



South Australian Tourism Commission

ANNUAL REPORT

2011-12

southaustralia.com



Government
of South Australia



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A brilliant blend.



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Chair and Chief Executive's REPORT



In spite of the ongoing challenges facing tourism across Australia, driven by the strength of the Australian dollar and international economic uncertainty, the industry in South Australia continues to remain robustly defiant, growing strongly in employment and in economic value to the State.

The South Australian Tourism Commission has fed this growth over the past twelve months through an aggressive and highly regarded marketing campaign in our key markets, supporting the development of new experiences, managing and sponsoring a calendar of great events and by effectively communicating the best of what we have through traditional and new media.

As a result we can celebrate some real successes. Total tourism expenditure in South Australia for the 12 months to June 2012 grew at 3.2%, reaching a value of \$5.1 billion.

There has been solid growth too in the number of people directly employed in the industry. According to the latest figures released by the Federal Government, tourism in South Australia now directly employs 33,000 people, up by 2,000 on the previous report.

Therefore, it is clear that Tourism is a big and important industry to South Australia.

Expenditure growth over this period has been driven by the domestic market, up 5.3% on the previous year. This is positive performance towards the State Strategic Plan 2020 target. This indicates an increase in the average spend of interstate visitors to SA and directly supports the SATC's strategy of attracting more high-yield tourists to our world-class tourism experiences and developments.

The international market has continued to be challenging, primarily driven by the continued weakness of stressed Western source markets, particularly the UK, and the strength of the Australian dollar, making South Australia an expensive destination to visit.

The recent announcement of Emirates direct flights to Adelaide will provide an opportunity to win market share in key UK and European markets to help offset this trend. Increased services from our existing carriers that hub through Asia also allow us to target growth from strong Eastern markets, like China.

The Government's Vibrant City initiative recognises the important role that Tourism has to play in achieving the regeneration of our city. Through our expertise in marketing, in events, and through working to increase investment in tourism infrastructure in the city, the SATC is a leading voice in this strategy.

We are increasingly aware that consumers are changing the way they are researching destinations and experiences, making decisions and booking their holidays. That is why we made a significant investment in the new southaustralia.com site and have encouraged operators to list via ATDW to make their experience bookable via the site.

In the twelve months since it was launched, southaustralia.com has been an outstanding success. It has provided real support to our marketing and publicity campaigns and the numbers of visitors landing on the site is continuing to grow. Since the launch of southaustralia.com there has been a 42% increase in web sales in comparison to the old site.

Changing consumer habits is also one of the reasons why the SATC decided to launch its new South Australian Visitor Information Centre as an information service only. Retail is increasingly something that consumers are choosing to do themselves online. The new centre at 108 North Terrace places visitor information services alongside a strip of Adelaide's major hotels, the Adelaide Casino and the Railway Station and is well served by the tram.

It is also just steps away from the new Riverbank precinct – an area subject to significant infrastructure development over the coming decade, with major redevelopment of the Adelaide Convention Centre already underway.

Given the change in consumer behaviour, the SATC believes it is essential that the industry continues to build its digital presence. There will be further development of southaustralia.com as well as work to develop a new corporate site, allowing us to better communicate with our key stakeholders in industry.

We know we also need to help some of our stakeholders invest in their own digital presence. This is key to developing an accessible, modern, interactive industry that is in tune with the needs of consumers.

In the coming year, the SATC will change the focus of the co-funding arrangements that we have with industry. The Digital Innovation and Development Program will allow operators to access support to help build or enhance their digital presence. The new program will have a particular focus on assisting smaller operators. This will complement the work already being done by the Regional Sales Unit which is helping operators to understand Tourism Exchange Australia and online booking systems.

In this way they stand to benefit from the success of our domestic marketing campaigns. For example, domestic consideration for travel to Kangaroo Island as a result of the Let Yourself Go television commercial was 41% after one month in market. The ease of converting that consideration is enhanced by making it simple for visitors to book their experience online.

The SATC will continue to build on that success, with a domestic marketing focus on converting those targeted by the Let Yourself Go commercial, by reintroducing the Barossa and adding in the Flinders Ranges as brand layers, as well as supporting the Premier's Vibrant City initiative.

The Best Backyard campaign with its spotlight on regional uniqueness will continue to be an intrastate marketing priority along with the Shorts brand.

Internationally, we will continue to work closely with Tourism Australia to increase South Australian content in their new brand campaign There's Nothing Like Australia. The arrival of direct flights into Adelaide by Emirates opens new opportunities to attract consumers from our key European markets, particularly the UK.

In terms of publicity, the SATC will continue to build on a successful 2011-12 in which more than \$77 million in advertising equivalent value publicity was generated globally for South Australian destinations. Over the next twelve months, the program of media familiarisations will again concentrate on supporting the SATC's marketing objectives, but also look to highlight those experiences and events that demonstrate the uniqueness of our State.

Over the past twelve months we have been working with regions to develop Destination Action Plans (DAPS) in each of South Australia's non-metropolitan regions. These DAP's commit the SATC to helping drive the development of one new commercial experience each year in all regions. The next twelve months will start to see the plans implemented.

The Tourism Development Fund (TDF) grants program is currently on track to achieve the Tourism Plan's goal of at least \$200 million worth of new and refreshed tourism development and experiences in the State by 2014. This is being pursued through a "best of breed" strategy that has seen new developments like Kingsford Homestead open this year and through working with investors and other stakeholders to develop and refurbish our significant existing tourism assets.

I have already noted the impact that improved access by air can have on bringing new visitors to the State, but it is worth also reflecting on the increasing number of cruise ships calling into South Australia. There were 21 cruise ship visits in South Australia during the 2011-12 season, including two visits from Cunard's Queen Mary 2. 26 cruise ships visits are forecast for 2012-13.

Events South Australia (ESA) will continue to have an important role to play in increasing interstate visitation as well as being key to the Government's Vibrant City initiative. The Santos Tour Down Under (STDU) continues to be Australia's leading annual event and the 2012 event provided plenty of excitement as the race went down to the wire. Next year the event celebrates its 15th year. Tasting Australia enjoyed another successful year and will be important as ESA develops opportunities for South Australia to reclaim its mantle as Australia's leading food and wine destination. This year also sees another milestone for one of our iconic events. In November, the Credit Union Christmas Pageant celebrates its 80th year, retaining the affection of generations of South Australians.

In addition to my role as Chair, I took over the role of Chief Executive from Ian Darbyshire when he left the SATC on 1 March 2012.

I've led the Commission during a period of important change, particularly in relation to the new digital platforms and the start of our push to grow the industry's online capabilities.

Like industry, the SATC too must adapt and change to meet the challenges thrown down by the world economy and changing consumer behaviours.

We have restructured internally to meet these changes and we will continue to adapt into the future. That is how we will ensure that we provide leadership to an industry that continues to be so important for South Australia in terms of its economic value, employment and branding.



Jane Jeffreys
Chair and Chief Executive
South Australian Tourism Commission

SATC BOARD

The South Australian Tourism Commission (SATC) Board, established under the South Australian Tourism Commission Act 1993, is the governing body of the South Australian Tourism Commission.

The Board has overall responsibility for:

- Planning the strategic direction and monitoring the achievement of goals of the SATC;
- Maintaining strong partnerships with the South Australian Tourism industry;
- Ensuring sound corporate governance.

The Board meets monthly and comprises 8 members subject to the control and direction of the Minister for Tourism via an annual Performance Agreement. The Board is required to report annually on the SATC's operations and its performance objectives in relation to the Performance Agreement.

DURING 2011-12 THE BOARD COMPRISED:

- **Jane Jeffreys** Chair
- **Ian Horne**
- **Lyn Tuit**
- **Michael Tilley**
- **Kris Lloyd**
- **Jan Turbill** (term commenced 1 October 2011)
- **Brian Hayes** (term commenced 1 October 2011)
- **John Irving** (term commenced 1 October 2011)
- **Robert Foord** Chairman (resigned effective 27 July 2011)
- **Michael Abbott AO QC** (resigned effective 30 September 2011)
- **Kerry Lehman** (term expired 30 September 2011)
- **Jeff Ellison** (resigned effective 31 March 2012)
- **Ian Darbyshire** Chief Executive (Ex Officio) (appointment finished 1 March 2012)

REPORT AGAINST THE 2011-12 PERFORMANCE AGREEMENT BETWEEN THE SATC BOARD AND THE MINISTER FOR TOURISM

The 2011-12 Performance Agreement between the SATC Board and the Minister for Tourism outlines the key performance objectives required to achieve the South Australian Strategic Plan (SASP) Tourism Target which is to increase visitor expenditure in South Australia's total tourism industry to \$8 billion by 2020.

The 2011/12 Board Performance Agreement Key Performance Indicators (KPIs) were developed targeting the 2014 SASP target, prior to the new SASP 2020 goals being launched. The KPIs and Targets reported below as such relate to 2014 goals, which have since been revised. SASP 2020 revised goals have since taken into account impacts on tourism performance, such as the Global Financial Crisis and international exchange rates, which the 2014 goals have not. As such, the KPIs below have not been adjusted for these factors outside of our control, and thus have resulted in more "Below Target" results than are now true under the SASP 2020 KPIs.

Regardless, in the 2011/12 year positive performance in tourism has been driven by the domestic market, up 5.3% on the previous year. International has softened by 12% on the previous year thanks to the high Australian dollar, and the poor financial situations of UK, European and USA economies, which are key sources markets for South Australia.

Results through June 2012:

- Tourism Expenditure to SA was \$5.1 billion (Below Target: \$5.55 billion)
- Percentage of target audience predisposed to SA was 40% (Above Target: 25%)
- Number of target audience visitors to SA was 537,000 (Below Target: 600,000)
- International Tourism Expenditure was \$384 million (Below Target of \$498 million)

- 69,600 domestic airline seats to Adelaide (Below Target of 87,500), and 7,480 international airline seats (On Target of 7,950)
- Events Expenditure in SA was \$222 million (Below Target: \$290 million by June 2012)

The 2011-12 Performance Agreement highlights four key performance goals, which will assist the SATC towards achieving the South Australia's Strategic Plan Tourism Target.

GOAL 1 - COMMUNICATE A MORE APPEALING SA OF TODAY:

2011-12 saw the SATC focussing on the launch of its domestic marketing campaign, **Let Yourself Go** featuring Kangaroo Island, targeting the key interstate markets of Sydney and Melbourne and the **Best Backyard** intrastate marketing campaign aimed at encouraging South Australians to take a holiday in their own backyard. The campaign covers all eleven regions of South Australia, represented within five thematic experiences.

Other key achievements included:

- Launched the newly redeveloped tourism consumer website, southaustralia.com, with increased booking capability and improved search capability.
- Launched websites for Tasting Australia, the Santos Tour Down Under and the Credit Union Christmas Pageant event enabling an enhanced user experience that is integrated with other digital applications.
- Relunched ten international market-specific versions of southaustralia.com with stronger imagery, improved search functionality and online booking capability.
- Continued to conduct significant co-operative marketing campaign with key wholesalers, which leverages the SATC's new Kangaroo Island television commercial.

GOAL 2 - GET MORE PLANES TO LAND - GROW DOMESTIC AND INTERNATIONAL SEAT CAPACITY:

The SATC continued to work collaboratively with key stakeholders including Adelaide Airport Ltd and other Government Departments to discuss opportunities with existing and new carriers with the aim to increase flights to Adelaide.

2011-12 saw Singapore Airlines announce an increase in direct services from Singapore into Adelaide from seven to ten flights a week, effective from 2 July 2012. The SATC continued discussions with Emirates to encourage new direct services to Adelaide which resulted in an announcement of new direct services being introduced between Adelaide and Dubai.

As at the end of June 2012, there were 34 international flights per week operating into Adelaide (as per the Northern Hemisphere Summer Airline Schedule, April 2012), compared with the 13 weekly services in 2003. These provided 7,480 international seats per week into Adelaide, up from 2,827 in 2003.

There are 69,558 domestic seats per week operating into Adelaide (Northern Hemisphere Summer Airline Schedule, April 2012), up from 45,500 in 2003. This is delivered from 451 weekly interstate domestic flights arriving into Adelaide from three domestic carriers, namely Qantas, Virgin Australia and Jetstar.

The SATC also worked collaboratively with a number of key airlines by undertaking cooperative marketing to grow demand and encourage increased direct airline services into Adelaide. Activity included:

- Leveraged the new Kangaroo Island television commercial by undertaking cooperative marketing with Qantas Holidays.
- Conducted cooperative marketing activity in the UK, Germany, France, Italy, Singapore, China and Japan with Singapore Airlines.
- Conducted a television and online brand campaign in New Zealand.

GOAL 3 - DEVELOP A MORE APPEALING SA OF TOMORROW - CREATE NEW EVENTS, EXPERIENCES AND INFRASTRUCTURE:

An important part of the strategy towards achieving the visitor expenditure goal is to ensure that there are reasons to visit South Australia. The SATC continues to encourage investment in SA's tourism events, experiences and infrastructure. In 2011-12, key initiatives included:

- The development of Destination Action Plans (DAPs) for each of the State's eleven tourism regions, identifying priority actions and opportunities to develop tourism over a three-year period.
- 21 cruise ships arrivals to South Australia during the 2011-12 season, with 17 ships berthing at Port Adelaide, three at Port Lincoln and one on Kangaroo Island.
- The investment in strategic and sustainable tourism infrastructure projects, including the construction and refurbishment of rooms in the city and major regional centres and the upgrade of various facilities. Examples include:
 - o Cruise Ship Tender Vessel Landing Facility, Penneshaw
 - o Port Adelaide Passenger Terminal Gangway, Outer Harbor
 - o Majestic Old Lion Apartments refurbishment, North Adelaide
 - o Kingsford Homestead Development, Barossa
 - o Port Lincoln Airport Terminal development, Eyre Peninsula
- The running of the 14th Santos Tour Down Under, delivering an economic impact of more than \$42 million to the State and more than 36,000 event specific visitors.
- The new tarmac rally, Classic Targa Adelaide, was managed by international management group Octagon and was held from 14-17 September 2011. The event was the first round of the 2011-12 Australian Targa Championships.
- The Australian Swimming Championships was held from 15-22 March 2012, with total attendance (ticket sales and accredited personnel) of more than 47,000 and six of the seven finals sessions selling out.

- The successful running of Tasting Australia which included more than 80 associated events.
- The provision of support to 36 regional events, including the South Australian Living Artists Festival, the Riverland Wine and Food Festival and Tunarama.
- Won the rights to host the 2016 Australian Deaf Games which is expected to attract 1,500 visitors to the State with an estimated economic impact of \$1.5 million.

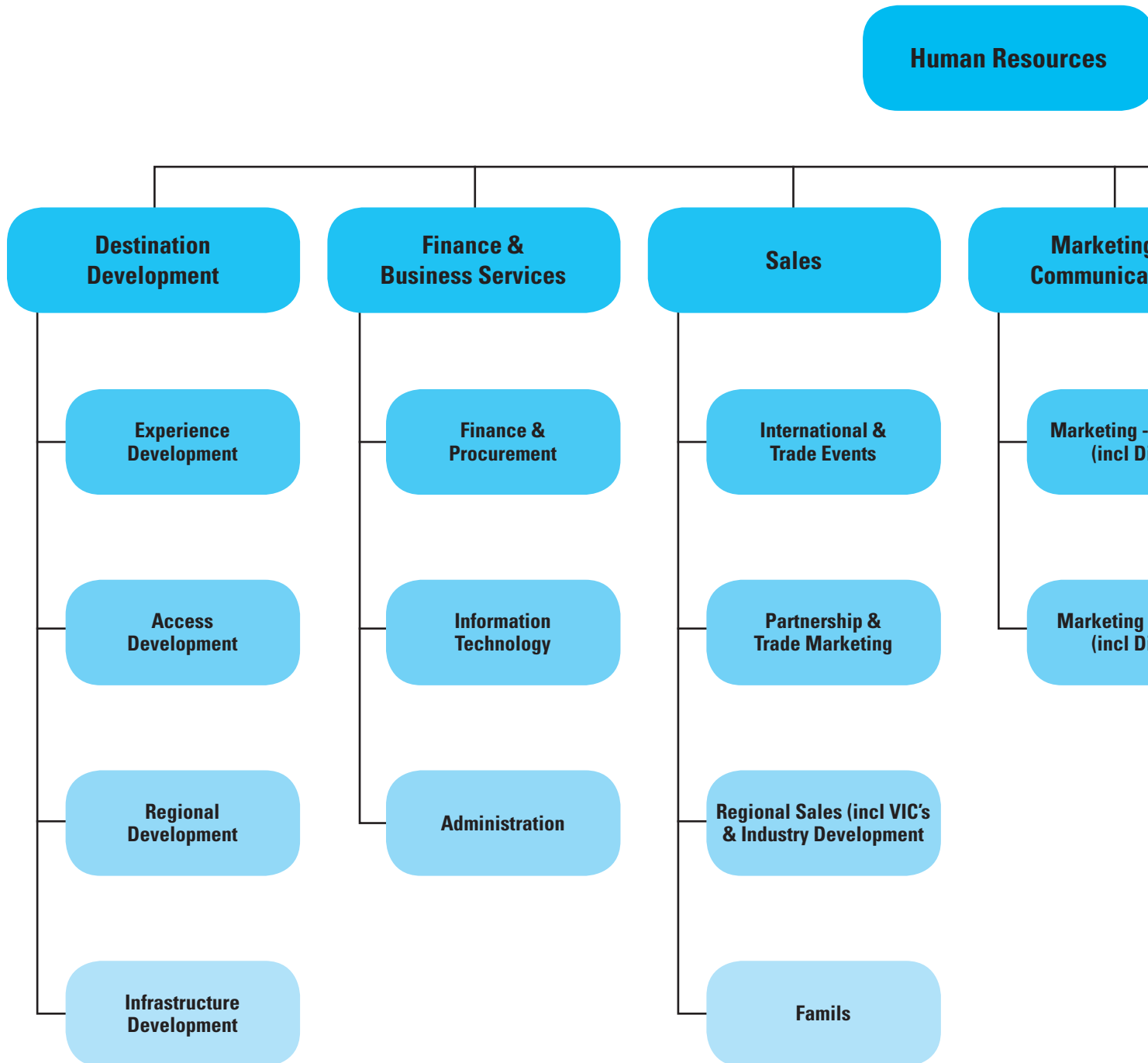
GOAL 4 - A STRATEGICALLY FOCUSED ORGANISATION WITH A CULTURE, CAPABILITY AND CAPACITY TO PERFORM AT ITS BEST:

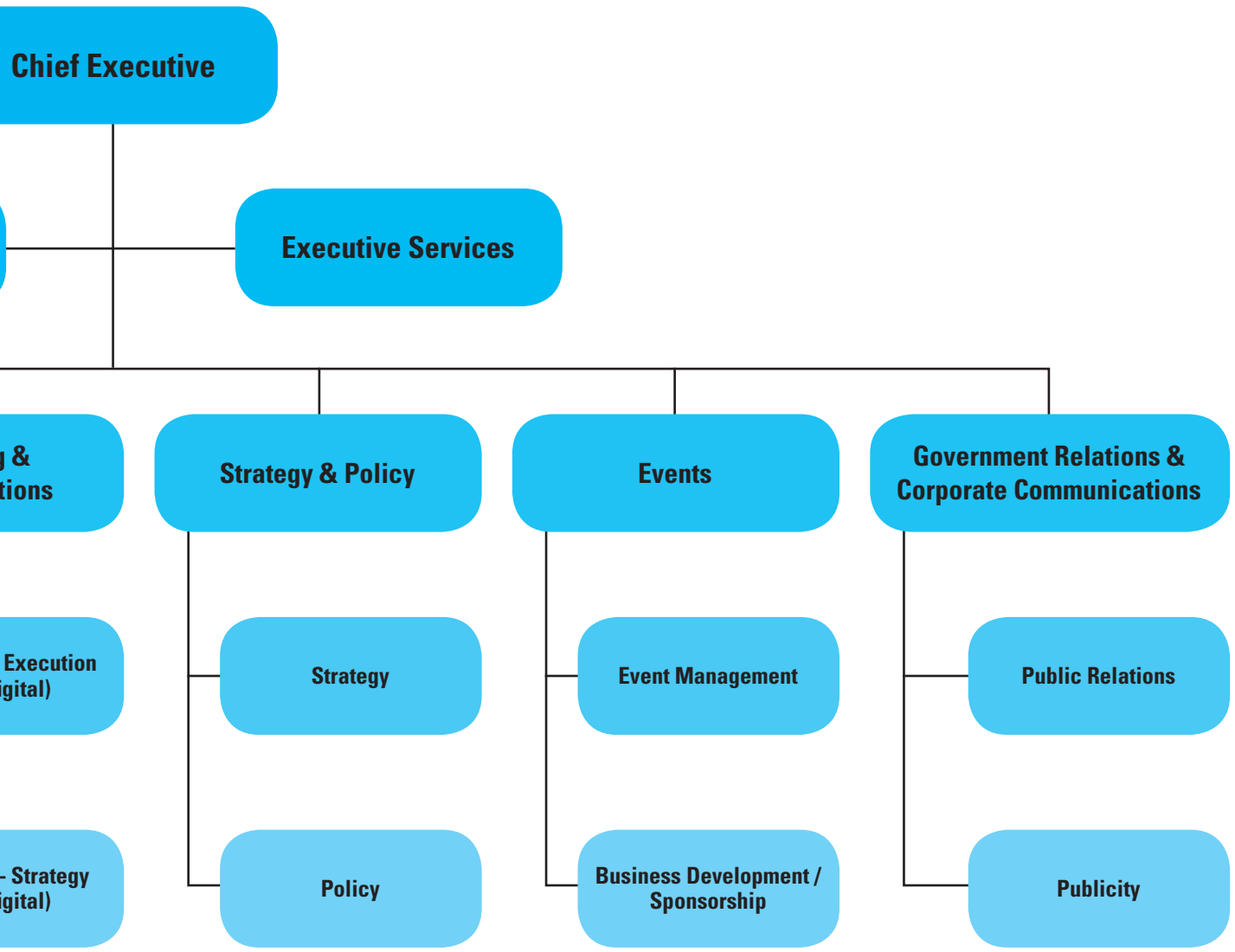
The SATC acknowledges the importance of ensuring it remains strategically focussed towards achieving the goals of the tourism related targets in South Australia's Strategic Plan. Key achievements included:

- The appointment of an interim Chief Executive to look at restructuring and refocusing organisation to ensure the SATC is working towards its strategic goals.
- The continued monitoring and analysis of relevant research to track the effectiveness of the SATC's marketing campaigns.
- The continued tracking of the State's progress in meeting tourism related targets in South Australia's Strategic Plan.
- Consumer research in China to test the appeal of South Australian holidays in this emerging market.
- Participation in the working groups established under the National-Long Term Tourism Strategy, with a particular focus on building industry resilience to climate change and identifying investment and regulatory reform needed to make the tourism sector more competitive.

Organisational CHART

Effective June 2012





Marketing and COMMUNICATIONS

The role of the Marketing and Communications group is to develop and deliver marketing activity that promotes South Australia and creates demand for the State amongst our High Yield Experience Seeker target market.

SATC marketing activity is designed to increase consideration for SA and its regions, and improve perceptions about 'brand' South Australia. Marketing and Communications works across SATC in the delivery of initiatives such as digital content, cooperative campaign activity, promotion of events and product.

The group consists of two key areas: Strategy and Implementation. The strategy team is responsible for setting the direction of SATC domestic and intrastate marketing strategy, regional marketing, relationship marketing, digital marketing, insights and tracking. The implementation team is responsible for delivery of SATC marketing activity, including campaign management, creative and design management, visual assets management, and content management.

CAMPAIGN SERVICES

The SATC Campaign Services Unit, in conjunction with local advertising agencies KWP! and JAM, as well as George Patterson Y&R in Melbourne, implement integrated campaigns through a variety of media (such as television, cinema, print, magazine, digital/online and outdoor) to best reach our target market (High Yield Experience Seekers) both domestically and intrastate.

The Campaign Services unit also manages campaigns for the SATC's owned and managed events – The Santos Tour Down Under, Tasting Australia and the Credit Union Christmas Pageant. The unit supports SATC-sponsored events and regional associations in their marketing plans and activities. The campaign services unit is responsible for managing SATC-supported programs such as SA Life and South Aussie with Cosi.

DIGITAL OPERATIONS

The Digital Unit implements SATC digital marketing strategy and supports the SATC strategy, using websites, social media, mobile technologies and data. Digital is responsible for the management of SATC's online and mobile assets including southaustralia.com, m.southaustralia.com, events.southaustralia.com, trade.southaustralia.com, tourdownunder.com.au, m.tourdownunder.com.au, cupageant.com.au, tasting-australia.com.au, tourism.sa.com, Australian Tourism Data Warehouse (ATDW) and social media as well as providing digital marketing services and advice to other SATC units.

The digital operations team are responsible for content management, ongoing development, ATDW integration, and partner management. Content management involves the uploading and updating of all content across southaustralia.com, all international versions of the site, mobile version of the site, and social media updates (eg daily posts on our Facebook and Twitter accounts). Development is required to maintain and improve our digital platforms. ATDW integration is important to ensure that consumers have as much content available to them as possible through SATC digital channels. Partners that SATC digital work with are Deloitte, OpenText, Mass Media Studios and MNet.

VISUALS ASSETS

The SATC Visual Resources unit assists industry partners in promoting South Australia as a tourism destination by making available an extensive range of photographic images and video footage. These resources are made available through media.southaustralia.com. This unit, as well as Creative, is responsible for ensuring the consistency of the SATC brand is maintained.

CREATIVE

SATC's promotional and marketing collateral for both print and online are produced or managed in-house by the Creative Services Unit. Materials produced include industry newsletters, events marketing material, signage, newspaper and magazine adverts, e-newsletters, flash ads, websites as well as video editing.

REGIONAL MARKETING

The Regional Marketing team is responsible for producing key regional marketing collateral (primarily the 11 visitor guides, Shorts, development of campaigns for intrastate and interstate markets, and managed industry development and marketing funds. This unit communicates with key tourism contacts and the Regional Tourism Offices (RTOs) in each region in relation to SATC marketing activities and the opportunities for regional operators and RTOs to be involved in these activities. The regional marketing team assists operators and RTOs in regards to issues, questions and queries they may have in relation to the marketing of their region.

RELATIONSHIP MARKETING

Relationship Marketing is responsible for extending the SATC marketing activities through digital marketing channels, including email, social media, online advertising and search engine marketing. The unit also manages an ever growing consumer database of 100,000+ consumers who receive frequent email marketing, as well as an advocacy program.

INSIGHTS

Research is an integral part of marketing strategy development, and the tracking and monitoring of SATC marketing activity. Insights are gathered from various sources, including BDA tracker reporting, and where necessary, commissioned research. The Insights unit works closely with SATC's Strategy team to ensure alignment, and in particular to leverage available data (NVS, TOMM, BDA). Domestic and intrastate marketing campaigns are tracked on a monthly basis via a BDA communications tracker, allowing for ongoing optimisation of marketing activity.

HIGHLIGHTS 2011-12:

- Developed and launched the domestic marketing campaign **Let Yourself Go** featuring Kangaroo Island, targeting the key interstate markets of Sydney and Melbourne. Campaign elements include television, cinema, newspaper and online;
- Developed and launched the **Best Backyard** intrastate marketing campaign aimed at encouraging South Australians to take a holiday in their own backyard. The campaign covers all 11 regions of South Australia, represented within five thematic experiences;
- Launched the newly redeveloped tourism consumer website, with increased booking capability and improved search capability;
- Launched websites for Tasting Australia, Santos Tour Down Under and the Credit Union Christmas Pageant event enabling an enhanced user experience that is integrated with other digital applications; and
- Reinvigorated the intrastate Shorts brand, with a new book and design. The Shorts book was the main call to action for the retail component of the **Best Backyard** campaign.

SALES

The Sales Group brings together the former units of Regional Sales, National Trade Marketing, International Marketing and Media and Trade Familiarisations to proactively market South Australia to the travel trade distribution system across Australia and overseas.

The major objective of the Sales Unit is to significantly influence the travel trade to ensure more South Australian product is sold to consumers via the travel distribution system. The travel trade encompasses a wide range of organisations, including travel agents, wholesalers, inbound tour operators, online travel agents, airlines, automobile clubs, national tour operators and visitor information centres.

The Sales Group consists of four units:

PARTNERSHIPS AND TRADE MARKETING

Responsible for SATC's partnerships with key domestic wholesalers, retailers and other tourism partners (including online agents). Their aim is to increase the amount of SA product contracted and sold by these partners, and educate reservation staff on South Australia's key experiences, enabling them to be better sellers of South Australia. The team plays a vital role in linking South Australian tourism operators to our industry partners, and identifying opportunities for tactical promotions, as well as identifying opportunities for packaging of South Australian events including the Santos Tour Down Under.

INTERNATIONAL AND TRADE EVENTS

Aims to position South Australia as both a compelling part of the Australian journey and a destination in its own right. The SATC's team of dedicated international representatives maintains positive relationships with key industry partners to ensure South Australia's inclusion in wholesale programs, provides training and educational opportunities for the travel trade and develops consumer marketing strategies to influence demand and conversion. They are responsible for professionally and creatively representing South Australia at key consumer and trade shows, and managing SATC-initiated trade events.

FAMILIARISATIONS

Plays an important role in generating favourable publicity about South Australia through the organisation of media familiarisations (famils). These media famils generate tens of millions of dollars worth of publicity in the markets where the articles about South Australian product appear. This valuable return comes from a relatively small investment. The purpose of SATC's trade famils is to enhance the product knowledge and motivation of the retail trade in selling South Australian tourism product, and demonstrate to wholesalers and inbound operators that South Australia has a broad range of saleable product.

REGIONAL SALES

Works with tourism operators across the State to provide advice and training around online distribution opportunities, and with Visitor Information Centres to enhance the service delivered to customers.

HIGHLIGHTS 2011-12:

- Launched a 12 month targeted development program titled 'Sell SA' for accredited Visitor Information Centres (VIC's) across South Australia. The program aims to address development needs as identified by the eight participating VIC's, including sales capability where the VIC uses an online booking system;
- Conducted a significant cooperative marketing campaign with Qantas Holidays, leveraging the **Let Yourself Go** Kangaroo Island television commercial;
- Relaunched 10 international market-specific versions of www.southaustralia.com with stronger imagery, improved search functionality and online booking capability;

- Conducted cooperative marketing activity in conjunction with Singapore Airlines in the United Kingdom, Germany, France, Italy, Singapore, China and Japan, which included digital, radio and magazine advertising as well as newspaper supplements;
- Conducted a television and online brand campaign in New Zealand to further grow demand for South Australia and encourage increased direct airline services into Adelaide;
- In partnership with the Australian Tourism Export Council (ATEC), hosted the first workshop and mentoring program for South Australian tourism businesses that are considering marketing their business in China or Greater Asia;
- A Chinese TV crew filmed four episodes of the popular drama 'Jiang Ai' in Adelaide, the Barossa, Adelaide Hills and Fleurieu Peninsula. The series will be aired in 2012-2013, with an expected audience of well over 100 million;
- Partnered with Tourism NT, Britz and Big 4 on a joint drive campaign to encourage Australians to have an adventure by driving the 'Explorers Way' drive between Adelaide and Darwin; and
- Worked one on one with tourism operators to increase their understanding of the Tourism Exchange Australia (TXA), online booking systems and how operators could become online bookable on the new southaustralia.com to ultimately increase the number of operators bookable online.

Destination

DEVELOPMENT

The Destination Development Group is focussed on implementing strategies within the South Australian Tourism Plan (SATC) 2009-14 and contributing towards the target of \$8 billion in tourism expenditure by 2020.

The Group contributes to the SATC objectives by helping to develop more appealing and accessible tourism infrastructure and experiences, based on the State's inherent strengths and by increasing investment in iconic tourism product that reinforces the brand image, message and distribution opportunities.

In line with the SATC Regional Growth Plan, staff and financial resources have been focussed on developing Destination Action Plans for each region of the State, and in the future, will be devoted to achieving the outcomes agreed to in each of those Plans.

The group includes four Business Units:

INFRASTRUCTURE DEVELOPMENT

The Infrastructure Development Unit helps stimulate investment in tourism to create a more appealing SA of tomorrow. Working with developers, operators and investors, it is currently on track to achieve the Tourism Plan's goal of at least \$200 million worth of new and refreshed tourism development and experiences in the State by 2014 through:

- Identifying a range of strategic tourism investment opportunities that are in line with our target markets and introducing these opportunities to "best of breed" investors;
- Case managing major public tourism infrastructure developments from concept stage through to completion;
- Working with investors, developers and other stakeholders to facilitate the development and refurbishment of significant tourism assets; and
- Utilising the Tourism Development Fund (TDF) program.

EXPERIENCE DEVELOPMENT

The Experience Development team works with commercial operators to develop new tourism experiences across the State. This is achieved through its New Product Support Program and the Best of Breed Investor Familiarisation Program, helping operators successfully bring their new product/tour to market.

The Unit achieves the key outcomes of the Regional Destination Action Plans by:

- Identifying experience gaps that are in line with our target markets and introducing these opportunities to existing tourism operators who we believe have the capacity to expand their current operations and fill this gap
- Encouraging the linking and bundling of existing products to present stronger and more tangible experiential offers to the marketplace.

ACCESS DEVELOPMENT

This unit aims to make South Australia more easily and affordably accessible as a destination. The Access team works to develop air access (international, domestic and regional), cruise ship access and road/rail access. The highest priorities have been in the areas of air and cruise. The unit also works closely with stakeholders who have a mutual interest in opening the gateway to SA. Partnerships with airports, airlines, travel wholesalers, cruise lines and government agencies have delivered effective access outcomes.

REGIONAL DEVELOPMENT

The Regional Development Unit helps align regional "grass roots" tourism resources and effort with the State's tourism strategy in order to achieve synergy, cohesion, impact and ultimately the greatest benefit to regional businesses and communities.

During 2011-12, the priority focus was on completing the implementation of the Regional Growth Plan and the formation (or realigning) of regional tourism bodies. Working in conjunction with regional stakeholders, including local government, Regional Development Australia and the Regional Tourism Bodies, the SATC has developed a series of Destination Action Plans – one for each region.

These plans will be progressively launched and are effectively measurable "to do" lists which identify priorities and assign responsibilities. SATC resources will be focused on achieving these tangible tourism outcomes – which draws on collective expertise of SATC's marketing, events, access, infrastructure and experience development staff.

HIGHLIGHTS 2011-12:

- During the year a new State Aviation Strategy was developed by SATC to clearly define opportunities and actions required in further developing increased aviation into Adelaide. In April members from the Destination Development team, in partnership with Adelaide Airport Limited, attended Routes Asia Aviation Conference in Chengdu China. Over 20 appointments were held with airline representatives from airlines throughout the world to showcase Adelaide as a destination. At this conference detailed negotiations began with Emirates towards securing direct flights to Adelaide;
- Creation of Destination Action Plans for each of the state's 11 tourism regions, identifying priority actions and opportunities to develop tourism over a three-year period;
- Investment in tourism infrastructure projects critical to supporting increased visitor numbers and attracting high yield travellers, including leveraging investment in building and upgrading accommodation in Adelaide and major regional centres. Examples include new accommodation and experiential developments in the Limestone Coast and Barossa Regions, upgrade of the passenger terminal at Port Lincoln Airport, cruise ship infrastructure in Port Adelaide and Kangaroo Island, and accommodation upgrades in Adelaide, Adelaide Hills and Flinders Ranges;
- Increased direct Singapore Airline services from Singapore to Adelaide (up from seven to 10 flights per week, effective from 1 July 2012) working in collaboration with Adelaide Airport Ltd and the then Department of Trade and Economic Development; and
- 21 cruise ship visits in South Australia during the 2011-12 season, with 17 at Port Adelaide, three at Port Lincoln and one on Kangaroo Island. The estimated value of the 2011-12 cruise ship season was \$7.1 million.

Strategy and POLICY

Description/objective: To develop strategies and policies that support government economic and tourism objectives and to provide statistical and market research that underpin those policies and provide valuable data for industry to help plan for future growth.

HIGHLIGHTS 2011-12:

STRATEGY

- Conducted consumer research in China to test the appeal of South Australian holidays in this emerging market;
- Participated and provided input into the working groups established under the National Long Term Tourism Strategy (NLTS), with a particular focus on building industry resilience to climate change and identifying investment and regulatory reform needed to make the tourism sector more competitive;
- Partnered with the South Australian Tourism Industry Council (SATC) to deliver industry programs, including Tourism Accreditation, Tourism Awards, training and workforce development;
- Completed and launched the Yorke Peninsula Regional Strategic Tourism Plan in conjunction with stakeholders in the region; and

POLICY

- Representing the SATC on the Marine Park Steering Committee, the Coast Protection Board, the Great Australian Bight Marine Park Steering Committee plus the Investment and Regulatory Reform and Industry Resilience Working Groups as part of the Federal Tourism 2020 Strategy.
- The SATC provided input to a wide range of government policy initiatives, including:
 - o a review into the Great White Shark Cage Diving Regulations;
 - o character preservation legislation for the Barossa and McLaren Vale;
 - o DEWNR's 'People and Parks' Visitor Strategy for South Australia's National Parks and Reserves; and
 - o the State Infrastructure Plan.

Events

SOUTH AUSTRALIA

South Australia staged a successful year of events in 2011-12 that attracted large numbers of visitors, large crowds, and significant economic impact for the State and helped to profile South Australia as Australia's Festival State.

The charter of Events South Australia, the events arm of the SATC, is to promote South Australia as a tourism destination and attract visitors to South Australia through securing, managing, developing and sponsoring major events and leading the events industry.

In 2011-12, Events South Australia successfully managed three major events; the Credit Union Christmas Pageant, Santos Tour Down Under and the biennial Tasting Australia.

Events South Australia also sponsored more than 50 events ranging from major festivals such as WOMADelaide and the 2011 Australian Masters Games through to smaller events across South Australia as part of the Regional Events and Festivals Program.

An important achievement in 2011-12 was the securing of a number of high profile aquatic events that were held in the new world-class facilities of the SA Aquatic and Leisure Centre. These events included the Australian Short Course Championships and culminated with the 2012 EnergyAustralia Swimming Championships, the selection trials for the 2012 Olympic Games and the most significant event on the Swimming Australia calendar in four years.

Events South Australia includes two business units:

EVENT MANAGEMENT

Credit Union Christmas Pageant 12 November 2011

The 2011 Credit Union Christmas Pageant marked the 79th year of the iconic South Australian event and had the theme 'celebrating the clown within'.

The pageant attracted a crowd of 335,000 people lining the 3.3km route along the streets of Adelaide. A further 152,000 watched the live telecast on Channel 9. The event attracted media coverage with an estimated PR value of \$5.3 million, an increase of 8.5% on the previous year.

In 2011-12, the Credit Unions' naming rights sponsorship was renewed for a further five years, creating a 20 year sponsorship relationship.

The 2011 Credit Union Christmas Pageant featured 63 floats, 15 bands and nine walking sets and also set a Guinness World Record for the largest gathering of people wearing red noses.

www.cupageant.com.au

Santos Tour Down Under (STDU) 15-22 January 2012

The 14th edition of the STDU, held in January 2012, was again a very successful tourism event for the State, attracting 36,100 interstate and international visitors to South Australia and generating an economic impact of \$42.2 million.

The week-long event saw more than 760,000 spectators line the 800km route across the State, with race start and finish locations in Adelaide, Clare, Lobethal, Victor Harbor, Tanunda, McLaren Vale and Willunga.

As the first race on the UCI WorldTour calendar, the event attracted many of the world's best riders including Alessandro Petacchi, Oscar Freire and Edvald Boasson Hagen. The 2012 Santos Tour Down Under was also the debut WorldTour race for Australia's first ever professional team, GreenEDGE.

In 2012, the event held its first ever hilltop finish – at the top of Old Willunga Hill – which attracted large crowds and media interest. Another first for the event was the hosting of five time Tour de France winner and cycling legend, Eddy Merckx, who was a major drawcard for cycling fans.

More than 7,000 people, a third of whom travelled from interstate and overseas, rode the Bupa Challenge Tour, the community ride of the event.

The STDU again attracted significant media coverage, with images of South Australia's beaches, wine regions and other attractions being beamed to millions of world-wide viewers, with more than 268 hours of domestic and international TV programming and more than \$140 million of editorial media coverage.

2012 was the first time in three years that cycling legend Lance Armstrong did not participate in the Tour. By attracting crowds and media coverage on par with those during his involvement, the Tour has demonstrated that it is firmly established as a key tourism event to which people will travel to experience.

www.tourdownunder.com.au

Tasting Australia 26 April – 3 May 2012

The 2012 Tasting Australia was an eight day celebration of food and wine held in Adelaide and across South Australia.

Since it was established in 1997, the biennial event has grown from being primarily a media event, to one with significant consumer and industry elements, which combined, promoted South Australia as a food and wine tourism destination and profiled the State's food and wine credentials.

In 2012, more than 80 public events were held across Adelaide and South Australia. The major public event, BankSA Feast for the Senses, was held in Adelaide's Elder Park and attracted 40,000 people.

A regional touring program was provided to visiting media and celebrity chefs so they could experience the best in food and wine that South Australia has to offer. The regions that were included in the regional touring program were the Fleurieu Peninsula, Kangaroo Island, Eyre Peninsula and the Barossa.

www.tasting-australia.com.au

BUSINESS DEVELOPMENT

Sponsored Events

Events South Australia provides sponsorship support to many large and small existing events to increase promotion and in turn increase the size of these important events. Events South Australia provided sponsorship, public relations, operations and/or marketing support to an additional 17 major events.

The events supported in 2011-12 included: the Australian Short Course Championships (Swimming), 2011 Australian Inflatable Rescue Boat Championships, Classic Targa Adelaide, 2011 Australian Masters Games, World Solar Challenge, Earth Station, Holden Netball Test Series, Kangaroo Island Surf Music Festival, Australian International 3-Day Event, Asia Pacific Bowls Championships, Renault National Beach Volleyball Series, A Chorus Line, World Tennis Challenge, Specialized Australian Mountain Bike Championships, Adelaide Fringe, WOMADelaide, and the EnergyAustralia Australian Swimming Championships.

Events South Australia also secured the Australian Deaf Games to be held in South Australia in 2016.

Examples of sponsored event successes in 2011-12 include:

Swimming – Australian Short Course Championships

The 2011 Australian Short Course Championships determined Australia's fastest short course swimmers and was the final hit out for those swimmers heading to Shanghai for the 2011 FINA World Championships. The event attracted more than 480 elite competitors with over 85% of competitors coming from outside the state. Just over 5,500 spectators, athletes and support staff attended the event during the three days of competition and the event generated an economic return of over \$1.2 million.

2011 Australian Masters Games

More than 7,800 participants competed in over 50 sports at Australia's largest multi-sport event. The Australian Masters Games offers competition and camaraderie for people aged over 30 years. The event was a huge success and attracted an economic return of \$8.9 million.

Classic Targa Adelaide

The Classic Targa Adelaide was run for the first time in September 2011, touring across some of South Australia's iconic regions and roads. 100 cars competed in the 2011 event and it provided an economic impact of \$3 million to the State. The event also generated significant media coverage including a one-hour show distributed nationally and internationally. Over 200 cars are expected in 2012 and the event will be open to both classic and modern cars.

WOMADelaide

2012 marked the 20th anniversary of WOMADelaide. 87,000 people attended the event and following on from the success of the past 3 years, the event was again held over 4 days. The event generated an economic impact of \$11.1 million with nearly 50% of its 87,500 attendees travelling from interstate and overseas for the festival.

2012 EnergyAustralia Swimming Championships

Adelaide hosted the 2012 EnergyAustralia Championships, which were the selection trials for the 2012 Olympic Games. It was the most significant event on the Swimming Australia calendar in four years. The general public showed their support with seven of the eight finals sessions selling out and over 35,000 spectators attending the event across the 17 sessions. The event generated an economic return of \$4.9 million, with additional media value of \$7.5 million. Adelaide will host the championships again in 2013, which will be the selection trials for the 2013 World Championships.

Industry Development

New in 2011-12 was the Events and Festivals Industry Workshop which took place in May in Adelaide. This initiative was the first of a series of workshops that will be conducted by Events South Australia with a view of developing the events industry in South Australia. The response from industry exceeded expectations with over 60 attendees. The day consisted of SATC and ESA strategic updates as well as marketing, sponsorship and social media sessions.

Regional Festivals and Events

The 2011-12 Regional Events and Festivals Program provided sponsorship support to more than 36 events including the Kangaroo Island Art Feast, Barossa Gourmet Weekend, Sounds by the River, SALA Festival, Coonawarra Cabernet Celebrations, Bay to Birdwood, Adelaide Fashion Festival, Bay Sheffield, Feast Festival, Port Lincoln Tunarama, Crush 12 - Adelaide Hills Wine & Food Festival, Coopers Kangaroo Island Cup Carnival, Melrose Fat Tyre Festival and Tastes of the Outback.

Government Relations and Corporate COMMUNICATIONS

This was a new group developed in the second half of 2011-12 with a responsibility for establishing, developing and maintaining relationships with the three tiers of Government and key stakeholders in industry and to improve the understanding of the role of the SATC and the value of the industry through communicating strategically.

GOVERNMENT RELATIONS

The team has led the SATC's response and involvement in the Government's Vibrant City initiative in which tourism is seen as playing a key role, particularly in relation to co-ordinating the events calendar and tourism infrastructure in the city. They have also taken the lead in co-ordinating the State Government's response to the requirements for hosting the 2015 Cricket World Cup, working with other States, the Commonwealth and the event's Local Organising Committee.

In addition, the team also co-ordinated negotiations for the agreement to bring Emirates to Adelaide including working with other State Government Agencies and other key international, national and local stakeholders.

The group also has responsibility for public relations and publicity.

PUBLICITY AND PUBLIC RELATIONS

The unit works with media and stakeholders, communicating about South Australia's appeal as a holiday destination, South Australian events and the SATC's corporate activities. The team generates national media coverage of South Australian destinations, products, experiences and tourism operators, and supports the campaign activities established by the SATC's marketing strategy.

They seek to engage travel, lifestyle, general print, electronic and online media to produce editorial content focused on the best of South Australia, with family or broadcast arrangements wherever possible.

The team also develops news media communications on issues affecting the reputation of the SATC and the tourism industry. The unit also works to raise the profile of tourism as a business in South Australia.

In 2011-12, the team generated domestic media coverage with an advertising equivalent value estimated at \$21.8 million, via 3,770 media items (including all syndications) with a combined circulation estimated at 164.68 million.

In addition, the team also manages media and communications activities for major events owned and managed by the SATC, specifically, the Santos Tour Down Under, the Credit Union Christmas Pageant and Tasting Australia.

The Santos Tour Down Under provides a highly visible platform for promoting SA both domestically and overseas. In 2012, the event resulted in national and international media coverage that produced 23,189 media items with a PR value of \$140 million.

They also provide support to SATC-sponsored events. In 2011-12, these included Supaloc Classic Targa, The Adelaide Fringe, The Adelaide Festival of Arts, WOMA Adelaide and The Adelaide Cabaret Festival.

HIGHLIGHTS 2011-12:

- Extensive editorial coverage of Kangaroo Island in publications such as MasterChef magazine, House and Garden magazine, Virgin Blue Voyeur, Qantas magazine, Tracks magazine, The Weekend Australian, The Age, The Sydney Morning Herald and The Sun Herald;
- Content management for episodes of television productions including Australia's Next Top Model, No Leave No Life, Getaway, Mercurio's Menu, The Project, Better Homes and Gardens, Making Tracks, Today Show weather, Excess Baggage, The Living Room, Sunrise weather and Destination Flavour;

- Major television production of one episode of MasterChef on Kangaroo Island (with a crew of approximately 80 people) and associated viewer engagement activities – this led to immediate spikes in web activity of up to 355% on KI pages of southaustralia.com and the Sealink website;
- Extensive PR activity around launches of the new southaustralia.com, the 'Best Backyard' campaign, the Kangaroo Island 'Let Yourself Go' campaign and Kingsford Homestead; and
- A total of 88 families conducted for 244 journalists.

Finance and Business SERVICES

The Finance and Business Services Group contributes to the achievement of the SATC's goals by providing a comprehensive range of high quality corporate support services.

The Group also ensures a full range of quality financial, information technology, administrative, procurement, contract management, audit and risk management, security and accommodation services are delivered efficiently and effectively.

ADMINISTRATION

The Administration Unit works closely with other key areas of the SATC, providing comprehensive administrative support. Administration continues to be responsible for the management of SATC's facilities, records management, reception, telecommunications and management of the SATC's Dudley Park storage facility mostly used by the Events Unit.

In 2011-12 the Unit continued to move towards an electronic records management system to streamline the records management process, allowing for the capture of all online records. This project will ensure that the SATC meets its obligations under the Records Management Act.

INFORMATION TECHNOLOGY

The Information Technology Unit ensures the provision of appropriate Information, Communication and Technology (ICT) systems to facilitate the delivery of SATC business. The Unit also manages and provides support for internet and network services for the SATC.

To meet the growing demands of technology, the Unit maintained reliable wireless internet, network access and ICT hardware for media centres created for SATC managed events. The Unit has significantly reduced server hardware infrastructure by moving to a virtually hosted server environment. This has increased staff productivity and connectivity to the SATC network.

FINANCE

The Finance Unit ensures the effective financial management of the SATC by providing timely and accurate budget and financial information and advice, as well as maintaining financial controls over its domestic and international operations.

Finance provides a range of financial and business services, supporting SATC business units and ensuring accountability for government resources.

In 2011-12 the Finance Unit implemented a new budget process, assisting the SATC to allocate resources to high-priority programs of significant strategic value. Finance continued to improve the quality of financial information reported to the Board, Executive staff and budget managers, as well as external stakeholders such as the Department of Treasury and Finance. Monitoring of expenditure and budget management was further strengthened, and the transparency of financial information available to relevant employees was enhanced.

The Finance Unit has also continued to manage the relationship with Shared Services SA to maximise the level of support and efficiency of services provided to SATC's employees, suppliers and customers from the outsourced accounts payable and accounts receivable arrangements.

PROCUREMENT

The Procurement Unit supports SATC staff in the management and coordination of procurement activities. This support includes training, advice and assistance with the purchasing of goods and services. The Unit continues to focus on improving work practices, contract management, knowledge and skills in order to improve the agency's efficiency and cost effectiveness in the purchasing of goods and services.

Human RESOURCES

Role: The Human Resources Unit has responsibility for developing, implementing and advising on a range of people strategies, policies and procedures.

HR delivers operational systems designed to improve business efficiency and it also plays a key strategic role in facilitating change initiatives that enable staff to perform at their best and be supported by learning and innovation.

OCCUPATIONAL HEALTH SAFETY AND WELFARE

SATC staff continued their commitment to safety excellence, aiming to be injury free with proactive health programs to support the well being of staff. The SATC continued to implement the initiatives included in the 2011-13 OHSW Action Plan.

DISABILITY AND EQUITY

The SATC currently has a Disability Action Plan and the purpose of this Plan is to ensure that unlawful discrimination on the grounds of disability does not occur in the administration of policies, facilities, services and programs.

RISK MANAGEMENT

During 2011-12, Risk Management continued to be a key management process for the organisation.

In line with best practice and using AS/NZS ISO 31000:2009, the SATC prepared Risk Management Plans for all units and events and integrated risk management within key management processes such as budgeting, planning, procurement, safety and individual performance development.

ENERGY EFFICIENCY ACTION PLAN

The SATC Head Office, located at 121 – 125 King William Street, is housed within a building that carries a 5 Star Green Rating (using the Green Building Council of Australia Office Design rating tools for reduced energy and greenhouse emissions).

The building has achieved certified reduction of CO₂ emissions to meet Five Star NABERS Energy rating requirements including:

- Extensive sub metering for major base building energy uses;
- Timed sensors to common area lighting including basement carpark;
- Sub metering for each tenancy;
- Low energy T5 fluorescent lighting restricting power densities to 2W/m² per 100 Lux;
- Addressable lighting with dimmable ballasts in zones of no more than 100m²;
- High performance low E façade glazing balancing daylight penetration and thermal performance; and
- The Building has a 237 MJ/m² p.a. energy consumption and 515,207 kgCO₂ p.a. actual greenhouse emissions.

Below is a table listing the SATC's record in relation to OHSW

| Statistics | 2008/09 | 2009/10 | 2010-11 | 2011-12 |
|--|---------|-------------|------------|-------------------|
| Active Workers Compensation Claims | 2 | 0 | 0 | 0 |
| Closed Workers Compensation Claims | 0 | 2 | 2 | 2 |
| New Workers Compensation Claims | 2 | 3* | 0 | 2 |
| Number of Notifiable Occurrences/Injuries pursuant to OHSW Regulations | - | - | 0 | 0 |
| New Workplace Fatalities | 0 | 0 | 0 | 0 |
| Rehabilitation and Return to Work | - | - | 0 | 0 |
| Incident Advices Only | 7 | 7 | 15 | 9 |
| Reopened Workers Compensation Claims | 1 | 0 | 0 | 0 |
| No. of Days of Lost Time Injuries | 0 | 2 | 0 | 0 |
| Total Expenditure | \$4,216 | \$138,570** | \$1,235.30 | \$4,527.70 |
| Total Expenditure on New Claims | \$1,019 | \$3,102 | \$0 | \$4,527.70 |

* One claim disallowed

** Amount includes a reopened claim redemption amount of \$100,000 plus legal expenses and medical report costs. The \$100,000 claim redemption was paid by Department for Premier and Cabinet.

GREENING OF GOVERNMENT OPERATIONS

In 2011-12, the SATC's "Green Team" continued with their role of minimising and mitigating SATC's environmental impacts. The green team has been identifying, prioritising and reducing environmental impacts and looking for opportunities to improve resource efficiency and reduce organisational waste.

The Green Team's vision is for the organisation to be a leading employer and agency with respect to environmental policies and procedures, both within our workplaces and with regard to our work practices wherever they may take place.

The Green Team aims are to Reduce, Reuse, Recycle and to set practices, policies and procedures that make greener options not only possible but easier and more convenient for employees to embrace.

Specific areas that the "green team" has focused on in 2011-2 include:

Waste management – Using its "traffic light" three-bin system, the SATC recycles an estimated 73.0% of waste within the organisation. All computers are set by default to print double sided, and staff are encouraged to use passwords on the printers to enable them to check print jobs prior to printing. SATC has implemented a mobile phone recycling system for used mobile phones.

Improvements in paper recycling – With the introduction of the "traffic light" bin system came the removal of all under desk general waste bins. The bins were replaced with paper recycling bins for staff to recycle paper easily. This has shown a marked increase in the amount of paper being placed in recycling bins through the office.

Energy Efficiency Plan – The SATC has joined the Adelaide City Council's CitySwitch program, and as part of this process, undertook a NABERS energy rating for the tenancy (levels 3 and 4). SATC's head office tenancy achieved a 4.5 star energy rating.

Through the CitySwitch program, the SATC will look at implementing ways to reduce energy use.

ASBESTOS MANAGEMENT

With regard to asbestos management within buildings leased by the SATC, the following occurred:

- Elimination of asbestos from the workplace, wherever reasonably practicable, and the placement of hazard warnings to identify workplace areas that contained asbestos;
- Reference to appropriately qualified persons as needed in the identification, assessment and control of asbestos and dust in the Pageant buildings at Woodville;
- Air monitoring of buildings (including swab testing of pageant floats) and the maintenance of records covering air-monitoring results;
- Signing in of contractors before work commences to confirm they comply with OHS&W policies and have seen the Asbestos Register.

Human Resources TABLES

| Number of Employees | | |
|---|----------|--------|
| | Persons | FTE's |
| SA Tourism Commission | 124 | 113.71 |
| Gender | %Persons | %FTE |
| Male | 34.68 | 36.92 |
| Female | 65.32 | 63.08 |
| Number of persons separated from the agency during the last 12 months | 53 | |
| Number of persons recruited to the agency during the 2011-12 financial year | 20 | |
| Number of persons recruited to the agency during the 2011-12 financial year AND who were active/paid at June 2012 | 13 | |
| Number of persons on leave without pay at 30 June 2012 | 0 | |

| Number of Employees by Salary Bracket | | | |
|---------------------------------------|-----------|-----------|------------|
| Salary Bracket | Male | Female | Total |
| \$0 - \$51,599 | 10 | 10 | 20 |
| \$51,600 - \$65,699 | 7 | 42 | 49 |
| \$65,700 - \$84,099 | 14 | 15 | 29 |
| \$84,100 - \$106,199 | 8 | 7 | 15 |
| \$106,200+ | 4 | 7 | 11 |
| Total | 43 | 81 | 124 |

| Status of Employees in Current Position | | | | | |
|---|--------------|---------------------|--------------------|-------------|---------------|
| FTE's | | | | | |
| Gender | Ongoing | Short-term contract | Long-term contract | Casual | Total |
| Male | 15.00 | 6.60 | 19.00 | 1.38 | 41.98 |
| Female | 23.90 | 13.40 | 33.70 | 0.73 | 71.73 |
| Total | 38.90 | 20.00 | 52.70 | 2.11 | 113.71 |
| Persons | | | | | |
| Gender | Ongoing | Short-term contract | Long-term contract | Casual | Total |
| Male | 15 | 7 | 19 | 2 | 43 |
| Female | 26 | 16 | 37 | 2 | 81 |
| Total | 41 | 23 | 56 | 4 | 124 |

| Number of Executives by Status in Current Position, Gender and Classification | | | | | | | | | | | | | |
|---|----------|----------|--------------|----------|----------------|----------|---------------------|----------|----------|---------------|----------|---------------|----------|
| Classification | Ongoing | | Term Tenured | | Term Untenured | | Other (inc. Casual) | | Total | | | | |
| | Male | Female | Male | Female | Male | Female | Male | Female | Male | % total Execs | Female | % total Execs | Total |
| EXEC0A | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 17 | 0 | 0 | 1 |
| EXEC0B | 0 | 0 | 0 | 0 | 2 | 2 | 0 | 0 | 2 | 33 | 2 | 33 | 4 |
| EXEC0D | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 | 17 | 1 |
| Total | 0 | 0 | 0 | 0 | 3 | 3 | 0 | 0 | 3 | 50 | 3 | 50 | 6 |

Total Days Leave Taken

Needs to be divided by average FTE figure for the financial year for per FTE figure

| Leave Type | 2011-12 |
|--------------------------------|---------|
| 1) Sick Leave Taken | 515.25 |
| 2) Family Carer's Leave Taken | 66.65 |
| 3) Miscellaneous Special Leave | 69.87 |

Number of Aboriginal and/or Torres Strait Islander Employees

| Salary Bracket | Aboriginal Employees | Total staff | % Aboriginal employees |
|----------------------|----------------------|-------------|------------------------|
| \$0 - \$51,599 | 0 | 20 | 0 |
| \$51,600 - \$65,699 | 0 | 49 | 0 |
| \$65,700 - \$84,099 | 0 | 29 | 0 |
| \$84,100 - \$106,199 | 0 | 15 | 0 |
| \$106,200+ | 0 | 11 | 0 |
| Total | 0 | 124 | 0 |

Number of Employees by Age Bracket by Gender

| Age Bracket | Male | Female | Total | % of Total | 2012 Workforce Benchmark |
|--------------|-----------|-----------|------------|---------------|--------------------------|
| 15 - 19 | 0 | 0 | 0 | 0 | 5.60% |
| 20 - 24 | 3 | 5 | 8 | 6.45 | 9.90% |
| 25 - 29 | 5 | 14 | 19 | 15.32 | 10.60% |
| 30 - 34 | 6 | 27 | 33 | 26.61 | 10.40% |
| 35 - 39 | 10 | 4 | 14 | 11.29 | 10.70% |
| 40 - 44 | 5 | 10 | 15 | 12.10 | 11.70% |
| 45 - 49 | 4 | 5 | 9 | 7.26 | 11.40% |
| 50 - 54 | 2 | 8 | 10 | 8.06 | 11.00% |
| 55 - 59 | 5 | 7 | 12 | 9.68 | 9.20% |
| 60 - 64 | 3 | 1 | 4 | 3.23 | 5.60% |
| 65+ | 0 | 0 | 0 | 0 | 4.00% |
| Total | 43 | 81 | 124 | 100.00 | 100 |

Cultural and Linguistic Diversity

| | Male | Female | Total | % of Agency |
|--|------|--------|-------|-------------|
| Number of Employees born overseas | 4 | 5 | 9 | 7.26 |
| Number of Employees who speak language(s) other than English at home | 2 | 6 | 8 | 6.45 |

| Number of Employees with Disabilities (according to Commonwealth DDA definition) | | | | |
|---|-------------|---------------|--------------|--------------------|
| | Male | Female | Total | % of Agency |
| Total | 1 | 0 | 1 | 0.8 |

| Types of Disability (where specified) | | | | |
|--|-------------|---------------|--------------|--------------------|
| Disability | Male | Female | Total | % of Agency |
| Disability Requiring Workplace Adaptation | 1 | 0 | 1 | 0.8 |
| Physical | 0 | 0 | 0 | 0 |
| Intellectual | 0 | 0 | 0 | 0 |
| Sensory | 0 | 0 | 0 | 0 |
| Psychological/Psychiatric | 0 | 0 | 0 | 0 |

| Number of Employees using Voluntary Flexible Working Arrangements by Gender | | | | |
|--|-------------|---------------|--------------|--|
| Leave Type | Male | Female | Total | |
| Purchased Leave | 0 | 0 | 0 | |
| Flexitime | 11 | 39 | 50 | |
| Compressed Weeks | 1 | 2 | 3 | |
| Part-time | 3 | 24 | 27 | |
| Job Share | 0 | 2 | 2 | |
| Working from Home | 0 | 5 | 5 | |

| Documented Review of Individual Performance Management | | Total |
|---|--|--------------|
| Documented Review of Individual Performance Management | | |
| % Reviewed within the last 12 months | | 93 |
| % Review older than 12 months | | 0 |
| % Not reviewed | | 7 |

| Leadership and Management Training Expenditure | | |
|---|-------------------|--------------------------------------|
| Training and Development | Total Cost | % of Total Salary Expenditure |
| Total training and development expenditure | \$137,909 | 1.35% |
| Total Leadership and Management Development | \$20,825 | 0.20% |

Performance Against the State Strategic PLAN TARGET

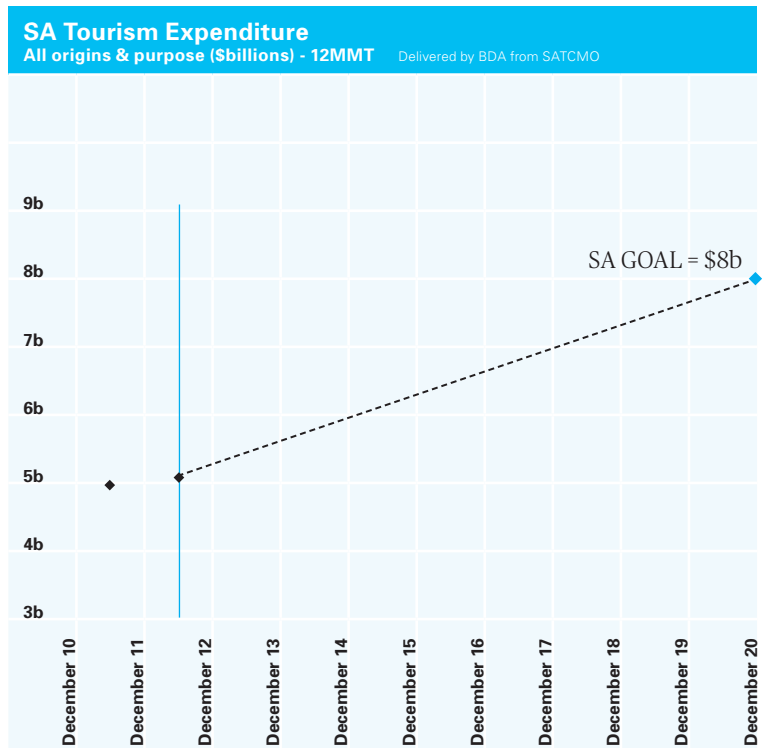
The South Australian Tourism Commission's alignment to the State Strategic Plan fits under the government's vision of: "Our Communities are vibrant places to live, work, play and visit."

Specifically, the tourism industry contributes to State Strategic Plan through the following Target:

Target 4 Tourism industry: Increase visitor expenditure in South Australia's total tourism industry to \$8 billion and on Kangaroo Island to \$180 million by 2020 (milestone of \$6.3 billion (total industry) by 2014).

Total tourism expenditure in South Australia in the 12 months to June 2012 grew by 3.2%, reaching a value of \$5.1 billion.

Expenditure growth over this period has been driven by the domestic market, up 5.3% on the previous year. This is positive performance towards the State Strategic Plan 2020 targets.



FINANCIAL STATEMENTS

| South Australian Tourism Commission Statement of Comprehensive Income for the Year Ended 30 June 2012 | | | |
|--|------|---------------|--------|
| | | 2012 | 2011 |
| EXPENSES | Note | \$'000 | \$'000 |
| Employee benefits expenses | 5 | 12 214 | 12 836 |
| Advertising and promotion | 6 | 23 868 | 22 505 |
| Industry assistance | 7 | 8 817 | 11 814 |
| Administration and accommodation | 8 | 10 748 | 11 416 |
| Event operations | | 8 385 | 9 390 |
| Depreciation expense | 9 | 510 | 538 |
| Borrowing costs | | - | 1 |
| Net loss from the disposal of non-current assets | 12 | 16 | 8 |
| Total Expenses | | 64 558 | 68 508 |
| INCOME | | | |
| Participation fees | 10 | 5 915 | 5 148 |
| Commission on sales | | 64 | 683 |
| Entry fees and merchandise sales | | 1 182 | 2 051 |
| Refunds and recoups | | 579 | 3 102 |
| Other income | 11 | 887 | 1 522 |
| Total Income | | 8 627 | 12 506 |
| NET COST OF PROVIDING SERVICES | | 55 931 | 56 002 |
| REVENUES FROM SA GOVERNMENT: | | | |
| Revenues from SA Government | 13 | 55 630 | 55 935 |
| Total Revenues from SA Government | | 55 630 | 55 935 |
| NET RESULT | | (301) | (67) |
| TOTAL COMPREHENSIVE RESULT | | (301) | (67) |

The net result and total comprehensive result are attributable to the SA Government as owner.

The above statement should be read in conjunction with the accompanying notes.

Statement of Financial Position as at 30 June 2012

| | Note | 2012 \$'000 | 2011 \$'000 |
|--------------------------------------|------|----------------|----------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 14 | 3 263 | 2 795 |
| Receivables | 15 | 1 564 | 1 913 |
| Total Current Assets | | 4 827 | 4 708 |
| NON-CURRENT ASSETS | | | |
| Plant and equipment | 16 | 2 658 | 3 021 |
| Investments | 17 | 400 | 400 |
| Total Non-Current Assets | | 3 058 | 3 421 |
| Total Assets | | 7 885 | 8 129 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Payables | 18 | 4 295 | 4 248 |
| Other current liabilities | 19 | 168 | 185 |
| Employee benefits | 20 | 1 114 | 1 138 |
| Provisions | 21 | 16 | - |
| Total Current Liabilities | | 5 593 | 5 571 |
| NON-CURRENT LIABILITIES | | | |
| Payables | 18 | 117 | 100 |
| Other non-current liabilities | 19 | 784 | 938 |
| Employee benefits | 20 | 1 265 | 1 151 |
| Provisions | 21 | 58 | - |
| Total Non-Current Liabilities | | 2 224 | 2 189 |
| Total Liabilities | | 7 817 | 7 760 |
| NET ASSETS | | 68 | 369 |
| EQUITY | | | |
| Contributed capital | 22 | 64 | 64 |
| Retained earnings | 22 | 4 | 305 |
| TOTAL EQUITY | | 68 | 369 |

The total equity is attributable to the SA Government as owner.

Unrecognised contractual commitments 23

The above statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity for the Year Ended 30 June 2012

| | Contributed Capital \$'000 | Retained Earnings \$'000 | Retained Earnings \$'000 |
|--|----------------------------------|--------------------------------|--------------------------------|
| BALANCE AT 30 JUNE 2010 | 64 | 372 | 436 |
| Net result for 2010-11 | - | (67) | (67) |
| Total comprehensive result for 2010-11 | - | (67) | (67) |
| BALANCE AT 30 JUNE 2011 | 64 | 305 | 369 |
| Net result for 2011-12 | - | (301) | (301) |
| Total comprehensive result for 2011-12 | - | (301) | (301) |
| BALANCE AT 30 JUNE 2012 | 64 | 4 | 68 |

All changes in equity are attributed to the SA Government as owner.

The above statement should be read in conjunction with the accompanying notes.

Statement of Cash Flows for the Year Ended 30 June 2012

| | | 2012 Inflows (Outflows) | 2011 Inflows (Outflows) |
|---|------|----------------------------|----------------------------|
| | Note | \$'000 | \$'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| CASH OUTFLOWS | | | |
| Employee benefit payments | | (12 092) | (13 220) |
| Payments for supplies and services | | (56 108) | (60 805) |
| Interest paid | | - | (1) |
| Cash (used in) operations | | (68 200) | (74 026) |
| CASH INFLOWS | | | |
| Fees and charges | | 6 895 | 6 211 |
| Commission earned | | 111 | 700 |
| GST recovered from the ATO | | 3 517 | 3 516 |
| Other receipts | | 2 631 | 6 940 |
| Cash generated from operations | | 13 154 | 17 367 |
| CASH FLOWS FROM SA GOVERNMENT | | | |
| Receipts from SA Government | | 55 677 | 55 888 |
| Cash generated from SA Government | | 55 677 | 55 888 |
| Net cash provided by (used in) operating activities | 26 | 631 | (771) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| CASH OUTFLOWS | | | |
| Purchase of plant and equipment | | (163) | (183) |
| Cash (used in) investing activities | | (163) | (183) |
| CASH INFLOWS | | | |
| Proceeds from sale of plant and equipment | | - | 2 |
| Cash generated from investing activities | | - | 2 |
| Net cash (used in) investing activities | | (163) | (181) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| CASH OUTFLOWS | | | |
| Repayment of borrowings | | - | (50) |
| Cash (used in) financing activities | | - | (50) |
| Net cash (used in) financing activities | | - | (50) |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | | | |
| | | 468 | (1 002) |
| CASH AND CASH EQUIVALENTS AT 1 JULY | | 2 795 | 3 797 |
| CASH AND CASH EQUIVALENTS AT 30 JUNE | 14 | 3 263 | 2 795 |

The above statement should be read in conjunction with the accompanying notes.

Disaggregated Disclosures – Expenses and Income for the Year Ended 30 June 2012

| (Refer to Note 4) | Destination Development | | Tourism Events | | Tourism Marketing | | Total | |
|--|-------------------------|----------------|----------------|----------------|-------------------|----------------|----------------|----------------|
| | 2012 \$'000 | 2011 \$'000 | 2012 \$'000 | 2011 \$'000 | 2012 \$'000 | 2011 \$'000 | 2012 \$'000 | 2011 \$'000 |
| EXPENSES: | | | | | | | | |
| Employee benefits expenses | 2 716 | 3 939 | 2 130 | 1 965 | 7 368 | 6 941 | 12 214 | 12 836 |
| Advertising and promotion | 795 | 1 118 | 2 217 | 1 788 | 20 856 | 19 599 | 23 868 | 22 505 |
| Industry assistance | 2 866 | 5 888 | 4 740 | 5 153 | 1 211 | 773 | 8 817 | 11 814 |
| Administration and accommodation | 1 301 | 1 893 | 3 637 | 3 240 | 5 810 | 6 283 | 10 748 | 11 416 |
| Event operations | - | - | 8 385 | 9 390 | - | - | 8 385 | 9 390 |
| Depreciation expense | 86 | 135 | 189 | 184 | 235 | 219 | 510 | 538 |
| Borrowing costs | - | - | - | - | - | 1 | - | 1 |
| Net loss from the disposal of non-current assets | - | - | 16 | 8 | - | - | 16 | 8 |
| Total Expenses | 7 764 | 12 973 | 21 314 | 21 719 | 35 480 | 33 816 | 64 558 | 68 508 |
| INCOME: | | | | | | | | |
| Participation fees | 176 | 44 | 4 853 | 4 421 | 886 | 683 | 5 915 | 5 148 |
| Commission on sales | - | - | - | - | 64 | 683 | 64 | 683 |
| Entry fees and merchandise sales | 2 | 8 | 1 166 | 1 997 | 14 | 46 | 1 182 | 2 051 |
| Refunds and recoups | 98 | 2 338 | 137 | 387 | 344 | 377 | 579 | 3 102 |
| Other income | 10 | 842 | 630 | 545 | 247 | 135 | 887 | 1 522 |
| Total Income | 286 | 3 232 | 6 786 | 7 350 | 1 555 | 1 924 | 8 627 | 12 506 |
| NET COST OF PROVIDING SERVICES | 7 478 | 9 741 | 14 528 | 14 369 | 33 925 | 31 892 | 55 931 | 56 002 |
| REVENUES FROM SA GOVERNMENT | | | | | | | | |
| Revenues from SA Government | 7 544 | 9 806 | 14 354 | 13 945 | 33 732 | 32 184 | 55 630 | 55 935 |
| Total Revenues From SA Government | 7 544 | 9 806 | 14 354 | 13 945 | 33 732 | 32 184 | 55 630 | 55 935 |
| NET RESULT | 66 | 65 | (174) | (424) | (193) | 292 | (301) | (67) |
| TOTAL COMPREHENSIVE RESULT | 66 | 65 | (174) | (424) | (193) | 292 | (301) | (67) |

Expenses and income attributed to the Commission as a whole have been allocated to each of the activities on the basis of full time equivalent employees in each of the activities. A disaggregated disclosure of the Commission's assets and liabilities has not been provided as the information is not reliably available.

Notes to and forming part of the Financial Statements

1. Objectives of the South Australian Tourism Commission

Objectives

The purpose of the South Australian Tourism Commission (the Commission) established under the *South Australian Tourism Commission Act 1993* is, on behalf of the Government and people of South Australia, to work in partnership with the private sector in productively marketing South Australia's tourism product intrastate, interstate and internationally to ensure that South Australia is a compelling part of any Australian holiday.

The principal goals of the Commission are to:

- add value to the efforts of the tourism industry and other government agencies, by ensuring a coordinated approach to the promotion of South Australia which results in an increase in visitor numbers to all regions of the State thereby increasing the value of tourism to the economy and generating employment for South Australians;
- attract, develop, own and support major and strategic events that generate substantial economic and social benefits for South Australia and promote the image and profile of Adelaide and South Australia;
- ensure the development of South Australia's tourism resources in a socially responsible way with emphasis on the continued maintenance and preservation of South Australia's environmental and cultural heritage and the profitability and effective utilisation of infrastructure;
- achieve a strong corporate team and positive corporate culture that uses its resources in the most effective and efficient manner.

Financial Arrangements

The Commission's principal source of funding consists of monies appropriated by Parliament. The financial activities of the Commission are primarily conducted through a Special Deposit Account pursuant to section 21 of the *Public Finance and Audit Act 1987*.

2. Summary of Significant Accounting Policies

(a) Statement of Compliance

The Commission has prepared these financial statements in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provision of the *Public Finance and Audit Act 1987*.

The Commission has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the Commission is a not-for-profit entity.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Commission for the reporting period ending 30 June 2012. These are outlined in note 3.

(b) Basis of Preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the Commission's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes;
- accounting policies to be selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transaction or other events are reported; and
- compliance with Accounting Policy Statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*.

In the interest of public accountability and transparency the Accounting Policy Statements require the following note disclosures, which have been included in these financial statements:

- a) revenues, expenses, financial assets and liabilities where the counterparty/ transaction is with an entity within the SA Government as at the reporting date, classified according to their nature. A threshold of \$100 000 for separate identification of these items applies;
- b) expenses incurred as a result of engaging consultants (as reported in the Statement of Comprehensive Income);
- c) employee targeted voluntary separation package information;
- d) employees whose normal remuneration is equal to or greater than the base executive remuneration level (within \$10 000 bandwidths) and the aggregate of the remuneration paid or payable or otherwise made available, directly or indirectly by the Commission to those employees; and
- e) board/committee member and remuneration information, where a board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

The Commission's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets that were valued in accordance with the valuation policy applicable.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared on a twelve month period and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2012 and the comparative information presented.

(c) Reporting Entity

The Commission is a statutory authority of the State of South Australia, established pursuant to the *South Australian Tourism Commission Act 1993*.

The financial statements and accompanying notes include all the controlled activities of the Commission. Transactions and balances relating to administered resources are not recognised as Commission income, expense, assets and liabilities. As administered items are not significant in relation to the Commission's overall financial performance and position, they are disclosed in note 28. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for controlled items.

Administered Items

The Commission was responsible for the operation of the South Australian Visitor and Travel Centre (SAV&TC) until 30 June 2011, when operations were transferred to a private operator. The SAV&TC arranged bookings of tourism products such as accommodation, transfers and tours on behalf of tourism operators. The SAV&TC administered the collection of money from customers and forwarded payments to operators.

Note 28 provides the financial details of this administered arrangement for the full 2010-11 year and residual carry-over for the full 2011-12 year.

This item is not recorded in the Statement of Comprehensive Income or the Statement of Financial Position as the Commission did not have control over these funds. From 1 July 2012, the Commission terminated arrangements with the private operator and resumed control of visitor centre operations.

(d) Comparative Information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or Accounting Policy Statements have required a change.

Where presentation or classification of items in the financial statements have been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable. The restated comparative amounts do not replace the original Financial Statements for the preceding period.

(e) Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

(f) Taxation

The Commission is not subject to income tax. The Commission is liable for payroll tax, fringe benefits tax, and goods and services tax (GST).

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of an expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows 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 Australian Taxation Office is classified as part of operating cash flows.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments are disclosed on a gross basis.

(g) Events after the reporting period

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provide information and conditions that existed at 30 June.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have material impact on the results of subsequent years.

(h) Income

Income is recognised to the extent that it is probable that the flow of economic benefits to the Commission will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transactions or other event.

The notes accompanying the financial statements disclose income where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature. Transactions with SA Government entities below the threshold of \$100 000 have been included with the non-government transactions, classified according to their nature.

The following are specific recognition criteria:

Contributions received

Contributions are recognised as an asset and income when the Commission obtains control of the contributions or obtains the right to receive the contributions and the income recognition criteria are met (that is, the amount can be reliably measured and the flow of resources is probable).

Generally, the Commission has obtained control or the right to receive for:

- Contributions with unconditional stipulations - this will be when the agreement becomes enforceable, that is, the earlier of when the receiving entity has formally been advised that the contribution has been approved; agreement/contract is executed; and/or the contribution is received.
- Contributions with conditional stipulations - this will be when the enforceable stipulations specified in the agreement occur or are satisfied; that is income would be recognised for contributions received or receivable under the agreement.

All contributions received by the Commission have been contributions with unconditional stipulations attached and have been recognised as an asset and income upon receipt.

Revenues from SA Government

Appropriations for program funding are recognised as revenues when the Commission obtains control over the funding. Control over appropriations is normally obtained upon receipt.

Where money has been appropriated in the form of an equity contribution, the Treasurer has acquired a financial interest in the net assets of the Commission and the contribution is recorded as contributed equity.

Commission

Commission earned on sales through the SAV&TC is recognised at the date of ticketing. The gross sales collected on behalf of tourism operators by the SAV&TC are recorded in the schedule of administered items at note 28.

Participation fees

The Commission earns income from participants in the tourism industry through cooperative marketing schemes, sponsorship of events, subscriptions and training fees.

Other income

Other income comprises event service fees, supply commissions and sundry income.

(i) Expenses

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Commission will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The notes accompanying the financial statements disclose expenses where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature. Transactions with SA Government entities below the threshold of \$100 000 have been included with the non-government transactions, classified according to their nature.

The following are specific recognition criteria:

Employee benefits expenses

Employee benefits expenses includes all costs related to employment including salary and wages, non-monetary benefits and leave entitlements. These are recognised when incurred.

Superannuation

The amount charged to the Statement of Comprehensive Income represents the contributions made by the Commission to the superannuation plan in respect of current services of current Commission staff. The Department of Treasury and Finance centrally recognises the superannuation liability in the whole of government financial statements.

Depreciation

All non-current assets, having limited useful lives, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential.

Assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, on an annual basis.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate, which is a change in accounting estimate.

The value of leasehold improvements (fitouts) are amortised over the estimated useful life of each improvement, or the unexpired period of the relevant lease, whichever is shorter.

Depreciation is calculated on a straight line basis over the estimated useful life of the following classes of assets as follows:

| Class of asset | Useful life (years) |
|-----------------------------|----------------------------|
| General plant and equipment | 3-5 |
| Event plant and equipment | 5-10 |
| Fitouts | 5-15 |
| Pageant plant and equipment | 3-15 |

Grants and Subsidies

For contributions payable, the contribution will be recognised as a liability and expense when the entity has a present obligation to pay the contribution and the expense recognition criteria are met.

All contributions paid by the Commission have been contributions with unconditional stipulations attached.

Borrowing costs

All borrowing costs are recognised as expenses.

Net loss from the disposal of non-current assets

Net losses from the disposal of non-current assets are recognised on disposal of the asset and determined by comparing any proceeds from sale with the carrying amount.

(j) Current and Non-Current Classification

Assets and liabilities are characterised as either current or non-current in nature.

Assets and liabilities that are sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Where asset and liability line items combine amounts expected to be realised within twelve months and more than twelve months, the Commission has separately disclosed the amounts expected to be recovered or settled after more than twelve months.

(k) Assets

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Where an asset line item combines amounts expected to be recovered within twelve months and more than twelve months, the Commission has separately disclosed the amounts expected to be recovered after more than twelve months.

The notes accompanying the financial statements disclose financial assets where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature. Transactions with SA Government entities below the threshold of \$100 000 have been included with the non-government transactions, classified according to their nature.

Cash and Cash Equivalents

Cash and cash equivalents in the Statement of Financial Position includes cash at bank and on hand and in other short-term, highly liquid investments with maturities of three months or less that are readily converted to cash and which are subject to insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Cash is measured at nominal value.

Receivables

Receivables include amounts receivable from goods and services, GST input tax credits recoverable, prepayments and other accruals.

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are generally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised where there is objective evidence that the Commission will not be able to collect the debt. Bad debts are written off when identified.

Non-current assets

Acquisition and recognition

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at fair value less accumulated depreciation.

All non-current tangible assets with a value equal to or in excess of \$10 000 are capitalised. All Pageant Floats, regardless of their value, are recognised as non-current assets in the Statement of Financial Position. Pageant Floats are recorded at historic cost less accumulated depreciation.

Impairment

All non-current tangible assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

(I) Liabilities

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Where a liability line item combines amounts expected to be settled within twelve months and more than twelve months, the Commission has separately disclosed the amounts expected to be settled after more than twelve months.

The notes accompanying the financial statements disclose financial liabilities where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature. Transactions with SA Government entities below the threshold of \$100 000 have been included with the non-government transactions, classified according to their nature.

Payables

Payables include creditors, accrued expenses and employment on-costs.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the Commission.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All payables are measured at their nominal amount, are unsecured and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

Employee benefit on-costs include payroll tax, workers compensation levies and superannuation contributions in respect to outstanding liabilities for salary and wages, long service leave and annual leave.

The Commission makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at balance date relates to any contributions due but not yet paid to the South Australian Superannuation Board.

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement. The Commission has entered into operating leases.

Operating leases

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term. The straight-line basis is representative of the pattern of benefits derived from the leased assets.

Lease incentives

All incentives for the operating lease for office accommodation are recognised as an integral part of the net consideration agreed for the use of the leased accommodation. Incentives received to enter into operating leases are recognised as a liability.

The aggregate benefits of lease incentives received by the Commission in respect of operating leases have been recorded as a reduction of rental expense over the lease term, on a straight line basis.

The lease incentive received is in the form of leasehold improvements, and as such is capitalised as an asset and depreciated over the remaining term of the lease.

Employee Benefits

These benefits accrue for employees as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Wages, salaries, annual leave and sick leave

The liability for salary and wages are measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability is expected to be payable within twelve months and is measured at the undiscounted amount expected to be paid. In the unusual event where salary and wages and annual leave are payable later than twelve months, the liability will be measured at present value.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

An actuarial assessment of long service leave liability undertaken by the Department of Treasury and Finance based on a significant sample of employees throughout the South Australian public sector determined that the liability measured using a short hand method was not materially different from the liability measured using a present value of expected future payments.

Based on this actuarial assessment, the short hand method was used to measure the long service leave liability for 2012. Refer to Note 20.

This calculation is consistent with the Commission's experience of employee retention and leave taken.

Provisions

Provisions are recognised when the Commission has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Commission expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. If the effect of the time value of money is material, provisions are discounted for the time value of money and the risks specific to the liability.

The workers compensation provision is an actuarial estimate of the outstanding liability as at 30 June 2012 provided by a consulting actuary engaged by the Public Sector Workforce Relations division of the Department of the Premier and Cabinet. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

The Commission is responsible for the payment of workers compensation claims.

(m) Unrecognised contractual commitments and contingent assets and liabilities

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources are disclosed at their nominal value.

Contingent assets and liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of note and, if quantifiable, are measured at nominal value.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

(n) Foreign Currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Associated currency gains and losses, where material, are disclosed separately in note 8 and note 11 to the Statement of Comprehensive Income.

3. New and Revised Accounting Standards and Policies

The Commission did not voluntarily change any of its accounting policies during 2011-12. Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Commission for the period ending 30 June 2012. The Commission has assessed the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial statements of the Commission.

4. Activities of the Commission

In achieving its objective, the Commission provides a range of services classified into the following activities:

Activity 1: Destination Development

To develop a more appealing and accessible South Australia of tomorrow.

Activity 2: Tourism Events

To promote South Australia and tourism to South Australia through attracting, managing, developing and sponsoring major events in South Australia.

Activity 3: Tourism Marketing

To communicate a more appealing South Australia of today to get more people to holiday in South Australia.

The disaggregated disclosures schedule presents expenses and income information attributable to each of the activities for the years ended 30 June 2011 and 30 June 2012. Expenses and income attributed to the Commission as a whole have been allocated to each of the activities on the basis of full time equivalent employees in each of the activities. A disaggregated disclosure of the Commission's assets and liabilities has not been provided as the information is not reliably available.

5 Employee Benefits Expenses

| | 2012 | 2011 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Salaries and wages | 8 660 | 9 824 |
| TVSPs (refer below) | 824 | 257 |
| Long service leave | 530 | 253 |
| Annual Leave | 673 | 750 |
| Employment on-costs – superannuation | 827 | 995 |
| Employment on-costs – other | 541 | 588 |
| Board fees | 159 | 168 |
| Other employee related expenses | - | 1 |
| Total employee benefits expenses | 12 214 | 12 836 |
| TARGETED VOLUNTARY SEPARATION PACKAGES (TVSPs) | | |
| Amount paid during the reporting period to separated employees: | \$'000 | \$'000 |
| TVSPs | 824 | 257 |
| Annual leave and long service leave paid to those employees | 225 | 59 |
| Recovery from the Department of Treasury and Finance | 725 | 257 |
| Net cost to the Commission | 324 | 59 |

Number of employees who received a TVSP during the period was 14 (6).

REMUNERATION OF EMPLOYEES

| The number of employees whose remuneration received or receivable falls within the following bands | Number | Number |
|--|----------|----------|
| \$134 000 - \$143 999* | - | 1 |
| \$154 000 - \$163 999* | - | 3 |
| \$164 000 - \$173 999 | 1 | 1 |
| \$174 000 - \$183 999 | 2 | - |
| \$184 000 - \$193 999 | 1 | - |
| \$204 000 - \$213 999 | - | 1 |
| \$244 000 - \$253 999 | 1 | - |
| \$304 000 - \$313 999 | - | 1 |
| \$424 000 - \$433 999 | 1 | - |
| Total number of employees | 6 | 7 |

*These bands have been included for the purposes of reporting comparative figures based on the executive level remuneration rate for 2010-11.

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment and includes salary and wages, termination payments, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received by these employees for the year was \$1 391 000 (\$1 304 000).

6 Advertising and Promotion

| | 2012 | 2011 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Advertising and promotion paid/payable to entities external to the SA Government: | | |
| Consumer advertising | 9 666 | 10 352 |
| Cooperative consumer marketing | 4 625 | 3 840 |
| Familiarisations | 1 962 | 1 691 |
| Other consumer marketing | 245 | 371 |
| Production | 3 170 | 1 770 |
| Marketing research | 931 | 1 071 |
| Trade marketing | 874 | 841 |
| Other advertising and promotion | 2 395 | 2 569 |
| Total advertising and promotion - non SA Government entities | 23 868 | 22 505 |

| 7 Industry Assistance | | |
|--|---------------|---------------|
| | 2012 | 2011 |
| Industry assistance paid/payable to entities external to the SA Government: | \$'000 | \$'000 |
| Sponsorship of events | 4 164 | 4 779 |
| Tourism infrastructure grants | 1 391 | 2 390 |
| Tourism marketing boards/information centre grants | 100 | 2 306 |
| Marketing/industry support | 2 304 | 1 811 |
| Trade show subsidies/membership of tourism industry bodies | 64 | 74 |
| Total industry assistance - non SA Government entities | 8 023 | 11 360 |
| Industry assistance paid/payable to entities within the SA Government: | | |
| Sponsorship of events | 285 | 396 |
| Marketing support | 150 | - |
| Tourism infrastructure grants | 359 | 58 |
| Total industry assistance - SA Government entities | 794 | 454 |
| Total industry assistance | 8 817 | 11 814 |

| 8 Administration and Accommodation | | |
|---|---------------|---------------|
| | 2012 | 2011 |
| Administration and accommodation paid/payable to entities external to the SA Government: | \$'000 | \$'000 |
| Communication and computing | 1 834 | 2 068 |
| Stationery, postage, couriers and freight | 167 | 163 |
| Contractors and consultants | 3 334 | 2 982 |
| Taxis, hire cars and car parking | 221 | 211 |
| Domestic and international travel | 842 | 928 |
| Seminars, courses and training | 204 | 166 |
| Accommodation and service costs | 936 | 945 |
| Bad debts and allowances for doubtful debts | 44 | 5 |
| Loss on foreign exchange | 140 | 418 |
| Other | 985 | 996 |
| Total administration and accommodation - non SA Government entities | 8 707 | 8 882 |
| Administration and accommodation paid/payable to entities within the SA Government: | | |
| Accommodation and service costs | 1 016 | 1 392 |
| Motor vehicle | 336 | 409 |
| Computer processing | 61 | 106 |
| Insurance | 169 | 163 |
| Audit, legal and other fees | 459 | 464 |
| Total administration and accommodation - SA Government entities | 2 041 | 2 534 |
| Total administration and accommodation | 10 748 | 11 416 |

| Consultants | 2012 | | 2011 | |
|---|----------|-----------|----------|-----------|
| | No. | \$'000 | No. | \$'000 |
| The number and dollar amount of consultancies paid/payable (included in administration and accommodation) that fell within the following bands: | | | | |
| Below \$10 000 | 2 | 6 | 2 | 11 |
| \$10 000 to \$50 000 | 1 | 28 | - | - |
| Total paid/payable to the consultants engaged | 3 | 34 | 2 | 11 |

9 Depreciation Expense

| | 2012 | 2011 |
|-----------------------------------|------------|------------|
| | \$'000 | \$'000 |
| Depreciation expense | | |
| General plant and equipment | 107 | 129 |
| Event plant and equipment | 22 | 23 |
| Fitouts | 278 | 277 |
| Pageant plant and equipment | 103 | 109 |
| Total depreciation expense | 510 | 538 |

10 Participation Fees

| | 2012 | 2011 |
|--|--------------|--------------|
| | \$'000 | \$'000 |
| Participation fees received/receivable from entities external to the SA Government: | | |
| Cooperative marketing/advertising | 778 | 568 |
| Sponsorship revenue | 3 654 | 3 625 |
| Trade/consumer show participation/workshops/training | 257 | 104 |
| Inkind revenue | 1 100 | 632 |
| Total participation fees - non SA Government entities | 5 789 | 4 929 |
| Participation fees received/receivable from entities within the SA Government: | | |
| Sponsorship and participation fees | 126 | 219 |
| Total participation fees - SA Government entities | 126 | 219 |
| Total participation fees | 5 915 | 5 148 |

11 Other Income

| | 2012 | 2011 |
|--|------------|--------------|
| | \$'000 | \$'000 |
| Other income received/receivable from entities external to the SA Government: | | |
| Service fees | 8 | 12 |
| Supply commissions | 211 | 213 |
| Gain of foreign exchange | 34 | - |
| Sundry income | 634 | 497 |
| Total other income - non SA Government entities | 887 | 722 |
| Other income received/receivable from entities within the SA Government: | | |
| Other Grants | - | 800 |
| Total other income - SA Government entities | - | 800 |
| Total other income | 887 | 1 522 |

12 Net Loss from the Disposal of Non Current Assets

| | 2012 | 2011 |
|---|-----------|----------|
| | \$'000 | \$'000 |
| Plant and equipment | | |
| Proceeds from disposal | - | 2 |
| Net book value of assets disposed | (16) | (10) |
| Total net loss from the disposal of non current assets | 16 | 8 |

| 13 Revenues from SA Government | | |
|---|---------------|---------------|
| | 2012 | 2011 |
| | \$'000 | \$'000 |
| Revenues from SA Government | \$'000 | \$'000 |
| Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i> | 55 630 | 55 935 |
| Total revenues from SA Government | 55 630 | 55 935 |

| 14 Cash and Cash Equivalents | | |
|--|--------------|--------------|
| | 2012 | 2011 |
| | \$'000 | \$'000 |
| Cash on hand | 4 | 8 |
| Cash at bank | 3 259 | 2 787 |
| Total cash and cash equivalents | 3 263 | 2 795 |

Interest Rate Risk

Cash on hand and at bank is non-interest bearing. The carrying amount of cash and cash equivalents represents fair value.

| 15 Receivables | | |
|--|---------------|---------------|
| | 2012 | 2011 |
| | \$'000 | \$'000 |
| Current: | \$'000 | \$'000 |
| Receivables | 994 | 1 105 |
| Allowance for doubtful debts | (44) | (5) |
| | 950 | 1 100 |
| GST input tax recoverable | 486 | 558 |
| Prepaid salaries and wages | - | 31 |
| Accrued revenue | 49 | 179 |
| Prepayments | 79 | 45 |
| Total receivables | 1 564 | 1 913 |
| Receivables from SA Government entities: | | |
| Receivables | - | 150 |
| Total receivables from SA Government entities | - | 150 |

The total receivables figure does not include non-current receivables as the Commission does not have any receivables that meet the definition of non-current. Any non-current receivables would be disclosed in this note.

Movement in the Allowance for Doubtful Debts

The allowance for doubtful debts (allowance for impairment loss) is recognised when there is objective evidence (that is, calculated on past experience and current and expected changes in client credit rating) that a receivable is impaired. An allowance for impairment loss has been recognised under 'administration and accommodation' in the Statement of Comprehensive Income for specific debtors.

| | 2012 | 2011 |
|-----------------------------------|-----------|----------|
| | \$'000 | \$'000 |
| Carrying amount at 1 July | 5 | 2 |
| Increase in the allowance | 43 | 5 |
| Amounts written off | (4) | (2) |
| Carrying amount at 30 June | 44 | 5 |

Interest Rate and Credit Risk

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Receivables, prepayments and accrued revenues are non-interest bearing.

Other than as recognised in the allowance for doubtful debts, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

(a) Maturity analysis of receivables – please refer to note 27.

(b) Categorisation of financial instruments and risk exposure information – please refer to note 27.

16 Plant and Equipment

| | 2012 | 2011 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| Plant and equipment at cost (deemed fair value) | 5 167 | 5 452 |
| Accumulated depreciation at the end of the period | 2 509 | 2 431 |
| Total plant and equipment | 2 658 | 3 021 |

Carrying Amount of Plant and Equipment

Plant and equipment includes \$478 000 (\$710 000) of fully depreciated plant and equipment still in use.

Impairment

There were no indications of impairment of plant and equipment at 30 June 2012.

Reconciliation of Non-Current Assets

The following table shows the movement of non-current assets during 2011-12.

| 2011-12 | General Plant & Equipment | Events Plant & Equipment | Fitouts | Pageant Plant & Equipment | Total |
|-----------------------------------|---------------------------|--------------------------|--------------|---------------------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Carrying amount at 1 July | 338 | 91 | 1 919 | 673 | 3 021 |
| Additions | - | - | - | 163 | 163 |
| Disposals | - | - | - | (16) | (16) |
| Depreciation | (107) | (22) | (278) | (103) | (510) |
| Carrying amount at 30 June | 231 | 69 | 1 641 | 717 | 2 658 |

The following table shows the movement of non-current assets during 2010-11.

| 2010-11 | General Plant & Equipment | Events Plant & Equipment | Fitouts | Pageant Plant & Equipment | Total |
|-----------------------------------|---------------------------|--------------------------|--------------|---------------------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Carrying amount at 1 July | 429 | 114 | 2 196 | 647 | 3 386 |
| Additions | 38 | - | - | 145 | 183 |
| Disposals | - | - | - | (10) | (10) |
| Depreciation | (129) | (23) | (277) | (109) | (538) |
| Carrying amount at 30 June | 338 | 91 | 1 919 | 673 | 3 021 |

17 Investments

The Australian Tourism Data Warehouse (ATDW) is a joint project of all state and territory tourism authorities working with Tourism Australia (TA) to present and market Australian tourism products to the world through TA's website. Operators listed on the ATDW have their details uploaded onto a consumer website offering worldwide exposure. The Commission's shareholding of 400 000 D Class shares in ATDW does not give the Commission controlling interest in ATDW.

| 18 Payables | | |
|---|---------------|--------|
| | 2012 | 2011 |
| | \$'000 | \$'000 |
| Current: | | |
| Creditors | 2 781 | 1 980 |
| Accrued expenses | 1 302 | 2 040 |
| Employment on-costs | 212 | 228 |
| Total current payables | 4 295 | 4 248 |
| Non-Current: | | |
| Employment on-costs | 117 | 100 |
| Total non-current payables | 117 | 100 |
| Total payables | 4 412 | 4 348 |
| Payables to SA Government entities: | | |
| Creditors | 3 | 18 |
| Accrued expenses | 680 | 194 |
| Employment on-costs | 328 | 328 |
| Total payables to SA Government entities | 1 011 | 540 |

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the percentage of the proportion of long service leave taken as leave has changed from the 2011 rate (35%) to 40% and the average factor for the calculation of employer superannuation cost on-cost has remained at the 2011 rate (10.3%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of \$8 000. The estimated impact on 2013 and 2014 is \$9 000 and \$9 000 respectively.

Interest Rate and Credit Risk

Creditors and accruals are raised for amounts billed but unpaid. Sundry creditors are normally settled within 30 days. Employment on-costs are settled when the respective employee benefit that they relate to is discharged. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

(a) Maturity analysis of payables – please refer to note 27.

(b) Categorisation of financial instruments and risk exposure information – please refer to note 27.

| 19 Other Liabilities | | |
|--|---------------|--------|
| | 2012 | 2011 |
| | \$'000 | \$'000 |
| Current: | | |
| Lease incentive | 154 | 154 |
| Unclaimed monies | 3 | 3 |
| Unearned revenue | 11 | 28 |
| Total current other liabilities | 168 | 185 |
| Non-Current: | | |
| Lease incentive | 784 | 938 |
| Total non-current other liabilities | 784 | 938 |
| Total other liabilities | 952 | 1 123 |

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of a default.

| 20 Employee Benefits | | |
|--|---------------|--------|
| | 2012 | 2011 |
| | \$'000 | \$'000 |
| Current: | | |
| Annual leave | 714 | 794 |
| Long service leave | 307 | 254 |
| Accrued salaries and wages | 93 | 90 |
| Total current employee benefits | 1 114 | 1 138 |
| Non-Current: | | |
| Long service leave | 1 265 | 1 151 |
| Total non-current employee benefits | 1 265 | 1 151 |
| Total employee benefits | 2 379 | 2 289 |

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability. It is accepted practice to estimate the present values of future cashflows associated with the long service leave liability by using a shorthand measurement technique. The shorthand measurement technique takes into account such factors as changes in discount rates and salary inflation.

AASB 119 requires the use of the yield on long term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government bonds has decreased from 5.25% (2011) to 3.0% (2012).

This significant decrease in the bond yield, which is used as the rate to discount future long service leave cash flows, results in a significant increase in the reported long service leave liability.

The net financial effect of the changes in the current financial year is an increase in the long service leave liability of \$344 000 and employee benefit expense of \$376 000. The impact on future periods is impracticable to estimate as the benchmark is calculated using a number of assumptions – a key assumption is the long-term discount rate. With current conditions, the long-term discount rate is experiencing significant movement.

The actuarial assessment performed by the Department of Treasury and Finance left the salary inflation rate at 4%. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

21 Provisions

| | 2012 | 2011 |
|--|-----------|----------|
| | \$'000 | \$'000 |
| Current: | | |
| Provisions for workers compensation | 16 | - |
| Total current provisions | 16 | - |
| Non-Current: | | |
| Provisions for workers compensation | 58 | - |
| Total non-current provisions | 58 | - |
| Total provisions | 74 | - |
| Carrying amount at 1 July | - | - |
| Additional provisions recognised | 171 | - |
| Reductions arising from payments/other sacrifice of future economic benefits | (5) | - |
| Reductions resulting from re-measurement or settlement without cost | (92) | - |
| Carrying amount at 30 June | 74 | - |

A liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment performed by the Public Sector Workforce Relations Division of the Department of the Premier and Cabinet.

22 Equity

| | 2012 | 2011 |
|---------------------|-----------|------------|
| | \$'000 | \$'000 |
| Contributed capital | 64 | 64 |
| Retained earnings | 4 | 305 |
| Total equity | 68 | 369 |

23 Unrecognised Contractual Commitments

| | 2012 | 2011 |
|--|--------------|---------------|
| | \$'000 | \$'000 |
| (a) Operating Lease Commitments | | |
| Commitments in relation to operating leases contracted for at the reporting date but not recognised as liabilities are payable as follows: | | |
| Within one year | 1 553 | 1 515 |
| Later than one year but not longer than five years | 6 419 | 6 359 |
| Later than five years | 1 611 | 3 161 |
| Total operating lease commitments | 9 583 | 11 035 |

The Commission's operating leases are for office accommodation and warehousing. These commitments have been calculated at rates specified in the lease agreements. The leases are non-cancellable with terms ranging up to 11 years with some leases having the right of renewal. Rent is payable monthly in advance.

| | 2012 | 2011 |
|--|---------------|---------------|
| (b) Other Commitments | \$'000 | \$'000 |
| Within one year | 9 629 | 11 868 |
| Later than one year but not longer than five years | 9 889 | 10 290 |
| Later than five years | 2 500 | 385 |
| Total other commitments | 22 018 | 22 543 |

The Commission's other commitments are for agreements for international marketing representation fees, tourism development projects, event sponsorship and other cooperative and service contracts. There are no purchase options available to the Commission.

(c) Remuneration Commitments

Commitments for the payment of salaries and other remuneration under fixed term employment contracts in existence at the reporting date but not recognised as liabilities are payable as follows:

| | | |
|--|--------------|--------------|
| Within one year | 5 317 | 2 409 |
| Later than one year but not longer than five years | 3 387 | 2 910 |
| Total remuneration commitments | 8 704 | 5 319 |

Amounts disclosed include commitments arising from the executive and other service contracts. The Commission does not offer fixed-term employment contracts greater than five years.

24 Auditors' Remuneration

| | 2012 | 2011 |
|---|------|------|
| Audit fees paid/payable to the Auditor-General's Department relating to the audit of financial statements | 109 | 92 |

No other services were provided by the Auditor-General's Department.

25 Remuneration of Board Members

Members of the Board during the 2011-12 financial year were:

South Australian Tourism Commission Board

| | | |
|-----------|---------------------------------|------------------------------------|
| J Jeffrey | L Tuit | M Abbott (until 30 September 2011) |
| I Horne | B Hayes (from 1 October 2011) | J Ellison (until 31 March 2012) |
| K Lloyd | J Irving (from 1 October 2011) | R Foord (until 27 July 2011) |
| M Tilley | J Turbill (from 1 October 2011) | K Lehman (until 30 September 2011) |

| | 2012 | 2011 |
|---|------------|------------|
| The number of members whose total remuneration received or receivable falls within the following bands | No. | No. |
| \$0 - \$9 999 | 3 | 1 |
| \$10 000 - \$19 999 | 6 | 5 |
| \$20 000 - \$29 999 | 3 | 3 |
| \$30 000 - \$39 999 | - | 1 |
| Total number of members | 12 | 10 |

Remuneration of members reflects all costs of performing board member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and any fringe benefits tax paid or payable in respect of those benefits. Total remuneration received or receivable by members was \$180 000 (\$191 000). Amounts paid to a superannuation plan for board members was \$14 000 (\$19 000).

Where government employees received remuneration for board duties during the financial year, this was in accordance with terms and conditions determined by the Governor under section 8(3) of the *South Australian Tourism Commission Act 1993*, and approved by Cabinet and the Governor in Executive Council.

Unless otherwise disclosed, transactions between members and the Commission are on conditions no more favourable than those that it is reasonable to expect the Commission would have adopted if dealing with the related party at arm's length in the same circumstances.

26 Cash Flow Reconciliation

| | 2012 | 2011 |
|---|-----------------|-----------------|
| Reconciliation of cash and cash equivalents at 30 June: | \$'000 | \$'000 |
| Cash and cash equivalents disclosed in the Statement of Financial Position | 3 263 | 2 795 |
| Balance as per the Statement of Cash Flows | 3 263 | 2 795 |
| Reconciliation of net cash provided by/(used in) operating activities to net cost of providing services: | | |
| Net cash provided by/(used in) operating activities | 631 | (771) |
| Revenues from SA Government | (55 630) | (55 935) |
| Non cash items | | |
| Depreciation expense | (510) | (538) |
| Net loss from disposal of non-current assets | (16) | (8) |
| Movement in assets and liabilities | | |
| (Decrease) in receivables | (318) | (111) |
| (Increase)/decrease in employee benefits | (121) | 305 |
| (Increase) in provisions | (74) | - |
| Decrease in other liabilities | 171 | 149 |
| (Increase)/decrease in payables | (64) | 907 |
| Net cost of providing services | (55 931) | (56 002) |

27 Financial Instruments/Financial Risk Management

Table 27.1 Categorisation of Financial Instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial assets, financial liability and equity instrument are disclosed in note 2.

| Category of financial asset and financial liabilities | Statement of Financial Position line item | Note | Carrying Amount | |
|---|---|------|-----------------|----------------|
| | | | 2012 \$'000 | 2011 \$'000 |
| Financial Assets | | | | |
| Cash and cash equivalents | Cash and cash equivalents | 14 | 3 263 | 2 795 |
| Loans and receivables | Receivables ⁽¹⁾⁽²⁾ | 15 | 1 043 | 1 134 |
| Held to maturity investments | Shares | 17 | 400 | 400 |
| Total financial assets | | | 4 706 | 4 329 |
| Financial Liabilities | | | | |
| Financial liabilities at cost | Payables ⁽¹⁾ | 18 | 3 347 | 3 751 |
| | Other current liabilities | 19 | 168 | 185 |
| Total financial liabilities | | | 3 515 | 3 936 |

(1) Receivables and payables amounts disclosed above exclude amounts relating to statutory receivables and payables. In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levy receivables/payables, tax equivalents, commonwealth tax, audit receivables/payables etc they are excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

(2) Receivables amount disclosed here excludes prepayments. Prepayments are presented in note 15 as trade and other receivables in accordance with paragraph 78(b) of AASB 101. However, prepayments are not financial assets as defined in AASB 132 as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

Fair Value

The Commission does not recognise any financial assets or financial liabilities at fair value (refer to notes 2, 14, 15, 17, 18, 19 and 26).

Credit Risk

Credit risk arises when there is the possibility of the Commission's debtors defaulting on their contractual obligations resulting in financial loss to the Commission. The Commission measures credit risk on a fair value basis and monitors risk on a regular basis. The Commission has minimal concentration of credit risk. The Commission has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. The Commission does not engage in high risk hedging for its financial assets.

Allowances for impairment of financial assets are calculated on past experience and current and expected changes in client credit rating. Currently the Commission does not hold collateral as security for any of its financial assets. Other than receivables, there is no evidence to indicate that the financial assets are impaired. Refer to note 15 for information on the allowance for impairment in relation to receivables.

The following table discloses the ageing of financial assets past due, including impaired assets past due.

| Table 27.2 Ageing Analysis of Financial Assets | | | | |
|---|------------------------------------|-------------------------------------|------------------------------------|---------------|
| 2012 | Past Due By <30 days | Past Due By 30 – 60 days | Past Due By >60 days | Total |
| Not Impaired | \$'000 | \$'000 | \$'000 | \$'000 |
| Receivables ⁽¹⁾ | 196 | 85 | 119 | 400 |
| Impaired | | | | |
| Receivables | - | - | 44 | 44 |
| 2011 | | | | |
| Not Impaired | | | | |
| Receivables ⁽¹⁾ | 182 | 2 | 104 | 288 |
| Impaired | | | | |
| Receivables | - | - | 5 | 5 |

(1) Receivable amounts disclosed here exclude amounts relating to statutory receivables. In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levy receivables/payables, tax equivalents, commonwealth tax, audit receivables/payables etc they are excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost.

Maturity Analysis of Financial Assets and Financial Liabilities

The Commission has assessed the maturity of its financial assets and financial liabilities as being less than one year, with the exception of shares which have been assessed as having a maturity of greater than five years.

Liquidity Risk

Liquidity risk arises where the Commission is unable to meet its financial obligations as they are due to be settled. The Commission is funded principally from appropriation by the SA Government. The Commission works with the Department of Treasury and Finance to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows. The Commission settles undisputed accounts within 30 days from the date of the invoice or date the invoice is first received. In the event of a dispute, payment is made 30 days from resolution.

The Commission's exposure to liquidity risk is insignificant based on past experience and current assessment of risk. The carrying amount of financial liabilities recorded in table 27.1 represents the Commission's maximum exposure to financial liabilities.

Market Risk

The Commission does not engage in high risk hedging for its financial assets. The hedges in 2011-12 were for the payment of representation fees and marketing activity in overseas offices. In 2011-12 the Commission had 13 (16) cashflow hedging contracts mature totalling \$4 734 000 (\$5 841 000). As at 30 June 2012 the Commission had in place 26 (23) hedging contracts to manage exchange risk for 2012-13 totalling \$4 703 000 (\$4 821 000). As with all hedges there are financial risks. Cashflows from hedges in 2011-12 are included in the Statement of Comprehensive Income, and where material are shown separately as losses in note 8 and as gains in note 11.

Sensitivity Disclosure Analysis

A sensitivity analysis has not been undertaken for the interest rate risk of the Commission as it has been determined that the possible impact on total comprehensive result or total equity from fluctuations in interest rates is immaterial.

Credit Standby Arrangements

The Commission has a \$283 000 (\$283 000) credit card facility with the ANZ Bank. The unused portion of this facility as at 30 June 2012 was \$230 000 (\$219 000).

| 28 Disclosure of Administered Items | | |
|--|---------------|---------------|
| SA Visitor and Travel Centre | 2012 | 2011 |
| | \$'000 | \$'000 |
| ADMINISTERED EXPENSES: | | |
| Commissions paid | 61 | 662 |
| Expenditure to Tourism Operators | 400 | 4 282 |
| Total Administered Expenses | 461 | 4 944 |
| ADMINISTERED INCOME: | | |
| Gross Sales Revenue | 461 | 4 944 |
| Total Administered Income | 461 | 4 944 |
| ADMINISTERED ASSETS: | | |
| Cash and cash equivalents | 441 | 1 563 |
| Total Administered Assets | 441 | 1 563 |
| ADMINISTERED LIABILITIES: | | |
| Payables | 437 | 1 526 |
| Commissions Payable | 4 | 34 |
| GST Payable | - | 3 |
| Total Administered Liabilities | 441 | 1 563 |

Independent Audit REPORT



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Auditor-General's Department

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To the Chair South Australian Tourism Commission

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 23(3) of the *South Australian Tourism Commission Act 1993*, I have audited the accompanying financial report of the South Australian Tourism Commission for the financial year ended 30 June 2012. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2012
- a Statement of Financial Position as at 30 June 2012
- a Statement of Changes in Equity for the year ended 30 June 2012
- a Statement of Cash Flows for the year ended 30 June 2012
- Disaggregated Disclosures - Expenses and Income for the year ended 30 June 2012
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Chief Executive and Chair and the Chief Financial Officer.

Directors of the Board's Responsibility for the Financial Report

The directors of the board responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the directors of the board determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors of the board, as well as the overall presentation of the financial report.

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

Opinion

In my opinion, the financial report gives a true and fair view of the financial position of the South Australian Tourism Commission as at 30 June 2012, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

S O'Neill
AUDITOR-GENERAL
17 September 2012

South Australian Tourism Commission Certification of the FINANCIAL STATEMENTS

We certify that the attached general purpose financial statements for the South Australian Tourism Commission (the Commission):

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the Commission; and
- present a true and fair view of the financial position of the Commission as at 30 June 2012 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the Commission for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.

Signed in accordance with a resolution of the board members.



J. Jeffreys
Chief Executive and Chair
South Australian Tourism Commission

3/9/2012



S. Cheese
Chief Financial Officer
South Australian Tourism Commission

3/9/2012

APPENDICES

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- 46 BOARD ATTENDANCE
- 47 FREEDOM OF INFORMATION STATEMENT
- 48 OVERSEAS TRAVEL
- 49 USE OF CONSULTANTS
- 49 CONTRACTING OUT ARRANGEMENTS
- 49 ACCOUNTS PAYABLE PERFORMANCE

2011-12 Performance Agreement

Between the South Australian Tourism Commission and the Minister for Tourism.

KEY PERFORMANCE INDICATORS

The Board will monitor the strategic direction and will focus its deliberations on the following key performance indicators and targets:

- Grow total tourism expenditure in SA to \$6.3 billion by 2014, which requires a milestone of \$5.55 billion by 2011-12.
- Grow the number of target audience predisposed to SA to 25% by 2014, which requires a milestone of 18% by 2011-12.
- Get 725,000 domestic target visitors to holiday in SA by 2014, which requires a milestone of 600,000 by 2011-12.
- Grow international tourism expenditure in SA to \$650 million by 2014, which requires a milestone of \$498 million in 2011-12.
- Grow airline seat capacity to 100,000 domestic seats and 10,000 international seats by 2014, which requires a milestone of 87,500 domestic seats and 7,950 international seats by 2011-12.
- Increase the economic value of events to \$340 million by 2014, which requires a milestone of \$290 million in 2011-12.

PERFORMANCE OBJECTIVES

GOAL 1

Communicate a More Appealing SA of Today by:

- Investing in strategic domestic campaigns to grow visitation and expenditure.
- Launching a new southaustralia.com that is an outstanding home for SA tourism experiences and delivers an improved booking and conversion facility.
- Increase the online distribution of South Australian tourism experiences by supporting industry and making online booking a cornerstone of SATC campaigns
- Internationally, position Kangaroo Island as Australia's 4th icon.
- Create demand for a South Australian holiday in China

- Increasing the extent of SA tourism experiences in international programs.
- Attracting visitors through new and existing events with greater marketing and event packaging.

GOAL 2

Get More Planes to Land - Grow domestic and international seat capacity by:

- Continuing to strengthen relationships with existing carriers to encourage increased growth of seats.
- Targeting and encouraging the introduction of new carriers and new routes.
- Working in partnership to develop key regional air gateways that will facilitate access to significant holiday experiences.

GOAL 3

Develop a More Appealing SA of Tomorrow - create new events, experiences and infrastructure by:

- Negotiating with relevant government agencies to create a positive sustainable policy framework for tourism and work to reduce planning barriers.
- Continuing to work with key operators and grow SA's current stock of outstanding tourism products and repackage into more appealing holiday experiences.
- Proactively working with investors to bring new and refreshed tourism product and infrastructure to the market.
- Ensuring events act as a vehicle to profile South Australia nationally and internationally with media coverage.
- Growing Regional tourism by focusing on real projects that develop regional destinations
- Be a leader of the South Australian events industry: in the attraction and growth of events, in their promotion, and in increasing the industry's capability to attract and manage events.

GOAL 4

A strategically focused organisation with a culture, capability and capacity to perform at its best by:

- Monitoring implementation of the South Australian Tourism Plan 2009-2014.
- Be consumer-led, focused on developing and marketing the best holiday experiences that will attract High Yield Visitors to South Australia.
- Establishing and constantly reviewing investment in international, domestic and regional markets to ensure the best value for our time and effort.
- Ensuring financial controls are in place in accordance with appropriate standards and legislation.
- Reviewing the Chief Executive's performance.
- Applying sound Board governance principles.
- Undertaking annual Board strategic planning.
- Creating a performance-based culture and encouraging talent development with a focus on leadership and emerging business needs.

SIGNATURES

We the undersigned do hereby agree to the outcomes outlined in the 2011-12 Performance Agreement between the South Australian Tourism Commission Board and the Minister for Tourism.

Signed: 

Dated: 18 October 2011

Hon. John Rau M.P.

MINISTER FOR TOURISM

Signed: 

Dated: 20 October 2011

Jane Jeffreys CHAIR

on behalf of the SOUTH AUSTRALIAN
TOURISM COMMISSION BOARD

Board Attendance

| Board Attendance | | | | | | | | | | | | | |
|---------------------------------------|---------|---------|---------|---------|---------|--------|------------------|--------|--------|---------|--------|---------|---------|
| SATC Board Meeting | Jul-11* | Aug-11 | Sep-11 | Oct-11 | Nov-11 | Dec-11 | Jan-12 | Feb-12 | Mar-12 | Apr-12 | May-12 | Jun-12 | |
| J Jeffreys | | | | | | | NO BOARD MEETING | | | | | | |
| L Tuit | | | Apology | | | | | | | | | | |
| J Ellison***** | Apology | Apology | | | Apology | | | | | | | | |
| I Horne | | Apology | | | | | | | | | | | |
| M Tilley | Apology | | | Apology | | | | | | Apology | | | |
| M Abbott AO QC** | | | | | | | | | | | | | |
| K Lehman*** | | | Apology | | | | | | | | | | |
| K Lloyd | | | Apology | | | | | | | | | | |
| J Turbill (term commenced 1 Oct 2011) | | | | | | | | | | | | | Apology |
| B Hayes (term commenced 1 Oct 2011) | | | | | | | | | | Apology | | Apology | |
| J Irving (term commenced 1 Oct 2011) | | | | | | | | | | | | | |
| I Darbyshire – Chief Executive**** | | | | | | | | | # | | | | |

*R Foord resigned effective from 27 July 2011

** M Abbott QC resigned effective 30 Sep 2011

*** K Lehman appointment finished on 30 Sep 2011

**** I Darbyshire appointment finished 1 March 2012

***** J Ellison resigned effective from 31 March 2012

Not required at meeting

Freedom of Information Statement

FREEDOM OF INFORMATION ACT 1991 INFORMATION STATEMENT

Section 9(2)(a) – Structure and Functions

In July 1993, the South Australian Tourism Commission was established by the Government of South Australia as a body corporate, pursuant to the South Australian Tourism Commission Act 1993. A board appointed by the Minister for Tourism administers the Act.

The principal goals of the South Australian Tourism Commission are to:

- ensure a co-ordinated approach to the promotion of South Australia, nationally and internationally, which results in an increase in visitor numbers to all regions of the state, thereby increasing the value of tourism to the economy and generating employment for South Australians
- attract, develop, support and manage major and strategic events that generate substantial economic and social benefits for South Australia and promote the image and profile of Adelaide and South Australia
- ensure the development of South Australia's tourism resources in a socially responsible way with emphasis on the continued maintenance and preservation of South Australia's environmental and cultural heritage and the profitability and effective utilisation of infrastructure
- achieve a strong corporate team and positive corporate culture that uses its resources in the most effective and efficient manner.

Section 9(2)(b) – Summary function

The purpose of the South Australian Tourism Commission is, on behalf of the State Government, to work in partnership with the tourism industry and other stakeholders in marketing South Australia, nationally and internationally, as a world-class tourist and event destination.

Section 9(2)(c) – Public participation in agency policy development

The success of marketing South Australia as a premier tourist destination requires input from the tourism industry and stakeholders. The South Australian Tourism Commission welcomes feedback and comments on agency policy development through inviting various local government, tourism industry and community organisations to open forums and discussion groups held on formal and informal consultations.

Section 9(2)(d) – Documents held

- SATC Annual Report
- South Australian Tourism Plan 2009-2014
- Various research and policy papers
- Road Sign Guidelines
- Design Guidelines for Sustainable Tourism Development
- Tourism Development Fund Guidelines
- Occupational Health, Safety and Welfare Policy
- Various marketing and event brochures
- Regional Events and Festivals Program and Community Events Development Fund Application

Section 9(2)(e) and (f) – Access to documents

Requests under the FOI Act for access to documents in the possession of the South Australian Tourism Commission should be accompanied by a \$30.50 application fee (cheque or money order) and directed in writing to:

The FOI Officer South Australian Tourism Commission GPO Box 1972 ADELAIDE SA 5001

After the first two hours spent by the Agency in dealing with the application and giving access, an additional fee of \$11.40 per 15 minutes applies and a deposit may be required. Where access is to be given in the form of a photocopy of the document (per page), a fee of 20 cents applies. Further fees may also apply, depending on the complexity of the application.

If the applicant requires that a document be posted or delivered, the applicant must pay the actual costs incurred by the agency in posting or delivering the document.

On application for review by an agency of a determination made by the agency under Part 3 of the Act (section 29(2)(b)) = \$30.50.

Access to documents listed under section 9(2)(d) can be arranged between 9.00am and 4.30pm, Monday to Friday, at Tower 2, 121-125 King William Street, Adelaide SA 5000, by contacting the FOI Officer, telephone (08) 8463 4518.

Copies of this information statement are available, free of charge, by contacting the FOI Officer. Other publications are also available on request.

Overseas Travel

| Overseas Travel | | | |
|---------------------|------------------------------------|---|----------------------|
| Number of Employees | Destination/s | Reasons for Travel | Total Cost to Agency |
| 1 | Hong Kong, China and Japan | To meet with SATC International Representatives and Tourism Australia for setting 2011-12 China tourism strategy. | \$6,300 |
| 1 | India | To attend the India Travel Mission and meet with trade and industry partners. | \$3,600 |
| 1 | UK | To meet with SATC Europe International Representatives, travel agents, various tourism wholesalers and international tour operators. | \$5,000 |
| 1 | Spain | To attend the European Championships and support Surf Life Saving Australia to promote Rescue 2012. | \$4,900 |
| 1 | Germany | To attend the 17th World Routes Development Forum and Seatrade Europe-Cruise and Rivercruise Convention. | \$6,300 |
| 1 | China | To assist with the Tour of Beijing bike race. | \$1,100 |
| 1 | NZ, USA, UK, Germany and Singapore | To conduct internal audits of international offices and review the accounts payable procedures. | \$11,500 |
| 1 | USA | To meet with key cruise lines to encourage more frequent calls to South Australia. | \$5,500 |
| 1 | Hong Kong | To attend the Hotel Investment Conference Asia Pacific. | \$2,400 |
| 2 | China | To attend and represent South Australia at the second SA China Roadshow and the Greater China Travel Mission. | \$7,500 |
| 1 | USA | To attend the 2011 Open Text Content World Conference. | \$6,500 |
| 1 | Switzerland | To attend the Annual UCI World Tour meeting. | \$3,000 |
| 1 | USA | To attend G'Day USA and conduct meetings with key wholesalers, Wagstaff Worldwide and Tourism Australia. | \$5,400 |
| 1 | India | To meet with SATC's Tourism Ambassador in India to discuss marketing activities, meet with key trade partners and attend two Tourism Australia trade training events. | \$3,900 |
| 1 | USA | To attend the Seatrade Cruise Shipping Convention and Conference and to meet with cruise line executives. | \$2,300 |
| 1 | UK | To attend London Wild Bird Watch Consumer Show and meet with wholesale and retail partners. | \$6,100 |
| 1 | China | To attend Routes Asia 2012 conference and to meet with key airline targets to gain increased international airline seats operating to Adelaide. | \$4,500 |
| 2 | Canada | To attend Sport Accord in Quebec to meet with event organisers and to promote SA as an international event destination. | \$10,800 |
| 1 | Hong Kong and China | To attend interviews for the public relations agency tender in Shanghai and to meet with Tourism Australia and Qantas in Hong Kong. | \$4,100 |

Use of Consultants

| Use of Consultants | | | |
|----------------------------------|---|--------|----------------------|
| Consultants | Purpose of consultancy | Number | Total Cost to Agency |
| VALUE BELOW \$10,000 | | | |
| Various | Probity audit and advice | | |
| | Subtotal | 2 | \$6,000 |
| VALUE \$10,000 - \$50,000 | | | |
| Hon Dean Brown | Chairing and organising the Lower Lakes and Coorong Tourism and Boating group | | |
| | Subtotal | 1 | \$28,000 |
| | Total | | \$34,000 |

Contractual Arrangements

In 2011-12 the Commission did not enter into any new contractual arrangements where the total value exceeded \$4 million. There is an existing arrangement with KWP Advertising Pty Ltd for the provision of advertising services with a contractual term of 3 years with an option to extend for 2 years.

Accounts Payable Performance

| Account Payment Performance for the year ended 30 June 2012 | | | | |
|---|-------------------------|---|-------------------------------|--|
| Particulars | Number of Accounts Paid | Percentage of Accounts Paid (by number) | Value in \$A of Accounts Paid | Percentage of Accounts Paid (by value) |
| Paid by Due Date* | 7284 | 96.8% | \$50,425,107 | 92.7% |
| Paid late, but paid within 30 days of the due date | 202 | 2.7% | \$3,229,543 | 5.9% |
| Paid more than 30 days from the due date | 36 | 0.5% | \$740,386 | 1.4% |

*The due date is defined as per 11.7 of Treasurer's Instruction 11 Payment of Creditors' Accounts.

