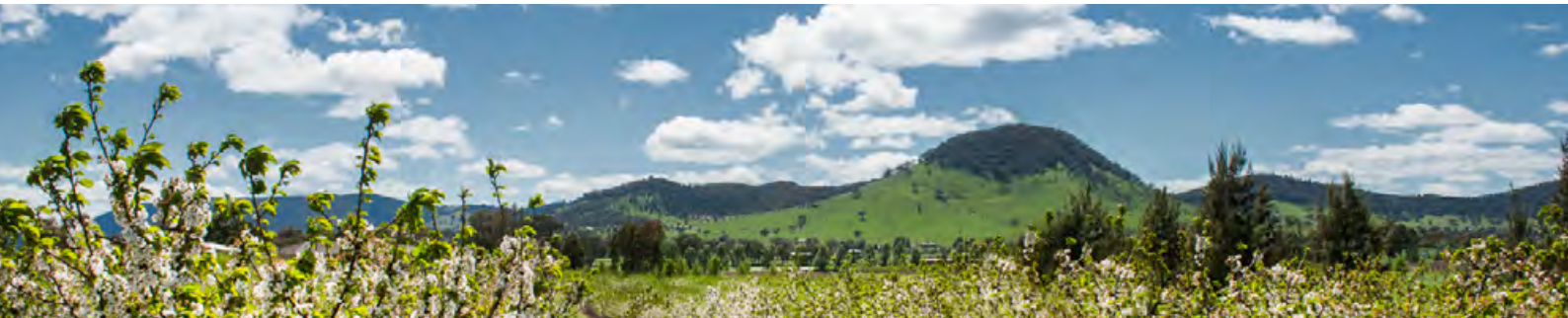
MUDGEE
REGION

reset your senses

Annual Report
2018-2019

MARKET ST.
BANK



contents

Report from the Chair . . . 2
Letter from the CEO . . . 3
Overview . . . 4
Vision + Mission . . . 4
Our Objectives . . . 5
2018–19 Board of Directors . . . 6
Governance . . . 7
Our Team . . . 8
Visitor Information Centres . . . 10
Visitor Information Services . . . 11
Who Visits Mudgee Region? . . . 12
Visitor Statistics . . . 13
Visitor Surveys . . . 14
Our Partners . . . 15
Destination Marketing . . . 16
Water to Wine Campaign . . . 17
Campaign Communication . . . 18
Campaign Execution . . . 19
Other Promotional Activity . . . 20
Destination Visitation Growth . . . 25
Industry Commitment . . . 26

Financial Report for Year End 30 June 2019

Committee's Report . . . 27
Statement of Profit or Loss + Other Comprehensive Income . . . 28
Statement of Financial Position . . . 29
Statement of Changes in Equity + Statement of Cash Flows . . . 30
Notes to the Financial Statements . . . 31
Statement by Members of the Committee . . . 37
Independent Auditors' Review Report to Members . . . 38
Profit + Loss Statement . . . 39
Auditors' Independence Declaration + Certificate by Members of the Committee . . . 41

report from the chair

2019 has been yet another strong year for Mudgee Region Tourism, its partners and sponsors.

Not only do we continue to support and positively influence the robust tourism industry within the region, we are growing our membership year upon year, which reflects the obvious return on investment provided by our organisation.

The 2018-19 Board consisted of myself, Deputy Chairperson Simon Staines, Treasurer Margot Palk, Secretary Buzz Sanderson, Patrick Brennan, Rebecca George and Ken Sutcliffe along with Mid-Western Regional Council representatives, Des Kennedy and Brad Cam. I would like to personally thank all our board members for their consistently valuable input and contributions throughout the past year.

Mudgee Region Tourism's day to day operations are led by an outstanding team of individuals, headed up by our CEO, Cara George. There are very clear and substantial successes for MRT not only this year but years past, and each member of the team has played a vital part in these successes. I can assure you seeing success and increased visitation doesn't mean the team take their foot off the accelerator at any time. In fact, times of success often lead to an increased workload, more opportunities and greater possibilities for our partners and the region, meaning the Mudgee Region Tourism team need to be unrelenting and determined. This, they certainly are and the board thanks each and every one of the team for their dedication to the Mudgee Region.

In 2019 we are proud for them to have led us to some more pretty amazing things for the region and their team, such as;

- Developing and executing the 'Water to Wine' campaign which saw a cleverly aimed funding opportunity reach not only the targeted VFR (visiting friends and relatives) market, but extend to many Sydney residents
- Exceeding the KPI requirements for the Wine Australia co-funded campaign
- Dramatically increasing digital marketing reach including; Monthly newsletter subscriber database, unique website visitors and social media followers
- Implementing the successful partnership ticketing solution, 123tix (utilising local suppliers)
- Increasing our partnerships and driving positive results for businesses across the region
- Ensuring the continued exposure and coverage of the Mudgee Region over various media channels and generating consistently positive PR

Stepping down from the board this year is Rebecca George. Rebecca has provided several years of service to the Mudgee Region Tourism board and has provided invaluable knowledge, support and assistance. On behalf of the board, we sincerely thank her for time and wish her all the best.

Throughout September and October 2019, the Board Recruitment process took place and the sub-committee along with two independent representatives made four recommendations from candidates who applied for the next term of directorship. Margot Palk, Simon Staines, Ken Sutcliffe and Deborah Patison were selected and are being put forward to the membership for recommendation to be adopted as board members.

I would personally and on behalf of the board like to acknowledge and thank Mid-Western Regional Council for its continued support throughout the year. In particular, the sitting Councillors for their consistent backing and recognition of Mudgee Region Tourism and Michelle George and Kim Stanton for their assistance in board recruitment and HR matters.

Finally, a big thank you to all our partners and sponsors. The Mudgee Region boasts so much of what makes tourism thrive; Spectacular natural beauty, world-class food and drink, incredible experiences and some of the friendliest and most welcoming people you could meet. Both the board and the MRT team love working together with you.

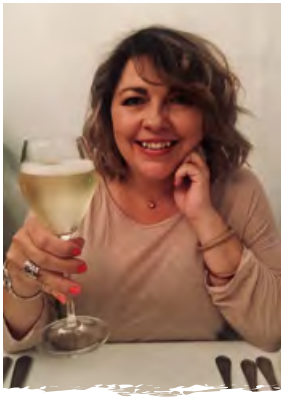
Mudgee Region Tourism has a responsibility to grow demand for our tourism industry to attract and increase visitation and visitor spend, which leads to major benefits for not only tourism but the greater community. We are proud to see our partners take part in a wide range of initiatives implemented to support these objectives. We are finding more and more partners willing to push themselves and their businesses to greater places which enhances the visitor experience and allows our offerings to evolve.

The responsiveness of our partners to our requests and invitations to partake in and contribute to professional opportunities continues to be phenomenal. We aim to continue and increase these efforts in the future, and we especially look forward to growing our relationship with you further.

Jess Chrcek
Chairperson | Mudgee Region Tourism

letter from the CEO

This past year has, once again, been a phenomenal one for our industry.



Mudgee Region has enjoyed 26% visitation growth in five years, as reported by Tourism Research Australia's latest Local Government Area Profile.

Together, we have achieved so much.

In 2018-19, our focus was to continue economic growth within the tourism sector by firstly engaging as many partners as possible. Not only does your financial contribution support our destination marketing and visitor servicing efforts, it increases direct exposure for the region and your business. The more partners we have on board, the more content we have to share, compelling more visitors to see what all the fuss is about.

I am often asked what the key to Mudgee Region's success is, and I always respond the same way. Collaboration.

With 320 partners on board in 2018-19, our strongest ever partnership engagement, we were set to achieve great things—and we did exactly that.

The primary objective of our 'Water to Wine' campaign was to drive international dispersal from Sydney to Mudgee Region during low season, by raising our profile to an expatriate (expat) community residing in Sydney.

In partnership with Mudgee Wine Association, whose financial contribution to the project was $20K, we successfully applied to Wine Australia for matched funds via their International Wine Tourism Competitive Grant Program. This resulted in a further $50K boost to our original $35K budget. This collaborative approach secured a more substantive $105K total campaign budget.

The campaign was in market for 3 months (Oct-18 to Jan-19) with results recorded over a 6-month travel period (Oct-18 to Mar-19). It was designed to:

- Increase visitation during low season (summer months)
- Encourage local collaboration, engaging partners to build a range of campaign short break packages (beneficial beyond the life of the campaign)
- Increase visitation, specifically International Visiting Friends and Relatives (VFR) and the secondary market of domestic travellers from Manly/Northern Beaches
- Increase unique website visitors

The result, in short, was a 10.5% increase in overnight visitation during low season (we exceeded our target by 99%!).

Other destination marketing efforts included, but not limited to:

- Tele-Tourism 'Doctor Doctor' Campaign: 'Discover the Real Whyhope'
- Shop Like a Local
- Local Campaign: 'Discover Your Own Backyard'
- Mudgee Region Magazine distribution, including Australian Traveller tip-on
- Public relations + media activation
- Social media + subscriber database campaign

We worked closely with key stakeholders Destination NSW, Destination Network Country + Outback, Tourism Australia, Australian Regional Tourism, Australian Visitor Information Centre Network, Mid-Western Regional Council, NSW/ Western Business Chambers, Mudgee Wine Association, Mudgee Fine Foods, Gulgong Chamber of Commerce, Mudgee Chamber of Commerce and Rylstone Kandos Chamber of Commerce. These partnerships proved essential, in bringing business communities together to achieve common goals.

You may have noticed; we embrace award programs. We see them as an opportunity to stop, reflect and recognise achievements. Not only do these programs assist our business to reflect on the past but prepares us and our destination for the future.

Our submissions in the 2018 Regional and NSW Tourism Awards formed part of our planned brand activation strategy and allowed us to track against other destinations. We were delighted to accept Gold for both Destination Marketing and Visitor Information Services at Regionals and bring home Silver in both categories at State. We also entered the 'Clock Awards' and won Gold for Excellence in Innovation and went on to win Gold at the Western NSW Business Awards in the same category.

Winning awards has resulted in greater exposure for our destination, increased awareness of key messages and contributed to producing strong results for our visitor economy.

Many of our members also enjoyed success throughout the year, bringing home awards and recognition for their own produce, excellence in service and experiences.

I'd like to take this opportunity to thank our incredibly supportive, passionate and genuinely happy team for delivering outstanding results for our partners, stakeholders and the destination. Their humour, professionalism and desire to deliver 'best in business' is second-to-none.

And to our valued members, sponsors, voluntary board, Mid-Western Regional Council and business partners—thank you for your ongoing support, passion and commitment to tourism and our organisation.

It is through active collaboration, that we continue to thrive and lead the way in regional tourism.

Warm regards,

Cara George
CEO | Mudgee Region Tourism

overview

Mudgee Region Tourism is an independent incorporated body funded by the Mid-Western Regional Council and its partners. Mudgee Region Tourism is responsible for the promotion of tourism assets across the local government area of Mid-Western Regional Council (MWRC) — Mudgee, Gulgong, Rylstone, Kandos and a number of small towns in between.

Mudgee Region Tourism was established in 2001, is governed by a constitution and operates in accordance with the Association Incorporations Act 2009.

Mudgee Region Tourism comprises members and sponsors (collectively known as partners) from a range of sectors of the business community and during the 2018-19 financial year supported 320 partners. The organisation is funded by its partners, a contract with Mid-Western Regional Council and through other revenue streams such as merchandise and event ticket sales at the Visitor Information Centre.

The region is well serviced with wineries, cellar doors, restaurants, cafés, pubs, local produce, leisure sports, art, cultural experiences, events and natural attractions.

Mudgee Region Tourism: VISION + MISSION

The organisation strives to maximise overnight visitors to the region, the quality of experience for visitors by embracing a set of standards that allow the delivery of consistent and exceptional service as well as enable economic development while maintaining the cultural integrity of the region.

Vision

By 2020 we want:

- To be in the top ten tourism destinations in Regional NSW (excluding Sydney, Newcastle + Wollongong)
- For the visitor industry to be recognised as one of the leading economic forces in the region
- The growth of the industry to be consistent with the broader Mid-Western Regional Council (MWRC) and state government objectives

Mission

To be the primary and preferred corporation responsible for maintaining the region's status as a prime destination in NSW and the development of the visitor economy by delivering outstanding destination marketing results and offering professional visitor information services on behalf of our partners and Mid-Western Regional Council.

Principal Activity

The provision of tourism services under contract to Mid-Western Regional Council and business support services to Mudgee Region Tourism partners. The principal office is located 84 Market Street, Mudgee NSW 2850. Mudgee Region Tourism is registered as a self-assessed not-for-profit Incorporated Association (ABN 18 997 389 853).

Message

Mudgee Region Tourism strives to maximise overnight visitors to the region, the quality of the experience for our visitors by embracing a set of standards that allow the delivery of consistent and exceptional service, enable economic development while maintaining the cultural integrity of the region.

our objectives

Objectives

In 2018-19 our annual objectives, as referenced in the Mudgee Region Tourism Destination Management Plan, were to:

- **Increase the visitor economy spend by $1M** (or 5,000 visitor nights)
- **Increase visitor Average Length of Stay** (ALOS)
- **Increase social media reach** across 3 key channels (facebook, Instagram + Twitter) by >25% annually
- **Promote region at events** (4 Sydney Metro and/or Regional events, audiences aligned to target markets)
- **Increase unique monthly website visitors** to visitmudgeeregion.com.au by 10% annually
- **Increase subscriber database** by 25% annually

Destination Requirements

- Implement annual targeted destination marketing campaign to raise awareness of and increase visitor spend across the Mudgee Region
- Source funding opportunities to enhance annual campaign budget
- Maintain consistency by embedding destination brand positioning, hero assets and key messages in our target market(s) psyche
- Conduct comprehensive Partnership Drive annually, to increase engagement from tourism businesses and enhance destination marketing funds
- Maintain local data sourcing initiatives in line with DNSW standards, to effectively measure campaign ROI
- Actively participate in funding initiatives to secure additional destination marketing funds
- Maintain best practice digital call to action for all campaign activity, including mobile responsive site, booking engines for accommodation, itinerary builder, events and retail/produce sales
- Maintain targeted social media strategy, increase awareness and conversion (secure strongest engagement across competitor set)
- Source new and emerging markets, build and implement strategy to increase visitation
- Maintain targeted social media strategy, increase awareness and conversion (secure strongest engagement across competitor set)

2018-2019 board of directors

Jessica Chicek

Chairperson

Partner Moothi Estate, board member since November 2012 and Chairperson since March 2017

Simon Staines

Deputy Chairperson

Partner Artisan on Lewis, board member since November 2016 and Deputy Chairperson since March 2017

Margot Palk

Treasurer

Owner Convent + Chapel Wool Shop, board member since February 2017, Secretary from November 2017 to November 2018 and Treasurer since November 2018

Buzz Sanderson

Secretary

Partner + President Kandos Museum, board member from March 2016 to November 2017, Secretary November 2016 to November 2017, re-elected board member and Secretary since November 2018

Rebecca George

Board Member

Partner Tourism by George, board member and Treasurer from November 2013 to November 2015, re-elected board member November 2017

Ken Sutcliffe

Board Member

Partner + retired Australian TV identity, board member since April 2017

Patrick Brennan

Board Member

Partner Comfort Inn Aden, board member since November 2018

Des Kennedy

Council elected Board Member

Mayor of Mid-Western Regional Council and council representative, board member November 2013 to September 2016 and since March 2017

Brad Cam

General Manager, Mid-Western Regional Council, MWRC observer since June 2014

WE FAREWELLED OUTGOING BOARD MEMBERS...

Joe Adendorff

Board Member

Managing Director Aden Hotels Group and Palate Restaurant, board member from November 2014 to November 2018

Rob Duffy

Treasurer

Owner Image Signs, board member since June 2016 and Treasurer from November 2016 to November 2018

governance

The organisation is governed by a Constitution and board of seven volunteer Skills-Based Directors and one Council elected member. The board oversees the direction for the marketing and development of tourism within the region. This year four board members have reached their voluntary term. Therefore, at the 2019 AGM, four new board members will be recommended to Mudgee Region Tourism partners by the Director Selection Board Sub-Committee.

THE ROLE OF THE BOARD ACCORDING TO OUR CONSTITUTION

The board sets policy and direction of the organisation and ensures the team is managing the day-to-day operations of Mudgee Region Tourism. Mudgee Region Tourism's Constitution states:

> "The board shall be called the board of Management of Mudgee Region Tourism and, subject to the Act, the Regulations and this Constitution and to any resolution passed by the board in a general meeting:
>
> - has power to perform all such acts and do all such things as appear to the board to be necessary or expedient or convenient for the proper conduct, control and management of the association; and
> - may exercise all such functions as may be exercised by the association, other than those functions that are required by this Constitution to be exercised by a general meeting of members of the association; and
> - may establish separate membership classifications and may determine the qualification for membership of each such classification and the rights, privileges and obligations of each such membership classification provided that membership of such class will not entitle the member to more than one vote at any general meeting of the association; and
> - has the power from time to time to make and alter and to repeal all or any such by-laws and regulations as they may deem necessary or expedient or convenient for the proper conduct, control and management of the association; and
> - must adopt such means as it deems sufficient to bring to the notice of members all such amendments and repeals to this Constitution, By-Laws or regulations."

Mudgee Region Tourism administers professional Visitor Information Centre services; which are located across the region (with the primary accredited Visitor Information Centre in Mudgee, supported by satellite Visitor Information Service partnerships in Gulgong, Rylstone and Kandos).

PROCESSES

Mudgee Region Tourism is committed to appropriate governance. We ensure the organisation is appropriately resourced, policies and procedures are in place and we are accountable to our partners. The board acts in the best interests of Mudgee Region Tourism and ensures compliance with relevant legislation (such as ensuring correct amendments to the constitution to ensure compliance with the Act), regulations, standards, contractual obligations and its Constitution.

In 2018-19, board meetings were held monthly on the 3rd Thursday. There is a prescribed schedule of dates and venues and business papers are distributed the week prior to the meeting. Business Papers routinely include an Agenda, minutes of the previous meeting, CEO Report, Profit & Loss Statement/Balance Sheet via a Treasurer's Report and a register of correspondence/outstanding actions.

Ethical standards are met through a Code of Conduct to which all board members adhere, and a Board Member Confidentiality Agreement to which all Directors agree to abide.

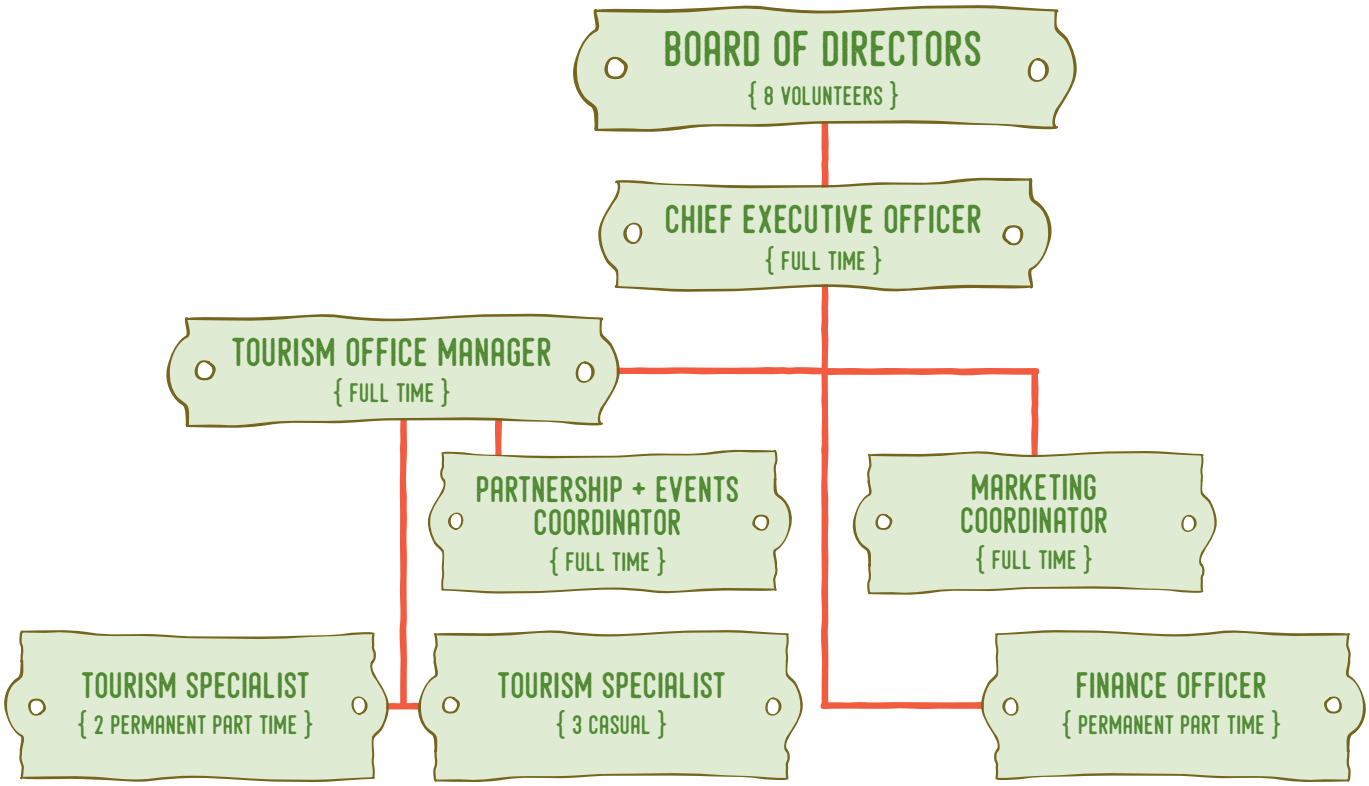
ENSURING ACCOUNTABILITY — REPORTING TO KEY STAKEHOLDERS

To our contractor Mid-Western Regional Council, we provide Quarterly Reports and report against an agreed set of Key Performance Indicators. As specified in the Contract 2017-2021, these reports are filed on the last day of the month after the period once approved by the board, and the Chairperson and the CEO attend the council meeting to present each report. Mudgee Region Tourism has key result areas against which it reports in performance. This includes variances on the previous year. In 2018-19 all KPIs outlined in the contract were met and often exceeded.

Meetings and/or workshops were held at least quarterly for partners. At these meetings, partners are updated on events and activities of Mudgee Region Tourism. Information distributed at these meetings replicates that information submitted to council and, from time to time, other issues which need endorsement or industry relevant workshop materials. Business Speed Dating events were also initiated, encouraging partners to collaborate and 'shop local' wherever possible.

our team

Mudgee Region Tourism - Organisational Chart



We are thankful to all who contributed to the success of Mudgee Region Tourism over the course of the year and are very grateful for the passion, humour and professionalism in which all activities were carried out.

Tourism Specialists work at our Mudgee office, they are responsible for servicing visitors as brand ambassadors for the region at our accredited Visitor Information Centre. The team at Mudgee Region Tourism continues to be one of its greatest assets.

Mudgee Region Tourism's policies ensure the organisation is an Equal Opportunity Employer, compliant, accountable, well planned and well-resourced to provide visitor information services 363 days a year in Mudgee. Team members undergo annual performance reviews which are conducted against Position Descriptions and a specific set of KPIs. The team undertake regular famils which ensure their product knowledge is consistently of a high standard. Monthly team meetings are held to keep team members informed and updated on events and relevant issues.

our team

Cara George

Chief Executive Officer

Full Time

Marliza Hungerford (née Sandy)

Tourism Office Manager

Full Time, temporary parental leave cover until May 2019, permanent from June 2019

Leianne Murphy

Business Development Manager

Part Time, returned from parental leave March 2019

Lynne Pritchard

Finance Officer

Part Time

Nathaniel Smith

Marketing Coordinator

Full Time

Jules Fotheringham

Partnerships + Events Coordinator

Part Time, returned from parental leave May 2019

Christine Mas-Fitzell

Tourism Specialist

Part Time

Leisa Swan

Tourism Specialist

Part Time from January 2019, previously Casual

Nicole Maher

Tourism Specialist

Casual

Candice Saxby

Tourism Specialist

Casual

Susan Drent

Tourism Specialist

Casual from February 2019

Annette Bera

Tourism Specialist

Casual from June 2019

WE FAREWELLED OUTGOING TEAM MEMBERS...

Kristen Curry

Tourism Specialist

Part Time from November 2017 to December 2018

Denise Faulkner

Tourism Specialist

Casual from December 2014 to March 2019

Heidy Hastings

Acting Partnerships + Events Coordinator

Temporary parental leave cover May to December 2018

visitor information centres

Mudgee Visitor Information Centre LEVEL 1 AVIC ACCREDITED

Located at 84 Market Street and operated by Mudgee Region Tourism, open 7 days from 9am to 5pm and has maintained Level 1 AVIC accreditation since December 2009.

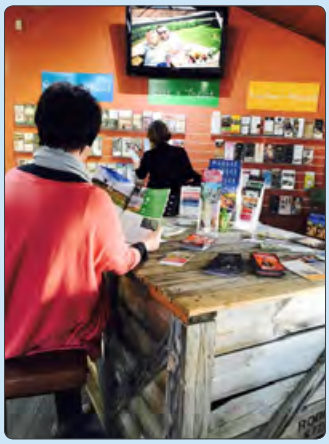
Accreditation is a process designed to establish and continually improve industry standards for conducting a tourism business. It aims to assist every AVIC to improve the way it operates to meet the increasing demands of domestic and international consumers and stakeholders.

Accreditation also provides consumers and the industry with an assurance that an Accredited Centre is committed to quality business practice and professionalism. The primary focus is to ensure that standards of service delivery meet and, where possible, exceed the visitor's expectations.

AVICs, which display the accredited 'i' sign can be assured that they are operating in a professional manner and are providing visitors to New South Wales with the highest standard of information and assistance in line with the National Industry Standards.

The AVIC Network bands together Accredited Centre's that show a commitment to continuous improvement and customer satisfaction. Mudgee Visitor Information Centre is part of the AVIC network, provides annual reports to the organisation and is audited annually.

Mudgee Visitor Information Centre



visitor information services

Gulgong

SATELLITE VISITOR INFORMATION SERVICES PARTNERSHIP // NON-ACCREDITED

Mudgee Region Tourism partnered with the Ten Dollar Town Motel, on the corner of Mayne + Medley Streets, to support information services for visitors in Gulgong. Open 7 days.

Rylstone

SATELLITE VISITOR INFORMATION SERVICES PARTNERSHIP // NON-ACCREDITED

Mudgee Region Tourism partnered with The Saffron Kitchen + Café, at 47 Louee Street, to support information services for visitors in Rylstone. Open 7 days. This agreement concluded in June 2019.

A new partnership was established with We've Got It Made, at 33 Louee Street, to support information services for visitors in Rylstone. Open 7 days. This agreement commenced in June 2019.

Kandos

SATELLITE VISITOR INFORMATION SERVICES PARTNERSHIP // NON-ACCREDITED

Mudgee Region Tourism partnered with Kandos Museum, at 22 Buchanan Street, to support information services for visitors in Kandos. Open Wednesday to Sunday.

Awards

In July 2018, Mudgee Region Tourism were awarded Gold for Visitor Information Services at the Regional Tourism Awards Country + Outback. We progressed as Finalists to the NSW Tourism Awards in November 2018 where we were awarded Silver. An extremely proud achievement for a diligent and hardworking team of tourism professionals.

NSW TOURISM AWARDS 2018 SILVER AWARD

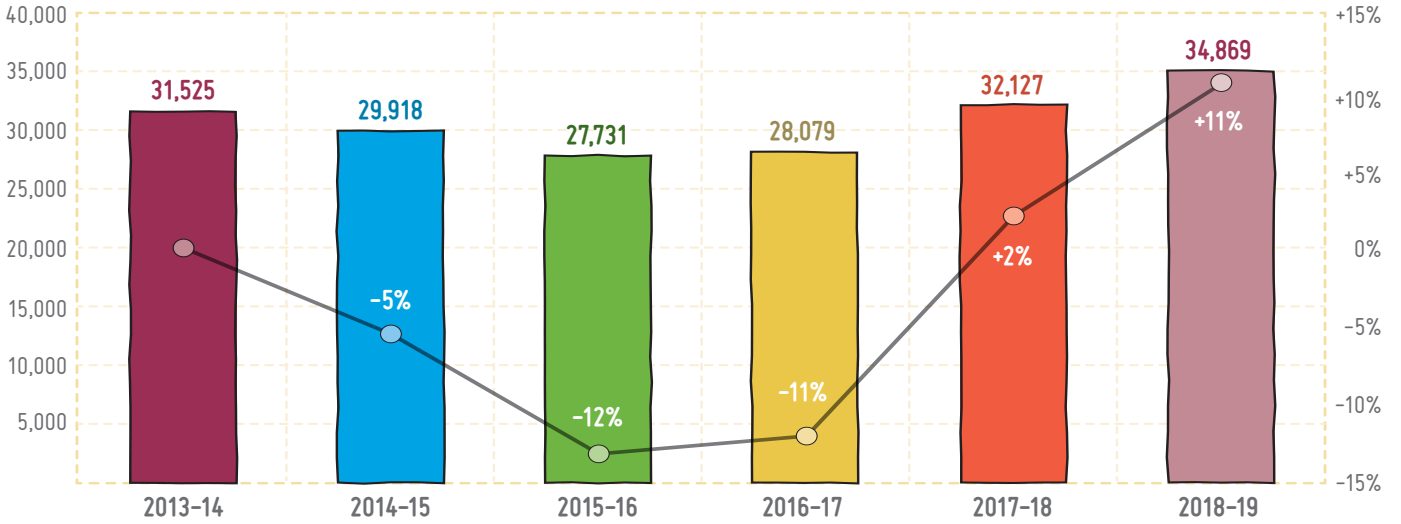
REGIONAL Tourism Awards

COUNTRY & OUTBACK GOLD 2018 Visitor Information Services

We are committed to growing engagement with visitors and locals across our Visitor Information Services network.

TOTAL VISITOR INFORMATION CENTRE VISITORS

TOTALS BY YEAR + PERCENTAGE CHANGE SINCE 2013-14



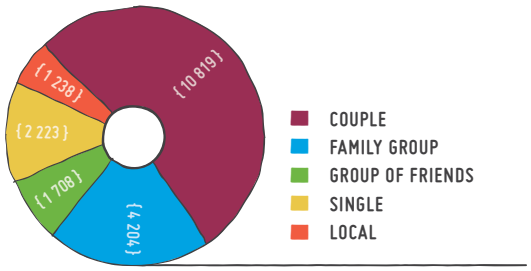
who visits mudgee region?

34,869 visitors sought in-person services from Mudgee Region Visitor Information Centres in 2018-19.

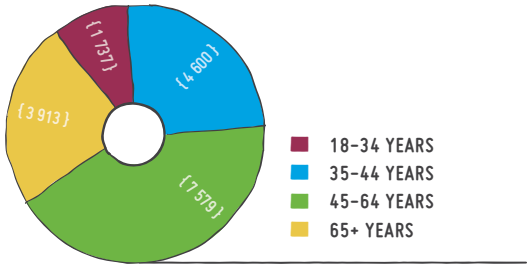
that's a **9%** increase on last year!

Where did they come from?

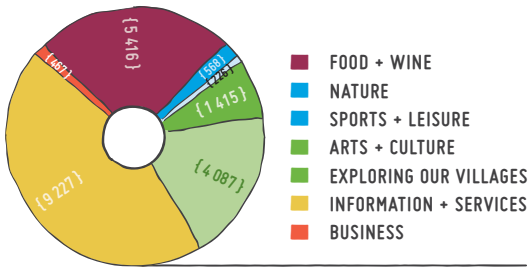
VISITOR TYPE



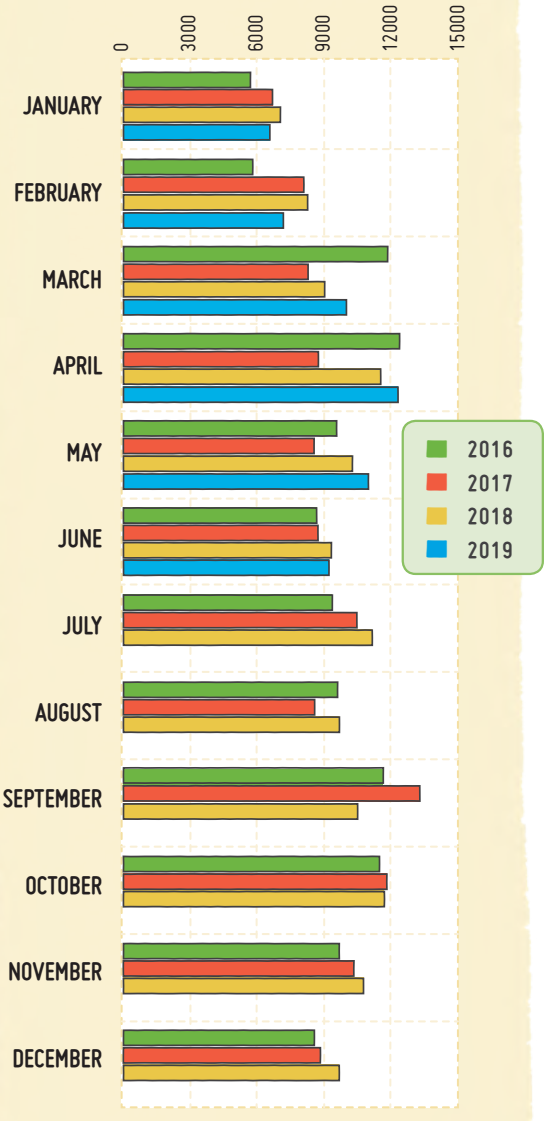
DEMOGRAPHIC



INTEREST

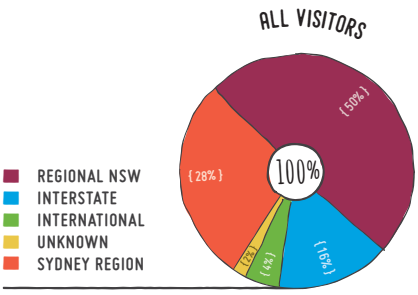


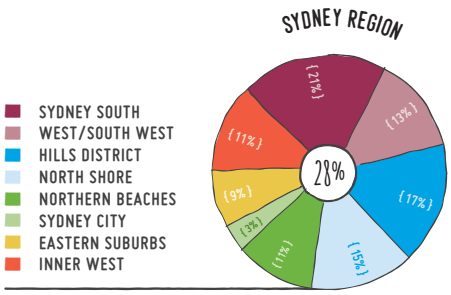
OVERNIGHT VISITATION

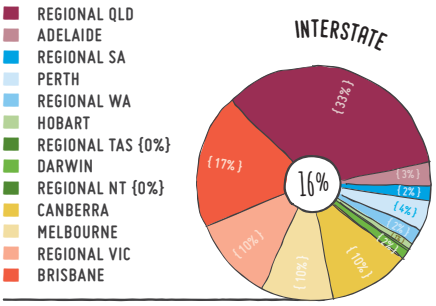


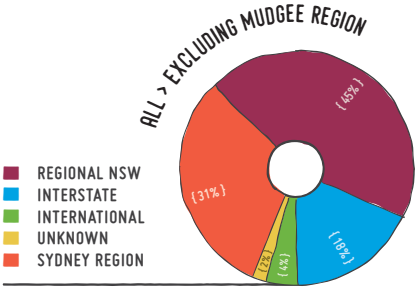
visitor statistics

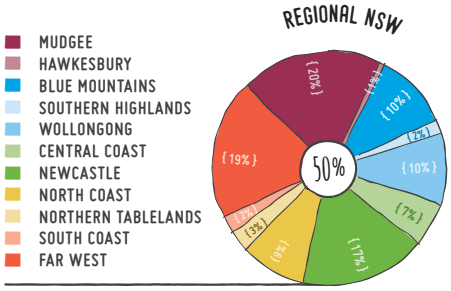
VISITORS BY REGION

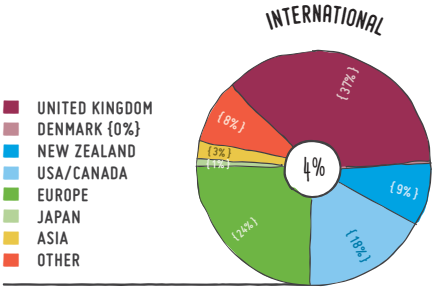




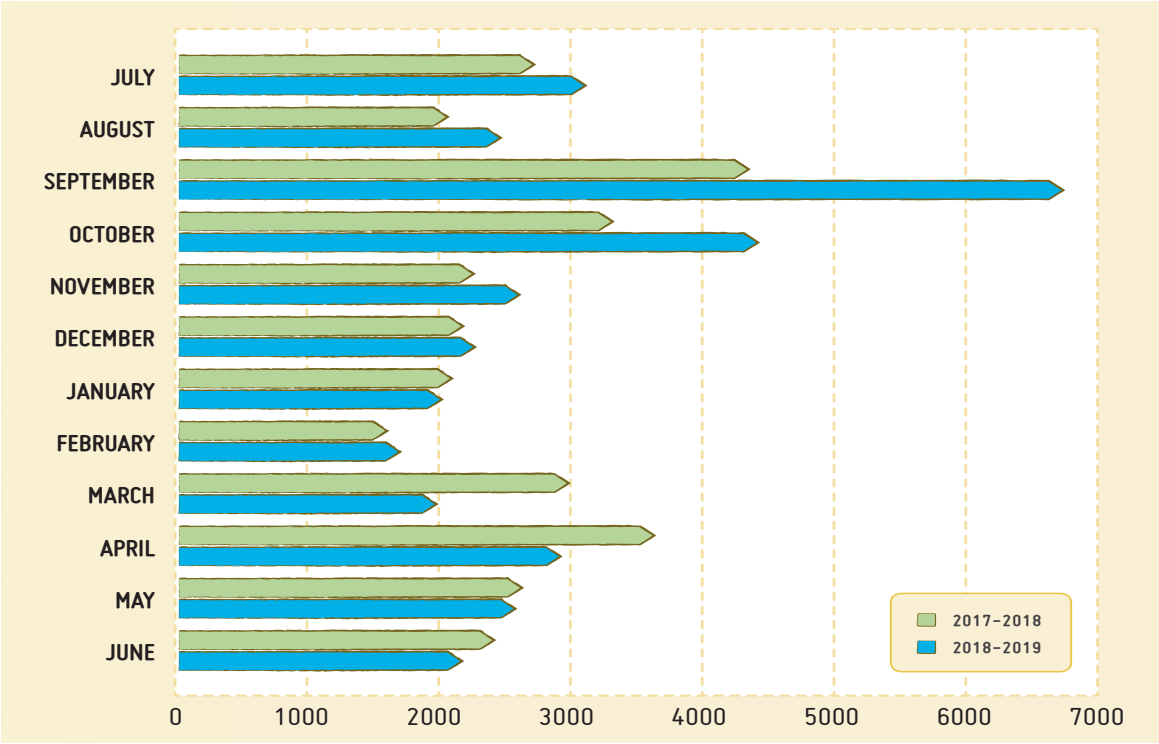








COMPARING VISITS YEAR TO YEAR... to all our Visitor Information centres 2017-18 vs 2018-19



visitor surveys

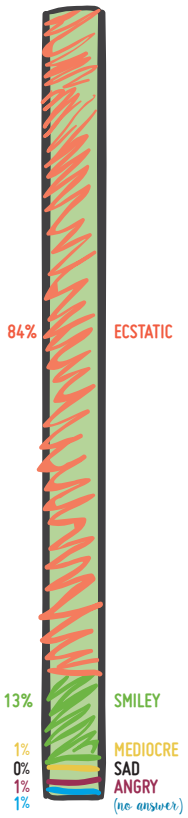
Visitor surveys continued to be implemented at the Mudgee Visitor Information Centre, to assist with the improvement of visitor services and refine target markets for promotional purposes — surveys included age, interests, repeat visitation, future travel plans and customer satisfaction.

COMPETITION ENTRIES + NEW SUBSCRIBERS

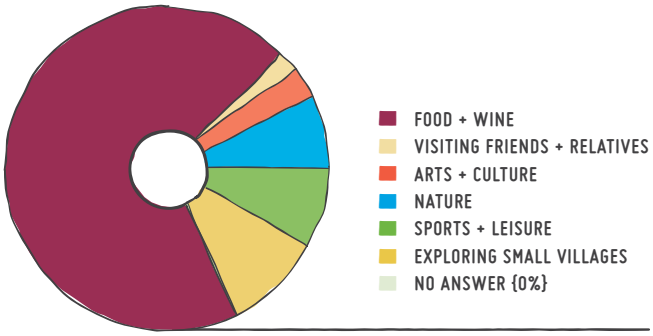
652

AGE GROUPS OF OUR VISITORS

HOW DID WE MAKE YOU FEEL?

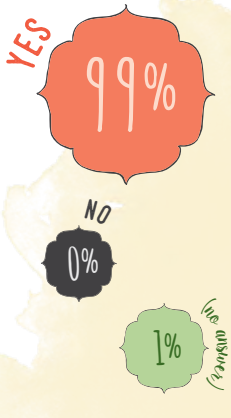


VISITOR INTERESTS

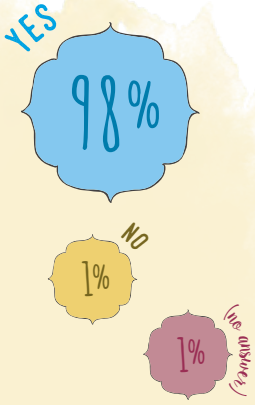


SATISFACTION

Did you get what you came for?

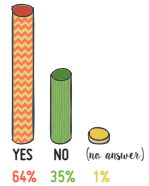


Would you visit us again here in the Visitor Centre?

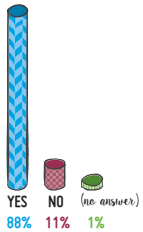


VISITING MUDGEE REGION

Have you been to Mudgee Region before?



Are you planning to visit again in the next 12 months?



our partners

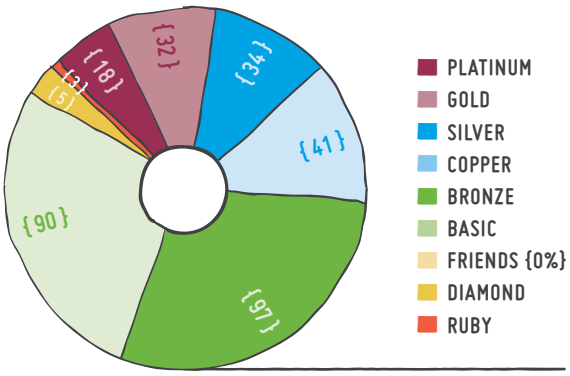
320 members + sponsors enrolled across eight business categories, representing 4% volume growth and 10% revenue growth due to a significant number of upgrades.

CURRENT PARTNERS

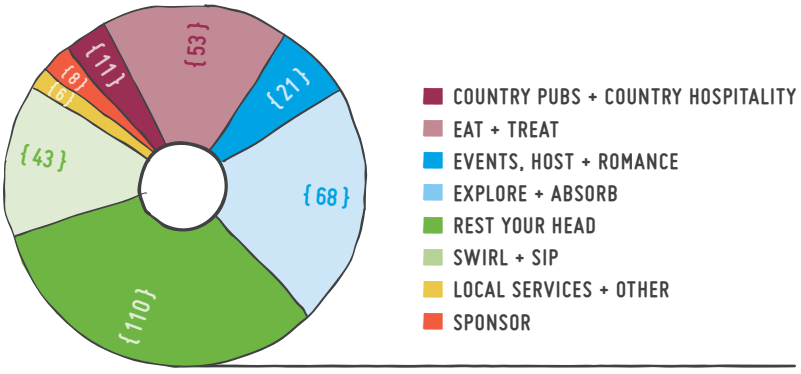
TOTAL PARTNERS BY YEAR

2017 > 2018 > 2019

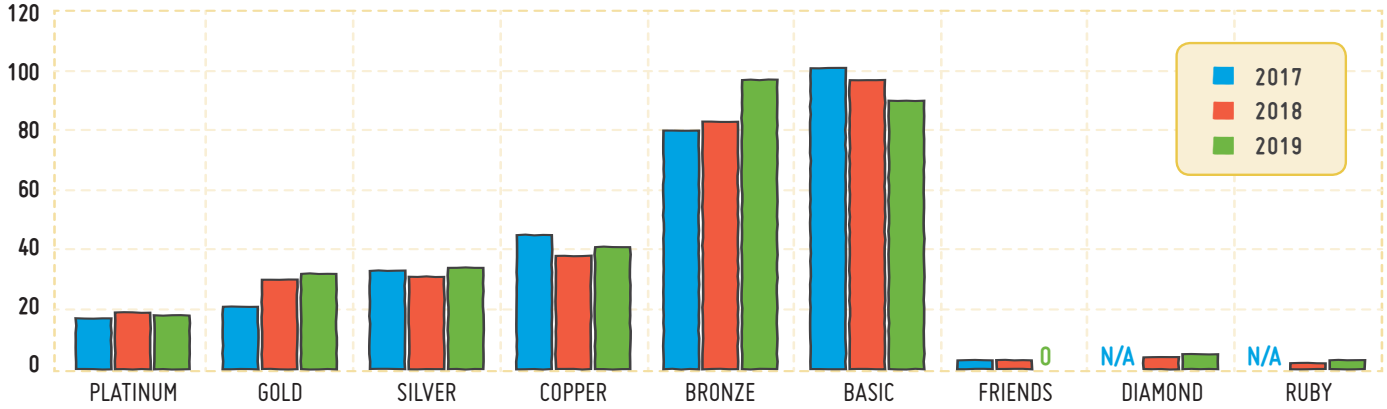
PARTNERSHIP LEVEL



PARTNERSHIP CATEGORY



PARTNERSHIP GROWTH YEAR-ON-YEAR



destination marketing

Awards

In July 2018, Mudgee Region Tourism were awarded Gold for Destination Marketing at the Regional Tourism Awards Country + Outback. We progressed as Finalists to the NSW Tourism Awards in November 2018 where we were awarded Silver. Additionally, in August 2018, Mudgee Region Tourism won Gold at the Clock Awards for Excellence in Innovation and were Finalists at the NSW Business Awards in November 2018. In May 2019, we won Excellence in Innovation at the Western NSW Business Awards. We remain firmly committed to delivering destination marketing excellence for our region.

NSW TOURISM AWARDS 2018 SILVER AWARD

REGIONAL Tourism Awards

COUNTRY & OUTBACK GOLD 2018 Destination Marketing

BUSINESS AWARDS 2018 STATE FINALIST | NSW Business Chamber

BUSINESS AWARDS 2019 REGIONAL WINNER | NSW Business Chamber

Water to Wine Campaign

The primary objective of our 'Water to Wine' campaign was to drive international dispersal from Sydney to Mudgee Region during low season, by raising our profile as a world-class short break wine and food destination to an expatriate (expat) community residing in Sydney.

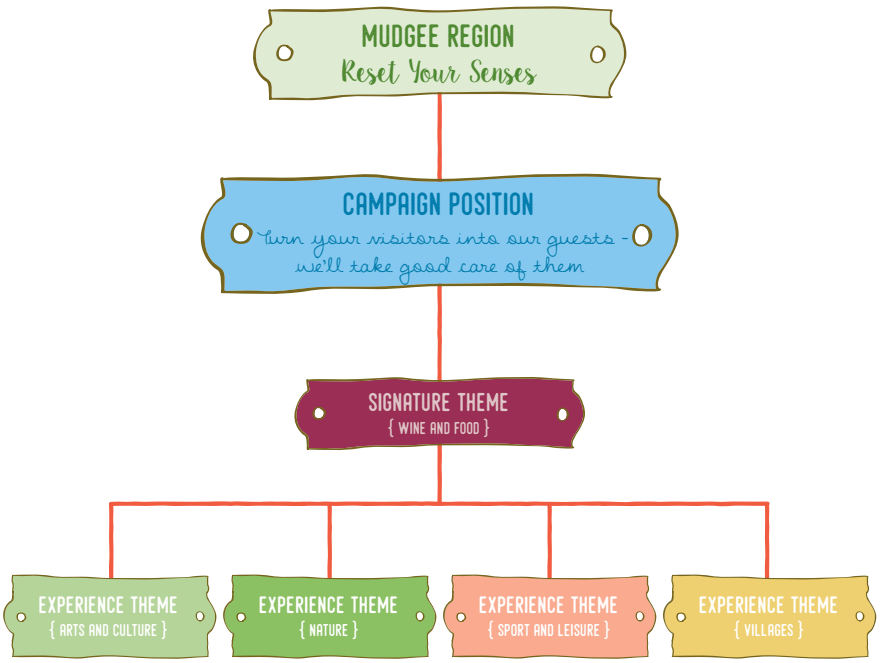
In partnership with Mudgee Wine Association, whose financial contribution to the project was $20K, we successfully applied to Wine Australia for matched funds via their International Wine Tourism Competitive Grant Program. This resulted in a further $50K boost to our original $30K budget. Our collaborative approach secured a more substantive $100K total campaign budget.

The campaign was in market for 3 months (Oct-18 to early Jan-19) with results recorded over a 6-month travel period (Oct-18 to Mar-19).

We exceeded our primary campaign objective, of securing an incremental 2,000 overnight visitors, by 99%.

This represented a 10.5% increase in overnight visitation in our traditional low season, the equivalent of a $1M boost to the economy. The campaign compelled an additional 3,975 overnight visitors to our region over the campaign term.

CAMPAIGN STRUCTURE



water to wine

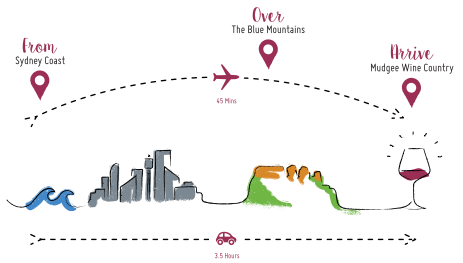
OUR TARGET AUDIENCE

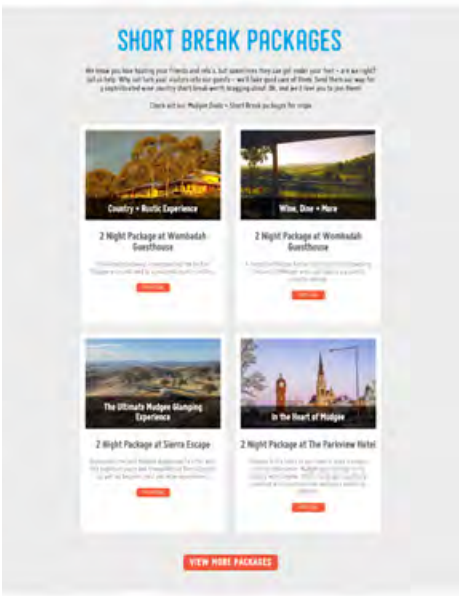
UK EXPATS LIVING IN THE MANLY + NORTHERN BEACHES AREA

CAMPAIGN CREATIVE HEADLINES

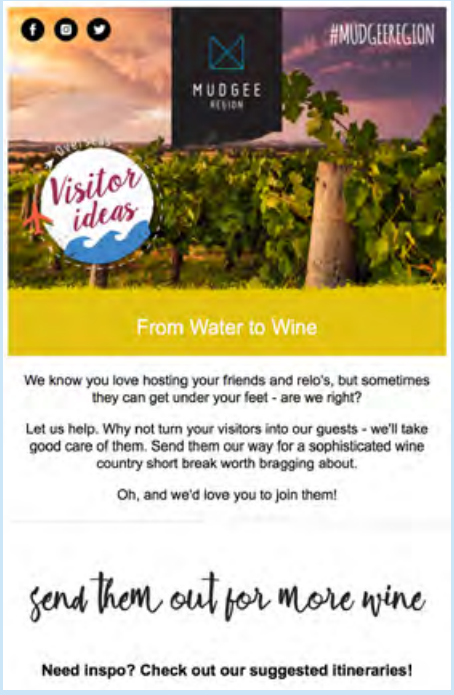
campaign communication

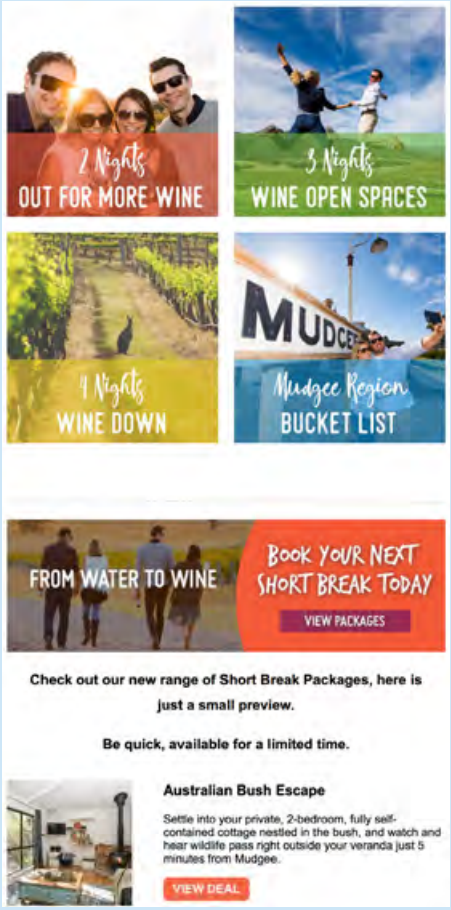
CAMPAIGN MICROSITE

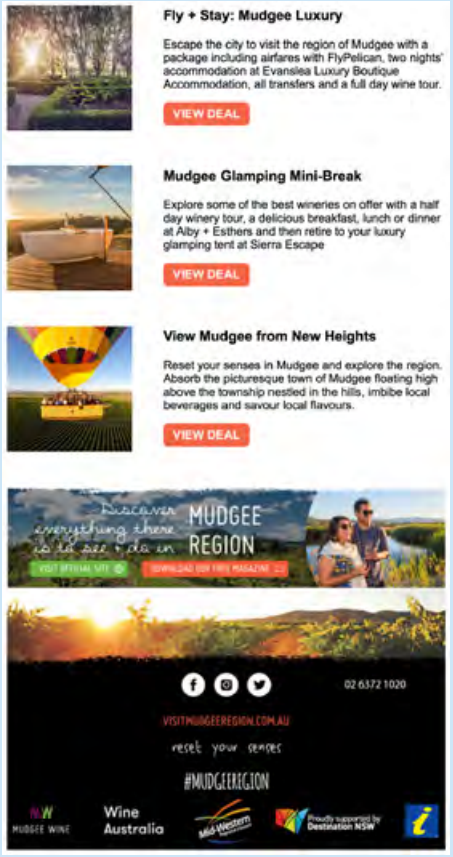




MONTHLY CAMPAIGN SUBSCRIBER EMAIL







campaign execution

WIN WINE FOR A YEAR COMPETITION – MAILBOX DROP

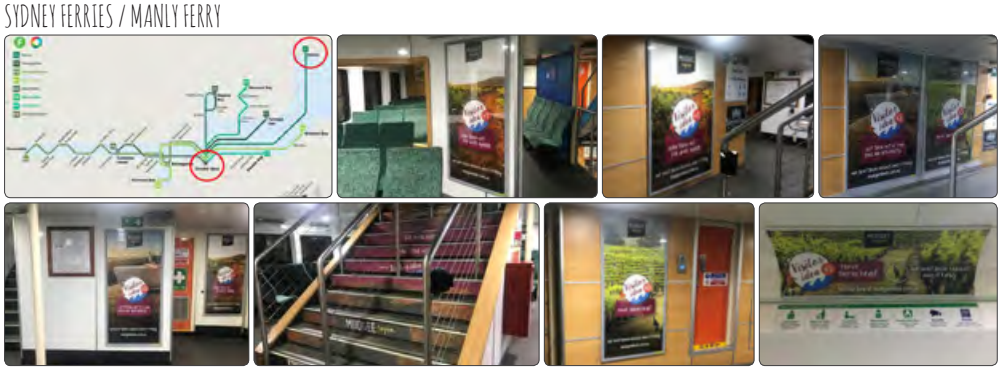
WATER TO WINE CAMPAIGN EXECUTION IN SITU

MANLY DAILY

METRO BACKS

MANLY WHARF

SYDNEY FERRIES / MANLY FERRY



other promotional activity

Not only did we execute a major campaign, but we delivered a wide range of other creative destination marketing initiatives to help us exceed our annual objectives.

MUDGEE REGION MAGAZINE at our target markets' fingertips, a presence in their household, talked about and shared with friends and family. Distribution = 100,000, including 20,000 Australian Traveller magazine tip-on.

other promotional activity

PR PLAN Klick worked closely with our Marketing Coordinator to deliver a robust and targeted Visiting Journalist Program with an always-on press office. They also wrote and distributed press releases for our region. We secured 44 print, 134 digital and 3 broadcast media stories reached over 50M people and achieved a total estimated PR value of $3.7M. Our PR investment was $46.5K. This represented a very strong return on investment of 80 times. We achieved our target of 5% growth on previous year.

COMMUNITY PASSION 'LIKE A LOCAL FEATURETTES'

we connected visitors by showing them what locals love about living in the region. We connected playful images with how locals like to explore their own region across five experience themes: Food and Wine, Nature, Arts and Culture, Sports and Leisure and Our Villages.

other promotional activity

BOUTIQUE SHOPPING TRAIL 'SHOP LIKE A LOCAL'

we hosted two workshops for local retailers to come on board as partners and to create a shopping trail. This initiative was also picked up and featured across various media by Destination NSW.

INCREASE BOOKABLE PRODUCT we engaged a new local ticketing partner, 123Tix, to develop a user-friendly solution for event organisers and consumers. We developed 'Promotion & Ticketing Solutions' to increase appeal and develop bookable product on our website.

other promotional activity

OUTER REGION EVENTS

we amplified awareness of Mudgee Region at four outer region wine and food events, in target source areas (Balmoral Wine + Food Fair, Parramatta Wine + Food Fair, Sydney Good Food + Wine Show and The End Festival in Hill End). Our pop-up mimics what it's like to be in the Mudgee Region — warm country hospitality and delicious local produce. We engaged potential visitors through a sensory experience with food and wine tastings.

SOCIAL MEDIA we focused on growing our tribe, consistently delivering destination on-brand language whilst showcasing compelling content that resonated with target audiences and consciously connected key messages. Secured a total 28,587 followers, up 19% (exceeding target by 4%).

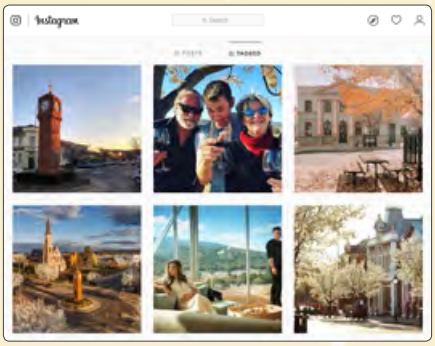
other promotional activity

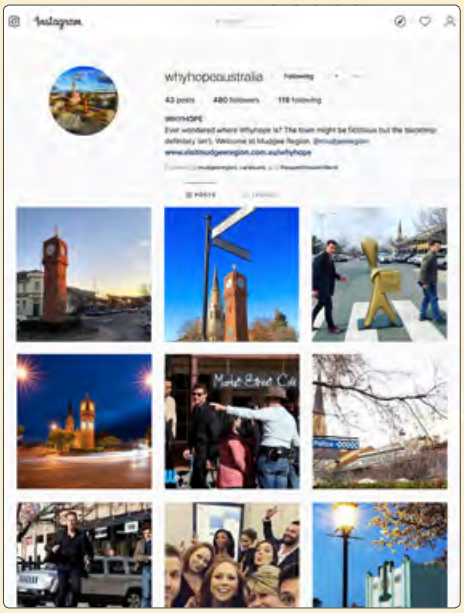
MUDGEE REGION LOVER TRIBE

our subscriber database is key to keeping in touch with interested, repeat and potential visitors — like good friends, we touch base regularly (every month in fact). Initiatives to build our subscribers resulted in an 18% uplift, or a total 20,313 Mudgee Region Lovers — we exceeded our target here by 2%. We also achieved a 25% open rate, industry benchmark for travel emails is 20.69% (according to MailChimp), so we are performing well above benchmark.

TELE-TOURISM CAMPAIGN 'DOCTOR DOCTOR'

we created an Instagram account @WhyhopeAustralia and reached out to the Doctor Doctor production agency and cast for approval to repost associated Instagram stories. We built an 'Experience the Real Whyhope' Short Break Package and launched it on Weekend Today

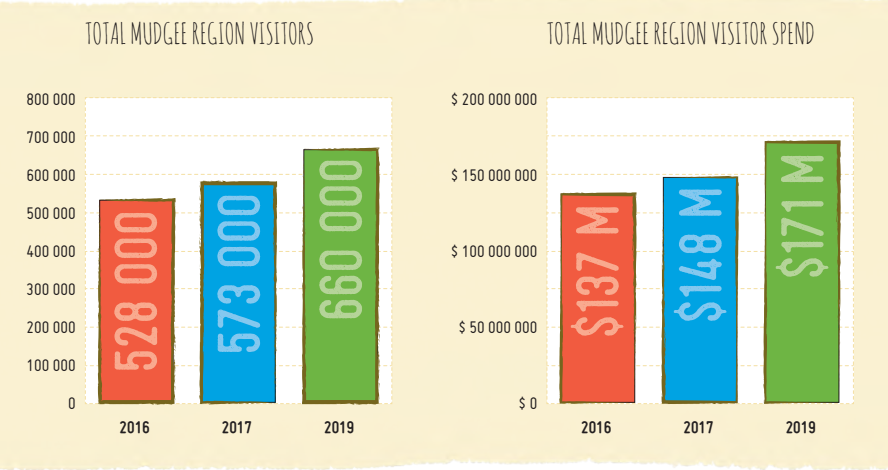




destination visitation growth

Tourism Research Australia, on behalf of Destination NSW, prepare 4-year average reports for each NSW local government area. The March 2019 LGA Profile for Mid-Western Regional Area reported 660,000 total visitors (995,000 overnight visitor stays) in the Mudgee Region, worth a whopping $171M to our local economy! That's an astronomical 26% increase in visitors over 5 years. Congratulations to all partners for being an important part of this success, this is a phenomenal result and testament to the collaborative nature of our destination.

TOURISM RESEARCH AUSTRALIA'S LGA PROFILE

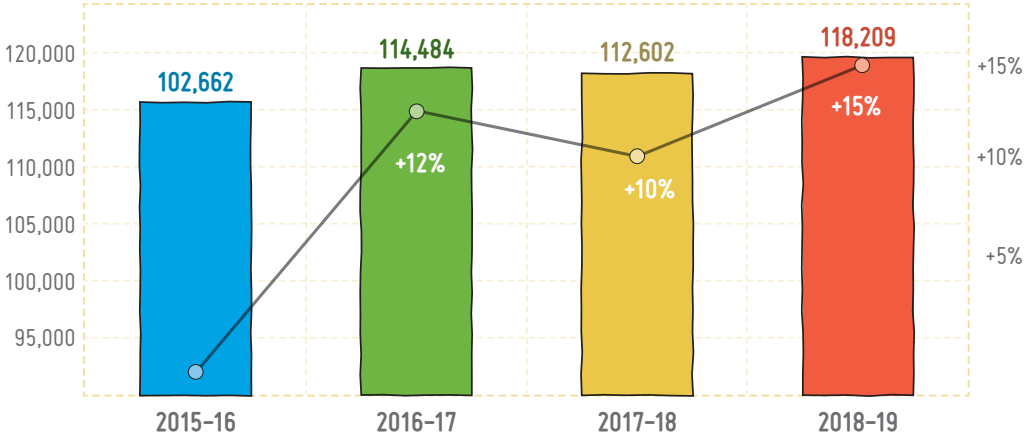


OVERNIGHT VISITATION

41% SAMPLE SIZE HOTEL/MOTEL + PERCENTAGE ROLLING INCREASE SINCE 2015-16

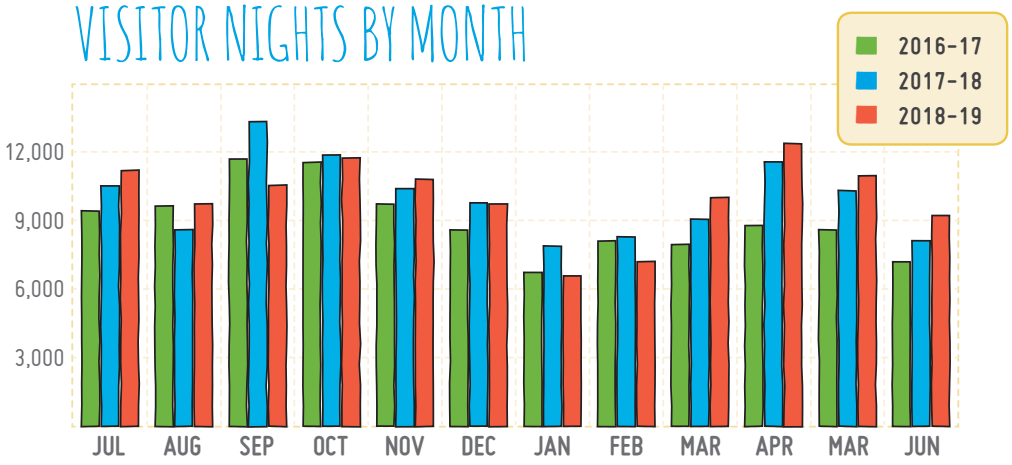
Mudgee Region Tourism also sources visitor nights from a select group of accommodation providers, representing a sample size of 41% of the region's total accommodation membership inventory.

The graph at right indicates our presence in market continues to resonate with and convert target audiences.



VISITOR NIGHTS BY MONTH

The graph at right provides visitation trends, by month



industry commitment

Memberships + Partners

Mudgee Region Tourism is a financial member and/or collaborates on marketing and industry activities with the following organisations:

- Mid-Western Regional Council
- Tourism Australia
- Destination New South Wales
- Destination Network Country + Outback
- Australian Regional Tourism
- Western NSW + NSW Business Chambers/Tourism Industry Council
- Rylstone Kandos Chamber of Commerce
- Gulgong Chamber of Commerce
- Mudgee Chamber of Commerce
- Mudgee Wine Association
- Mudgee Fine Foods
- Austrade + Tourism Research Australia
- Accredited Visitor Information Centre Network (AVIC)
- T-Qual Accreditation
- Amber Creative — local content
- Klick X — PR Agency
- Destination Marketing Store
- Leonards Media Agency
- Wisdom design and web developers
- Cherry Metal — local design agency

Events Supported

Mudgee Region Tourism took an active role in a variety of promotional activities including media visits, social media engagement, administration, ticket sales, inclusion in Mudgee Region Magazine, distribution of information and attendance for the following events:

- Australia Day Celebrations
- Cherry Picking
- Day in The Dirt Music Festival
- Flavours of Mudgee
- Footcrush Feast
- Gulgong Folk Festival
- Gulgong Gold + Mining Festival
- Gulgong MADS events
- Gulgong to Mudgee Bus Service
- Henry Lawson Heritage Festival
- Hill End Open Day
- Huntington Estate Music Festival
- Kandos Street Machine
- Mudgee Fine Foods Farm Walks
- Mudgee Food + Drink Trail
- Mudgee Garden Spectacular
- Mudgee Hot Air Ballooning Festival
- Markets across region
- Mudgee Race Days
- Mudgee Readers Festival
- Mudgee Running Festival
- Mudgee Wine + Food Festival
- Mudgee/Rylstone/Kandos/Gulgong Shows
- MudgeeQue
- MWRC Sporting events at Glen Willow
- Pink Up Mudgee
- Rylstone StreetFeast
- School Holiday activities
- Sculptures in the Garden
- Small Farm Field Days
- The End Festival
- The Rotary Showground Carols
- Town Hall Cinema
- Tunnel of Lowe

General Member Meetings

General member meetings to update members on activities were held:

- **7 August 2018**
  Mudgee Region Magazine Launch
- **17 July 2018**
  Special General Meeting (Constitution amendment to Director recruitment process)
- **27 November 2018**
  AGM

Member Workshops:

- **17 July 2018**
  Let's Skip Town Mid-Week Post Campaign Presentation
- **4 + 5 September 2018**
  Water to Wine Campaign launch workshops
- **17 September 2018**
  Water to Wine Campaign Short Break Package Networking event
- **30 October 2018**
  Business Speed Dating event
- **17 December 2018**
  Business Speed Dating event
- **12 February 2019**
  Business Speed Dating event
- **13 March 2019**
  New Partnership Prospectus launch // Mudgee
- **20 March 2019**
  New Partnership Prospectus launch // Gulgong
- **27 March 2019**
  New Partnership Prospectus launch // Rylstone + Kandos
- **02 April 2019**
  Business Speed Dating event
- **09 May 2019**
  New Partnership Prospectus launch // Hill End

financial reports

financial report: FOR YEAR END 30 JUNE 2019

The ongoing financial performance of Mudgee Region Tourism is closely monitored by the board. In 2019 the audit was conducted by Lawrence Bennett Portelli and the audited reports are presented to the members and sponsors for adoption at the AGM. They are available on the Mudgee Region Tourism website. The Auditor Report is provided as a separate report, but in short, notwithstanding the deficiency of net assets in the association, the financial report of the association has been prepared on a going concern basis. This basis has been applied as the director has received a guarantee of continuing financial support and it is the director's belief that such financial support will continue to be made available.

committee's report: MUDGEE REGION TOURISM INCORPORATED

Your committee members submit the financial report of the Mudgee Region Tourism Incorporated for the financial year ended 30 June 2019.

COMMITTEE MEMBERS

The name of each member of the committee during the year and if different, at the date of the report:

- Jessica Chrcek (Chairperson)
- Simon Staines (Deputy Chairperson)
- Margot Palk (Treasurer)
- Buzz Sanderson (Secretary) *from Nov 18
- Rebecca George
- Des Kennedy
- Ken Sutcliffe
- Patrick Brennan *from Nov 18
- Joe Adendorff *to Nov 18
- Robert Duffy *to Nov 18

PRINCIPAL ACTIVITIES

The principal activities of the association during the financial year were:

- The provision of tourism services under contract to Mid-Western Regional Council and business support services to Mudgee Region Tourism Incorporated members.

SIGNIFICANT CHANGES

- No significant change in the nature of these activities occurred during the year.

OPERATING RESULT

- The profit of the association after providing for income tax amounted to $47,245.05

Signed in accordance with a resolution of the Members of the Committee.

Committee Member: _____
Jessica Chrcek (Chairperson)

Committee Member: _____
Margot Palk (Treasurer)

Dated this 1st **day of** October 2019.

profit + loss

MUDGEE REGION TOURISM INCORPORATED

ABN 18 997 389 853

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 $	2018 $
INCOME			
Revenue		1,056,758.71	941,763.07
EXPENDITURE			
Advertising expenses		(840.00)	(3,822.13)
Auditors' remuneration		(4,750.00)	(4,750.00)
Computer expenses		(10,662.68)	(17,701.45)
Depreciation + amortisation expenses		(12,807.34)	(19,804.26)
Employee benefits expenses		(460,901.95)	(475,132.61)
Finance costs		(2,914.76)	(3,042.60)
Freight + cartage		(692.60)	(269.08)
Other expenses		(515,944.33)	(507,702.74)
		47,245.05	(90,461.80)
Profit (Loss)		47,245.05	(90,461.80)
Total comprehensive income for the year		47,245.05	(90,461.80)

The accompanying notes form part of these financial statements.

financial position

MUDGEE REGION TOURISM INCORPORATED

ABN 18 997 389 853

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 $	2018 $
ASSETS			
CURRENT ASSETS			
Cash + cash equivalents	3	394,447.85	243,547.78
Trade + other receivables	4	84,463.59	105,289.20
Inventories	5	15,539.24	12,528.06
Other current assets	6	53,135.72	23,939.84
TOTAL CURRENT ASSETS		547,586.40	385,304.88
NON-CURRENT ASSETS			
Property, plant + equipment	7	47,546.28	55,262.62
Intangible assets	8	-	5,091.00
TOTAL NON-CURRENT ASSETS		47,546.28	60,353.62
TOTAL ASSETS		595,132.68	445,658.50
LIABILITIES			
CURRENT LIABILITIES			
Trade + other payables	9	126,268.16	79,591.39
Borrowings	10	10,903.57	10,234.24
Provisions	11	4,114.77	-
Other current liabilities	12	440,336.14	378,664.31
TOTAL CURRENT LIABILITIES		581,622.64	468,489.94
NON-CURRENT LIABILITIES			
Borrowings	10	29,385.98	40,289.55
TOTAL NON-CURRENT LIABILITIES		29,385.98	40,289.55
TOTAL LIABILITIES		611,008.62	508,779.49
NET ASSETS (LIABILITIES)		(15,875.94)	(63,120.99)
EQUITY			
Accumulated losses	13	(15,875.94)	(63,120.99)
TOTAL EQUITY		(15,875.94)	(63,120.99)

The accompanying notes form part of these financial statements.

equity + cash flows

MUDGEE REGION TOURISM INCORPORATED
ABN 18 997 389 853

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Note	Retained earnings/ (Accumulated losses)	Total
		$	$
Balance at 1 July 2017		27,341	27,341
Profit attributable to members		(90,462)	(90,462)
Balance at 30 June 2018		(63,121)	27,341
Profit attributable to members		47,245	47,245
Balance at 30 June 2019		(15,876)	(15,876)

STATEMENT OF CASH FLOWS

	Note	2019	2018
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,091,158.94	836,976.28w
Payments to suppliers + employees		(980,024.63)	(1,014,053.28)
Grants received		50,000.00	75,000.00
Interest received		-	1,376.31
Net cash provided by (used in) operating activities	**16**	161,134.31	(100,700.69)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant + equipment		-	17,727.27
Payments for property, plant + equipment		-	(53,227.28)
Net cash provided by (used in) investing activities		-	(35,500.01)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	56,498.59
Repayment of borrowings		(10,234.24)	(26,956.51)
Net cash provided by (used in) financing activities		(10,234.24)	29,542.08
Net increase (decrease) in cash held		150,900.07	(106,658.62)
Cash at beginning of financial year		243,547.78	350,206.40
Cash at end of financial year	**3**	394,447.85	243,547.78

The accompanying notes form part of these financial statements.

notes

MUDGEE REGION TOURISM INCORPORATED

ABN 18 997 389 853

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Mudgee Region Tourism Incorporated as an individual entity. Mudgee Region Tourism Incorporated is an association incorporated in NSW under the Associations Incorporation Act 2009 ('the Act').

2 BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the Associations Incorporation Act 2009.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless stated otherwise.

The financial statements are based on historical costs, except for the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

GOING CONCERN

Notwithstanding the deficiency of net assets in the association, the financial report of the association has been prepared on a going concern basis. This basis has been applied as the director has received a guarantee of continuing financial support and it is the director's belief that such financial support will continue to be made available.

INVENTORIES

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

PROPERTY, PLANT AND EQUIPMENT

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

Depreciation The depreciable amount of all fixed assets including capitalised leased assets, is depreciated on a straight line basis over the asset's useful life commencing from the time the asset is held ready for use.

LEASES

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

FINANCIAL INSTRUMENTS

Financial instruments are recognised initially using trade date accounting, ie on the date that association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs.

Loans and receivables Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The association's trade and most other receivables fall into this category of financial instruments.

Discounting is omitted where the effect of discounting is considered immaterial.

For trade receivables, impairment provisions are recorded in a separate allowance account with the loss being recognised in profit or loss. When confirmation has been received that the amount is not collectable, the gross carrying value of the asset is written off against the associated impairment provision.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

In some circumstances, the association renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the association does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Available-for-sale financial assets Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets. The association's available-for-sale financial assets comprise listed securities.

Available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

Losses recognised in prior period statement of comprehensive income resulting from the impairment of debt securities are reversed through the statement of comprehensive income, if the subsequent increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

Available-for-sale financial assets A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised

MUDGEE REGION TOURISM INCORPORATED

ABN 18 997 389 853

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

IMPAIRMENT OF NON-FINANCIAL ASSETS

At the end of each reporting period the association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

INTANGIBLES

EMPLOYEE BENEFITS

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date.

Defined superannuation schemes In respect of defined benefit plans, the cost of providing the benefits is determined using the projected unit credit method. Actuarial valuations are conducted every three years, with interim valuations performed on an annual basis. Consideration is given to any event that could impact the funds up to balance sheet date where the interim valuation is performed at an earlier date.

The amount recognised in the balance sheet represents the present value of the defined benefit obligations adjusted for any unrecognised actuarial gains and losses and unrecognised past service costs less the fair value of the plan's assets. Any asset recognised is limited to unrecognised actuarial losses, plus the present value of available refunds and reductions in future contributions to the plan.

Actuarial gains and losses are amortised over the expected average remaining working lives of the participating employees in the scheme. Gains or losses on the curtailment or settlement of a defined benefit plan are recognised in the income statement when the association is demonstrably committed to the curtailment or settlement.

Past services costs are recognised when incurred to the extent that benefits are vested, and are otherwise amortised on a straight-line basis over the vesting period.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the balance sheet

REVENUE AND OTHER INCOME

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Sale of goods Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Interest revenue Interest revenue is recognised using the effective interest rate method.

Rendering of services Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Revenue from training services is generally recognised once the training has been delivered.

Subscriptions Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

ACCOUNTS PAYABLE + OTHER PAYABLES

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid.

Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

COMPARATIVE AMOUNTS

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

MUDGEE REGION TOURISM INCORPORATED

ABN 18 997 389 853

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

		2019	2018
3	**CASH AND CASH EQUIVALENTS**	$	$
	Cash on hand	200.00	450.00
	Cash at bank	392,958.85	241,582.68
	Undeposited funds	1,289.00	1,515.10
		394,447.85	243,547.78
	Reconciliation of cash		
	Cash and cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:		
	Cash and cash equivalents	394,447.85	243,547.78
		394,447.85	243,547.78
4	**TRADE AND OTHER RECEIVABLES**		
	Current		
	Trade debtors	84,463.59	105,289.20
	The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short term nature of the balances.		
5	**INVENTORIES**		
	Current		
	At cost:		
	Stock on hand	15,539.24	12,528.06
6	**OTHER NON-FINANCIAL ASSETS**		
	Current		
	Prepayments	53,135.72	23,939.84
7	**PROPERTY, PLANT AND EQUIPMENT**		
	Motor vehicles	53,227.28	53,227.28
	Less: Accumulated depreciation	(10,463.00)	(3,810.00)
		42,764.28	49,417.28
	Office furniture + equipment	18,560.26	18,560.26
	Less: Accumulated depreciation	(13,778.26)	(12,714.92)
		4,782.00	5,845.34
	Total plant + equipment	47,546.28	55,262.62
	Total property, plant + equipment	47,546.28	55,262.62

MUDGEE REGION TOURISM INCORPORATED

ABN 18 997 389 853

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

			2019		2018
8	**INTANGIBLE ASSETS**		$		$
	Website				
	Website		41,918.00		41,918.00
	Less: Accumulated amortisation		(41,918.00)		(36,827.00)
			-		5,091.00
	Total		-		5,091.00
	Reconciliation of formation expenses				
	Website				
	Website		41,918.00		41,918.00
	Less: Accumulated amortisation		41,918.00		(36,827.00)
	Closing carrying value at 30 June 2019		-		5,091.00
9	**ACCOUNTS PAYABLE + OTHER PAYABLES**				
	Current				
	Trade Creditors		44,833.72		8,694.37
	Other Creditors — ticket sales		64.98		8,860.31
	Superannuation payable		-		54.46
	ATO liability		51,864.72		49,262.69
	Provision for Holiday Pay + Time in Lieu		29,504.74		12,719.56
	Trade and other payables are unsecured, non interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short term nature of the balances.		126,268.16		79,591.39
10	**BORROWINGS**				
	Current				
	Hire Purchase liability — Toyota Kluger		13,149.00		13,149.00
	Less: unexpired Hire Purchase liability		(2,245.43)		(2,914.76)
	Total current borrowings		10,903.57		10,234.24
	Non-Current				
	Hire Purchase liability — Toyota Kluger		31,776.78		44,925.75
	Less: unexpired Hire Purchase liability		(2,390.77)		(4,636.20)
	Total non-current borrowings		29,385.98		40,289.55
	Total borrowings	4	40,289.55	4	50,523.79

MUDGEE REGION TOURISM INCORPORATED

ABN 18 997 389 853

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

		2019	2018
11	**PROVISIONS**	$	$
	Provision for Long Service Leave	4,114.77	-
	Total provisions	4,114.77	-
	Analysis of total provisions	4,114.77	-
	Current	4,114.77	-

12	**OTHER LIABILITIES**		
	Current		
	Accrued charges	16,131.87	18,034.66
	Income in advance	424,204.27	360,629.65
		440,336.14	378,664.31

13	**(ACCUMULATED LOSSES) RETAINED EARNINGS**		
	(Accumulated losses) Retained earnings at the beginning of the financial year	(63,120.99)	27,340.81
	Net profit (Net loss) attributable to the association	47,245.05	(90,461.80)
	(Accumulated losses) Retained earnings at the end of the financial year	(15,875.94)	(63,120.99)

14	**CAPITAL + LEASING COMMITMENTS**		
	Operating Lease Commitments		
	Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
	Payable — minimum lease payments		
	Not later than 12 months	(5,794.56)	(5,779.56)
	Between 12 months and 5 years	(3,587.66)	(9,352.22)
		(9,382.22)	(15,131.78)

On 1 February 2018, Mudgee Region Tourism Inc entered into a lease agreement with Dell Financial Services for the supply of computer equipment. Lease terms is for a period of 36 months at $441.38 per month.

Mudgee Region Tourism Inc entered into an agreement with Mid-Western Regional Council on 1 July 2017 to lease the premises 84 Market Street, Mudgee. This lease will terminate on 30 June 2021 with rent being $483 per annum, adjusted for CPI each year.

MUDGEE REGION TOURISM INCORPORATED

ABN 18 997 389 853

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

15 RELATED PARTY TRANSACTIONS

On 3 July 2017, Mudgee Region Tourism Inc entered into a contract with Mid-Western Regional Council to provide tourism services for four years.

On 19 September 2018, Mid-Western Regional Council provided additional financial support to Mudgee Region Tourism Inc of $50,000.

The following amounts were:

	2019 $	2018 $
Contract Income + Sponsorship — MWRC	453,524.00	396,000.00

16 CASH FLOW INFORMATION

Reconciliation of result for the year to cashflows from operating activities.

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

(Loss) Profit after income tax	47,245.05	(90,461.80)
Non-cash flows in loss		
Loss on sale of non-current assets	-	10,529.54
Amortisation	5,091.00	11,679.00
Depreciation	7,716.34	8,125.26
Changes in assets and liabilities		
Movement in inventory	(3,011.18)	(2,810.88)
Movement in trade debtors	20,825.61	(54,316.75)
Movement in prepayments	(29,195.88)	(11,429.57)
Movement in trade creditors	27,289.56	(4,845.96)
Movement in accrued charges	(1,902.79)	294.20
Movement in income in advance	63,574.62	32,715.79
Movement in ATO liabilities	2,602.03	6,710.15
Movement in provisions	20,899.95	(7,230.61)
Movement in other assets	-	340.94
	161,134.31	(100,700.69)

17 STATUTORY INFORMATION

The registered office of the association is:
84 Market Street, Mudgee NSW 2850

The principal place of business is:
84 Market Street, Mudgee NSW 2850

committee statement

MUDGEE REGION TOURISM INCORPORATED

ABN 18 997 389 853

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that the association is a reporting entity and that this general purpose financial statement should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the committee the financial statements as set out on pages 27 to 36:

1. present fairly the financial position of Mudgee Region Tourism Incorporated as at 30 June 2019 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board; and
2. at the date of this statement, there are reasonable grounds to believe that Mudgee Region Tourism Incorporated will be able to pay its debts as and when they fall due.

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

President: _____
Jessica Chrcek

Treasurer: _____
Margot Palk

Dated this 19 day of September 2019

auditor review report

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF MUDGEE REGION TOURISM INCORPORATED

ABN 18 997 389 853

REPORT ON THE FINANCIAL REPORT

We have reviewed the accompanying financial report of Mudgee Region Tourism Incorporated (the association) which comprises the statement of financial position as at 30 June 2019 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

COMMITTEE'S RESPONSIBILITY FOR THE FINANCIAL REPORT

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 2009 and for such internal control as the committee determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Preformed by Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, anything has come to out attention that causes us to believe that the financial report is not presented fairly, in all material respects, in accordance with the Australian Accounting Standards (including Australian Accounting Interpretations) and the Associations Incorporation Act 2009. As the auditor of Mudgee Region Tourism Incorporated, ASRE 2410 requires that we comply with the ethical requirements relevant to the annual financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

INDEPENDENCE

In conducting our review, we have complied with independence requirements of the Australian professional accounting bodies.

CONCLUSION

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the financial report of Mudgee Regional Tourism Incorporated does not present fairly, in all material respects the financial position of the Mudgee Regional Tourism Incorporated as at 30 June 2019, and of its financial performance and its cashflows for the year ended on that date, in accordance with Australian Accounting Standards.

Name of Firm: Lawrence Bennett Portelli Pty Limited
Chartered Accountants

Name of director: Simon Bennett

Address: 9/79 Market Street Mudgee NSW 2850

Dated this: 19th day of September 2019

profit + loss statement

MUDGEE REGION TOURISM INCORPORATED

ABN 18 997 389 853

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019 $	2018 $
SALES		
Retail merchandise	106,632.13	88,897.34
LESS: COST OF GOODS SOLD		
Opening stock	12,528.06	9,717.18
Purchases	79,034.12	61,825.99
Closing stock	(15,539.24)	(12,528.06)
	76,022.94	59,015.11
GROSS PROFIT FROM TRADING	30,609.19	29,882.23
OTHER INCOME		
Membership packages	382,078.69	348,424.59
Contract income + sponsorship — MWRC	453,524.00	396,000.00
Marketing contribution	10,000.00	10,000.00
Event stallholder income	21,390.00	17,680.00
Commission received on tickets sold	19,573.95	12,481.92
Other sundry revenues	611.64	2,773.39
Interest received	-	1,035.37
Grants	50,000.00	75,000.00
Paid Parental Leave Scheme	12,948.30	-
Loss on sale of non-current assets	-	(10,529.54)
	950,126.58	852,865.73
	980,735.77	882,747.96

The accompanying notes form part of these financial statements.

profit + loss statement

MUDGEE REGION TOURISM INCORPORATED

ABN 18 997 389 853

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
EXPENSES	$	$
Advertising	840.00	3,822.13
Amortisation	5,091.00	11,679.00
Auditor's remuneration	4,750.00	4,750.00
Bank charges	2,474.35	2,305.72
Cleaning	2,620.00	2,588.18
Computer expenses	10,662.68	8,447.01
Depreciation	7,716.34	8,125.26
Electricity	2,458.43	3,466.13
Freight + cartage	692.60	269.08
Fringe Benefits Tax	6,067.83	5,626.55
Holiday Pay + Time in Lieu provision	16,785.18	(7,230.61)
Insurance	4,312.42	3,877.34
Interest paid	2,914.76	3,042.60
Legal costs	-	377.27
Long Service Leave	4,114.77	-
Motor Vehicle expenses	9,024.29	7,289.78
Postage	597.01	342.83
Printing + stationery	8,763.47	10,568.99
Regional Marketing costs	230,582.73	282,993.14
Rent	491.00	955.00
Repairs + maintenance	949.02	1,144.81
Rylstone running costs	-	16.09
Salaries + wages	423,214.19	434,402.76
Seminars + training	779.92	2,552.96
Staff training + welfare	2,343.35	3,256.23
Subscriptions + memberships	4,105.97	2,551.58
Sundry expenses	685.76	534.60
Superannuation contributions	37,687.76	40,729.85
Telephone + internet	5,752.25	6,841.03
Travelling + conference costs	162.50	181.82
Visitor Centre expenses	1,049.25	1,004.50
Visitor Guide expenses	126,743.04	117,443.69
Website expenses	9,058.85	9,254.44
	933,490.72	973,209.76
Profit (Loss) before income tax	47,245.05	(90,461.80)

The accompanying notes form part of these financial statements.

independence + certificate

MUDGEE REGION TOURISM INCORPORATED
ABN 18 997 389 853

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTOR OF MUDGEE REGION TOURISM INCORPORATED

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2019 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.

Name of Firm: Lawrence Bennett Portelli Pty Limited
Chartered Accountants

Name of Director: _____
Simon Bennett

Address: 9/79 Market Street Mudgee NSW 2850

Dated this 19th **day of** September 2019

CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Jessica Chrcek of Moothi Estate, certify that:

(a) I attended the annual general meeting of the association held on 26 November 2019.

(b) The financial statements for the year ended 30 June 2019 were submitted to the members of the association at its annual general meeting.

Dated this 26th **day of** November 2019.

Committee Member: _____
Jessica Chrcek

MUDGEE REGION TOURISM

84 MARKET STREET MUDGEE NSW 2850
VISITMUDGEEREGION.COM.AU