

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LIMITED**

ABN 14 095 850 838

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2007**

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD  
DIRECTORS' REPORT**

Your directors present this report on the entity for the financial year ended 30 June 2007.

**Directors**

The names of each person who has been a director during the year and to the date of this report are:

*Director at 30 June 2007*

C Peters  
S Walsh  
R Patterson  
A Ananian-Cooper  
J Griffiths  
A Williams

*Director during the year*

K Cheatham  
R Tindale  
T Russell  
P Wallace

**Company Secretary**

The following person held the position of entity secretary at the end of the financial year:

Mr Christopher Peters AM- JP, SFCDA, Dip CD, FAIM, FSAE, FAICD Mr Peters was appointed company secretary on 3 August 2001.

**Principal Activities**

The principal activity of the company during the financial year was:

- To act as the peak tourism representative body in the ACT and Region.

No significant changes in the nature of the entity's activity during the financial year.

**Operating Results**

The loss of the entity amounted to \$23,534 (2007: \$13,662).

**Dividends Paid or Recommended**

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

**Review of Operations**

The company was incorporated in February 2001. The company has established itself as the peak tourism industry representative body in the ACT & Region.

**Significant Changes in State of Affairs**

As noted during within, a significant cut to funding to TIC from the A.C.T. Government came into affect during this period.

TIC did enter into an agreement with DITR to deliver Quality Tourism Portal information to various regional areas and received minimal funding in return.

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD**  
**DIRECTORS' REPORT (Continued)**

**After Balance Date Events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations or the state of affairs of the entity in future financial years.

**Future Developments**

The entity expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

**Environmental Issues**

The entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

**Information on Directors**

Directors	Qualifications & Experience	Special Responsibilities
J Griffiths	Managing Partner of Great Southern Hospitality Management, Administering the functions of TIC and the Aussie Host programme, Owners rep. for 2 of Canberra's premier corporate hotels, Adjunct Lecturer in Hotel Management at AIHS , Provides consultancy services to several not for profit organisations in Canberra, Former Group General Manager of Doma Hotels Group	CHAIRMAN/ EXECUTIVE DIRECTOR
C Peters AM	JP, SFCDA, Dip CD, FAIM, FSAE, FAICD. Director since incorporation in 2001. Chartered Director. Chairman of the Corporate Directors' Association of Australia Limited, Chief Executive & Director of ACT & Region Chamber of Commerce & Industry Limited, Chairman of the Indigenous Business Chamber of Australia Limited, Chairman of Multicultural Business Chamber of Australia Limited. Board Member of three government statutory authorities.	DEPUTY CHAIRMAN/ TREASURER
S Walsh	Dean of the Tourism & Hotel Management Faculty at CIT, Chair of Tourism & Hospitality Skills (ACT & Region), Executive Chef at the Royal Melbourne Golf Club	
R Patterson	National Gallery Assistant Director Marketing and Merchandising. President of the National Capital Attractions Association, Chairman for Canberra Arts Marketing, Deputy Chairman for the Canberra Business Council's Tourism, Arts and Sport Taskforce.	
A Ananian-Cooper	Manager Aviation and Environment for Capital Airport Group, operators of Canberra International Airport.	

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD  
DIRECTORS' REPORT (Continued)**

<u>Directors</u>	<u>Qualifications &amp; Experience</u>	<u>Special Responsibilities</u>
A Williams	Regional General Manager ACT, Qantas Airways (Canberra) and Regional General Manager New Zealand and Pacific Islands, Qantas Airways. Member of Travel Industry Association of New Zealand's (TIANZ), Member of Inbound Tour Operators Council of New Zealand (ITOC).	
Peter Wallace	General Manager ACTION Busses, former CEO ACTION Busses	
Trent Russell	General Manager of the National Zoo and Aquarium	
Kym Cheatham	Executive Director of TIC, Manager of Northern Territory Convention Bureau, Regional Manager of Tourism Whitsunday Conventions and Incentives Marketing.	
Richard Tindale	Owner and Managing Director of National Zoo & Aquarium, Extensive Background in Tourism, Property Development and Senior Management within the A.C.T.	

**Indemnifying Officers or Auditor**

During or since the end of the financial year, the entity has given indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows.

The entity has paid a premium to insure each of the following directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the entity, other than conduct involving a wilful breach of duty in relation to the entity.

C Peters  
K Cheatham  
R Tindale  
P Wallace  
R Patterson  
A Ananian-Cooper  
J Griffiths  
A Williams  
T Russell  
S Walsh

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD  
DIRECTORS' REPORT (Continued)**

**Proceedings on Behalf of the Entity**

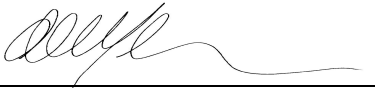
No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the entity for all or any of those proceedings.

The entity was not a party to any such proceedings during the year.

**Auditors Independence Declaration**

The lead auditor's independence declaration for the year ended 30 June 2007 has been received and can be found on page 5 of the directors' report.

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



\_\_\_\_\_  
Director

Dated this 9<sup>th</sup> day of November 2007.

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2007 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.



Steve Baker, CA  
Registered Company Auditor

9<sup>th</sup> November 2007

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD**  
ABN 14 095 850 838

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2007**

	<b>NOTE</b>	<b>2007</b> \$	<b>2006</b> \$
Revenue	<b>2</b>	129,993	216,241
Employee benefits expense	<b>3</b>	(34,929)	(142,018)
Cost of sales		(6,899)	(17,908)
Insurance		(3,020)	(1,543)
Rent and cleaning		(7,513)	(11,857)
Subscriptions		(11,068)	(4,700)
Consultants - TTRACTR		(52,616)	(5,307)
Other expenses from ordinary activities		<u>(37,482)</u>	<u>(46,570)</u>
Profit (Loss)	<b>9</b>	<u>(23,534)</u>	<u>(13,662)</u>

The accompanying notes form part of these financial statements.

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD**  
 ABN 14 095 850 838

**BALANCE SHEET**  
**AS AT 30 JUNE 2007**

	<b>NOTE</b>	<b>2007</b> \$	<b>2006</b> \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	<b>4</b>	22,135	101,377
Trade and other receivables	<b>5</b>	21,570	2,093
<b>TOTAL CURRENT ASSETS</b>		<u>43,705</u>	<u>103,470</u>
<b>TOTAL ASSETS</b>		<u>43,705</u>	<u>103,470</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	<b>6</b>	7,757	9,574
Short term provisions	<b>7</b>	-	5,057
Other liabilities	<b>8</b>	-	29,357
<b>TOTAL CURRENT LIABILITIES</b>		<u>7,757</u>	<u>43,988</u>
<b>TOTAL LIABILITIES</b>		<u>7,757</u>	<u>43,988</u>
<b>NET ASSETS</b>		<u>35,948</u>	<u>59,482</u>
<b>EQUITY</b>			
Retained Earnings	<b>9</b>	<u>35,948</u>	<u>59,482</u>
<b>TOTAL EQUITY</b>		<u>35,948</u>	<u>59,482</u>

The accompanying notes form part of these financial statements.

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD**  
 ABN 14 095 850 838

**STATEMENT OF RECOGNISED INCOME AND EXPENDITURE  
 FOR THE YEAR ENDED 30 JUNE 2007**

	<b>Retained Earnings \$</b>	<b>Contributed Equity \$</b>	<b>Total \$</b>
<b>Balance at 1 July 2005</b>	59,096	14,048	73,144
Profit (Loss) attributable to the entity	(13,662)	-	(13,662)
<b>Balance at 30 June 2006</b>	<u>45,434</u>	<u>14,048</u>	<u>59,482</u>
Profit attributable to the entity	(25,328)	-	(25,328)
Adjustment in current period	<u>1,794</u>	<u>-</u>	<u>1,794</u>
<b>Balance at 30 June 2007</b>	<u><u>21,900</u></u>	<u><u>14,048</u></u>	<u><u>35,948</u></u>

The accompanying notes form part of these financial statements.

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD**  
 ABN 14 095 850 838

**CASH FLOW STATEMENT  
 FOR THE YEAR ENDED 30 JUNE 2007**

	<b>NOTE</b>	<b>2007</b> \$	<b>2006</b> \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from grants, members and customers		120,783	249,197
Interest received		781	963
Payments to suppliers and employees		<u>(200,806)</u>	<u>(229,833)</u>
Net cash generated from operating activities	<b>12(b)</b>	<u>(79,242)</u>	<u>20,327</u>
Net (decrease) increase in cash held		(79,242)	20,327
Cash at the beginning of the financial year		<u>101,377</u>	<u>81,050</u>
Cash at the end of the financial year	<b>12(a)</b>	<u><u>22,135</u></u>	<u><u>101,377</u></u>

The accompanying notes form part of these financial statements.

# TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD

ABN 14 095 850 838

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

### **Note 1 – Statement of Significant Accounting Policies**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report is for the Tourism Industry Council (ACT & Region) Ltd as an individual entity, incorporated and domiciled in Australia. The Tourism Industry Council (ACT & Region) Ltd is a company limited by guarantee.

The following is a summary of the material accounting policies adopted by the entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

### **Basis of Preparation**

#### *Reporting Basis and Conventions*

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets.

### **Accounting Policies**

#### **a. Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Grant revenue is recognised in the income statement when it is controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the balance sheet as a liability until such conditions are met or services provided.

Donations and bequests are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as prepaid income on the balance sheet.

Interest revenue and distribution income from investments is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

#### **b. Cash and cash equivalents**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

**Note 1 – Statement of Significant Accounting Policies (continued)**

**c. Goods and Services Tax (GST)**

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

Cash flows are presented in the Cash flow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows. All revenue is stated net of the amount of goods and services tax (GST).

**d. Income Tax**

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

**e. Provisions**

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

**f. Comparative Figures**

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

**g. Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

*Key estimates – Impairment*

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key estimates.

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD**

ABN 14 095 850 838

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007****Note 2 – Revenue**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
Operating activities:		
Grant income	46,127	70,273
Membership subscriptions	39,538	22,575
Sponsorship	177	5,000
Other revenue	5,919	36,123
Tourism & Hospitality Skills Grant Income	22,751	33,155
Operating Funds from THS	3,500	37,627
ARS ITAB Income	11,200	10,525
Interest received	781	963
	<u>129,993</u>	<u>216,241</u>

**Note 3 - Profit**

(a) Expenses:

Employee benefits expense	<u>34,929</u>	<u>142,018</u>
TOTAL	<u>34,929</u>	<u>142,018</u>

**NOTE 4 – Cash and Cash Equivalents**

CURRENT		
Cash at bank- Tourism Industry Council (Act & Region) Ltd	18,019	38,939
Cash at bank- Tourism Hospitality & Skills	3,635	62,388
Cash at bank- Quality Tourism Portal	481	-
Cash on hand	-	50
	<u>22,135</u>	<u>101,377</u>

**NOTE 5 – Trade and Other Receivables**

CURRENT		
Trade debtors	<u>21,570</u>	<u>2,093</u>
TOTAL	<u>21,570</u>	<u>2,093</u>

**NOTE 6 – Trade and Other Payables**

CURRENT		
Sundry creditors and accrued expenses	9,544	3,185
GST payable	<u>(1,787)</u>	<u>6,389</u>
TOTAL	<u>7,757</u>	<u>9,574</u>

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD**  
ABN 14 095 850 838

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

	<b>2007</b>	<b>2006</b>
	\$	\$
<b>NOTE 7- Provisions</b>		
Current employee benefits	-	5,057
TOTAL	-	5,057
Number of employees at year end	-	2

**NOTE 8- Other Current Liabilities**

Unexpended grants (TIC Sales collections)	-	29,107
Memberships in advance	-	250
TOTAL	-	29,357

**NOTE 9 – Retained Earnings**

Retained earnings at the beginning of the financial year	59,482	59,096
Net profit (loss) attributable to the members	(23,534)	(13,662)
Contributed Equity- TTA&R	-	14,048
Retained earnings at the end of the financial year	35,948	59,482

**NOTE 10 – Auditors’ Remuneration**

Remuneration of auditor:		
- Auditing the financial report	5,000	5,000
- Other services	2,500	2,500
Total remuneration of auditor	7,500	7,500

**NOTE 11 – Events after Balance Date**

No events have occurred subsequent to reporting date which need to be included in the financial report, either by amending the financial report or referred to in a note.

**NOTE 12 – Cash Flow Information**

**(a) Reconciliation of Cash**

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks. Cash at the end of the financial period as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:

Cash at bank	22,135	101,327
Cash on hand	-	50
TOTAL	22,135	101,377

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD**

ABN 14 095 850 838

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
<b>(b) Reconciliation of Cash Flow from Operations with Profit</b>		
Profit	(23,534)	(13,662)
Changes in assets and liabilities:		
(Increase) / Decrease in receivables	(19,476)	(1,420)
(Increase) / Decrease in other assets	-	1,405
(Decrease) / Increase in trade creditors	(30)	(4,850)
(Decrease) / Increase in other liabilities	(31,145)	35,339
(Decrease) / Increase in provisions	<u>(5,057)</u>	<u>3,515</u>
Net cash provided by operating activities	<u>(79,242)</u>	<u>20,327</u>

**(c)** The company has no credit stand-by or financing facilities in place.

**(d)** There were no non-cash financing or investing activities during the period.

**NOTE 13 – Related Party Transactions**

Directors Remuneration

Income paid or payable for the role of Executive Director	<u>64,742</u>	<u>70,417</u>
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Number of directors whose income was within the following bands:

\$0-\$9,999	-	-
\$10,000 - \$19,999	1	-
\$30,000 - \$39,999	1	-
\$40,000 - \$49,999	-	-
\$50,000 - \$59,999	-	-
\$60,000 - \$69,999	-	-
\$70,000 - \$79,999	-	1

**NOTE 14 - Financial Instruments****(a) Financial Risk Management**

The entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

The entity does not have any derivative instruments at 30 June 2007.

i. Treasury Risk Management

A finance committee consisting of senior committee members meet on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. Financial Risks

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD**

ABN 14 095 850 838

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

The main risks the entity is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt.

Foreign currency risk

The entity is not exposed to fluctuations in foreign currencies.

Liquidity risk

The entity manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the entity.

Price risk

The entity is not exposed to any material commodity price risk.

**(b) Interest Rate Risk**

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	<b>Weighted Average</b>		<b>Floating Interest</b>		<b>Non-Interest</b>	
	<b>Effective Interest</b>		<b>Rate</b>		<b>Bearing</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
<b>Financial Assets</b>			<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash	1.2%	1.2%	22,135	101,327	-	50
Receivables	N/A	N/A	-	-	21,569	2,093
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>22,135</b>	<b>101,327</b>	<b>21,569</b>	<b>735</b>
<b>Financial liabilities</b>						
Payables	N/A	N/A	-	-	7,757	7,074
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>-</b>	<b>-</b>	<b>7,757</b>	<b>7,074</b>

**(c) Net Fair Values**

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD**

ABN 14 095 850 838

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

**NOTE 15 - Segment Reporting**

The Company operates predominately in one business segment as the company is the peak tourism representative body in the ACT and Region. This activity is conducted in one geographical location, in the Australian Capital Territory (ACT) in Australia.

**NOTE 16 - Economic Dependency**

The company is dependent on membership income for its continued existence and ability to carry out its normal activities.

**NOTE 17 - Company Details**

The registered office of the entity is:

12a Thesiger Court  
DEAKIN ACT 2600

**NOTE 18 - Members' Guarantee**

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company.

**TOURISM INDUSTRY COUNCIL (ACT & REGION) LTD**  
ABN 14 095 850 838

**DIRECTORS' DECLARATION**

The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 to 17, are in accordance with the *Corporations Act 2001*:
  - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the financial position as at 30 June 2007 and of the performance for the year ended on that date of the company.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

  
\_\_\_\_\_  
Director

Dated this 9th day of November 2007.

**INDEPENDENT AUDITORS REPORT  
TO THE MEMBERS OF THE TOURISM INDUSTRY COUNCIL  
(ACT & REGION) LTD**

**Report on the Financial Report**

We have audited the accompanying financial report of the Tourism Industry Council (ACT & Region) Ltd (the company), which comprises the balance sheet as at 30 June 2007 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

*Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

### *Independence*

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of the Tourism Industry Council (ACT & Region) Ltd on 7 November 2007, would be in the same terms if provided to the directors as at the date of this auditor's report.

### *Auditor's Opinion*

In our opinion, the financial report of the Tourism Industry Council (ACT & Region) Ltd is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2007 and of their performance for the year ended on that date; and
- b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.



Steve Baker, CA  
Canberra ACT  
Registered Company Auditor

9th November 2007