

AUSTRALIAN CAPITAL TOURISM CORPORATION

Objectives

The Australian Capital Tourism Corporation (ACTC) will lead the ACT and Capital Region tourism industry to create and implement a range of marketing and development programs that will significantly increase the economic return from domestic and international tourism.

The ACTC's key objectives are to increase the levels of awareness of the Capital Region as a tourist destination in domestic target markets and increase domestic visitation, international visitation, the length of stay by visitors and the economic benefits from tourism.

2005-06 Highlights

Strategic and operational issues to be pursued in 2005-06 include:

- implementing the \$1.5m partnership program between Tourism NSW, the Department of Industry, Tourism and Resources (AusIndustry), Tourism Snowy Mountains, Capital Country Tourism and ACTC for a regional tourism development called Project SCAN;
- developing and implementing a tourism event attraction and development program;
- implementing a product development program specifically targeting nature-based tourism and the development of the national institutions products;
- building on the Community Program specifically targeting embassies, defence personnel and federal parliamentarians;
- conducting marketing campaigns in Singapore, Malaysia and New Zealand with a watching brief over South East China and India;
- building on the brand positioning by creating a new advertisement and rolling out both the existing and extended brand advertisements with tactical marketing support in all target markets;
- conducting a mini expo in Sydney during spring;
- continuing to progress the establishment of Commonwealth Park as the permanent site for Floriade;
- working with the Canberra and district wine industry to build its reputation both within the ACT and selected areas of Sydney;
- building the external visitor numbers for Floriade and the Subaru Rally of Canberra, and implementing the new Brindabella Mountains Challenge event as well as undertaking planning for a Winter 2006 event; and
- building on the network of regional visitor centres and implementing a mobile visitor centre.

Australian Capital Tourism Corporation Operating Statement

| 2004-05 Budget \$'000 | | 2004-05 Est.Outcome \$'000 | 2005-06 Budget \$'000 | Var % | 2006-07 Estimate \$'000 | 2007-08 Estimate \$'000 | 2008-09 Estimate \$'000 |
|-----------------------------|--------------------------------------|----------------------------------|-----------------------------|------------|-------------------------------|-------------------------------|-------------------------------|
| Income | | | | | | | |
| Revenue | | | | | | | |
| 1 600 | User Charges - Non ACT Government | 1 600 | 2 000 | 25 | 2 500 | 3 146 | 3 146 |
| 18 407 | User Charges - ACT Government | 18 489 | 17 558 | -5 | 17 225 | 16 940 | 17 318 |
| 109 | Interest | 120 | 110 | -8 | 111 | 112 | 112 |
| 20 116 | Total Revenue | 20 209 | 19 668 | -3 | 19 836 | 20 198 | 20 576 |
| Gains | | | | | | | |
| 0 | Total Gains | 0 | 0 | - | 0 | 0 | 0 |
| 20 116 | Total Income | 20 209 | 19 668 | -3 | 19 836 | 20 198 | 20 576 |
| Expenses | | | | | | | |
| 3 891 | Employee Expenses | 3 994 | 4 117 | 3 | 4 166 | 4 223 | 4 271 |
| 672 | Superannuation Expenses | 685 | 700 | 2 | 710 | 718 | 722 |
| 15 067 | Supplies and Services | 15 407 | 14 383 | -7 | 14 447 | 14 705 | 15 031 |
| 239 | Depreciation and Amortisation | 231 | 242 | 5 | 242 | 242 | 242 |
| 32 | Borrowing Costs | 26 | 26 | - | 26 | 27 | 27 |
| 200 | Grants and Purchased Services | 200 | 200 | - | 200 | 200 | 200 |
| 20 101 | Total Ordinary Expenses | 20 543 | 19 668 | -4 | 19 791 | 20 115 | 20 493 |
| 15 | Operating Result | -334 | 0 | 100 | 45 | 83 | 83 |

**Australian Capital Tourism Corporation
Balance Sheet**

| Budget as at 30/6/05 \$'000 | | Est.Outcome as at 30/6/05 \$'000 | Planned as at 30/6/06 \$'000 | Var % | Planned as at 30/6/07 \$'000 | Planned as at 30/6/08 \$'000 | Planned as at 30/6/09 \$'000 |
|--|--------------------------------------|--|------------------------------------|-----------|------------------------------------|------------------------------------|------------------------------------|
| Current Assets | | | | | | | |
| 1 105 | Cash | 1 336 | 1 613 | 21 | 1 803 | 2 031 | 2 256 |
| 1 344 | Receivables | 366 | 261 | -29 | 215 | 170 | 125 |
| 1 000 | Investments | 1 000 | 1 000 | - | 1 000 | 1 000 | 1 000 |
| 23 | Inventories | 52 | 52 | - | 52 | 52 | 52 |
| 0 | Capital Work in Progress | 14 | 14 | - | 14 | 14 | 14 |
| 916 | Other | 1 108 | 1 108 | - | 1 108 | 1 108 | 1 108 |
| 4 388 | Total Current Assets | 3 876 | 4 048 | 4 | 4 192 | 4 375 | 4 555 |
| Non Current Assets | | | | | | | |
| 3 955 | Property, Plant and Equipment | 3 841 | 3 749 | -2 | 3 657 | 3 565 | 3 473 |
| 3 955 | Total Non Current Assets | 3 841 | 3 749 | -2 | 3 657 | 3 565 | 3 473 |
| 8 343 | TOTAL ASSETS | 7 717 | 7 797 | 1 | 7 849 | 7 940 | 8 028 |
| Current Liabilities | | | | | | | |
| 2 154 | Payables | 1 003 | 1 003 | - | 954 | 905 | 856 |
| 39 | Finance Leases | 47 | 47 | - | 47 | 47 | 47 |
| 631 | Employee Benefits | 525 | 557 | 6 | 577 | 598 | 618 |
| 681 | Other | 276 | 276 | - | 276 | 276 | 276 |
| 3 505 | Total Current Liabilities | 1 851 | 1 883 | 2 | 1 854 | 1 826 | 1 797 |
| Non Current Liabilities | | | | | | | |
| 237 | Finance Leases | 228 | 189 | -17 | 150 | 111 | 72 |
| 477 | Employee Benefits | 509 | 596 | 17 | 671 | 746 | 819 |
| 714 | Total Non Current Liabilities | 737 | 785 | 7 | 821 | 857 | 891 |
| 4 219 | TOTAL LIABILITIES | 2 588 | 2 668 | 3 | 2 675 | 2 683 | 2 688 |
| 4 124 | NET ASSETS | 5 129 | 5 129 | - | 5 174 | 5 257 | 5 340 |
| REPRESENTED BY FUNDS EMPLOYED | | | | | | | |
| 2 804 | Accumulated Funds | 3 809 | 3 809 | - | 3 854 | 3 937 | 4 020 |
| 1 320 | Reserves | 1 320 | 1 320 | - | 1 320 | 1 320 | 1 320 |
| 4 124 | TOTAL FUNDS EMPLOYED | 5 129 | 5 129 | - | 5 174 | 5 257 | 5 340 |

**Australian Capital Tourism Corporation
Cash Flow Statement**

| 2004-05 Budget \$'000 | | 2004-05 Est.Outcome \$'000 | 2005-06 Budget \$'000 | Var % | 2006-07 Estimate \$'000 | 2007-08 Estimate \$'000 | 2008-09 Estimate \$'000 |
|-----------------------------|--|----------------------------------|-----------------------------|------------|-------------------------------|-------------------------------|-------------------------------|
| | CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| | Receipts | | | | | | |
| 20 007 | User Charges | 20 089 | 19 558 | -3 | 19 725 | 20 042 | 20 420 |
| 109 | Interest Received | 115 | 110 | -4 | 111 | 112 | 112 |
| 2 803 | Other Revenue | 1 300 | 1 256 | -3 | 1 210 | 1 237 | 1 237 |
| 22 919 | Operating Receipts | 21 504 | 20 924 | -3 | 21 046 | 21 391 | 21 769 |
| | Payments | | | | | | |
| 4 333 | Related to Employees | 4 423 | 4 644 | 5 | 4 727 | 4 793 | 4 848 |
| 14 981 | Related to Supplies and Services | 15 285 | 14 232 | -7 | 14 404 | 14 618 | 14 944 |
| 32 | Borrowing Costs | 26 | 26 | - | 26 | 26 | 26 |
| 200 | Grants and Purchased Services | 200 | 200 | - | 200 | 200 | 200 |
| 2 803 | Other | 1 400 | 1 356 | -3 | 1 310 | 1 337 | 1 337 |
| 22 349 | Operating Payments | 21 334 | 20 458 | -4 | 20 667 | 20 974 | 21 355 |
| 570 | NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES | 170 | 466 | 174 | 379 | 417 | 414 |
| | CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| | Payments | | | | | | |
| 150 | Purchase of Property, Plant and Equipment | 150 | 150 | - | 150 | 150 | 150 |
| 150 | Investing Payments | 150 | 150 | - | 150 | 150 | 150 |
| -150 | NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES | -150 | -150 | - | -150 | -150 | -150 |
| | CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | |
| | Payments | | | | | | |
| 39 | Repayment of Finance Lease | 39 | 39 | - | 39 | 39 | 39 |
| 39 | Financing Payments | 39 | 39 | - | 39 | 39 | 39 |
| -39 | NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES | -39 | -39 | - | -39 | -39 | -39 |
| 381 | NET INCREASE/(DECREASE) IN CASH HELD | -19 | 277 | # | 190 | 228 | 225 |
| 724 | CASH AT BEGINNING OF REPORTING PERIOD | 2 355 | 2 336 | -1 | 2 613 | 2 803 | 3 031 |
| 1 105 | CASH AT THE END OF THE REPORTING PERIOD | 2 336 | 2 613 | 12 | 2 803 | 3 031 | 3 256 |

**Australian Capital Tourism Corporation
Statement of Changes in Equity**

| Budget as at 30/6/05 \$'000 | | Est.Outcome as at 30/6/05 \$'000 | Planned as at 30/6/06 \$'000 | Var % | Planned as at 30/6/07 \$'000 | Planned as at 30/6/08 \$'000 | Planned as at 30/6/09 \$'000 |
|-----------------------------------|--|--|------------------------------------|----------|------------------------------------|------------------------------------|------------------------------------|
| 4 109 | Opening Balance | 5 463 | 5 129 | -6 | 5 129 | 5 174 | 5 257 |
| | Accumulated Funds | | | | | | |
| 15 | Operating Result for the Period | -334 | 0 | 100 | 45 | 83 | 83 |
| | Reserves | | | | | | |
| 15 | Total Income And Expense For The Period | -334 | 0 | 100 | 45 | 83 | 83 |
| | Transactions Involving Equity Holders Affecting Accumulated Funds | | | | | | |
| 4 124 | Closing Balance | 5 129 | 5 129 | - | 5 174 | 5 257 | 5 340 |

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- user charges - non ACT Government: the increase of \$0.4m in the 2005-06 Budget from the 2004-05 estimated outcome is due to financial partnerships with local industry resulting in cooperative marketing activities;
- user charges - ACT Government: the decrease of \$0.931m in the 2005-06 Budget from the 2004-05 estimated outcome is due to general savings (\$0.594m), negotiation of the InTACT telecoms contract (\$0.036m) and a gradual reduction in service purchase payments from government that is matched by an expected increase in non-ACT Government revenue, offset by a funding increase resulting from the Enterprise Bargaining Agreement (EBA);
- employee expenses: the increase of \$0.123m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to the effect of the EBA negotiated wage increase; and
- supplies and services: the increase of \$0.340m in the 2004-05 estimated outcome from the original budget reflects ACTC's decision to invest additional resources into its 'brand' and supporting advertising campaign in 2004-05. The decrease of \$1.024m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to general savings outlined in the user charges line above.

Balance Sheet

- cash: the increase of \$0.277m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to increased non-ACT Government user charges;

- receivables: the decrease of \$0.978m in the 2004-05 estimated outcome from the original budget is largely due to the estimated outcome and forward estimates being adjusted to recognise GST payable netted off against GST receivable;
- payables: the decrease of \$1.151m in the 2004-05 estimated outcome from the original budget is largely an adjustment to the expected level of payables associated with the netting off of GST payable and receivables;
- non current finance leases: the decrease of \$0.039m in the 2005-06 Budget from the 2004-05 estimated outcome is due to lease repayments associated with the fit out of ACTC's office located at the Brindabella Business Park; and
- non current employee benefits: the increase of \$0.087m in the 2005-06 Budget from the 2004-05 estimated outcome is due mainly to the increase in provisions relating to the EBA.