

Tourism Alliance Victoria

Annual Report 2010-2011





Tourism Alliance Victoria Ltd

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Chairman's report



In a year of transition, the Tourism Alliance board has been working with clear and defined goals to ensure that the new peak industry body for tourism, VTIC, has a structure and membership services that meet the current and future demands of our ever changing tourism industry environment. It's time we step up to the next level.

I have no doubt that the uniting of tourism sector associations will strengthen our industries ability to advocate for our members needs and assist in policy direction for current and future governments.

The services offered in the new VTIC membership structure represent greater value than ever before, coupled with the support and backing of the Tourism and Events team at VECCI, we as operators and as a united industry will benefit significantly from the new structure.

Much of the complex operational strategy work to bring together the key industry sector bodies to form the new VTIC was done by Todd Blake. Todd's sudden death was an enormous shock and he will be greatly missed. It was evident by the generosity, organisation and attendance at Todd's tribute evening that he was much loved and highly respected by the tourism and hospitality industry. Well done to the team to be able to hold it together during such a difficult period and for a great job throughout the rest of the year.

I would like to welcome the Hon. Louise Asher to the role of Tourism Minister for the second time and look forward to having a close working relationship between government and our united industry body.

I look forward to the next 12 months and encourage any operators that have a little bit of time and skill to put your hand up and get involved in your industry sector within the new Victorian Tourism Industry Council. You'll get a lot more out of your membership if you put in a little bit of time.

Yours Sincerely,
Matt Noble

Vale Todd Blake



Tourism Alliance mourns the untimely passing of Todd Blake in August 2011, whilst on holidays with his family. Todd was CEO of Tourism Alliance Victoria, General Manager, VECCI Tourism and Events, and CEO of Victoria Tourism Industry Council.

He was greatly respected by colleagues in the tourism sector and his passing has been a big loss to our organisation and the state's wider tourism industry.

Todd is survived by his wife Kirsty and their two children.

Tourism Alliance Victoria wind-up and transition to VTIC

As you would be aware, work has been underway for some time now to restructure the representation of the tourism industry in Victoria and create a single, united representative body that will advocate collectively to all levels of Government and work with businesses to improve industry professionalism, profitability, development and sustainability.



Tourism Alliance has been working closely with the Victoria Tourism Industry Council (VTIC), Hotel, Motel & Accommodation Association of Victoria, the Backpacker Operators Alliance of Victoria, the Victoria Events Industry Council and the Victorian Employers Chamber of Commerce and Industry towards achieving this objective, ensuring that the new peak body is truly representative of the tourism industry in Victoria.

To this end, the board of Tourism Alliance Victoria announced at the 2010 Annual General Meeting its resolution to “cease the operations of Tourism Alliance Victoria Limited at a time and in a manner that will facilitate the development of the new entity as Victoria’s leading tourism industry representative body.”

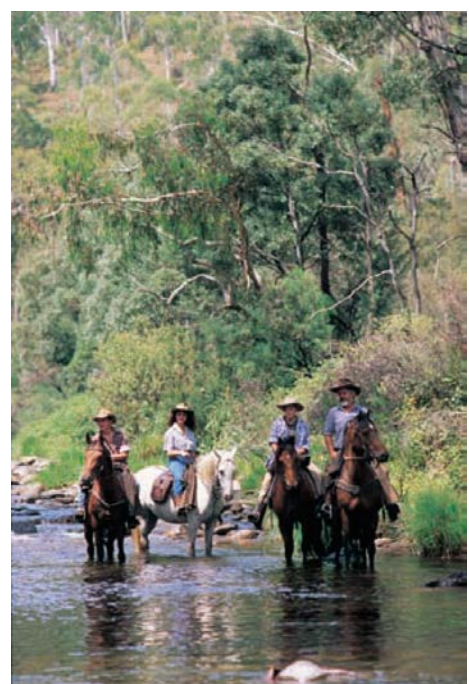


The Tourism Alliance board has spent considerable time in due diligence and planning and we are in a position to progress with the facilitation of the new industry, fully independent, not-for-profit representative body. The board has resolved to place all its assets into a trust that will be Tourism Alliance’s legacy to industry. Tourism Alliance’s intention is that this trust will be used to provide ongoing professional

development support to industry.

Tourism Alliance ceased processing of membership renewals on 30 April 2011 and has been working to transition its existing members over to the new peak body, VTIC. VTIC offers nine levels of membership, providing a greater choice of benefits and business services at a range of price points, making membership relevant and accessible to tourism businesses of all sizes. Further details on VTIC membership are available at www.vtic.com.au

Tourism Alliance would like to thank all members for their ongoing support, patience and trust throughout this process of change and evolution that will see VTIC established as the most organised, representative and influential tourism body in Australia.





Tourism Alliance via VTIC has continued to represent members' interests across a range of issues. A key piece of advocacy work was the joint submission with VTIC into the **Victorian Competition and Efficiency Commission's Inquiry into Tourism in Victoria**. Submissions were made in December 2010 and the Commission's Draft Report "*Unlocking Victorian Tourism*" was released in early March 2011. In all, fifteen draft recommendations were put forward, including recommendations to

allow private sector investment on public land and to allow greater flexibility for tourism-related investment and development in Farming, Rural Conservation and Green Wedge Zones. Many of the recommendations aligned with our submission. Tourism Alliance also participated in an industry roundtable consultation with the Commissioners, which followed the release of the Draft Report. The Final Report will be released, along with the Government's response to the Commission's Report, by the end of the 2010 calendar year.

Licensed Tour Operator Reform was another important area of advocacy. The reform process came to a head with the release of a Regulatory Impact Statement (RIS) Assessment in April 2011. The RIS arose from new legislative provisions that would come into effect on 1 July 2011, establishing a consistent State-wide licensing framework for commercial tour operators on public land. Tourism Alliance provided input to VTIC's RIS submission.



Under the new licensing framework public land managers will be required to charge new regulated fees for commercial tour operator licences, rather than the differential fees that are currently set by public land managers. The legislation also increases the maximum licence term from 3 years to up to 10 years (subject to approval from the land manager) and introduces new offence and enforcement powers relating to licences.



Activity groups

- Visitor Information Centres



Tourism Alliance again continued to deliver services to the VIC network. Achievements for the past 12 months included the continuation of VIC reference group meetings; completion of a visitor survey study; delivery of another successful VIC Summit in Warrnambool; timely distribution of information to the VICs including a bi-monthly newsletter; professional development training focusing on social media.

- Attractions



Tourism Alliance provided the opportunity again for member attractions to participate in briefings to the staff of Tourism Victoria, the VTIS as well as the City of Melbourne volunteers. Attractions were well represented showcasing their product to those at the forefront of the industry. Visitation statistics were also collected with quarterly reports forwarded to those who contributed.

- Young Tourism Network



The Young Tourism Network (YTN), proudly auspiced by Tourism Alliance has gone from strength to strength and is now 6 years old! With over 450 members, the YTN is continues to be the vehicle for inspiring the next generation of tourism talent to lead the industry.

Projects

Tourism Alliance was commissioned by Parks Victoria to undertake a research project on the Licensed Tour Operator (LTO) Sector.

The project comprised a survey and report; the development of a CD-ROM training kit; and a communications strategy. The survey was carried out in August-September 2010 and the findings were subsequently presented at the Adventure and Nature-Based Tourism Forum in August 2011.

The CD-ROM and communications components of the project were ready for delivery in the first half of the 2011-12 financial year.



Tourism Alliance Victoria events

- 2010 VIC Summit – Warrnambool – 4-6 August 2010
This year's event saw that delegates get a real taste of what the region has to offer on the first day of the event with three familiarisation tours organised in various locations around the Warrnambool coast. The following two days provided the 95 attendees with an opportunity for VICs to discuss issues; seek information; and explore ideas to enhance their Centres.
- 2010 Friends of Tourism Breakfast – Melbourne - 11 August 2010
Tourism Alliance Victoria's Pre State Election Friends of Tourism Breakfast, held at the Park Hyatt, was a sell-out event. The Minister for Tourism and Major Events the Hon. Tim Holding MP and 17 members of the Government Friends of Tourism group joined over 130 representatives from Victoria's tourism industry to discuss the state and future of the sector.
- 2010 Adventure and Nature-Based Tourism Forum – Ballarat – 6-7 September 2010
The 2010 Adventure and Nature-Based Tourism Forum, held at Mercure Ballarat, provided professional development and networking opportunities to adventure and nature-based businesses, local government, key agencies and the wider tourism industry.
- Starting Up in Tourism Workshops
Three workshops were held during the 2010-11 year, providing delegates with a good foundation of knowledge for starting a business in the Victorian tourism industry. Delegates take away a comprehensive kit of information and templates to help them get their new tourism business up and running.
- 2010 Tourism and Events Industry Christmas Party – Melbourne – 24 November 2010
Held at Studio 3 at Crown, guests enjoyed drinks and canapés, while networking with colleagues. Guests had the opportunity to hear from Tourism Alliance Chair, Matt Noble and the Honourable Minister for Tourism and Major Events, Tim Holding as well as going into the draw to win fantastic prizes.
- 2011 Student Summit – Melbourne – 25 March 2011
This Summit hosted a record crowd of over 700 students from education institutions across Victoria. Held in conjunction with the National Careers Expo, the 2010 Summit also included back of house tours at two of Melbourne's key tourism and event facilities, Crown and the Melbourne Convention and Exhibition Centre.



Lynette Bergin Tourism Fellowship



The 2010 Lynette Bergin Tourism Fellowship was awarded to Megan Peacock, who was then working with Melbourne Aquarium. This project saw Megan conduct a two week case study to investigate the Indian market. She undertook work placements with the National Tourism Organisation, Tourism Australia and Tourism Victoria in Mumbai, India for 2-3 days each.

Megan also visited wholesale and retail agencies in the two key source cities of Mumbai and Delhi and met with some of their past clients who have travelled to Australia and Victoria to gain a perception of their experience and feedback.

The project allowed Megan to gain a greater understanding, appreciation and awareness of the Indian culture. She also increased her tourism knowledge and abilities in conducting individual sales calls.

Megan is pictured above with Kevin Shinnars, a cousin of Lynette Bergin.

Acknowledgements

Tourism Alliance would like to thank its partners and sponsors over the last 12 months for their support. Your contribution has allowed us to continue to advocate and support the development of a professional and sustainable tourism industry across Victoria.



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- Business Events Victoria
- City of Ballarat
- Corangamite Shire Council
- Department of Sustainability & Environment
- Discovery Coast Tourism
- ier
- Mercure Ballarat
- Moyne Shire Council
- National Careers Expo
- Shipwreck Coast Marketing
- Warrnambool City Council
- Warrnambool Tourism Association
- Young Tourism Network

Financial statements

Tourism Alliance Victoria Limited

ABN: 74 109 290 520

For the Year Ended 30 June 2011

Financial Statements

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- Directors' Declaration
- Independent Audit Report



Directors Report

Your directors present their report on Tourism Alliance Victoria Limited for the financial year ended 30 June 2011.

Directors

The names of the directors in office at any time during or since the end of the year are:

Matthew Noble (Chairman)
Sue O'Brien (Deputy Chair)
Terry Robinson (Secretary)
Roger Grant
Chris Buckingham
Christopher Saunders – Appointed: 13/10/2010
Barabara Chalkley – Resigned: 13/10/2010
Bryan McGoldrick – Resigned: 13/10/2010
Tracy Hore – Resigned: 13/10/2010
Tony Hogarth – Resigned: 13/10/2010
Tom Smith – Observer
John Hindmarsh – Observer
Penny Wilson – Observer

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of Tourism Alliance Victoria Limited during the financial year was to represent regional tourism organisations and undertake project activities. No significant change in the nature of these activities occurred during the year.

Operating Results

The deficit of Tourism Alliance Victoria Limited amounts to \$10,005 (2010: deficit of \$51,102).

Review of operations

A review of the operations of the company during the financial year and the results of those operations show that during the year, the company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Information on Directors

Matthew Noble (Chair)

- Qualifications – Hospitality Management, William Angliss Institute
- Experience – Founder and sole Director, Australian Wine Tour Company since 1998.
– Various roles within the restaurant/hospitality sector globally prior to 1998.
- Awards – The Australian Wine Tour Company, winner 'Significant Tour & Transport Operator Award', 2004 Victorian Tourism Awards
– Certificate of Accreditation, Better Business Tourism Accreditation Program (now ATAP)
– Australian Wine Tour Company, accredited business, Department of Infrastructure Bus Operations
– Australian Wine Tour Company, Licensed Tour Operator, Parks Victoria.
– Australian Wine Tour Company, winner, 2006 Great Wine Capitals of World 'Best of Award' for services to Wine Tourism
- Other – Board member, Victorian Food & Wine Tourism Council
– Representative for tourism operators, Tourism Excellence Steering Committee.
– Mentor to a number of Tourism Operators
– Past committee member, Destination Yarra Valley Dandenong Ranges Tourism
– Member, Commonwealth Games 2006 - Backpacker Reference Advisory Group/Tourism Victoria
– Past committee member Backpacker Operators Association of Victoria
– Past committee member Yarra Ranges Regional Marketing Limited.
– Australian Wine Tour Company, Tourism Alliance Victoria member since 1999

Susan O'Brien (Deputy Chair)

- Experience – Tourism, Media and Events Manager for Yering Station Winery - 1996 - 2000
– General Manager of Chateau Yering – 2000 – present
- Awards – Produced two series of Victoria's first tourism/travel TV shows called Our -Victoria. These series won two major Tourism Victoria Media Awards and in 1996 won the Australian Tourism Media Award.
- Other – Regular participant in trade shows globally, including ATE and ATEC
– Committee member - Tourism Information Centre, Healesville
– Founding committee member and deputy Chair - Yarra Valley Food Group.
– Member - YVDTR Campaign Committee

Terry Robinson (Secretary)

- Qualifications – Bachelor of Economics Degree from Monash University
– Graduate Diploma, Tourism and Marketing, Monash University
- Experience – Chief Executive Officer of Destination Gippsland. Destination Gippsland 2008 to current.
- Previous employment:
- Operations Manager of the Phillip Island Nature Park;
 - Director of Marketing at Phillip Island Nature Park;
 - Manager of Tourism and Economic Development for the Indigo Shire Council
- Other – Current Secretary, Tourism Alliance Victoria
– Employed in regional tourism roles for 15 years having previously worked in Cobram, Barooga and Yarrawonga.

Roger Grant

- Qualifications – Diploma of Teaching/Education, Deakin University 1973
– Master of Arts, University of Alberta, Canada 1979
- Experience – Executive Director. Geelong Otway Tourism 1994 - Present, City of Greater Geelong
– Tourism Manager, Department of Conservation & Environment, National Parks Service 1988 – 1994
- Awards – ANZAC Fellowship, Australian/New Zealand Government Study Award - 1987
– Churchill Fellowship Management of Nature Based Tourism in the National Parks of Western U.S.A., 1994
– Victorian Tourism Award: Outstanding Contribution by an Individual - Roger Grant 2004
- Other – Board member - Melbourne and Surrounds
– Director - Great Southern Touring Route.
– Appointed to the panel of tourism experts by the United Nations World Tourism Organisation - 2009

Tony Hogarth

- Qualifications – Certificate IV in Management Practices. Australian Institute of Management (2001).
– Various Sales and Management workshops attended as part of career development with Golden West Network (1993 – 1996).
- Experience – January 2005 – Current General Manager Prime Television – Victoria
– November 2002 – January 2005, General Manager, Golden West Network

Tracy Hore

- Qualifications – Certificate of Business Studies with Specialist Studies in Travel & Tourism - William Angliss College (1985)
- Various industry sales and leadership programmes
- Experience – Currently self employed as a hospitality consultant, specializing in working with boutique hotel operators.
- Marketing & Communications Consultant, National Sport Museum, 2007 - 2009
- Sales & Marketing Executive, AFL World 2005 - 2009.
- 8 years within hotels in both Business Development and Marketing positions for organisations including The Ritz-Carlton Hotel Company, Mirvac Hotels and Le Meridien Hotels & Resorts.
- Various roles in outbound wholesaling
- More than 22 years total experience in Tourism & Hospitality Industry
- Other – Member of the Peter Rowland Group 'Leadership Group'

Bryan McGoldrick

- Experience – Manager of the Resort Management Department, William Angliss Institute
- Previously self employed over many years as a highly successful small business owner/operator in the retail dive sector, developing expertise in retail services, travel and training, as well as interacting and liaising with government, industry and statutory bodies
- Other – President – Dive Industry of Victoria Association (DIVA – Industry peak body for Scuba Diving in Victoria)
- Industry Representative – Dive Industry Liaison Group (Port of Melbourne Corporation - Channel Deepening Project)
- Committee Member – Victorian Artificial Reef Society (VARs – HMAS Canberra project)

Christopher Buckingham

- Qualifications – BA Monash, GAICD
- Experience – 2 years CEO Destination Melbourne
- 2.5 years General Manager Gippsland Tourism
- 5 years Principal and director Go To... Pty Ltd
- 4 years director Gippsland Relocation Services
- Other – Member VECCI Executive Council
- Certified Practicing Marketer with AMI

Christopher Saunders

- Qualifications – Commercial Pilots Licence - 1989
– Delegate of the Civil Aviation Safety Authority – 1996
- Experience – Managing Director and Chief Pilot Global Ballooning Pty Ltd
- Awards – Australian Ballooning Hall of Fame
- Other – Yarra Valley and Dandenong Ranges Marketing member – 2003 -2004

Meetings of Directors

During the financial year, 6 meetings of directors were held. Attendances by each director during the year were as follows:

Directors' Meetings	
Director	Number attended
Matthew Noble (Chairman)	5/6
Sue O'Brien (Deputy Chair)	4/6
Terry Robinson (Secretary)	3/6
Roger Grant	5/6
Chris Buckingham	5/6
Barabara Chalkley	2/6
Bryan McGoldrick	1/6
Tracy Hore	2/6
Tony Hogarth	2/6
Christopher Saunders	4/6
Tom Smith – Observer	3/6
John Hindmarsh – Observer	1/6
Penny Wilson – Observer	5/6

Indemnifying officers or auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Tourism Alliance Victoria Limited.

Proceedings on behalf of company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Significant Changes in State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

After balance day events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of Tourism Alliance Victoria Limited, the results of those operations or the state of affairs of Tourism Alliance Victoria Limited in future financial years.

Future developments, prospects and business strategies

The company plans on winding down operations and merge business practices with VTIC.

Environmental issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out at page 7.

Signed in accordance with a resolution of the Board of Directors:



Matthew Noble (Chair)



Sue O'Brien (Deputy Chair)

Dated: 28 September 2011

The Directors
Tourism Alliance Victoria Limited
486 Albert Street
East Melbourne VIC 3002

Dear Directors,

AUDITOR'S INDEPENDENCE DECLARATION TO TOURISM ALLIANCE VICTORIA LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been:

- I. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- II. no contraventions of any applicable code of professional conduct in relation to the audit.

Yours faithfully,

Crowe Horwath



Peter Sexton
Partner

Dated: 28 September 2011

Statement of Comprehensive Income

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
Revenue	2	354,083	704,166
Employee benefits expense		(126,525)	(298,022)
Depreciation expense		(5,184)	(16,036)
Advertising expenses		(35,041)	(36,493)
Occupancy expenses		(73,856)	(183,086)
Professional services expenses		(10,934)	(20,115)
Project expenses		(8,000)	(11,266)
Travel and motor vehicle expenses		(5,187)	(16,416)
Training expenses		(41)	(825)
Printing, postage & stationery expenses		(1,086)	(1,973)
Meeting expenses		(75,987)	(141,323)
Finance costs		(1,336)	(1,416)
Other expenses		(20,910)	(28,297)
Deficit attributable to members		(10,004)	(51,102)
Other comprehensive income for the period		-	-
Other comprehensive income		-	-
Total comprehensive loss for the period		(10,004)	(51,102)

Statement of Financial Income

As at 30 June 2011

	Note	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	563,816	650,287
Trade and other receivables	4	8,018	125,117
Other current assets	5	5,174	7,769
TOTAL CURRENT ASSETS		577,008	783,173
NON-CURRENT ASSETS			
Property, plant and equipment	6	-	12,630
TOTAL NON-CURRENT ASSETS		-	12,630
TOTAL ASSETS		577,008	795,803
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	11,186	47,873
Borrowings	8	-	5,442
Other current liabilities	9	81,737	248,399
TOTAL CURRENT LIABILITIES		92,923	301,714
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		92,923	301,714
NET ASSETS		484,085	494,089
EQUITY			
Retained earnings		484,085	494,089
TOTAL EQUITY		484,085	494,089

Statement of Changes in Equity

For the year ended 30 June 2011

2011

	Retained Earnings \$
Balance at 1 July 2010	<u>494,089</u>
Deficit attributable to members	(10,004)
Balance at 30 June 2011	<u>484,085</u>

2010

	Retained Earnings \$
Balance at 1 July 2009	<u>545,191</u>
Deficit attributable to members	(51,102)
Balance at 30 June 2010	<u>494,089</u>

Statement of Cash Flows

For the year ended 30 June 2011

	2011	2010
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Receipts from Memberships & Sponsorships	246,517	951,567
Other Income	-	3,577
Interest received	26,720	22,415
Payments to suppliers and employees	(376,730)	(1,205,379)
Interest paid	(1,336)	(1,416)
Net cash provided by (used in) operating activities	<u>11 (104,829)</u>	<u>(229,236)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	-	(353)
Proceeds from sale of property, plant & equipment	23,800	-
Net cash provided by (used in) investing activities	<u>23,800</u>	<u>(353)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase	(5,442)	(9,884)
Net cash provided by (used in) financing activities	<u>(5,442)</u>	<u>(9,884)</u>
Net increase (decrease) in cash and cash equivalents held	<u>(86,471)</u>	<u>(239,473)</u>
Cash and cash equivalents at beginning of financial year	<u>650,287</u>	<u>889,760</u>
Cash and cash equivalents at end of financial year	<u>3 563,816</u>	<u>650,287</u>

Notes to the Financial Statements

For the year ended 30 June 2011

1 Summary of Significant Accounting Policies

The financial report is for Tourism Alliance Victoria Limited as an individual entity, incorporated and domiciled in Australia. Tourism Alliance Victoria Limited is a company limited by guarantee.

Basis of preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the needs of members.

The financial report has been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in notes. The accounting policies have been adopted in the preparation of this report are as follows:

Accounting policies

(a) Revenue

Revenue from the rendering of services is recognised upon the delivery of the service to members and clients.

Grant revenue is recognised in the income statement when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably. If conditions attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial statements.

All revenue is stated net of the amount of goods and services tax (GST).

(b) Income tax

No provision for income tax has been raised as the company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

The income tax expense (revenue) for the year comprises current income tax expense (income). The company does not apply deferred tax.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of reporting year. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(d) Property, plant and equipment

Property, plant and equipment are carried at cost, independent or directors' valuation. All assets excluding freehold land and buildings, are depreciated over their useful lives to the company.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Motor Vehicles	22.50%
Office Equipment	13 - 40%

Increases in carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the assets' original cost is transferred from the revaluation reserve to retained earnings.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

(e) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(f) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the

statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(g) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset or over the term of the lease.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(h) Economic dependence

Tourism Alliance Victoria Limited has traditionally been dependent on Tourism Victoria for revenue used to operate the business. Given the proposed transfer of business to VTIC in 2012 no funding was deemed necessary for the 2011 financial year but the directors have no reason to believe that Tourism Victoria will not continue to support the company to the extent required to wind up the business.

(i) Going concern

Notwithstanding the company's deficiency in net assets, the financial report has been prepared on the going concern basis. This basis has been adopted as the Board of Directors has decided to wind down the company's operations as of October 2010. The company has actively begun to move operations to the Victoria Tourism Industry Council (VTIC) and is expected to be completely non-operable by the end of financial year 2012.

2 Revenue		
- Grant income	-	213,333
- Membership products and services	106,069	173,144
- Membership income	118,012	134,116
- Fee for service income	51,282	79,349
- Sponsorship	52,000	75,000
- Interest income	26,720	22,415
- Other revenue	-	6,809
Total Revenue	354,083	704,166
3 Cash and Cash Equivalents		
Cash at bank and in hand	563,816	650,287
	563,816	650,287
4 Trade and Other Receivables		
CURRENT		
Trade receivables	5,871	103,225
Provision for impairment of receivables	(2,200)	(2,200)
	3,671	101,025
Other receivables	4,347	24,092
Total current trade and other receivables	8,018	125,117
5 Other Assets		
CURRENT		
Prepayments	-	7,769
Accrued income	5,174	-
	5,174	7,769
6 Property, Plant and Equipment		
PLANT AND EQUIPMENT		
Furniture, fixture and fittings		
At cost	38,357	38,357
Less accumulated depreciation	(38,357)	(38,357)
Motor vehicles		
At cost	-	66,680
Less accumulated depreciation	-	(54,050)
Total motor vehicles	-	12,630
Total plant and equipment	-	12,630
Total property, plant and equipment	-	12,630
7 Trade and Other Payables		
CURRENT		
Trade payables	-	1,703
Sundry payables and accrued expenses	8,261	13,681
Other payables	2,925	32,490
	11,186	47,874

8 Borrowings		
CURRENT		
Finance lease obligation	-	5,442
Total borrowings	<u>-</u>	<u>5,442</u>

9 Other Liabilities		
CURRENT		
Deferred project income	5,620	118,500
Membership fees in advance	21,788	65,258
Other deferred income	54,329	64,641
Total	<u>81,737</u>	<u>248,399</u>

10 Contingent Liabilities

In the opinion of the Directors, the company did not have any contingencies at 30 June 2011 (30 June 2010: None).

11 Cash Flow Information

(a) Reconciliation of result for the year to cash flows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2011	2010
	\$	\$
Profit for the year	(10,004)	(51,102)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
Cash flow from operations	<u>(10,004)</u>	<u>(51,102)</u>

12 Company Details

The registered office of the company is:

Tourism Alliance Victoria Limited
486 Albert Street
East Melbourne VIC 3002

Directors' Declaration

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 13, present fairly the company's financial position as at 30 June 2011 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Matthew Noble (Chair)



Sue O'Brien (Deputy Chair)

Dated: 28 September 2011

Report on the Financial Report

We have reviewed the accompanying financial report of Tourism Alliance Victoria Limited, which comprises 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 ended that date a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2415 Review of a Financial Report – Company Limited by Guarantee, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 30 June 2010 and its performance for the year ended on that date; and complying with the Australian Accounting Standards and Corporations Regulations 2001.

ASRE 2415 requires that we comply with relevant ethical requirements relating to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Tourism Alliance Victoria Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Auditor's Opinion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Tourism Alliance Victoria Limited is not in accordance with the Corporations Act 2001 including:

(a) giving a true and fair view of the company's financial position as at 30 June 2010 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose.

CROWE HORWATH MELBOURNE

Peter Sexton

Partner

Dated: 28 September 2011



Tourism Alliance Victoria

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