



PORT STEPHENS TOURISM LTD  
**ANNUAL REPORT**  
2016/17



Destination  
Port Stephens  
*P.S. I love you xx*





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# INTRODUCTION

As we draw ever closer toward another summer season of cicadas, sunsets, salt spray, sand... and some seriously busy times... let's press pause and take a look back at where we've been over the past 12 months and where we're headed as one of the leading regional destinations in Australia.

It was the year the world was Trumped, where the English made a slow Brexit stage right, where hurricanes wiped out idyllic Caribbean paradises and terrorism made more headlines than tourism. Though tourism has taken a hit across the globe the news has not been all bad closer to home. NSW has enjoyed strong results in the International Visitor Survey, with the state welcoming just over four million overseas visitors who spent \$10.1 billion in the State in the year ending June 2017. Rural and regional NSW posted its highest volumes of international visitors, nights and expenditure on record, welcoming 813,000 international visitors who stayed 14.8 million nights and spent \$1.1 billion - up more than 22 per cent. This growth also flowed on to Port Stephens with our international numbers up 45% (38,350 visitors staying 176,410 nights).

Unlike our northern neighbours, our region has been lucky to avoid any major weather events and the subsequent negative impact that would have had on our seasonal destination. Our domestic visitation, it would seem, is beholden to the weather gods - which is more incentive for us to build our capacity for international visitors, business and events. As we continue to create global awareness for our brand and irresistible packages and incentives for these markets we become "weatherproof", less seasonal and the ideal 365-day destination!

Another noteworthy advancement was the long awaited reform of regional tourism in NSW as the Destination Network came into effect.

Over 12 months ago, the NSW Government announced it would invest \$43 million over four years in a major overhaul in the way regional and rural areas attract visitors, including the creation of six new Destination Networks throughout NSW replacing the Regional Tourism Organisation (RTO) structure. Port Stephens is extremely fortunate to have two representatives on the new Destination Sydney Surrounds North (DSSN) six person board. Naomi Farrelly and Paul Hughes are both well respected and great advocates for our region.

DPS looks forward to working with the newly appointed DSSN General Manager, Glenn Caldwell, to ensure visitation and visitor spend is increased within the network's footprint. If early conversations are any indication, the news is all good with work currently underway to secure a share of the \$4.5 million worth of cooperative marketing dollars provided by the State Government through Destination NSW.

Through all the doom and gloom invading our smart phones and our giant HD TVs, there is always a bright light... Port Stephens. With a sunny disposition a positive outlook and a stunning location it is no wonder so many of us love to call this place home and our visitor economy continues to grow.







# CHAIRMAN'S REPORT

As I write my report and reflect on the past 12 months it is with great pride I acknowledge, on behalf of the Board, the achievements of the small but dedicated team and, of course our supportive members. Port Stephens, as a tourism destination, and Destination Port Stephens (DPS) as an industry organisation, continues to be the envy of many others in the tourism sphere. Naturally they'd all love to have the stunning assets mother nature has bestowed upon us, but it is the unrivalled support, the enthusiasm and commitment DPS receives from our Council, their tourism and events unit, our members, the volunteer Board and our small team that has got them turning green! And rightly so. It is a unique, cohesive collaboration of like-minded, skilled and passionate Port Stephens people all working towards the same end game.

The DPS team has worked hard to continue to deliver outcomes proposed in the Destination Management Plan generating more incentives for visits to our awesome coast. From Dubbo to Auckland, Sydney to Shanghai - Destination Port Stephens has been spreading the love! Love nature. Love adventure. Love food. Love summer. Actually... there's a lot to love about Port Stephens in any season!

Congratulations to our DPS team on a great effort and fabulous outcomes over the last 12 months. Apart from generating lots of PR, building an engaged social media community and representing the Port Stephens brand in both domestic and international locations - they've also managed to roll out a new website and a range of campaigns and marketing initiatives from Love Winter, to Naturefest, Love Seafood, Love Weddings and Love Summer. They continue to go above and beyond to deliver our members optimum value and service.





To retiring Directors - Simon Glover, Michael Hogg and Deborah Stretton - thank you on behalf of the organisation and members for your dedication and commitment to fulfilling these voluntary roles. Well done - your efforts are greatly appreciated. To the Councillors, executive and staff of Port Stephens Council your ongoing support of Destination Port Stephens, our members and our long term goals exemplifies the belief you have in the organisation and recognises the importance of the visitor economy to this region. In a time when many local government organisations are reducing investment, Port Stephens Council continues to invest in the tourism sector and shares our vision of an even brighter future.

Our membership continues to grow as does Port Stephens with recent investments, revitalisations and resurrections. Nelson Bay CBD is a hive of activity with the Yaccaba Street extension, Nelson Bay Golf Club has risen like a phoenix from the ashes and the recent election of new councillors and mayor has triggered a fresh wave of enthusiasm. It's a great time to be part of this thriving visitor economy and the Port Stephens community in general and I look forward to the year ahead with renewed vigour and excitement for the future of Destination Port Stephens.

A handwritten signature in black ink, appearing to read 'Andrew Macdonald'.

**Andrew Macdonald**

Chairman - Destination Port Stephens





# DESTINATION MARKETING MANAGER'S REPORT



It has been a privilege to lead the organisation during the past 12 months. Once again a busy year with many achievements and some great outcomes for all stakeholders. Some highlights include the implementation of inaugural “Love Summer. Love Nelson Bay.” precinct campaign, the launch of our new website, delivery of Love Sea Food 2017 and Naturefest 2017, initiation of the digital Nature & Adventure guides, creation of the brand new online Trail Guides as well as attendances at key international trade events such as the Australian Tourism Exchange and Asia-Pacific Incentives and Meetings Expo.

The past twelve months have been extremely productive - though at times challenging - with so many activities initiated across all areas of the organisation. Deservedly, I would like to acknowledge the efforts of Sharon Turley, Natalie Compton and Dianne Pearson for their professionalism, dedication and highly regarded work ethic. For a small team, the deliverables achieved are just astounding - well done and thank you!

As continually shared with industry, the Port Stephens brand is much more than a single tactical marketing campaign. It is truly about a united, collaborative team ensuring best practice is delivered each and every time through professional development and product development. It's the way in which all stakeholders embrace and share the Port Stephens story with pride. Not difficult really... given the amazing location and lifestyle we enjoy.

Visitation continues to trend in line with the five-year average, which has seen a total of 1.31million visitors to Port Stephens during the past 12 months. Domestic overnight visitors accounted for 49.8% market share with 655,000 visitors (an increase of 5.8%) generating 2 million nights. Domestic day visitors accounted for 47.2% of market share. Our international visitation has increased dramatically with a jump of 45% on the previous year, 38,000 overnight visitors and increased to 3% market share. Overall **visitation has contributed an estimated \$502 million to the local visitor economy in Port Stephens** during 2016-17.

Membership of the organisation continues to grow as well, with a total of 320 businesses choosing to join Destination Port Stephens. This growth in membership is both exciting and encouraging as more members from non-traditional tourism businesses are choosing to join the organisation and work together to grow the Port Stephens visitor economy. DPS exists for the members so it is encouraging to see the membership continue to support and grow the organisation... together we are stronger.



Securing additional funding (leveraging member and Council investment) to entice more visitors in the lean times will continue to be a key priority for the organisation as will looking beyond the traditional tourism related grants for a source of income. With the introduction of the new Destination Sydney Surrounds North network, by Destination NSW, we have the potential to increase our reach with new funding co-operative funding channels in order to accelerate our growth.

Destination Port Stephens will continue to support Council's Tourism and Events team to ensure that Port Stephens is the most sought after location by event organisers. Such events increase the product offering for visitors and stimulates the development of new niche markets and subsequent visitors. Like the MICE market, these events are not usually dependant on peak season weather and thus provides us with a boost to the economy during the shoulder periods as we work towards a 365 day visitor economy.

I, personally, would like to thank the Board of Directors for their support and assistance during the past year. Your wealth of knowledge and experience has been invaluable to both myself and the team.

Lastly, but by no means least, thanks must go to all our members for continuing to support Destination Port Stephens. For those who say "yes" to our marketing opportunities as they are presented and embrace the brand awareness and extra exposure their product or service gains. We thank you for having the vision and getting on board with new and innovative channels. For those yet to take the leap - what are you waiting for? Dive in - the water's fine! The co-operative buying power means you are exposed to marketing opportunities not usually offered without big budgets or long term commitments so grab those opportunities with both hands and continue to build the reach and frequency your brand needs. Be part of this exciting time with a great team and join us in our quest to make Port Stephens the most desired destination on Earth!

**Danny Eather**  
Destination Marketing Manager  
Destination Port Stephens



# 2016-17 BOARD OF DIRECTORS



## **ANDREW MACDONALD** **THE NELSON RESORT & LITTLE NEL CAFÉ**

Andrew Macdonald has been a director of Destination Port Stephens for the past six years and the past year as Chairman. He is the co-owner and operator of both The Nelson Hotel and The Little Nel Café and has operated these businesses for the past six years.

Before going into business Andrew was national general manager of operations for Best Western Hotels overseeing over 250 hotels and motels. Prior to this he spent 10 years working in several hotel chains in sales & marketing and front of house roles.

Andrew holds a Bachelor of Business (Tourism) and a Masters in Marketing from the University of Newcastle.

## **MICHAEL AYLMEYER** **PLACE PROPERTY MANAGEMENT PORT STEPHENS**

Michael has lived in the Port Stephens (Nelson Bay) area since 1975, having moved from Sydney. With a background in accounting (construction and mining support industries in management accounting) and small business, Michael started Nelson Bay Real Estate on the 1st July 1980. The business evolved over the years and Michael is now Principal of Accom Nelson Bay Pty Limited, t/as Place Property Management Port Stephens; a specialist property management company that deals primarily in the management of; Permanent Residential and Commercial properties.

Michael has a number of years' experience with the tourism board. During the late 1980's he spent three years on the board of the Tourist Organisation of Port Stephens, in 2005 he re-joined the board of Port Stephens Tourism Limited and became Chairman (replacing Peter Dann) from October 2009. From approximately 1992 to about 2004, Michael was on the Nelson Bay Chamber of Commerce Board, serving two three year terms as President of the Chamber and was one of the people involved in the establishment of Nelson Bay Town Management.

## **ALICIA CAMERON** **LITTLE BEACH BOATHOUSE**

Alicia is the Owner/General Manager of Little Beach Boathouse Restaurant & Bar (4 years).

As General Manager of Little Beach Boathouse, Alicia oversees the daily running of the business, company culture, implementing new revenue strategies, executing sales and designs marketing campaigns in line with the Little Beach Boathouse brand.

Since completing a hospitality traineeship, Alicia has managed a number of hospitality businesses, as well as working in local government. She has over 14 years of experience in the industry.

Alicia has extensive experience in advertising, marketing, staff management, training and bookkeeping.

Alicia's latest venture is a social business called She Can, which is an organisation that supports girls to realise their passion and achieve their goals.

## **MATTHEW FINDLAY**

### **AUSTRALIASIAN AIRLINE & AIRPORT CONSULTING (3AC)**

Matthew has considerable experience in the aviation industry having worked in a variety of roles and countries during his time in the sector. Matt joined the DPS Board in October 2016, while an executive with Newcastle Airport. In March 2017, he established 3AC as a boutique advisory and is currently retained by NT Airports and is focused on the development and growth of airline and passenger services for NT Airports, and aero pricing. Most recently he led the team responsible for aviation revenues, growth and commercial activities as well as community engagement and marketing at Australia's Newcastle Airport.

Matthew was previously retained by Christchurch Airport, post the devastating earthquakes, to lead the regions strategy of growing existing and attracting new air services. His legacy is successfully attracting the first premium Chinese carrier to serve the South Island and seeing a significant return to growth in the visitor economy with a number of first achieved during his tenure. Previously at Auckland Airport, where he held a number of roles over nearly ten years, he had responsibilities in the areas of property development, retail, corporate affairs and air service development. He also has experience as a management consultant in the aviation sector in the United Kingdom between 2003-2006, and spent some two years prior to that as a group commercial manager for an airports multinational, with responsibilities in the UK, Scandinavia and USA.

Whilst Matthew is currently a Director of Port Stephens Tourism, he has also been co-opted onto the Board of Tourism Top End and has a wide range of governance experience on the Boards of business councils and tourism organisations. Matthew is married with 3 children and resides in Nelson Bay.

## **JANELLE GARDNER**

### **TOURISM DEVELOPMENT & EVENTS CO-ORDINATOR**

#### **PORT STEPHENS COUNCIL**

With over 20 years living and breathing the Port Stephens tourism industry, Janelle is a proud and passionate ambassador for this idyllic part of the planet she calls home.

Janelle has a unique and comprehensive understanding of the Port Stephens Visitor Economy gleaned from a varied range of roles over the past two decades. From marketing and management roles for hotels, resorts, events and local government - to consulting on a number of projects including the Tomaree Events Strategy.

Janelle was previously CEO of Destination Port Stephens and a Director of Port Stephens Tourism Limited and has been a long term advocate for the organisation, its goals and the members it represents.

Now, as Tourism and Events Coordinator at Port Stephens Council, Janelle's role focuses on driving the economic, environmental and social benefits that a vibrant and sustainable tourism industry provides through increased employment, investment and infrastructure. This includes Tourism Strategy and Development, Visitor Servicing, Event Sponsorship and Event Assessment. Janelle continues works closely with the team at DPS and other key industry stakeholders to ensure a coordinated and cohesive approach to the future growth and success of the Port Stephens Visitor Economy.



## **SIMON GLOVER**

### **ALLOGGIO**

Beginning his career in hospitality over 25 years ago at the Hilton Hotel in Brisbane, Simon has developed a passion for hotels and accommodation and led to a successful career as a hotel manager.

Simon managed the Sebel Kirkton Park at the Hunter Valley. He was responsible for opening Novotel Newcastle Beach (formerly known as The Sebel) in 2010 and later the Mercure Newcastle Airport in 2015, serving as the general manager for both properties.

Simon is currently the Operation Manager for Alloggio, a new dynamic accommodation business featuring boutique hotels as well as holiday lettings in the Port Stephens and Hunter regions.



## **MICHAEL HOGG**

### **PORT STEPHENS PADDLESPO RTS**

Michael Hogg has been the Director of Port Stephens Paddlesports (PSPS) since 2009. During this time, Michael and his team have built PSPS up to be one of the most respected Kayak/Paddle Board Tour and Rental providers within the Hunter Region.

Michael first developed his business management skills whilst working his way up the corporate ladder in a large sales management team, eventually becoming the youngest executive in the team. His love of travelling and the outdoors diverted his career into the outdoor/education field in Japan where he established a successful school teaching children outdoor appreciation whilst immersing them in the English language.

Michael's passion for Port Stephens drew him back to his hometown, where he now resides in Shoal Bay with his wife and young daughter. A self-described 'life lover', Michael is an energetic, goal-oriented individual who understands that a good team player requires an open mind and genuine commitment. His extensive travel has allowed Michael to develop a deep respect and appreciation for the environment and other cultures.

## **MIKE McINTOSH**

### **GROUP MANAGER DEVELOPMENT SERVICES, PORT STEPHENS COUNCIL**

Mike commenced work at Port Stephens Council in July 2012. Previously working in senior management positions at the City of Port Phillip and Moreland City Council in Melbourne in a range of roles including planning, economic development, tourism and compliance. Mike has a Bachelor of Planning and Design and is currently completing a Master of Business Administration.

With over 16 years in local government, Mike is passionate about community development, health and wellbeing and ensuring we get the balance right between growth, development and our natural environment.

Mike is also eager to drive change in local government when it comes to efforts around maintaining the right balance between the natural environment and economic development, tourism and community development.

## DEBORAH STRETTON

### D'ALBORA MARINAS NELSON BAY

Deborah commenced work with the Ardent Leisure Group – D'Albora Marinas in September 2004, where she has gained the experience of both Marina Operations and Property Management within a tourism sector.

Deborah is a results-oriented leader recognised for her contribution within our region with a strong reputation for promotions, events and product development. Deborah has a talent for building cohesive teams with strong problem-solving skills and is able to manage time-sensitive projects with events and activities on the marina and within our local community. Deborah has demonstrated a proven success and has been awarded for developing, implementing and managing social/new media campaigns resulting in increased customer engagement and acquisition. She is also responsible for developing a full calendar of events to activate the site and encourage economic benefit within the border community.

Previously based in Sydney working within the business management for high profile companies such as Arnette Sunglasses (Bausch and Lomb), Device Technologies (Medical) and Senior Leading Officer for Australian Credit Union Associations, Deborah has an extensive understanding of all facets of business fundamentals, along with her experience within Event Management being responsible for many key celebrations within our region.

Deborah's passion and love for the region of Port Stephens is shown in all aspects of her life, ensuring the continued growth of our area, of which she believes to be one of the most beautiful locations in Australia.

## SUMMARY OF BOARD ATTENDANCE

| Summary of Board Attendance | Number of meetings held while a Director | Number of meetings attended while a Director |
|-----------------------------|--|--|
| <b>A. Macdonald</b>         | 9  | 9  |
| <b>M. Aylmer</b>            | 9  | 8  |
| <b>A. Cameron</b>           | 9  | 8  |
| <b>M. Findlay</b>           | 9  | 5  |
| <b>J. Gardner</b>           | 9  | 7  |
| <b>S. Glover</b>            | 9  | 6  |
| <b>M. Hogg</b>              | 9  | 5  |
| <b>M. McIntosh</b>          | 9  | 6  |
| <b>D. Stretton</b>          | 9  | 5  |



# KEY PERFORMANCE INDICATORS

## VISITATION

The 2016/17 financial year has seen the numbers of domestic overnight visitors increase by 5.8% on the previous period with 648,000 visitors spending 2.1 million nights in the Port Stephens area with an average stay of 3.3 nights.

The number of international overnight travellers has also increased on the previous year to 38,300, and is well above the past 5 year average of 28,400 visitors per year. Note: International Day Visitors are not reported by Tourism Research Australia.

| Year end June '000                  | 2012/13      | 2013/14      | 2014/15      | 2015/16      | 2016/17      | 5 year average |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|----------------|
| <b>Domestic Overnight Visitors</b>  | 682          | 630          | 654          | 619          | 655          | 648            |
| % change                            | 5%           | -8%          | 4%           | -5%          | 5.8%         | 1%             |
| <b>Domestic Visitor Nights</b>      | 2,137        | 2,022        | 2,352        | 2,082        | 2,074        | 2,133          |
| % change                            | 12%          | -5%          | 16%          | -11%         | 0%           | 3%             |
| av night stay                       | 3.1          | 3.2          | 3.6          | 3.4          | 3.2          | 3.3            |
| <b>Domestic Day Visitors</b>        | 672          | 701          | 747          | 751          | 620          | 698            |
| % change                            | -14%         | 4%           | 7%           | 1%           | -17%         | -4%            |
| <b>International</b>                | 24           | 27           | 26           | 26           | 38           | 28             |
| % change                            | 14%          | 12%          | -2%          | 0%           | 45%          | 14%            |
| <b>Year end June Total Visitors</b> | <b>1,378</b> | <b>1,357</b> | <b>1,427</b> | <b>1,396</b> | <b>1,313</b> | <b>1,374</b>   |
| <b>Year end June Total Nights*</b>  | <b>2,270</b> | <b>2,139</b> | <b>2,490</b> | <b>2,149</b> | <b>2,251</b> | <b>2,259</b>   |

Source: National Visitor Survey & International Visitor Survey, Tourism Research Australia

\* Includes international nights

## DOMESTIC

The majority of domestic visitors originate from within NSW. As shown over half (50.6%) overnight and 14% of day visitors reside in Sydney, with overnight visitors and day visitors also coming from the NSW North and Central Coasts. In this financial year the area received more overnight visitors from Queensland (4.1%) than Victoria (3.8%).

The numbers of domestic overnight visitors have decreased on the previous year, with 620,200 visitors spending a day in the Port Stephens area. Visitors predominantly came from the Hunter (68.8%) as well as Sydney (14%). The decrease in day visitors has occurred mainly in the key market of Sydney.

| State               | Region         | Overnight     | Day           |
|---------------------|----------------|---------------|---------------|
| <b>NSW</b>          |                | <b>85.1%</b>  | <b>100.0%</b> |
|                     | Sydney         | 50.6%         | 14.4%         |
|                     | Hunter         | 12.0%         | 68.8%         |
|                     | Central Coast  | 7.2%          | 13.0%         |
|                     | North Coast    | 4.3%          | 4.8%          |
|                     | South Coast    | 3.9%          |               |
|                     | Other NSW      | 7.6%          | 0.1%          |
| <b>QLD</b>          |                | <b>4.1%</b>   |               |
|                     | Brisbane       | 2.4%          |               |
|                     | Gold Coast     | 0.6%          |               |
|                     | Sunshine Coast | 0.3%          |               |
|                     | Other QLD      | 0.7%          |               |
| <b>VIC</b>          |                | <b>3.8%</b>   |               |
|                     | Melbourne      | 2.1%          |               |
|                     | Other Vic      | 1.7%          |               |
| <b>SA (ADL)</b>     |                | <b>3.6%</b>   |               |
| <b>ACT (CBR)</b>    |                | <b>2.6%</b>   |               |
| <b>TAS (Hobart)</b> |                | <b>0.3%</b>   |               |
| <b>WA (Perth)</b>   |                | <b>0.1%</b>   |               |
| <b>Total</b>        |                | <b>100.0%</b> |               |

Source: National Visitor Survey & International Visitor Survey, Tourism Research Australia

## REASON FOR VISIT

Most overnight visitors are on a holiday (70%), while a quarter are visiting friends or relatives (21%) with 3% on business and 1% in transit.

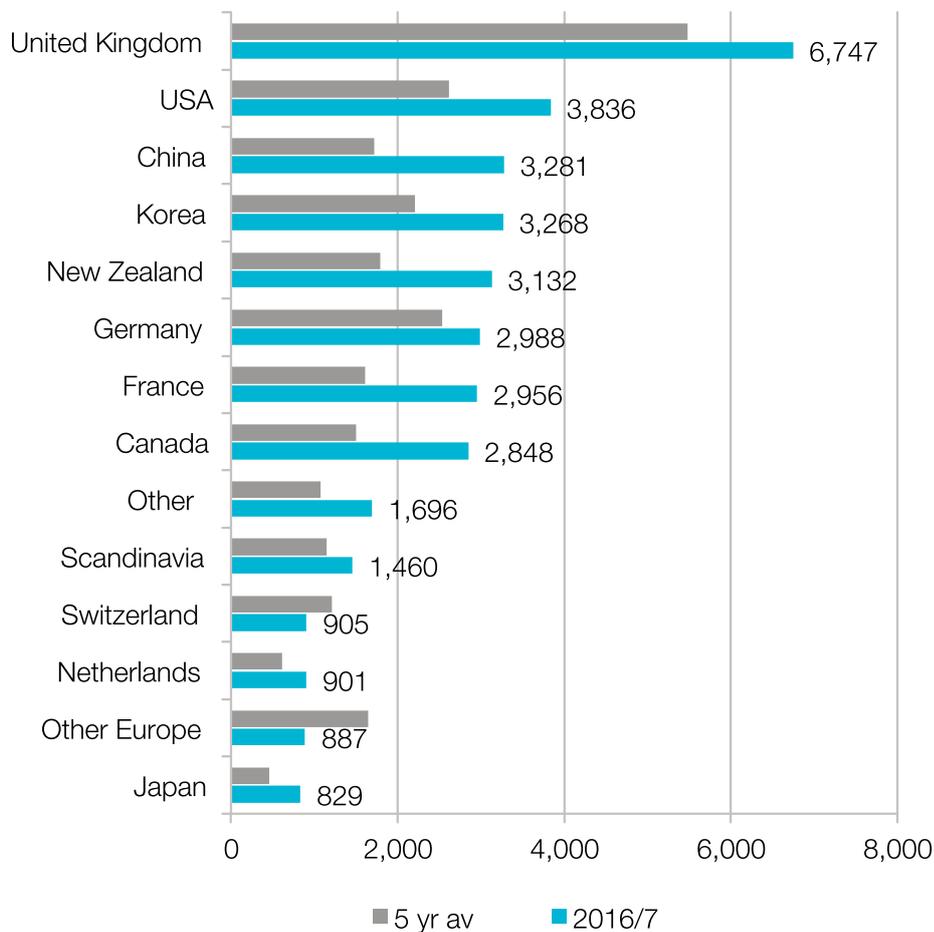


## INTERNATIONAL

While the UK remains the highest international market segment (av 20% of total), there are a number of key markets that have established their market share over the past 5 years to around 8-10% of market share including USA, Korea, China and NZ, Germany and France.

In terms of visitor numbers in 2016/17, most countries have exceeded the five-year average for overnight visitors, while only a few are falling back below that average (Switzerland, other Europe). Overall there is an increase in the numbers coming from most markets as shown in the chart below.

International Source Markets 2016/17



Source: National Visitor Survey & International Visitor Survey, Tourism Research Australia

Countries where sample sizes are too small are not included (Singapore, Thailand, Italy, Hong Kong, Taiwan).

| Markets    | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
|------------|---------|---------|---------|---------|---------|
| Europe     | 27.7%   | 37.6%   | 34.8%   | 36.5%   | 27.4%   |
| Asia       | 20.9%   | 23.3%   | 25.8%   | 21.8%   | 25.0%   |
| UK, US, NZ | 51.4%   | 39.1%   | 39.4%   | 41.8%   | 47.6%   |

Source: National Visitor Survey & International Visitor Survey, Tourism Research Australia

## ONLINE ENGAGEMENT AND ONLINE BOOKINGS

The Port Stephens consumer website [www.portstephens.org.au](http://www.portstephens.org.au) is the key piece of marketing communication for the destination and a valued resource for visitors.

During the past twelve months, a new look website has been launched.

With the rapidly changing landscape of online travel agents (OTAs) consumers have considerable choice in deciding where they purchase their accommodation and experience. We have not been immune from this change and as a result have seen a dramatic shift in the value of bookings made through the website for accommodation (-51%) whilst we have seen a considerable increase in tour bookings by 14%. The increase in tour bookings also reflects the lack of any real alternative for the consumer and, as such, they are turning to our website as the trusted source for bookings.

| Year end June                        | 2016/17   |
|--------------------------------------|---|
| <b>Sessions</b>                      | 455,650   |
| % change on previous year            | -14%  |
| <b>Bounce Rate</b>                   | 5.19%   |
| % change on previous year            | +133%*  |
| <b>Pages Per Session</b>             |   |
| % change on previous year            | 4.7%  |
| <b>Mobile or Desktop Usage</b>       | -8.32%  |
| % change on previous year            | 64.22%  |
| <b>Direct Online Booking Revenue</b> | \$370,386<br>Accommodation: \$121,857 (-51%)<br>Tours: \$248,529 (+14%) |
| % change on previous year            | -23.24%   |

Source: Destination Port Stephen Office Data

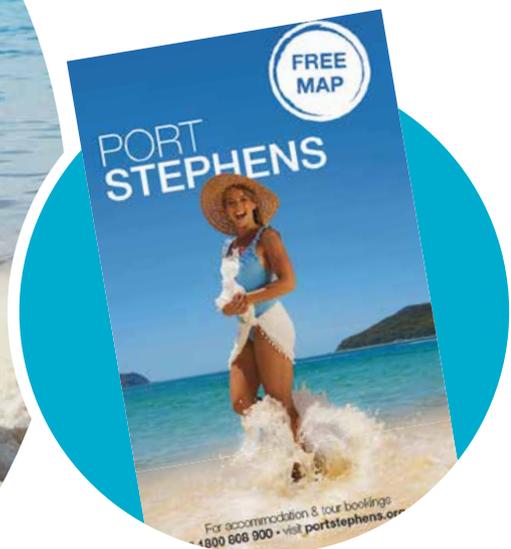
\*This significant increase is as a result of an error identified in previous website analytics setup.



## MEMBERSHIP

Destination Port Stephens continues to grow in membership to a total of 320 members. The membership base has broadened to include niche industry suppliers, events and even businesses from adjoining LGA's. The bi-monthly meeting attendances continue to increase with an average attendance of 60 members per meeting. Member support and ongoing investment from the industry through marketing partnership and supplementary opportunities, continues to position Destination Port Stephens for a strong and prosperous future.

|                          | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
|--------------------------|---------|---------|---------|---------|---------|
| <b>Financial Members</b> | 209     | 213     | 268     | 308     | 320     |





## KEY ACHIEVEMENTS

### LOVE SUMMER. LOVE NELSON BAY.

The annual Summer holidays bring welcomed visitation to Port Stephens with thousands of visitors converging on our magical beaches and bays to enjoy fresh seafood, glorious weather, unspoilt natural attractions and our warm welcome.

Since the first holiday-makers headed for the peninsula on a dirt track one summer weekend several decades ago, we've had a tendency to rest on our 'Summer laurels' and assumed that, for a few weeks of the year, at least, it's going to be busy, busy, busy... no matter what... so, marketing our Summer experience has never made it onto the agenda.

So, in joining forces with the Tomaree Business Chamber, Destination Port Stephens made the most of the 'Summer Influx' and rolled out our very first 'Love Summer. Love Nelson Bay' campaign aimed at positioning Nelson Bay and Port Stephens as a place for visitors to return during Autumn, Winter and Spring given the brilliant experience they had during Summer.

The campaign was focused on creating a series of new and exciting activities to run from November through to January including: Twilight Markets, New Year's Eve celebrations, roving street performers, musicians and entertainers and festive decorations. This was supported by a targeted digital campaign of activity for those travelling to Port Stephens and a those already within the destination, along with printed signage and an information guide.



### NATUREFEST PORT STEPHENS 2017

Once again, the collaboration between Moonshadow Cruises TQC, Imagine Cruises, Port Stephens 4WD Tours, D'Albora Marinas and DPS delivered the third annual Port Stephens 'Naturefest' event. With an incredible 30 nature based events and activities in Port Stephens over the month-long program, the event was once again a wonderful celebration of all things mother nature.

A key objective for Naturefest 2017 was to ensure that a spotlight was placed on Port Stephens' land based natural assets, which saw the inclusion of the inaugural Port Stephens Koala Gala. The Koala Gala celebrated our unique koala population and taught us all how to protect our furry friends who call Port Stephens home.

Whilst the weather may have delayed the launch cruises, Naturefest commenced with a launch on June 1 at Birubi Point and culminated with the Human Whale on July 15, where over 1,000 residents and visitors converged on Fingal Beach to form



the outline of a humongous humpback whale. Adding to the celebration was the creation of a festival of stall holders and activities for the entire family. The Fingal Bay community were very welcoming of the event and plans are already underway to bring the event back in 2018.

## LOVE SEA FOOD 2017

We really are spoilt for choice with an abundance of fresh seafood all year-round but as we all know, August is the best time to experience the local catch, especially in the company of local oyster growers, fishermen and food legends. Hence, the continuation of Love Sea Food month throughout August this year, much to the thanks and support of industry partners - Huon Aquaculture, Commercial Fisherman's Cooperative, Department of Primary Industries, D'Albora Marinas Nelson Bay and Port Stephens Council. Destination Port Stephens was also successful in securing a funding grant of \$20,000 through Destination NSW under the event incubator fund.



The month long event allowed visitors and residents to get to know our local 'prawn stars', indulge in special Fish to Dish festival menus and Trawler to Table signature dinners with local seafood identities; master the art of shucking the perfect oyster; discover the family fun zone at the Fish & Fun expo weekend and feast on chef designed delicacies at the inaugural 'Love Sea Food Gala Dinner'.

## NEW WEBSITE

Whilst a website rebuild has been on the agenda for some time now, this year saw the relaunch of the much anticipated, all new, portstephens.org.au website. Though this huge project was at times challenging, the site has become the cornerstone of all our digital activities - both now and into the future. Both members and, most importantly, visitors appreciate the ease of navigation and the sophisticated simplicity of the design reflecting our destination's growth and maturity.

The key features/improvements that have been incorporated into the new look website include: special deals and packages, interactive image galleries, a live Instagram feed, interactive mapping, refreshed event calendars including download 'What's on' PDF, integrated blog, advertising banner spaces and greater mobile responsiveness.

One feature that will be rolled out in the coming months is the digital trail guide functionality. This functionality will allow users to choose from a variety of pre-determined trails or create their own trail based on what they would like to see and do while visiting the Port Stephens region. The trails can then be shared on social media and the user can share the trail and associated Google map with their friends.



## INTERNATIONAL

International visitors continue to play an important part of the Port Stephens visitor economy. The majority of our overseas visitors travel outside peak travel times. As such, these visitors are vital to many Port Stephens attractions and operators who rely on year round customers to thrive and prosper.

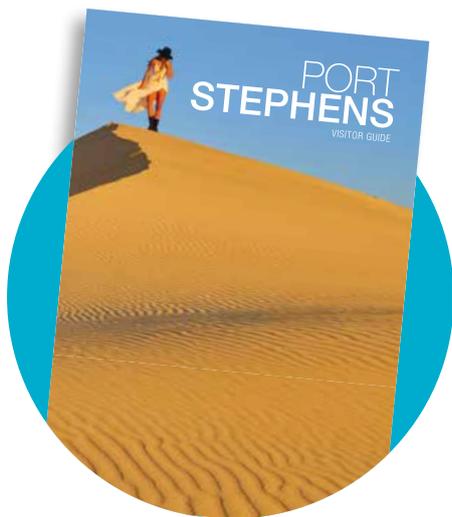
International partners have once again been successful for the development of international tourism in the market. Destination Port Stephens will continue to encourage and market products through partnerships with surrounding regions Newcastle, Hunter Valley, Central Coast and Destination NSW.

Destination Port Stephens together with Destination New South Wales and several of our international partners and businesses attended targeted sales missions to New Zealand, South East Asia and China.

Port Stephens was well represented at Australian Tourism Exchange (ATE) again this year in Sydney. ATE has proved to be a successful way of introducing new and updated product to the agents in the international market.

Familiarisations are a major part of attracting the international market to our region. Port Stephens is a popular destination due to the close proximity to Sydney for both media and agents - during 2016/17 the destination hosted 24 international familiarisations.

The success of our international marketing and famil program is totally dependent on the support of our operators. Judging by the feedback we receive from our guests - you are doing a great job. A big thank you for your efforts.



# FINANCIAL STATEMENTS

2016/17





## INTRODUCTION

Audited financial reports indicated Port Stephens Tourism Limited operated with a loss of \$151,210 this financial year.

Total revenue during the year has decreased as a primary result of reduced grant income, changes in funding programs at state level and the winding up of several grants that spread across multiple financial years.

Moving forward, state government tourism grants will simply be reflected as an expense within the profit and loss, as payment in made to the government agency, Destination NSW, as part of the cooperative nature of the grants with no funds provided directly to the organisation. From an administrative perspective this will make managing these grants a simpler process.

To make up for this decrease, new sources of revenue have been found to fill this void – including additional marketing partnerships and an increase in visitor guide and map sales.

The realignment of membership income within the financial period, is also a contributing factor for the result. Historically, membership revenue was generated for the period prior to that actual membership period. This realignment provides for an accurate account of membership revenue for the specific period. Subsequently, membership revenue results for the FY16/17 period look overly negative, however the FY17/18 will look a lot more positive.

Through prudent financial management, organisational operating expenses reduced from \$462,000 to \$388,000 during the period.

This unavoidable one-off result is not expected to be repeated in coming years given the organisations longer term historical financial success and anticipated future successes with new grant funding opportunities and revenue streams.

# DIRECTORS' REPORT

## Port Stephens Tourism Limited For the year ended 30 June 2017

The directors of Port Stephens Tourism Limited submit herewith the annual report of the Company for the year ended 30 June 2017. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

### Information about the Directors

The names of the directors of the company during or since the end of the financial year are:

Andrew Macdonald (Chairman)

Michael Aylmer (Treasurer)

Michael Hogg

Alicia Cameron

Simon Glover

Mike McIntosh

Janelle Gardner

Matthew Findlay

Deborah Stretton

For further on each of the directors qualifications and participation during the year, please refer to the Port Stephens Tourism Board Information, commencing on page 8 of the annual report.

### Principle Activities

As outlined in the introduction to this annual report, Port Stephens Tourism and the Destination Port Stephens brand was established to sustain and further develop the strong visitor economy in Port Stephens and to ensure ongoing economic and community benefits from tourism in the region. With support from Port Stephens Council and the local business community the board of Port Stephens Tourism Limited are working to sustain and grow the local tourism from both domestic and international markets.

The directors report is signed in accordance with a resolution of directors made pursuant to the Corporations Act 2001

On Behalf of the Directors

Director: .....  
Andrew Macdonald

Director: .....  
Michael Aylmer



# AUDITOR'S INDEPENDENCE DECLARATION



**Phone** 02 4908 0400  
**Facsimile** 02 4943 7990  
**Website** [klmaccountants.com.au](http://klmaccountants.com.au)  
**Address** 313 Charlestown Rd  
PO BOX 875  
Charlestown NSW 2290

## Port Stephens Tourism Limited

ABN: 96 080 458 733

### **Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Port Stephens Tourism Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads 'Neil Watson'.

Neil Watson  
Partner  
KLM Accountants

13 October 2017

Charlestown, NSW

# PROFIT & LOSS

## Port Stephens Tourism Limited For the 12 months ended 30 June 2017

|  | Jun-17           | Jun-16          |
|--|------------------|-----------------|
| <b>Income</b>                              |                  |                 |
| Council Investment                         | 390,000          | 390,000         |
| Miscellaneous Income                       | 314              | -               |
| Sponsorship Income                         | 20,000           | -               |
| <b>3rd Party Relationships</b>             |                  |                 |
| Sail Port Stephens Expense                 | (71,361)         | (66,070)        |
| Sail Port Stephens Income                  | 108,000          | 52,273          |
| Seafood Co-op Expense                      | (29,394)         | (11,830)        |
| Seafood Coop Income                        | 24,000           | 18,045          |
| <b>Total 3rd Party Relationships</b>       | <b>31,244</b>    | <b>(7,582)</b>  |
| <b>Altogether Perfect</b>                  |                  |                 |
| RVEF Altogether Perfect Expense            | (10,943)         | (134,419)       |
| RVEF Altogether Perfect Income             | 10,943           | 56,865          |
| <b>Total Altogether Perfect</b>            | <b>-</b>         | <b>(77,555)</b> |
| <b>Collateral</b>                          |                  |                 |
| Map Expenses                               | (17,568)         | (22,260)        |
| Map Income                                 | 20,822           | 15,744          |
| Merchandise Income                         | 259              | 476             |
| Visitor Guide Distribution                 | (12,445)         | (17,220)        |
| Visitors Guide Expense                     | (74,124)         | (81,962)        |
| Visitors Guide Income                      | 126,781          | 116,952         |
| <b>Total Collateral</b>                    | <b>43,725</b>    | <b>11,729</b>   |
| <b>Consumer Shows</b>                      |                  |                 |
| Consumer Show Expense                      | (1,880)          | (15,937)        |
| Consumer Show Income                       | 276              | 5,082           |
| <b>Total Consumer Shows</b>                | <b>(1,604)</b>   | <b>(10,855)</b> |
| <b>Famil</b>                               |                  |                 |
| Famil Expense                              | (3,562)          | (6,322)         |
| Famil Income                               | 100              | 4,290           |
| <b>Total Famil</b>                         | <b>(3,462)</b>   | <b>(2,032)</b>  |
| <b>Grants</b>                              |                  |                 |
| Other Grants Income                        | 25,923           | 31,042          |
| RVEF Hunter Tourism (Syd North) Expense    | -                | (22,500)        |
| RVEF Marketing Campaign Expense            | (295,077)        | (226,550)       |
| RVEF Marketing Campaign Income             | 32,300           | 206,345         |
| RVEF Newcastle Airport (Syd North) Expense | (125,490)        | (11,209)        |
| RVEF Newcastle Airport (Syd North) Income  | 18,515           | 78,000          |
| <b>Total Grants</b>                        | <b>(343,830)</b> | <b>55,128</b>   |
| <b>Members</b>                             |                  |                 |
| Christmas Party - Income                   | 2,600            | 3,223           |
| Christmas Party Expense                    | (6,035)          | (6,898)         |
| General Training Expense                   | (4,761)          | (12,188)        |
| General Training Income                    | -                | 4,835           |
| Membership Payment                         | 6,293            | 32,360          |
| <b>Total Members</b>                       | <b>(1,904)</b>   | <b>21,332</b>   |
| <b>Partnerships</b>                        |                  |                 |
| Business Events Expenses                   | (17,743)         | (5,265)         |
| Business Events Marketing Income           | 25,208           | 32,328          |
| Corporate Partnership Income               | 5,000            | 5,000           |
| International Marketing Expense            | (39,121)         | (56,363)        |
| International Partnerships Income          | 16,002           | 2,505           |
| Marketing Partnership Income               | 100,395          | 153,075         |
| Weddings Marketing Expense                 | (25,092)         | (26,603)        |
| Weddings Marketing Income                  | 28,491           | 22,420          |
| <b>Total Partnerships</b>                  | <b>93,140</b>    | <b>127,097</b>  |

|                                  | Jun-17           | Jun-16         |
|----------------------------------|------------------|----------------|
| <b>Projects</b>                  |                  |                |
| Bluewater Country Music Festival | (11,906)         | -              |
| Bluewater Country Music Festival | 14,000           | -              |
| Festival of Light Event          | 5,000            | -              |
| Love Summer Expenses             | (9,185)          | -              |
| Love Summer Income               | 8,816            | -              |
| Naturefest Expense               | (8,127)          | (16,709)       |
| Naturefest Income                | 9,000            | 11,476         |
| Taste of the Bay Expense         | (18,496)         | -              |
| Taste of the Bay Income          | 20,000           | -              |
| <b>Total Projects</b>            | <b>9,102</b>     | <b>(5,232)</b> |
| <b>Total Income</b>              | <b>236,727</b>   | <b>502,030</b> |
| <b>Gross Profit</b>              | <b>236,727</b>   | <b>502,030</b> |
| <b>Plus Other Income</b>         |                  |                |
| Administration Fees              | -                | 1,030          |
| Bank Account Interest            | 303              | 615            |
| Other Advertising Income         | 207              | 1,325          |
| <b>Total Other Income</b>        | <b>510</b>       | <b>2,971</b>   |
| <b>Less Operating Expenses</b>   |                  |                |
| Accounting/Professional Fees     | 15,568           | 6,746          |
| Affiliations                     | 343              | 1,972          |
| Awards Expense                   | 3,153            | 1,217          |
| Bad Debts                        | 1,500            | 2,001          |
| Bank Fees                        | 1,209            | 1,206          |
| Billboards                       | -                | 7,465          |
| Communication                    | 5,601            | 7,351          |
| Contract Wages                   | 49,458           | 76,790         |
| Courses/Consultants              | -                | 1,113          |
| DEPRECIATION                     | -                | 1,470          |
| Digital Marketing                | 5,916            | 38,757         |
| Event Sponsorship                | -                | 1,100          |
| Graphic Design                   | 8,273            | 8,948          |
| Insurance                        | 5,537            | 4,858          |
| LPCTR Expense                    | -                | 20,000         |
| Meeting Expenses                 | 3,252            | 3,804          |
| Meeting/Seminar                  | -                | 130            |
| Membership Communications        | 3,301            | 10,257         |
| Misc Administration              | -                | 2,356          |
| Miscellaneous Expense            | 712              | 17,982         |
| Plant & Equipment                | 9,566            | 6,124          |
| Postage                          | 489              | 420            |
| Print Advertising                | 2,541            | 1,200          |
| Printing & Stationery            | 2,988            | 5,717          |
| Public Relations                 | 16,000           | 24,000         |
| Rent                             | 25,277           | 22,572         |
| Research/Stats                   | 3,764            | 6,859          |
| Site Upgrades/Maintenance        | 4,169            | 4,039          |
| Superannuation                   | 17,068           | 14,164         |
| URL Registrations                | 528              | 2,538          |
| Vehicle                          | -                | 92             |
| Wages & Salaries                 | 202,052          | 158,089        |
| Web Expenses (Corporate)         | -                | 702            |
| Website Maintenance              | 183              | -              |
| <b>Total Operating Expenses</b>  | <b>388,447</b>   | <b>462,036</b> |
| <b>Net Profit</b>                | <b>(151,210)</b> | <b>42,964</b>  |

# BALANCE SHEET

## Port Stephens Tourism Limited As at 30 June 2017

|                                  | 30 Jun 2017    | 30 Jun 2016    |
|----------------------------------|----------------|----------------|
| <b>Assets</b>                    |                |                |
| <b>Bank</b>                      |                |                |
| Cash and Cash Equivalents        | 64,845         | 125,847        |
| <b>Total Bank</b>                | <b>64,845</b>  | <b>125,847</b> |
| <b>Current Assets</b>            |                |                |
| Trade Debtors Receivable         | 105,670        | 260,236        |
| <b>Intangible Assets</b>         |                |                |
| Patents & Trademarks             | 1,200          | 1,200          |
| <b>Total Intangible Assets</b>   | <b>1,200</b>   | <b>1,200</b>   |
| <b>Total Current Assets</b>      | <b>106,870</b> | <b>261,436</b> |
| <b>Total Assets</b>              | <b>171,714</b> | <b>387,283</b> |
| <b>Liabilities</b>               |                |                |
| <b>Current Liabilities</b>       |                |                |
| Credit Cards Payable             | 3,332          | 7,153          |
| GST                              | 1,943          | 1,661          |
| PAYG Liability                   | 3,046          | 4,859          |
| Provision for Annual Leave       | 11,196         | -              |
| Provision for Time in Lieu       | 1,965          | -              |
| Rounding                         | -              | -              |
| Superannuation Liability         | 5,094          | 2,691          |
| Trade Creditors Payables         | 44,414         | 118,985        |
| <b>Total Current Liabilities</b> | <b>70,990</b>  | <b>135,348</b> |
| <b>Total Liabilities</b>         | <b>70,990</b>  | <b>135,348</b> |
| <b>Net Assets</b>                | <b>100,725</b> | <b>251,935</b> |
| <b>Equity</b>                    |                |                |
| Current Year Earnings            | (151,210)      | 42,964         |
| Retained Earnings                | 251,935        | 208,971        |
| <b>Total Equity</b>              | <b>100,725</b> | <b>251,935</b> |



## STATEMENT OF CHANGES IN EQUITY

2017

|  | Retained<br>Earnings<br>\$ | Total<br>\$    |
|--|----------------------------|----------------|
| <b>Balance at 1 July 2016</b>            | 251,935                    | 251,935        |
| Profit / (Loss ) attributable to members | (151,210)                  | (151,210)      |
| <b>Balance at 30 June 2017</b>           | <u>100,725</u>             | <u>100,725</u> |

2016

|   | Retained<br>Earnings<br>\$ | Total<br>\$    |
|---|----------------------------|----------------|
| <b>Balance at 1 July 2015</b>           | 208,971                    | 208,971        |
| Profit / (Loss) attributable to members | 42,964                     | 42,964         |
| <b>Balance at 30 June 2016</b>          | <u>251,935</u>             | <u>251,935</u> |

## STATEMENT OF CASH FLOW

|   | 2017<br>\$           | 2016<br>\$     |
|---|----------------------|----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>              |                      |                |
| Receipts from customers                                   | 1,181,582            | 1,251,335      |
| Payments to suppliers and employees                       | (1,242,887)          | (1,208,371)    |
| Interest received   | 303                  | 615            |
| Net cash provided by/(used in) operating activities       | 3<br><u>(61,002)</u> | <u>43,579</u>  |
| <br>  |                      |                |
| Net increase/(decrease) in cash and cash equivalents held | (61,002)             | 43,579         |
| Cash and cash equivalents at beginning of year            | 125,847              | 82,268         |
| Cash and cash equivalents at end of financial year        | <u>64,845</u>        | <u>125,847</u> |



# NOTES TO THE FINANCIAL STATEMENTS

## Port Stephens Tourism Limited For the year ended 30 June 2017

### 1. Statement of Significant Policies

The directors' have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the needs of members.

The financial report has been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of this report are as follows:

#### 1.(a) Income Tax

The income tax expense for the year comprises current income tax expense. The company does not apply deferred tax. Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

#### 1.(b) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in, first-out basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

#### 1.(c) Property, Plant and Equipment

Property, plant and equipment are carried at cost, independent or directors' valuation. All assets, excluding freehold land and buildings, are depreciated over their useful lives to the company.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the profit and loss. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the profit and loss and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

#### 1.(d) Intangibles

Goodwill is recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities acquired at date of acquisition. Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the business sold.

#### 1.(e) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

#### 1.(f) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

### 1.(g) Trade Receivables and Other Receivables

Trade receivables and other receivables, including distributions receivable, are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful has been created.

### 1.(h) Trade Creditors and Other Payables

Trade creditors and other payables, including bank borrowings and distributions payable, are recognised at the nominal transaction value without taking into account the time value of money.

### 1.(i) Revenue and Other Income

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

### 1.(j) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

## 2. Fixed Assets

|                                     |              |
|-------------------------------------|--------------|
| <b>Patents &amp; Trademarks</b>     | <b>1,200</b> |
| <b>Plant &amp; Equipment - cost</b> | <b>-</b>     |
| At cost                             | 15,321       |
| Less Accumulated Depreciation       | (15,321)     |
| <b>Total Fixed Assets</b>           | <b>1,200</b> |

## 3 Cash Flow Information

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

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

|  | 2017      | 2016      |
|--|-----------|-----------|
|  | \$        | \$        |
| Profit / (Loss) for the year   | (151,210) | 42,964    |
| Cash flows excluded from profit attributable to operating activities |           |           |
| Non-cash flows in profit:  |           |           |
| - depreciation   | -         | 1,470     |
| Changes in assets and liabilities:                                   |           |           |
| - (increase)/decrease in trade and other receivables                 | 154,556   | (136,203) |
| - increase/(decrease) in trade and other payables                    | (77,519)  | 135,348   |
| - increase/(decrease) in provisions                                  | 13,161    | -         |
| Cashflows from operations  | (61,002)  | 43,579    |

# DIRECTORS' DECLARATION

**Port Stephens Tourism Limited**  
ABN: 96 080 458 733

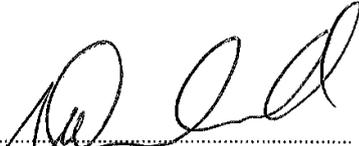
## Directors' Declaration

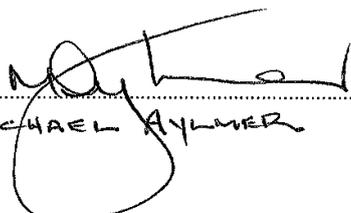
The directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 of the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Australian Accounting Standards as stated in Note 1; and
  - (b) give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of is in accordance with the accounting policy described in Note 1 of the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director   
.....  
Andrew Macdonald

Director   
.....  
MICHAEL AYLMER

Dated this 16<sup>th</sup> day of OCTOBER 2017



# INDEPENDENT AUDIT REPORT



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Facsimile 02 4943 7990  
Website [klmaccountants.com.au](http://klmaccountants.com.au)  
Address 313 Charlestown Rd  
PO BOX 875  
Charlestown NSW 2290

## Independent Audit Report to the Members of Port Stephens Tourism Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the accompanying financial report, being a special purpose financial report of Port Stephens Tourism Limited (the Company), which comprises the balance sheet as at 30 June 2017, the statement of profit or loss and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company 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 2017 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 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 auditor independence requirements of 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* (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.

#### Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### Responsibilities of 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine necessary to enable the preparation of a 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 have 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 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 the financial report.

Neil Watson  
Partner  
KLM Accountants



## 2016-17 FINANCIAL MEMBERS

- 2 Dogs Cottages
- 2018 Australian Veteran Golfers National Championships Committee
- 4WD Tag-Along & Passenger Tours
- 4WD Tours R Us
- A Beautiful Occasion
- Abercrombie Management
- Abundant Potential
- Action Allied Health Pty Ltd
- Admiral Nelson
- Amanda Douglass Catering Services
- Amarna Resort
- Anchorage Port Stephens
- Anchored Cinema
- Anna Bay Thai Restaurant (Khaidee)
- Arteke
- At a Glance Photography
- Atlantis Port Stephens
- Australiasian Airline & Airport Consulting
- Bagnalls Beach Apartment
- Bali At The Bay
- Bay FM Port Stephens
- Bay Harbour Cafe
- Bay to the Vines
- BayFit Pty Ltd
- Bays Holiday Park
- Beaches Serviced Apartments
- Beck Morley Consultants
- Bellhaven Caravan Park
- Big4 Karuah Jetty
- Big4 Koala Shores Port Stephens Holiday Park
- BIG4 Soldiers Point Holiday Park
- Bill Knaggs
- Birubi Beach Holiday Park
- Blue Water Sailing
- Boab Boat Hire Port Stephens
- Boat Hire & Cruise Bookings
- Boathouse Resort Tea Gardens
- Body & Soul Spa Retreat
- Boomerang Bikes
- Brochure Express
- Broughtons at the Bay
- Build Your Business Online
- Cactus Creative Communications Pty Ltd
- Calypso Fishing Charters
- Cameron Stewarts
- Capture Imaging Photography
- Casablanca Boutique Apartments
- Caswin
- Central Motel
- Century 21 Property Partners
- Cherished Moments
- Colonial Terrace Motor Inn
- Colorfast
- Corlette Palms Motor Inn
- Corlette Point Sailing Club
- Cote D Azur Resort
- Crest Birubi Beach
- Cruise Booking Agency
- D Cook & J Harris - Lazy Paddles
- d'Albora Marinas
- Darren Anderson Photography
- Datrys Technologies
- David Grahams Golf Complex
- Delectable Delicacies Catering
- DigitalMelon

- Dolphin Swim Australia P/L
- Dolphins at Port Stephens
- Dominos Pizza
- Duffs Salamander Bait & Tackle
- Dutchies Motel
- Econetwork
- Else & Me
- eluminate training pty ltd
- Emerald Tiki Village Caravan Park
- Empark - Bay Scoot and Wheels
- Environmental Property Services
- Envision - J&B Starling
- Escape Trekking Adventures
- Evviva Cafe & Bar
- Federation of Community and Sporting Clubs
- Feet First Dive
- Fighter World Inc
- Fingal Bay Bowls, Sports & Rec Club
- Fingal Bay Holiday Park
- Florent Vidal Phgotography
- Fordtronic Investments Pty Ltd and Fordtronic AV Pty Ltd
- Forever Gardens
- Fox & Arrow
- Fresh Salon
- Get Smart Promotional Products Pty Ltd
- Go Karts Go
- gogaBiz Pty Ltd
- Greater Bank
- Greentree Ceremonies
- Halifax Holiday Park
- Hammerhead Charters
- Heavenly Tours
- Here & Now Publications
- Hog's Breath Cafe
- Holberts Oyster Supplies
- Hope Brewhouse
- Horizons Golf Resort - Par for the Course Ltd
- House Boats Afloat
- Hunter Region Botanic Gardens Ltd
- Hunter TAFE
- Hunter Valley Events
- Hunter Valley's Pop Up Fun Park
- Hunternet
- Ibis Styles Salamander Shores
- iGym 24-7 Salamander Bay
- Imagine Cruises
- Ingenia Communities
- Inner Light Tea Rooms
- Irukandji Shark & Ray Encounters - Port Stephens
- Isabels Bed & Breakfast at Salamander Bay
- Island Leisure Village
- Its De-Lovely Bed and Breakfast
- Jessie D Images
- Karl Hoffman Photography
- Karuah Progress Association Incorporated
- Karuah Working Together Inc
- KD Winnings
- KFC Salamander Bay
- King Street Confectionery
- Koala Ferries
- Kunara Charters
- LA Ingredients Pty Ltd
- Landmark Nelson Bay
- Le Chateau Naturiste
- Lets Go Adventures
- Lighthouse Tourism
- Lil Buddha
- Lisa Single
- Little Beach Boathouse
- LJ Hooker Nelson Bay
- Local Driver
- Local Search
- LUXLIFT
- Mantra Aqua Resort
- Marilyn Diesbecq
- Marina Resort
- Marty's at Little Beach
- Mavericks on the Bay
- McCauley's Bottleshop
- Medowie Macadamias
- Megan Caton Photography
- Megaplay Amusements Pty Ltd
- Melaleuca Surfside Backpackers
- Mercure Newcastle Airport
- Middle Rock Holiday Resort & Cabins

- Montage Ceremonies
- Moonshadow TQC
- Motto Farm Motel
- Muree Golf Club
- Murray's Brewery & Port Stephens Winery
- Muse Photography
- National Parks & Wildlife
- Nelson Bay & District Business Association
- Nelson Bay Bed & Breakfast
- Nelson Bay Boarding Kennels
- Nelson Bay Boat Hire
- Nelson Bay Bowling & Recreation Club Ltd
- Nelson Bay Breeze Apartments
- Nelson Bay Charters 'MV Wallamba'
- Nelson Bay Cinema
- Nelson Bay Diggers Social Bridge Club
- Nelson Bay Fish Market
- Nelson Bay Fishermen's Wharf Seafoods
- Nelson Bay Golf Club
- Nelson Bay Health Foods
- Nelson Bay Jet Ski Hire
- Nelson Bay Locksmith
- Nelson Bay Pharmacy
- Nelson Bay Real Estate
- Nelson Bay Tennis Club Inc
- Nelson Head Inner Lighthouse Cottage
- Nelson Plaza Clinic
- Nelson Towers Motel
- Newcastle Airport Pty Limited
- Newcastle and Port Stephens Game Fish Club
- Newcastle Event Hire
- Nice at Nelson Bay
- Nicky's Beauty Services
- Nicole's Shiatsu, Qi Gong and Dorn Method Retreat
- NKD's Photography
- Novion Property Management Trust
- Oakfield Ranch Camel Rides
- Oaks Hotels and Resorts
- Oakvale Farm & Fauna World
- Organic eatZ
- Palm Beach Holiday Letting Pty Ltd
- Paradise Signs
- Peaceful Palms B&B
- Pelican Airlines Pty Ltd (Fly Pelican)
- Peninsula Nelson Bay
- Peter Kincaid Photography
- Pixello Productions
- Plant Trade Nursery
- Poppies of the Bay
- Port Stephens - Great Lakes Marine Park
- Port Stephens 4WD Tours
- Port Stephens Accommodation
- Port Stephens Beach Fishing Safaris
- Port Stephens Celtic Association Inc
- Port Stephens Coaches
- Port Stephens Coastal Tours
- Port Stephens Community Arts Centre
- Port Stephens Complementary Health Services
- Port Stephens Country Club
- Port Stephens Eco Tours
- Port Stephens Fabulous Furniture
- Port Stephens Ferry Services
- Port Stephens FM 100.9
- Port Stephens Glamping
- Port Stephens Handy Services
- Port Stephens Hire cars
- Port Stephens Jewellery
- Port Stephens Luxury Apartments
- Port Stephens Motel
- Port Stephens Mountain Bike Adventures
- Port Stephens Packaging & Hospitality Services
- Port Stephens Paddlesports
- Port Stephens Shell Museum
- Port Stephens Surf School
- Port Stephens Treescape Camping & Accommodation
- Port Stephens Water Bike Hire
- Port Stephens Watersports
- Port Stephens Yacht Club Ltd
- Port Views on Magnus
- PRD Realty Port Stephens
- Pro Artwork
- Professional Massage to your Door
- Project Ops
- Quad Bike King Pty Ltd

- Ramada Resort Shoal Bay
- Rathfobe P/L
- Ray White
- Raymond Terrace Market Place Pty Ltd
- RCL Pacific Dunes Golf Operations
- Riot FM 87.6
- Ritzsea Bay
- Rock Lobster Restaurant
- Rotary Club of Nelson Bay Inc
- Runningwater Adventures
- Sacred Tree Markets
- Sahara Trails Horse Riding
- Salamander Bay Recycling
- Sams Fig & Olive Farm
- Samurai Beach Bungalows
- Sand Dune Adventures
- Sand Dune Safaris
- Sanook Thai Restaurant
- Sea Air
- Seabreeze Hotel
- Shades Body of Beauty
- Shearwater at Shoal Bay Guest Cottages
- Shoal Bay Bed and Breakfast
- Shoal Bay Bike Hire
- Shoal Bay Holiday Park
- Shoal Bay Riggers
- Shoal Bay SUP
- Silent Shout Entertainment
- Skin Deep Laser and Beauty Therapy
- Skyline Port Stephens
- Soldiers Point Boat Hire
- Soldiers Point Bowling Club
- Soldiers Point Marina
- Spectrum
- Sri Malaysia Restaurant
- St Helens Constructions Pty Ltd
- Stanley Park Pty Ltd
- Stay Port Stephens
- Sunset@Corlette
- Swell Kiosk One Mile Beach
- Tahlee Ministries INC
- Tailor Made Fish Farms Pty Ltd
- Taj Tandoori Indian Restaurant
- Talk Agency
- Tanilba Bay Golf Club
- Tanya D’Herville Photography
- The Bay Thai Massage
- The Bird Cage Photobooth
- The Deck Cafe Restaurant
- The Florist & Wedding Specialist
- The Nelson Resort
- The Oasis at One Mile Beach
- The Only Place
- The Poplars Waterviews Unit 6
- The Real Futures Foundation
- The Retreat Port Stephens
- The West Group Australia
- The Wood Oven
- Thou Walla Sunset
- Tilligerry Habitat
- Tilligerry RSL Sports Club Ltd
- Toboggan Hill Park
- Tomago House & Chapel
- Tomaree Aquatic Centre
- Tomaree Community College Inc
- Tomaree Linen Hire
- Tomaree Pest Control
- Top Coach Group Personal Training
- Totally Workwear Port Stephens
- Tranquil Earth Holistic Spa
- Triview Unit 14 Penthouse
- Tropical Plant Rentals
- Unit 137 Horizons Golf Resort
- V Buffet Seafood Restaurant
- Visual Insight Design & Advertising
- Vitamin Bead
- Wanderers Retreat
- Westbury Hospitality Services
- Wharf Restaurant
- Wonganella Estate
- XS For Events
- Xtreme Indoor Go Karts Thorton P/L
- Yogasphere
- Zenergy Health and Fitness Studio





# Port Stephens

*P.S. I love you<sup>xx</sup>*



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