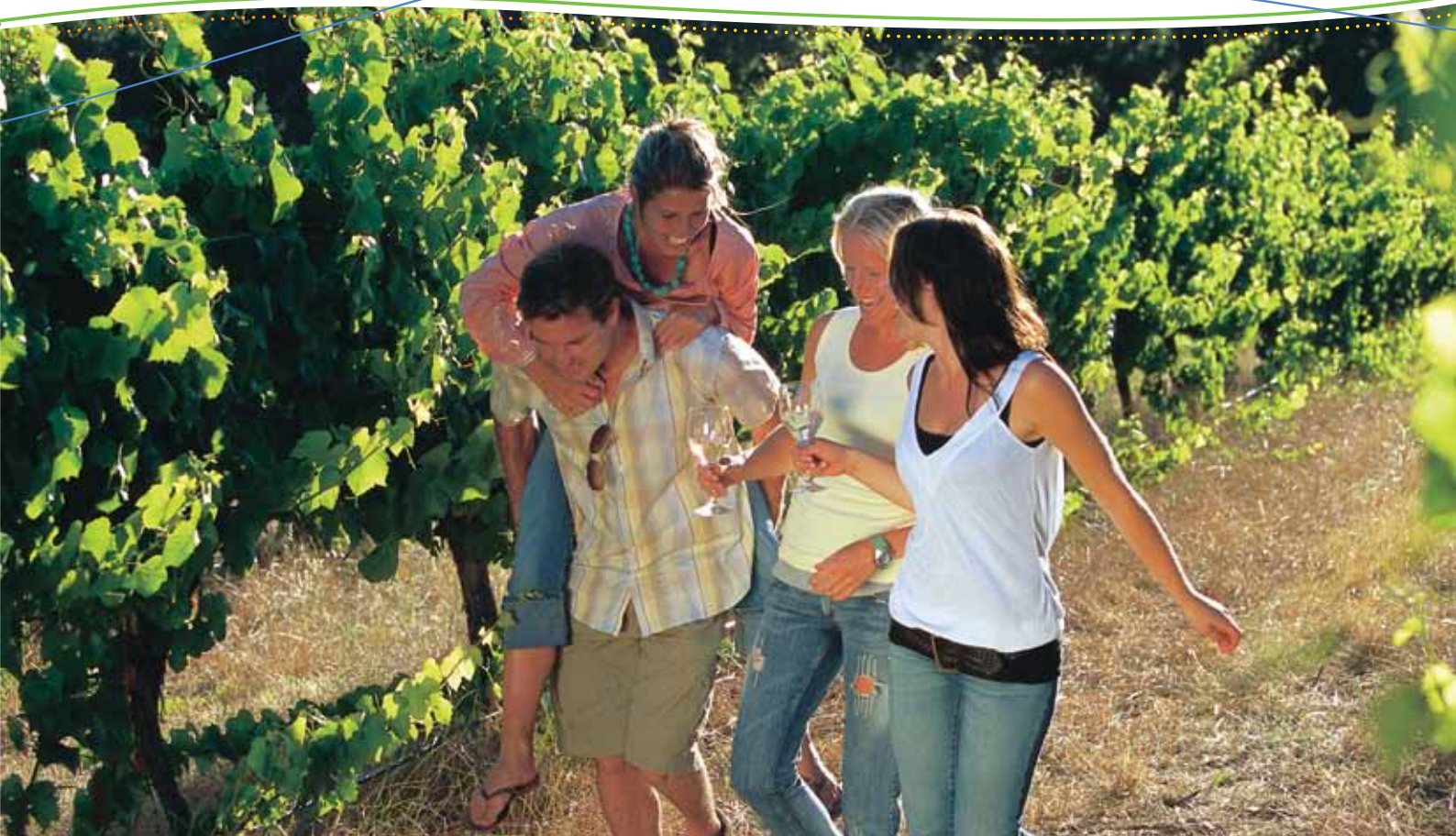
Richard was the Chief Executive Officer until January 2010 after being with Tourism WA for almost nine years.

### David van Ooran, Executive Director Eventscorp

David joined Eventscorp in 2006. Previously he was the Director, Commercial Operations and Visitor Services at the Western Australian Museum. Prior to this David held a senior management position with AQWA (Aquarium of Western Australia), and has also spent time in a variety of roles at Perth Zoo, the Western Australian Tourism Commission and Australian Airlines, primarily interstate. David has been a Director of the Perth Theatre Company since 2007.

### James Hewitt, Acting Executive Director Industry Development and Visitor Servicing

James joined Tourism Western Australia in 2004, with a background in land development, urban planning



and economic development in Western Australia and the United Kingdom. James leads a team that works across the areas of investment attraction, land use and infrastructure planning. He has been acting in this role since 2010.

James previously worked in residential land acquisition and development with the George Wimpey Group in Scotland before moving to Australia and joining the City of Perth in an economic development role. James has qualifications in geography, urban and regional planning, and applied finance and investment.

#### **Jennifer Duffecy, Executive Director Industry Development and Visitor Servicing**

Jennifer Duffecy was Executive Director Industry Development until April 2010 after being with Tourism WA for seven years.

#### **Kelly MacLean, Acting Executive Director Marketing**

Kelly joined Tourism WA in 2002 as Digital Marketing Manager and since then has worked in a number of senior marketing roles, including A/Executive Director Consumer Marketing. Previously she held a senior sales

and marketing role at Central TAFE, and marketing and international business development roles at both Curtin University and TAFE International. She has extensive knowledge of contemporary marketing techniques, brand management and significant experience in the implementation of international and national marketing campaigns. Kelly has an honours degree in Commerce at the University of Western Australia.

#### **Rick Thomas, Executive Director Aviation Development**

Rick Thomas was the Executive Director Aviation Development until June 2010 when he retired after being with Tourism WA since 1977.

#### **David Lowe, Acting Executive Director Corporate and Business Services**

David has worked in the WA Public Sector for the last 25 years, predominately in the field of human resource management, and at Tourism WA for the last nine years. Prior to this he worked at the Water Corporation, Family and Children's Services, MetroBus and the Public Service Commission.



## 1.3 PERFORMANCE MANAGEMENT FRAMEWORK

### 1.3.1 OUTCOME BASED MANAGEMENT FRAMEWORK

Government Goal	Desired Outcome	Services
Financial and Economic Responsibility:  Responsibly managing the State's finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.	Increased competitiveness and viability of the Western Australia Tourism industry.	1. Destination Marketing  2. Event Tourism  3. Industry Development and Visitor Servicing

This alignment clearly articulates the relationship between the functions and responsibilities of Tourism WA and its Strategic Plan, as well as overall government goals.

The desired outcome recognises that the value of tourism is more than economic and that the agency is charged with ensuring that the WA tourism industry is competitive and sustainable over the long term.

### 1.3.2 CHANGES TO OUTCOME BASED MANAGEMENT FRAMEWORK

Tourism WA's outcome based management framework did not change during 2009/2010.

### 1.3.3 SHARED RESPONSIBILITIES WITH OTHER AGENCIES

Tourism WA does not share any statutory responsibilities with other agencies.

The agency participates in a range of significant planning processes coordinated by other agencies, including the Perth Airport Advisory Board, Swan River Protection Advisory Committee, Ningaloo Sustainable Development Strategy, Busselton Jetty Working Group, Mt Augustus Taskforce, Perth Waterfront Taskforce, the National Long Term Tourism Strategy, Kimberley Regional Planning Committee and the Coastal Planning and Coordination Council.

Tourism WA's role in these and other cross-agency groups is to provide advice to maximise tourism outcomes from planning and development processes. It provides advice to the Department of Planning on policy initiatives impacting on tourism planning and infrastructure development and works with LandCorp and the Department of Environment and Conservation to identify future tourism opportunities through the Landbank and Naturebank programs.

Tourism WA also contributes to standard cross-agency initiatives such as managing future staffing needs; promoting and managing equity and diversity; promoting ethical conduct; and participating in corporate services reform.

## 2.0 AGENCY PERFORMANCE

### 2.1 REPORT ON OPERATIONS

#### DESTINATION MARKETING

The Destination Marketing division focuses on making Western Australia the holiday destination of choice for our target consumer groups and to move consumers through the conversion model from awareness to purchase.

In 2009/10 the Destination Marketing division's key strategies were:

- Establish and communicate a clear brand proposition for WA and broadcast it with a breakthrough marketing idea;
- Focus on geographic markets that are closer to WA and on consumer segments that are more likely to continue travelling;
- Measuring our results accurately and, reporting them in a clear and compelling way;
- Aligning marketing activities and partnering with Tourism Australia, RTOs and tourism operators;
- Focusing on cost-effective channels – digital, PR, trade partnerships;
- Engaging in-market trade to ensure that WA product is included in key programs and that agents are well educated;
- Supporting existing aviation access and laying the groundwork for future improvements.

#### Major destination marketing achievements 2009-2010

- Completed the brand strategy review and successfully implemented the new brand positioning for Western Australia 'Experience Extraordinary'. The brand strategy review involved consultation with over 1,200 consumers and industry within Australia and globally. The new brand positioning provides WA with a consistent, differentiating and unifying theme while providing industry with the flexibility to promote WA and their product to various target markets. It also provides clear definition of key target markets to ensure the most efficient and effective use of marketing resources.
- Awarded a new advertising agency contract following a national competitive tendering process to provide a range of integrated marketing services, strategic and creative expertise.

- Launched a marketing campaign to bring the new brand to life, the Extraordinary Taxi Ride. This innovative and integrated campaign was the first of its kind globally and was promoted in the domestic market, as well as in the United Kingdom, Singapore, Malaysia, Germany and New Zealand. This \$6.2 million campaign was extremely successful with campaign partners reporting up to triple digit percentage increases in bookings as a direct result of the campaign. The campaign also attracted over 40 campaign partners and sponsors, including non-traditional sponsors - RAC, Telstra, Bankwest and TomTom. Through editorial media coverage, the campaign reached an audience of over 90 million globally and generated over \$5 million in equivalent advertising value (EAV), including stories in, The Guardian (UK), The New York Times, China Times and The Australian and television programs like Sunrise and TV New Zealand. The campaign will evolve in 2010/11 to promote the personal experiences and stories of the passengers from the taxi journey making use of the extensive film and image content generated through the campaign.
- Secured a record \$4.1 million in cooperative partnership contributions from the tourism industry. This was an increase of 8 per cent on the result from 2008/09 and exceeded the target set for 2009/10.
- Achieved \$48 million worth of public relations coverage (estimated advertising value) through public relations activities during 2009/10. Over \$9 million was achieved in the domestic market alone – a record high figure – due to the success of the Extraordinary Taxi Ride campaign.
- Implemented findings from the Regional Tourism Review completed in July 2009 and negotiated a new five-year contract with each Regional Tourism Organisation (RTO). The contract was constructed using the findings of the review and now includes Key Performance Indicators for each RTO.
- Worked in partnership with Tourism Australia on the No Leave No Life campaign. In addition to campaign activity, a highlight included the Channel 7 series 'No Leave No Life' which showcased Western Australia's South West region to a national audience of over 750,000.

- Contributed to 'One Billion Won', the first Korean motion picture to be shot in Western Australia, specifically the Perth, the South West and Coral Coast regions. The movie premiered in over 340 cinemas throughout Korea in July 2009. In addition, an exclusive deal was secured with the Outback Steakhouse chain in Korea (considered Korea's number one up-market family restaurant) to use WA as the promotional backdrop for a major nationwide campaign, including the filming of four television commercials and eight one hour episodes of a reality TV program.
- Achieved a record number of participants in Tourism WA's WA Holiday Specialist (WAHS) program, an online trade training program focused on domestic travel agents. The 1000th WAHS was trained in November 2009.
- Undertook a refresh of westernaustralia.com and all digital assets to align with the new 'Experience Extraordinary' positioning. westernaustralia.com received over 2.1 million unique visitors in 2009/10 and due to the implementation of a new search marketing strategy implemented in Australia and a number of international markets, increased the number of referrals from search engines by 23.9 per cent.
- Secured incremental cooperative campaign funding from Tourism Australia during 2009/10. These campaigns were valued at \$1.35 million and implemented with various aviation partners in the markets of China, Japan, New Zealand, Singapore and Malaysia. These campaigns resulted in partners reporting up to a 42 per cent increase in sales for the period.
- Transitioned the Singapore and Malaysian markets to a new agency representation model that is providing improved value for money and increased flexibility. The move to the new agency model also facilitated new 'on the ground' representation in Malaysia.
- Worked with key partners including Tourism Australia, Swain Tours and Down Under Answers to drive visitation to the State from the US market. For the first time in a number of years, Tourism WA supported a number of WA operators in the Tourism Australia new product workshop in Los Angeles. This WA presence allowed for highly successful media and trade presentations around the workshop. Tourism WA also participated in the major trade events Oztalk and Corroboree.

## EVENT TOURISM

Eventscorp makes a significant contribution to the State through event and business tourism.

Its key functions are to:

- Identify and attract appropriate events to Western Australia.
- Support and develop events from idea generation to implementation and, where appropriate, manage and grow events, particularly in regional areas.
- Leverage tourism, business and media opportunities through events
- Maximise business tourism.

## Major event tourism achievements

- Hosted 20 major events including the Drug Aware Pro Margaret River, Hopman Cup, One Movement for Music, Red Bull Air Race, Sculpture by the Sea Cottesloe.
- A total of 22 events were either re-contracted or contracted for the first time for Western Australia, including The Graduate theatre production starring Jerry Hall, Cricket City Perth which will see Australia take on England in the Ashes series in December and the Australasian Safari event for the next three years.
- Provided \$1.5 million to five events through the Arts and Cultural Events Scheme (ACE) and \$300,000 to 21 events across WA through the Regional Events Scheme (RES). Events receiving funding through these schemes included the Perth Fashion Festival, Southern Art and Craft Trail, Geographe Bay Race Week, Sculpture by the Sea Cottesloe, Fremantle Street Arts Festival and Argyle Diamonds Ord Valley Muster.
- Focused on developing a range of highly acclaimed, world-class, Western Australian events that will grow over time and be synonymous with Western Australia. Aside from the direct event funding support, events such as the Lancelin Ocean Classic, Anaconda Adventure Race and the Doctor Surf Ski World Cup will benefit from the production and distribution of a 26-minute television program.
- Successfully tendered and awarded a new contract to Surfing Western Australia to run the biggest and most prestigious surfing event ever held in Western Australia. Over 15,000 spectators witnessed 30

of the world's top 44 men's surfers and 12 of the top 16 women surfers compete for US\$180,000 in prize money.

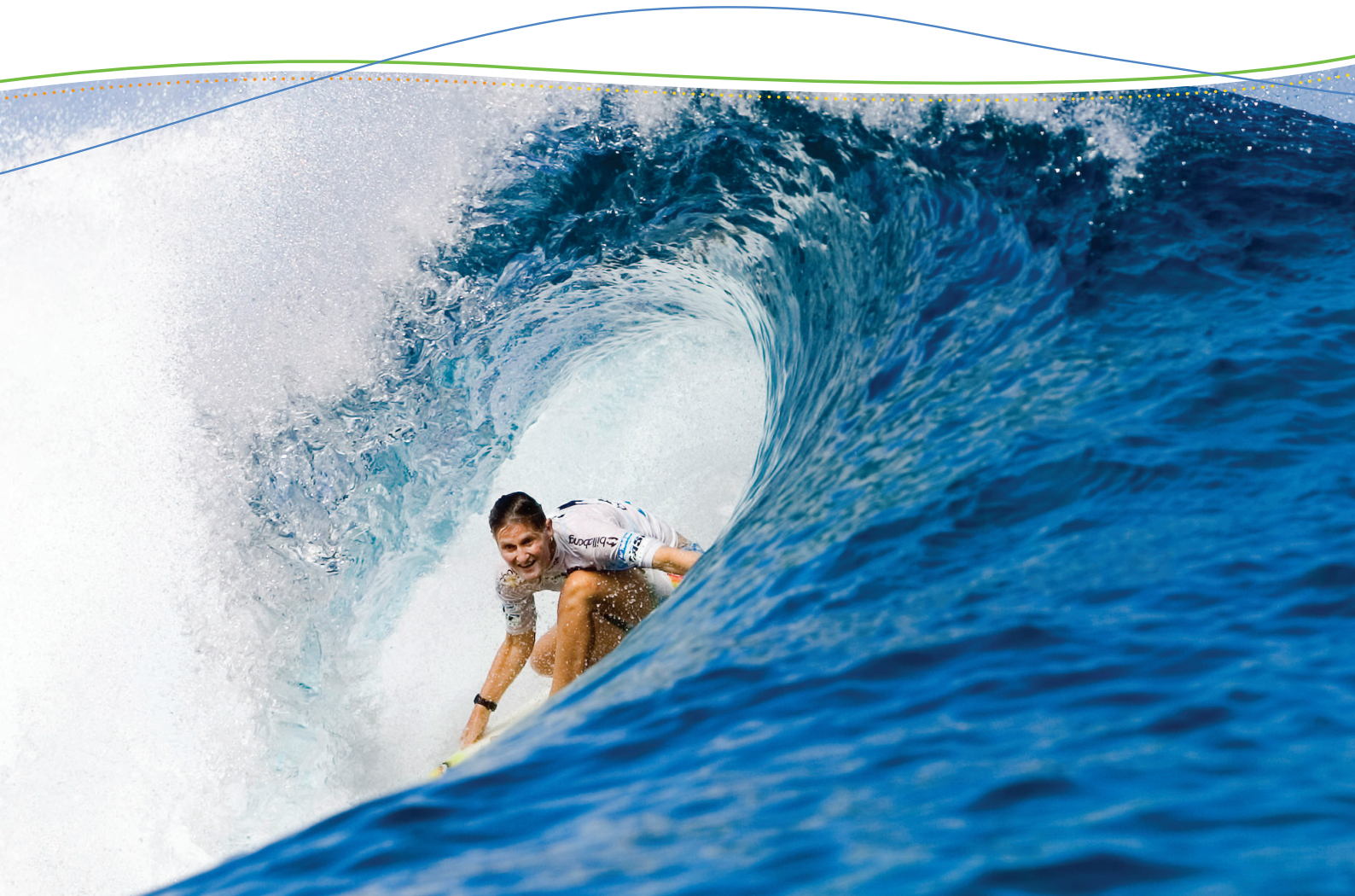
- Successfully hosted the Red Bull Air Race for the fourth time which attracted thousands of visitors to the State and promoted Perth and Western Australia to a global audience.
- Helped to secure one of the world's most successful exhibitions, A Day in Pompeii, for the Western Australian Museum which is estimated to attract over 90,000 visitors to the exhibition.
- Hosted the inaugural One Movement for Music Festival which delivered strong economic and media benefits for the State. In addition, significant outcomes between local, national and international artists and industry representatives were achieved such as the securing of new record deals, tours, agents, managers and sponsorships.
- Continued to seek maximum benefits for Western Australia through event tourism. The combined events hosted by Eventscorp in 2009-10 were estimated to have attracted almost one million

spectators and competitors, including more than 21,000 visitors to the State who stayed more than 150,000 visitor nights in WA. In addition, these events combined generated 1,000 hours of television broadcast to millions of potential visitors in more than 100 countries.

#### Convention and incentive travel

The Perth Convention Bureau (PCB) is contracted by Tourism WA to accelerate the growth of conventions, corporate meetings, exhibitions and incentive travel groups (business events). In 2009/10 the PCB received \$3.3 million in funding from Tourism WA. The PCB aims to position WA as a premium destination for large-scale business events with an increased focus on bidding for, and supporting the attraction of, national and international conventions.

In 2009/10, the contract between the PCB and Tourism WA was amended for the term of the agreement to provide greater flexibility. This is on the provision that the five-year target for Large Scale Business Events is maintained at \$95 million in direct delegate expenditure and that the overall five year target remains at \$396 million.



## Major convention and incentive travel achievements

- Secured 114 international and national association business events worth an estimated \$88.24 million in direct delegate expenditure. These events include several large-scale business events of more than 900 people, such as the 7th International Symposium on Digital Earth Forum, Association of Advancement for Veterinary Parasitology, Cardiac Society of Australia and New Zealand 59th Annual Scientific Meeting, World Planning Schools Conference, and International Desalination Association Conference on Desalination and Water Re-use.
- Attracted 20 corporate meetings and incentive travel groups, representing an estimated \$4.77 million in direct delegate expenditure from an anticipated 2,322 participants.

## INDUSTRY DEVELOPMENT AND VISITOR SERVICING

The Industry Development and Visitor Servicing Division ensures that appropriate tourism product is in place for visitors to enjoy and that information services enhance the experience.

Its key functions are to:

- Ensure an environment that attracts capital investment and re-investment.
- Facilitate the development of new tourism products and enhance existing ones.
- Ensure tourism product is well represented in the online information and global distribution environments.
- Provide support for the delivery of quality visitor information and services.

## Major industry development and visitor servicing achievements

- Launched the Naturebank program with the Department of Environment and Conservation to release land for low impact accommodation, mostly within national parks and reserves. The program involves identifying potential visitor accommodation sites and undertaking due diligence required to make a site ready for release. The first Naturebank site at Kurrajong within Purnululu National Park was released for Expressions of Interest (EOI) in December 2009 and the EOI process closed in March. A further eight Naturebank sites are in various stages of progress.

- Continued the Landbank program. A site at The Link project in East Perth was released for EOI in December, the Albany Waterfront was released for EOI in April, the Rottnest Island site was re-released in November 2009 and a Tom Price 148 room hotel site released in 2007 has progressed to a building licence and new Deed of Agreement with State Land Services.
- Undertook a Tourism Impact Assessment of the proposed Kimberley liquefied natural gas precinct on Broome and the Kimberley region as part of a whole-of-Government assessment led by the Department of State Development. The tourism assessment has shown that most industry stakeholders and local residents felt that the two industries could co-exist, providing strategies were in place to protect Broome's image.
- Updated the five Tourism Development Priorities which identify tourism product and infrastructure priorities in each of Western Australia's five tourism regions.
- Commissioned the Perth Hotel Economic Impact Study by Access Economics to assess the current state of accommodation supply in Perth and its impacts. The study identified the economic costs to the Western Australian economy of a continued shortage of hotel accommodation are significant. In net present value (NPV) terms over the ten years to 2019-20, total Gross State Product (GSP) foregone is estimated at \$435 million.
- Undertook formal training of visitor centre staff, making WA the only State to provide such training. More than 150 staff from visitor centres across the State undertook the six month course in either Certificate III or IV in Visitor Servicing. The program was managed by Tourism WA and delivered by Central TAFE.
- Commenced a New State Aboriginal Tourism Strategy (2011-2015). A cross-agency working group has been established. It is anticipated that the strategy will be completed in 2010.
- Completed the Needs Analysis Project of the 55 export and market ready Aboriginal tourism operators with 38 operators participating. The Capacity Building Program continues to implement assistance to these 38 operators (with up to \$8,000) to support development of marketing collateral, product packaging, web development, etc.

- Continued the successful Aboriginal Employment Program. Current Aboriginal Employment Program participants include five cadets and 16 trainees.
- Attended numerous investment attraction events, hosted a variety of inbound investor missions and regularly undertook site visits with potential national and international tourism industry investors.
- Completed the first three years of the contract with Best of Australia to provide retail and booking services at the Western Australian Visitor Centre. The contract has been extended for another three years and now includes visitor information provision.
- Provided input to whole of government processes examining the future of pastoral leases, with the aim to increase the potential for tourism accommodation and activities. A guide on

Tourism Development on Pastoral Lands was compiled with the assistance of the Department of Regional Development and Lands, State Lands Services to provide commercial operators or others wishing to access pastoral leasehold land for tourism purposes with relevant information.

- Finalised the Jones Lang LaSalle Hotels Review of Tourist Accommodation Development in WA Report. This report identified 20 recommendations relating to planning, finance and investment, and these outcomes have influenced the WA Planning Commission's decision to review current tourism planning policy.



## 2.2 FINANCIAL TARGETS

	2009-10 Target \$'000	2009-10 Actual \$'000	Variation \$'000
Total Cost of Services (i.e. endorsed expense limit)	61,245	63,530	-2,285
Net Cost of Services (details in the Income Statement)	57,335	58,218	-883
Total Equity (details in the Balance Sheet)	6,960	6,202	758
Net Increase/(Decrease) in Cash Held (details in Cash Flow Statement)	-142	282	-424
Full Time Equivalent (FTE) staff level	159	125	-34

Significant variations between target and actual results are shown below. Significant variations are considered to be those greater than \$500,000.

### TOTAL COST OF SERVICES

<b>Approved expense limit</b>	61,245
Plus approved adjustments	1,826
Carryover 2008-09 activities	-592
Motor Vehicle Fleet	-15
Shared Services Roll-in	49
Amortisation/depreciation adjustment	-176
Voluntary Severance	76
Royalties for Regions	55
Targeted voluntary severance offer	1,926
A Day in Pompeii	330
	3,479
<b>Adjusted Expense Limit</b>	<b>64,724</b>

The variance between the Actual Total Cost of Services and the Adjusted Expense Limit (\$1,194,000) is due to unexpended amounts relating to the Aviation Development Fund (\$410,000) and a reduction in employee provisions resulting from the termination of officers under the targeted voluntary severance scheme (\$407,000).

### NET COST OF SERVICES

The variance in the Net Cost of Services is the result of funding decisions by Government and the variances detailed under the Total Cost of Services.

### TOTAL EQUITY

The most significant variance in net equity is the result of the transfer of the Lake Argyle Museum (\$300,000) to another organisation.

### NET INCREASE/(DECREASE) IN CASH HELD

No significant cash variances.

### FULL TIME EQUIVALENT (FTE) STAFF LEVEL

The reduction in staff is attributed to the number of staff who took up a Targeted Voluntary Severance Offer in anticipation of the agency's adoption of a new business model.

## 2.3 KEY PERFORMANCE INDICATORS

In 2007 the Western Australian Tourism Commission (trading as Tourism WA) reviewed its strategic direction, delivering a new Strategic Plan 2008 to 2013 – Building for the Future. Key performance indicators (KPIs) were developed and agreed by Government as part of this process. This is the second year of measurement of the KPIs (2009-2010).

The government goal that is supported by Tourism WA is “Financial and Economic Responsibility: Responsibly managing the State’s finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.”

The desired outcome that supports this is: Increased competitiveness and viability of the Western Australian tourism industry. ‘Competitiveness’ reflects the fact that Western Australia faces real product competition with other interstate and overseas destinations. Tourism industry ‘viability’ is secured when it is characterised by profitability and new investment whilst being sensitive to community views and environmental concerns.

The KPIs provide an indication of whether Tourism WA has achieved these outcomes.

### KEY EFFECTIVENESS INDICATORS

	2009-10 Target	2009-10 Actual	Outcome
<b>Outcome: Increased competitiveness and viability of the Western Australian tourism industry</b>			
Percentage of visitors whose expectations were met or exceeded upon visiting Western Australia (competitiveness)	90%	95.1%	Achieved
Visitor expenditure in WA (international, interstate and intrastate markets) grows faster than the national average and faster than the total WA visitor numbers (competitiveness)	WA growth in spend > national average	-3.7% vs national average of +0.9%	Not Achieved
	WA growth in visitor expenditure > growth in WA visitor numbers	-3.7% vs growth in WA visitor numbers -10.1%	Achieved
Broader business community assessment of the value of tourism (viability)	50%	88%	Achieved

### KEY EFFICIENCY INDICATORS

	2009-10 Target	2009-10 Actual	Variation
Ratio of Tourism WA Marketing spend to visitor spend	\$1:\$153	\$1:\$164	Achieved
Ratio of Tourism WA Event spend to the value of direct expenditure and media impact generated by events (current year)	\$1:\$6.11	\$1:\$3.72	Not Achieved
Total cost of Industry Development and Visitor Servicing as compared to percentage of visitor satisfaction	\$140,998 per % visitor satisfaction	\$138,170 per % of visitor satisfaction	Achieved

## 3.0 SIGNIFICANT ISSUES IMPACTING THE AGENCY

### OUTLOOK FOR 2010 - 2011

The Board of Tourism WA has completed a Strategic Analysis of Tourism WA's involvement in the tourism industry. The changes will be implemented from first quarter 2010-2011 to provide a sharper focus in the areas of marketing, events and significant tourism infrastructure (access, accommodation and attractions).

The new brand positioning 'Experience Extraordinary', launched in early 2010, will be utilised in core markets and significant marketing effort will be directed into building this as a long-term brand position for Western Australia. Tourism WA will continue to focus on markets that present the best opportunity for tourism growth.

The global tourism market continues to be highly competitive. The Australian dollar has continued to strengthen and this has stimulated outbound growth which has impacted on domestic tourism.

Western Australia has a larger reliance on intrastate travellers than the rest of Australia. The number of travellers (and therefore spend) in this category is reducing as a result of increased access to low cost overseas travel.

The number of Western Australians travelling within the State continues to fall, as is intrastate tourism across Australia. Western Australian figures show a decline of 11.3 per cent compared to the national average of 6.4 per cent, however, all States except Queensland and New South Wales are showing similarly high levels of decline faster than the national average.

With economies rebounding after the global economic recession demand for airline travel appears to be on the increase. Short haul routes are projected to perform more strongly in the coming year and the Asia Pacific and Middle Eastern carriers are reporting strong growth from the beginning of 2010. These projections are positive for Western Australia, however, the State needs to remain diligent in its endeavours to ensure that airline seat capacity continues to grow in order to capitalise on this potential demand.

The viability of new tourism development continues to be negatively impacted by both local and global issues. Investment in short-stay accommodation is hampered by lower returns compared to other land uses, such as residential or commercial, regardless of demand. Hotel development impacts all industry sectors and is an essential infrastructure for its flow-on benefits to commerce in general. The accommodation review

undertaken by Jones Lang LaSalle Hotels investigated issues such as financing, planning, policy and investment. A report by Access Economics quantified a significant impact on Gross State Product and job creation should new hotel development in Perth not eventuate. Tourism WA is progressing the recommendations of both studies in conjunction with relevant agencies.

As has been the case for a number of years, the competition between nations and states for major events continues to be extremely competitive. Eventscorp continues to support a diverse calendar of events including a mix of major sporting, arts and cultural and uniquely Western Australian events. These events are selected based on their ability to support the tourism brand and promote Western Australia, encourage visitation and contribute to the vibrancy of the State.

### Marketing plans for 2010 - 2011

- Utilising the 'Experience Extraordinary' brand positioning, conduct campaigns in the domestic and short-haul markets, and markets in which Tourism WA can make a difference in generating increased visitation to the State.
- Work in partnership with Regional Tourism Organisations (RTOs) and tourism operators in marketing WA, and align activities with Tourism Australia as appropriate.
- Focus on the most effective marketing channels that appeal to and attract our target market, with an increasing focus on digital and public relations activities.
- Foster and maintain strong relationships with strategic partners, both within and outside the tourism industry.
- Engage and educate in-market trade to ensure awareness of WA and that WA product is included in key distribution channels.
- Support existing aviation access and work to support future growth.

### Event Tourism plans for 2010 - 2011

- Host 30 events. These include the One Movement for Music Perth, Ironman Western Australia, a cricket Test match between arch rivals Australia and England, the Hyundai Hopman Cup XXIII, the Australian University Games, Sculpture by the Sea, Fremantle Street Arts Festival, Perth Fashion Festival, A Day in Pompeii exhibition and The Graduate theatre production.

- Develop a new events strategy that is aligned with the Experience Extraordinary brand that will increase Eventscorp's ability to compete internationally for events and build stronger event calendars for the State.
- Continue to build the State's future event calendars and further develop a range of home grown events that are based in the State and showcase the unique attributes of Western Australia.
- Review and make recommendations on the future direction of the Regional Event Scheme and Arts and Cultural Event Scheme.

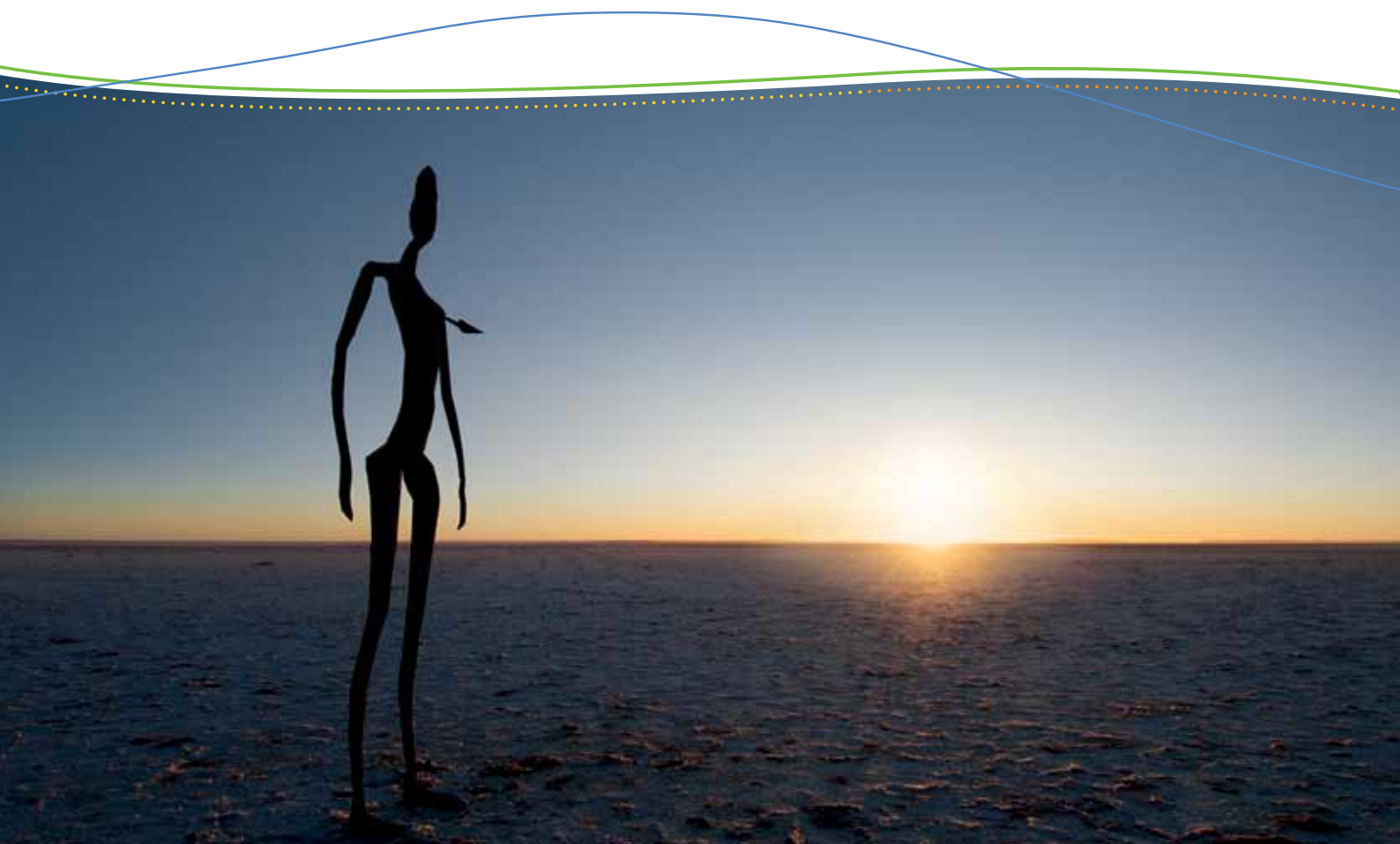
#### Infrastructure and Investment plans for 2010 - 2011

- Focus on Top 15 development and infrastructure priorities; work with key partners in the advancement and delivery of key projects identified as having the greatest potential to support and grow tourism investment and visitation to the State.

- Landbank and Naturebank site releases: continue release of current sites and identify release of future site release program in consultation with key stakeholders.
- Investment attraction: finalise cross agency investment strategy with key partners; identifying affordable and high yield investment opportunities; and implement an investment attraction strategy.
- Aviation: focus on developing and implementing an Aviation Route Development Strategy for the State, maintain and develop partnerships with key carriers, assist in the route development aspects of the proposed South West regional airport.

#### Changes in written law

No changes in written law directly relating to Tourism WA business were recorded in 2009-2010.



## 4.0 DISCLOSURES AND LEGAL COMPLIANCE

### 4.1 FINANCIAL STATEMENTS

Certification of Financial Statements  
For the year ended 30 June 2010

The accompanying financial statements of the Western Australian Tourism Commission (operating as Tourism WA) have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2010 and the financial position as at 30 June 2010.

At the date of signing, we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



KATE LAMONT  
**CHAIRMAN**

13 September 2010



AL DONALD  
**COMMISSIONER**

13 September 2010



PETER KEALLEY  
**CHIEF FINANCIAL OFFICER**

13 September 2010





## Auditor General

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

#### **WESTERN AUSTRALIAN TOURISM COMMISSION FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2010**

I have audited the accounts, financial statements, controls and key performance indicators of the Western Australian Tourism Commission.

The financial statements comprise the Statement of Financial Position as at 30 June 2010, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

#### **Board's Responsibility for the Financial Statements and Key Performance Indicators**

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

#### **Summary of my Role**

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. This document is available on the OAG website under "How We Audit".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

#### **Western Australian Tourism Commission**

#### **Financial Statements and Key Performance Indicators for the year ended 30 June 2010**

#### **Audit Opinion**

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Western Australian Tourism Commission at 30 June 2010 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions;
- (ii) the controls exercised by the Commission provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Commission are relevant and appropriate to help users assess the Commission's performance and fairly represent the indicated performance for the year ended 30 June 2010.

GLEN CLARKE  
ACTING AUDITOR GENERAL  
15 September 2010

4th Floor Dumas House 2 Havelock Street West Perth 6005 Western Australia Tel: 08 9222 7500 Fax: 08 9322 5664

# STATEMENT OF COMPREHENSIVE INCOME

## FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$'000	2009 \$'000
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	6	15,180	14,782
Supplies and services	7	14,759	16,369
Depreciation and amortisation expense	8	1,368	1,463
Accommodation expenses	9	1,912	1,886
Grants and subsidies	10	803	116
Loss on disposal of non-current assets	11	27	24
Event operations expenses	12	15,390	13,498
Advertising and promotion expenses	13	10,953	8,976
Other expenses	14	3,138	3,903
<b>Total Cost of Services</b>		<b>63,530</b>	<b>61,017</b>
<b>Income</b>			
<b>Revenue</b>			
User charges and fees	15	264	246
Commonwealth grants and contributions	16	3,032	148
Interest revenue	17	357	240
Other revenue	18	1,659	1,613
<b>Total Revenue</b>		<b>5,312</b>	<b>2,247</b>
<b>Total income and revenue other than income from State Government</b>		<b>5,312</b>	<b>2,247</b>
<b>NET COST OF SERVICES</b>		<b>58,218</b>	<b>58,770</b>
<b>INCOME FROM STATE GOVERNMENT</b>			
Service appropriation	19	58,062	54,611
Resources received free-of-charge	19	136	97
Grants received	19	-	1,000
<b>Total income from State Government</b>		<b>58,198</b>	<b>55,708</b>
<b>SURPLUS/ (DEFICIT) FOR THE PERIOD</b>		<b>(20)</b>	<b>(3,062)</b>
<b>OTHER COMPREHENSIVE INCOME</b>	30	<b>87</b>	<b>40</b>
Changes in Asset revaluation surplus		-	-
Gains(Losses) recognised directly in equity		-	-
<b>Total other Comprehensive Income</b>		<b>87</b>	<b>40</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>67</b>	<b>(3,022)</b>

See also note 39 'Schedule of Income and Expenses by Service'.

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

## STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$'000	2009 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	31	4,232	3,950
Receivables	20	1,040	807
Prepayments	24	1,269	1,164
Amounts receivable for services	26	475	475
Other current assets	21	321	42
<b>Total Current Assets</b>		<b>7,337</b>	<b>6,438</b>
<b>Non-Current Assets</b>			
Amounts receivable for services	26	4,704	3,865
Property, plant and equipment	22	1,401	1,810
Intangible assets	23	876	1,890
Investments	21	172	150
<b>Total Non-Current Assets</b>		<b>7,153</b>	<b>7,715</b>
<b>TOTAL ASSETS</b>		<b>14,490</b>	<b>14,153</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	27	463	187
Provisions	28	3,603	2,749
Other current liabilities	29	3,059	3,645
<b>Total Current Liabilities</b>		<b>7,125</b>	<b>6,581</b>
<b>Non-Current Liabilities</b>			
Provisions	28	682	762
Other non-current liabilities	29	481	647
<b>Total Non-Current Liabilities</b>		<b>1,163</b>	<b>1,409</b>
<b>TOTAL LIABILITIES</b>		<b>8,288</b>	<b>7,990</b>
<b>NET ASSETS</b>		<b>6,202</b>	<b>6,163</b>
<b>EQUITY</b>			
Contributed equity	30	6,779	6,807
Reserves	30	2,010	1,923
Accumulated (deficit) / surplus	30	(2,587)	(2,567)
<b>TOTAL EQUITY</b>		<b>6,202</b>	<b>6,163</b>

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

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2010

	Note	Contributed Equity \$'000	Reserves \$'000	Accumulated Surplus/ (Deficit) \$'000	Total Equity \$'000
<b>Balance at 1 July 2008</b>		6,020	1,883	495	8,398
Changes in accounting policy or correction of prior period errors		-	-	-	-
<b>Restated balance as at 1 July 2008</b>		<b>6,020</b>	<b>1,883</b>	<b>495</b>	<b>8,398</b>
Total comprehensive income for the year		-	40	(3,062)	(3,022)
Transactions with owners in their capacity as owners:					
Capital appropriations		787	-	-	787
<b>Balance at 30 June 2009</b>		<b>6,807</b>	<b>1,923</b>	<b>(2,567)</b>	<b>6,163</b>
<b>Balance at 1 July 2009</b>		6,807	1,923	(2,567)	6,163
Changes in accounting policy or correction of prior period errors		-	-	-	-
<b>Restated balance as at 1 July 2009</b>		<b>6,807</b>	<b>1,923</b>	<b>(2,567)</b>	<b>6,163</b>
Total comprehensive income for the year		-	87	(20)	67
Transactions with owners in their capacity as owners:					
Capital appropriations		272	-	-	272
Distribution to owners		(300)	-	-	(300)
<b>Balance at 30 June 2010</b>		<b>6,779</b>	<b>2,010</b>	<b>(2,587)</b>	<b>6,202</b>

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

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$'000	2009 \$'000
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation		56,748	52,975
Capital contributions		272	787
Grants received		-	1,000
Holding account drawdowns		475	424
<b>Net cash provided by State Government</b>		<b>57,495</b>	<b>55,186</b>
Utilised as follows:			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(14,752)	(14,547)
Supplies and services		(14,987)	(17,557)
Accommodation		(1,983)	(2,075)
Grants and subsidies		(379)	(263)
GST payments on purchases		(4,264)	(3,260)
GST payments to taxation authority		(263)	(303)
Event operations payments		(15,312)	(13,687)
Advertising and promotions payments		(10,399)	(8,883)
Other payments		(3,780)	(3,837)
<b>Receipts</b>			
User charges and fees		131	434
Interest received		330	278
Commonwealth grants and contributions		3,030	147
GST receipts on sales		143	236
GST receipts from taxation authority		3,737	4,164
Other receipts		1,731	1,630
<b>Net cash used in operating activities</b>	31	<b>(57,017)</b>	<b>(57,523)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of non-current physical assets		1	-
Purchase of non-current physical and intangible assets		(197)	(1,858)
<b>Net cash used in investing activities</b>		<b>(196)</b>	<b>(1,858)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>282</b>	<b>(4,195)</b>
Cash and cash equivalents at the beginning of period		3,950	8,145
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	31	<b>4,232</b>	<b>3,950</b>

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

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

## NOTE 1. AUSTRALIAN ACCOUNTING STANDARDS

### GENERAL

The Western Australian Tourism Commission's (WATC) financial statements for the year ended 30 June 2010 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

The WATC has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

### EARLY ADOPTION OF STANDARDS

The WATC cannot early adopt an Australian Accounting Standard unless specifically permitted by Treasurer's Instruction (TI) 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No Australian Accounting Standards that have been issued or amended but not operative have been early adopted by the WATC for the annual reporting period ended 30 June 2010.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) General Statement

The financial statements constitute general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The *Financial Management Act 2006* and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence

over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

### (b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for land, buildings and infrastructure which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

The judgements that have been made in the process of applying the WATC's accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed at note 3 'Judgements made by management in applying accounting policies'.

### (c) Reporting Entity

The reporting entity comprises the WATC.

### (d) Contributed Equity

AASB Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 'Contributions by Owners made to Wholly Owned Public Sector Entities' and have been credited directly to Contributed equity.

The transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

### (e) Income

#### *Revenue recognition*

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

#### *Sale of goods*

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

#### *Provision of services*

Revenue is recognised on delivery of the service to the client or by reference to the stage of completion of the transaction.

#### *Interest*

Revenue is recognised as the interest accrues.

#### *Service Appropriations*

Service appropriations are recognised as revenues at nominal value in the period in which the WATC gains control of the appropriated funds. The WATC gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

#### *Grants, donations, gifts and other non-reciprocal contributions*

Revenue is recognised at fair value when the WATC obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

### **Gains**

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non current assets and some revaluations of non current assets.

### (f) Property, Plant and Equipment

#### **Capitalisation/Expensing of assets**

Items of property, plant, equipment and infrastructure costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant, equipment and infrastructure costing less than \$5,000 are immediately expensed directly to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

#### **Initial recognition and measurement**

All items of property, plant and equipment and infrastructure are initially recognised at cost.

For items of property, plant and equipment and infrastructure acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition.

#### **Subsequent measurement**

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land, buildings and infrastructure and the cost model for all other property, plant and equipment. Land, buildings and infrastructure are carried at fair value less accumulated depreciation (buildings and infrastructure only) and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Where market-based evidence is not available, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation are restated proportionately.

Independent valuations of land and buildings are provided annually by the Western Australian Land Information Authority (Valuation Services) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Fair value of infrastructure has been determined by reference to the depreciated replacement cost (existing use basis) as the assets are specialised and no market-based evidence of value is available. Land under infrastructure is included in land reported under note 22 'Property, plant, equipment', and valued at market value. Independent valuations are obtained annually from the Western Australian Land Information Authority (Valuation Services).

#### ***Derecognition***

Upon disposal or derecognition of an item of property, plant and equipment, any revaluation reserve relating to that asset is retained in the asset revaluation surplus.

#### ***Asset Revaluation Reserve***

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets as described in note 22 'Property, plant and equipment'.

#### ***Depreciation***

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Furniture, fittings and equipment	5–10 years
Computer equipment	3–5 years
Leasehold improvements	Term of lease

#### **(g) Intangible Assets**

##### ***Capitalisation/Expensing of assets***

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life) on the straight-line basis using rates which are reviewed annually. All intangible assets controlled by the WATC have a finite useful life and zero residual value.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

The expected useful lives for each class of intangible asset are:

Software (a)	3–5 years
Website costs	3–5 years

- (a) Software which is not integral to the operation of any related hardware.

### *Computer Software*

Software that is an integral part of the related hardware is treated as property, plant and equipment. Software that is not an integral part of the related hardware is treated as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

### *Website costs*

Website costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the planning phase of a website, and ongoing costs of maintenance during the operating phase are expensed. Costs incurred in building or enhancing a website, to the extent that they represent probable future economic benefits that can be reliably measured, are capitalised.

## (h) Impairment of Assets

Property, plant and equipment, infrastructure and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the WATC is a not for profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of each asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

## (i) Leases

Finance lease rights and obligations are initially recognised, at the commencement of the lease term, as assets and liabilities equal in amount to the fair value of the leased item or, if lower, the present value of the minimum lease payments, determined at the inception of the lease. The assets are disclosed as plant, equipment and vehicles under lease, and are depreciated over the period during which the WATC is expected to benefit from their use. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability, according to the interest rate implicit in the lease.

The WATC holds operating leases for head office and a number of branch office buildings. Lease payments are expensed on a straight-line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

#### (j) Financial Instruments

In addition to cash, the WATC has three categories of financial instrument:

- *Receivables;*
- *Financial liabilities measured at amortised cost; and*
- *Available for sale assets*

Financial instruments have been disaggregated into the following classes:

##### Financial Assets

- *Cash and cash equivalents*
- *Receivables*
- *Amounts receivable for services*
- *Available for sale asset*

##### Financial Liabilities

- *Payables*
- *Other current liabilities*

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

##### ***Available-for-sale***

Subsequent measurement for available-for-sale financial assets is at fair value and changes therein, other than impairment losses, are recognised as a separate component of equity. When an investment is derecognised, the cumulative gain or loss is transferred to profit and loss.

#### (k) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalent assets comprise cash-on-hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

#### (l) Accrued Salaries

Accrued salaries (see note 27 'Payables') represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year-end. The WATC considers the carrying amount of accrued salaries to be equivalent to its net fair value.

#### (m) Amounts Receivable for Services (Holding Account)

The WATC receives funding on an accrual basis that recognises the full annual cash and non cash cost of services. The appropriations are paid partly in cash and partly as an asset (holding account receivable) that is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

#### (n) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the WATC will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

## (o) Payables

Payables are recognised at the amounts payable when the WATC becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

## (p) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

### (i) Provisions – Employee Benefits

#### *Annual Leave and Long Service Leave*

The liability for annual and long service leave expected to be settled within 12 months after the end of the balance sheet date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the end of the balance sheet date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the balance sheet date.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected future payments are discounted using market yields at the balance sheet date on national

government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the WATC does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### *Deferred Leave*

The provision for deferred leave relates to Public Service employees who have entered into an agreement to self-fund an additional twelve months leave in the fifth year of the agreement. The provision recognises the value of salary set aside for employees to be used in the fifth year. This liability is measured on the same basis as annual leave. Deferred leave is reported as a non-current provision until the fifth year.

#### *Purchased Leave*

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional four weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the nominal amounts expected to be paid when the liabilities are settled. This liability is measured on the same basis as annual leave.

#### *Superannuation*

The Government Employees Superannuation Board (GESB) in accordance with legislative requirements administers public sector superannuation arrangements in Western Australia.

The WATC has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded

by concurrent contributions made by the WATC to the GESB. The concurrently funded part of the GSS is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS obligations.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. The WATC makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS Schemes.

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped from the Treasurer for the employer's share.

(ii) Provisions – Other

Employment On-Costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the WATC's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

(q) Superannuation Expense

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, and the GESBS.

The GSS is a defined benefit scheme for the purposes of employees and whole of government reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the agency to GESB extinguishes the agency's obligations to the related superannuation liability.

(r) Resources Received Free-of-Charge or for Nominal Cost

Resources received free-of-charge or for nominal cost that can be reliably measured are recognised as income and as assets or expenses as appropriate, at fair value.

Where assets or services are received from another State Government agency, these are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

(s) Foreign Currency Translation

The WATC has offices in Singapore and Japan which maintain local bank accounts, the balances of which are included in the balances of cash-on-hand and permanent advances. Transactions in foreign currencies are translated at the foreign exchange rate ruling at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period date are translated to Australian dollars at the closing foreign exchange rate ruling at that time. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income.

The WATC has exposure to movements in foreign currency exchange rates on some contracts which are denominated in foreign currencies. It is the policy of the WATC that in all cases where the total contracted or committed

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

amount exceeds AUD\$50,000, it will cover the foreign exchange exposure arising from international contracts by arranging forward purchase of the required foreign currency through the WA Treasury Corporation.

Forward foreign exchange contracts are entered into as hedges to avoid or minimise possible adverse financial effects of movements in exchange rates. Such derivative financial instruments are initially recognised at fair value and subsequently re-measured to fair value. Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives, except those that qualify as effective cash flow hedges, are taken directly to net profit or loss for the year.

For the purpose of hedge accounting, hedges are classified as fair value hedges or as cash flow hedges. A hedge of the foreign currency risk of a firm commitment is accounted for as a fair value hedge.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

### *Fair value hedges*

Fair value hedges are hedges of exposure to changes in fair value of a recognised asset or liability that is attributable to foreign currency risk and could affect profit or loss. For fair value hedges, the carrying amount of the hedged item is adjusted for gains or losses attributable to the risk hedged, and the hedging instrument is re-measured to fair value and the gains and losses of both are taken to profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss. The changes in the fair value of the hedging instrument are also recognised in profit or loss.

### *Cash flow hedges*

Cash flow hedges are hedges of exposure to variability in cash flows that are attributable to the foreign currency risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss. The effective portion of the gains or losses of the hedging instrument is recognised in the Statement of Comprehensive Income as Other Comprehensive Income and the ineffective portion is recognised immediately in profit or loss.

The gains or losses recognised in Other Comprehensive Income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged income or expenses are recognised.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised or no longer qualifies for hedge accounting.

### (t) **Comparative Figures**

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

## NOTE 3. JUDGEMENTS MADE BY MANAGEMENT IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The WATC evaluates these judgements regularly.

### **OPERATING LEASE COMMITMENTS**

The WATC has entered into a number of leases for buildings for branch office accommodation. Some of these leases relate to buildings of a temporary nature and it has been determined that the lessor retains substantially all the risks and rewards incidental to ownership. Accordingly, these leases have been classified as operating leases.

## NOTE 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The WATC makes key estimates and assumptions concerning the future. These estimates and assumptions are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

### LONG SERVICE LEAVE

In calculating the WATC's long service leave provision, several estimations and assumptions have been made. These include expected future salary rates, salary inflation, discount rates, employee retention rates and expected future payments. Any changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

## NOTE 5. DISCLOSURE OF CHANGES IN ACCOUNTING POLICY AND ESTIMATES

### Initial application of an Australian Accounting Standard

The WATC has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2009 that impacted on the WATC.

### AASB 101

*Presentation of Financial Statements (September 2007).*

This Standard has been revised and introduces a number of terminology changes as well as changes to the structure of the Statement of Changes in Equity and the Statement of Comprehensive Income. It is now a requirement that owner changes in equity be presented separately from non-owner changes in equity. There is no financial impact resulting from the application of this revised Standard.

### AASB 2007-10

*Further Amendments to Australian Accounting Standards arising from AASB 101.*

This Standard changes the term 'general purpose financial report' to 'general purpose financial

statements', where appropriate in Australian Accounting Standards and the Framework to better align with IFRS terminology. There is no financial impact resulting from the application of this Standard.

### AASB 2008-13

*Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 & AASB 110].*

This Standard amends AASB 5 'Non-current Assets Held for Sale and Discontinued Operations' in respect of the classification, presentation and measurement of non-current assets held for distribution to owners in their capacity as owners. This may impact on the presentation and classification of Crown land held by the WATC where the Crown land is to be sold by the Department of Regional Development and Lands (formerly Department for Planning and Infrastructure). The WATC does not expect any financial impact when the Standard is first applied prospectively.

### AASB 2009-2

*Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments AASB 4, AASB 7, AASB 1023 & AASB 1038.*

This Standard amends AASB 7 and will require enhanced disclosures about fair value measurements and liquidity risk with respect to financial instruments. There is no financial impact resulting from the application of this Standard.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

## **Future impact of Australian Accounting Standards not yet operative**

The WATC cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'.

Consequently, the WATC has not applied early any of the following Australian Accounting Standards that have been issued that may impact upon the WATC. Where applicable, the WATC plans to apply these Australian Accounting Standards from their application date.

Title	Operative for reporting periods beginning on/after
<p><b>AASB 2009-11</b> Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 &amp; 1038 and Interpretations 10 &amp; 12].</p> <p>The amendment to AASB 7 requires modification to the disclosure of categories of financial assets. The WATC does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.</p>	1 January 2013
<p><b>AASB 1053</b> Application of Tiers of Australian Accounting Standards. This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.</p> <p>The Standard does not have any financial impact on the WATC. However, it may affect disclosures in the financial statements of the WATC if the reduced disclosure requirements apply. DTF has not yet determined the application or the potential impact of the new Standard for agencies.</p>	1 January 2013
<p><b>AASB 2010-2</b> Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements. This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements into these pronouncements for application by certain types of entities.</p> <p>The Standard is not expected to have any financial impact on the WATC. However, this Standard may reduce some note disclosures in the financial statements of the WATC. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.</p>	1 January 2013

	2010 \$'000	2009 \$'000
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## NOTE 6. EMPLOYEE BENEFITS EXPENSE

Wages and salaries (a)	12,252	11,771
Superannuation – defined contribution plans (b)	1,114	1,168
Long service leave (c)	118	359
Annual leave (c)	869	1,211
Redundancy	732	-
Other related expenses	95	273
	<b>15,180</b>	<b>14,782</b>

(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component.

(b) Defined contribution plans include West State, Gold State and GESB Super Scheme (contributions paid).

(c) Includes a superannuation contribution component.

Employment on-costs such as workers' compensation insurance are included at note 14 'Other expenses'.

The employment on costs liability is included at note 28 'Provisions'.

## NOTE 7. SUPPLIES AND SERVICES

Commissioner's fees and charges	188	219
Communications expenses	426	400
Computer expenses	1,374	1,205
Contract for service	6,362	6,315
General administration expenses	1,799	2,753
Insurance	170	(6)
Printing and stationery	75	118
Professional and legal services	1,396	1,993
Research	1,179	912
Australian Tourism Data Warehouse expense	258	296
Taxation	151	154
Travel	671	1,224
Vehicles	710	786
	<b>14,759</b>	<b>16,369</b>

## NOTE 8. DEPRECIATION AND AMORTISATION EXPENSE

<b>Depreciation</b>		
Computer equipment	258	173
Furniture and fittings	33	42
Leasehold improvements	231	227
<b>Total depreciation</b>	<b>522</b>	<b>442</b>
<b>Amortisation</b>		
Intangible assets	846	1,021
<b>Total amortisation</b>	<b>846</b>	<b>1,021</b>
<b>Total depreciation and amortisation</b>	<b>1,368</b>	<b>1,463</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$'000	2009 \$'000
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### NOTE 9. ACCOMMODATION EXPENSES

Cleaning	48	61
Lease rentals	1,413	1,379
Rates and taxes	1	1
Repairs and maintenance	450	445
	1,912	1,886

### NOTE 10. GRANTS AND SUBSIDIES

#### RECURRENT

Visitor Centres	150	40
Other grants	653	37

#### CAPITAL

Shire of Menzies – Lake Ballard amenities	-	39
	803	116

### NOTE 11. NET LOSS ON DISPOSAL OF NON-CURRENT ASSETS

<b>Costs of disposal of non-current assets</b>		
Plant, equipment and vehicles	(1)	(29)
Leaseholds	(27)	-
<b>Proceeds from disposal of non-current assets</b>		
Plant and equipment	1	5
<b>Net loss</b>	<b>(27)</b>	<b>(24)</b>

### NOTE 12. EVENT OPERATIONS EXPENSES

Event sponsorship	14,509	11,603
Other bidding and events expenses	881	1,895
	15,390	13,498

### NOTE 13. ADVERTISING AND PROMOTION EXPENSES

Advertising – production and placement	7,043	5,062
Collateral – production and distribution	399	423
Familiarisation visits	1,115	1,089
Promotions and co-operative campaigns	2,037	2,402
	10,954	8,976

	2010 \$'000	2009 \$'000
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## NOTE 14. OTHER EXPENSES

Employment on-costs (a)	762	721
Doubtful debt expense	2	-
Electronic distribution	332	206
General administration (b)	981	2,301
Travel shows, seminars, etc.	1,061	675
	<b>3,138</b>	<b>3,903</b>

- (a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 28 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.
- (b) Audit fees, see also note 37 'Remuneration of Auditor'.

## NOTE 15. USER CHARGES AND FEES

Network memberships	264	246
	<b>264</b>	<b>246</b>

## NOTE 16. COMMONWEALTH GRANTS & CONTRIBUTIONS

Indigenous cadetship	32	29
ISAF Sailing World Championships (a)	3,000	-
	<b>3,032</b>	<b>148</b>

- (a) Commonwealth contribution to assist with the preparation and conducting of the ISAF Sailing World Championships that are scheduled to be conducted in November 2011. The total Commonwealth contribution is \$8.0 million over three years 2009/10 to 2011/12.

## NOTE 17. INTEREST REVENUE

Interest – general bank account	357	240
	<b>357</b>	<b>240</b>

## NOTE 18. OTHER REVENUE

Event operations	26	153
Industry contributions (a)	1,104	901
Travel agents' commissions	45	58
Sundry	484	501
	<b>1,659</b>	<b>1,613</b>

- (a) The amount shown for Industry contributions is the value the tourist industry contributes to participate in the WATC's co-operative marketing activities and the familiarisation program.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$'000	2009 \$'000
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## NOTE 19. INCOME FROM STATE GOVERNMENT

Appropriation received during the year:		
Service appropriation (a)	58,062	54,611
	58,062	54,611
The following grants have been received from other State government agencies during the year:		
Department of Local Government and Regional Development	-	1,000
	-	1,000
Resources received free-of-charge:		
Determined on the basis of estimates provided by agencies:		
Department of Treasury and Finance (b)	136	97
	136	97
	58,198	55,708

- (a) Service appropriations are accrual amounts reflecting the full cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.
- (b) Where assets or services have been received free-of-charge or for nominal cost, the WATC recognises revenues equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable. The exception occurs where the contribution of assets or services are in the nature of contributions by owners, in which case the WATC makes the adjustment direct to equity.

## NOTE 20. RECEIVABLES

<b>Current</b>		
Receivables	210	352
Allowance for impairment of receivables	-	(23)
GST receivable	823	334
Hopman Cup (a)	7	144
	1,040	807

<b>Hopman Cup (a)</b>		
Distribution due at start of period	144	100
- Plus share of profits for the current event	7	144
	151	244
Less distribution received	(144)	(100)
<b>Balance due at end of period</b>	<b>7</b>	<b>144</b>

- (a) Receivable – Hopman Cup
- The Hopman Cup is an international tennis event. Since February 2002, the organisation of the event is undertaken by the International Tennis Federation. Under contract, the WATC is entitled to 25% of the profits of the venture. Under an agreement with Hopman Cup Pty Ltd, the WATC is required to meet the first \$2,000,000 of any loss or deficit that may arise from the event.

	2010 \$'000	2009 \$'000
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## NOTE 21. OTHER ASSETS

<b>Current</b>		
Accrued income	57	42
Foreign exchange contract – Firm commitment (a)	264	-
	<b>321</b>	<b>42</b>
<b>Non-current</b>		
Investments (b)	172	150
	<b>172</b>	<b>150</b>

- (a) The WATC has exposure to movements in foreign currency exchange rates on contracts which are denominated in foreign currencies. Details of the outstanding foreign exchange derivative contracts used by WA Tourism are given in note 34 (c) 'Financial instrument disclosures'.

These contracts have been determined to be Firm Commitments and for the purpose of hedge accounting are classified as fair value hedges.

The firm commitment attributable to the hedged risk is recognised as an asset with a corresponding gain or loss recognised in profit or loss. The changes in the fair value of the hedging instrument are also recognised in profit or loss (note 29 (b) 'Other liabilities').

- (b) The WATC holds an 11.94% (2008: 11.94%) interest in Australian Tourism Data Warehouse Pty Ltd (ATDW), which is classified as an available-for-sale asset in accordance with AASB139. Its principal activity is the development of a database for Australian tourism products. Since there is no active market, the fair value is its liquidation value being working capital plus property, plant and equipment.

## NOTE 22. PROPERTY, PLANT AND EQUIPMENT

Land and buildings – at fair value (a)	-	213
Leasehold improvements – at cost	2,197	2,252
Less accumulated depreciation	(1,335)	(1,132)
	<b>862</b>	<b>1,120</b>
Furniture, fittings and equipment – at cost	579	892
Less accumulated depreciation	(326)	(790)
	<b>253</b>	<b>102</b>
Computer equipment – at cost	1,452	1,277
Less accumulated depreciation	(1,166)	(902)
	<b>286</b>	<b>375</b>
	<b>1,401</b>	<b>1,810</b>

- (a) Land and buildings were revalued as at 1 July 2009 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2010 and recognised at 30 June 2010. In undertaking the revaluation, fair value was determined by reference to market values for land: \$150,000 and buildings: \$150,000.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Reconciliation of the carrying amounts of property, plant, equipment and vehicles at the beginning and end of the current year and the reporting period are set out below.

	Land and buildings \$'000	Leasehold improvement \$'000	Furniture, fittings and equipment \$'000	Computer equipment \$'000	Total \$'000
<b>2010</b>					
Carrying amount at start of year	213	1,120	102	375	1,810
Reclassifications	-	-	-	159	159
Additions	-	-	186	11	197
Transfers (a)	(300)	-	-	-	(300)
Disposals	-	(27)	(28)	-	(28)
Depreciation	-	(231)	(34)	(259)	(524)
Revaluation increments	87	-	-	-	87
<b>Carrying amount at end of year</b>	<b>-</b>	<b>862</b>	<b>253</b>	<b>286</b>	<b>1,401</b>

(a) The Department of Regional Development and Lands (DRDL) is the only agency with the power to sell Crown land. The land is transferred to DRDL for sale and the Department accounts for the transfer as a distribution to owner (DTO).

	Land and buildings \$'000	Leasehold improvement \$'000	Furniture, fittings and equipment \$'000	Computer equipment \$'000	Total \$'000
<b>2009</b>					
Carrying amount at start of year	213	1,212	153	157	1,735
Additions	-	135	20	391	546
Disposals	-	-	(29)	-	(29)
Depreciation	-	(227)	(42)	(173)	(442)
Revaluation increments	-	-	-	-	-
<b>Carrying amount at end of year</b>	<b>213</b>	<b>1,120</b>	<b>102</b>	<b>375</b>	<b>1,810</b>

	2010 \$'000	2009 \$'000
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## NOTE 23. INTANGIBLE ASSETS

Software and web site development	3,347	4,075
Less accumulated amortisation	(2,471)	(2,185)
	876	1,890

## RECONCILIATION

Carrying amount at start of year	1,890	1,631
Adjustments	(167)	-
Additions	-	1,280
Amortisation expense	(847)	(1,021)
<b>Carrying amount at end of year</b>	<b>876</b>	<b>1,890</b>

## NOTE 24. PREPAYMENTS

Prepayments	1,269	1,164
	1,269	1,164

## NOTE 25. IMPAIRMENT OF ASSETS

There were no indications of impairment to property, plant and equipment, infrastructure and intangible assets at 30 June 2010.

The WATC held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

All surplus assets at 30 June 2010 have either been classified as assets held for sale or written-off.

## NOTE 26. AMOUNTS RECEIVABLE FOR SERVICES

Current	475	475
Non-current	4,704	3,865
	5,179	4,340

Represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

## NOTE 27. PAYABLES

Trade payables	244	39
Accrued salaries	219	148
	463	187

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$'000	2009 \$'000
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### NOTE 28. PROVISIONS

<b>Current:</b>		
<b>Employee benefits provision</b>		
Annual leave (a)	1,047	1,123
Long service leave (b)	1,057	1,142
Purchased annual leave	6	4
Redundancy	1,062	-
	3,172	2,269
<b>Other Provisions</b>		
Employment on-costs (c)	431	480
	431	480
	3,603	2,749
<b>Non-current:</b>		
<b>Employee benefits provision</b>		
Long service leave (b)	579	662
Deferred salary scheme	29	16
	608	678
<b>Other Provisions</b>		
Employment on-costs (c)	74	84
	74	84
	682	762

- (a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of the reporting period	634	699
More than 12 months after the reporting period	413	454
	1,047	1,123

- (b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of the reporting period	592	606
More than 12 months after the reporting period	1,044	1,197
	1,636	1,804

- (c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation premiums. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is included at note 14 'Other expenses'.

	2010 \$'000	2009 \$'000
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## MOVEMENT IN OTHER PROVISIONS

Movements in each class of provisions during the financial year, other than employee benefits, are set out below.

## EMPLOYMENT ON-COSTS PROVISION

Carrying amount at start of year	564	457
Additional provisions recognised	761	722
Payments/other sacrifices of economic benefits	(818)	(715)
Unwinding the discount	(3)	100
Carrying amount at end of year	504	564

## NOTE 29. OTHER LIABILITIES

<b>Current</b>		
Accrued expenses	2,581	3,190
Unearned income	55	298
Lease incentive liability (a)	158	157
Derivatives (b)	265	-
	3,059	3,645
<b>Non-current</b>		
Lease incentive liability (a)	420	578
Unclaimed monies	61	69
	481	647

- (a) The amounts shown against lease incentive liabilities represent the inducement offered by the WATC's lessor to enter into a non-cancellable operating lease and re-locate to the lessor's building. The incentive comprises a rent-free period and the assumption by the lessee of certain fit-out costs. The liability will be reduced on a straight-line basis over the term of the lease.
- (b) The WATC has entered into forward purchase contracts via the WA Treasury Corporation for event contracts which are denominated in foreign currencies. Details of the outstanding foreign exchange derivative contracts used by the WATC are given in note 34 (c) 'Financial Instruments disclosures'.

The derivatives (hedging instrument) are recognised as a liability, with a corresponding gain or loss being recognised in profit or loss. The changes in the fair value of the Firm Commitment are also recognised in profit or loss. Note 21 (a) 'Other assets'.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$'000	2009 \$'000
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### NOTE 30. EQUITY

Equity represents the residual interest in the net assets of the WATC. The Government holds the equity interest in the WATC on behalf of the community. The asset revaluation reserve represents that portion of equity resulting from the revaluation of certain non-current assets.

<b>Contributed equity</b>		
Balance at start of year	6,807	6,020
<b>Contributions by owners</b>		
Capital contributions (a)	272	787
<b>Total Contributions by owners</b>	<b>272</b>	<b>787</b>

<b>Distributions to owners</b>		
Transfer of net assets to other agencies (b)		
Department of Regional Development and Lands	(300)	-
<b>Total Distributions to owners</b>	<b>(300)</b>	<b>-</b>
<b>Balance at end of year</b>	<b>6,779</b>	<b>6,807</b>

<b>Reserves</b>		
<b>Asset revaluation reserve</b>		
Balance at start of year	1,923	1,883
<b>Net revaluation increments</b>		
Land	87	40
<b>Balance at end of year</b>	<b>2,010</b>	<b>1,923</b>

<b>Accumulated surplus</b>		
Balance at start of year	(2,567)	495
Results for the period	(20)	(3,062)
<b>Balance at end of year</b>	<b>(2,587)</b>	<b>(2,567)</b>

- (a) Capital Contributions (appropriations) have been designated as contributions by owners in Treasurer's Instruction 955 'Contributions by Owners made to Wholly Owned Public Sector Entities' and are credited directly to equity.
- (b) AASB Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires that where the transferee accounts for a transfer as a contribution by owner, the transferor must account for the transfer as a distribution to owners. Consequently, non-discretionary (non-reciprocal) transfers of net assets to other State Government agencies are distributions to owners and are debited directly to equity.

	2010 \$'000	2009 \$'000
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## NOTE 31. NOTES TO THE CASH FLOW STATEMENT

### RECONCILIATION OF CASH

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash and cash equivalents	4,232	3,950
	4,232	3,950

### RECONCILIATION OF NET COST OF SERVICES TO NET CASH FLOWS USED IN OPERATING ACTIVITIES

<b>Net cost of services</b>	<b>(58,218)</b>	<b>(58,770)</b>
<b>Non-cash items</b>		
Depreciation and amortisation expense (Note 8 'Depreciation and amortisation expense')	1,368	1,463
Doubtful debt expense (Note 14 'Other Expenses')	2	4
Resources received free-of-charge (Note 19 'Income from State Government')	136	97
Net (gain)/loss on sale of property, plant and equipment (Note 11 'Net loss on disposal of non-current assets')	27	24
<b>(Increase)/decrease in assets</b>		
Current receivables (c)	280	178
Other current assets	(279)	(106)
<b>Increase/(decrease) in liabilities</b>		
Current payables (c)	276	(21)
Current provisions	854	486
Other current liabilities	(587)	(1,353)
Non-current provisions	(80)	(75)
Other non-current liabilities	(166)	(157)
Net GST receipts/(payments) (a)	(647)	838
Change in GST in receivables/payables (b)	17	(131)
<b>Net cash used in operating activities</b>	<b>(57,017)</b>	<b>(57,523)</b>

(a) This is the net GST paid/received, i.e. cash transactions.

(b) This reverses out the GST in receivables and payables.

(c) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$'000	2009 \$'000
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## NOTE 32. COMMITMENTS

### LEASE COMMITMENTS

Commitments in relation to leases contracted for at the reporting period but not recognised in the financial statements are payable as follows:

Within one year	1,632	1,665
Later than one year and not later than five years	2,925	4,770
Later than five years	-	-
	<b>4,557</b>	<b>6,425</b>

The WATC leases its motor vehicle fleet from Statefleet, a division of the Department of Treasury and Finance. Property is rented under lease to the Honourable Minister for Housing and Works. The property leases are non-cancellable leases with terms of up to ten years; and rent is payable monthly in advance.

Contingent rent provisions within the lease agreements require that minimum lease payments shall be increased by the lower of CPI or a nominated percentage per annum. Options exist to renew some of the leases at the end of their terms for additional periods.

### OTHER EXPENDITURE COMMITMENTS

Other expenditure commitments in relation to sponsoring sporting events within Western Australia and the funding of Regional Tourism Organisations for intrastate marketing that were contracted for at the reporting date but not recognised as liabilities, are payable as follows:

Within one year	21,408	10,587
Later than one year and not later than five years	18,604	13,487
Later than five years	-	-
	<b>40,012</b>	<b>24,074</b>

These commitments are all exclusive of GST.

## NOTE 33. EXPLANATORY STATEMENT

Significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those greater than 15% or \$250,000.

### SIGNIFICANT VARIATIONS BETWEEN ESTIMATED AND ACTUAL RESULT FOR 2010

Classification	Estimate 2010 \$'000	Actual 2010 \$'000	Variance \$'000
<b>Expenditure</b>			
Employee benefits expense	16,107	15,180	927
Supplies and Services	15,135	14,759	376
Advertising and promotion expenses	11,504	10,953	551
<b>Income</b>			
Interest revenue	165	357	192

## EMPLOYEE BENEFITS EXPENSE

There was a decrease in the annual and long service leave provisions (\$407,000), 19 officers accepted severance payments that were funded by the Department of Treasury and Finance.

The balance of the variance was due to a number of factors mainly influenced by a strategic review of the agency's functions that occurred during the year:

- delays in filling vacancies,
- positions left vacant,
- engagement of temporary staff, and
- the contracting out of the Singapore staff.

In addition, savings occurred due to favourable foreign exchange rates for overseas salary payments.

## SUPPLIES AND SERVICES

During the course of the year, savings were achieved in the following areas:

- computer support \$261,000,
- computer communications \$105,000,
- staff training \$89,000, and
- consultant fees \$70,000.

## ADVERTISING AND PROMOTIONS EXPENSE

The variance is mainly due to funding budgeted for Aviation Development (\$420,000) being unexpended. Under a marketing support agreement, Air Asia X is able to claim marketing funds during the twelve-month period to October 2010.

## SIGNIFICANT VARIANCES BETWEEN ACTUAL RESULTS FOR 2010 AND 2009

CLASS	ACTUAL 2010 \$'000	ACTUAL 2009 \$'000	VARIANCE \$'000
<b>Income</b>			
Interest revenue	357	240	117
Commonwealth grants and contributions	3,032	148	2,884
<b>Expenditure</b>			
Employee benefits expense	15,180	14,782	398
Supplies and services	14,759	16,369	(1,610)
Event operations expense	15,390	13,498	1,882
Grants and subsidies	803	116	687
Advertising and promotion expenses	10,953	8,976	1,977
Other expenses	3,138	3,903	(765)

## INTEREST REVENUE

Increased interest revenue is due to higher interest rates and an increase in funds available for deposit.

## COMMONWEALTH GRANTS AND CONTRIBUTIONS

The increase is due to receipt of \$3.0 million of Commonwealth funding to assist with organising the ISAF Sailing World Championships.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

## EMPLOYEE BENEFITS EXPENSE

The increase in the employee benefits is due to the payment of severance payments to employees of \$1.56 million less a reduction in the employee provisions of \$407,000.

The balance of the variance is due to savings that arose from:

- delays in filling vacancies,
- positions left vacant,
- engagement of temporary staff, and
- the contracting out of the Singapore staff.

## SUPPLIES AND SERVICES

In 2008-09, \$805,000 was expended to complete the implementation of the findings that arose from the Visitor Servicing Study.

There was a reduction in expenditure for the following activities

- Landbank activities \$257,000,
- Better Business Blitzes \$132,000,
- Indigenous employment initiative \$243,000.

## EVENT OPERATIONS EXPENSE

There was an increase in expenditure on the:

- ISAF Sailing World Championships of \$3.994 million,
- Red Bull Air Race of \$1.194 million.

These increases were partly offset by a reduction in expenditure due to the following events that were not conducted in 2009/10:

- Johnnie Walker Golf Classic \$3.531 million
- Aussies Surf Life Savings Championships \$1.674 million.

## GRANTS AND SUBSIDIES

The increase is due to a grant being paid to the Kimberley Visitor Centre (KVC) (\$150,000) to facilitate the transfer of the Lake Argyle Museum from the WATC to the KVC and a grant of \$490,000 being made to the WA Museum for costs associated with the "A day in Pompeii" exhibition.

## ADVERTISING AND PROMOTION EXPENSES

The increased expenditure relates to expenditure on the 'The Extraordinary Taxi Ride' activity of \$1.829 million.

## OTHER EXPENSES

The difference between the totals is mainly due to the completion of implementing the findings of the Visitor Servicing Study \$575,000 in 2008/09.

## NOTE 34. FINANCIAL INSTRUMENTS DISCLOSURES

### (a) Financial risk management objectives and policies

Financial instruments held by the WATC are cash and cash equivalents, receivables, payables and available for sale assets. The WATC has limited exposure to financial risks. The WATC's overall risk management program focuses on managing the risks identified below.

### Credit risk

Credit risk arises when there is the possibility of the WATC's receivables defaulting on their contractual obligations resulting in financial loss to the WATC. It measures credit risk on a fair value basis and monitors risk on a regular basis.

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as shown in the table at note 34 (c) 'Financial Instruments disclosures'.

Credit risk associated with the WATC's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the WATC seeks to trade only with recognised, creditworthy third parties. The WATC has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the WATC's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

Provision for impairment of financial assets is calculated based on past experience, and current and expected changes in client credit ratings. For financial assets that are either past due or impaired, refer to note 20 'Receivables'.

### Liquidity risk

The WATC is exposed to liquidity risk through its trading in the normal course of business. Liquidity risk arises when the WATC is unable to meet its financial obligations as they fall due. The WATC has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

### Market risk

The WATC's activities expose it to a variety of financial risks/market risk, including currency risks. The WATC's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the WATC. The WATC uses derivative financial instruments such as foreign exchange contracts to hedge certain exposures.

The WATC's exposure to market risk for changes in interest rates relates primarily to cash and cash equivalents as detailed in the interest rate sensitivity analysis table at note 34(c) 'Financial instrument disclosures'. The WATC has no borrowings outstanding at reporting date.

### Currency risk

The WATC has exposure to movements in foreign currency exchange rates on some contracts which are denominated in foreign currencies. It is the policy of the WATC that in all cases where the total contracted or committed amount exceeds AUD\$50,000, it will cover the foreign exchange exposure arising from international contracts by arranging forward purchase of the required foreign currency through the WA Treasury Corporation.

Details of the outstanding foreign exchange derivative contracts used by WATC are given in Note No. 34 (c) 'Financial instrument disclosures'.

### (b) Categories of Financial Instruments

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows:

	2010 \$'000	2009 \$'000
<b>Financial Assets</b>		
Cash and cash equivalents	4,232	3,950
Receivables (a)	482	497
Amounts receivable for services	5,179	4,340
Available for sale asset	172	150
<b>Financial Liabilities</b>		
Financial liabilities measured at amortised cost	728	187

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

### (c) Financial instrument disclosures

#### *Foreign Exchange Contracts*

At the reporting date, the WATC had two foreign exchange contracts that have been designated as fair value hedges. For forward foreign contracts the fair value is taken to be unrealised gain or loss at period end calculated by reference to the relevant spot rates.

Details of the forward exchange contracts outstanding at the end of the reporting period are given below:

2010 Instrument	National Amount	Rate	Expiry	Hedge Type	Fair Value Gain/(Loss) \$'000
Foreign Exchange Forward Contract	EUR 2,120,000	EUR/AUD = 0.6242	30/06/2011	Fair Value Hedge of a Firm Commitment	(222)
	EUR 600,000	EUR/AUD = 0.6379	30/06/2011	Fair Value Hedge of a Firm Commitment	(42)
					(264)

2009 Instrument	National Amount	Rate	Expiry	Hedge Type	Fair Value Gain/(Loss) \$'000
Foreign Exchange Forward Contract	-	-	-	-	-



The following table discloses the WATC's maximum exposure to credit risk, interest rate exposures and the ageing analysis of financial assets. The WATC's maximum exposure to credit risk at the end of the reporting period is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the WATC.

The WATC does not hold any collateral as security or other credit enhancement relating to the financial assets it holds.

The WATC does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

#### INTEREST RATE EXPOSURES AND AGEING ANALYSIS OF FINANCIAL ASSETS

INTEREST RATE EXPOSURE						PAST DUE BUT NOT IMPAIRED					Impaired financial assets
	Weighted average effective interest rate	Carrying amount	Fixed interest rate	Variable interest rate	Non-interest rate	Up to 3 mths	3 - 12 mths	1 - 2 yrs	2 - 5 yrs	More than 5 yrs	
2010	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>											
Cash and cash equivalents	4.25	4,232	-	4,162	70	-	-	-	-	-	-
Receivables (a)	-	482	-	-	482	218	264	-	-	-	-
Amounts receivable for services	-	5,179	-	-	5,179	-	-	-	-	-	-
Available for sale asset	-	172	-	-	172	-	-	-	-	-	-
		<b>10,065</b>	<b>-</b>	<b>4,162</b>	<b>5,903</b>	<b>218</b>	<b>264</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2009</b>											
Cash and cash equivalents	2.97	3,950	-	3,871	79	-	-	-	-	-	-
Receivables (a)	-	497	-	-	497	435	12	50	-	-	23
Amounts receivable for services	-	4,340	-	-	4,340	-	-	-	-	-	-
Available for sale asset	-	150	-	-	150	-	-	-	-	-	-
	-	<b>9,247</b>	<b>-</b>	<b>3,871</b>	<b>5,376</b>	<b>435</b>	<b>12</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>23</b>

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).

#### Liquidity Risk

The following table details the contractual maturity analysis for financial liabilities. The contractual maturity amounts are representative of the undiscounted amounts at the end of the reporting period. This table includes interest and principal cash flows. An adjustment has been made where material.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

## INTEREST RATE EXPOSURE AND MATURITY ANALYSIS OF FINANCIAL LIABILITIES

INTEREST RATE EXPOSURE								MATURITY DATE				
	Weighted average effective interest rate	Carrying amount	Fixed interest rate	Variable interest rate	Non- interest bearing	Adjustment for discounting	Total nominal amount	Up to 3 mths	3 - 12 mths	1 - 2 yrs	2 - 5 yrs	More than 5 yrs
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Liabilities												
2010 Payables	-	728	-	-	728	-	-	463	264	-	-	-
		728	-	-	728	-	-	463	264	-	-	-
2009 Payables	-	187	-	-	187	-	-	187	-	-	-	-
		187	-	-	187	-	-	187	-	-	-	-

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

### *Interest rate sensitivity analysis*

The following table represents a summary of the interest rate sensitivity of the WATC's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.



		-100 basis points		+100 basis points	
	Carrying amount \$'000	Surplus \$'000	Equity \$'000	Surplus \$'000	Equity \$'000
<b>2010</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	4,232	(42)	(42)	42	42
<b>Financial Liabilities</b>	-	-	-	-	-
<b>Total Increase/(Decrease)</b>	-	(42)	(42)	42	42

		-100 basis points		+100 basis points	
	Carrying amount \$'000	Surplus \$'000	Equity \$'000	Surplus \$'000	Equity \$'000
<b>2009</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	3,950	(40)	(40)	40	40
<b>Financial Liabilities</b>	-	-	-	-	-
<b>Total Increase/(Decrease)</b>	-	(40)	(40)	40	40

## NOTE 35. SUPPLEMENTARY FINANCIAL INFORMATION

	2010 \$'000	2009 \$'000
<b>Write-Offs</b>		
Bad debts written off by the Accountable Authority	25	-
<b>Losses through theft, defaults and other causes</b>		
Losses of public monies and public and other property through theft or default.	-	-

## NOTE 36. REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY AND SENIOR OFFICERS

### REMUNERATION OF MEMBERS OF THE ACCOUNTABLE AUTHORITY

The number of members of the Accountable Authority, whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

	2010	2009
\$1 - \$10,000	2	3
\$10,001 - \$20,000	6	8
\$50,001 - \$60,000	1	1

	2010 \$'000	2009 \$'000
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The total remuneration of the members of the Accountable Authority is:	184	205
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The total remuneration includes the superannuation expense incurred by the WATC in respect of members of the Accountable Authority.

No members of the Accountable Authority are members of the Pension Scheme.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

### REMUNERATION OF SENIOR OFFICERS

The number of senior officers, other than senior officers reported as members of the Accountable Authority, whose total fees, salaries, superannuation and non-monetary benefits and other benefits for the financial year, fall within the following bands are:

	2010	2009
\$40,001 - \$ 50,000	-	1
\$70,001 - \$ 80,000	1	-
\$130,001 - \$140,000	1	1
\$140,001 - \$150,000	1	-
\$150,001 - \$160,000	1	1
\$160,001 - \$170,000	-	2
\$190,001 - \$200,000	1	-
\$210,001 - \$220,000	-	1
\$220,001 - \$230,000	1	-
\$370,001 - \$380,000	-	1

	2010 \$'000	2009 \$'000
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The total remuneration of senior officers is:	1,280	1,262
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The total remuneration includes the superannuation expense incurred by the WATC in respect of senior officers other than senior officers reported as members of the Accountable Authority. Senior officers are defined as those officers who sat on the corporate executive for part or all of the financial year.

No senior officers are members of the Pension Scheme.

### NOTE 37. REMUNERATION OF AUDITOR

Remuneration payable to the Auditor General for the financial year is as follows:

	2010 \$'000	2009 \$'000
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Auditing the accounts, financial statements and performance indicators	89	87
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### NOTE 38. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The WATC had no contingent assets or liabilities at the reporting date.

## NOTE 39. SCHEDULE OF INCOME AND EXPENSES BY SERVICE

	Marketing		Event Tourism		Industry Development & Visitor Servicing		TOTAL	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<b>COST OF SERVICES</b>								
<b>Expenses</b>								
Employee benefits expense	6,928	7,114	2,002	1,859	6,250	5,809	15,180	14,782
Supplies and services	7028	7,323	4,305	4,131	3,426	4,915	14,759	16,369
Depreciation and amortisation expense	658	707	185	180	525	576	1,368	1,463
Accommodation expenses	708	712	181	168	1,023	1,006	1,912	1,886
Grants and subsidies	-	40	490	-	313	76	803	116
Loss on disposal of non-current assets	27	12	-	3	-	9	27	24
Event operations expense	13	61	15,368	13,369	9	68	15,390	13,498
Advertising and promotion expense	10,315	8,203	484	270	154	504	11,129	8,976
Other expenses	2,087	1,537	592	325	459	2,041	3,138	3,903
<b>Total cost of services</b>	<b>27,764</b>	<b>25,708</b>	<b>23,607</b>	<b>20,305</b>	<b>12,159</b>	<b>15,004</b>	<b>63,530</b>	<b>61,017</b>
<b>Income</b>								
Sales	1	-	-	-	263	246	264	246
Commonwealth contribution	-	-	3,000	-	32	148	3,032	148
Other revenue from operating activities	940	920	65	222	654	471	1,659	1,613
Interest revenue	174	120	49	30	134	90	357	240
<b>Total income other than income from State Government</b>	<b>1,115</b>	<b>1,040</b>	<b>3,114</b>	<b>252</b>	<b>1,083</b>	<b>955</b>	<b>5,312</b>	<b>2,247</b>
<b>Net cost of services</b>	<b>26,649</b>	<b>24,668</b>	<b>20,493</b>	<b>20,053</b>	<b>11,076</b>	<b>14,049</b>	<b>58,218</b>	<b>57,770</b>
<b>Income from State Government</b>								
Service appropriation	26,528	25,697	19,812	16,602	11,722	12,312	58,062	54,611
Resources received free-of-charge	67	49	18	12	51	36	136	97
Grants received	-	-	-	-	-	1,000	-	1,000
<b>Total income from State Government</b>	<b>26,595</b>	<b>25,746</b>	<b>19,830</b>	<b>16,614</b>	<b>11,773</b>	<b>13,348</b>	<b>58,198</b>	<b>55,708</b>
<b>Surplus/(deficit) for the period</b>	<b>(54)</b>	<b>1,078</b>	<b>(663)</b>	<b>(3,439)</b>	<b>697</b>	<b>(701)</b>	<b>(20)</b>	<b>(3,062)</b>

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

### NOTE 40. AFFILIATED BODY

On 1 October 1998, the WATC entered into a contract for service with the Perth Convention Bureau Inc. (PCB) for the provision of the Convention and Incentive Travel Output previously undertaken by a division of the WATC.

The WATC controls the activities of the PCB to the extent that it provides the majority of the PCB's funding and that the PCB has contracted to submit its annual operational plan and budget for approval by the WATC prior to implementation. The PCB is not subject to operational control by the WATC.

Payments inclusive of GST made to the PCB in 2009-10 totalled \$3,638,470. By comparison, payments totalling \$3,641,000 were made in 2008-09.

### NOTE 41. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Statement of Comprehensive Income and the Statement of Financial Position have been prepared on the basis of conditions existing at reporting date.

On 21 July 2010, the WATC was advised by Red Bull Air Race GmbH that all the remaining rounds of the Red Bull Air Race were to be cancelled. The WATC has entered into a forward purchase contract via the WA Treasury Corporation for Euro 2,120,000 to meet contracted event milestones. The contract is due for settlement on 30 June 2011. The WA Treasury Corporation has advised that if the contract was unwound on 21 July 2010, the WATC would have incurred a loss of \$182,765, being the difference between the contract exchange rate at settlement and the spot rate for 21 July 2010.

There is no other additional evidence of events or conditions occurring after balance date that may have an impact on the financial statements.



## 4.2 KEY PERFORMANCE INDICATORS

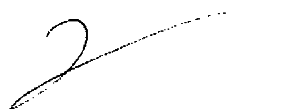
### CERTIFICATION OF KEY PERFORMANCE INDICATORS

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Western Australian Tourism Commission's performance, and fairly represent the performance of the Western Australian Tourism Commission for the financial year ending 30 June 2010.



**Kate Lamont**  
CHAIRMAN  
WESTERN AUSTRALIAN TOURISM COMMISSION

13 September 2010



**AL DONALD**  
COMMISSIONER  
WESTERN AUSTRALIAN TOURISM COMMISSION

13 September 2010



## KEY PERFORMANCE INDICATORS

In 2007 the Western Australian Tourism Commission (operating as Tourism WA) reviewed its strategic direction, delivering a new Strategic Plan 2008 to 2013 – Building for the Future. Key performance indicators were developed and agreed by Government as part of this process. This is the second year of measurement for the KPIs (2009-2010).

The Government goal that is supported by Tourism WA is “Financial and Economic Responsibility: Responsibly managing the State’s finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.”

The desired outcome that supports this is: Increased competitiveness and viability of the Western Australian Tourism industry. ‘Competitiveness’ reflects the fact that Western Australia faces real product competition with other interstate and overseas destinations. Tourism industry ‘viability’ is secured when it is characterised by profitability and new investment whilst being sensitive to community views and environmental concerns.

The key performance indicators (KPIs) provide an indication of whether Tourism WA has achieved these outcomes.

## KEY EFFECTIVENESS INDICATORS

Key effectiveness indicators assist with the assessment of agency performance in the achievement of Government desired outcomes.

### 1. Percentage of visitors whose expectations were met or exceeded upon visiting Western Australia

In order to build a strong market base, WA as a destination must at least meet visitor expectations if not exceed them. This KPI measures the effectiveness of strategies being employed to improve existing and develop new tourism products and services. This KPI has been achieved.

Results		
Target	2009-2010 Actual	2008-2009 Actual
90%	95.1%	94.7%

Notes:

- I. Visitor expectations are measured through the Visitor Expectation and Experience Research.
- II. This is conducted through a face-to-face survey of intrastate, interstate and international visitors in key hubs over the five tourism regions in WA.
- III. Interviewing takes place three times each year to address seasonality issues. Data is analysed and reported annually.
- IV. The first surveys were undertaken in 2008-2009 (therefore results for 2006-2007 and 2007-2008 are not available).
- V. The KPI measure is based on a sample size of 718 visitors for 2009 - 2010.
- VI. This was made up of 261 intrastate, 229 interstate and 228 international visitors.
- VII. The response rate for 2009 - 2010 was 74%.
- VIII. The confidence interval is +/-3.7%.

## 2. Visitor expenditure in Western Australia (international, interstate and intrastate markets): Grows faster than the national average

Other things being equal, if WA is successfully promoted as an attractive destination and the tourism products and experiences match visitor expectations, then visitor expenditure will increase. This will occur due to an increase in the amount of money spent per visitor, as well as sheer number of visitors. This KPI measures the result of successful promotion of WA as an attractive destination to high yielding markets.

This KPI was not achieved in 2009-2010, as visitor spend in WA for 2009-2010 declined by (-) 3.7% while national spend grew by (+) 0.9%. A key reason for this is that Western Australia relies heavily on intrastate travellers (70% of all visitors), and intrastate visitor numbers are in decline as more Western Australians travel overseas than ever before. The Australian Bureau of Statistics shows a (+) 18.2% growth in international outbound travel from Western Australia for the year ending March 2010. Although international visitor numbers and spend to Western Australia grew in this period (+ 2.1% and +3.2% respectively), this did not make up for the large decline in intrastate tourism which pushed down the overall figures.

Results				
Target	2009-2010 Actual	2008-2009 Actual	2007-2008 Actual	2006-2007 Actual
WA growth in spend > growth in national average	WA spend -3.7% versus national average of +0.9%	WA spend -7.1% versus national average of -1.0%	WA spend -0.5% versus national average of +6.2%	WA spend +13.5% versus national average of +8.8%

Notes:

- I. The results of the National Visitor Survey (NVS) and the International Visitor Survey (IVS) are released by Tourism Research Australia (TRA) each quarter and figures are reported for the latest 12 month period (i.e. Year Ending March 2010 in this instance).
- II. The NVS figures are based on a large scale telephone survey of Australians at home, while the IVS figures are based on interviews with international tourists at airport departure lounges across Australia.

### Spend

- III. Spend information is sourced from the Tourism Expenditure Research Program, provided by Tourism Research Australia.
- IV. The expenditure figures are based on responses from the National and International Visitor Surveys for the visitor's entire trip (see notes below relating to visitor numbers KPI for sample size and confidence intervals for the International and National Visitor Surveys). The Regional Expenditure model allocates visitor expenditure to specific tourism regions to determine spend estimates for each of Australia's States and Territories.
- V. Sample size for Western Australia domestic is 3,834 and international 5,244.
- VI. Sample size for Australia domestic is 33,521 and international 41,281.
- VII. Confidence intervals for Western Australia domestic is +/-4.8%\* and international +/-6.6%.\*
- VIII. Confidence intervals for Australia domestic is +/-0.5%^ and international +/-0.5%.^
- IX. The response rate for the International Visitor Survey is 75% and the National Visitor Survey is 46%.
- X. The National and International Visitor Surveys are undergoing a review as part of a continuous improvement process to improve reliability and confidence intervals.

\* These confidence intervals are provided by Tourism Research Australia with its regional estimates.

^ These confidence intervals are not provided by Tourism Research Australia, and are instead calculated by Tourism WA based on total sample sizes.

## Visitor expenditure in Western Australia (international, interstate and intrastate markets): Grows faster than total Western Australia visitor numbers

This indicator encourages managed visitation in order to maximize visitor expenditure. To protect our natural environment it is important to grow visitor expenditure faster than visitor numbers. This KPI has been achieved - although spend and visitors have declined each year due to the significant drop in intrastate travel (see previous KPI for detailed explanation), the decline in visitor spend has not been as sharp as the decline in visitor numbers, which indicates that each visitor is spending more.

Results			
Target	2009-2010 Actual	2008-2009 Actual	2007-2008 Actual
Growth in WA visitor expenditure > growth in WA visitor numbers	Growth in WA visitor expenditure -3.7% versus growth in WA visitor numbers -10.1%	Growth in WA visitor expenditure -7.1% versus growth in WA visitor numbers -10.8%	Growth in WA visitor expenditure -0.5% versus growth in WA visitor numbers -6.8%

### Notes:

- I. The results of the National Visitor Survey (NVS) and the International Visitor Survey (IVS) are released by Tourism Research Australia (TRA) each quarter and figures are reported for the latest 12 month period (i.e. Year Ending March 2010 in this instance).
- II. The NVS figures are based on a large scale telephone survey of Australians at home, while the IVS figures are based on interviews with international tourists at airport departure lounges across Australia.

### Visitors

- III. Sample size for Western Australia visitors domestic is 4,163 and international is 6,531.
- IV. Sample size for Australia visitors domestic is 34,286 and international is 41,281.
- V. Confidence intervals for Western Australia visitors domestic is +/-6.4%, and international is +/-5.8%.
- VI. Confidence intervals for Australia visitors domestic is +/-2.0% and international is +/-2.2%. Confidence intervals are provided by Tourism Research Australia with its visitor estimates.

### Spend

- VII. Spend information is sourced from the Tourism Expenditure Research Program, provided by Tourism Research Australia.
- VIII. The expenditure figures are based on responses from the National and International Visitor Surveys for the visitor's entire trip (see notes below relating to visitor numbers KPI for sample size and confidence intervals for the International and National Visitor Surveys). The Regional Expenditure model allocates visitor expenditure to specific tourism regions to determine spend estimates for each of Australia's States and Territories.
- IX. Sample size for Western Australia domestic is 3,834 and international 5,244.
- X. Sample size for Australia domestic is 33,521 and international 41,281.
- XI. Confidence intervals for Western Australia domestic is +/-4.8%\* and international +/-6.6%\*.
- XII. Confidence intervals for Australia domestic is +/-0.5%^ and international +/-0.5%^.
- XIII. The response rate for the International Visitor Survey is 75% and the National Visitor Survey is 46%.
- XIV. Overnight Domestic Visitors Definition: Australian residents aged 15 years and over who spent at least one night away from home in Western Australia.
- XV. Overnight International Visitors Definition: International visitors aged 15 years and over who spent at least one night in the region.
- XVI. The National and International Visitor Surveys are undergoing a review as part of a continuous process to improve reliability and confidence intervals.
- XVII. This target was measured in 2006-2007 but a different methodology was used and therefore the results are not comparable.

\*These confidence intervals are provided by Tourism Research Australia with their regional estimates.

^These confidence intervals are not provided by Tourism Research Australia, and are instead calculated by Tourism WA based on total sample sizes.

### 3. Broader business community assessment of the value of tourism

Communicating a well developed message regarding the value of tourism both socially and environmentally for Western Australia will greatly assist in building strong partnerships and alignment with both the public and private sector. This will then enable successful delivery of tourism development projects and events.

This KPI measures the broader business community's assessment of the value of tourism to Western Australia. The KPI has 2 targets; one relating to tourism enhancing the unique WA lifestyle and one relating to tourism supporting the natural environment. These KPIs were achieved in 2009-2010.

Results		
Target	2009-2010 Actual	2008-2009 Actual
50% of the broader business community agree that tourism enhances the unique WA lifestyle	87%	This KPI indicator was approved for first reporting in 2009-2010.
50% of the broader business community agree that tourism supports the natural environment	88%	

Notes:

- I. Measured through the Business Sentiment Research.
- II. Conducted through a telephone survey of senior business people in government, tourism and other industries across Western Australia.
- III. Interviewing was conducted in November and December 2009.
- IV. The KPI measure is based on a sample size of 401 business people.
- V. Response rate for the survey was 26%.
- VI. The confidence interval is +/- 4.9%

### Key Efficiency Indicators

Key efficiency indicators assist with the assessment of agency service delivery. They monitor the relationship between the service delivered and the resources used to produce the service.

#### 1. Ratio of Tourism WA's marketing spend to visitor spend

This KPI measures the efficiency with which Tourism WA uses its destination marketing funds to market Western Australia and deliver increased visitor expenditure. If WA is successfully marketed to high yielding markets this will then ensure that the industry gains optimal return on tourism investment. This KPI was achieved in 2009-2010, as Tourism WA outperformed the target and achieved \$164 in visitor spend for every \$1 spend by the agency on marketing.

Results				
Target	2009-2010 Actual	2008-2009 Actual	2007-2008 Actual	2006-2007 Actual
\$1:\$153	\$1:\$164	\$1:\$183	\$1:\$172	\$1:\$179

Notes:

- I. The results of the National Visitor Survey (NVS) and the International Visitor Survey (IVS) are released by Tourism Research Australia (TRA) each quarter and figures are reported for the latest 12 month period (i.e. Year Ending March 2010 in this instance).
- II. The NVS figures are based on a large scale telephone survey of Australians at home, while the IVS figures are based on interviews with international tourists at airport departure lounges across Australia.

## Spend

- III. Spend information is sourced from the Tourism Expenditure Research Program, provided by Tourism Research Australia.
  - IV. The expenditure figures are based on responses from the National and International Visitor Surveys for the visitor's entire trip. The Regional Expenditure model allocates visitor expenditure to specific tourism regions to determine spend estimates for each of Australia's States and Territories.
  - V. Year end March information is used as survey information is not yet available for year ending June.
  - VI. Sample size for Western Australia domestic is 3,834 and international 5,244.
  - VII. Sample size for Australia domestic is 33,521 and international 41,281.
  - VIII. Confidence intervals for Western Australia domestic is +/-4.8%\* and international +/-6.6%.\*
  - IX. Confidence intervals for Australia domestic is +/-0.5%^ and international +/-0.5%.^
  - X. The response rate for the International Visitor Survey is 75% and the National Visitor Survey is 46%.
  - XI. The National and International Visitor Surveys are undergoing a review as part of an improvement process to improve reliability and confidence intervals.
  - XII. Marketing spend for 2009-2010 includes income and overhead costs.
  - XIII. Visitor spend includes leisure, business, visiting friends and relatives, and education.
- \* These confidence intervals are provided by Tourism Research Australia with its regional estimates.
- ^ These confidence intervals are not provided by Tourism Research Australia, and are instead calculated by Tourism WA based on total sample sizes.

## 2. Event Tourism

*Ratio of Tourism WA event spend to the value of direct expenditure and media impact generated by events (current year)*

This KPI measures the efficiency with which Tourism WA uses funds to generate direct expenditure (revenue for the State) from visitors to events held in the current financial year.

This KPI was not achieved in 2009-2010. A key reason for this is that the KPI is based on a three year rolling measure, and in 2008-2009 (the benchmark year) there was the final year of media impact from the extremely successful Australian Surf Lifesaving Championships, worth some \$20 million. The benchmark year of 2008-2009 included this boost, which the current year (2009-2010) did not have.

Results				
Target	2009-2010 Actual	2008-2009 Actual	2007-2008 Actual	2006-2007 Actual
\$1:\$6.11	\$1:\$3.72	\$1:\$5.35	\$1:\$6.22	\$1:\$3.28

Notes:

- I. This KPI can vary due to large value events being hosted in the current year.
- II. From 2007-2008 to 2008-2009 there was a 32% increase in expenditure in the area of event hosting costs. The Johnnie Walker Classic event was a major contributor to this increase in costs.
- III. From 2007-2008 to 2008-2009 there was a 14% increase in the three year rolling average of direct expenditure generated by current events.
- IV. 'Media Impact' is defined as the dollar value of Western Australian tourism imagery and branding (including video postcards of WA tourism destinations, on-screen graphics and signage) integrated into television production related to the events. It is measured by an independent media evaluation company.

- V. Media impact is only measured where exposure is secured in one or more of Tourism WA's active or active emerging markets. The majority of television product secures significant exposure in a broad-range of markets outside of Tourism WA's identified priorities.
- VI. The three year rolling average of direct expenditure generated by current events has the effect of smoothing the results. Tourism WA will be reviewing this indicator with a view to provide information that determines the agency's performance during a particular financial year.

### 3. Total cost of Industry Development as compared to percentage of visitor satisfaction

This KPI measures the efficiency with which Tourism WA uses its Industry Development funds to improve the State's product and service offering in a competitive environment. If the tourism industry, infrastructure and product base are improved, then visitors will have a higher quality experience. This will result in great visitor satisfaction levels and in turn more return visitation.

This KPI was achieved in 2009-2010, as Tourism WA outperformed the target and achieved a 1% level of visitor satisfaction for every \$138,170 in agency spend in industry development.

Results		
Target	2009-2010 Actual	2008-2009 Actual
\$140,998 per % of visitor satisfaction	\$138,170 per % of visitor satisfaction	\$168,395 per % of visitor satisfaction

Notes:

- I. Visitor satisfaction is measured through the Visitor Expectation and Experience Research.
- II. This is through a face-to-face survey of intrastate, interstate and international visitors conducted in key hubs over the five tourism regions in WA.
- III. Interviewing takes place three times each year to address seasonality issues. Data is analysed and reported annually.
- IV. The first surveys were undertaken in 2008-2009 (therefore results for 2006-2007 and 2007-2008 results are not available).
- V. The KPI measure is based on a sample size of 718 visitors for 2009-2010.
- VI. This was made up of 261 intrastate, 229 interstate and 228 international visitors.
- VII. Response rate for 2009-2010 was 74%.
- VIII. The confidence interval is +/-3.7%.
- IX. Industry Development spend for 2008-2009 includes income and overhead costs.

## 4.3 MINISTERIAL DIRECTIVES

Section 16 (2) of the *Western Australian Tourism Commission Act 1983* requires that the text of any written directions from the Minister are to be included in the annual report. There were no such directions received during 2009-2010.

## 4.4 OTHER FINANCIAL DISCLOSURES

### 4.4.1 PRICING POLICIES OF SERVICES PROVIDED

The WA Tourism Network (WATN) is a co-operative system which at its core involves the collection, quality assurance and storage of electronic data and images about tourism-related businesses and the distribution of this data through a variety of mechanisms to consumers.

The WATN has 1,110 members and the WA component of the Australian Tourism Data Warehouse holds information (listings) on 5,906 listings, attractions, towns and places of interest. It is the most comprehensive listing of WA tourism-related businesses and information.

In 2009-10 membership costs for the WATN were:

- Core membership was \$373 (inclusive of GST) for non-accredited businesses and \$280 (inclusive of GST) for accredited businesses.
- Non-core membership was \$128 (inclusive of GST) for non-accredited businesses and \$96 (inclusive of GST) for accredited businesses.

Core membership refers to information on accommodation, tour, hire and transport businesses. Non-core membership covers listings of commercial attractions, retail operations and restaurants.

WATN membership provides for a comprehensive listing in the Australian Tourism Data Warehouse and enables information on tourism businesses to be listed on a variety of tourism websites.

To comply with the Department of Treasury and Finance's findings concerning competitive neutrality requirements, it was agreed that Tourism WA would move to a model where it charges full cost recovery fees for the collection and storage of commercial information from tourism operators, and also towards a non-exclusive online booking system that is equally available to all in the industry, including travel intermediaries. The WATN will no longer provide free listings, as this would be contrary to the directive for full cost recovery for commercial products.

### 4.4.2 CAPITAL WORKS

#### Asset Replacement Program

Tourism WA continued its asset replacement program during 2009/10. This consisted of works associated with the exhibition stand and booths for the Australian Tourism Exchange, and spent \$197,000 during the year.

#### 4.4.3 EMPLOYMENT AND INDUSTRIAL RELATIONS

##### Staff profile

Classification	2009	2010		
	Full Time Equivalents	Full Time Equivalents	Males %	Females %
Level 9 & above	6.0	5.0	60	40
Level 8	11	11	63.5	36.5
Level 7	16.8	11.9	51	49
Level 6	28.8	25.1	40	60
Level 5	28.6	20.4	43	57
Level 4	15.3	16.4	18	82
Level 3	21.1	8.3	12	88
Level 2	19.3	7.2	28	72
Level 1	5	3	0	100
Overseas	7	5	20	80
Total	158.9	113.3	33.55	66.45

##### Notes:

- As at 30 June 2010.
- Excludes: cadets, trainees, casuals, employees seconded-out, employees on unpaid parental leave and leave without pay and seconded-in personnel not paid by Tourism WA.
- Includes: seconded-in personnel paid by Tourism WA.

##### Staffing development

This year Tourism WA supported employee development by:

- Conflict of Interest training for Tourism WA staff was conducted. This training was developed to ensure that employees and the agency are better placed to appropriately identify and manage conflicts of interest, particularly understanding individual and management responsibilities in dealing with conflicts of interest.
- Change Management workshops were offered to all staff. The sessions raised a number of topics for discussion that have proven in the past to assist people to see opportunities and remain resilient during change.
- Career Management workshops attended by all WA Visitor Centre staff as part of the preparation for the outsourcing of the information function.
- Completion of an Aboriginal Cultural Understanding Program. The foundation training comprises an online self-learning module as well as a full day workshop.
- Supported secondments to other Western Australian public sector agencies, providing employees with the opportunity to gain on-the-job knowledge and experience in a different working environment, often in a more senior role.
- Individual training and development as identified by manager and employee within local work units.

Agency programs promoting employment and work experience opportunities continued with participation in the tourism industry's Indigenous Cadetship Scheme, Visitor Centre Traineeship Scheme, work experience opportunities and undergraduate student placements during the year to help individuals considering a career in the tourism industry.

## Industrial relations

Tourism WA's primary industrial Award and Agreement, covering approximately 95 per cent of employees, are:

- Government Officers' Salaries, Allowances and Conditions Award 1989.
- Government Officers' Salaries, Allowances and Conditions General Agreement 2008.

The term of the General Agreement expires in April 2011.

## Workers' compensation

Tourism WA continues a practical claims management approach of focusing on injury management and rehabilitation. To 30 June 2010, three workers' compensation claims were recorded. Total lost time was 6 days.

Information on how to lodge a workers' compensation claim is provided by the Human Resources unit on a pro active basis following the reporting of any occupational safety and health incident.

# 4.5 GOVERNANCE DISCLOSURES

## SHARES IN SUBSIDIARY BODY

Tourism WA has shares in the Australian Tourism Data Warehouse Pty Ltd; further details are provided in the Investment section of the Financial Statements.

# 4.6 OTHER LEGAL REQUIREMENTS

## ADVERTISING AND SPONSORSHIP

In accordance with section 175ZE of the *Electoral Act 1907*, Tourism WA incurred the following expenditure in advertising, market research, polling, direct mail and media advertising:

1. Total expenditure for 2009-10 was \$4,696,000

2. Expenditure was incurred in the following areas:

	2009/10 \$'000
(a) Advertising agencies	535
(b) Market research organisations	869
(c) Polling organisations	0
(d) Direct mail organisations	0
(e) Media advertising organisations	3,292
	<hr/> 4,696
(a) Advertising agencies	
Host Consult Pty Ltd	247
Digital Dialogue Media Pty Ltd	75
JMG Marketing (Aust) Pty Ltd	61
Marketforce Pty Ltd	52
Netx Proximity Pty Ltd	45
Micromedia Advertising Design	30
Compac Marketing	13
Morrison Media	9
Optima Press	3
	<hr/> 535

(b) Market research organisations	
Synovate Pty Ltd	522
Department of Resources, Energy & Tourism	211
West Coast Field Services	68
Repucom International Pty Ltd	51
Euromonitor	12
Research Panel Pty Ltd	4
JBB Research	1
	<hr/>
	869
(c) Polling organisations	0
(d) Direct mail organisations	0
(e) Media advertising organisations	
Host Consult Pty Ltd	2,664
Media Decisions WA	271
Deal Group Media	225
Factory Media	54
Deal Group Media Asia Pacific	34
Epsilon International	24
Travel Talk	7
Media Equation Pty Ltd	6
Nine Network Australia	3
Travelbulletin	2
Traffic Photography & Digital	2
Media Highway	0
	<hr/>
	3,292

## DISABILITY ACCESS AND INCLUSION PLAN OUTCOMES

Tourism WA's Disability Access and Inclusion Plan (DAIP) was developed in accordance with the legislative framework. The six desired outcomes are supported with strategies to address the gaps identified in meeting the legislative requirements which are also informed by the review and consultation undertaken in preparation of the plan.

During 2009-2010, the following activities were progressed:

### Outcome 1

People with disabilities have the same opportunities as other people to access the services of, and any events organised by a public authority.

All event contracts prepared by Eventscorp, the event leveraging division of Tourism WA, requires the event holder to adhere to the Tourism WA Disability Access and Inclusion Plan (2007-2011). The clause states the event holder must "do all things reasonable to ensure there are sufficient facilities at the Event venue for persons with disabilities to encourage their attendance at and maximise their enjoyment of the Event."

### Outcome 2

People with disabilities have the same opportunities as other people to access the buildings and facilities of a public authority.

Tourism WA is progressively retrofitting access to each floor of the head office (2 Mill Street) as opportunities for related refurbishment works arise.

The lifts within the head office were refurbished with improved control panels during the year.

### Outcome 3

People with disabilities receive information from the public authority in a format that will enable them to access the information as readily as other people are able to access it.

All new online information and functionality implemented by Tourism WA this year has been developed in line with best practice for people with disabilities wherever possible.

Tourism WA is also considering a program of work in the next year that will see our websites upgraded and more closely align with W3C online standards.

The You're Welcome WA Access Initiative is endorsed by Tourism WA, and operators are encouraged to provide details of their disabled facilities in their website listings.

### Outcome 4

People with disabilities receive the same level and quality of service from the staff of the public authority as other people receive from the authority.

All public-facing staff members of Tourism WA, including the West Oz Welcomers volunteers, receive appropriate training to enable them to assist disabled visitors.

### Outcome 5

People with disabilities have the same opportunities as other people to make complaints to Tourism WA.

Tourism WA's website provides a variety of feedback mechanisms for people with disabilities to lodge grievances and comment on tourism-related matters. In addition, existing complaint mechanisms were reviewed to ensure they meet the needs of people with disabilities.

### Outcome 6

People with disabilities have the same opportunities as other people to participate in any public consultation by Tourism WA.

Tourism WA continues its involvement with the Accessible Tourism Reference Group, which provides an opportunity for the disability sector to participate in and advise Government on disabled access to tourism opportunities.

As Tourism WA's focus shifts towards large-scale tourism infrastructure, our involvement in disability access will move from monitoring individual operator behaviour to assisting in planning and developing access for disabled visitors to the State.

## RECORD KEEPING PLANS

The *State Records Act 2000* requires Tourism WA to have a record keeping plan and to comment in the annual report on compliance with the plan.

Tourism WA's record keeping plan was endorsed by the Executive Management Team and then approved by the State Records Advisory Committee, along with the record retention and disposal authority and record keeping policies. There have been reported improvements in compliance with Tourism WA's record keeping plan over the past year. Training in records management is provided to staff that use the records management system, TRIM. Several different training packages are offered, dependent on user requirements.

## COMPLIANCE WITH PUBLIC SECTOR STANDARDS AND ETHICAL CODES

In accordance with section 31(1) of the *Public Sector Management Act 1994*, Tourism WA is required to comment on the extent to which public sector standards, the WA Code of Ethics and any relevant code of conduct have been complied with.

The management of Tourism WA employees is undertaken in accordance with public sector standards in human resource management and approved public sector policies and procedures.

Compliance area	Compliance issues	Significant action taken to monitor and ensure compliance
Public sector standards	0 breach claims	Human resource recruitment consultants continue to be used for all long-term and permanent selection processes and the subsequent reports are reviewed by the internal human resource work unit before consideration by senior line management.
WA code of ethics	0 reports of non-compliance	WA code of ethics is part of employees' induction materials and is also accessible from Tourism WA's intranet.
Agency code of conduct	1 report of non-compliance	Conflict of interest training was conducted for all Tourism WA staff.



## 4.7 GOVERNMENT POLICY REQUIREMENTS

### OCCUPATIONAL SAFETY, HEALTH AND INJURY MANAGEMENT

Tourism WA is committed to providing a safe and healthy work environment for all its employees, contractors and visitors.

Tourism WA has a safety management framework in place to ensure a continued high priority and level of accountability for maintaining a safe and healthy working environment.

An Occupational Safety and Health self evaluation, using the WorkSafe Plan audit tool, was undertaken during 2009/10 to identify opportunities for improvement.

The Occupational Safety and Health Committee, including the employee representatives, form the key to occupational safety and health consultation within Tourism WA. The members are accessible and are effectively utilised by both management and employees in the discussion and resolution of occupational safety and health issues.

Tourism WA has in place an Injury Management Policy and Guidelines in accordance with the requirements of the *Workers' Compensation and Injury Management Act 1981*. The Guidelines identify that return to work programs are developed in accordance with the Act. The Policy and Guidelines are available to staff on the intranet.

Tourism WA continues to provide access to a free and confidential employee assistance program, designed to support employees and their immediate family members on work or personal issues impacting them.

### PERFORMANCE INDICATORS FOR 2009–2010

	Target	Actual
Number of fatalities	0	0
Lost time injury/diseases (LTI/D) incidence rate	0	1
Lost time injury severity rate	0	0
Percentage of injured workers returned to work within 28 weeks.	100%	100%
Percentage of managers trained in occupational safety, health and injury management responsibilities.	50%	12%

## PUBLICATIONS

Tourism WA produces a wide range of publications which are available to download from [westernaustralia.com](http://westernaustralia.com) or by contacting Tourism WA.

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ISSN 1834-2418

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