

Tourism Australia

Agency Resources and Planned Performance

TOURISM AUSTRALIA

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TOURISM AUSTRALIA

Section 1: Agency Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT

As Australia's national tourism organisation, Tourism Australia aims to increase international leisure and business events visitation by promoting Australia as a compelling tourism destination.

In 2014-15, Tourism Australia's key contribution to the Australian community will be to grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key international markets. Tourism Australia's previous domestic marketing responsibilities will move to State and Territory tourism organisations.

Australian tourism industry outlook

Tourism Australia anticipates an improved environment for inbound tourism in 2014-15, with global GDP growth forecast to trend at around 3.1 per cent (Tourism Research Australia). Economic growth in Asia's economies is expected to ease slightly, while the USA, Western Europe and New Zealand are forecast to increase modestly. The Asian region provides significant opportunity for Australian tourism. It is one of the fastest growing tourism markets in the world, driven by good economic growth and an emerging urban and affluent middle class.

Australia is regularly rated as one of the most desired tourism destinations in the world (Future Brand, 2013). In 2014-15 Tourism Australia will endeavour to convert this strong interest into a decision to visit Australia. Demand for travel to Australia is forecast to increase steadily during 2014-15, with international inbound visitors increasing by 5.6 per cent to 7 million visitors, (Tourism Forecasting Committee, 2013). However, Australian tourism will continue to face a more competitive environment with increased marketing by competitor destinations, changing distribution channels and broadening media options.

Air access will continue to play a fundamental role and is expected to remain a positive factor for Australian tourism. Tourism Research Australia forecasts assume slightly weaker overall growth (5%) in inbound aviation capacity through 2014-15.

Tourism 2020

Tourism 2020 is the Australian government's approach to improve the industry's productive capacity. It focuses on creating a policy framework that will support

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industry growth and provide industry with the tools to compete more effectively in the global economy and to take advantage of the opportunities that Asia presents.

Tourism 2020 was a primary input into Tourism Australia's long term strategy. Under Tourism 2020 Tourism Australia has primary carriage of marketing and distribution while other Australian government agencies have primary responsibility for aviation development and investment attraction. Tourism Australia will work in collaboration with these agencies to make progress in these strategic areas.

Since the launch of Tourism 2020, the Asian region has continued to grow, led by China. Marketing funding has been bolstered by the Asia Marketing Fund announced in May 2012, which has significantly increased Tourism Australia's marketing footprint in Asia.

Objectives 2014-15

Tourism Australia works with industry and all levels of government across Australia to maximise the economic contribution of Australian tourism. The industry has set a goal to increase overnight tourism expenditure from \$69 billion in 2009 to between \$115 billion and \$140 billion in 2020. To achieve this, Tourism Australia is focused on:

- Increasing numbers of leisure and business events visitors;
- Continuing improvements in visitor value (spend per trip / spend per night);
- Being competitive with out-of-region travel destinations (those that are beyond the target customers' immediate geographic region);
- Supporting supply side issues (investment and aviation) by sharing consumer insights and reinforcing quality and competitiveness.

Strategies 2014-15

Two target customers will continue to be at the heart of Tourism Australia's marketing – the leisure traveller and the business events traveller.

Activity will continue to be implemented via three core strategies:

1. Customer Focused – marketing activity will centre on the target customer.

Tourism Australia will:

- Know the 'best prospect' target customer – who they are, where they live and what they like to do – and disseminate these insights to industry;
- Deliver effective marketing communications – the right message through the right channel with a digital focus.

2. Partnership Focused – create demand by leveraging partnerships that engage the target customer and facilitate access.

Tourism Australia will:

- Strengthen marketing through partnerships that are aligned with Australia’s brand image and leverage partner marketing activities;
- Build partnerships that engage customers across distribution channels, media, industry and events;
- Develop relationships with traditional and non-traditional distributors to ensure the target customer can easily access quality Australian tourism products. This will include delivery of best practice distribution vehicles and platforms under the Distribution 2020 strategy;
- Strengthen access by working closely with airlines, airports and state and territory tourism organisations, supporting existing aviation capacity and new routes;
- Work with industry, Austrade and State and Territory tourism organisations to identify and promote investment in new tourism infrastructure.

3. Government Focused – a whole of government approach.

Tourism will:

- Collaborate with government partners to present a strong Australia brand to target customers.

Global marketing resources will focus on those markets that provide the greatest expenditure growth potential to 2020. While a balanced portfolio of markets will remain, the emphasis will be on Asia, the growth engine of the next decade. In 2014-15 markets will be categorised as:

- Worth over \$5 billion by 2020 – Greater China (China and Hong Kong), North America (USA and Canada), United Kingdom;
- Worth over \$2.5 billion by 2020 – New Zealand, South Korea, Singapore, Malaysia;
- Worth over \$1 billion by 2020 – India, Japan, Germany, Indonesia, Middle East;
- Rest of world, fast emerging: Brazil;
- Rest of world, high priority: France, Italy.

Marketing communications will continue under the *There’s nothing like Australia* campaign umbrella and will lead with the best of Australia’s tourism experiences.

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The aim will be to raise the urgency to visit, increase knowledge and build a strong image of what Australia has to offer global travellers.

Tourism Australia will continue to improve its competitive position. Research has confirmed that Australian tourism is competitively differentiated in the areas of world class nature, people and food and wine. From 2014, food and wine content and imagery will be strengthened, with *Restaurant Australia* positioning integrated into marketing activities in all markets under the *There's nothing like Australia* campaign umbrella.

Resources and effort will increase in digital and content marketing, led by a revitalisation of Australia.com. This will provide an enhanced online Australian tourism experience for consumers. Tourism Australia's digital and social marketing emphasis will be to personalise, socialise and mobilise content to make it more relevant and timely by using insights from relevant data and analytics.

There's nothing like Australia will also be the focus for business events with continuation of the *There's nothing like Australia for Business Events* campaign. This campaign directly engages and stimulates business customers to consider Australia. The campaign will continue to be integrated across all communications channels, including advertising, website, PR, trade events and direct communications.

Activities that develop and promote Indigenous tourism experiences will be continued through Tourism Australia's broader programmes in an effort to raise the profile of Australian Indigenous culture and ways to experience it, as well as greater representation for Indigenous tourism businesses and product in international markets.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

**Table 1.1: CAC Act Body Tourism Australia Resource Statement
Budget Estimates for 2014-15 as at Budget May 2014**

Source	Estimate of prior year amounts available in 2014-15 \$'000	+ Proposed at Budget 2014-15 \$'000	= Total estimate 2014-15 \$'000	Actual available appropriation 2013-14 \$'000
Opening balance/Reserves at bank				
REVENUE FROM GOVERNMENT				
Ordinary annual services¹				
Outcome 1 - Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets.	-	129,872	129,872	130,351
Funds from Portfolio Agency	-	13,500	13,500	12,500
Total ordinary annual services	-	143,372	143,372	142,851
Total annual appropriations	-	129,872	129,872	130,351
Total funds from Government	-	143,372	143,372	142,851
FUNDS FROM OTHER SOURCES				
Interest	-	1,800	1,800	2,000
Other	-	14,726	14,726	15,726
Total	-	16,526	16,526	17,726
Total net resourcing for agency	-	159,898	159,898	160,577

SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programmes are the primary vehicle by which Government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programmes which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programmes, specifying the performance indicators and targets used to assess and monitor the performance of Tourism Australia in achieving Government outcomes.

Outcome 1: Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets.

Outcome 1 Strategy

Programme Component 1.1 Grow demand

Tourism Australia will inspire increased international travel by putting the target customer at the centre of all of its marketing activity. Tourism Australia will build Australia's reputation and profile as an exciting and desirable leisure and business events destination, driving demand, growth in visitor numbers and increased visitor expenditure by:

- Focusing on positioning Australia competitively and targeting consumers who are predisposed to travel to Australia who will spend more and do more when they travel to and around Australia;
- From a business events perspective, focusing on international corporate conference and incentive agents, corporate decision makers and associations and leveraging the business events sector's capacity to deliver high yielding visitors who also return as repeat visitors. Business Events Australia will continue to develop strong relationships with international buyers in key markets. This will include dedicated effort in the Associations sector;
- Using research and expertise to match products and experiences relevant to the target customer, including product bundling to present the best of what Australia has to offer;
- Continuing the There's nothing like Australia and There's nothing like Australia for business events campaigns and effective marketing communications – using the

right messages in the right channels, with a focus on digital and strengthened food and wine content and imagery.

- 'Owned and earned' media will be increased and a new content strategy will be introduced. Target customers are increasingly consuming media through social and 'owned' channels such as Australia.com.
- Building partnerships to engage customers across distribution, media and industry. Partnerships will continue to be developed with key distributors and the international and Australian tourism industry, enabling target customers to easily access Australian tourism products. Partnerships will also be undertaken with traditional and non-traditional media partners that enable Tourism Australia to increase its reach and direct engagement with target customers.
- Continued work with state and territory tourism organisations to ensure integration and alignment of activities to achieve efficiency and effectiveness.

Programme Component 1.2 Industry Development

Tourism Australia will continue to work in partnership with industry and government stakeholders to promote growth and development of the Australian tourism industry. An outline of the activity that will be implemented for 2014-15 follows:

- Participating in initiatives that promote the distribution of quality Australian products including dedicated programmes for promoting Indigenous tourism experiences and the best of Australia's National Landscapes; and working with industry to build capability around digital marketing and distribution;
- Supporting trade development by building the capability of the travel industry to confidently sell Australia, including training of travel agents through the Aussie Specialist Programme; providing Australian destination and product content to the distribution system and making direct connections with travel agents through familiarisation visits and trade events;
- Managing and participating in a range of trade events in Australia and overseas that promote Australia as a destination for leisure and business events travel. This will include delivery of the Australian Tourism Exchange, dedicated business events educational programmes and industry missions;
- Working in partnership with Austrade to attract tourism investment and development of better quality Australian tourism infrastructure;
- Working with airline and airport partners to support profitable aviation capacity growth and ensure that Tourism Australia's investment supports growth on viable routes;

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- Working with the Department of Immigration and Border Protection to ensure visa issuance keeps pace with the growth and changes in consumer demand and keeps Australian tourism ahead of its competitors;
- Providing Tourism Australia, government and industry stakeholders with communications regarding strategic insights and research relevant to their needs to drive industry sustainability and strategy development;
- Continuing to build awareness, understanding and alignment with Tourism Australia strategies across government and industry through formal industry briefings and workshops as well as a dedicated relationship management approach with stakeholders and partners.

Outcome Expense Statement

Table 2.1 provides an overview of the total expenses for outcome 1, by programme.

Table 2.1 Budgeted Expenses for Outcome 1

Outcome 1 - Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets	2013-14	2014-15
	Estimated actual expenses \$'000	Estimated expenses \$'000
Programme 1: Supporting Outcome 1		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	130,351	129,872
Funds from Portfolio Agency	12,500	13,500
Revenues from other independent sources	17,726	16,526
Total for Programme 1	160,577	159,898
Outcome 1 Totals by resource type		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	130,351	129,872
Funds from Portfolio Agency	12,500	13,500
Revenues from other independent sources	17,726	16,526
Total expenses for Outcome 1	160,577	159,898
	2012-13	2013-14
Average Staffing Level (number)	204	204

Contributions to Outcome 1

Programme 1. Supporting Outcome 1

Programme 1 Objective
Refer to Outcome 1 Strategy and component objectives for further information

Table 2.2 provides a breakdown of programme 1 expenses by component.

Table 2.2: Programme 1 Expenses by Component

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
<i>1.1.1 - Component 1 - Grow Demand</i>					
Annual departmental expenses:					
Programme Support	135,986	135,411	135,215	134,870	138,189
Total component expenses	135,986	135,411	135,215	134,870	138,189
<i>1.1.2 - Component 2 - Industry Development</i>					
Annual departmental expenses:					
Programme Support	24,591	24,487	24,452	24,389	22,458
Total component expenses	24,591	24,487	24,452	24,389	22,458
Total programme expenses	160,577	159,898	159,667	159,259	160,647

Contributions to Outcome 1

Component 1.1: Grow demand

Component 1.1 Objective

Identify and target best prospect consumers, and inspire them to travel to Australia. To focus activities and resources, utilise a dedicated market categorisation approach.

	2013-14 Revised budget \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Programme Support	135,986	135,411	135,215	134,870	138,189
Total Component Expenses	135,986	135,411	135,215	134,870	138,189

Component 1.1 Deliverables

Leisure Consumer Marketing

- Consumer behaviour research
- Monitoring of the effectiveness of strategies and programmes against defined KPIs
- Continued roll-out of the There's nothing like Australia campaign across all major markets.
- Integration of Restaurant Australia positioning into marketing activities in all markets under the There's nothing like Australia umbrella.

- Cooperative campaigns and activities with industry partners to leverage marketing opportunities that align with the destination Australia brand and promote the best of what Australia has to offer.
- Integrated and compelling marketing to stimulate target markets, including brand advertising and promotions, digital programmes, public relations, International Media Hosting Programme, media content development, cooperative promotions, consumer events and advocacy programmes.
- Search engine marketing to lift Australia.com ranking.
- Australian story-telling content and applications, including social media.
- Launch of a new version of Australia.com that will enhance consumers' online experience of what Australia has to offer as a tourism destination.

Business Events Marketing

- Business-to-business marketing activity to promote Australia as a business events destination, including trade events, buyer and agent familiarisation visits, direct marketing and public relations campaigns, advocacy, marketing toolkit and stakeholder relations.
- Continued embedding of There's nothing like Australia for Business Events.
- Development and management of the Business Events Australia website.

Key Performance Indicators	2013-14 Actual	2014-15 Budget Target	2015-16 Target for Forward year 1	2016-17 Target for Forward year 2	2017-18 Target for Forward year 3
Total Overnight Tourism Spend (all purposes)	\$80.4B (year ended Dec2013)	5% increase on base (year ended Dec2014)	5% increase on previous (year ended Dec2015)	6% increase on previous (year ended Dec2016)	7% increase on previous (year ended Dec2017)
Total Spend by visitors from TA Target Markets (all purposes, excluding rest of world)	\$23.3 B (year ended Dec2013)	10.2% increase on base (year ended Dec2014)	11.8% increase on previous (year ended Dec2015)	12.8% increase on previous (year ended Dec2016)	13.8% increase on previous (year ended Dec2017)
NB. Compound growth					

Component 1.2 Industry Development

Component 1.2 Objective

An Australian tourism industry that is competitive and sustainable and delivers on the needs of the target customer.

	2013-14 Revised budget	2014-15 Budget	2015-16 Forward year 1	2016-17 Forward year 2	2017-18 Forward year 3
Deliverables					
Programme Support	24,591	24,487	24,452	24,389	22,458
Total Component Expenses	24,591	24,487	24,452	24,389	22,458

Component 1.2 Deliverables

Participation in Tourism 2020 Strategic Groups

- Research Advisory Board.
- Grow Demand from Asia.
- Encourage Investment and Implement Regulatory Reform.
- Ensure Tourism Transport Environment Supports Growth.
- Increase supply of labour and skills and Indigenous participation – targeted role.

Promotion of Indigenous Tourism

- Partner with Indigenous Business Australia to deliver the Indigenous Tourism Champions Programme, promoting Australia’s top Indigenous tourism product; and promotion of indigenous experiences through Tourism Australia’s consumer marketing activities.

Promotion of Australia’s National Landscapes

- Partner with Parks Australia to market Australia’s National Landscapes and encourage interest and visitation.

Dissemination of insights on the global target customer

- Delivery of an annual conference, regular Industry Briefings and communications.

Engagement of stakeholders

- Continued implementation of a dedicated communications plan to deliver awareness and understanding of Tourism Australia strategies; and monitoring of stakeholder participation and satisfaction with Tourism Australia’s initiatives.

Support attraction of investment in tourism infrastructure, products and services

- Share research on the target customer to provide insight into investment and

development required to meet the needs of the target customer. This work will be undertaken in partnership with Austrade and stakeholders and governments across Australia.

Support access to Australia, by assisting existing and new route development and addressing visa access issues

- Undertake analysis of industry and aviation conditions and provide insights to key stakeholders to assist strategic decision-making.
- Work with airports and state and territory tourism organisations to support new route development.
- Participate in the Australian government Tourism Access Working Group (TAWG) and contribute to air service bilateral negotiations.
- Work to resolve high-level issues that are impediments to growth, including issues around visa access.

Trade Events

- Coordinate and deliver trade events for Australian tourism businesses to showcase their products and do business with the global distribution network.
- Delivery of a annual conference, regular industry briefings and communications.
- Manage Australia's premier trade event – the Australian Tourism Exchange (ATE) – and profile Tourism Australia and industry partners.

Trade Development

- Recruit and train travel agents through the 'Aussie Specialist Programme'.
- Deliver product information and events for the Aussie Specialist Programme through coordination with state and territory tourism organisations.

Lead enhanced national co-ordination of distribution activities

- Continue to work with state and territory tourism organisations to clearly define roles and responsibilities in international markets.
- Collect and build evidence of the shared benefits of a unified approach when going to market.

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Key Performance Indicators	2013-14	2014-15	2015-16	2016-17	2017-18
	Actual	Budget	Target for	Target for	Target for
Deliverables		Target	Forward year 1	Forward year 2	Forward year 3
Key Stakeholder Satisfaction: % of stakeholders indicating that Tourism Australia helps them with their business (% rated excellent, very good or good)	79% of key stakeholders	>75% of key stakeholders	>75% of key stakeholders		
Key Partner Satisfaction: % of key partners indicating that Tourism Australia helps them with their business	first time measure will be collected	>65% of key stakeholders	>65% of key stakeholders		

Section 3: Explanatory Tables and Budgeted Financial Statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2014-15 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of Administered Funds Between Years

This statement is not applicable, as Tourism Australia has no administered funding.

3.1.2 Special Accounts

This statement is not applicable, as Tourism Australia has no special accounts.

3.1.3 Australian Government Indigenous Expenditure

Table 3.1.3: Australian Government Indigenous Expenditure (AGIE)

Outcome	Appropriations				Other	Total
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special approp \$'000	Total approp \$'000		
Tourism Australia						
Outcome 1						
Departmental 2014-15	500	-	-	500	-	500
<i>Departmental 2013-14</i>	<i>500</i>	<i>-</i>	<i>-</i>	<i>500</i>	<i>-</i>	<i>500</i>
Total outcome 2014-15	500	-	-	500	-	500
<i>Total outcome 2013-14</i>	<i>500</i>	<i>-</i>	<i>-</i>	<i>500</i>	<i>-</i>	<i>500</i>
Total AGIE 2014-15	500	-	-	500	-	500
<i>Total AGIE 2013-14</i>	<i>500</i>	<i>-</i>	<i>-</i>	<i>500</i>	<i>-</i>	<i>500</i>

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in Agency Resourcing and Financial Statements

Tourism Australia has no significant differences between the resource information presented in the Budget Papers and in the Portfolio Budget Statements as a result of differences between whole of government level reporting (under Australian Accounting Standard 1049) and entity level financial reporting.

3.2.2 Analysis of Budgeted Financial Statements

Total operating revenue for 2014-15 is estimated at \$159.9 million and is made up of government appropriations of \$129.9 million, Asian Marketing Fund from government of \$13.5m and revenue from other sources of \$16.5 million. The total revenue decreases by \$0.7 million from the 2013-14 estimated actual of \$160.6 million.

The change includes:

- Appropriation for 2014-15 reflects normal level of funding for Tourism Australia adjusted for the efficiency dividend.
- Impact of wage cost index applied to appropriations.
- Asian Marketing Fund receipts of \$13.5 million.

Corresponding total expenses are also estimated to be \$159.9 million, a decrease of \$0.7 million from the 2013-14 estimated actual of \$160.6 million.

Departmental – Balance Sheet

Tourism Australia is budgeting a net asset position of \$25.1 million which is in line with our net asset position from the 2013-14 estimated actual. Net assets are projected to remain the same beyond 2013-14.

3.2.3 Budgeted Financial Statements Tables

Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services) for the period ended 30 June

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	27,416	28,788	29,500	30,248	31,000
Supplier expenses	121,927	119,876	121,434	120,278	120,914
Depreciation and amortisation	4,500	4,500	4,500	4,500	4,500
Finance costs	33	33	33	33	33
Other	6,701	6,701	4,200	4,200	4,200
Total expenses	160,577	159,898	159,667	159,259	160,647
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	2,000	1,800	1,800	1,800	1,800
Other Government Revenue (AMF)	12,500	13,500	14,000	14,000	14,000
Other Revenue	15,726	14,726	14,726	14,726	14,726
Total own-source revenue	30,226	30,026	30,526	30,526	30,526
Total own-source income	30,226	30,026	30,526	30,526	30,526
Net cost of (contribution by) services	130,351	129,872	129,141	128,733	130,121
Appropriation from Government	130,351	129,872	129,141	128,733	130,121
Surplus (Deficit)	-	-	-	-	-
Surplus (Deficit) attributable to the Australian Government	-	-	-	-	-
OTHER COMPREHENSIVE INCOME					
Total comprehensive income	-	-	-	-	-
Total comprehensive income attributable to the Australian Government	-	-	-	-	-

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Note: Reconciliation of comprehensive income attributable to the agency					
	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
Total Comprehensive Income (loss) Attributable to the Australian Government	-	-	-	-	-
plus non-appropriated expenses depreciation and amortisation expenses	4,500	4,500	4,500	4,500	4,500
Total Comprehensive Income (loss) Attributable to the agency	4,500	4,500	4,500	4,500	4,500

Prepared on Australian Accounting Standards basis.

**Table 3.2.2: Budgeted Departmental Balance Sheet
(as at 30 June)**

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	21,749	22,649	22,649	22,616	22,616
Trade and other receivables	5,560	5,560	5,560	5,560	5,560
Total financial assets	27,309	28,209	28,209	28,176	28,176
Non-financial assets					
Land and buildings	4,488	4,488	4,488	4,488	4,488
Property, plant and equipment	599	599	299	299	299
Intangibles	6,990	6,990	7,290	7,290	7,290
Other	2,802	2,802	2,802	2,802	2,802
Total non-financial assets	14,879	14,879	14,879	14,879	14,879
Assets held for sale	-	-	-	-	-
Total assets	42,188	43,088	43,088	43,055	43,055
LIABILITIES					
Payables					
Suppliers	6,250	7,150	7,150	7,117	7,117
Other	5,794	5,794	5,794	5,794	5,794
Total payables	12,044	12,944	12,944	12,911	12,911
Provisions					
Employee provisions	4,103	4,103	4,103	4,103	4,103
Other	897	897	897	897	897
Total provisions	5,000	5,000	5,000	5,000	5,000
Total liabilities	17,044	17,944	17,944	17,911	17,911
Net assets	25,144	25,144	25,144	25,144	25,144
EQUITY*					
Parent entity interest					
Contributed equity	1,543	1,543	1,543	1,543	1,543
Reserves	1,844	1,844	1,844	1,844	1,844
Retained surplus (accumulated deficit)	21,757	21,757	21,757	21,757	21,757
Total parent entity interest	25,144	25,144	25,144	25,144	25,144
Attributed to Non-Controlling Interest*					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained earnings	-	-	-	-	-
Total non-controlling interest	-	-	-	-	-
Total Equity	25,144	25,144	25,144	25,144	25,144

Table 3.2.3: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2014-15)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2014				
Balance carried forward from previous period	21,757	1,844	1,543	25,144
Adjustment for changes in accounting policies	-	-	-	-
Adjusted opening balance	21,757	1,844	1,543	25,144
Comprehensive income				
Other comprehensive income	-	-	-	-
Surplus (deficit) for the period	-	-	-	-
Total comprehensive income	-	-	-	-
of which:				
Attributable to the Australian Government	-	-	-	-
Estimated closing balance as at 30 June 2015	21,757	1,844	1,543	25,144
Less: non-controlling interests *	-	-	-	-
Closing balance attributable to the Australian Government	21,757	1,844	1,543	25,144

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Budgeted Departmental Statement of Cash Flows
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	130,351	129,872	129,141	128,733	130,121
Interest	2,000	1,800	1,800	1,800	1,800
Other	30,810	30,680	29,919	28,726	28,726
Total cash received	163,161	162,352	160,860	159,259	160,647
Cash used					
Employees	27,416	28,788	29,500	30,248	31,000
Suppliers	129,178	121,430	122,627	120,311	120,947
Other	6,701	7,634	4,233	4,200	4,200
Total cash used	163,295	157,852	156,360	154,759	156,147
Net cash from (used by) operating activities	(134)	4,500	4,500	4,500	4,500
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	7,197	4,500	4,500	4,500	4,500
Total cash used	7,197	4,500	4,500	4,500	4,500
Net cash from (used by) investing activities	(7,197)	(4,500)	(4,500)	(4,500)	(4,500)
FINANCING ACTIVITIES					
Cash received					
Retained Surplus	2,697	-	-	-	-
Total cash received	2,697	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	2,697	-	-	-	-
Net increase (decrease) in cash held	(4,634)	900	-	(33)	-
Cash and cash equivalents at the beginning of the reporting period	26,383	21,749	22,649	22,649	22,616
Cash and cash equivalents at the end of the reporting period	21,749	22,649	22,649	22,616	22,616

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	2,697	-	-	-	-
Total capital appropriations	2,697	-	-	-	-
Total new capital appropriations					
Represented by:					
Other Items	2,697	-	-	-	-
Total Items	2,697	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	2,697	-	-	-	-
departmental resources	4,500	4,500	4,500	4,500	4,500
TOTAL	7,197	4,500	4,500	4,500	4,500
RECONCILIATION OF CASH					
USED TO ACQUIRE ASSETS					
TO ASSET MOVEMENT TABLE					
Total purchases	7,197	4,500	4,500	4,500	4,500
Total cash used to acquire assets	7,197	4,500	4,500	4,500	4,500

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements (2014-15)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2014				
Gross book value	7,797	4,729	37,279	49,805
Accumulated depreciation/amortisation and impairment	(3,309)	(4,130)	(30,289)	(37,728)
Opening net book balance	4,488	599	6,990	12,077
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - other	500	100	3,900	4,500
Total additions	500	100	3,900	4,500
Other movements				
Depreciation/amortisation expense	(500)	(100)	(3,900)	(4,500)
Total Other Movement	(500)	(100)	(3,900)	(4,500)
As at 30 June 2015				
Gross book value	8,375	4,829	41,179	54,383
Accumulated depreciation/amortisation and impairment	(3,887)	(4,230)	(34,189)	(42,306)
Closing net book balance	4,488	599	6,990	12,077

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the Financial Statements

The financial statements have been prepared in accordance with:

- Finance minister's Orders; and
- Australian Accounting Standards and Accounting Interpretations issued by the Australian Accounting Standards Board.

Assets and liabilities are recognised in the balance sheet when and only when it is probable that future economic benefits will flow and the amounts of the assets and liabilities can be reliably measured.

Revenues and expenses are recognised in the income statement when and only when the flow or consumption or loss of economic benefit has occurred and can be reliably measured.

The analysis of budgeted financial statements provides an overview of the key elements of Tourism Australia's financial statements, including variations in major aggregates from actual of 2013-14 to budget estimate of 2014-15.

