

Tourism Australia

**Entity resources and planned
performance**

TOURISM AUSTRALIA

Section 1: Entity overview and resources	169
1.1 Strategic direction statement	169
1.2 Entity resource statement	172
1.3 Budget measures.....	173
Section 2: Outcomes and planned performance	174
2.1 Outcomes and performance information	174
Section 3: Explanatory tables and budgeted financial statements	182
3.1 Explanatory tables	182
3.2 Budgeted financial statements.....	183

TOURISM AUSTRALIA

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

As Australia's national tourism marketing organisation, Tourism Australia's key contribution to Australia's economy in 2015-16 will be to increase international leisure and business events visitation by promoting Australia as a compelling tourism destination. This will be undertaken through partnership marketing that targets consumers in key international markets, and working with distribution partners to convert Australia's appeal into more visits.

Australian tourism industry outlook

Tourism Australia anticipates a stable environment for inbound tourism in 2015-16, with global GDP growth forecast to trend at around 3 percent (Tourism Research Australia). Economic growth in Asia's economies is expected to ease slightly, while economic conditions in the USA and Western Europe are expected to improve moderately.

Australia continues to be rated as one of the most desired tourism destinations in the world (Future Brand, 2014). Demand for travel to Australia is expected to grow during 2015-16, with international inbound visitors increasing by 5 percent to 7.3 million visitors (Tourism Forecasting Committee, 2014).

While Australia's tourism brand is strong, competition is significant with more than 190 countries competing aggressively for the global tourism dollar. Tourism Australia will respond to this increasing competition by focusing on Australia's competitive advantages - its spectacular natural beauty, pristine environment, friendly and welcoming people and world class food and wine.

Tourism 2020

Tourism 2020 is a whole of government and industry long-term strategy to build the resilience and competitiveness of Australia's tourism industry and grow its economic contribution to Australia's economy. It focuses on improving the industry's global performance and competitiveness by pursuing the strongest opportunities for growth and addressing supply-side factors.

Under *Tourism 2020*, Tourism Australia has primary carriage of international tourism marketing and distribution and works with other Australian government agencies to support aviation development and to attract investment.

Tourism Australia Budget Statements

Objectives 2015-16

Tourism Australia works with industry and all levels of government across Australia to maximise the economic contribution of Australian tourism. The industry has set a goal to increase overnight tourism expenditure from \$70 billion in 2009 to more than \$115 billion in 2020. To achieve this, Tourism Australia will focus on the following in 2015-16:

- continuing to reinforce Tourism Australia's competitive focus to achieve *Tourism 2020* goals;
- investing in markets that present the greatest potential for growth;
- driving conversion by engaging consumers and making it easier to choose and book a trip to Australia;
- growing and extending partnerships;
- driving yield by targeting high spending consumers, including increased focus on business events and major events; and
- heightening capability and productivity of the Tourism Australia team.

Strategies 2015-16

Two target customers will remain at the core of Tourism Australia's marketing activities – the leisure traveller and the business events traveller.

Activity will continue to be implemented via three core strategies:

- **Customer Focus** – marketing activity centres on the target customer.
- **Partnership Focus** – partnerships engage target customers, drive bookings and yield and facilitate industry development.
- **Government Focused** – committed to a whole of government approach.

Tourism Australia will focus on markets that represent the greatest long-term expenditure growth potential to 2020. Criteria will be latent demand, current and short-term performance, expected changes in aviation capacity and the marketing emphasis of industry and state and territory tourism organisations. In 2015-16 markets will be categorised as:

- **worth over \$5 billion by 2020** – Greater China (China¹ and Hong Kong), North America (USA¹ and Canada), United Kingdom;
- **worth over \$2.5 billion by 2020** – Singapore, Malaysia, the Republic of Korea, New Zealand¹;
- **worth over \$1 billion by 2020** – Continental Europe (Germany, Italy, France), India, Indonesia, Japan; and
- **rest of world** – Brazil.

¹ Business events marketing will be undertaken in these markets, New Zealand will have a business events focus.

Marketing communications will continue under the *There's nothing like Australia* campaign umbrella and will lead with the best of Australia's tourism experiences. Messaging will focus on extending Australia's growing food and wine credentials through continued investment in *Restaurant Australia*; reclaiming Australia's advantage around beaches, coastal and aquatic nature; and reinforcing the breadth of Australia's Indigenous offering. The aim will be to raise the urgency to visit, increase knowledge and build a strong image of what Australia has to offer global travellers.

Research undertaken in 2014 found that Australia's events and major events have significant potential to further differentiate Australia's tourism offerings and drive visitation and increased spend by consumers. Tourism Australia will increase emphasis on events in its marketing activity during 2015-16.

Resources and effort will continue to increase in digital and content marketing, led by a revitalised australia.com (a new version of the site was launched in March 2015). Tourism Australia's digital and social marketing emphasis will be to personalise, socialise and mobilise content to make it more relevant and timely by using insights from relevant data and analytics.

Tourism Australia's business events activity will continue to focus on attracting high yielding visitors to Australia. Following a review in 2014, a new approach which concentrates on two sectors – associations and incentives – will be undertaken from 2015, including a differentiated marketing approach for each of these streams.

1.2 ENTITY RESOURCE STATEMENT

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

Table 1.1: Corporate Entity Tourism Australia resource statement — Budget estimates for 2015-16 as at Budget May 2015

	<i>Actual Available Appropriation 2014-15 \$'000</i>	Estimate of prior year amounts available in 2015-16 \$'000	Proposed at 2015-16 Budget \$'000	Total 2015-16 estimate \$'000
Ordinary annual services (a)				
Departmental appropriation				
Outcome 1 - Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets	138,865	-	137,290	137,290
Funds from Portfolio Agency	13,500	-	14,000	14,000
Total ordinary annual services	152,365	-	151,290	151,290
Total annual appropriations	138,865	-	137,290	137,290
Total funds from Government	152,365	-	151,290	151,290
Funds from other sources				
Interest	1,800	-	1,300	1,300
Other	14,726	-	16,574	16,574
Total	16,526	-	17,874	17,874
Total net resourcing for agency	168,891	-	169,164	169,164

(a) *Appropriation Bill (No. 1) 2015-16 and Appropriation Bill (No. 3)*; includes funding for prior year foreign exchange losses of \$9.115 million.

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to Tourism Australia are detailed in Budget Paper No.2 and are summarised below.

Table 1.2: Entity 2015-16 Budget measures

Part 1: Measures announced since the 2014-15 Mid-Year Economic and Fiscal Outlook (MYEFO)

	Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Expense measure						
Australia Week Events	1.1					
Departmental expenses		-	-	-	-	-
Total		-	-	-	-	-
Total expense measures						
Departmental		-	-	-	-	-
Total		-	-	-	-	-
Total		-	-	-	-	-

Prepared on a Government Finance Statistics (fiscal) basis .

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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

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

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

Outcome 1 strategy

Programme Component 1.1.1 Grow demand

Tourism Australia will build Australia's reputation and profile as an exciting and desirable leisure and business events destination, driving demand, growth in visitor numbers and increased visitor expenditure by:

- targeting consumers who are predisposed to travel to Australia and who are likely to spend more, do more and disperse more widely beyond capital city gateways;
- from a business events perspective, focusing on attracting high yielding visitors who will also return as repeat visitors. Two sectors will be targeted – associations and incentives. Business Events Australia will continue to develop strong relationships with international buyers in key markets;
- using research insights to inform product development by governments and industry operators, match products and experiences relevant to the target customer (including product bundling to present the best of what Australia has to offer), refine marketing communications and drive the right messaging in the right channels;
- continuing marketing communications under the *There's nothing like Australia* campaign umbrella, while strengthening competitive positioning through campaigns that highlight Australia's food and wine credentials, its pristine beaches, coastal and aquatic nature, its major events and its Indigenous culture and experiences;

- actively collaborating and working in partnership with government and industry to create demand for travel to Australia. Working in partnership increases target customer reach and 'share of voice' in the competitive global tourism environment. It also demonstrates value by increasing investment in promoting Australia through industry contributions; and
- continuing to work with state and territory tourism organisations to ensure integration and alignment of activities to achieve efficiency and effectiveness.

Programme Component 1.1.2 Industry development

Tourism Australia will continue to work in partnership with industry and government stakeholders to promote growth and development of the Australian tourism industry. Activity that will be implemented in 2015-16 includes:

- supporting trade development by building the capability of the travel industry to confidently sell Australia. This will include training of travel agents through the Aussie Specialist Program (the program will be re-launched in late 2015-16 and include delivery of a superior online platform); providing Australian destination and product content to the distribution system and making direct connections with travel agents through familiarisation visits and trade events;
- managing and participating in a range of trade events in Australia and overseas that promote Australia as a destination for leisure and business events travel. This will include delivery of the Australian Tourism Exchange and Dreamtime, dedicated business events educational programs and industry missions;
- working in partnership with Austrade to attract tourism investment and development of better quality Australian tourism infrastructure;
- working with airline and airport partners to support profitable aviation capacity growth and ensure that Tourism Australia's investment supports growth on viable routes;
- working with the Department of Immigration and Border Protection to highlight opportunities to improve competitiveness of Australia's visa processes for prospective visitors. Government focus is expected to be on e-visas, streamlining visa requirements and multi-entry visas;
- providing government and industry stakeholders with strategic insights and research relevant to their needs to drive industry sustainability and strategy development; and
- continuing to build awareness and understanding of and alignment with Tourism Australia strategies across government and industry through formal industry briefings, workshops and conferences, as well as a dedicated relationship management approach with stakeholders and partners.

Outcome expense statement

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

Table 2.1: Budgeted expenses for Outcome 1

	2014-15	2015-16
Outcome 1 - Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets.	Estimated actual expenses \$'000	Estimated expenses \$'000
Programme 1.1: Supporting Outcome 1		
Revenue from Government		
Ordinary annual services (a)	129,750	137,290
Funds from Portfolio Agency	13,500	14,000
Revenues from other independent sources	16,526	17,874
Total for programme 1.1	159,776	169,164
Outcome 1 Totals by resource type		
Revenue from Government		
Ordinary annual services (a)	129,750	137,290
Funds from Portfolio Agency	13,500	14,000
Revenues from other independent sources	16,526	17,874
Total expenses for Outcome 1	159,776	169,164
	2014-15	2015-16
Average staffing level (number)	204	207

(a) Appropriation Bill (No.1) 2015-16.

Contributions to Outcome 1

Programme 1. Supporting Outcome 1

Programme objective

Refer to Outcome 1 Strategy and component objectives for further information.

Programme expenses

Table 2.2: Programme 1 Expenses by Component

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate year 1 \$'000	2017-18 Forw ard estimate year 2 \$'000	2018-19 Forw ard estimate year 3 \$'000
1.1.1 - Component 1 - Grow Demand					
Annual departmental expenses:					
Programme Support	137,381	145,453	144,997	146,440	147,834
Total component expenses	137,381	145,453	144,997	146,440	147,834
1.1.2 - Component 2 - Industry Development					
Annual departmental expenses:					
Programme Support	22,395	23,711	23,637	23,872	24,099
Total component expenses	22,395	23,711	23,637	23,872	24,099
Total programme expenses	159,776	169,164	168,634	170,312	171,933

Contributions to Programme 1

Component 1.1.1 Grow demand

Component 1.1.1 objective

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

Component 1.1.1 deliverables

Leisure Consumer Marketing

- Continued roll-out of the *There's nothing like Australia* campaign across all major markets, incorporating the promotion of high impact events.
- Further embedding *Restaurant Australia* into marketing activities in all markets.
- Development and roll-out of initiatives to reinforce Australia's coastal and aquatic nature positioning.
- Launch of an Indigenous film to promote Australia's Indigenous tourism experiences.
- Cooperative campaigns and activities to leverage marketing opportunities that align with the Destination Australia brand and promote the best of what Australia has to offer.
- Marketing activities to stimulate target markets, including brand advertising and promotions, digital programs, broadcasts, public relations, International Media Hosting Program, media content development, cooperative promotions, consumer events and advocacy programs.
- Search engine marketing to lift australia.com and australia.cn ranking.
- Australian story-telling content and applications, including social media.
- Consumer behaviour research.

Business Events Marketing

- Activity to promote Australia as a business events destination targeting the Associations and Incentives segments, including trade events, buyer and agent familiarisation visits, direct marketing and public relations campaigns, advocacy, marketing toolkits and stakeholder relations.
- Dedicated campaign implementation for the Incentives market in New Zealand, USA and Greater China.
- An improved digital offering via a segment specific website on australia.com
- Driving visitation via expansion of the delegate boosting program and visitation extension marketing initiatives to drive pre/post travel.

Component 1.1.1 key performance indicators					
Key performance indicators	2014-15 Estimated actual	2015-16 Budget	2016-17 Forw ard estimate	2017-18 Forw ard estimate	2018-19 Forw ard estimate
Total International overnight tourism spend	\$30.68B up 8.6%	\$34.97B up 10.9%	\$38.4B up 9.8%	\$41.84B up 8.9%	\$45.27B up 8.2%
Total spend by visitors from Tourism Australia key markets (all purposes, excluding rest of world)	\$24.46B up 9.2%	\$27.59B up 10.0%	\$30.16B up 9.3%	\$32.83B up 8.8%	\$35.59B up 8.4%
Total spend by leisure visitors from Tourism Australia key markets (holiday and visiting friends and relatives)	\$11.92B up 13.6%	\$13.79B up 12.2%	\$15.40B up 11.7%	\$17.14B up 11.3%	\$19.03B up 11.0%
Total spend by business events visitors from selected Tourism Australia markets	\$1.90B up 3.4%	\$2.15B up 10.2%	\$2.35B up 9.4%	\$2.56B up 8.8%	\$2.77B up 8.2%
Tourism Australia marketing campaign recall by target customer	66%	>67%	>67%	>67%	>67%
Total monthly unique visitors to Tourism Australia ow ned w ebsites	30.6M	increase 5%	increase 5%	increase 5%	increase 5%

2014-15 actuals based on year end September 2014.
Budget and forward estimates based on year ended December.

Contributions to Programme 1

Component 1.1.2 Industry development

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

Component 1.1.2 deliverables

Dissemination of insights on the tourism industry and global target customer

- Delivery of an annual conference, regular industry briefings and communications.

Engagement of stakeholders

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

Support attraction of investment in tourism infrastructure, products and services

- Share research on the target customer to provide insight into investment and development required to meet the needs of the target customer. This work will be undertaken in partnership with Austrade and stakeholders and governments across Australia.

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

- Undertake analysis of industry and aviation conditions and provide insights to key stakeholders to assist strategic decision-making.
- Work with airports and state and territory tourism organisations to support new route development.
- Work to resolve high-level issues that are impediments to growth, including issues around visa access.

Promotion of Indigenous Tourism

- Promote Indigenous experiences through Tourism Australia's consumer marketing activities.

Trade Events

- Coordinate and deliver trade events for Australian tourism businesses to showcase their products and do business with the global distribution network.
- Manage and deliver premier trade events – the Australian Tourism Exchange (ATE) and Dreamtime – and profile Tourism Australia and industry partners.

Trade Development

- Re-launch the Aussie Specialist Program, including new online platform.
- Recruit and train travel agents through the Aussie Specialist Program.
- Deliver product information and events for the Aussie Specialist Program through coordination with state and territory tourism organisations.

Best of Australia

- Continue to work with industry, government agencies and state partners to promote Australia's best products and experiences.
- Supporting existing *Best of Australia* initiatives (Great Golf Courses of Australia, Great Walks of Australia, Ultimate Wineries of Australia and showcasing the best of Australia's Indigenous experiences), and development of new programs to reinforce Australia's food and wine credentials and strengths in coastal and aquatic nature.

Component 1.1.2 key performance indicators

Key performance indicators	2014-15 Estimated actual	2015-16 Budget	2016-17 Forw ard estimate	2017-18 Forw ard estimate	2018-19 Forw ard estimate
Key stakeholders indicate Tourism Australia adds value to their business (excellent, very good or good value)	82%	>80%	>80%	>80%	>80%
Event attendees indicate satisfaction with Tourism Australia's key events (extremely or very satisfied)	88%	>90%	>90%	>90%	>90%

Key events include the Australian Tourism Exchange, the Destination Australia Conference and Industry Briefings.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2015-16 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

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

3.1.2 Special accounts

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

3.1.3 Australian Government Indigenous expenditure

Table 3.1.3: Australian Government Indigenous expenditure (AGIE)

Outcome	<i>Approp Bill No. 1 \$'000 (A)</i>	<i>Approp Bill No. 2 \$'000 (B)</i>	<i>Special approp \$'000 (C)</i>	<i>Total approp \$'000 (D)</i>	<i>Other \$'000 (E)</i>	<i>Total \$'000 (F)= (D)+(E)</i>
Tourism Australia Outcome 1						
Departmental 2015-16	500	-	-	500	-	500
<i>Departmental 2014-15</i>	<i>500</i>	<i>-</i>	<i>-</i>	<i>500</i>	<i>-</i>	<i>500</i>
Total outcome 2015-16	500	-	-	500	-	500
<i>Total outcome 2014-15</i>	<i>500</i>	<i>-</i>	<i>-</i>	<i>500</i>	<i>-</i>	<i>500</i>
Total AGIE 2015-16	500	-	-	500	-	500
<i>Total AGIE 2014-15</i>	<i>500</i>	<i>-</i>	<i>-</i>	<i>500</i>	<i>-</i>	<i>500</i>

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in entity resourcing and financial statements

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

3.2.2 Analysis of budgeted financial statements

Total operating revenue for 2015-16 is estimated at \$169.1 million and is made up of government appropriations of \$138.7 million, Asian Marketing Fund from government of \$14.0m and revenue from other sources of \$17.9 million. The total revenue increases by \$0.2 million from the 2014-15 estimated actual of \$168.9 million.

The change includes:

- appropriation for 2015-16 reflects normal level of funding for Tourism Australia adjusted for the efficiency dividend;
- impact of wage cost index applied to appropriations; and
- Asian Marketing Fund receipts of \$14.0 million.

Corresponding total expenses are also estimated to be \$169.1 million, an increase of \$9.3 million from the 2014-15 estimated actual of \$159.8 million due to the funding of negative foreign exchange impacts for 2015-16.

Departmental – Balance Sheet

Tourism Australia is budgeting a net asset position of \$25.4 million in 2015-16 which reflect the equity injection of \$9.1 million for 2013-14 foreign exchange losses, in the 2014-15 estimated actual. Net assets are projected to remain the same beyond 2015-16.

3.2.3 Budgeted financial statements tables

Table 3.2.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
EXPENSES					
Employee benefits	28,788	30,473	30,473	31,000	31,000
Suppliers	119,754	129,958	129,428	130,579	132,200
Depreciation and amortisation	4,500	4,500	4,500	4,500	4,500
Finance Costs	33	33	33	33	33
Other	6,701	4,200	4,200	4,200	4,200
Total expenses	159,776	169,164	168,634	170,312	171,933
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Interest	1,800	1,300	1,300	1,300	1,300
Other Government Revenue (AMF)	13,500	14,000	14,000	14,000	14,000
Other Revenue	14,726	16,574	16,574	16,574	16,574
Total own-source revenue	30,026	31,874	31,874	31,874	31,874
Total own-source income	30,026	31,874	31,874	31,874	31,874
Net cost of/(contribution by) services	129,750	137,290	136,760	138,438	140,059
Appropriation from Government	138,865	137,290	136,760	138,438	140,059
OTHER COMPREHENSIVE INCOME					
plus non-appropriated expenses depreciation and amortisation expenses	4,500	4,500	4,500	4,500	4,500
Total comprehensive income attributable to the Australian Government	4,500	4,500	4,500	4,500	4,500

Note: Reconciliation of comprehensive income attributable to the agency

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Total comprehensive income attributable to the Australian Government	-	-	-	-	-
plus non-appropriated expenses, depreciation and amortisation expenses	4,500	4,500	4,500	4,500	4,500
Total comprehensive income attributable to the agency	4,500	4,500	4,500	4,500	4,500

Prepared on Australian Accounting Standards basis.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	20,017	20,017	20,017	20,017	20,017
Trade and other receivables	7,529	7,529	7,529	7,529	7,529
Total financial assets	27,546	27,546	27,546	27,546	27,546
Non-financial assets					
Land and buildings	4,233	4,233	4,233	4,233	4,233
Property, plant and equipment	974	674	674	674	674
Intangibles	6,981	7,281	7,281	7,281	7,281
Other	3,095	3,095	3,095	3,095	3,095
Total non-financial assets	15,283	15,283	15,283	15,283	15,283
Total assets	42,829	42,829	42,829	42,829	42,829
LIABILITIES					
Payables					
Suppliers	5,519	5,519	5,519	5,519	5,519
Other	6,227	6,227	6,227	6,227	6,227
Total payables	11,746	11,746	11,746	11,746	11,746
Provisions					
Employee provisions	4,853	4,853	4,853	4,853	4,853
Other	792	792	792	792	792
Total provisions	5,645	5,645	5,645	5,645	5,645
Total liabilities	17,391	17,391	17,391	17,391	17,391
Net assets	25,438	25,438	25,438	25,438	25,438
EQUITY*					
Parent entity interest					
Contributed equity	4,240	4,240	4,240	4,240	4,240
Reserves	1,964	1,964	1,964	1,964	1,964
Retained surplus (accumulated deficit)	19,234	19,234	19,234	19,234	19,234
Total parent entity interest	25,438	25,438	25,438	25,438	25,438
Total Equity	25,438	25,438	25,438	25,438	25,438

* 'Equity' is the residual interest in assets after deduction of liabilities.
Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2015-16)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2015				
Balance carried forward from previous period	10,119	1,964	4,240	16,323
Adjusted opening balance	10,119	1,964	4,240	16,323
Comprehensive income				
Return of Foreign Exchange (a)	9,115	-	-	-
Total comprehensive income	9,115	-	-	-
of which:				
Attributable to the Australian Government	9,115	-	-	-
Estimated closing balance as at 30 June 2016	19,234	1,964	4,240	25,438
Closing balance attributable to the Australian Government	19,234	1,964	4,240	25,438

(a) *Appropriation Bill 4 (2014-15)* for 2014-15 \$9.115m.
Prepared on Australian Accounting Standards basis.

Table 3.2.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	129,750	137,290	136,760	138,438	140,059
Interest	1,800	1,300	1,300	1,300	1,300
Other	30,680	31,767	30,574	30,574	17,558
Total cash received	162,230	170,357	168,634	170,312	158,917
Cash used					
Employees	28,788	30,473	30,473	31,000	31,000
Suppliers	121,308	131,151	129,461	130,612	119,217
Other	7,634	4,233	4,200	4,200	4,200
Total cash used	157,730	165,857	164,134	165,812	154,417
Net cash from/(used by) operating activities	4,500	4,500	4,500	4,500	4,500
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	4,500	4,500	4,500	4,500	4,500
Total cash used	4,500	4,500	4,500	4,500	4,500
Net cash from/(used by) investing activities	(4,500)	(4,500)	(4,500)	(4,500)	(4,500)
FINANCING ACTIVITIES					
Cash received					
Contributed equity (a)	9,115	-	-	-	-
Proceeds from issuing financial instruments	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	9,115	-	-	-	-
Cash used					
Total cash used	-	-	-	-	-
Net cash from/(used by) financing	9,115	-	-	-	-
Net increase/(decrease) in cash held	9,115	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	10,902	20,017	20,017	20,017	20,017
Effect of exchange rate movements on cash and cash equivalents at the beginning of reporting period	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	20,017	20,017	20,017	20,017	20,017

(a) Return of foreign exchange.

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement (for the period ended 30 June)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Departmental resources	4,500	4,500	4,500	4,500	4,500
TOTAL	4,500	4,500	4,500	4,500	4,500
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	4,500	4,500	4,500	4,500	4,500
Total cash used to acquire assets	4,500	4,500	4,500	4,500	4,500

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements (Budget year 2015-16)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2015				
Gross book value	8,410	4,463	40,558	53,431
Accumulated depreciation/amortisation and impairment	(4,177)	(3,489)	(33,577)	(41,243)
Opening net book balance	4,233	974	6,981	12,188
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - other	600	-	3,900	4,500
Total additions	600	-	3,900	4,500
Other movements				
Depreciation/amortisation expense	(600)	(300)	(3,600)	(4,500)
Total other movements	(600)	(300)	(3,600)	(4,500)
As at 30 June 2016				
Gross book value	9,010	4,463	44,458	57,931
Accumulated depreciation/amortisation and impairment	(4,777)	(3,789)	(37,177)	(45,743)
Closing net book balance	4,233	674	7,281	12,188

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

The financial statements have been prepared in accordance with:

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

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

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

The analysis of budgeted financial statements provides an overview of the key elements of Tourism Australia's financial statements, including variations in major aggregates from actual of 2014-15 to budget estimate of 2015-16.