

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Financial Statements

For the Year Ended 30 June 2021

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Contents

For the Year Ended 30 June 2021

	Page
Financial Statements	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	22
Independent Auditor's Report	23

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Directors' Report 30 June 2021

The directors present their report on Fraser Coast Tourism & Events Ltd for the financial year ended 30 June 2021. In accordance with the Corporations Act 2001, the directors report as follows:

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Greig Kingsley Bolderrow

Position: Chair
Appointed Director: 25 November 2014
Appointed Chair: 30 June 2016

Jill Maree Perry

Position: Director
Appointed Director: 7 September 2016

Fiona Gaye Guilmartin

Position: Director
Appointed Director: 1 August 2019

Christopher John Burnley
Taylor

Position: Director
Appointed Director: 7 September 2016

Kenneth Norton John Diehm

Position: Director
Appointed Director: 9 February 2018

Glen Allan Miller

Position: Director
Appointed Director: 1 August 2019

Elizabeth Dawn Anstis

Position: Director
Appointed Director: 8 July 2015
Ceased Director: 30 June 2021

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 Fraser Coast Tourism & Events Ltd during the financial year was regional event and tourism marketing and development.

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Directors' Report

30 June 2021

1. General information

Principal activities

No significant changes in the nature of the Company's activity occurred during the financial year.

Members' guarantee

Fraser Coast Tourism & Events Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 2 subject to the provisions of the company's constitution.

At 30 June 2021 the collective liability of members was \$ NIL (2020: \$ NIL).

2. Operating results and review of operations for the year

Operating results

The profit of the Company after providing for income tax amounted to \$ 138,157 (2020: \$ 26,141).

Impact of Covid-19

FCTE has continued to feel the effects of the COVID-19 pandemic which has impacted tourism sector more heavily in 2021 than the prior year when the virus first emerged in Australia. A decrease in business of the Visitor Information Centres and the loss or deferral of various FCTE organised events, due to recurring border restrictions, continues to present the Company with ongoing challenges.

To promote tourism and attract visitors back to the Fraser Coast, FCTE's Tourism Marketing and Tourism Development departments received approximately \$423,000 in additional grant funding from State and Federal governments during the 2020/21 year including Destination Restart funding, Fraser Island Bushfire Recovery funding and Flight Incentive funding.

Within FCTE, the Tourism Services (Visitor Centres) and Events departments continue to be the most impacted, with an estimated \$511,000 in lost revenue during the 2020/21 year in comparison to the pre COVID-19 benchmark year of 2018/19. The majority of the losses were tour and accommodation sales through the Visitor Information Centres and cancellation of annual events, including the Mary Poppins Festival 2020, Hervey Bay Whale Festival 2020 (5 events), Seafood Festival 2020, Carols in the Park 2020 and New Year's Eve 2020. The 2020/21 Food 'n Groove Fridays season and the Relish Food and Wine Festival 2021 were delivered in a reduced format due to stringent COVID-19 gathering restrictions.

Despite the losses incurred by the organisation, the receipt of the additional marketing funds, along with JobKeeper and Cash Flow Boost subsidies totalling \$253,500, resulted in a net surplus for the 2020/21 year of \$138,157.

Even with the ongoing challenges of border closures and low vaccination rates, the Directors believe that the positioning of the Fraser Coast as a key drive market to South-East Queensland, and additional grant funding to boost the recovery of the tourism industry, will ensure the 2021/22 financial year returns a positive result for the organisation.

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Directors' Report

30 June 2021

-3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Events after the reporting date

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

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Company secretary

Martin Simons has been the company secretary since February 2017.

Meetings of directors

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

	Directors' Meetings	
	Number eligible to attend	Number attended
Greig Kingsley Bolderrow	6	6
Elizabeth Dawn Anstis	6	6
Jill Maree Perry	6	5
Fiona Gaye Guilmartin	6	6
Christopher John Burnley Taylor	6	4
Kenneth Norton John Diehm	6	6
Glen Allan Miller	6	4

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Directors' Report

30 June 2021

Indemnification and insurance of officers and auditors

The Company has paid premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceeding arising out of their conduct while acting in the capacity of Director of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

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 auditor of Fraser Coast Tourism & Events Ltd.

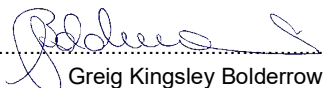
The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses insurance contracts as such disclosure is prohibited under the terms of the contract.

Auditor's independence declaration

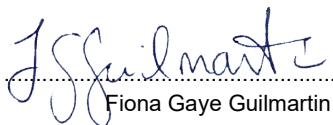
The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2021 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of the Board of Directors pursuant to section 298(2) of the Corporations Act 2001:

Director:


Greig Kingsley Bolderrow

Director:


Fiona Gaye Guilmartin

Dated this eighteenth day of November 2021

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Fraser Coast Tourism & Events Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence declaration

As lead auditor for the audit of Fraser Coast Tourism & Events Ltd for the financial year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



17 November 2021

C G Strickland
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

		2021	2020
	Note	\$	\$
Revenue	4	3,375,368	3,125,762
Interest Income	4	2,457	5,969
Corporate Service Costs		(312,733)	(385,033)
Tourism Service Costs		(338,204)	(361,128)
Tourism Development Costs		(547,936)	(552,067)
Tourism Marketing Costs		(1,323,548)	(1,031,250)
Event Costs		(717,247)	(776,112)
Surplus for the year attributable to members	5	138,157	26,141
Other comprehensive income, net of income tax			
Other comprehensive income		-	-
Total comprehensive income for the year attributable to members		138,157	26,141

The accompanying notes form part of these financial statements.

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Statement of Financial Position As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,721,659	1,027,936
Trade and other receivables	7	33,028	124,554
Inventories	8	9,002	13,007
Other assets		6,660	20,000
TOTAL CURRENT ASSETS		<u>1,770,349</u>	<u>1,185,497</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	51,315	51,913
TOTAL NON-CURRENT ASSETS		<u>51,315</u>	<u>51,913</u>
TOTAL ASSETS		<u>1,821,664</u>	<u>1,237,410</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	455,071	277,350
Employee benefits	12	13,754	-
Other financial liabilities	11	854,469	577,458
TOTAL CURRENT LIABILITIES		<u>1,323,294</u>	<u>854,808</u>
NON-CURRENT LIABILITIES			
Employee benefits	12	32,223	54,612
TOTAL NON-CURRENT LIABILITIES		<u>32,223</u>	<u>54,612</u>
TOTAL LIABILITIES		<u>1,355,517</u>	<u>909,420</u>
NET ASSETS		<u>466,147</u>	<u>327,990</u>
EQUITY			
Retained earnings		466,147	327,990
TOTAL EQUITY		<u>466,147</u>	<u>327,990</u>

The accompanying notes form part of these financial statements.

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Statement of Changes in Equity For the Year Ended 30 June 2021

2021

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2020	327,990	327,990
Surplus attributable to members	138,157	138,157
Balance at 30 June 2021	466,147	466,147

2020

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2019	301,849	301,849
Surplus attributable to members	26,141	26,141
Balance at 30 June 2020	327,990	327,990

The accompanying notes form part of these financial statements.

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	4,081,442	3,703,815
Payments to suppliers and employees	(3,348,080)	(3,304,071)
Interest received	2,457	5,969
Net cash provided by operating activities	15 <u>735,819</u>	<u>405,713</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(42,096)</u>	(17,307)
Net cash used in investing activities	<u>(42,096)</u>	<u>(17,307)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash provided by/(used in) financing activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents held	693,723	388,406
Cash and cash equivalents at beginning of year	1,027,936	639,530
Cash and cash equivalents at end of financial year	6 <u>1,721,659</u>	<u>1,027,936</u>

The accompanying notes form part of these financial statements.

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Notes to the Financial Statements For the Year Ended 30 June 2021

The financial report covers Fraser Coast Tourism & Events Ltd as an individual entity. Fraser Coast Tourism & Events Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia. Fraser Coast Tourism & Events Ltd is a controlled entity of the Fraser Coast Regional Council.

The functional and presentation currency of Fraser Coast Tourism & Events Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on 18th November 2021.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the Directors opinion, the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This special purpose financial report has been prepared to meet the reporting requirements of the *Corporations Act 2001*.

The financial statements have been prepared on an accruals basis and are based on historical costs as explained in the accounting policies below, Historical cost is generally based on the fair values of the consideration given in exchange for goods and services.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

2 Summary of Significant Accounting Policies

(a) Income Tax

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

(b) Leases

The Company has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight line basis.

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(c) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Grant revenue

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

The performance obligations are varied based on the agreement. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

The company has assessed the eligibility to receive JobKeeper and CashFlow Boost due to the effects of Covid-19. Subsequently the company has received the JobKeeper and CashFlow Boost stimulus payments during the year ended 30 June 2021.

Interest revenue

Interest is recognised using the effective interest method.

Commission revenue

Revenue is recognised based on the amount of commission received and does not include the gross inflows of amounts collected on behalf of the principal and which do not result in increases in equity for the entity.

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(c) Revenue and other income

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(f) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(f) Property, plant and equipment

Fixed asset class	Depreciation rate
Plant and Equipment	20% to 40%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(g) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(g) Financial instruments

Financial assets

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise of trade payables.

(h) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(i) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(j) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

(k) New Accounting Standards and Interpretations

In the current year, the Company adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to the Company's accounting policies.

Other amended Australian Accounting Standards and Interpretations which were issued at the date of authorisation of the financial statements, but have future commencement dates are not likely to have a material

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(k) New Accounting Standards and Interpretations

impact on the financial statements.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - grant funding

The Company receives funding under various grants for undertaking of events. Where the funding is received, or expenditure is incurred, in a period different to that in which the event is held, the Company assesses which what assets or liabilities need to be recognised at year end in relation to each specific grant for prepaid expenditure or unearned income.

Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Notes to the Financial Statements For the Year Ended 30 June 2021

4 Revenue and Other Income

	2021	2020
	\$	\$
Revenue		
- commissions	84,957	86,111
- sales income	138,900	115,312
- other income	263,034	460,078
- government and partner funding	2,888,477	2,464,261
	<u>3,375,368</u>	<u>3,125,762</u>
Finance income		
Interest income		
- other interest received	2,457	5,969
Total Revenue	<u>3,377,825</u>	<u>3,131,731</u>

5 Result for the Year

The result for the year was derived after charging the following items:

	2021	2020
	\$	\$
Depreciation expenses	40,582	62,477
Employee expenses	1,370,485	1,438,991
Rental expense - short term storage hire	9,795	8,205

6 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank and in hand	915,493	823,731
Short-term deposits	806,166	204,205
	<u>1,721,659</u>	<u>1,027,936</u>

7 Trade and Other Receivables

	2021	2020
	\$	\$
CURRENT		
Trade receivables - related parties	33,028	124,554
Total current trade and other receivables	<u>33,028</u>	<u>124,554</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Notes to the Financial Statements For the Year Ended 30 June 2021

8 Inventories

	2021	2020
	\$	\$
CURRENT		
At cost:		
Merchandise at cost	9,002	13,007
	<u>9,002</u>	<u>13,007</u>

Write downs of inventories to net realisable value during the year were \$ NIL (2020: \$ NIL).

9 Property, plant and equipment

	2021	2020
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	287,917	247,933
Accumulated depreciation	(236,602)	(196,020)
Total property, plant and equipment	<u>51,315</u>	<u>51,913</u>

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Total
	\$	\$
Year ended 30 June 2021		
Balance at the beginning of year	51,913	51,913
Additions	42,096	42,096
Disposals	(2,112)	(2,112)
Depreciation expense	(40,582)	(40,582)
Balance at the end of the year	<u>51,315</u>	<u>51,315</u>

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Notes to the Financial Statements For the Year Ended 30 June 2021

9 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

	Plant and Equipment \$	Total \$
Year ended 30 June 2020		
Balance at the beginning of year	97,083	97,083
Additions	17,307	17,307
Depreciation expense	(62,477)	(62,477)
Balance at the end of the year	<u>51,913</u>	<u>51,913</u>

10 Trade and Other Payables

	2021 \$	2020 \$
Current		
Trade payables	289,684	126,539
Employee benefits	128,741	109,968
Sundry payables and accrued expenses	36,646	40,843
	<u>455,071</u>	<u>277,350</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

11 Other Financial Liabilities

	2021 \$	2020 \$
CURRENT		
Deferred income	132,728	193,116
Deferred income - grants	721,741	384,342
Total	<u>854,469</u>	<u>577,458</u>

12 Employee Benefits

	2021 \$	2020 \$
Current liabilities		
Long service leave	13,754	-
	<u>13,754</u>	<u>-</u>

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Notes to the Financial Statements For the Year Ended 30 June 2021

12 Employee Benefits

	2021	2020
	\$	\$
Non-current liabilities		
Long service leave	32,223	54,612
	<u>32,223</u>	<u>54,612</u>

13 Auditors' Remuneration

	2021	2020
	\$	\$
Remuneration of the auditor, the Queensland Audit Office, for:		
- auditing or reviewing the financial statements	17,700	16,700

14 Contingencies and Commitments

In the opinion of the Directors, the Company did not have any contingencies or commitments at 30 June 2021 (30 June 2020:None).

15 Cash Flow Information

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

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

	2021	2020
	\$	\$
Profit for the year	138,157	26,141
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	40,582	62,477
- net (gain)/loss on disposal of assets	2,112	-
Changes in assets and liabilities:		
- decrease in trade and other receivables	91,526	137,315
- decrease in prepayments	13,340	37,023
- (increase)/decrease in inventories	4,005	(688)
- increase/(decrease) in income in advance	277,011	128,162
- decrease in trade and other payables	177,721	(770)
- increase in provisions	(8,635)	16,053
Cashflows from operations	<u>735,819</u>	<u>405,713</u>

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Notes to the Financial Statements For the Year Ended 30 June 2021

16 Events Occurring After the Reporting Date

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

17 Economic Dependence

As is typical for this type of entity, Fraser Coast Tourism & Events Ltd is economically dependent upon the ongoing funding support of both the Fraser Coast Regional Council and the Queensland Government. Should either entity decide to withdraw or materially alter their future funding support, this may result in the Company having to restructure its operations and may create a level of uncertainty as to the Company's ability to continue as a going concern in its present format. Currently, Fraser Coast Tourism & Events Ltd has funding support from the Fraser Coast Regional Council in place until 30 June 2022 and the Board of Fraser Coast Tourism & Events Ltd are in negotiations with the Fraser Coast Regional Council to extend the current funding arrangements past that date.

Notwithstanding the above, as at 30 June 2021, the Company had cash reserves of \$1,721,659 (2020: \$1,027,936), net current assets of \$447,055 (2020: \$330,689) and generated a surplus of \$138,157 (2020: \$26,641) from operating activities during the year ended that date. The accounts have been prepared on a going concern basis as in the view of the directors, the entity will have sufficient funds to meet obligations as they fall due for a period exceeding 12 months from the date of this report.

18 Impact of Covid 19

FCTE has continued to feel the effects of the COVID-19 pandemic which has impacted tourism sector more heavily in 2021 than the prior year when the virus first emerged in Australia. A decrease in business of the Visitor Information Centres and the loss or deferral of various FCTE organised events, due to recurring border restrictions, continues to present the Company with ongoing challenges.

To promote tourism and attract visitors back to the Fraser Coast, FCTE's Tourism Marketing and Tourism Development departments received approximately \$423,000 in additional grant funding from State and Federal governments during the 2020/21 year including Destination Restart funding, Fraser Island Bushfire Recovery funding and Flight Incentive funding.

Within FCTE, the Tourism Services (Visitor Centres) and Events departments continue to be the most impacted, with an estimated \$511,000 in lost revenue during the 2020/21 year in comparison to the pre COVID-19 benchmark year of 2018/19. The majority of the losses were tour and accommodation sales through the Visitor Information Centres and cancellation of annual events, including the Mary Poppins Festival 2020, Hervey Bay Whale Festival 2020 (5 events), Seafood Festival 2020, Carols in the Park 2020 and New Year's Eve 2020. The 2020/21 Food 'n Groove Fridays season and the Relish Food and Wine Festival 2021 were delivered in a reduced format due to stringent COVID-19 gathering restrictions.

Despite the losses incurred by the organisation, the receipt of the additional marketing funds, along with JobKeeper and Cash Flow Boost subsidies totalling \$253,500, resulted in a net surplus for the 2020/21 year of \$138,157.

Even with the ongoing challenges of border closures and low vaccination rates, the Directors believe that the positioning of the Fraser Coast as a key drive market to South-East Queensland, and additional grant funding to boost the recovery of the tourism industry, will ensure the 2021/22 financial year returns a positive result for the organisation.

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Notes to the Financial Statements For the Year Ended 30 June 2021

19 Statutory Information

The registered office and principal place of business of the company is:

Fraser Coast Tourism & Events Ltd
Hervey Bay Visitor Information Centre
227 Maryborough Hervey Bay Road
HERVEY BAY QLD 4655

Fraser Coast Tourism & Events Ltd

ACN: 162 595 959

Directors' Declaration

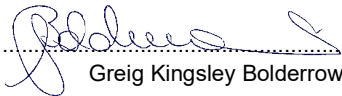
The directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 2 to the financial statements.

The directors of the Company declare that:

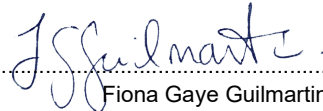
1. The financial statements and notes, as set out on pages 6 to 21, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements.
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 pursuant to section 292(5) of the *Corporations Act 2001*.

Director


Greig Kingsley Bolderrow

Director


Fiona Gaye Guilmartin

Dated this eighteenth day of November 2021

INDEPENDENT AUDITOR'S REPORT

To the Directors of Fraser Coast Tourism & Events Ltd

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Fraser Coast Tourism & Events Ltd (the company).

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 30 June 2021, and of its financial performance and cash flows for the year then ended
- b) complies with the *Corporations Act 2001*, the Corporations Regulations 2001 and the financial reporting framework described in Note 1.

The financial report comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the directors' declaration.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*. I am also independent of the entity in accordance with the auditor independence requirements of the *Corporations Act 2001*, and confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of matter – basis of accounting

I 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. My opinion is not modified in respect of this matter.

Other information

Other information comprises the financial and non-financial information included in the company directors' report for the year ended 30 June 2021 but does not include the financial report and my auditors report thereon.

The directors are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the company for the financial report

The company's directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the financial reporting framework described in Note 1, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In fulfilling this responsibility, the company's directors determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Corporations Act 2001*.

The company's directors are also responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the company.
- Conclude on the appropriateness of the company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the company's directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



C G Strickland
as delegate of the Auditor-General

23 November 2021

Queensland Audit Office
Brisbane