

# **MARGARET RIVER BUSSELTON TOURISM ASSOCIATION**

**MARGARET RIVER BUSSELTON TOURISM  
ASSOCIATION Inc.**

**FINANCIAL REPORT  
For the Year Ended 30th June 2020**

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# **MRBTA BOARD REPORT**

## **For the Year Ended 30th June 2020**

### **BOARD REPORT**

Your board members submit the financial report that relates to the Margaret River Busselton Tourism Association Inc. ("MRBTA") for the year ended 30 June 2020 to meet the requirements of its constitution and the Associations Incorporation Act 2015.

### **Board Members**

The names of board members at the date of this report are:

Trent Bartlett (Chair)	Tony Pickworth
Janine Carter (Deputy Chair)	Keith Warrick
Glenn Callegari (ARC Chair)	Evan Lewis
David Willcox	Jodie Darragh

### **Principal Activities**

The principal activities of the Association during the financial year were to promote the Margaret River Region as a tourist destination and to provide tourist services and attractions.

### **Significant Changes**

AMRTA and GBTA were wound up on the 6<sup>th</sup> March 2020. Settlement of the loans between AMRTA, GBTA and AMRTA occurred effective 6<sup>th</sup> March 2020. The transfer of the Margaret River Visitor Centre from AMRTA to the MRBTA occurred on the 30<sup>th</sup> March 2020.

Signed in accordance with a resolution of the Board of Directors.



.....  
Trent Bartlett



.....  
Glenn Callegari

Dated this 29<sup>th</sup> day of September 2020

# MRBTA STATEMENT OF FINANCIAL POSITION

## For the Year Ended 30th June 2020

	NOTES	2020 \$	2019 \$
<b>CURRENT ASSETS</b>			
Cash Assets	2	440,376	244,162
Receivables		131,451	141,152
Inventories		607,459	553,275
Other Assets	3	396,964	13,235
<b>TOTAL CURRENT ASSETS</b>		<b>1,576,250</b>	<b>951,824</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	4	5,668,701	3,442,210
Leased Assets	5	427,528	452,081
Intangible Assets	6	16,836	26,541
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6,113,065</b>	<b>3,920,832</b>
<b>TOTAL ASSETS</b>		<b>7,689,315</b>	<b>4,872,656</b>
<b>CURRENT LIABILITIES</b>			
Payables		317,292	370,189
Current Tax Liabilities		525,995	240,250
Lease Liabilities	7	110,662	103,299
Provisions	8	549,668	443,983
Loans	9	545,076	11,348
Other	10	306,087	305,827
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,354,780</b>	<b>1,474,896</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease Liabilities	7	371,624	406,742
Provisions	8	76,808	52,453
Loans	9	3,063	15,275
Related Party Loans	9	-	1,280,634
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>451,495</b>	<b>1,755,103</b>
<b>TOTAL LIABILITIES</b>		<b>2,806,275</b>	<b>3,230,000</b>
<b>NET ASSETS</b>		<b>4,883,040</b>	<b>1,642,656</b>
<b>ACCUMULATED FUNDS</b>			
Surplus (Deficit) for Year		(55,277)	208,665
Retained Surplus		4,938,317	1,434,001
<b>EQUITY</b>		<b>4,883,040</b>	<b>1,642,656</b>

*The accompanying notes form part of this financial report.*

# MRBTA STATEMENT OF FINANCIAL PERFORMANCE

## For the Year Ended 30th June 2020

	NOTES	2020 \$	2019 \$
<b>INCOME</b>			
Admissions		5,164,143	6,058,704
Booking Commissions		159,193	319,838
Retail Sales		1,721,599	1,762,296
Membership Subscriptions		290,135	292,527
Ground Handling Income		493,356	443,603
Rental Income		24,480	23,773
Grants Operating Income		159,244	166,850
Other Funding		1,077,188	-
Other Operating Income		80,382	64,131
<b>TOTAL INCOME</b>		<b>9,169,720</b>	<b>9,131,722</b>
<b>OPERATING EXPENSES</b>			
Cost of Sales		920,438	931,418
Interest Expense		48,948	16,406
Administration Expenses		7,140,015	6,789,286
Marketing Expenses		292,909	528,080
Occupancy Expenses		361,001	532,387
<b>TOTAL OPERATING EXPENSES</b>		<b>8,763,311</b>	<b>8,797,577</b>
<b>OPERATING SURPLUS BEFORE INTEREST AND DEPRECIATION</b>		<b>406,409</b>	<b>334,145</b>
Net Interest Earned (Paid)		125	1,516
Depreciation		(480,476)	(444,377)
Gain(Loss) on Sale of Assets		18,665	19,228
Capital Grant Income		-	298,471
<b>OPERATING SURPLUS (DEFICIT) FROM ORDINARY ACTIVITIES</b>		<b>(55,277)</b>	<b>208,665</b>

*The accompanying notes form part of this financial report.*

## MRBTA STATEMENT OF CHANGES IN EQUITY

### For the Year Ended 30th June 2020

	NOTES	Retained earnings \$	Total accumulated funds \$
<b>Balance at 1 July 2018</b>		1,433,991	1,433,991
Surplus for the year		208,665	208,665
Other comprehensive income		-	-
Total comprehensive income for the year		208,665	208,665
<b>Balance at 30 June 2019</b>		<b>1,642,656</b>	<b>1,642,656</b>
<b>Balance at 1 July 2019</b>		1,642,656	1,642,656
Deficit for the year		(55,277)	(55,277)
<b>Other comprehensive income</b>			
AMRTA and GBTA Loan Settlement	16	1,295,661	1,295,661
AMRTA Land and Buildings Transfer	16	2,000,000	2,000,000
<b>Total Comprehensive Income for the year</b>		<b>3,295,661</b>	<b>3,295,661</b>
<b>Balance at 30 June 2020</b>		<b>4,883,040</b>	<b>4,883,040</b>

*The accompanying notes form part of this financial report.*

## MRBTA STATEMENT OF CASH FLOW

### For the Year Ended 30th June 2020

	2020 Inflows / (Outflows) \$	2019 Inflows / (Outflows) \$
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers	7,958,141	8,231,590
Payments to Suppliers	(8,770,464)	(8,954,845)
Grants and Other Funding Received	1,236,432	166,850
Capital Grants Received	-	24,471
Interest Received (Paid)	(48,948)	1,516
Other Sundry Receipts	-	531,190
<b>Net Cash Flow from Operating Activity (Note 2b)</b>	<b>375,161</b>	<b>772</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Purchase of assets	(672,709)	(1,042,052)
<b>Net Cash Flow used in Investing Activities</b>	<b>(672,709)</b>	<b>(1,042,052)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>		
Related Party Loans	-	127,092
Loan	521,517	(10,952)
Lease borrowings	-	(16,406)
Lease borrowing repayment	(27,755)	237,570
<b>Net Cash Flow provided by Financing Activities</b>	<b>493,762</b>	<b>337,304</b>
<b>NET INCREASE / (DECREASE) IN CASH HELD</b>	<b>196,214</b>	<b>(703,976)</b>
<b>Add Opening Cash Brought Forward</b>	<b>244,162</b>	<b>948,138</b>
<b>Closing Cash Carried Forward (Note 2a)</b>	<b>440,376</b>	<b>244,162</b>

*The accompanying notes form part of this financial report.*

## **MRBTA NOTES TO AND FORMING PART OF THE ACCOUNTS**

### **For the Year Ended 30th June 2020**

This financial report relates to the Margaret River Busselton Tourism Association Inc. ("MRBTA") which was incorporated on the 13<sup>TH</sup> February 2015, registered office 100 Bussell Highway, Margaret River for the period ended 30 June 2020 to meet the requirements of its constitution and the Associations Incorporation Act 2015.

### **NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Rules of Association and the Associations Incorporation Act 2015. The Board has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Constitution and the Associations Incorporation Act 2015.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following specific accounting policies have been adopted in the preparation of this financial report.

#### **Revenue and Other Income**

Grant revenue is recognized in the year received, or when funds have been committed by the funding provider, where it becomes certain. Grant funding provided for a specific purpose are recorded as a liability until all grant funding contributions and obligations have been met. Interest revenue is recognized using the effective interest rate method. Revenue is measured at the fair value of the consideration received. All revenue is stated net of the amount of goods and services tax (GST). Revenue from the sale of goods is recognized at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods. Membership income is recognized during the period to which the memberships relate. Other Funding includes Covid-19 related Government subsidies.

#### **Income Tax**

The Association considers it is exempt from income tax under section 50-40 of the Income Tax Assessment Act 1997.

#### **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand any deposits held at call with banks.



## **MRBTA NOTES TO AND FORMING PART OF THE ACCOUNTS**

### **FOR THE YEAR ENDED 30th June 2020 Cont.**

#### **Trade Debtors**

Trade debtors, which generally have 14-day terms, are recognized and carried at original invoice less an allowance for any uncollectable amounts.

An allowance for doubtful debts is made when there is objective evidence that the organization will not be able to collect the debts. Bad debts are written off when identified.

#### **Inventories**

Inventories are valued at the lower of cost or net realizable value. Cost is determined on the first-in first-out basis.

#### **Non - Current Assets**

##### *Property, Plant and Equipment*

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

##### *Depreciation*

The depreciable amount of property, plant and equipment are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Land	Not depreciated	Professional Library	10%
Freehold buildings	5%	Signage & Sculptures	20%
Leasehold buildings	4%	Retail Fittings	20%
Plant & Equipment	10%	Computer Hardware & Software	10-25%
Motor Vehicles	20%	Intangibles	33%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit and loss statement.

##### *Impairment of Assets*

At each reporting date, the Association reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets' fair value less costs to sell and value-in use, is compared to the assets carrying value.

Being a not-for-profit entity, the recoverable amount of an asset is the depreciated replacement cost of the asset when the asset's future economic benefits do not primarily depend on the assets ability to generate net cash inflows and where the Association would, if deprived of the asset, replace its remaining future economic benefits.

## **MRBTA NOTES TO AND FORMING PART OF THE ACCOUNTS**

### **FOR THE YEAR ENDED 30th June 2020 Cont.**

Where it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### **Goods & Services Tax (GST)**

Revenues, expenses and assets are recognized net of the amount of goods and services tax (GST). Receivables and payables are stated with the amount of GST included.

#### **Employee Entitlements**

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee benefits arising from wages and salaries and annual leave have been measured at their nominal amount plus on-costs. Long Service Leave is brought to account as a liability in the Statement of Financial Position after an employee has completed five years of continuous employment at nominal amounts and include an allowance for on costs. Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

#### **Trade Creditors**

Liabilities are recognized for amounts to be paid in the future for goods or services, whether or not invoices have been received. Trade account payables are normally settled within 30 days.

#### **Leases**

Lease payments under operating leases where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

Where a non-current asset is acquired by means of a finance lease, chattel mortgage or loan, the asset is capitalized at the purchase cost at the inception of the financial commitment and a liability recognized for the total lease payments at the inception of the lease. These assets are amortized over the period of the lease, chattel mortgage or loan. The payments are allocated between the principal component and the interest expense.

**MRBTA NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30th June 2020 Cont.**

**NOTE 2 – CASH FLOW**

<b>(a) Reconciliation of Cash</b>	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Cash on hand	12,500	15,850
Cash at bank	427,876	228,312
	<b>440,376</b>	<b>244,162</b>

MRBTA has a NAB credit card facility limit of \$52,000 of which \$15,549 of this facility was used at 30 June 2020.

<b>(b) Reconciliation of Net Cash Provided by Operating Activities to Operating Surplus</b>	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Operating Surplus from ordinary activities</b>	(55,277)	208,665
Net Loss on sale of assets	18,655	(18,910)
Depreciation and amortisation	480,476	444,377
<b>Changes in Assets and Liabilities</b>		
(Increase) / Decrease in Debtors	(377,656)	(478,674)
(Increase) / Decrease in Stock	(54,185)	(11,705)
Increase / (Decrease) in Lease Liabilities	-	47,242
Increase / (Decrease) in Creditors	233,108	(300,768)
Increase / (Decrease) in Leave Provisions	130,040	28,552
(Increase) / Decrease in Other Current Assets	-	2,899
Increase / (Decrease) in Current Tax Liabilities	-	79,094
<b>Net Cash Flow from Operating Activities</b>	<b>375,161</b>	<b>772</b>

**NOTE 3 - OTHER ASSETS**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Prepayments	-	13,235
Accrued Revenue	396,964	-
	<b>396,964</b>	<b>13,235</b>

Accrued Revenue includes the Job Keeper payment relating to the 30<sup>th</sup> June 2020 subsequently received in July 2020.

**MRBTA NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30th June 2020 Cont.**

**NOTE 4 – FIXED ASSETS**

	2020	2019
	\$	\$
Land – Margaret River Visitor Centre	800,000	-
Building – Margaret River Visitor Centre	1,200,000	-
Land and Building Improvements	3,361,747	2,903,250
Less Accumulated depreciation	(405,422)	(241,978)
	<b>4,956,325</b>	<b>2,661,272</b>

Due the wind up of the AMRTA the Margaret River Visitor Centre was transferred to the MRBTA at fair value.

Computer Hardware and Software - at cost	474,245	450,779
Less Accumulated depreciation	(335,430)	(274,475)
	<b>138,813</b>	<b>176,304</b>

Plant and Equipment - at cost	476,441	359,479
High Ropes Course – at cost	176,415	220,670
Less Accumulated depreciation	(158,408)	(96,257)
	<b>494,448</b>	<b>483,891</b>

Signage - at cost	200,362	198,777
Less Accumulated depreciation	(121,804)	(83,143)
	<b>78,558</b>	<b>115,634</b>

Sculptures - at cost	22,812	22,812
Less Accumulated depreciation	(22,255)	(17,702)
	<b>557</b>	<b>5,110</b>

**5,668,701    3,442,210**

**NOTE 5 – LEASED ASSETS**

	2020	2019
	\$	\$
Leased Motor Vehicles	571,228	544,341
Less Accumulated depreciation	(143,700)	(92,261)
	<b>427,528</b>	<b>452,081</b>

**NOTE 6 – INTANGIBLE ASSETS**

	2020	2019
	\$	\$
MRBTA Branding, Website and App	380,484	360,411
Less Accumulated depreciation	(363,648)	(333,870)
	<b>16,836</b>	<b>26,541</b>

**MRBTA NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30th June 2020 Cont.**

**NOTE 7 - LEASE FINANCE COMMITMENTS**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<u>Future minimum lease payments payable at 30th June 2020</u>		
Not later than 1 year	134,404	127,924
Less unexpired interest charges	(23,742)	(24,625)
	<b>110,662</b>	<b>103,299</b>
<u>Greater than 1 year but not greater than 5 years</u>	400,451	449,361
Less unexpired interest charges	(28,827)	(42,619)
	<b>371,624</b>	<b>406,742</b>
	<b>482,286</b>	<b>510,041</b>

**NOTE 8 - PROVISIONS**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<u>Current</u>		
Provisions for Annual Leave	310,944	240,888
Provision for Long Service Leave	237,242	203,095
Provision for Parental Leave	1,482	-
	<b>549,668</b>	<b>443,983</b>
<u>Non-Current</u>		
Provision for Long Service Leave	<b>76,808</b>	<b>52,453</b>
	<b>626,476</b>	<b>496,436</b>

**MRBTA NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30th June 2020 Cont.**

**NOTE 9 - LOANS**

	NOTE	2020	2019
		\$	\$
<u>Current</u>			
Business Markets Loan		533,000	-
Ngilgi Lighting Loan with City of Busselton		12,076	11,348
		<b>545,076</b>	<b>11,348</b>
<u>Non-Current</u>			
Ngilgi Lighting Loan with City of Busselton		3,063	15,275
		<b>3,063</b>	<b>15,275</b>
		<b>548,139</b>	<b>26,623</b>

MRBTA has a \$1,000,000 Business Markets Loan facility in place. This loan facility is a mortgage against the Margaret River Visitor Centre and is due to be reviewed in May 2021. The \$533,000 drawdown of the loan as at 30 June 2020 was subsequently repaid in July 2020.

Related Party Loans

AMRTA	16	-	1,263,245
GBTA	16	-	17,389
		-	<b>1,280,634</b>

**NOTE 10 - OTHER LIABILITIES**

	2020	2019
	\$	\$
Monies Held	107,500	9,091
Accrued Expenses	198,587	292,790
Deferred Income – Membership Subscriptions	-	3,946
	<b>306,087</b>	<b>305,827</b>

Monies held relate to unspent funds and contributions in relation to the Unbeaten Track Project and the Eco Tourism Conference to be held in December 2020.

**MRBTA NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30th June 2020 Cont.**

**NOTE 11 – SEGMENT INFORMATION**

The Association operates predominantly in one industry – tourism, and in one geographical area – Western Australia.

**NOTE 12 – RELATED PARTY DISCLOSURES**

Certain members of the committee of management, or their related entities, entered into transactions with the Association under normal commercial terms and conditions.

**NOTE 13 – LEASE AND VESTING AGREEMENTS**

<b>Lease / Vesting</b>	<b>Agreement With</b>	<b>Term of Agreement</b>	<b>Commitment</b>
<b>Busselton Visitor Centre Property Lease</b>	City of Busselton	21 year ending 21 <sup>st</sup> April 2038	\$205 per annum with annual CPI review
<b>Dunsborough Visitor Centre Lease</b>	Graeme Lawrence Martin	1 year ending 30 June 2021	\$20,560 per annum
<b>Cape Naturaliste Lighthouse Lease</b>	Department of Biodiversity, Conservation and Attractions	21 years ending 17 <sup>th</sup> Feb 2027	5% of Gross Receipts
<b>Cape Leeuwin Lighthouse Lease</b>	Department of Biodiversity, Conservation and Attractions	21 years ending 6 <sup>th</sup> May 2025	5% of Gross Receipts
<b>Forest Adventures Land Lease</b>	Department of Biodiversity, Conservation and Attractions	21 years ending 30 <sup>th</sup> September 2037	5% of Gross Receipts

**Lake, Jewel, Ngilgi and Mammoth Caves** are vested to the MRBTA by way of a Management Order by the WA State Department of Lands.

**NOTE 14 - ECONOMIC DEPENDENCY**

The ongoing operation of MRBTA is dependent upon admissions, retail sales, booking commissions and membership fees.

**NOTE 15 – CAPITAL COMMITMENTS**

There are no Capital commitments as at 30 June 2020.

**MRBTA NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30th June 2020 Cont.**

**NOTE 16 – WIND UP OF AMRTA AND GBTA**

On the 30<sup>th</sup> August 2019, the Augusta Margaret River Tourism Association (AMRTA) and the Geographe Bay Tourism Association (GBTA) respective Board of Directors resolved to wind up the Associations, subject to the Commissioner of State Revenue determining that the transfer of Property is exempt from liability to transfer duty under s 113A of the Duties Act.

The AMRTA and GBTA were subsequently wound up on the 6<sup>th</sup> March 2020. The transfer of the remaining assets of AMRTA to MRBTA occurred on the 6<sup>th</sup> of March, with subsequent settlement of the Margaret River Visitor Centre on the 30<sup>th</sup> March 2020. The settlement of loans between AMRTA, GBTA and MRBTA occurred on the 6<sup>th</sup> March 2020.

**NOTE 17 – SUBSEQUENT EVENTS**

An application for Pay-roll Tax Exemption has been lodged with the Office of State Revenue. On the 10<sup>th</sup> July 2020 a preliminary view has been made that the MRBTA is not a charitable body or organisation for purposes of the Pay-roll Tax Assessment Act 2002 (PTAA).

**NOTE 18 – COVID-19**

As at the 20<sup>th</sup> March 2020 all MRBTA attractions and visitor centers were closed to the public due to Covid-19. The expected Jetstar flights due to begin the following week to the Busselton Margaret River Airport were also cancelled. As a result, the income to the MRBTA was almost non-existent until reopening on the 16<sup>th</sup> of May 2020. Recovery in June increased to approximately 80% of prior year earnings for the same period. Government subsidies and relief were sought which included providing Job Keeper for 100 staff from April 2020 and are included within “Other Funding” in the Statement of Financial Performance. Review of the MRBTA as a going concern was provided and discussed with the Board. Cash flow and budgets will be closely reviewed by the Board and revised where necessary during 2021 to ensure MRBTA continues as a going concern.



## **MRBTA STATEMENT BY THE MEMBERS OF THE BOARD FOR THE YEAR ENDED 30th June 2020**

The Board have determined that the association is not a reporting entity.

The Board have determined that this special purpose financial report should be prepared in accordance with the Associations Incorporation Act (WA) 2015 the accruals basis of accounting, outlined in Note 1 to the financial report.

In the opinion of the Board:

1. The financial statements and notes of Margaret River Busselton Tourism Association Inc. are in accordance with the Associations Incorporation Act (WA) 2015 and presents fairly the financial position of Margaret River Busselton Tourism Association Inc. as at 30 June 2020 and its performance for the period ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Margaret River Busselton Tourism Association Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed on behalf of the Board by:



Trent Bartlett  
Chairman



Board Member

Dated this 29<sup>th</sup> day of September 2020

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 80 OF THE ASSOCIATIONS INCORPORATION ACT (WA) 2015  
TO THE BOARD OF MARGARET RIVER BUSSELTON ASSOCIATION INC.**

I declare that, to the best of my knowledge and beliefs, during the year ended 30 June 2020 there have been no contraventions of:

- i) The auditor independence requirements as set out in section 80 of the *Associations Incorporation Act (WA) 2015* in relation the audit; and
- ii) Any applicable code of professional conduct in relation to the audit.

**AMD Chartered Accountants**



**TIM PARTRIDGE**  
**Director**

Bunbury, Western Australia

Dated this 7<sup>th</sup> day of August 2020

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
MARGARET RIVER BUSSELTON TOURISM ASSOCIATION INC.**

**Opinion**

We have audited the financial report of Margaret River Busselton Tourism Association Inc. which comprises the statement of financial position as at 30 June 2020, the statement of financial performance, the statement of changes in equity 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 declaration by those charged with governance.

In our opinion, the accompanying financial report gives a true and fair view of the financial position of Margaret River Busselton Tourism Association Inc. as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with the *Associations Incorporation Act (Western Australia) 2015* and the accounting policies described in Note 1 to the financial statements.

**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 Margaret River Busselton Tourism Association Inc. in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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 to assist Margaret River Busselton Tourism Association Inc. to meet the requirements of the *Associations Incorporation Act (Western Australia) 2015*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Other Information**

Those charged with governance are responsible for the other information. The other information comprises the information included in the Margaret River Busselton Tourism Association Inc. annual report for the year ended 30 June 2020, 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, 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 Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Act (Western Australia) 2015* and for such internal control as management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management are responsible for assessing the Margaret River Busselton Tourism Association's Inc. ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intend to liquidate the Margaret River Busselton Tourism Association Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Margaret River Busselton Tourism Association's Inc. financial reporting process.

### ***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.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **AMD Chartered Accountants**



**TIM PARTRIDGE**  
**Director**

## SUPPLEMENTARY INFORMATION

The accompanying notes are based on management accounts and do not form part of the audited report.

### MRBTA STATEMENT OF FINANCIAL PERFORMANCE

### VISITOR SERVICING FOR THE YEAR ENDED 30th June 2020

	2020 \$	2019 \$
<b>INCOME</b>		
Booking Commissions	159,193	319,838
Retail Sales	574,286	600,573
Rental Income	8,103	5,326
Operating Grant Funding	356,380	156,430
Other Operating Income	18,586	14,656
<b>TOTAL INCOME</b>	<b>1,116,548</b>	<b>1,096,823</b>
<b>OPERATING EXPENSES</b>		
Cost of Sales	312,189	333,588
Interest Expense on Lease	6,223	3,381
Administration Expenses	1,088,519	1,146,545
Marketing Expenses	148	82,664
Occupancy Expenses	118,554	145,689
<b>TOTAL OPERATING EXPENSES</b>	<b>1,525,633</b>	<b>1,711,867</b>
<b>OPERATING SURPLUS BEFORE INTEREST &amp; DEPRECIATION</b>	<b>(409,085)</b>	<b>(615,044)</b>
Depreciation	(133,028)	(114,050)
Capital Grant Income	-	24,471
<b>OPERATING SURPLUS FROM ORDINARY ACTIVITIES</b>	<b>(542,113)</b>	<b>(704,623)</b>
	<b>2020</b>	<b>2019</b>
<b>Operating Loss</b>	<b>\$</b>	<b>\$</b>
Busselton Visitor Centre	40,436	90,298
Dunsborough Visitor Centre	2,724	53,076
Augusta Visitor Centre	-	90,388
Margaret River Visitor Centre	191,242	260,391
Central Reservations	307,711	230,249
	<b>542,113</b>	<b>724,402</b>
<b>Visitation Numbers</b>	<b>#</b>	<b>#</b>
Busselton Visitor Centre	118,895	165,207
Dunsborough Visitor Centre	41,270	56,863
Augusta Visitor Centre	-	16,615
Margaret River Visitor Centre	94,517	125,542
Digital Assisted (phone, email webchats)	-	48,838
Website - margaretriver.com	-	841,822
	<b>254,682</b>	<b>1,254,887</b>
<b>Gross Accommodation and Tour Bookings</b>	<b>\$</b>	<b>\$</b>
Accommodation	878,252	1,524,930
Tours	435,408	996,146
	<b>1,313,660</b>	<b>2,521,076</b>

## SUPPLEMENTARY INFORMATION

The accompanying notes are based on management accounts and do not form part of the audited report.

### MRBTA STATEMENT OF FINANCIAL PERFORMANCE ATTRACTIONS FOR THE YEAR ENDED 30th June 2020

	2020 \$	2019 \$
<b>INCOME</b>		
Admission Income	5,164,142	6,058,703
Retail Sales	1,147,313	1,161,722
Rental Income	16,377	18,447
Other Funding	551,752	-
Other Operating Income	38,383	49,494
<b>TOTAL INCOME</b>	<b>6,917,967</b>	<b>7,288,366</b>
<b>OPERATING EXPENSES</b>		
Cost of Retail & Food/Beverage Sales	608,249	597,830
Interest Expense on Lease	11,212	6,837
Administration Expenses	3,861,779	3,491,993
Marketing Expenses	102,392	123,083
Occupancy Expenses	230,392	251,034
<b>TOTAL OPERATING EXPENSES</b>	<b>4,814,024</b>	<b>4,470,777</b>
<b>OPERATING SURPLUS BEFORE INTEREST &amp; DEPRECIATION</b>	<b>2,103,943</b>	<b>2,817,589</b>
Depreciation	(269,889)	(247,842)
Gain/Loss on Sale of Asset	17,221	11,911
Capital Grant Funds	-	274,000
<b>OPERATING SURPLUS FROM ORDINARY ACTIVITIES</b>	<b>1,851,275</b>	<b>2,855,658</b>

	2020 \$	2019 \$
<b>Operating Profit</b>		
Lake Cave	442,477	166,595
Jewel Cave	481,427	466,053
Ngilgi Cave	698,563	568,251
Mammoth Cave	700,608	981,766
Cape Leeuwin Lighthouse	364,331	610,603
Cape Naturaliste Lighthouse	26,010	102,738
Forest Adventures South West	30,781	200,886
Attraction Administration	-892,922	- 241,230
	<b>1,851,275</b>	<b>2,855,662</b>
<b>Visitation Numbers</b>	<b>#</b>	<b>#</b>
Lake Cave	43,345	43,482
Jewel Cave	47,330	60,895
Ngilgi Cave	57,576	65,034
Mammoth Cave	51,880	76,574
Cape Leeuwin Lighthouse	85,233	115,044
Cape Naturaliste Lighthouse	64,734	70,599
Forest Adventures South West	21,149	28,510
	<b>371,247</b>	<b>460,138</b>

## SUPPLEMENTARY INFORMATION

*The accompanying notes are based on management accounts and do not form part of the audited report.*

### MRBTA STATEMENT OF FINANCIAL PERFORMANCE MARKETING & MEMBERSHIP FOR THE YEAR ENDED 30th June 2020

	2020	2019
	\$	\$
<b>INCOME</b>		
Membership Subscriptions	290,135	292,527
Other Funding	75,626	-
TOTAL INCOME	365,761	292,527
<b>OPERATING EXPENSES</b>		
Interest Expense on Lease	4,205	3,366
Administration Expenses	690,256	792,680
Marketing Expenses	181,437	311,785
TOTAL OPERATING EXPENSES	875,898	1,107,831
OPERATING SURPLUS BEFORE INTEREST & DEPRECIATION	(510,137)	(815,304)
Gain/Loss on Sale of Asset	-	(12,184)
Depreciation	(29,024)	(62,717)
OPERATING SURPLUS FROM ORDINARY ACTIVITIES	(539,161)	(890,205)

## SUPPLEMENTARY INFORMATION

*The accompanying notes are based on management accounts and do not form part of the audited report.*

### MRBTA STATEMENT OF FINANCIAL PERFORMANCE ADMINISTRATION FOR THE YEAR ENDED 30th June 2020

	2020	2019
	\$	\$
<b>INCOME</b>		
Other Funding	153,480	-
Operating Grant Funding	6,899	10,421
TOTAL INCOME	160,379	10,421
<b>OPERATING EXPENSES</b>		
Interest Expense on Lease	27,308	2,822
Administration Expenses	990,438	1,036,875
Marketing Expenses	8,931	10,549
Occupancy Expenses	6,711	130,797
TOTAL OPERATING EXPENSES	1,033,388	1,181,043
 OPERATING SURPLUS BEFORE INTEREST & DEPRECIATION	(873,009)	(1,170,622)
Net Interest Earned / Paid	125	1,516
Gain/Loss on Disposal of Assets	2,111	39,279
Depreciation	(46,598)	(18,681)
OPERATING SURPLUS FROM ORDINARY ACTIVITIES	(917,371)	(1,148,508)



## SUPPLEMENTARY INFORMATION

*The accompanying notes are based on management accounts and do not form part of the audited report.*

### MRBTA STATEMENT OF FINANCIAL PERFORMANCE AIRPORT FOR THE YEAR ENDED 30th June 2020

	2020	2019
	\$	\$
<b>INCOME</b>		
Ground Handling Income	493,356	443,585
Other Funding	99,195	-
Other Operating Income	16,514	-
<b>TOTAL INCOME</b>	<b>609,065</b>	<b>443,585</b>
<b>OPERATING EXPENSES</b>		
Administration Expenses	509,023	321,193
Occupancy Expenses	5,343	4,865
<b>TOTAL OPERATING EXPENSES</b>	<b>514,366</b>	<b>326,058</b>
<b>OPERATING SURPLUS BEFORE INTEREST &amp; DEPRECIATION</b>	<b>94,699</b>	<b>117,527</b>
Depreciation	(2,606)	(1,088)
<b>OPERATING SURPLUS FROM ORDINARY ACTIVITIES</b>	<b>92,093</b>	<b>116,439</b>