

An underwater photograph of a coral reef. A diver is swimming in the middle ground, surrounded by various types of coral, including purple branching coral in the foreground and large table corals in the background. The water is clear and blue, with sunlight filtering through from the surface.

ANNUAL REPORT 2022-23

TOURISM
TROPICAL NORTH
QUEENSLAND

A photograph of a man standing in a lush tropical forest. He is wearing traditional Indigenous clothing, including a patterned wrap around his waist and a necklace. He is looking upwards. The forest is dense with tall trees and sunlight filtering through the canopy. The text is overlaid on the upper half of the image.

**TOURISM TROPICAL NORTH QUEENSLAND
ACKNOWLEDGES WE WORK, LIVE AND PLAY ON
ABORIGINAL AND TORRES STRAIT ISLANDER LAND.
WE PAY OUR RESPECTS TO ELDERS PAST,
PRESENT AND FUTURE.**

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CHAIR'S REPORT

Well-resourced and well-managed destination marketing can make a huge difference as the results achieved by Tourism Tropical North Queensland over the past two years have shown. Armed with record funding support, we undertook integrated domestic marketing campaigns that achieved an outstanding return on investment and helped lift the domestic market share and spend to record levels, well above pre-pandemic results.

We are grateful to Cairns City Council and the Queensland Government and particularly thank the Federal Government for the \$10M Recovery for Regions program that funded the record domestic marketing effort over the past two years. These campaigns directly generated \$300M of visitor spend – 30 times the investment – in addition to the broader promotional benefits of additional visitor attraction and spend.

TTNQ worked tirelessly in advocating for the region throughout the pandemic and recovery which helped to capture real and unprecedented Government support including:

- Very substantial State and Federal Government grant funding to support tourism business throughout the closures.
- \$10M Recovery for Regions program for Domestic Marketing.
- The Queensland Aviation Attraction Fund which helped to secure new flight connections to Singapore and Haneda in Tokyo.
- \$15M for international marketing over the next two years from the Federal Government.

While domestic results are now ahead of 2019 figures, international visitation remains depressed. However, the \$15M international marketing funding which became available in June will allow TTNQ to ramp up international marketing to recover key markets and support aviation routes as they return.

Every year we aim to spend the available funding to maximise the benefits to Tropical North Queensland and this year was no exception. The Financial Statements show a net loss for the year of \$1,047,953 in line with similar losses over the past two years. This is due to the accounting treatment of the large Government grants received since 2020 leading to timing differences between the recognition of grant income received and the expenditure of those funds. Without these timing differences, the operating result was effectively a break even for the year and the company's Retained Surplus (Net Assets) has actually increased by \$583,184 since 2019 to \$2,000,951 on 30 June 2023.

While facing up to the challenges of COVID-19 and the recovery, we have also significantly upgraded our corporate governance, business systems, and cybersecurity over the past few years and worked through a comprehensive process leading to the introduction of a new modern constitution at a General Meeting of members this year.

This is the last year of my three-year term as Chair, a period that has been the most challenging in the history of the organisation and the industry we represent, but also one of great achievement with exceptional outcomes through adversity. This is a great tribute to our CEO Mark Olsen and the wonderful team of hard-working, dedicated professionals who make it happen. My thanks also to my fellow directors who have helped to chart the course through stormy weather and, of course, to our members for your support throughout it all. I will leave the board at the AGM in October but do so knowing the organisation is in the best shape it has ever been and confident that our best times are still ahead of us.



Ken Chapman
Appointed Director – Chair



CEO'S REPORT

TTNQ's laser focus on driving domestic demand during the pandemic delivered record after record, culminating in \$4.3B expenditure in the year ending March 2023. The 2.5M visitors and 13.8M visitor nights were 124% of 2019 levels gaining the destination a record 16.7% share of Queensland holiday visitor expenditure.

Interstate expenditure helped to drive these strong figures, almost doubling from pre-pandemic numbers and accounting for \$2.6B, more than half the total domestic expenditure. The strong spend was boosted by a \$49M injection from major events supported by TTNQ including the long-awaited launch of Crankworx Cairns.

Business events also returned to the region delivering \$35M in spend, while \$57M worth of future events was secured. The domestic cruise market was also very strong with 159 ships visiting the region and TTNQ assisting members to work in this space. Despite the organisation's domestic budget reducing with the end of the Federal Recovery for Regions program, TTNQ-led campaigns delivered \$166M in visitor spend.

International aviation access slowly returned with five direct routes by the end of the year including the much-anticipated Haneda connection in late June. The new fuel-efficient planes used on this route mark the start of a new era in aviation for Cairns as their range is ideal to service our region from North Asia paving the way for opportunities to tap into the world's fastest growing middle-income class.

The outlook for the destination's international recovery is promising with a significant 15% jump in international flight searches for Cairns in May and June with Osaka the top source. Aviation access is critical to meet demand on the back of a concerted PR push with our six international agencies achieving \$197M in global publicity.

TTNQ continued to encourage the industry and travellers further along the path of sustainability, launching the Accessible Travel Hub on the destination website supported by a toolkit for industry. The Business Events team worked with Reforest to develop a carbon offsetting program for conferences which was launched by Arinex, the largest event management company in Australia, at their Cairns conference. We have completed Phase 1 of the Climate Action Plan for our industry and the next phase is underway.

The Tourism Minister launched the TNQ First Nations Tourism Plan a day after Queensland Parliament passed the Path to Treaty while sitting in Cairns and we continue to work with the Indigenous Cluster group to grow this important sector in our region.

It has been another busy year for the hard-working staff at TTNQ whose passion and diligence enable the organisation to deliver above and beyond for our members. I thank Tara Bennett and Joel Gordon for their contribution to the destination's recovery during their time on the Board.

Our Chair Ken Chapman ends his term at this year's AGM and what an incredible three years it has been. His unfaltering support for the region's tourism industry and consistent approach to recovery helped to elevate our advocacy and secured millions of dollars in direct industry support. Thank you, Ken, for your insight and guidance.

With the assistance of \$15M Federal funding for international recovery over the next two years TTNQ will work through our strategy to drive visitor spend and be a global leader in nature-based ecotourism.



Mark Olsen
Chief Executive Officer



DESTINATION UPDATE



OUR GOAL

TO BE A GLOBAL LEADER IN NATURE-BASED AND ECOTOURISM, DRIVING VISITOR SPEND.

Domestic expenditure records continued to be broken in 2022-23 with six consecutive record quarters. As expected, the YE March 2023 was the first to not set a record, but still outperformed pre-pandemic figures with the \$4.3B at 165% or \$1.3B above the YE December 2019. International spend reached just 50% of pre-pandemic levels.

Visitor numbers to the YE March 2023 were back to 96% of 2019 levels resulting in strong numbers through Cairns Airport which reached 100% of 2019 levels in the month of June.

Domestic numbers for YE March 2023 reached 114% with 2.5M visitors and the 13.8M nights were 124% of 2019 levels. International numbers recovered to 48% with 100,000 and nights to 51% with international passenger numbers through the airport at 62% of 2019.

The region peaked in the YE December 2022 in domestic numbers, nights and spend, but is still holding 16.7% of the State's share of holiday visitor nights and 16.2% of interstate visitor nights with 13.1% of total visitor nights well above pre-pandemic levels. The region also welcomed 159 cruise ships adding much needed visitors in the traditional low season months of February and March.

International flight search data for Cairns shows a significant jump in both May and June 2023, 15% above the same period in 2019. This increase was due to a significant increase in search traffic from Japan, with searches from Osaka reaching the #1 spot. This is a positive sign for our international recovery in the next six months, driven by TTNQ's efforts in generating international publicity.

Business events are returning with the reopening of the Cairns Convention Centre and a strong push from across the region. \$92M in leads were generated and \$57M of future events secured.

THE YEAR IN REVIEW 2022-23

DESTINATION KPI	VALUE	% OF TARGET
OVERNIGHT VISITOR SPEND (MAR 23)	\$4.3B	155%
SHARE OF QUEENSLAND NIGHTS (MAR 23)	16.7%	114%
GOOGLE RANK	5	90%
WEBSITE TRAFFIC	1.74M	116%
AVIATION PASSENGERS VS 2019 (YTD)	87%	112%
ACCOMMODATION OCCUPANCY	70%	117%
BUSINESS EVENT LEAD	92M	115%
BUSINESS EVENT WINS	57M	117%
VISITOR SATISFACTION	31	97%

COMPARED TO YE MARCH 2019:

- Total domestic visitor numbers increased 12.6% to 2.5m
- Holiday visitors grew 29.6% to 1.5M
- Visitor nights were up 23% to 13.8M
- The average length of stay grew by 0.5 to 5.5 nights
- Spend was up 39.4% to \$312 a night
- 16.7% share of domestic holiday visitor nights, above the 15% target

TTNQ UPDATE

OUR MISSION



A RAPID RECOVERY, GENERATING \$5B IN VISITOR SPEND BY 2025 THROUGH INNOVATIVE MARKETING, A UNIFIED BRAND AND EFFICIENT USE OF RESOURCES.

After 18 months of advocacy and three Federal budgets, TTNQ finally secured our \$15M International Tourism Recovery Fund grant over two years with an agreement signed on 10 May 2023. A Draft Business Plan and Budget were prepared for Board approval in June and publicity contracts with our international partners were locked in. The organisation finished the financial year above many of its annual targets with the exception of the destination Google rank at #5, below the

#4 target, and visitor satisfaction at 31, just below the target of 32. Highlights for the year included a record \$247M in AVE with \$196M in international AVE, \$161M in campaign-generated overnight visitor expenditure generating 223,273 leads to operators and retaining a 14.7% share of Queensland's total visitor expenditure (YE March 2023). At a Board level we thanked retiring Directors Tara Bennett and Joel Gordon and welcomed Alan Wallish and Janine Bowmaker at the October 2022 AGM.

KEY HIGHLIGHTS FOR 2022-23:

- Website traffic 1.74M
- 223K operator referrals
- \$197.4M international AVE following appointment of global PR agencies
- First payment from the \$15M International Tourism Recovery Fund
- International trade campaigns recommenced, driving \$44M in international campaign generated OVE
- TTNQ launched its Accessible Travel Hub, Sustainable Travel Hub (destination website) and Pathways to Sustainable Tourism industry toolkit.
- Launched "Our Promise of Greater Good" sustainable tourism video which has been promoted globally
- \$166M campaign generated visitor spend (up from \$124M FY21-22), 58% above \$105M target
- 133 Business Events leads valued at \$92M and 68 confirmed events valued at \$46M
- Leisure events delivered \$48M overnight visitation and \$9M AVE
- Member satisfaction of 92% and Member/partner funding \$3M

AS AN ORGANISATION IN THE VISITOR ECONOMY TTNQ CAN INFLUENCE:



GROWING OUR SHARE:
INCREASE THE REGION'S AWARENESS TO BOOST OUR SHARE OF QUEENSLAND VISITOR NIGHTS AND SHARE OF VOICE



ENSURING SUSTAINABLE GROWTH:
DRIVE YEAR-ROUND AND DISPERSED VISITATION AND GROW ACCOMMODATION OCCUPANCY AND AVIATION CAPACITY THAT SUPPORTS LOCAL BUSINESSES AND JOBS



DRIVING VISITOR SPEND:
DIVERSIFY OUR MIX OF MARKETS AND INCREASE OVERNIGHT VISITOR SPEND GENERATED THROUGH OUR CAMPAIGN ACTIVITY



INCREASING SATISFACTION:
BE A RESULTS-DRIVEN AND RESPECTED ORGANISATION THAT IS INCREASING VISITOR, MEMBER, AND COMMUNITY SATISFACTION AND OUR DESTINATION'S NET PROMOTER SCORE

A group of four people (two women and two men) are sitting on a white blanket on a sandy beach. They are engaged in conversation and smiling. The background features several tall palm trees, a clear blue sky with light clouds, and a green hill in the distance. The overall atmosphere is relaxed and tropical.

KEY HIGHLIGHTS

SHARE OF VOICE



THE SECOND CONSECUTIVE RECORD YEAR FOR GENERATING PUBLICITY AND AWARENESS OF OUR REGION.

TTNQ generated \$247M worth of publicity for the region, up 48% from the record made the previous year. Website visits fell slightly to 1.74M with reduced marketing spend but generated 224,000 operator referrals. The UK, New Zealand and US generated 114,000 website visits with a further 77,000 users visiting the Japanese site. The average organic session duration was nearly 2 minutes, up 9% from the previous year.

Domestic campaigns included Spring, Summer, Drive North Queensland, Drive TNQ, and a targeted digital conversion campaign. International campaign activity included PR, search engine marketing and trade conversion campaigns in UK, Europe, Japan, US and NZ.

The Accessible Travel Hub and Sustainable Travel Hub were launched on the destination website and supported by the development of the Pathways to Sustainable Tourism Industry Toolkit. Our Promise of Greater Good sustainable tourism video was also launched and has been promoted globally.

The Cairns Unearthed magazine had its second successful year with 120,000 copies distributed in Sydney and Melbourne mastheads and online.

KEY HIGHLIGHTS FOR 2022-23 INCLUDE:

 **#5 AUSTRALIAN DESTINATION ON GOOGLE**

 **\$166M CAMPAIGN GENERATED SPEND (58% ABOVE TARGET)**

 **\$247M AVE (175% ABOVE TARGET)**

KEY HIGHLIGHTS FOR 2022-23

- Six international PR agencies appointed, generating \$198M in AVE.
- \$166M in campaign-generated OVE, 58% above target.
- \$247M in total AVE, 175% above target.
- 11 domestic Influencer/content creator activity partnerships generated 4.2M in reach.
- A total of 15 domestic media famils from prominent titles like Nine Traveller, AWOL, Australian Geographic, The Australian and Escape, plus over 20 famils from international opportunities in UK, Europe, and US.
- Summer in the Tropics (summer) domestic campaign drove \$837K AVE, 9.1M in reach and 71K clicks to site.
- Kickstart your Summer (spring) domestic campaign delivered \$1.8M AVE, 9.5M in reach and 144K clicks to site.
- Cairns Unearthed Magazine delivered a 35:1 ROI with a total of \$2M AVE.
- Exceeded 100K subscribers in our leisure email database.
- Developed more than 80 new blogs and pages on the destination website.



DOMESTIC MARKETING

With outbound travel recovering, TTNQ continued to focus on maintaining the strong domestic momentum built up in previous years generating \$247M in AVE, an excellent result that was 175% above target. Despite a reduced marketing budget, campaign-generated overnight visitor expenditure was 58% above target at \$166M. This was generated by Spring, Summer, Drive North Queensland, Drive TNQ, search engine marketing and a targeted digital conversion campaign.

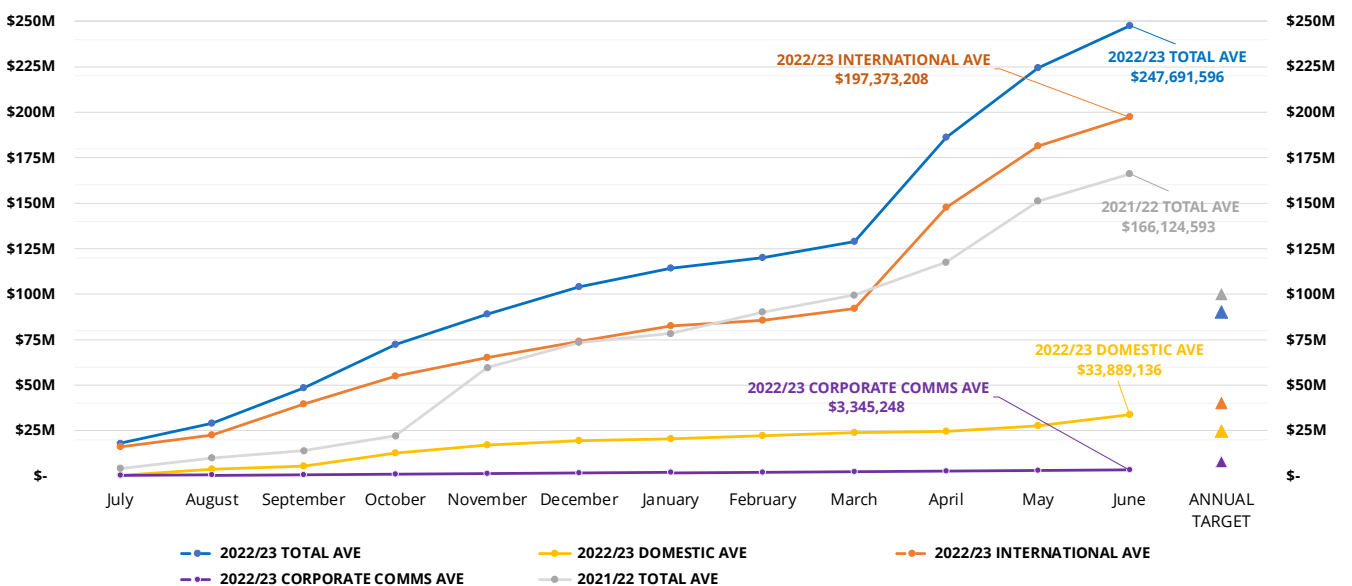
Public relations activity included 15 media famils in region as well as pitching and placing to deliver \$20M in AVE. TTNQ co-hosted a media dinner with TEQ in Sydney to coincide with International Media Marketplace which resulted in a famil and pitch and place opportunities with leading publications including Qantas magazine, news.com.au, Delicious, and magazine publisher ARE Media.

A multi-page feature on Indigenous tourism in Australian Geographic and another on the Torres Strait in The Australian were among prominent media coverage resulting from famils.

Broadcast opportunities included Network Ten's Studio 10 and live weather crosses with Today.

The brand evolution of Leave Greater continued with the launch of the Accessible Travel Hub and Sustainable Travel Hub on the destination website supported by the Pathways to Sustainable Tourism Industry Toolkit. Our Promise of Greater Good sustainable tourism video was launched and promoted globally. The Cairns Unearthed magazine had its second successful year with 120,000 copies distributed in Sydney and Melbourne mastheads and online.

CUMULATIVE AVE RESULTS (2022/23) FROM ALL MEDIA (TARGET \$90M)



INTERNATIONAL MARKETING

TTNQ's activities in global markets achieved outstanding results as international aviation access recovers for Cairns and globally.

International trade and PR activity delivered a record \$197M in AVE, nearly five times the annual target through the efforts of our six PR teams globally. This was on the back of in-market pitching and more than 20 media famils in region.

Multiple in-market campaigns, sales trips, roadshows and more than 20 trade famils were part of the intense global marketing effort. Operators benefitted with \$60M in direct sales generated by TTNQ activity, well above the \$35 million target.

Trade events returned to face-to-face meetings with the team attending ATEC Meeting Place in Cairns, the TTNQ Inbound Tour Operator mission

in Sydney with more than 40 agents and the Australian Tourism Exchange on the Gold Coast. In addition, in-market missions to Japan, New Zealand and China, and Marketplace events in the United States, Japan, Europe and the United Kingdom. This activity started with a limited budget while we waited for Federal funding which was not signed until May 2023.

International flight capacity has been challenging, but gradually improved throughout the year with seasonal Air New Zealand flights, Singapore Airlines continuing their year-round service with five flights a week in the middle of the year, Jetstar resuming direct flights to Japan in July 2022 and the June 2023 start of Virgin Australia connections to Haneda.



WESTERN

- Trade campaigns: US Expedia, US Goway, EU Go Australia (Italy), NZ Air Guides, UK Trailfinders (co-op with Brisbane Economic Development Agency), co-ops with TEQ for US Swain and European DERTour, and a Working Holiday Maker campaign in UK, Ireland, and Germany.
- Digital campaigns: Always On SEM in NZ, UK, Germany, and North America.
- Engagement of PR agencies into German-speaking Europe, UK and US, with NZ appointed from 1 June, generating a total of \$63M western market PR AVE.
- In-market trade training/missions: UK Travel Counsellors Liverpool training event, USA DUA in-market training roadshow to 4 US cities, USA Swain trade training event in Philadelphia, EU Sales Trip with TEQ including the TEQ Queensland Europe Industry Welcome Event & Dinner, TEQ NZ Mission (150 agents), TA ASP training conference – Italy, and Australia Marketplace events in USA and UK.
- Trade famils: Over 20 trade famil visits to region from UK, Europe, US, NZ.
- Media/Influencer Famils: Over 20 media famils visited the region.

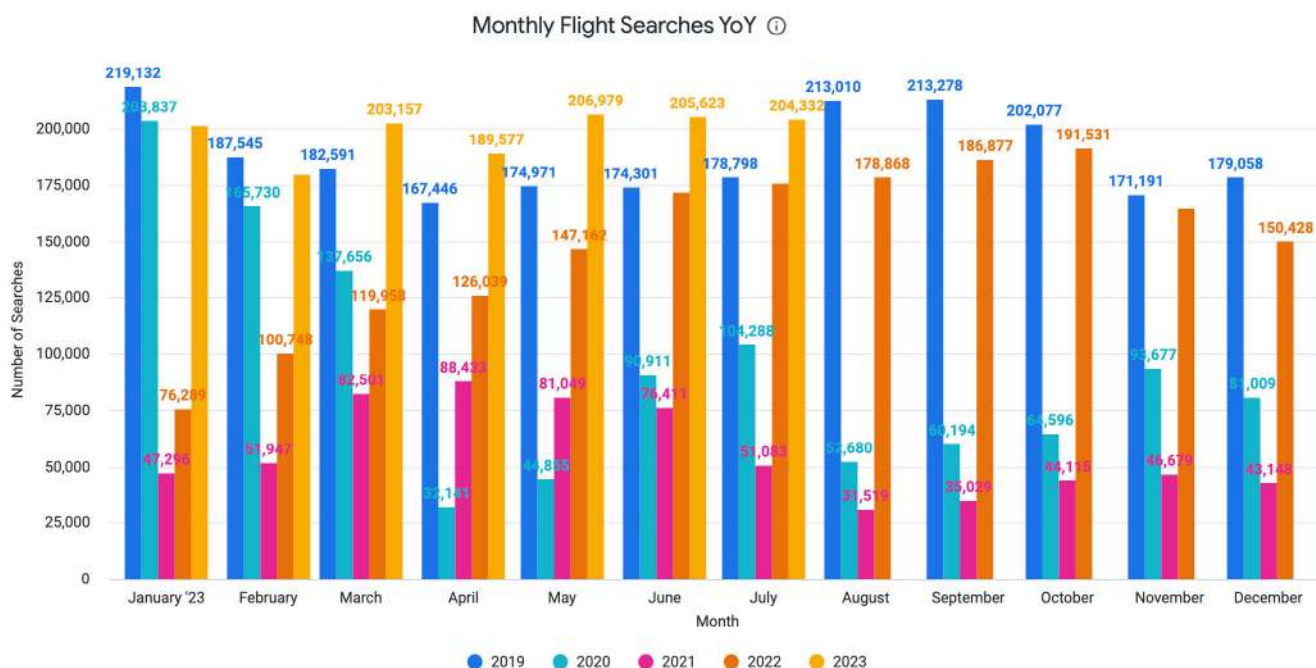
CHINA

- Campaigns: Domestic Chinese Campaign - Enjoy Life 2023 and DFS Galleria Co-Op.
- Engagement of PR Agency Contineo Marketing generating over \$6M AVE in first 3 months.
- TTNQ Chinese social media platforms provided 11.5M inorganic reach.
- TTNQ/TEQ livestream events covering: Indigenous Culture (45 agents), Sustainable Tourism (75 agents) and HKG Trade livestream.
- Online trade training: Business Events Australia (BEA) online trade training events in Hangzhou and Shenzhen (140 agents).
- In-market trade missions: "Team Queensland" China Mission for trade training with 40+ KDPs.
- Trade famils: Chinese agents of the Aussie Specialist Program visited the region.

JAPAN AND SOUTH EAST ASIA

- Trade campaigns: HIS Osaka, Japan Expedia, and Virgin Australia promotion with trade partners Club Tourism, Air Trip, and HIS Tokyo.
- Digital campaigns: Japan's biggest travel search engine Travel-Co, School Group promotion with TEQ, and Always OnSEM in Japan.
- Engagement of PR agency Youth Planning Centre (YPC) into Japan, generating a total of \$63M western market PR AVE.
- TTNQ/TEQ/TA livestream events with: Tabikobo Yokohama, JTB Saitama, Okayama Gakuen and JTB Giarec.
- Online trade training: Arc Three, TA ASP, Virgin Australia sales team, Jetstar sales team, Kuoni Group, and Watabe Wedding Sales Team (300 agents).
- In-market trade training/missions: Japan VIP retaining and media roundtable for Jetstar relaunch, Virgin Australia launch event, Marine Diving Fair in Tokyo, TEQ Reconnect India, TTNQ Cairns & GBR Japan Mission, TEQ Japan Reconnect, Australia Marketplace events in Korea and Japan.
- Trade famils: Over 30 trade famils from Japan and India including Kintetsu, HIS, Pick Your Trail, Veltra, HIS agents, BE Korea and Japan famil to region.
- Media/Influencer Famils: Cairns Marathon Ambassador with JTB, Cairns & GBR ambassador and influencer Ryman Traveler, over 10 TTNQ media famils from Japan, Korea and India, and TA/TEQ Japan media famil to region.
- Japan consumer research with Carter Group.


LOCALIS INBOUND FLIGHT SEARCH DATA (2019-2023)



DIGITAL REACH

HIGHLIGHTS

 **41.4M** ORGANIC REACH (DOWN 49.7%)

 **223K** INDUSTRY REFERRALS (DOWN 28%)

 **12** INFLUENCERS REACHING **1.8M+**

 **80+** NEW BLOGS & PAGES





The destination digital and social channels saw a decline in overall reach, however still achieved organic growth in high-quality website traffic. This decline can be attributed to a reduction in paid activity and changes in social media algorithms affecting both ours and competitor channels. Despite the decrease in reach year on year, digital reach is still on an upwards trend as compared to pre-COVID levels and achieved or surpassed targets for the financial year. As expected, the highest volume of users was recorded in May, with over 180K users visiting the site generating almost 280K page views. With more than 80 new blogs, pages and itineraries, organic user growth increased by 21% with about 71% of total page views on the destination website from organic sources.

Most of the destination website traffic was domestic, however international users gradually increased through the year as more marketing activity was live in those markets.







The total 1.74M website users was down around 9%, while the 3.6M page views decreased 23% from the previous financial year, due to a reduction in paid activity. Ranking on high-value searches remained steady, with an average click through rate of 9.12% for paid searches, up almost 18% on last financial year. Members benefited from 223K industry referrals, including 20K from the destination deals page, regularly surpassing the monthly referral targets.

Social media coordinators appointed for the destination's Japanese and Chinese channels achieved very strong reach in these key markets including an organic reach of 11.8M on Chinese social channels and 3M from Japanese social channels. TTNQ's destination website and social channels generated over \$1.8M in advertising value equivalent, a 42% decrease on the previous financial year, however still within AVE targets for the year.

TOP POSTS

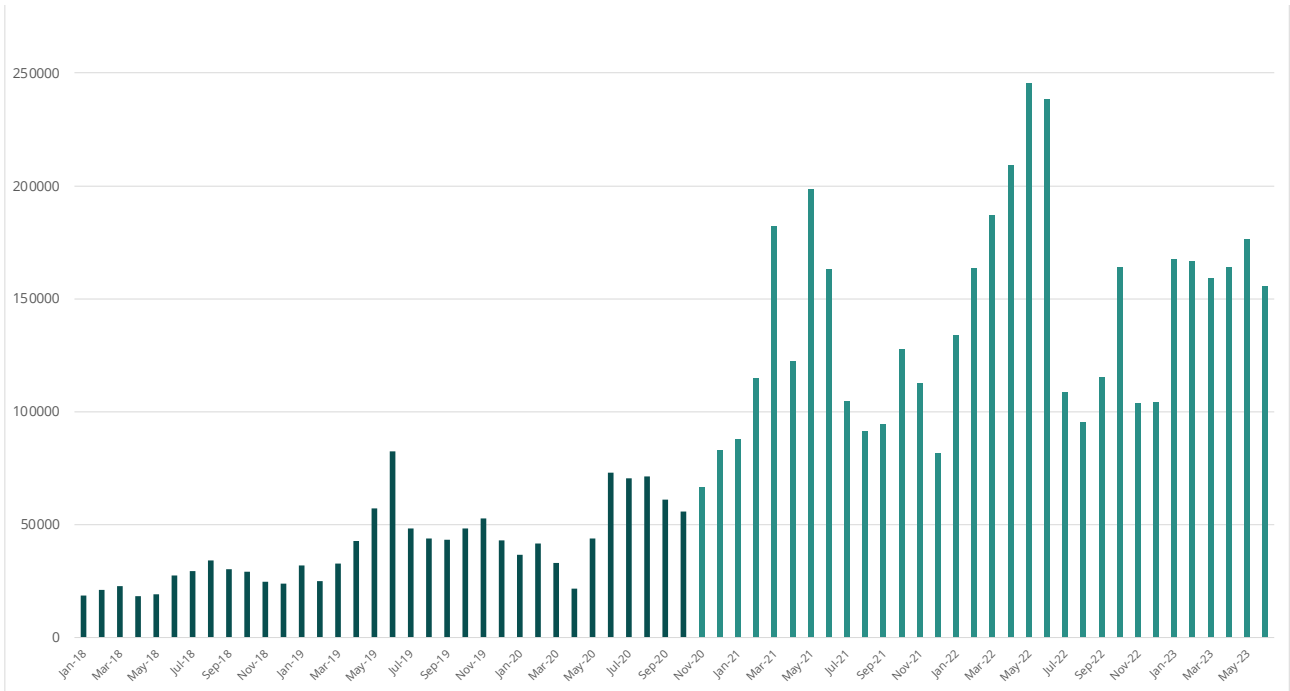
 <p>POV- you're floating through a rainforest 40 million years older than the Amazon</p> <p>▶ 2.6M ♥ 428.3K 💬 539</p> <p>↳ 5.5K</p>	 <p>▶ 583.1K ♥ 22.8K 💬 169 🔄 12.2%</p>	 <p>▶ 132.5K ♥ 6.8K 💬 181 🔄 3.5%</p>	 <p>▶ 124.2K ♥ 7.4K 💬 146 🔄 3.57%</p>
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TOTAL DESTINATION WEBSITE OVERVIEW (PAID AND ORGANIC)

 <p>1.74M TOTAL USERS</p> <p>-9.22% YOY²</p>	 <p>1.68M TOTAL NEW USERS</p> <p>-6.44% YOY</p>	 <p>2.05M TOTAL SESSIONS</p> <p>-11.29% YOY</p>	 <p>3.66M TOTAL PAGE VIEWS</p> <p>-23.20% YOY</p>	 <p>1.86M TOTAL PAGES/SESSION</p> <p>-14.67% YOY</p>	 <p>01:52 AVERAGE SESSION DURATION</p> <p>-0.52% YOY</p>
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OVER 1.7M WEBSITE VISITORS IN 2022-2023

450K in 2019, 520K in 2020, 1.9M 2021



12 INFLUENCERS REACHING 1.8M+

<p>@JIMMYNICHOLSON SUMMER CAMPAIGN (WITH @HOLLYKINGSTON)</p>	<p>@HOLLYKINGSTON SUMMER CAMPAIGN (WITH @JIMMYNICHOLSON)</p>	<p>@THESIMPLEFOLK_ AUTUMN CAMPAIGN</p>	<p>@SEANSCOTTPHOTOGRAPHY CAPE YORK</p>
<p>@NICS_MINDSET LAUNCH OF BONZA AIRLINE</p>	<p>@PASSPORTGOAT US INFLUENCER (WITH @SAINTSWORLXO)</p>	<p>@SAINTSWORLXO US INFLUENCER (WITH @PASSPORTGOAT)</p>	<p>@RYMAN_TRAVELER JAPANESE SOCIAL AMBASSADOR</p>
<p>@ACTUALMONTAIGNE SUMMER ACTIVATION</p>	<p>@REUBENNUTT CONTENT CREATOR – RAIN</p>	<p>潘潘 (KARTRINA) DOMESTIC CHINESE INFLUENCER</p>	<p>如烟 (CYNTHIA) DOMESTIC CHINESE INFLUENCER</p>

VISITOR SPEND



A RECORD \$4.3B IN DOMESTIC OVERNIGHT VISITOR SPEND KEPT TNNQ

AT #8 (#11 IN 2019) REGION IN AUSTRALIA IN TOTAL VISITOR EXPENDITURE.

The first three quarters of 2022-23 set new domestic expenditure records for our region ending with \$4.39B for YE December 2022 before the next quarter resulted in \$4.3B for the YE March 2023, up 71.5% from 2019. Visitor spend continued to increase with the YE March 2023 spend per visitor up 52.3% from 2019 to \$1723 and the average spend per night up 39.4% to \$312. Visitor nights grew 23% from 2019 to 13.8M with an average length of stay growing 0.5 to 5.5 nights helping to increase visitor spend.

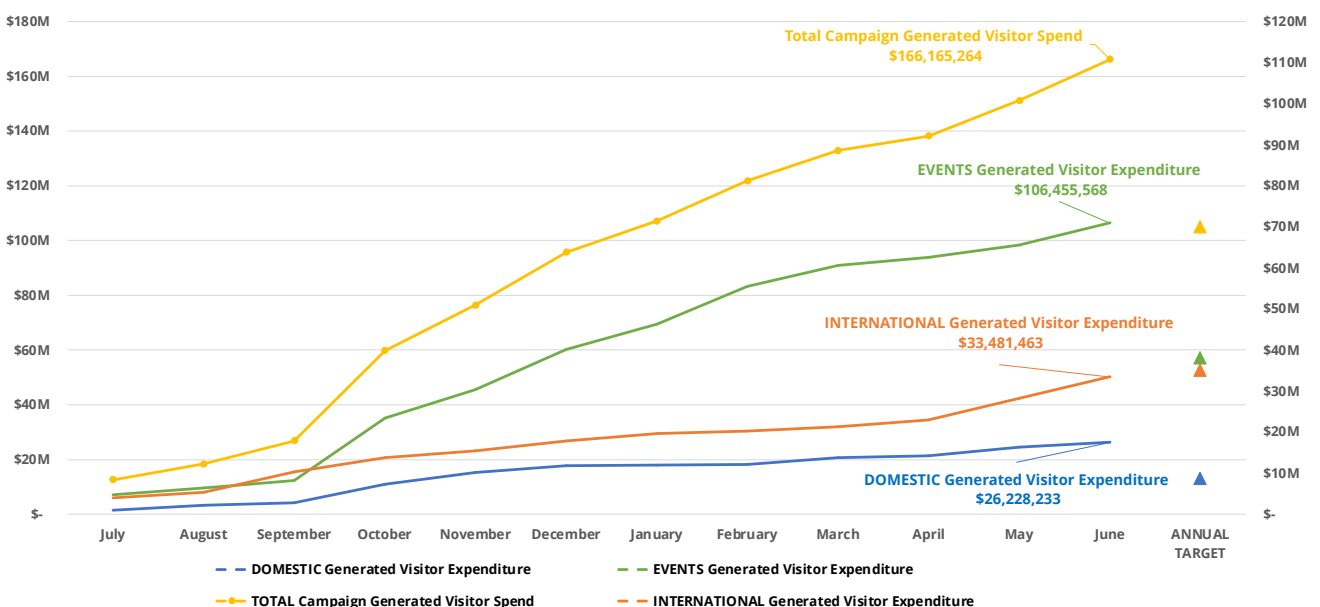
Average daily rate for accommodation in the region reached a record \$388.43, 5% above the 2021-22 average (\$368.30) which was 17% up on 2020-21 which was a record for the region. Expenditure in the region on accommodation and transport reached \$4.3B, this dropped slightly as a proportion of total expenditure, with spending on food and beverages, dining and retail all up year on year as a proportion of total spend.

KEY HIGHLIGHTS FOR 2022-23: NATIONAL VISITOR SURVEY YEAR END MARCH 2023 VS 2019

- Destination visitor spend up to \$4.3B (from \$3.5B in 2019)
- TTNQ-led campaigns delivered **\$166M in direct visitor spend**
- \$49M of major event visitor spend for events supported by TTNQ
- **\$35M business event delegate spend**, and \$57M in future events secured
- A record **16.7% share** of Queensland holiday visitor expenditure

EXPENDITURE	\$4.3B	+71.5%
VISITOR NIGHTS	13.8M	+23%
SPEND PER NIGHT	\$312	+36.3%
AVERAGE DAILY RATE	\$388.43	+5%
AVERAGE LENGTH OF STAY	5.5 NIGHTS	+5.8%

CAMPAIGN GENERATED OVERNIGHT VISITOR SPEND 2022/23 (TARGET \$105M)



EVENTS



BUSINESS EVENTS



BUSINESS EVENTS DELIVER A 25:1 RETURN ON INVESTMENT, SUPPORTING OFF-PEAK VISITATION AND BUILDING STRONGER TRADE CONNECTIONS FOR OUR REGION.

The Business Events team's focus has been generating leads and driving conversion on the back of domestic and international borders opening. The team generated 133 leads valued at more than \$92M in direct delegate expenditure. They converted 68 leads into wins, resulting in more than 20,000 delegates and generating an expected direct expenditure of \$57M into our local economy.

Financial support (subvention) to attract conference and incentive groups played an important role in our recovery and in achieving this result. We were able to offer this support through programs associated with the Regional Recovery for Tourism (RRT) and Cairns Regional Council which resulted in the following:

- \$314,000 was provided from RRT to eight events, which attracted 3,000 delegates and contributed \$7.8M direct delegate expenditure.
- \$617,000 from offered to 23 events that will be held from 2022-2026. These events will attract over 9,000 delegates and generate over \$20M in direct expenditure.

DEVELOPING STRATEGIC PARTNERSHIPS WAS A BIG FOCUS FOR THE YEAR AND INCLUDED THE FOLLOWING HIGHLIGHTS:

- Our partnership with Clockwise Consulting to drive corporate event leads continued through the year (in a reduced capacity) and assisted in achieving our leads and wins.
- Developing a carbon offsetting program with Reforest allowing conference organisers to calculate their event's carbon footprint and provide a solution to offset locally through the Mabi Rainforest Restoration project on the Atherton Tablelands
- Hosting the staff conference of one of the largest event management companies in Australia, Arinex, which also coincided with the 50th anniversary of their company. Fifty-five team members spent five days in the region experiencing 4- and 5-star hotels, offsite event venues and conferencing at the Cairns Convention Centre. We launched the Reforest program in partnership with Arinex.

The brand position of "Connect Great Leave Greater" evolved by focusing on the USPs:

- Walkable city
- Nature on our doorstep
- World-class BE products
- Our region's sense of place and personality.

We partnered with Business Events Australia through their Advance Program to deliver 19 content pieces across five media outlets in the USA, UK, and Europe, delivering \$308,630 in AVE. Our domestic activity focused on building content around our USPs and cooperative advertising opportunities with our members. We generated 15 content pieces across Spice, Mice.net, CIM and Executive PA with an AVE of \$980,220. We continued to work with Bang Media to ensure all content was optimised through effective search engine optimisation and marketing.



Other activity included:

- Trade show attendance including AIME, Regional Showcase, IMEX Frankfurt and USA, BEA Asia Showcase, and BEA Japan Showcase, along with sales calls in Melbourne, Sydney and Singapore
- Partnerships with Business Events Australia to deliver famil programs for New Zealand, Japanese and Korean event planners along with decisions makers from Amway Singapore, Thailand, Malaysia, and Indonesia.
- Hosting 115 event planners for site inspections and famil programs.
- Sponsorship of the Society for Incentive Travel Executive and Professional Conference Organisation of Australia conferences
- Successful bid for ATEC Meeting Place (November 22), G'day Australia (October 23), Destination IQ, Destination Q and Queensland Tourism Awards (November 23).
- Hosted our Business Events member conference in March 23 for more than 70 members with a satisfaction rate of 100%.

ECONOMIC CONTRIBUTION OF BUSINESS EVENTS TO TNQ

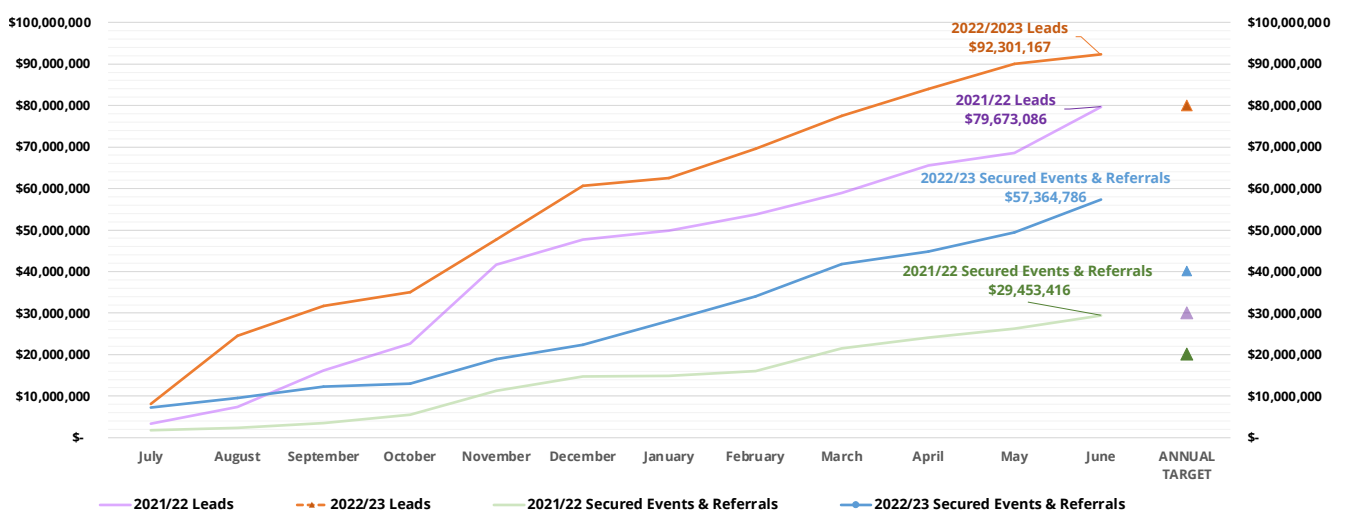
- 347 events
- 39,633 delegates
- 138,028 delegates days
- Direct economic value of \$86,147,112
- Indirect economic value of \$258,441,336

Unaudited statistics from Qld Business Events Survey

BUSINESS EVENTS ACTIVITY

- 133 Leads valued at \$92m
- 68 confirmed events valued at \$46m
- 2 referrals valued at \$12m

BUSINESS EVENTS: SALES LEADS YTD 2022/23 VS 2021/22 (NUMBER OF LEADS AND VALUE OF LEADS)





MAJOR & REGIONAL EVENTS

MARKETING ACTIVITY TO DRIVE DESTINATION AWARENESS & EVENT SPECIFIC VISITATION:

We continued to support major and regional events through marketing activity focusing on destination driving destination awareness and event specific visitation. Despite travel restriction challenges we were able to achieve:

 **\$48M IN OVE**  **\$9M IN AVE**

Instrumental in achieving these results was our partnership with Tourism and Events Qld and Cairns Regional Council with all stakeholders working cohesively to deliver results for both the region and Queensland. This included providing input into the Cairns Regional Council 2025 Event Strategy, marketing partnership with TEQ to increase event profile and capacity of the region to deliver events, and delivering event ambassador programs to drive destination awareness.






In addition to this we continued to attract and optimise major and regional events with the support of the federal government Recovery for Regional Tourism (RRT) program. The program delivered the following for regional events:

- Investment of \$447,000 in marketing support to 17 region events
- This investment was leveraged by a further \$978,000 in partner marketing.

- Marketing reach of over 98m
- We captured content for a number of events to assist with further marketing activities.

The highlight from a major events perspective was the delivery of the inaugural Crankworx Cairns Mountain bike event in October 2022 with a second event stage in May 2023 to align with the Crankworx International world tour. This event was delivered through partnership with Tourism and Events Qld, Cairns Regional Council and GTR Events which achieved the following across both event:

CRANKWORX HIGHLIGHTS

	ECONOMIC IMPACT	\$10.3M
	BROADCAST VALUE	\$12M
	ADVERTISING VALUE EQUIVALENT	\$4.3M
	CAMPAIGN REACH	41M
	UNIQUE VISITORS*	16K

* including over 4,000 interstate and international visitors (noting significant travel challenges including flights costs and visa delays)

MAJOR EVENTS

- July – Cairns Indigenous Art Fair, Tour of the Tropics, 7 Cairns Marathon
- August – Taste Port Douglas, Reef 2 Reef MTB Event, Red Bull Defiance
- September – Australia v New Zealand One Day Cricket, Cairns Amateurs, Port Douglas Grand Fondo, Savannah in the Round
- October – Crankworx, Ports Shorts
- November – Croc Trophy
- December – Brisbane Roar Big Bash
- February – Hot & Steamy
- March – Cairns Tropical Writers Festival
- May – Crankworx, Port Douglas Carnivale, GBR Masters Games
- June – Ironman, Cairns Fashion Week



CRUISE

- With the return of the domestic cruise market, the region has welcomed 159 ships across Yorkeys Knob, Port Douglas, Cooktown, and Thursday Island. Cruises had 16 turnaround home ports for the financial year.
- Cruise passengers play a very important role in the local economy, especially in the summer months when visitor numbers are low. In July 2022 TTNQ hosted the TNQ Cruise Workshop to help 47 members understand how to work with cruise ships.
- Topics included what tours are working well for cruise passengers and what needs improving and the opportunity for nominated operators to meet cruise ship representatives.
- At the Cairns Cruise Terminal we introduced the Airport Ambassadors to provide visitor information to cruise ship passengers. The Cruise Ambassadors play a vital role providing visitor information and sharing their incredible local knowledge of the region.

SUSTAINABLE GROWTH

✓ FIRST NATIONS TOURISM ACTION PLAN UNDERWAY

✓ CLIMATE ACTION PLAN IN DEVELOPMENT

SUSTAINING TTNQ

Climate Action Plan Phase 1 complete, Phase 2 underway. Launch of Pathway to Sustainable Travel Hub and our Promise of a Greater Good. First Nations Tourism Action Plan launched by Tourism Minister

The organisation's budget reduced from \$16.2M in 2021-22 to \$12.9M as the Federally funded Recovery for the Regions domestic tourism support program (\$10M) came to an end. In 2023-24, our International Tourism Recovery Fund (\$15M) will commence, with TTNQ the only regional organisation in Australia to receive this support.

The organisation's major funding source remains Membership and Cooperative Marketing partners (30%) with Cairns Regional Council (26%) and the State Government (19%) foundation partners.

The Federal Grant, which accounted for one-quarter (24.7%) of the organisation's budget played a vital role in our domestic recovery and in securing industry cooperative marketing income. Events played a bigger role with two Crankworx events (October and May) in the one financial year.

The net loss reported this year of \$1,047,953 as shown in the Financial Statements along with similar losses over the past two years is due to the accounting treatment of the large grants received since 2020 leading to timing differences between the recognition of grant income received and the expenditure of those funds. The company's Retained Surplus (Net Assets) has actually increased since 2019 by \$583,183 to \$2,000,951 on 30 June 2023.

TTNQ INCOME 2022-23 (VS 2021-22)

	22-23	21-22
MEMBERSHIP AND COOP MARKETING	29.6%	31.5%
CAIRNS REGIONAL COUNCIL	26.1%	25.4%
STATE GOVT (INC. TEQ)	18.6%	22.7%
FEDERAL GRANT	24.7%	20.5%

TNQ EXPENDITURE 2022-23 (VS 2021-22)

	22-23	21-22
MARKETING	58%	64.4%
ADMINISTRATION	18.5%	17.8%
PARTNERSHIPS AND EVENTS	20.2%	13.4%
INDUSTRY SUPPORT	3.3%	4.3%



SUSTAINING OUR REGION

The TNQ First Nations Tourism Plan was launched by Tourism Minister Stirling on 11 May 2023 after 12 months of consultation throughout the region. The plan aims to double both the number of Indigenous experiences and the number of Indigenous people employed in the Tropical North Queensland tourism industry in the region by 2032 with all tourism entities formally acknowledging Country. The number of visitors having an Indigenous experience is targeted to grow from 12 per cent to 30 per cent by 2032 with the number of visitors participating in regenerative tourism supporting Country and culture doubling.

TTNQ completed phase 1 of the Queensland Tourism Climate Action Plan providing valuable carbon benchmark data and recommended pathways for the next step. We are one of two regions selected in Queensland to participate in Phase 2 where we will define the destination pathway to Net Zero by 2050.

Internally we have established a 'green team' who completed the ecoBiz business assessment and are achieving things like changing procurement policies for office stationery, consolidation of equipment to reduce power consumption, and working with Bungalow Community Garden to send scraps to compost.

LTO/LTA NETWORKING EVENTS

- 31 January - Cook Shire – The Seaview
- 27 April – North Peninsula Area – Cape York Peninsula Lodge
- 28 April – Thursday Island – Gab Titui Cultural Centre
- 18 May - Mission Beach – Castaways Resort

PARTNERSHIPS

TTNQ works closely with our destination's Local Tourism Associations (LTA) and Local Tourism Organisations (LTO).

LTOs

- Tourism Port Douglas Daintree
- Cassowary Coast Tourism
- Tourism Atherton Tablelands
- Savannah Way

LTA's

- Tourism Palm Cove
- Tourism Trinity Beach

We are also working closely with the new Mareeba Chamber of Commerce and Tourism, Cook Shire Council and the Western Cape Chamber of Commerce to build stronger tourism networks in these areas.

Utilising TEQ's Tourism Networking Funding (TNF) program that matches funding for LTOs to attract visitors from outside the region, we supported promotional activities for Cassowary Coast Tourism, Tourism Atherton Tablelands and Tourism Port Douglas Daintree. The TNF funding is critical for local tourism organisations to drive visitation and raise awareness of their area.

MEMBERS



ef
limited



SUPPORTING OUR MEMBERS

With the continued support from our members, we achieved a retention rate of 96%, ending the financial year with 668 members and \$614,000 in revenue. TTNQ's strong advocacy, domestic campaign activity and securing \$15M International Tourism Recovery Program funding from the Federal Government for the industry resulted in member satisfaction sitting at 92%.

Members also benefitted from the grant funding from the Australian Government under the Recovery for Regional Tourism program administered by Austrade. Highlights included:

- Delivery of the Create Great content program that provided 69 members (80 packages) with the opportunity to update their imagery, videos, and website to align with the Create Great brand.
- TEQ Best of Queensland mentoring program that assisted 47 members improve their BOQ scores through a series of digital health checks, one-on-one mentoring and online training.
- Mentoring provided to six members to achieve Ecotourism Australia accreditation.

We offered operators mentoring support for their award submission in the Queensland Tourism Awards. Our members received three awards. The Reef House Boutique Hotel and Spa won Gold for 5-star Luxury Accommodation, Paronella Park won Silver for Cultural Tourism and Wildlife Habitat won Silver for Tourism Attractions. With our international recovery underway we supported 18 operators to become trade ready through the Pathway to ATE program. We have also supported 30 members to take their visitor experience to the next level through the TEQ Transformational Experience Mentoring Program. TTNQ operators once again topped the State in the Best of Queensland Experiences program with an average GRI score of 89.12, above the State average of 87.62.



2022- 2023 NETWORKING EVENTS



MEMBER CONFERENCES & AWARDS

- 28 October - TNQ Excellence Awards
- 31 March -TTNQ Business Event Conference
- 31 May - My Queensland TNQ Tourism Conference.

MEMBER NETWORKING EVENTS

- 17 August – The Backyard by Shangri-La
- 14 September – The Benson Hotel
- 14 December – Sheraton Mirage Resort
- 8 February - Mercure Cairns
- 29 March - Cairns Aquarium
- 21 June - Novotel Oasis Resort

MEMBER WORKSHOPS

- 31 October - TikTok for Travel
- 22 February – TTNQ Pathway to Sustainable Tourism
- 26 July – TNQ Cruise Workshop
- 3, 9 & 10 March - Business Events Training Program
- 17 May – TTNQ Indigenous Tour Training Session
- 8 Member Orientation sessions with over 116 members in attendance.

MARKETING RETURN ON INVESTMENT

TTNQ secured \$2.4M in cooperative marketing funds in addition to \$614,000 membership funds, which were matched with more than \$5M in partner funding delivering \$247M in AVE and \$166M in direct sales. Across all platforms and campaigns that equates to a 16:1 ROI for investment to direct visitor expenditure and a 25:1 ROI on marketing value generated for every dollar invested. This resulted in an extra \$1.3B of visitor expenditure above 2019 levels, a result the region should be extremely proud of!

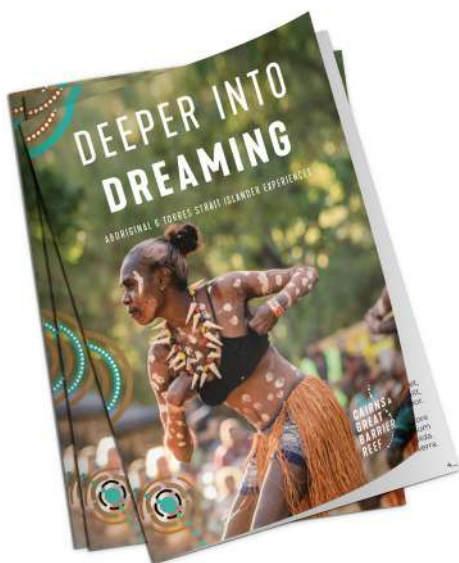
INDIGENOUS TOURISM

TTNQ continued its support of the TNQ Indigenous Experiences Cluster which met monthly throughout the year. More than 45 Indigenous products and experiences are now ready for domestic and international marketing.

The region's Deeper into Dreaming trade publication was reprinted and incorporated operators that can accommodate business events.

TTNQ hosted an Indigenous Tour Desk Training session with nine indigenous products and 18 local tour desks. Indigenous experiences are included in TTNQ's brand, retail and tactical campaign activity and are a part of every famil program. Three Indigenous products attended the Australian Tourism Exchange this year.

TTNQ funded a mentor program to assist six members to become eco-certified with EcoTourism Australia.



SUSTAINABILITY

TTNQ launched the Sustainable Travel Hub for consumers on the destination website which was supported by the Pathways to Sustainable Tourism Industry Toolkit to assist industry.

We partnered with Reforest to develop a carbon offsetting program allowing conference organisers to calculate their event's carbon footprint and provide a solution to offset locally through the Mabi Rainforest Restoration project on the Atherton Tablelands.

Each of the media travelling in TNQ as part of the ATE famil program were gifted the offsetting of their flights through Reforest. The program was launched in partnership with Arinex, one of the largest event management companies in Australia, which held their staff conference in Cairns.

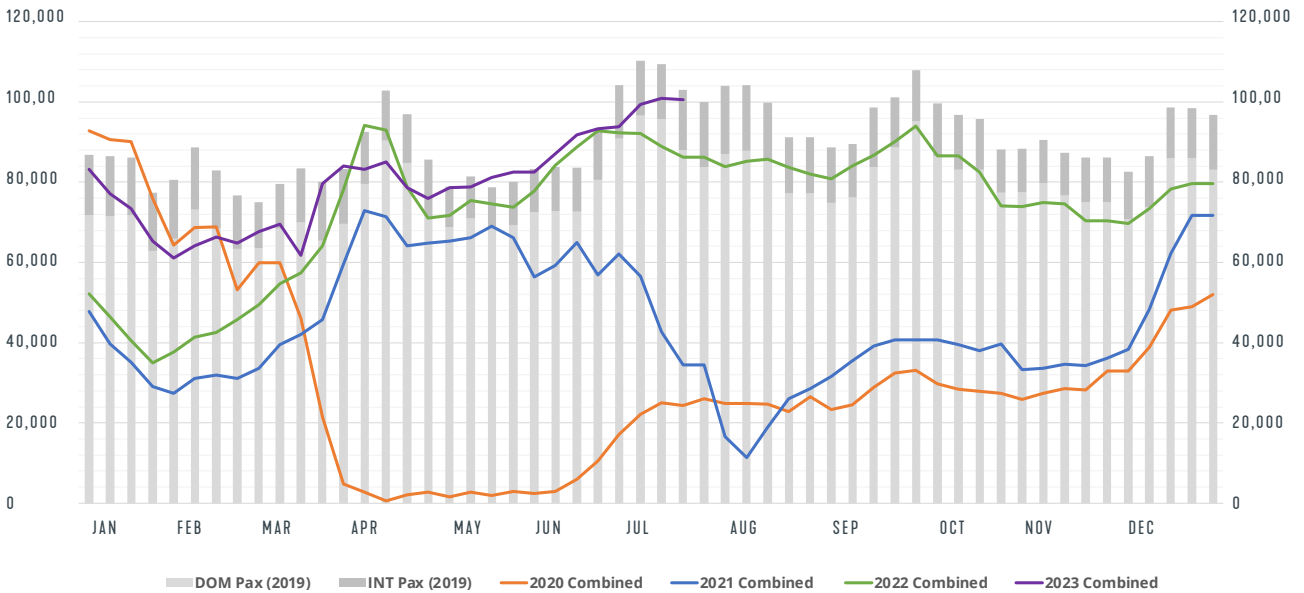
Sustainability messaging has been expanded into key international markets with the translation of the Sustainability Hub into Japanese and livestream activities with Chinese market introducing sustainable experiences and sustainable living principles.

A group media famil from German-speaking publications travelled around the region to experience ecotourism products.

AVIATION

Passenger numbers through Cairns Airport returned to 86% of pre-Covid numbers with 2.69M people passing through both terminals, compared to 5.08M in 2018-19. Just 21,253 people passed through the international terminal with our first direct international flight from Singapore returning in March with the three flights a week increasing to five in May.

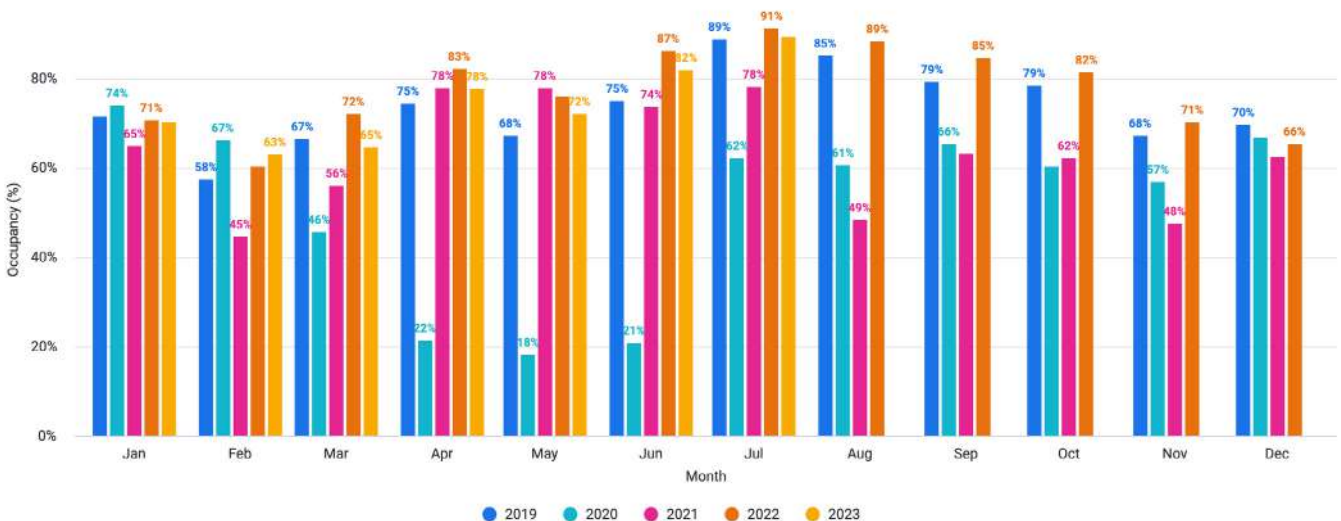
TOTAL CAIRNS AIRPORT WEEKLY PASSENGERS (2019-23)



ACCOMMODATION

The average occupancy rate was 6.3% above 2019 with strong forward bookings. In June 2022 the average daily rate had increased to \$249.55 from a low of \$171.24 in November 2021. The revenue per available room was \$192.52, up 42.5% from the previous June for the supply of 422,310 room nights.

ACCOMMODATION OCCUPANCY (2019-23)



SATISFACTION

VISITOR SATISFACTION

Visitor satisfaction measured through the destination sentiment index is up significantly from the previous financial year from 29% to a 30% average across 2021-22 financial year; 5 points above our target. June 2022 ended with a Net Promoter Score of 34 for Tropical North Queensland, which sits as a high Global Tourism Sentiment comparison; key positive consumer sentiment drivers being our reef and wildlife experiences.

✓ NET PROMOTER SCORE
31 (TARGET 32)

✓ MEMBER SATISFACTION
87% (102% OF TARGET)

✓ 98% SATISFACTION WITH
E-COMMUNICATIONS

TOURISM SENTIMENT INDEX – TROPICAL NORTH QLD VS GOLD COAST 2022-23



HOW DID WE PERFORM IN 2022?



87%

ARE SATISFIED WITH THEIR TTNQ MEMBERSHIP

5% DECREASE FROM LAST YEAR



89%

ARE SATISFIED WITH THE STRATEGIC DIRECTION & CAMPAIGN ACTIVITY

SATISFACTION HAS REMAINED THE SAME



98%

FIND OUR E-COMMUNICATIONS USEFUL

2% DECREASE FROM LAST YEAR



89%

ARE SATISFIED WITH THE ADVOCACY ROLE OF TTNQ

5% DECREASE FROM LAST YEAR

TOP COMMUNICATION CHANNELS

- 1 E-COMMUNICATIONS (FORTNIGHTLY PULSE, MEMBER NOTICES & EVENT INVITES)
- 2 NETWORKING EVETNS
- 3 WEBINARS

MARKETING OPPORTUNITY PRIORITIES

- 1 MEDIA & PR OPPORTUNITIES
- 2 SOCIAL INFLUENCER PROGRAM
- 3 BEST OF QUEENSLAND PRODUCT DEVELOPMENT
- 4 RETAIL & TRADE PARTNERSHIPS

INTERNATIONAL MARKET PRIORITY RANKINGS



1

EUROPE



2

NORTH AMERICA



3

UK



4

JAPAN



5

NEW ZEALAND

YEAR OF ACCESSIBLE TOURISM SUPPORT PRIORITIES

- 1 SUPPORT WITH PRODUCT DEVELOPMENT
- 2 WORKSHOPS
- 3 MENTORING SUPPORT

SUSTAINABILITY

55% WANT TO LEARN MORE OR GET ACCREDITED

16% ARE OFFSETTING THEIR CARBON EMISSIONS

19% ARE MEASURING THEIR CARBON FOOTPRINT

33% ARE GENERATING OR USE RENEWABLE ENERGY



MEMBER BENEFIT PRIORITY RANKINGS



1

ACCESS TO MARKETING CO-OPS



2

PRODUCT LISTING ON WEBSITE



3

ACCESS TO PR & MEDIA ACTIVITY



4

PARTICIPATING IN EDUCATIONALS



5

PARTICIPATING IN LEISURE TRADE ACTIVITY

TOURISM TROPICAL NORTH QUEENSLAND'S ROLE

TTNQ's role has evolved from a destination marketing organisation to include advocating for the industry and delivering cost-effective marketing activities. As the Regional Tourism Organisation, TTNQ brings together the industry and community as custodians of a destination and a suite of brands with a long, proud history of involvement in the visitor economy.

DESTINATION VISION

A GLOBAL LEADER IN NATURE-BASED AND ECOTOURISM, DRIVING VISITOR SPEND

DESTINATION VISION

THAT EVERY VISITOR LEAVES AS A CUSTODIAN OF OUR REGION AND ITS STORIES, SHARING THEIR EXPERIENCE GLOBALLY TO DRIVE FUTURE VISITATION.

HOW WE MEASURE SUCCESS?



GROWING OUR SHARE: STARTING WITH A FOCUS ON THE DOMESTIC MARKET, INCREASE THE REGION'S AWARENESS TO BOOST OUR SHARE OF QUEENSLAND VISITOR NIGHTS AND SHARE OF VOICE



DRIVING VISITOR SPEND: DIVERSIFY OUR MIX OF MARKETS AND INCREASE OVERNIGHT VISITOR SPEND GENERATED THROUGH OUR CAMPAIGN ACTIVITY



SUSTAINABLE GROWTH: DRIVE YEAR-ROUND AND DISPERSED VISITATION AND GROW ACCOMMODATION OCCUPANCY AND AVIATION CAPACITY THAT SUPPORTS LOCAL BUSINESSES AND LOCAL JOBS



INCREASING SATISFACTION: BE A RESULTS-DRIVEN AND RESPECTED ORGANISATION THAT IS INCREASING VISITOR, MEMBER, AND COMMUNITY SATISFACTION AND OUR DESTINATION'S NET PROMOTER SCORE



QUOTES FROM MEMBERS WHO COMPLETED OUR SURVEY

Leadership and Communication provided has been exemplary during this difficult time

Despite the ever-changing conditions, the strategic direction has been clear and reasoned and the campaigns creative and agile.

The team are great and always go above and beyond!

TTNQ have done an amazing job over the last two years to help steer the region through these unprecedented times with Mark at the wheel and great opportunities created.

The team are very generous with their time for members and their passion for the destination shows in their work.

I feel like TTNQ is my big brother, I always head to them when I need help and guidance.

To see how many 'enquires' 'leads' comes through has been great.



BOARD OF DIRECTORS

KEN CHAPMAN

CHAIR – APPOINTED DIRECTOR

Skyrail Rainforest Cableway, Chairman

WAYNE REYNOLDS

DEPUTY CHAIR – GENERAL DIRECTOR

The Reef Hotel Casino, General Manager Hotel

CRAIG BRADBERRY

CAIRNS NORTH ZONE DIRECTOR

Silky Oaks Lodge (Baillie Lodges), COO

JANET HAMILTON

CAIRNS SOUTH ZONE DIRECTOR

Cairns Convention Centre, General Manager

JEFF GILLIES

GENERAL DIRECTOR

Coral Expeditions, Commercial Director

JOHN O’SULLIVAN

APPOINTED DIRECTOR

Experience Co, CEO

RICHARD BARKER

APPOINTED DIRECTOR

Cairns and Mackay Airports, CEO

BEN WOODWARD

GENERAL DIRECTOR

The CaPTA Group, Director of Sales and Marketing

JOEL GORDON (JULY TO OCTOBER 2022)

GENERAL DIRECTOR

Crystalbrook Collection, Regional General Manager (Hotels) – Queensland

TARA BENNETT (JULY TO OCTOBER 2022)

CAIRNS NORTH ZONE DIRECTOR

Tourism Port Douglas Daintree, CEO

ALAN WALLISH

GENERAL DIRECTOR

Passions of Paradise, Managing Director

JANINE BOWMAKER

GENERAL DIRECTOR

Banora International, Managing Director

FINANCE, AUDIT AND RISK MANAGEMENT COMMITTEE

GREG NUCIFORA

CHAIR

Bell Potter Securities, Branch Manager

WAYNE REYNOLDS

DEPUTY CHAIR

The Reef Hotel Casino, General Manager Hotel

KEN CHAPMAN

Skyrail Rainforest Cableway, Chairman

JEFF GILLIES

Coral Expeditions, Commercial Director

JOANNE PARISI

MacDonnells Law, Practice Leader

MARK OLSEN

TTNQ, CEO and Company Secretary

KRISTY PAPROTH

TTNQ, Finance & Corporate Services Manager and Company Secretary

HUMAN RESOURCES COMMITTEE

JANET HAMILTON

CHAIR

Cairns Convention Centre, General Manager

KEN CHAPMAN

Skyrail Rainforest Cableway, Chairman

WAYNE REYNOLDS

The Reef Hotel Casino, General Manager Hotel

MARK OLSEN

TTNQ, CEO and Company Secretary

KRISTY PAPROTH

TTNQ, Finance & Corporate Services Manager and Company Secretary

A couple is seen from behind, sitting on a blue patterned blanket on the ground. They are looking towards a waterfall cascading over large, mossy rocks in a lush, green forest. The woman is wearing a dark top and light-colored pants, and the man is wearing a maroon shirt. The waterfall is the central focus of the background, surrounded by dense vegetation and large tree trunks.

VISIT OUR CHANNELS

CONSUMER

- [f @tropicalnorthqueensland](#)
- [@tropicalnorthqueensland](#)
- [@cairnsGBR](#)
- [tropicalnorthqueensland.org.au](#)

[#EXPLORETNQ](#) [#EXPLORECAIRNSGBR](#)

BUSINESS EVENTS

- [f @businesseventscairnsGBR](#)
- [@meetincairnsGBR](#)
- [businesseventscairns.org.au](#)

[#MEETINCAIRNSGBR](#)

CORPORATE

- [f @TTNQindustry](#)
- [tourism.tropicalnorthqueensland.org.au](#)
- [Tourism Tropical North Queensland \(TTNQ\)](#)

**Tourism Tropical North Queensland
Limited**
ABN 94 009 953 084

Annual Financial Report
For the year ended 30 June 2023

Tourism Tropical North Queensland Limited
ABN 94 009 953 084

Annual Financial Report
For the year ended 30 June 2023

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Tourism Tropical North Queensland Limited
ABN 94 009 953 084

Annual Financial Report
For the year ended 30 June 2023

Directors' report

The directors present their report together with the financial statements of Tourism Tropical North Queensland Limited ("TTNQ") (formerly Far North Queensland Promotion Bureau Limited) for the financial year ended 30 June 2023 and the auditor's report thereon.

Directors

The directors of the Company at any time during or since the end of the financial year are:

Name and qualifications	Special responsibilities	Experience
Ken Chapman B. Medicine B. Surgery Fellow of AICD	Chair - Appointed 19/08/2020	Chairman - Skyrail Rainforest Cableway
Wayne Reynolds Dip. Business Management	General Director - Appointed 16/10/2020	General Manager - Pullman Reef Hotel Casino
Craig Bradbery B. Hospitality	General Director - Appointed 16/10/2020	Chief Operating Officer - Silky Oaks Lodge
Jeff Gillies Adv Cert Hospitality Cert Executive Leadership	General Director - Appointed 16/10/2020	Commercial Director - Coral Expeditions
Janet Hamilton	Cairns South Zone Director - Appointed 16/10/2020	General Manager - Cairns Convention Centre
Richard Barker B. Management Member Institute of Directors (IOD - NZ)	Appointed Director - Appointed 03/12/2020	Chief Executive Officer - Cairns & Mackay Airports
John O'Sullivan B. of Arts (Leisure Studies) Executive MBA (AGSM) Graduate of AICD	Appointed Director - Appointed 25/05/2021	Chief Executive Officer - Experience Co
Ben Woodward B. Business (Journalism)	General Director - Appointed 21/10/2021	Director of Sales & Marketing, The CaPTA Group
Janine Bowmaker	General Director - Appointed 20/10/2022	Managing Director, Banora International
Alan Wallish	General Director - Appointed 20/10/2022	Managing Director, Passions of Paradise
Tara Bennett Masters of Tourism B. Commerce	Cairns North Zone Director - Appointed 16/10/2020 Retired - 20/10/2022	Chief Executive Officer - Tourism Port Douglas Daintree
Joel Gordon B. Hotel Management Dip. Hospitality Management Dip. Events Managements	General Director - Appointed 16/10/2020 Retired - 20/10/2022	General Manager - Crystalbrook Collection Area Manager - Crystalbrook Collection

Company secretary

Mark Olsen BAdmin (Tourism) Hon, was appointed to the position of company secretary on 11 September 2019.
 Tracy Hay Bachelor of Business (Commerce) and Graduate of AICD was appointed to the position of company secretary on 16 September 2021 and finished in the role on December 15, 2022.

Kristy Paproth, Bachelor of Business (Accounting / Legal Studies) and CPA (2017) was appointed to the position as joint company secretary on 2 March 2023.

Tourism Tropical North Queensland Limited
ABN 94 009 953 084

Annual Financial Report
For the year ended 30 June 2023

Directors' meetings

The number of directors' meetings and number of meetings attended by each of the directors of the Company during the financial year were:

	Board meetings		FARMC		HRC	
	No of meetings		No of meetings		No of meetings	
	Held	Attended	Held	Attended	Held	Attended
Ken Chapman	7	7	3	3	4	4
Craig Bradbery	7	5				
Ben Woodward	7	4				
Jeff Gillies	7	6	3	3		
Wayne Reynolds	7	7	3	3	4	4
Janet Hamilton	7	5			4	4
John O'Sullivan	7	5				
Richard Barker	7	7				
Janine Bowmaker (appointed 20/10/2022)	5	4				
Alan Wallish (appointed 20/10/2022)	5	5				
Tara Bennett (retired 20/10/2022)	2	1				
Joel Gordon (retired 20/10/2022)	2	1				

The purpose of the FARMC is to discharge the Board responsibilities as they relate to:

- The financial reporting process;
- The existence and maintenance of internal controls and accounting systems; and
- Corporate governance.

Membership

Classes of membership

The Company is a company limited by guarantee. Under the Company's constitution, there are five classes of membership.

Members' liability

Each member of the Company undertakes to contribute to the assets of the Company in the event of it being wound up while that person is a member, or within one year after that person ceased to be a member, for payment of the debts and liabilities of the Company contracted before that person ceased to be a member and of the costs, charges and expenses of winding up, and for adjustment of the rights of the contributors amongst themselves such amount as may be required, not exceeding \$10.

Objectives

The Company's objective is to drive visitor expenditure and long-term benefits for the region by leading the region's tourism marketing, positioning, and brand story; and by being a unifying and coordinating voice of the industry. The Company will meet these objectives through:

- Destination Marketing under a unified brand story
- Engaging partners within and beyond our region and our industry
- Drive digital leverage
- Improve membership engagement and retention
- Continuous improvement - an agile "fit for purpose" organisation
- Sustainable funding and resources

Tourism Tropical North Queensland Limited

ABN 94 009 953 084

Annual Financial Report For the year ended 30 June 2023

Tourism Tropical North Queensland Strategic Direction 2022/23

In response to the seismic shift in global travel in the wake of COVID-19, the organisation shifted its focus to growing its market share in the domestic market, and securing the funds required to driving its international recovery in order to achieve the Company objectives in 2022/23:

- **Deliver a Unified Brand**
 - Deliver a unified brand story under the 'Leave Greater' brand banner to position the region as the most desirable leisure, business event and corporate travel destination in Australia.
 - Amplifying the story with a compelling communication strategy that guides, directs and implements easily for all stakeholders and re-establishes our global footprint.
- **Increase our Domestic Market Share**
 - Build influential relationships with domestic trade partners to amplify the region's presence in the domestic travel landscape, fill the gaps left by reduced industry investment in marketing, and tap into the extensive network of people and industries outside of the tourism framework to boost our share of voice.
 - Use a greater presence in Australia to convert a high proportion of visitor nights and drive higher spend to including growth in luxury, adventure, events and gourmet travel.
- **Boost international recovery and restore aviation seat capacity**
 - Advocate and secure international recovery funding for the region (\$15M secured) and invest in international trade marketing and publicity to drive flight search for Cairns.
 - Work with the Airport and the Queensland Government to leverage the Aviation Attraction Investment Fund and drive seat capacity and passenger numbers.
 - Undertake integrated brand, retail and aviation partner campaigns to drive demand and maintain seat capacity including looking outside of tourism to drive a 'whole of plane' approach including freight, business travel and investment.
- **Support our industry**
 - Actively listen to members to find out what they want and need to advance and how we can add value to their membership.
 - Maintain our relevance by being at the forefront of changes and opportunities relating to destination marketing and providing a clear voice for our region in advocacy at all levels.
- **Continuously improve**
 - Build our governance and leadership capacity.
 - Actively manage asset utilisation i.e., people, utilities, information and risk.
 - Adopt relevant technology to assist with our continuous improvement.
 - Foster a culture of innovation.
 - Leverage partnerships to increase our reach and share of voice.

Principal activities

The principal activities of the Company during the course of the financial year related to tourism promotion of Tropical North Queensland. There were no significant changes in the nature of the activities of the Company during the year.

Operating and financial review

The organisation recorded a net deficit after tax amounted to \$1,047,953. The deficit is attributed to spending grant funds of \$1,009,735 in this financial year, which were received and recognised as revenue in the 2022 financial year and formed part of the opening retained surplus. To avoid impacting on the region's international recovery the TTNQ Board endorsed the use of retained surpluses to invest in international marketing activities between February and May 2023.

While travel restrictions, and increased cost of airfares, in the wake of COVID-19 continued to impact on some of the region's international visitor markets, the domestic market grew strongly. With international leisure visitors recovering from just 15% of 2019 levels in July 2022 to above 50% in June 2023 the region is on the road to recovery, with domestic travel growth not only closing the gap, but lifting total visitor spend to \$4.8B, \$1.3B above 2019 levels.

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Annual Financial Report For the year ended 30 June 2023

Key focus areas for TTNQ included:

- Domestic marketing activities during this reporting period were tailored to target those domestic markets with higher spend that were not planning an overseas holiday.
- International marketing activities recommenced with the appointment of six (6) international PR agencies, trade missions and trade campaigns in most of the region's international target audiences with the exception of Greater China.
- Increased support for major and business events, including hosting two Crankworx events in October and May, as well as generating \$80M in business events leads in the 2022-23 financial year.

In the opinion of the Directors, there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

Key performance indicators

Critical success factors monitored for performance include:

Destination indicators

The destination has rebounded stronger than expected. Compared to the year ending March 2019:

- Total visitor spend hit \$4.8B, with a record \$4.3B in domestic visitor spend, up 71.5% from 2019.
- Domestic visitor numbers of 2.5M up 12.6%.
- Holiday visitors grew 29.6% to 1.5M, with the region retaining 16.7% share of Queensland holiday visitor nights.
- Total visitor nights were up 23% to 13.8 million, retaining a 12.6% share of domestic visitor nights, above the 11.8% target.
- The average length of stay for holiday visitors grew by 0.5 to 5.5 nights.
- Spend was up 39.4% to \$318 per night (up from \$276 in 2021/22).

Organisation indicators

Key Highlights for 2022-2023:

- \$166M in Advertising Value Equivalent (AVE) generated, 38% over the \$120M target.
- \$124M in campaign generated Overnight Visitor Expenditure (OVE), 24% above the \$100M target.
- \$80M in business event leads, right on target.
- \$2.85M in member and partner funding, above the \$2M target.
- 87% member satisfaction, above the 85% target.
- Remaining the #2 ranked RTO in Queensland for funding and efficiency, above the #3 target.

Corporate governance statement

Responsibilities

The directors are responsible to the members for the performance of the Company in both the short and the longer term, and seek to balance these sometimes competing objectives in the best interests of the Company as a whole. Their focus is to enhance the interests of members and other key stakeholders and to ensure the Company is properly managed. The Board draws on relevant corporate governance best practice principles to assist it to contribute to the performance of the Company.

The functions of the Board include:

- Review and approval of corporate strategies, the annual budget and financial plans;
- Overseeing and monitoring organisational performance and the achievement of the Company's strategic goals and objectives;
- Monitoring financial performance including approval of the annual financial reports and liaison with the Company's auditors;
- Appointment of, and assessment of the performance of, the chief executive officer;
- Ensuring there are effective management processes in place and approving major corporate initiatives;
- Enhancing and protecting the reputation of the Company;
- Ensuring the significant risks facing the Company have been identified and appropriate and adequate control, monitoring and reporting mechanisms are in place; and
- Reporting to members.

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Annual Financial Report For the year ended 30 June 2023

Board members

Details of the members of the Board, their qualifications, term of office and independence status are set out in the directors' report under the heading "Directors". The Board operates in accordance with the principles set out in the Company's constitution, including:

- The Board is comprised of not more than 13 during the Transition Arrangements of the new Constitution. At the date of this report the Board consisted of 10 members.
- The Chair of the Board is elected by the full Board.
- There shall be 6 elected directors in this year of Transition Arrangements, returning to four elected Directors in 2024/25 plus an appointed independent Chair, and up to 4 appointed Directors under the provisions of the Constitution.

Events subsequent to reporting date

There has not arisen in the interval between the end of the financial year and the date of this report, any item, transaction, or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

Likely developments

The organisation is aiming to bring forward the region's international recovery from mid-2026, (as forecast by Deloitte modelling prepared in 2021), by leveraging the \$15M Federal Grant funding. The Company has taken this into account in its forward plans and budgets, including contingency plans for alternative marketing activities to meet a changing environment and the requirements of the funding agreements.

Furthermore, the Company will continue to adapt its plans and operations to respond to the changing environment. Further information about the likely developments in the operations of the Company and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

Environmental regulation

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the Board believes that the Company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Company.

Indemnification and insurance of officers and auditors

During the financial year, the Company maintained Directors and Officers Liability insurance cover and indemnified all Directors of the Company and named Senior Officers, in respect of any liability incurred in their capacities as an Officer of the Company and any related company and defence costs incurred in connection with an investigation or in a proceeding or action for liability incurred as an Officer of the Company and any related company. There were no known claims during the financial year. Since the end of the previous financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Company.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

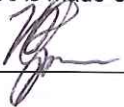
Tourism Tropical North Queensland Limited
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Annual Financial Report
For the year ended 30 June 2023

Auditor's independence declaration

The auditor's independence declaration is set out on page 23 and forms part of the directors' report for the financial year ended 30 June 2023.

This report is made out in accordance with a resolution of the directors:



Director

12/09/2023
Date

Tourism Tropical North Queensland Limited
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Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue and Other Income			
Grants		8,894,501	12,119,354
Sponsorship		1,781,241	2,872,304
Membership income		614,408	548,658
Industry contributions		460,426	316,295
Other Income		192,860	63,104
	3	11,943,436	15,919,715
Expenditure			
Marketing and promotion		10,034,734	13,570,463
Industry representation		179,623	312,236
Salaries and employee expenses		1,789,655	1,654,563
Administration Expenses		987,378	1,102,902
		12,991,389	16,640,164
DEFICIT BEFORE INCOME TAX		(1,047,953)	(720,449)
Income tax expense	2(b)	-	-
TOTAL COMPREHENSIVE INCOME (DEFICIT)		(1,047,953)	(720,449)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

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Statement of Financial Position
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
Current assets			
Cash and cash equivalents		4,922,452	6,331,056
Accounts and other receivables	4	192,737	909,147
Prepayments		144,627	60,760
Total current assets		5,259,816	7,300,963
Non-current assets			
Property, plant and equipment		63,400	66,399
Total non-current assets		63,400	66,399
TOTAL ASSETS		5,323,216	7,367,362
LIABILITIES			
Current liabilities			
Trade and other payables	5	844,150	1,147,449
Employee provisions	6	42,305	31,262
Contract liabilities	7	2,355,194	3,088,321
Total current liabilities		3,241,649	4,267,032
Non-current liabilities			
Employee provisions	6	80,616	51,426
Total non-current liabilities		80,616	51,426
TOTAL LIABILITIES		3,322,265	4,318,458
NET ASSETS		2,000,951	3,048,904
EQUITY			
Retained surplus		2,000,951	3,048,904
TOTAL EQUITY		2,000,951	3,048,904

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

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Statement of Cash Flows
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash from operating activities:			
Receipts from members, funding bodies and industry		10,801,284	10,344,926
Payments to suppliers and employees		(12,269,906)	(13,581,227)
Interest received		70,083	43,091
		<hr/>	<hr/>
Net cash provided by (used in) operating activities	8	(1,398,539)	(3,193,210)
 Cash from investing activities:			
Payments for property, plant and equipment		(10,065)	(33,304)
		<hr/>	<hr/>
Net cash provided by (used in) investing activities		(10,065)	(33,304)
 Net increase (decreases) in cash held		 (1,408,604)	 (3,226,514)
Cash and cash equivalents at beginning of year		6,331,056	9,557,570
		<hr/>	<hr/>
Cash at end of financial year		4,922,452	6,331,056

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

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Statement of Changes in Equity
For the year ended 30 June 2023

	Retained surplus \$
Balance at 1 July 2021	<u>3,769,353</u>
Deficit for the year	<u>(720,449)</u>
Total comprehensive income for the year	<u>(720,449)</u>
Balance at 30 June 2022	3,048,904
Deficit for the year	<u>(1,047,953)</u>
Total comprehensive income for the year	<u>(1,047,953)</u>
Balance at 30 June 2023	<u>2,000,951</u>

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

Tourism Tropical North Queensland Limited
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Notes to the Financial Statements
For the year ended 30 June 2023

1 Corporate Information

The financial statements of Tourism Tropical North Queensland Limited (formerly Far North Queensland Promotion Bureau Limited) (the “Company”) for the year ended 30 June 2023 were authorised for issue in accordance with a resolution of the directors on the date the Directors declaration was signed. The Company is a not-for-profit entity and primarily is involved in promotion and development of tourism in Far North Queensland.

The financial statements are presented in Australian dollars.

Tourism Tropical North Queensland Limited is a company limited by guarantee incorporated and domiciled in Australia.

The address of the registered office and the principal place of business is Level 1, Ports North Building, Cnr Grafton &, Hartley St, Cairns QLD 4870.

2 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (“AASBs”) adopted by the Australian Accounting Standards Board (“AASB”) and the Corporations Act 2001.

Because the Company is a not-for-profit entity and AASBs include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (“IFRSs”) to the extent these inconsistencies are applied, the financial statements of the Company do not comply with IFRSs adopted by the International Accounting Standards Board. The main impact is the timing of the recognition of grant income.

The financial statements have also been prepared on a historical cost basis.

The concept of accruals accounting has been adopted in preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements.

(b) Income Tax

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

(c) Accounting Standards and Interpretations Issued But Not Yet Effective

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(d) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. No material critical accounting estimates and judgements were made as at 30 June 2023.

Notes to the Financial Statements
For the year ended 30 June 2023

2 Summary of Significant Accounting Policies (continued)

(e) Economic Dependency and Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Company is a not-for-profit entity and is reliant on government funding in order to continue its operations. Management has no reason to believe that the required funding will not be forthcoming for the foreseeable future. However, should future government funding be significantly reduced or curtailed, the Company would be unlikely to be able to continue its operations at current levels.

(f) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Tourism Tropical North Queensland Limited
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	2023	2022
	\$	\$
3 (a) Revenue		
Grants	8,894,501	12,119,354
Membership income	614,408	548,658
Sponsorship	1,781,241	2,872,304
Industry contributions	460,426	316,295
Other revenue	122,777	20,013
	11,873,353	15,876,624
(b) Other Income		
Interest	70,083	43,091
Total Revenue	11,943,436	15,919,715

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with the customer.

Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Company expects to be entitled to in exchange for transferring promised goods or services to a customer, net of goods and services tax, returns, rebates and discounts. The transaction price is allocated to each performance obligation on the basis of the relevant standalone selling price of each distinct good or service promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

The Company recognises other revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities using the methods outlined below.

(i) Membership

Fees are paid to the Company in return for membership and for a number of benefits and services that are considered to be sufficiently specific performance obligations which are incurred over the lifetime of the membership period. Member fees are therefore recognised over the period for the membership as benefits are transferred to members.

Membership fees paid in advance to the Company are recognised as contract liabilities.

(ii) Industry contributions (cash)

Industry contributions are accounted for under AASB 1058 on the basis that the income arises from an agreement which is not enforceable or does not contain sufficiently specific performance obligations. As such, industry contributions are recognised when the Company is entitled to receive them.

(iii) Industry contributions (in-kind)

There is no consideration transferred in return for in-kind industry contributions. As such, in-kind industry contributions are accounted for under AASB 1058 and recognised as income upon receipt at the fair value of the goods or services received.

Tourism Tropical North Queensland Limited

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3 (Revenue (continued))

(iv) Sponsorships

Revenue from in-kind sponsorships is recognised in the year the in-kind goods or services are received by the Company and measured at the fair value of the goods or services received.

(v) Government grants and other contributions of assets

Grants under AASB 15

Grants (other than certain capital grants) are accounted for under AASB 15 where the grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations. As such, the revenue is recognised when each performance obligation is satisfied.

The company has a number of grant arrangements that relate to the funding of activity-based services (principally events and campaigns) which have been identified as having sufficiently specific performance obligations under enforceable grant agreements. Revenue is recognised under these grants when the activity-based service (events and campaigns) is completed.

Grants under AASB 1058

Other grants, including certain capital grants, are generally accounted for under AASB 1058.

The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where:

- an asset is received in a transaction, such as by way of grant, bequest or donation;
- there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and
- the intention is to principally enable the entity to further its objectives.

Assets arising from grants in the scope of AASB 1058 are recognised at the assets' fair values when the assets are received. Any related liability or equity items associated with the asset are recognised in accordance with the relevant accounting standard. Once the asset and any related liability or equity items have been recognised, then income is recognised for any remaining asset value at the time the asset is received.

Significant Judgements in Revenue Recognition

The company has a number of grant arrangements that relate to funding of activity-based services (principally events and campaigns). A number of these grants have been identified as having sufficiently specific performance obligations. The company recognises revenue as it determines performance obligations are satisfied. Due to the nature of the funding agreements and the activities performed significant judgments can be required to determine the performance obligations and when a performance obligation is satisfied.

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	2023	2022
	\$	\$
4 Accounts & Other Receivables		
Accounts receivable	192,737	497,766
GST receivable	-	411,381
	192,737	909,147

Trade and other receivables are measured at amortised cost, less allowance for impairment losses.

The Company uses a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

The Company fully allows for any memberships or industry contribution amounts that are more than 120 days past due. The Company does not allow for write-off of Government grants receivable, as a default has never occurred. The Company has assessed the accounts receivable as at 30 June 2023 and has determined that no impairment is required at that date.

	2023	2022
	\$	\$
5 Trade and Other Payables		
<i>Unsecured liabilities</i>		
Trade payables	607,644	910,278
Accrued expenses	21,500	18,500
Other payables	79,077	81,897
Annual leave entitlements	135,929	136,774
	844,150	1,147,449

Trade payables are recognised when goods or services are received, at the contracted amounts agreed. Such agreed amounts are unsecured and generally settled within 30 day terms or by arrangement. Trade and other payables are expected to be settled within the 30 days at cash outflows not significantly different from amounts stated above.

Annual leave entitlements are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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	2023	2022
	\$	\$
6 Employee Provisions		
CURRENT		
Long Service Leave	42,305	31,262
	42,305	31,262
NON-CURRENT		
Long service leave	80,616	51,426
	80,616	51,426

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

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

	2023	2022
	\$	\$
7 Contract Liabilities		
Unexpended grant liability	1,990,528	2,903,831
Membership subscriptions received in advance	88,715	129,490
Sponsorship received in advance	275,951	55,000
	2,355,194	3,088,321

Contract liabilities represent the Company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer.

Refer to Note 3 for details of significant judgements made.

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	2023	2022
	\$	\$
8 Cash Flow Information		
<i>Reconciliation of Cash Flow from Operations with Profit after Income Tax</i>		
Net deficit) for the year	(1,047,953)	(720,449)
<i>Non-cash flows in (deficit):</i>		
Depreciation and amortisation	13,064	16,723
Loss on disposal of assets	-	1,101
<i>Changes in operating assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	716,410	(550,933)
(Increase)/decrease in prepayments	(83,867)	(42,364)
Increase/(decrease) in trade payables and contract liabilities	(1,036,426)	(1,911,006)
Increase/(decrease) in provisions	40,233	13,718
	(1,398,539)	(3,193,210)

9 Related Parties

(i) Key management personnel compensation

The key management personnel compensation comprised the following:

	2023	2022
	\$	\$
Short-term employee benefits	633,065	588,670
Long-term employee benefits	1,209	4,338
Post-employment benefits	65,290	57,124
	699,564	650,132

Compensation of the Company's key management personnel includes salaries, non-cash benefits and contributions to a post-employment defined contribution plan.

(ii) Loans to key management personnel

There were no loans made, guaranteed or secured by the Company to key management personnel during the year 2023.

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9 Related Parties (continued)

(iii) Key management personnel and director transactions

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over these entities.

A number of these entities transacted with the Company during the year. The terms and conditions of the transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-key management personnel related entities on an arm's length basis.

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

		Transaction values for the year ended 30 June 2023		Balance outstanding as at 30 June 2023	
		Sales	Purchases	Balance owing to TTNQ	Balance owed by TTNQ
		\$	\$	\$	\$
CaPTA Group	Ben Woodward (i)	28,553	2,897	-	-
Skyrail	Ken Chapman (ii)	40,662	44	-	-
Banora International	Janine Bowmaker (iii)	1,045	-	-	-
Passions of Paradise	Alan Wallish (iv)	2,227	200		
		Transaction values for the year ended 30 June 2022		Balance outstanding as at 30 June 2022	
		Sales	Purchases	Balance owing to TTNQ	Balance owed by TTNQ
		\$	\$	\$	\$
CaPTA Group	Ben Woodward (i)	20,064	27,515	-	-
Skyrail	Ken Chapman (ii)	30,681	2,545	-	-
Paronella Park	Mark Evans (v)	18,232	-	-	-

All transactions were billed based on normal market rates for such services and were due and payable under normal payment terms.

- (i) The Company receives membership payments from CaPTA Group and its associated entities. In addition, the Company receives industry buy contributions to attend workshops and events. The Company will also engage services from CaPTA Group and its associated entities for marketing in the form of experiences.
- (ii) The Company receives membership payments from Skyrail and its associated entities. In addition, the Company receives industry buy contributions to attend workshops and events. The Company will also engage services from Skyrail and its associated entities for marketing in the form of destination experiences.
- (iii) The Company receives membership payments from Banora International.
- (iv) The Company receives membership payments from Passions of Paradise. The Company will also engage services from Paronella Park for marketing in the form of destination experience.
- (v) The Company receives membership payments from Paronella Park. In addition, the Company receives industry buy contributions to attend workshops and events. The Company will also engage services from Paronella Park for marketing in the form of destination experience.

From time to time directors of the Company, or their related entities, may buy goods from the Company. These purchases are on the same terms and conditions as those entered into by other Company employees or members. Historically, the Company has intentionally sourced many of its directors from within its membership base. The membership payments for these member companies are on the same terms and conditions as those of companies and businesses which do not have a representative on the Board.

Tourism Tropical North Queensland Limited
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10 Auditors Remuneration

	2023	2022
	\$	\$
<i>Audit Services</i>		
Auditors of the Company - BDO Audit (Nth Qld) Pty Ltd	22,000	20,000
Other regulatory audit services - BDO Audit (Nth Qld) Pty Ltd	2,000	2,000
<i>Other Services</i>		
Assistance with preparation of statutory financial statements	4,200	-
Fringe benefits tax advice	11,070	-
	<u>39,270</u>	<u>22,000</u>

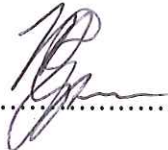
Tourism Tropical North Queensland Limited
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Directors' Declaration
30 June 2023

In the opinion of the directors of Tourism Tropical North Queensland Limited (the "Company"):

- (a) The financial statements and notes are in accordance with the *Corporations Act* 2001, including:
 - i. giving a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
 - ii. complying with Australian Accounting Standards and the *Corporations Regulations* 2001.
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

Director: 

Director: 

Dated: 12 September 2023

**DECLARATION OF INDEPENDENCE BY MARGARET DEWHURST TO THE DIRECTORS OF
TOURISM TROPICAL NORTH QUEENSLAND LTD**

As lead auditor of Tourism Tropical North Queensland Ltd for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Margaret Dewhurst

Director



BDO Audit (NTH QLD) Pty Ltd

Cairns

13 September 2023

INDEPENDENT AUDITOR'S REPORT

To the members of Tourism Tropical North Queensland Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Tourism Tropical North Queensland Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Tourism Tropical North Queensland Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' Report and Annual Report but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO

BDO Audit (NTH QLD) Pty Ltd



Margaret Dewhurst
Director
Cairns, 13 September 2023