

# Destination NSW

ANNUAL REPORT  
2021-2022





# Destination NSW

ANNUAL REPORT

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2021-2022





**The Hon. Ben Franklin MLC**  
Minister for Aboriginal Affairs  
Minister for the Arts  
Minister for Regional Youth  
Minister for Tourism  
52 Martin Place  
SYDNEY NSW 2000

31 October 2022

Dear Minister,

We are pleased to submit the Annual Report of Destination NSW for the financial year ended 30 June 2022 for presentation to the NSW Parliament.

This report details our key achievements and performance in the 2021-22 financial year. It has been prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984*, the *Annual Reports (Statutory Bodies) Regulation 2015*, the *Government Sector Employment Act 2013*, the *Government Sector Finance Act 2018* and the *Government Sector Finance Regulation 2018*.

Yours sincerely,

A handwritten signature in black ink, reading "C. F. McLoughlin".

**Christine McLoughlin AM**  
Chairman

A handwritten signature in black ink, appearing to read "Steve Cox".

**Steve Cox**  
CEO

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# Acknowledgment of Country

Destination NSW acknowledges the Traditional Custodians of the land we now call New South Wales and their enduring culture and continued connection to Country.

We extend our respect to Elders, past and present, and acknowledge future generations of First Nations people. We acknowledge the significant contribution made by Aboriginal people to the development and promotion of the visitor economy.



Aboriginal Dancers from the Jannawi Dance group, Sydney

## Chairman's Foreword



The resilience and determination shown by visitor economy stakeholders during the 2021-22 financial year was inspiring.

COVID-19 lockdowns in Sydney and regional NSW deeply impacted the visitor economy in the first quarter, while floods and storms created widespread issues across the state in the second half of the year.

However, the unwavering passion and commitment to excellence shown by stakeholders ensured NSW remained on the road to recovery.

Destination NSW supported the visitor economy with marketing activity, education and a vibrant calendar of events that drove visitation throughout the state. The agency also delivered a series of highly successful activations, including Sydney's Open for Lunch, ELEVATE Sydney, Great Southern Nights and Vivid Sydney 2022.

Additionally, Destination NSW launched and delivered the Aviation Attraction Fund on behalf of the NSW Government, with the aim of rebuilding aviation capacity in the state.

The NSW Visitor Economy Strategy 2030 remained central to the state's revitalisation during the 2021-22 financial year. It provided a framework for supporting visitor economy businesses as they continued to adapt and recover.

The strategy enabled Destination NSW to be set apart from its competitors and we would like to acknowledge those who contributed to its continued evolution.

We thank the Hon. Stuart Ayres MP, Minister for Jobs, Investment, Tourism and Western Sydney for his support of Destination NSW and passion for driving the NSW visitor economy.

The Board would like to acknowledge and thank Margaret Jack, who retired from the Board in April, for her exceptional service over eight years to both the Destination NSW Board and the NSW visitor economy. The Board also acknowledges the contribution of Amy Brown in her role as a Destination NSW Board member and as Secretary, Department of Enterprise, Investment and Trade.

“ The team at Destination NSW have been passionate in their support and advocacy for visitor economy stakeholders.

We look forward to working with the Minister, the Board and the team at Destination NSW in 2022-23 as the state continues its trajectory towards \$65 billion in total visitor expenditure by 2030.

It promises to be a dynamic year for the NSW visitor economy and we know that by working together we will continue to achieve great things.

**Christine McLoughlin AM**  
Chairman  
Destination NSW





Heifer Station, Orange



# Organisation

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## About Destination NSW

Established under the *Destination NSW Act 2011* as the lead Government agency for the NSW tourism and major events sector, its charter is to achieve economic and social benefits for the people of NSW by growing the visitor economy.

Destination NSW was created through the merger into a single entity of four Government-funded entities – Tourism NSW, Events NSW, the Homebush Motor Racing Authority and the Greater Sydney Partnership.

As a Public Service Executive Agency, Destination NSW is governed by a Board of Management and is subject to the control and direction of the Minister for Tourism. Principally funded by the NSW Government, Destination NSW is in the Department of Enterprise, Investment and Trade cluster.

### Role

Destination NSW is the lead agency, champion and voice for the visitor economy within the NSW Government. Spearheading a whole-of-government approach to visitor economy growth, Destination NSW is responsible for leading the delivery of the NSW Visitor Economy Strategy 2030 in partnership with government and industry.

Destination NSW influences and shapes the visitor economy through strategic research, policy and thought leadership, stakeholder engagement and consultation, commercial partnerships and investment in visitor experiences, business support, marketing and events.

Destination NSW is also the major investor in Business Events Sydney (BE Sydney) for the purpose of securing more international and domestic conventions, incentive travel reward programs, corporate events and exhibitions for Sydney and regional NSW.

### Vision

To make NSW the premier visitor economy of the Asia Pacific by 2030

### Mission

To deliver social and economic benefits for the people of NSW by growing the visitor economy.

### Importance of the visitor economy to NSW

The term 'visitor economy' includes businesses and communities that benefit from the direct and indirect economic activity generated through the wide range of initiatives that support the provision of goods and services to visitors including, but not limited to, leisure, business, events, food and wine, arts and cultural, nature and student visitors.

Tourism contributes \$20.8 billion in Gross State Product and supports 146,800 direct jobs. In the year ended June 2022, NSW welcomed 67.1 million visitors.

## NSW Visitor Economy Strategy 2030

The NSW Visitor Economy Strategy 2030 aims to make NSW the premier visitor economy of the Asia Pacific by 2030 and achieve the target of \$65 billion in total visitor expenditure in NSW by 2030.

As the lead agency, champion and voice for the visitor economy within the NSW Government, Destination NSW leads a coordinated, whole-of-government approach to achieving the targets and vision.

The strategy comprises five Strategic Pillars: Road to Recovery; Build the Brand; Showcase our Strengths; Invest in World-class Events; and Facilitate Growth. Its Guiding Principles focus the coordinated effort and resources of Government on areas that will have the greatest impact. These principles seek to Put the Visitor First, Accelerate Digital Innovation, Lead with our Strengths, Move Fast, Be Responsive and Agile, While Taking a Longer-Term View and foster Collaboration Between the Industry and Government.

The NSW Visitor Economy Strategy 2030 is being implemented in three phases. It is flexible and principles based and will deliver economic prosperity, create new jobs and enhance the lifestyles of the people of NSW. Destination NSW's current focus is on the Recovery Phase to 2024, with the aim of returning total visitor expenditure to the pre-COVID-19 level of \$43 billion; followed by the Momentum Phase to 2026 and Accelerate Phase to 2030.

## Working with visitor economy stakeholders

Destination NSW works with visitor economy and government stakeholders to realise its vision of making NSW the premier visitor economy and events capital of the Asia Pacific. The value of the contribution made by tourism and major events to the NSW economy and local communities is undeniable and by working with industry stakeholders, Destination NSW can deliver a wide range of activities that increase the profile and destination appeal of Sydney and NSW in key domestic and international markets.

## About Destination NSW CONTINUED

### Services

The services offered by Destination NSW include:

- Brand development and management
- Strategic partnership programs
- Market research and insights
- Destination development assistance
- Product and distribution development advisory services
- Market and business development programs
- Destination and event marketing
- Co-operative marketing and publicity programs
- Major event investment, acquisition and evaluation
- Event leveraging activities
- Regional conferencing acquisition and promotion
- Visitor resources and information
- Visual resources – footage and photography
- Media resources and information
- Funding for regional events and tourism activities.



*For the first time in Vivid Sydney's 12-year history, the 'Lights On' moment was preceded by First Light, a powerful acknowledgement and celebration of our First Nations culture. It included a spectacular and memorable Welcome to Country ceremony and performance by more than 50 Aboriginal dancers from NAISDA Dance College.*



## Board Members



Christine McLoughlin AM (Chairman)



Russell Balding AO (Deputy Chairman)



Rebekah Horne



Sally Loane



Anne Loveridge



Rod McGeoch AO



The Hon. George Souris AM



Steve Cox



Amy Brown

## Board Members

**Christine McLoughlin** AM (Chairman) BA,  
LLB (Hons), FAICD

Appointed 8 March 2021

Christine McLoughlin AM is a highly respected company director and accomplished business leader, having held various domestic and international executive positions in a range of industries spanning financial services, telecommunications, education, government and not for profit spheres. Christine has also served on the boards of prominent ASX50 companies for the past 12 years, including Chairman of Suncorp Group.

Christine is also a Director of Cochlear Limited, Chancellor of the University of Wollongong, Chairman and Co-founder of Minerva Network, reflecting her passion for sport and the role it plays in connecting communities. In December 2021 Christine was elected Chairman of the "Game Changers" Ministerial Advisory Council, reporting to the Minister for Sport, which provides strategic advice to accelerate change by leveraging increased investment for women in sport.

Previous board roles include Chairman Venues NSW, Director nib Holdings Limited, The Smith Family and McGrath Foundation. In September 2021 Christine retired as the Australian private sector representative to the G20 EMPOWER Council, focused on the empowerment and progression of women's economic representation across the globe as part of the G20.

Christine prides herself on establishing strong stakeholder relationships and is recognised for her achievements in bringing people together to address issues relating to community inclusion, education, health and technology.

In June 2021, Christine was awarded a Member of the Order of Australia in the Queen's Birthday Honours for her services to business, the not-for-profit sector and women.

**Russell Balding** AO (Deputy Chairman) BBus,  
DipTech (Comm), FCPA, MAICD, M.S.I.D.

Appointed 24 August 2011

Russell is an experienced Non-Executive Director and Chairman having served on Listed, Non-Listed and Government Entity Boards covering Ground Public Transportation, Aviation Sector, Tourism, Infrastructure, Broadcasting and Media and Thoroughbred Horse Racing Administration and Regulation. As part of his Non-Executive Director roles, Russell has also served on and Chaired numerous Board Sub-Committees.

He is currently Chairman of Racing NSW, Chairman of NSW Racing Pty Ltd, T/A Racingcorp, Deputy Chairman of Destination NSW, a Director of The Trust Company (Sydney Airport) Limited, a Director of Racing Australia Limited, a Director of Racing Information Services Australia Limited and a Director of ComfortDelGro Corporation Limited (Singapore).

Previously, Russell was Chairman of the then ASX 200 listed company Cabcharge Australia Limited (now A2B Australia Limited) where during his tenure as Chairman of Cabcharge, Russell also served on the Boards of ComfortDelGro Cabcharge Pty Ltd, and CityFleet Networks Ltd (UK).

In 2012, Russell was appointed Chairman of the NSW Visitor Economy Taskforce, established by the NSW Government to develop a tourism and events strategy to double overnight visitor expenditure to NSW by 2020. Russell also served as a Board Member on the NSW Government's former tourism body, Tourism NSW.

In November 2020, Russell was appointed as a Member of the NSW Crown Land Taskforce, established to oversee the development and implementation of the Government's first Crown Land Strategic Plan.

Russell also previously held the positions of Chief Executive Officer of the Sydney Airport Corporation, where he oversaw the continued growth and commercial success of Australia's National Gateway Airport and Managing Director of the Australian Broadcasting Corporation (ABC), where he was responsible for the overall management and editorial functions of Australia's most comprehensive broadcaster and media institution.

Russell holds a Diploma in Technology (Commerce) and a Bachelor of Business. He is a Member of the Australian Institute of Company Directors, a Member of the Singapore Institute of Directors, a Fellow of CPA Australia and a past State President and National Councillor of that organisation.

Russell was awarded an Order of Australia (AO) in January 2007.

**Rebekah Horne** BBus

Appointed 17 July 2020

Rebekah's track record, experience and reputation for strategic insight and entrepreneurial vision have helped shape a globally successful career in the technology, telco and media sectors. Rebekah has a deep understanding and experience of delivering significant digital transformation projects. Recent organisations include the National Rugby League and Network Ten.

Rebekah currently holds the role of Country Director Content Services, Apple.

Rebekah is a fan of most sports and is particularly passionate about the role of sports in regional communities. Rebekah is a proud South Sydney Rugby League Football Club supporter.

In 2015, Rebekah completed the Directors Course through the AICD and has held multiple Board roles including Non-Executive Director roles at GXL Limited and Oasis.com. Rebekah also held the role of Chairman of e-commerce platform Our Deal.

Rebekah has also held digital advisory roles at the National Museum of Australia and Australian Sports Commission.

Rebekah holds a Bachelor of Business and is finalising an MBA in Technology from UNSW.

## Board Members CONTINUED

### Sally Loane BA (English, Politics, Journalism)

Appointed 12 April 2018

Sally Loane is a Non-Executive Director, business leader and former journalist and broadcaster.

She was the Chief Executive Officer of the Financial Services Council from 2014 to 2021.

Prior to this, Sally had a decade in the corporate sector, working at Coca-Cola Amatil as a senior executive. Her first career was in the media, where she spent 25 years as a broadcaster and journalist in radio, television and print. She is also a published author.

Sally is a Director of Chubb Insurance Australia, Venues NSW, Pankind, the Australian Pancreatic Cancer Research Foundation and Trustee of the ANZAC Memorial in Hyde Park, Sydney. Sally is also a Governor of the Cerebral Palsy Research Foundation, Global Ambassador for Business Events Sydney and a member of Chief Executive Women.

Sally was the first female Director of Waratahs Rugby (2010-2017), a Director of SCEGGS Darlinghurst (2003-2015), chaired the Salvation Army's Sydney East Doorknock Appeal (2008-2011) and was Deputy Chair for the Committee for Sydney (2015-2018).

### Anne Loveridge BA Joint Hons, FCA, GAICD

Appointed 2 August 2021

Anne is a highly experienced company director and business leader. Anne has served as a board member for National Australia Bank, nib Health Fund, Platinum Asset Management and Bell Shakespeare Company – her experience spanning highly regulated ASX listed organisations in financial services and health sectors, as well as at arts related not-for-profit entities. Anne brings extensive experience in people leadership and remuneration as well as audit, risk, regulatory compliance and finance skills to her governance roles.

Anne has over 30 years' experience in business. Prior to becoming a Non-Executive Director, Anne was Deputy Chairman & Senior Partner at PwC, and leader of the financial services audit and risk practice.

Anne has always championed the role of leadership and culture in successfully navigating change, in particular as organisations seek to transform through digital and technological innovation.

Anne has a passion for the arts and the role the arts and culture sector plays in bringing diverse communities together with shared interests, and how it provides a lens to reflect on the things that we, as society and communities, value.

Anne is a Fellow of the Institute of Chartered Accountants in Australia, a Graduate of the Institute of Company Directors, a Member of Chief Executive Women and of International Women's Forum in Australia. Anne holds a Bachelor of Arts in French and Economics (Joint Honours) from the University of Reading (UK).

### Rod McGeoch AO LLB

Appointed 24 August 2011

Rod McGeoch AO was the leader of Sydney's successful Olympics 2000 bid. He is an Officer of the Order of Australia. He is also Chairman of Vantage Private Equity Growth Limited, Chairman of Chubb Insurance Australia Ltd, Chairman of SureVision, Director of Corporacion America International S.A.R.L., Director South Cone Foundation and Deputy Chairman of Venues NSW.

In March 2020 Mr McGeoch was appointed Chairman of the Australian Advisory Committee of the technology company 99 Technology. In mid-2020 he was appointed to the board of TOGOV Pty Ltd, a company specialising in procurement for other governments and agencies in various countries of the world. He was appointed Chairman of Australia Media Co (AMC) in July 2020.

Mr McGeoch is a former Chairman of the Committee for Sydney and plays a leading role in a variety of cultural, community and welfare organisations. He was also President of the Law Society of New South Wales and Director of Ramsay Health Care Limited. He has published two best-selling books: McGeoch and The Bid.

### The Hon. George Souris AM BEc, Dip Fin Mangt, FAIM, FCPA

Appointed 12 April 2018

George Souris is a highly experienced former NSW Minister responsible for a wide range of portfolios, including tourism and major events, and the management of large government departments. He is a former Minister for Finance and was responsible for the State's privatisation and business reform agenda, including the Government Insurance Office by public float, the State's Southern irrigation districts, and Land & Water Conservation.

George retired from the NSW Parliament in 2015 after 27 years of elected Parliamentary representation for the Upper Hunter Valley of NSW. He was Parliamentary Leader of the National Party. Prior to entering Parliament, he served seven years as an elected Councillor of Singleton Shire Council and was its Deputy President.

In his former capacity as Minister for Tourism, Major Events, Hospitality, Racing and the Arts, George was responsible for creating Destination NSW and establishing the Visitor Economy Taskforce. George was also tasked with developing a strategy to target overnight visitor expenditure in NSW. The strategy, and its various iterations, continues to be implemented by the current Government. He was responsible for the Government's liquor and gaming regulation and was previously responsible for the NSW TAB and for creating the current form of Racing NSW.

George is the President of the State Library Council of NSW and is a Director of the Board of Racing NSW. He is an honorary Director of the Board of Business Events Sydney Ltd as Destination NSW's representative and is Chairman of the NSW Mine Safety Council. He is trustee of the Sydney Cricket Ground Heritage Trust. He was made a Member of the Order of Australia in June 2016.

He serves the boards of the Australian Rugby Foundation, the Australian Film Institute and the Sir Earle Page Memorial Trust.



## Board Members CONTINUED

Before entering Parliament, George was a partner, in public practice, of an accounting firm in the Hunter Valley where he lives.

George is a former representative rugby player representing the Australian U23 rugby team, Australian Universities and NSW Country. He was awarded a University Sports Blue.

### Steve Cox MBA

Appointed 4 May 2020

Steve Cox is the Chief Executive Officer of Destination NSW, the NSW Government's tourism and major events agency.

Steve is a passionate and energetic champion for Sydney and regional NSW. He drives the strategic direction of Destination NSW, including the delivery of the Visitor Economy Strategy 2030 to ensure NSW is the premier visitor economy of the Asia Pacific by 2030.

Steve is also a Director on the Boards of Business Events Sydney (BESydney) and the Australian Tourism Data Warehouse.

Prior to joining Destination NSW in 2020, Steve was the Managing Director of Dymocks for eight years, where he launched several high-growth business channels for the company. Before Dymocks, Steve held senior roles with David Jones and the Specialty Fashion Group. Steve holds an MBA from Macquarie University – Graduate School of Management.

### Amy Brown BA LLB GAICD

Appointed 29 March 2021

Amy Brown was a member of the Destination NSW Board in her capacity as the Secretary of the NSW Department of Enterprise, Investment and Trade until 19 September 2022.

As founding Chief Executive Officer of Investment NSW between March 2021 and August 2022, she built the state's first investment promotion agency from scratch to become a driving force in NSW trade and investment – in the process, helping to generate more than 25,000 jobs across the State's priority industries.

Prior to that, she was Deputy Secretary and head of the Strategy and Delivery Group at the Department of Premier and Cabinet and a partner with PwC's Infrastructure and Urban Renewal Business. Amy has also worked in infrastructure finance at NSW Treasury and as a leading infrastructure lawyer.

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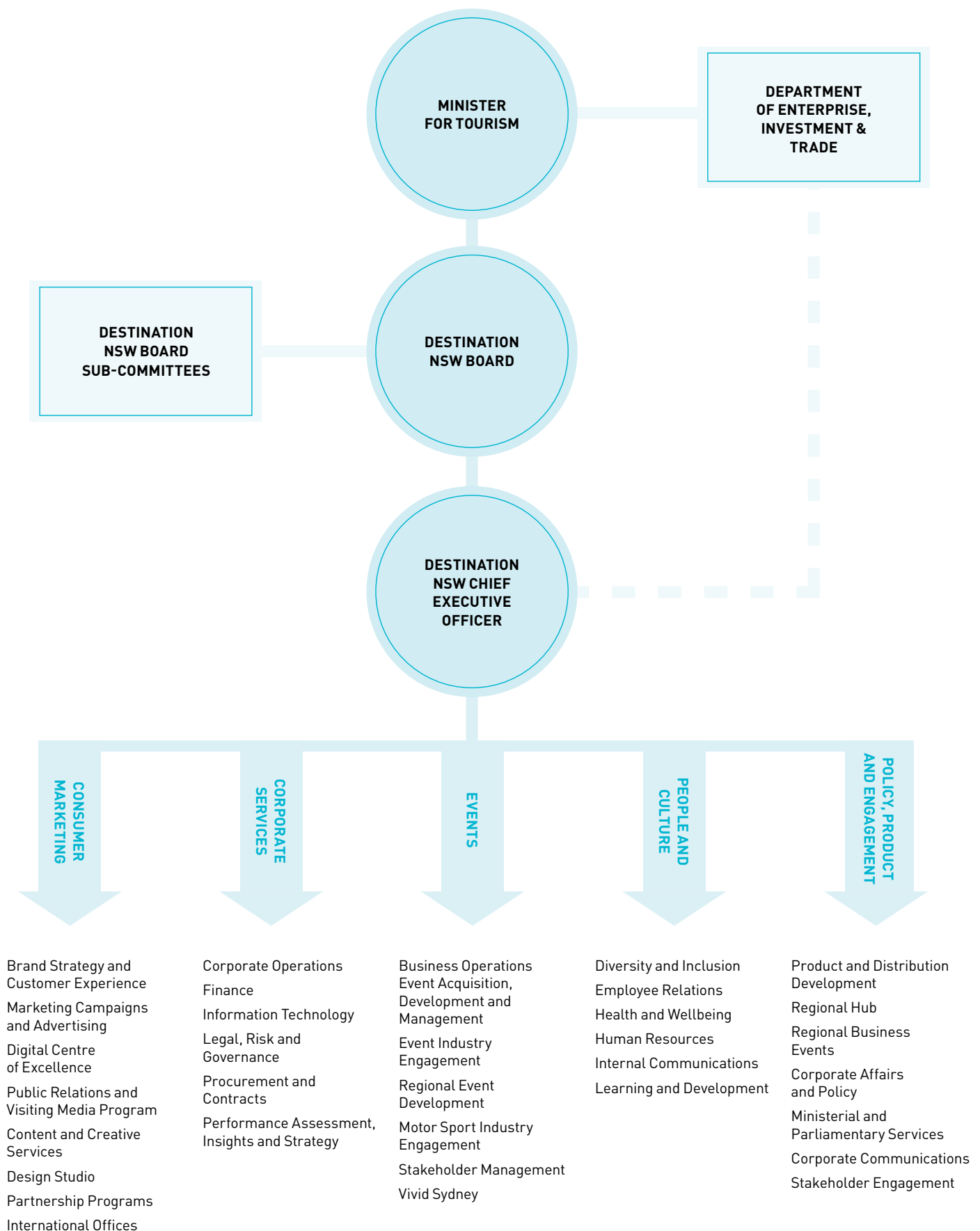
The following people were also Destination NSW Board Members during the reporting period:  
Margaret Jack AM (until 12 April 2022).







## Destination NSW Organisational Structure 2021-2022





## CEO's Review of the Year



It has been a year of continual reflection, review and recalibration for Destination NSW. My admiration for the stamina and resilience of the Destination NSW team has continued to grow, with the past 12 months presenting disruptions and opportunities in equal measure. The restructure of the agency's functions, which has been designed to

align our capabilities to the NSW Visitor Economy Strategy 2030, has provided greater focus to enable us to support our stakeholders and focus on our purpose: to deliver economic and social benefits to the people of NSW by growing the visitor economy.

The 2021-22 financial year began with NSW in lockdown and travel restrictions in place, with further COVID-19 impacts to follow. However, we saw signs of recovery, with almost 560,000 international visitors coming to NSW and slight increases in total visitor expenditure, which reached \$25.7 billion. The resumption of domestic cruising in NSW at the end of May 2022 was another positive step on the road to recovery.

While there were pauses on travel throughout the year, Destination NSW kept its focus on developing new programs and initiatives to be ready to reinvigorate the visitor economy when restrictions eased. Key among them was the launch of the new 'Feel New' brand.

'Feel New' was the culmination of extensive consultation with our stakeholders to develop a brand that brings a fresh, new approach to the NSW Government's strategy to grow visitation and connect with people on a personal level. It is the first dedicated brand for the NSW visitor economy in a decade and marks a new era in the way the NSW Government promotes our state.

'Feel New' was a game changer from day one, with more than 987 media placements generated, including coverage on all major news programs across Australia in the first 24 hours after its official launch.

The 2021-22 State Budget delivered strongly for the hard-hit major events sector with the introduction of the four-year million State Significant Event Fund. This program aims to stimulate the visitor economy by creating jobs, supporting businesses and contributing to the cultural and social fabric of the state, with return-on-investment levels increasing each year to support the Visitor Economy Strategy during its recovery phase. The State Significant Event Fund is feeding our world-class events calendar and underpins the NSW Government's vision for NSW to be the events capital of the Asia-Pacific.

Our focus on regional NSW also received a boost following a review of the Destination Networks, which resulted in some minor changes to their administrative boundaries and the creation of a new seventh entity. This change will further strengthen the regional visitor economy and progress toward the goal of \$25 billion in regional visitor expenditure by 2030.

Building back better is vital during the recovery phase of the NSW Visitor Economy Strategy 2030 and increasing industry capability has been key to this goal. During the year, our Product and Distribution Development team continued

to deliver innovation in this space partnering with Meta to offer new programs for Facebook and Instagram and with Restaurant and Catering Association to offer micro-credentials for people working in hospitality. This comprised both physical and virtual workshops, which were attended by more than 4,300 participants, the largest ever number of participants in any one year since the NSW First program was launched.

Business events provided additional support for the regional visitor economy, particularly during the traditionally quieter mid-week periods. Destination NSW delivered the Regional Business Event Development Fund in 2021-22, with 39 regional business events and related projects sharing \$750,000. This funding was part of the NSW Government's COVID-19 economic recovery package and delivered more than 6,700 delegates to regional NSW.

The NSW Government's commitment to the visitor economy has been instrumental in its recovery. The allocation of \$60 million for an Aviation Attraction Fund as part of the \$530 million COVID-19 Economic Recovery Plan is key to returning the aviation sector to pre-COVID-19 levels. The fund is introducing new airlines to the state and rebuilding capacity from our priority international markets.

Australia's international border reopened in February 2022, and the Aviation Attraction Fund has already secured several new services, including four weekly Qantas services between Bengaluru and Sydney commencing September 2022.

Events played a more significant role in 2021-22 than the previous year, with one of the major highlights being the bigger and brighter return of Vivid Sydney after a two-year hiatus. Visitors embraced the event, which delivered new features and an expanded Light Walk stretching 8km across the Sydney CBD. Despite the enduring presence of COVID-19, Vivid Sydney 2022 surpassed all previous records, attracting total attendance of almost 2.6 million visitors, a 7.5 per cent increase on 2019.

**“Innovation was key to delivering events in the presence of the pandemic.”**

Sydney's Open for Lunch turned the Sydney CBD, South Eveleigh and Parramatta into al fresco dining hubs, with menus and entertainment programs curated by renowned chefs and figures from Sydney's dining scene. This event took people back to the streets to enjoy a meal with friends and family, helping to kickstart the hospitality sector.

ELEVATE Sydney 2022 celebrated innovation with a constantly evolving program of music and entertainment taking place on Sydney's Cahill Expressway as part of the NSW Government's CBDs Revitalisation Program. Destination NSW created this new event in response to recommendations from the NSW Government's CBD Summit to support local businesses in the period immediately after New Year's Eve.

Confirmation that Australia will host the Men's Rugby World Cup 2027 and Women's Rugby World Cup 2029 was another

## CEO's Review of the Year CONTINUED

important milestone for Destination NSW. These events will complete the NSW Government's 10 World Cups in 10 Years initiative, which has targeted blockbuster sporting events. Sydney and regional NSW will host a significant package of Rugby World Cup tournament matches, including the final at Stadium Australia.

Our transition into the Department of Enterprise, Investment and Trade during 2021-22 delivered strategic synergy by placing Destination NSW alongside key NSW Government agencies that support the NSW visitor economy, including Create NSW, Office of Sport and Venues NSW. I would like to thank Kate Foy, Group Deputy Secretary, Arts, Sport and Tourism for her support following Destination NSW joining the Enterprise, Investment and Trade cluster.

I would also like to thank the Minister for Tourism the Hon. Stuart Ayres MP, the Destination NSW Chairman Christine McLoughlin AM and Board for their commitment to and passion for growing the NSW visitor economy.

We made considerable progress in 2021-22 and are well placed to continue that momentum. Looking ahead, our key focus is on supporting our visitor economy stakeholders to increase visitor expenditure and continuing to secure new events to support the NSW Government's aim to make NSW the premier visitor economy of the Asia Pacific by 2030.



**Steve Cox**  
Chief Executive Officer



*Steve Cox with the 'Feel New' brand activation at the entrance to the Australian Tourism Exchange. The activation featured two curved screens that played immersive videos as event attendees walked through.*





Tumblong Hills, Tumblong



## Financial Overview 2021-2022

### Budget Structure

Destination NSW is a NSW Public Service Executive Agency under the *Destination NSW Act 2011* (created on 1 July 2011), comprising all entities under its control, namely Destination NSW Staff Agency which provided staff services to Destination NSW for part of the reporting period.

Effective 1 April 2022, Destination NSW moved to the Department of Enterprise, Investment and Trade cluster (DEIT) from the Department of Premier and Cabinet cluster as part of the Machinery of Government changes. At the same time Destination NSW Staff Agency recommenced operations and staff transferred from Investment NSW to Destination NSW Staff Agency.

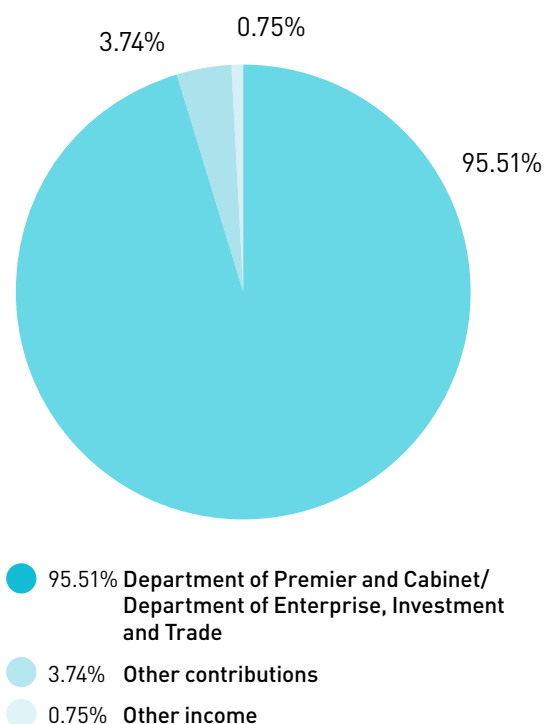
This summary represents the consolidated financial performance for the year ended 30 June 2022.

### Sources of Funds (\$294.9 million)

Total revenue for Destination NSW for the year ending 30 June 2022 was \$294.9 million.

The main sources of revenue were recurrent government grants from Department of Premier and Cabinet and Department of Enterprise, Investment and Trade (\$281.7 million), contributions received from Industry and other parties (\$11.0 million) to participate in marketing activities and other income (\$2.2 million).

### Sources of Funds



*Destination NSW staff at the Cumberland Street Sydney office.*

## Destination NSW Performance 2021-2022

### Strategic Objective 1:

#### Position Sydney and New South Wales as world-leading tourism and events destination

Key Performance Indicators	Target 2021-2022	Actual 2021-2022	% Achieved	Comment
<b>Total NSW visitor nights (million)</b>				
Total		115.8		
Domestic		85.4		
International		30.5		
<b>Total NSW overnight expenditure (\$billion)</b>				
Total		20.5		
Domestic		17.6		
International		2.9		
<b>Media Exposure</b>				
No. of media articles	25,705	42,462	165%	
Equivalent Advertising Value	\$161,947,069	\$235,757,296	145%	
No. of supported media visits to Sydney and regional destinations	205	111	54%	Note 1
Media distribution/ pitches / service engagements	207,139	1,395,520	673%	Note 2
Unique users of DNSW Media Centre	80,000	138,410	173%	
Visits to DNSW Media Centre	100,000	164,131	164%	
<b>Consumer Response to Marketing Activity</b>				
Visits to tourism & events consumer websites (sydney.com, visitnsw.com, vividsydney.com)	19,147,552	18,344,509	96%	Note 3
Business leads to industry generated by digital and campaign activity (sydney.com, visitnsw.com, vividsydney.com)	4,700,000	3,076,269	63%	
Estimated revenue generated by website leads to industry (sydney.com, visitnsw.com, domestic only)	\$91,000,000	\$83,700,000	92%	

Note 1: Famil target was impacted due to COVID-19 travel restrictions and international border closure limiting overall number of famils that could be delivered in months where travel was allowed.

Note 2: Increase attributed to increased frequency of media newsletter send outs and increased usage of newswires.

Note 3: Destination NSW did not achieve a year-on-year increase across website visits and leads to the tourism industry. COVID lockdowns forced a pause of all media from July to September 2021. In addition, there was a decrease in leads to Sydney.com due to the lack of major events. Destination NSW also redefined the way it measures leads to the tourism industry.

## Destination NSW Performance 2021-2022 CONTINUED

### Strategic Objective 2:

#### Attract and secure high value major events

CULTURE, ENTERTAINMENT & CREATIVE INDUSTRIES	Secured:
	Beauty and the Beast, The Musical
	BRING Artist X Brand Summit 2022
	Bruno Mars: Live and Exclusive in Sydney
	Come From Away
	Girl From the North Country 2022
	Great Southern Nights 2022
	HallyuPopFest 2022
	Jagged Little Pill
	Moulin Rouge! The Musical
	Agatha Christie's The Mousetrap
	Museum of Contemporary Art: Do Ho Suh
	Night at the Barracks 2022
	Opera on Cockatoo Island: Carmen
	South by Southwest (SXSW) Sydney 2023-2027
	Sydney Contemporary 2022
	TINA, The Tina Turner Musical
	Wonderdome 2022
<b>Continued investment:</b> Afterpay Australian Fashion Week, ARIA Awards, Handa Opera on Sydney Harbour, Vivid Sydney at Carriageworks, Vivid LIVE at Sydney Opera House, Semi Permanent, Sydney Festival, AACTA Awards, Sydney Gay & Lesbian Mardi Gras Parade	

DESTINATION	Secured:
	Australian Juniors & Masters Road Cycling Championship
	Australian Little League Baseball Championships 2022-2023
	Australian Track & Field Championships 2022
	Bluesfest 2022
	Joeys Mini World Cup 2022-2024
	National Touch League Tournament 2023-2026
	NSW Pro Surf Series 2022-2024
	Quad Crown – Sapphire Coast 2023
	Surfest Newcastle 2022-2024
	Sydney Royal Easter Show 2022
	This is Just a Tribute 2022-2024
	Valleyways 2022-2023
	The Wanderer Festival
<b>Continued investment:</b> Australian Boardriders Battle National Final, Australian Surf Championships, Australian Surf Rowers League Open, Battle on the Border, Bowral Classic, Deni Ute Muster, FA National Youth Championships, IRONMAN 70.3 Western Sydney, IRONMAN Australia Port Macquarie, Kiama Bodyboard King Pro, L'Etape, Mudgee Classic, NCHA Futurity, NSW Pro Surf Series, Parkes Elvis Festival, Port to Port, Sail Port Stephens, Snowies MTB, Snowtunes, Snowy Classic, Southern 80, Spartan NSW Trifecta Weekend, True Grit & 24 Hour Australian Titles, Sydney Running Festival, Tamworth Country Music Festival, Vanfest, WEMBO World Solo 24 Hour Championships, Wings Over Illawarra, WSL Rip Curl Cup Narrabeen/Newcastle	

## Destination NSW Performance 2021-2022 CONTINUED

### Strategic Objective 2 (continued):

#### Attract and secure high value major events CONTINUED

SPORT	Secured:
	Aqua Rugby
	Duel In the Pool
	F.C. Barcelona v A-Leagues All Stars Football 2022
	FIBA Opals v Japan Series
	FIFA World Cup 2022 Qualifier Match: Socceroos v Japan
	International Football Friendlies: Matildas v USA & Matildas v Brazil
	Matildas v Canada Match
	Motorsport Australia Championships
	NRL All Stars – Indigenous All Stars v NZ Maori
	SailGP
	State of Origin 2022 Game 1
	Sydney Marathon
	Sydney Super Cup
	Sydney Surf Pro
	Sydney Tennis Classic
<b>Continued investment into:</b> ATP Cup Sydney - Group Stage & Finals, Australian Rowing Championships, ICC Men's T20 World Cup, Hockey Events Package, National Touch League, Men's NSW Open Golf Championships, Rugby Winter Test, The Rugby Championship, Supercars package, Women's NSW Open Golf Championships, World Time Attack Challenge.	

*Note: All events listed were secured or retained in financial year 2021-22; however, some events were unable to be delivered due to the COVID-19 pandemic.*



## Destination NSW Performance 2021-2022 CONTINUED

### Strategic Objective 3:

### Build a sustainable events calendar for New South Wales

EVENT ATTENDANCE 1 July 2021 – 30 June 2022				
Key Performance Indicators	Intrastate overnight visitors	Interstate overnight visitors	International overnight visitors	Comment
Sydney events	144,953	127,695	8,587	Note 1
Regional events	15,495	7,086	147	
Total	160,448	134,780	8,734	
EVENT EVALUATION 1 July 2021 – 30 June 2022				
Key Performance Indicators	No of events evaluated	Overnight Visitor Expenditure		Comment
Sydney events	16	\$176,195,046		Note 2
Regional events	11	\$14,815,938		
Total	27	\$191,010,984		
INTERNATIONAL SPORTS, CULTURAL, CREATIVE AND ARTS EVENTS HELD IN NSW 1 July 2021 – 30 June 2022				
Key Performance Indicators	Regional NSW	Sydney Metro	Western Sydney	Total
Events won or retained	46	42	11	99
Total no. of events held	46	42	11	99
BUSINESS EVENTS SYDNEY PERFORMANCE 1 July 2021 – 30 June 2022				
Key Performance Indicators	Target 2021-2022	Actual 2021-2022*	% Target Achieved	Comment
Events Secured:				
Bids Won	56	192	343%	Note 3
Delegate Days	129,000	258,000	200%	
Estimated Direct Expenditure (\$M)	\$106m	\$159m	150%	
Events Delivered (as at 30 June 2022 - based on forecast figures not actuals for events where actuals are not yet received from organisers)				
Events Held	102			Note 4
Delegate Days	46,000			
Estimated Direct Expenditure (\$M)	\$25m			
EVENT ASSESSMENT 1 July 2021 – 30 June 2022				
Key Performance Indicators	No of events evaluated	Comment		
Event investment feasibility	122	Note 5		
Event performance assessment	27			

Note 1: Event visitation results include actuals, where event evaluations have been completed.

Note 2: Results reported include actuals, where event evaluation has been completed. Overnight visitor expenditure reports the money flowing into the State, from the expenditure by intrastate, interstate and international overnight visitors who came specifically to Sydney or NSW for an event or extended their stay.

Note 3: Additional high-volume smaller events sourced through NSW Government Business Event Industry Support Programs resulted in a significant variation from original targets.

Note 4: BESydney continued to retain over 50% of events impacted by the pandemic. In the two years prior to the pandemic, international events secured by BESydney delivered an average direct expenditure of \$214m per year. Secured figures include 161 events confirmed through NSW Government Business Event Industry Support Programs during 2021/22 with an estimated direct expenditure of \$27m. Held figures include 95 domestic events confirmed through NSW Government Business Event Industry Support Programs during 2021/22 with an estimated direct expenditure of \$7m. BESydney's performance outcomes continued to be impacted by COVID-related health restrictions and border closures during FY21-22. Relaxation of some border restrictions in February 2022 enabled a small number of international events to be held in Sydney in the last quarter, albeit with lower international delegate attendance.

Note 5: The number of events evaluated for investment feasibility indicates the number of assessments completed at an event level. Should there be multiple iterations or reassessments conducted for an event within the 2021-22 financial year, these iterations are not included in this report.

## Destination NSW Performance 2021-2022 CONTINUED

### Strategic Objective 4:

#### Increase industry stakeholder and customer engagement

Key Performance Indicators	Target 2021-2022	Actual 2021-2022	% Target Achieved	Comment
<b>Media Exposure</b>				
No. of media articles generated	25,705	42,462	165%	Note 1
Equivalent Advertising Value	\$161,947,069	\$235,757,296	145%	
No. of supported media visits to Sydney and regional destinations	205	111	54%	
Media distribution/ pitches / service engagements	207,139	1,395,520	673%	Note 2
Unique users of DNSW Media Centre	80,000	138,410	173%	
Visits to DNSW Media Centre	100,000	164,131	164%	

Trade and Industry Development	Target 2021-2022	Actual 2021-2022	% Target Achieved	Comment
No. of trade missions & events	0	0	N/A	Note 3
No. of New South Wales businesses attending trade missions	0	0	N/A	
No. of trade familiarisations	30	34	113%	Note 4
No. of trade familiarisation participants	200	245	122%	
No. of workshops delivered	10	10	100%	Note 5
No. of tourism businesses assisted	1,600	4,461	179%	

Key Performance Indicators	Actual 2021-2022
<b>Destination and Business Development</b>	
No. of approved visitor attraction signposting applications	17
No. of research published	179
Visits to corporate website	223,677

Note 1: Famil target was impacted due to COVID travel restrictions and int'l border closure limiting overall number of famils that could be delivered in months where travel was allowed.

Note 2: Increase attributed to increased frequency of media newsletter send outs and increased usage of newswires.

Note 3: The 2021-2022 Trade Event program did not take place due to the ongoing COVID-19 international border closures.

Note 4: In 2021-2022 there were fewer familiarisations delivered than previous years due to the ongoing COVID-19 international border closures.

Note 5: The 2021-2022 NSW First Workshop Program was redesigned for online delivery, due to Covid-19 lockdowns and restrictions. The redesigned program achieved a significant increase in event participation due to the wide-reaching nature and targeted content of webinars. In addition to 10 events, Destination NSW delivered partner programs with Restaurant & Catering Australia and Tourism Tribe, providing targeted customer service and digital marketing resources and support for visitor economy businesses. Participants in NSW First Program workshops and programs exceeded 4000 for the first time in a 12-month period.

## Destination NSW Performance 2021-2022 CONTINUED

### Strategic Objective 5:

#### Deliver value in partnership/co-operative programs

Consumer Response to Marketing Activity	Target 2021-2022	Achieved 2021-2022	% Target Achieved	Comment
Visits to tourism and events consumer websites (sydney.com, visitnsw.com, vivid Sydney.com)	19,147,552	18,344,509	96%	Note 1
Business leads to industry generated by digital and campaign activity (sydney.com, visitnsw.com, vivid Sydney.com)	4,700,000	3,076,269	63%	
Estimated revenue generated by website leads to industry (sydney.com, visitnsw.com, domestic only)	\$91,000,000	\$83,700,000	92%	

Partnership Programs	Target 2021-2022	Achieved 2021-2022	% Target Achieved	Comment
No. of campaigns domestic	52	48	92%	Note 2
No. of campaigns international	23	69	300%	
Estimated visitor expenditure from partnership campaigns	\$120,000,000	\$202,749,097	169%	
Total no. of airline partnerships secured and/or renewed	4	11	275%	

Note 1: Destination NSW did not achieve a year-on-year increase across website visits and leads to the tourism industry. COVID lockdowns forced a pause of all media from July to September 2021. In addition, there was a decrease in leads to Sydney.com due to the lack of major events. Destination NSW also redefined the way it measures leads to the tourism industry.

Note 2: Visitor spend results for 2021-22 based on results received as at August 2022.

## Destination NSW Performance 2021-2022 CONTINUED

### Strategic Objective 6:

#### Create and sustain a high performance organisation

Key Performance Indicators	Targeted Outcomes	Achieved	Comment
Organisation Governance	Key People Management Strategies	Embedded Value and Culture	<i>Ongoing</i>
		Disability Inclusion	<i>Ongoing</i>
		Code of Conduct	<i>Ongoing</i>
		Performance Review Process	<i>Ongoing</i>
		Learning and Development	<i>Ongoing</i>
		Work Health and Safety (WHS) including Health and Wellbeing	<i>Ongoing</i>
		Minimise Workers' Compensation cases and lost time for injuries	<i>Ongoing</i>
		Diversity and Inclusion	<i>Ongoing</i>
		Wages Policy Outcome	<i>Ongoing</i>
		One industrial instrument matter	<i>Completed</i>
	Improved provision of Operational Support	Corporate Operations Policies and Guidelines	<i>Ongoing</i>
		Cluster migration of corporate systems from Department Premier and Cabinet to Department of Enterprise Investment and Trade	<i>Completed</i>
		Implementation of work management platform to assist with operational efficiency and tracking of OKRs	<i>Completed</i>
		Salesforce CRM including streamlining of key business process and solutions	<i>Ongoing</i>
		Calendar of Works and Activities via Digital Transformation Steering Committee	<i>Ongoing</i>
		Green Team to ensure efficient and sustainable practices	<i>Ongoing</i>





Three Sisters, Blue Mountains

## NSW Tourism Performance 2021-2022

### Overview

In the year ended June 2022, NSW tourism performance was hit hard by the four-month lockdown in Sydney which also extended to other parts of NSW. Overall, domestic visitation to NSW was down on the previous year, while international visitation showed signs of recovery due to changes to Australia's border arrangements.

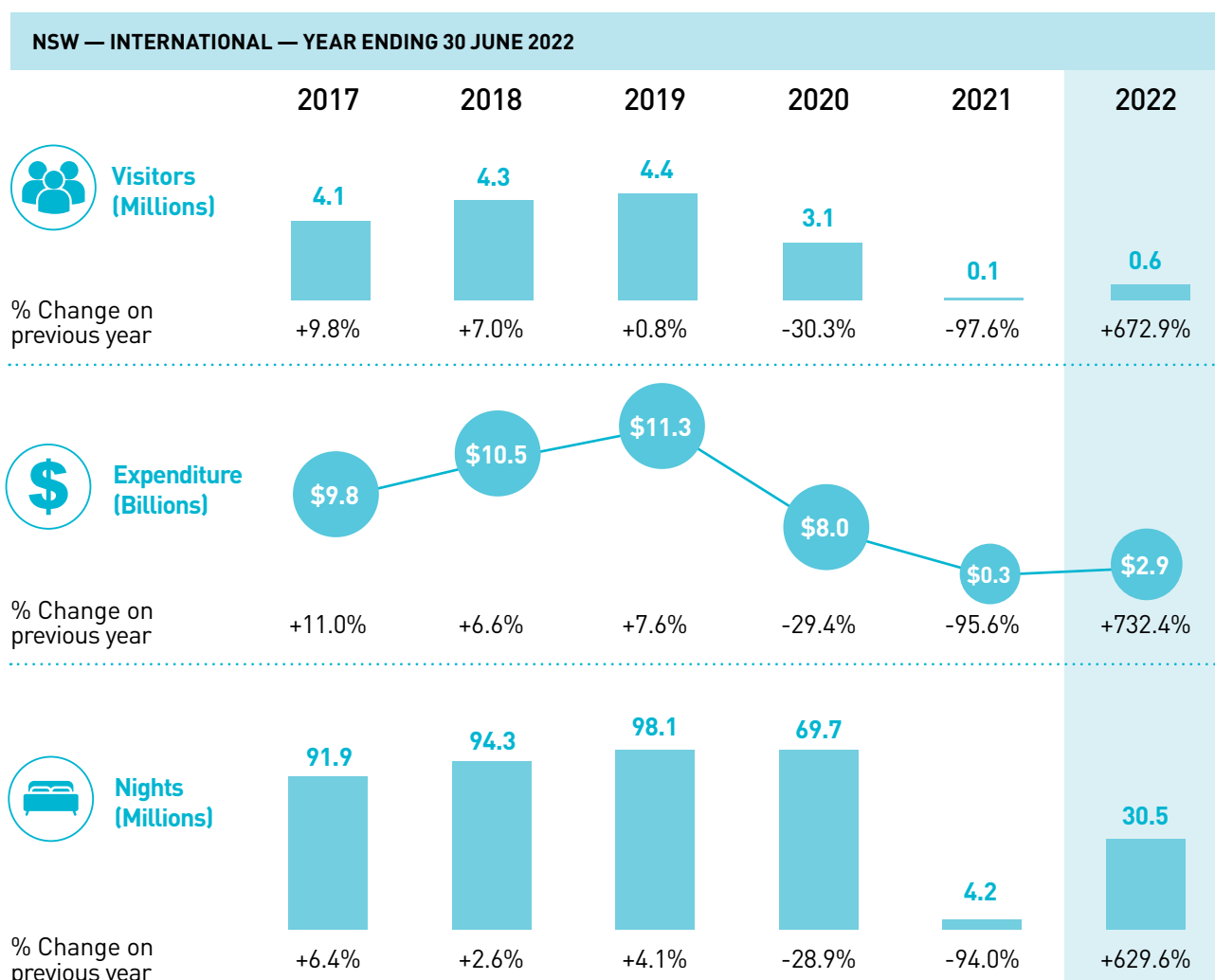
NSW received 67.1 million international and domestic overnight and day trip visitors, down 20.9 per cent on 2020-2021. These visitors stayed 115.8 million nights, up 7.5 per cent, and spent \$25.7 billion for the year, unchanged on previous year.

Domestic day trip visitors accounted for 62 per cent of all visitors to NSW and 20 per cent of expenditure in 2021-22, while NSW's domestic overnight visitor share was 37 per cent, which accounted for 68 per cent of State expenditure. International visitors accounted for just 1 per cent of total visitation to NSW and 11 per cent of expenditure.

### International performance

While NSW continues to lead Australia with 51 per cent of all international visitors, 38 per cent of all nights and 38 per cent of all expenditure, the closure of Australia's international borders remained in force throughout most of the reporting period, resulting in a much smaller inbound cohort.

NSW received 559,800 international visitors (+673 per cent compared to 2020-2021), who stayed 30.5 million nights (+630 per cent) and spent \$2.9 billion (+732 per cent). These results show an improvement in international visitation compared to year ended June 2021.

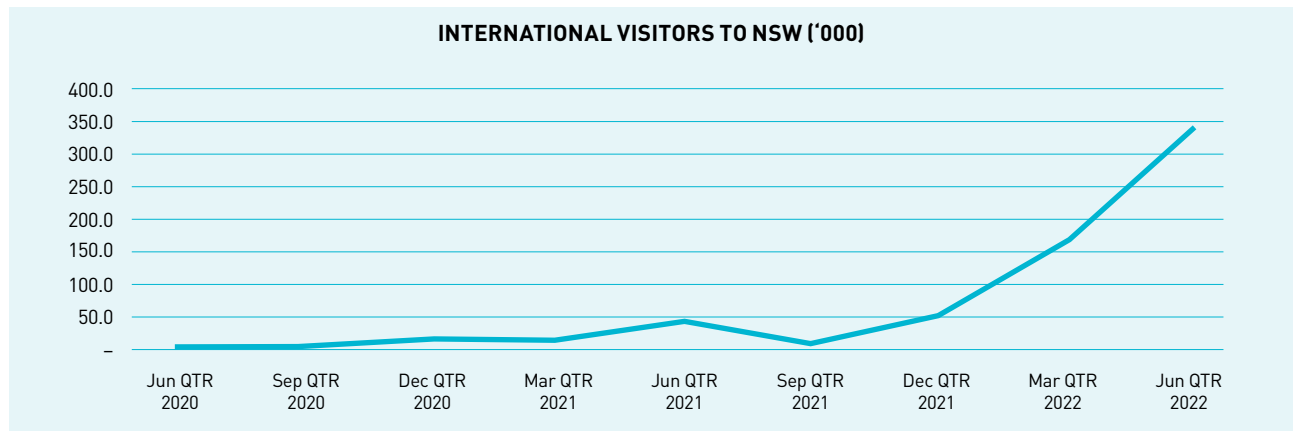


International visitation to NSW increased to 0.6 million visitors (up 0.5 million visitors) in the year ended June 2022 as compared to 72,400 visitors in year ended June 2021. Compared to year ended June 2019 (pre-COVID), international visitors to NSW were still down by 3.8 million visitors. With limited access for other international markets, New Zealand continued to be the main international source market for NSW until the year ended March 2022. With international arrivals showing signs of recovery since the easing of some restrictions late last year and reopening of international borders in February 2022, the United Kingdom overtook New Zealand as NSW's top international market in the year ended June 2022.



## NSW Tourism Performance 2021-2022 CONTINUED

### International performance CONTINUED



*Destination NSW collaborated with world-renowned photographer and Aquabumps founder Eugene Tan to showcase spectacular locations across the state, including Lord Howe Island, in a content series aligned to the 'Feel NSW' campaign.*



## NSW Tourism Performance 2021-2022 CONTINUED

### Domestic performance

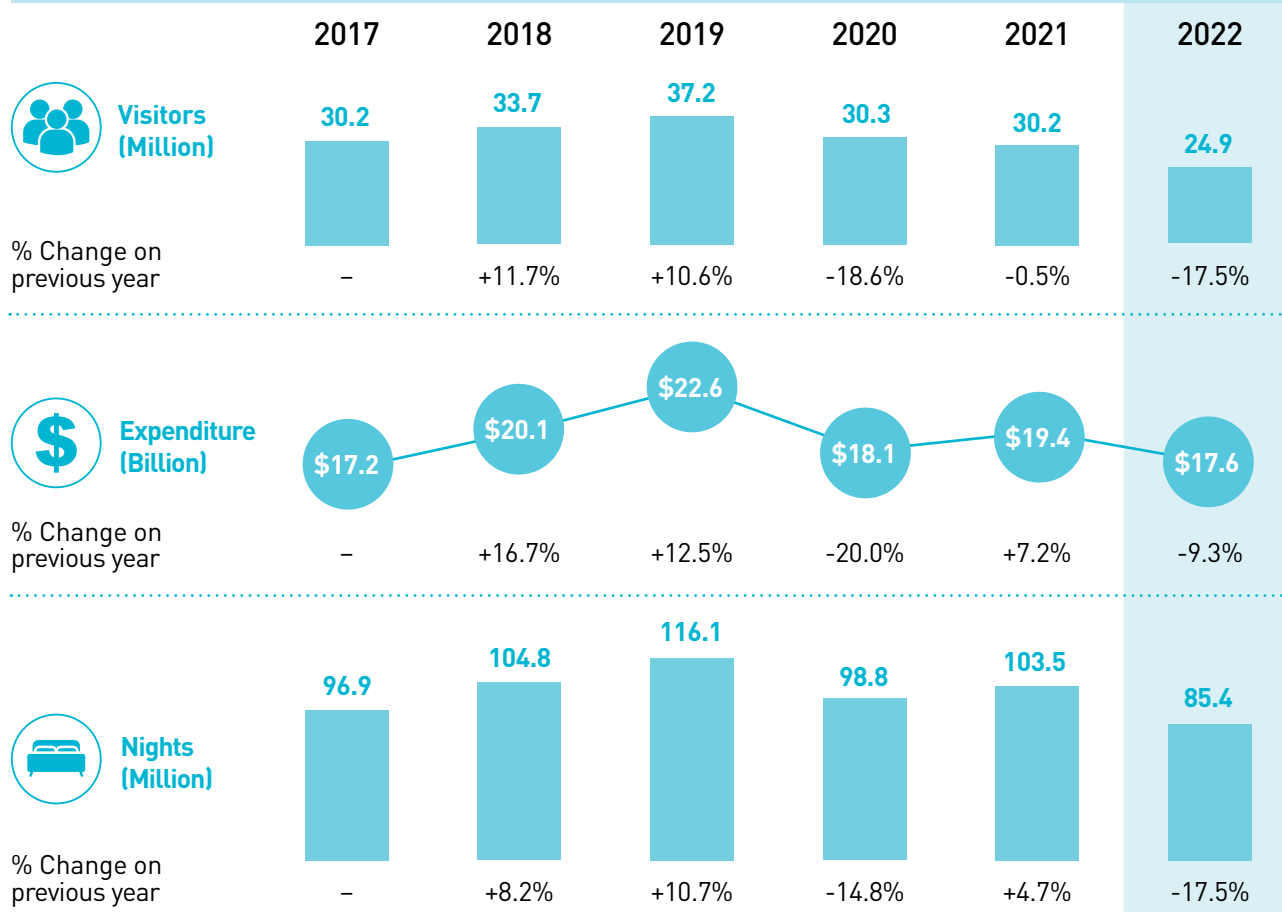
NSW maintained national leadership in domestic overnight visitor numbers for the year, accounting for 29.0 per cent of visitors. NSW dropped to second position behind Queensland in visitor nights and expenditure, accounting for 26.1 per cent of nights and 25.5 per cent of total expenditure in Australia.

NSW received 24.9 million domestic overnight visitors (-17.5 per cent compared to 2020-2021) who stayed 85.4 million nights (-17.5 per cent) and spent \$17.6 billion (-9.3 per cent). NSW recorded the biggest national fall in absolute terms in domestic overnight and daytrip visitors and expenditure in the year ended June 2022.

While NSW recorded declines in overnight visitors, nights and expenditure, Victoria and Queensland achieved growth in all three metrics. The fall in domestic overnight visitors to NSW was mainly due to the decline in the holiday market to Regional NSW (down 3.2 million visitors).

Overall, with the Sydney COVID outbreak in June 2021 leading to state-wide lockdown and border restrictions, and the surge in Omicron cases since January 2022, domestic travel to NSW continued to be impacted in the year ended June 2022. Regional NSW lost visitors in all segments, while Sydney saw an increase in holiday visitors (up 291,500 on 2020-2021).

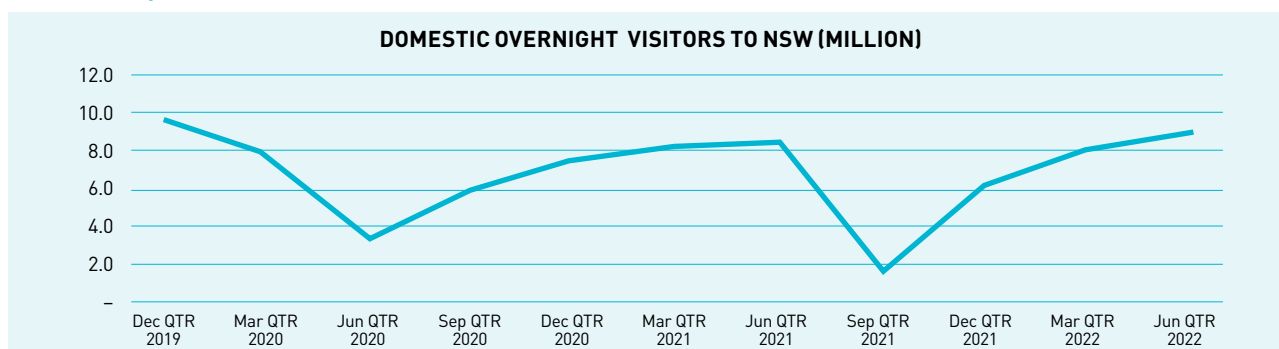
#### NSW — DOMESTIC OVERNIGHT VISITATION — YEAR ENDING 30 JUNE 2022



With the resumption of intrastate travel across NSW from 1 June 2020 and the easing of state border and travel restrictions at various points, there was a steady, upward trend in domestic travel from the September quarter 2020 until June quarter 2021, followed by a sharp drop in the September quarter 2021 due to the Sydney outbreak and lockdown which impacted the rest of the State. Domestic overnight visitation reached its peak in the June quarter 2022, which was the highest quarter since the start of the pandemic (176.6 per cent growth on June quarter 2020).

## NSW Tourism Performance 2021-2022 CONTINUED

### Domestic performance CONTINUED






In the year ended June 2022, Sydney experienced falls in domestic visitors and nights (down 0.1 million and 1.1 million, respectively) compared to the year ended June 2021, while expenditure recorded an increase (up \$691 million). Sydney experienced a significant increase in holiday visitors and nights, while business and visiting friends and relatives' visitors and nights declined in 2021-22. Expenditure in Sydney was up for holiday, business and visiting friends and relatives and the average spend per night increased on year ended June 2021 from \$223 to \$273.

Sydney continued to lead Australian capital cities in domestic overnight visitors, nights and expenditure. It received 6.4 million domestic overnight visitors (-1.5 per cent compared to 2020-2021) who stayed 18.8 million nights (-5.5 per cent) and spent \$5.1 billion (+15.5 per cent) for the year.

Regional NSW led regional Australia in visitor numbers, while regional Queensland led in visitor nights and expenditure in 2021-22. Regional NSW recorded declines across all metrics this year, receiving 19.0 million domestic visitors (-21.6 per cent on 2020-2021) who stayed 66.5 million nights (-20.4 per cent) and spent \$12.5 billion (-16.7 per cent) for the year.

The North Coast retained its position as the highest ranked destination in Australia after Sydney, Brisbane and Melbourne.

All tourism regions in NSW registered a decrease in domestic overnight visitors on the previous year except for Riverina and the Murray. Central Coast, the Murray and Snowy Mountains saw an increase in visitor nights and expenditure.

NSW — DOMESTIC OVERNIGHT VISITORS — DESTINATION				
DESTINATION	 VISITORS (Million) YE June 2022	% Change on previous year	 Average length of stay (nights)	 Average spend per night
North Coast NSW	3.9	-29.0%	4.2	\$190
South Coast	3.5	-22.8%	3.6	\$182
Hunter	3.1	-21.5%	2.9	\$199
Central NSW	2.0	-27.8%	2.8	\$212
Central Coast	1.4	-16.0%	3.1	\$179
New England North West	1.2	-23.3%	3.0	\$140
Capital Country	1.2	-23.8%	2.4	\$209
The Murray	1.0	+18.0%	2.6	\$179
Riverina	1.0	+0.5%	2.4	\$166
Blue Mountains	1.0	-23.9%	2.7	\$164
Snowy Mountains	0.9	-0.9%	3.3	\$223
Outback NSW	0.4	-28.6%	3.4	\$155

## NSW Tourism Performance 2021-2022 CONTINUED

### Factors contributing to performance

In 2021-22, the global tourism industry continued to experience disruptions to international travel due to COVID-19, including Australia. Sydney and parts of NSW were in lockdown for four months in 2021 with the Trans-Tasman travel bubble being suspended as a result and quarantine-free travel for New Zealanders only being allowed from March 2022. While international travel restrictions resulted in a switch to domestic travel for many Australians since the start of the pandemic, there have been signs of recovery in international visitation since the easing of some entry restrictions from late 2021 and re-opening of international borders from late February this year.

### COVID-19

Prior to February 2022, travel to Australia was primarily only allowed to Australians and New Zealanders under strict monitoring and certain travel groups who had been granted individual exemptions. The Trans-Tasman bubble introduced in October 2020 experienced several stop-starts resulting in fluctuations of New Zealand visitors. International arrivals showed signs of recovery as the international borders reopened to fully vaccinated travellers in February 2022. The influx of New Zealand visitors recorded a month-on-month increase since, peaking at 16,780 arrivals for the month of June 2022 after the one-way bubble was reintroduced in early March 2022 which became two-way in April.

Domestically, the emergence and rapid spread of the Delta strain in June 2021 triggered various lockdowns across all states and territories, with Victoria, the ACT and NSW enduring the longest restrictions. Targets for vaccination rates were set across states and territories, and the states exited lockdowns after target rates were reached. The Omicron variant was first confirmed in Australia in November 2021 and despite the rapid spread, new lockdown measures were not introduced, and travel restrictions were gradually eased. Domestic overnight travel to NSW rose significantly from November 2021 with the lockdown ending in October, peaking in January 2022 (3.2 million visitors) and April 2022 (3.6 million visitors). These peaks aligned with the post-Christmas holiday period and the April school holidays and Easter long weekend.

NSW recorded a 0.6 million increase in Victorian visitors in the year ended June 2022 compared to the previous year, as well as a 1.8 million increase in visitor nights and a \$413 million gain in expenditure from these visitors. Visitor numbers from Queensland however were impacted year-on-year due to the enforced border restrictions between NSW and Queensland. NSW saw a 0.4 million drop in Queensland visitors in the year ended June 2022 compared to 2021, 1.9 million fewer visitor nights and \$102 million loss in expenditure from incoming Queensland visitors.

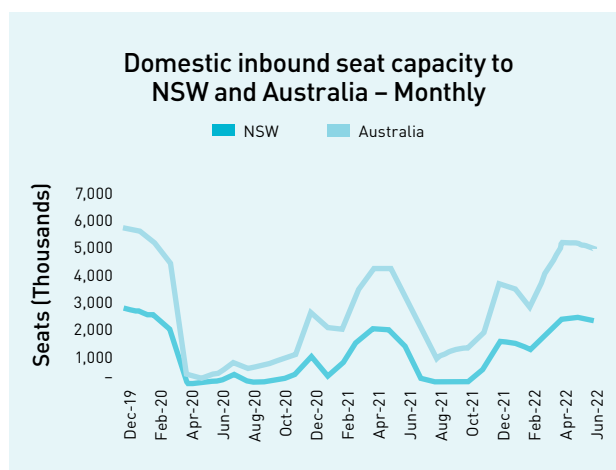
### Aviation

International and domestic aviation seat capacity continued to be affected by COVID-19 related events in Australia and worldwide. Australia's recent international border re-opening encouraged an inflow of international air services to NSW, but still at a very slow pace. Domestic seat capacity into NSW has shown a swift upward trend from late 2021.

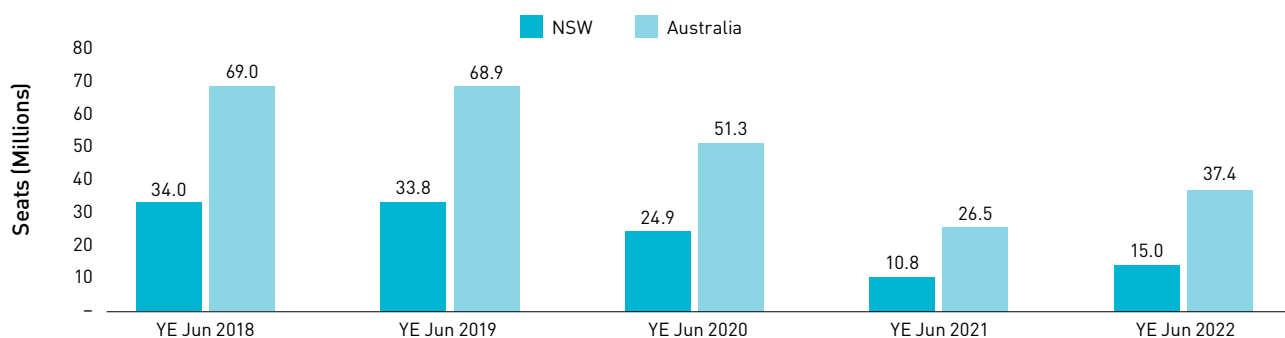
With the easing of travel restrictions over the past year, there were increases in domestic seat capacity during the school holiday months. Following a peak in seats and passengers during the school holidays and Easter long weekend in April 2022, the same trend continued throughout May, while the number of seats and passengers slightly declined in June 2022.

In 2021-22, NSW domestic aviation capacity accounted for 40 per cent of domestic seats on Australia's 66 competitive routes. Domestic seat capacity for NSW and Australia increased by 39.8 per cent and 40.9 per cent respectively, compared to the previous year.

Compared to the same months in 2019, domestic aviation seats to NSW decreased by 32 per cent in March 2022; 13 per cent in April; 11 per cent in both May and June 2022.



### Domestic inbound seat capacity to NSW and Australia – YE



## NSW Tourism Performance 2021-2022 CONTINUED

### Factors contributing to performance CONTINUED

#### Aviation CONTINUED

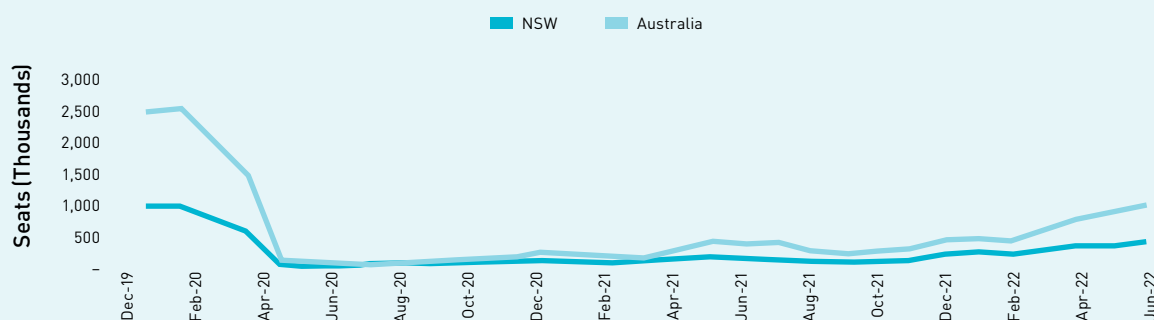
In the same year, international aviation seat capacity to NSW accounted for 45 per cent of international seats in Australia; capacity increased by 94.9 per cent for the year. International seat capacity to Australia also increased, up 131.8 per cent.

Compared to the same months in 2019, international aviation seats to NSW decreased by 68 per cent in March 2022; 58 per cent in April; 56 per cent in May; and 50 per cent in June 2022. With Australia's international borders reopening to fully vaccinated travellers in February 2022 and the re-introduction of the two-way Trans-Tasman travel bubble in early April 2022, a promising but slow recovery in international seat capacity was seen from March 2022.

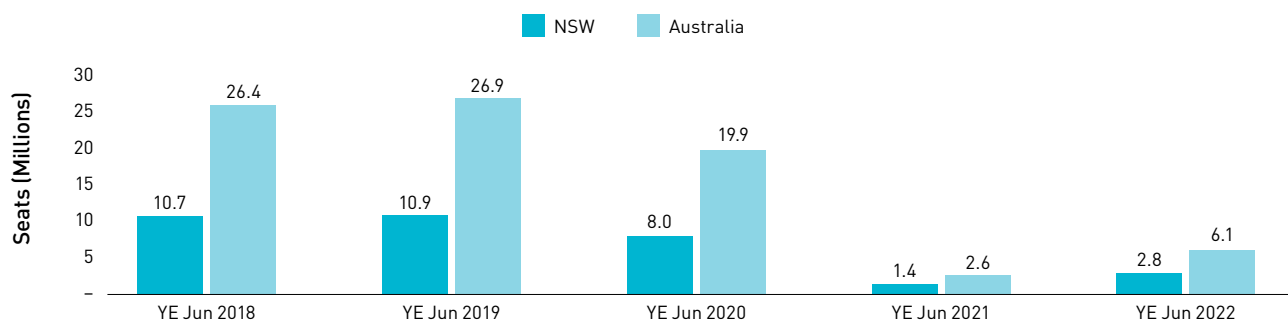
Many international services to Sydney recommenced their flights due to the softening of entry restrictions to Australia from late 2021 and the international border re-opening in late February 2022. New international services to Sydney in 2021-22 included Air India service from Delhi from November 2021; Air Canada service from Vancouver from December 2021; AirAsia X service from Kuala Lumpur (irregular service); LATAM Airlines service from Santiago from March 2022 and Bamboo Airways from Ho Chi Minh from April 2022.

Other countries that recommenced flight services to Sydney (airlines other than local) in 2021-22 include: South Africa, India, Fiji, Indonesia, New Caledonia, Philippines, Singapore, Thailand, the UK and USA.

International inbound seat capacity to NSW and Australia – Monthly



International inbound seat capacity to NSW and Australia – YE



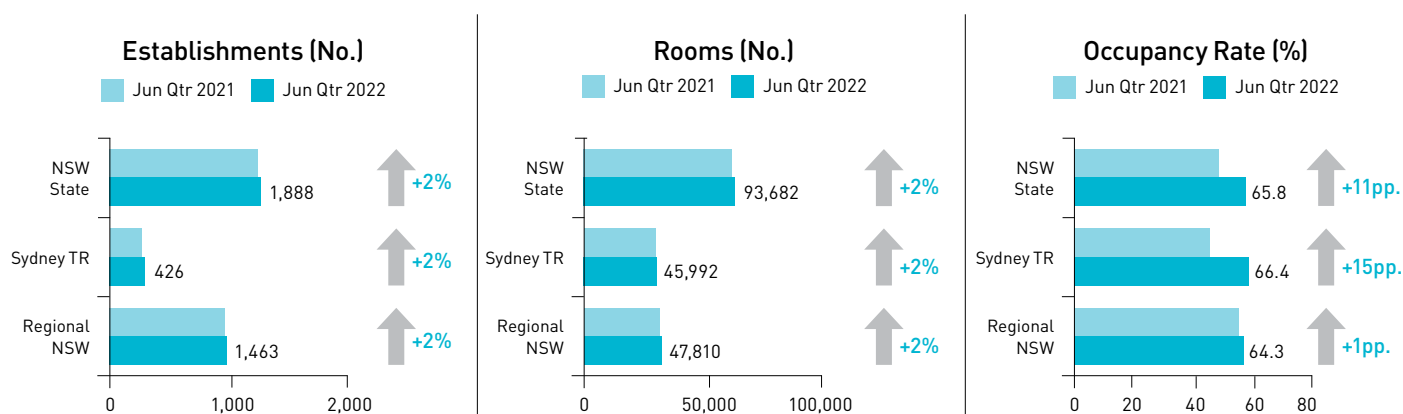


## NSW Tourism Performance 2021-2022 CONTINUED

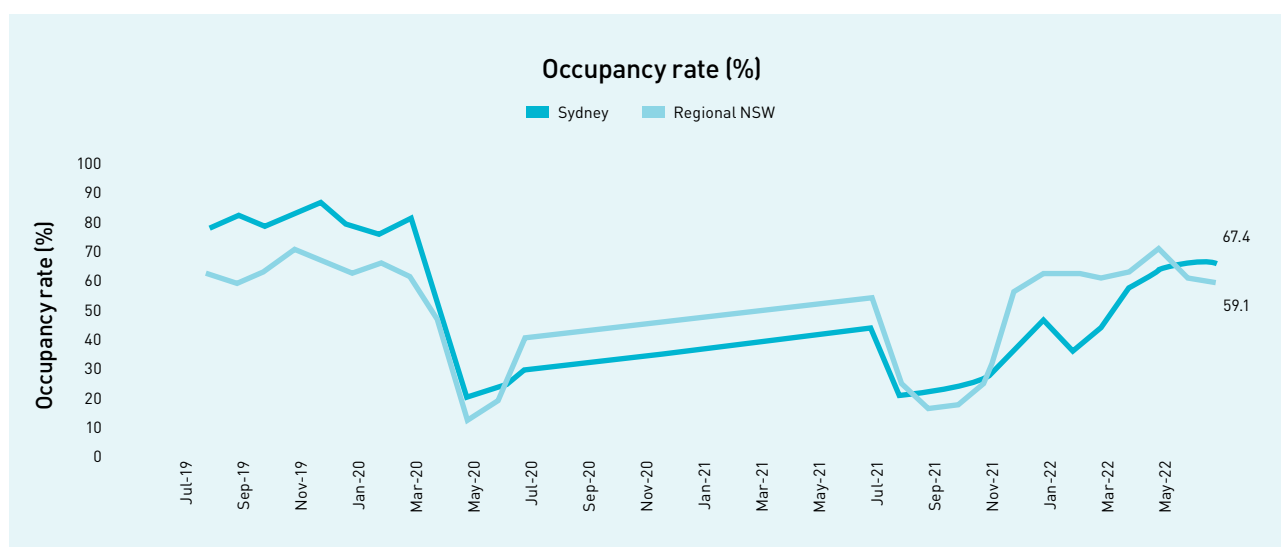
### Factors contributing to performance CONTINUED

#### Accommodation

In the June 2022 quarter, the NSW accommodation sector comprised of 1,888 establishments and 93,682 rooms. This represents an increase in supply compared to the previous year, up 2 per cent each. Regional NSW accounted for 77 per cent of all establishments and 51 per cent of all rooms in the State. In the June quarter 2022, occupancy rates in New South Wales, Sydney and Regional NSW were above the same quarter in 2021 (up 11 percentage points, 15 percentage points and 1 percentage point, respectively). This is not surprising given the June quarter 2021 was a difficult period for the accommodation sector with lockdowns and restrictions that started in Sydney from mid-June, and the circuit breaker lockdown in Victoria (from late May to mid-June).



The number of establishments and rooms in NSW in the June 2022 quarter was slightly higher than the 1,866 establishments and 92,955 rooms reported in the March 2022 quarter. The lockdown and state border restrictions imposed in mid-June 2021 saw a sharp decline in accommodation performance. However, with lockdown ending in NSW in October 2021 there was a significant recovery from November 2021. Accommodation performance was hit again by a surge in Omicron cases in January 2022, however with the reopening of state and international borders there have been signs of recovery in the following months.



Source: STR June 2022

## NSW Tourism Performance 2021-2022 CONTINUED

### Factors contributing to performance CONTINUED

#### Australian dollar

Exchange rates and differential inflation rates affect the price of Australia as a destination, relative to competing destinations. A fall in the value of the Australian dollar reduces the cost for overseas visitors to travel to, and within Australia. Such a fall can also have a positive impact on domestic travel, encouraging Australian travellers to choose to holiday domestically rather than overseas.

In 2021-22, Australia continued to be an affordable destination for international visitors, having dropped below parity against the US dollar in May 2013. The average Australian dollar to US dollar exchange rate in 2021-22, was US \$0.72, down from the average exchange rate of \$0.75 in 2020-2021.

The Australian dollar depreciated against most major currencies in 2021-22 with the highest decrease against China (-5.5 per cent) and Canada (-4.6 per cent) but appreciated against Japan (+7.3 per cent) and Thailand (+4.6 per cent).

#### Global confidence

According to The Conference Board® Global Consumer Confidence Survey 2021 Q4 Results (over 30,000 online responses in 65 countries), Global Consumer Confidence was unchanged at 115, remaining at its all-time high. Improvements were seen in Asia, parts of Latin America and among the Gulf Cooperation Council (GCC) economies while weaker confidence was evident across Europe, non-GCC economies, and the United States.

While some markets saw the effects of the Delta variant waning, cases remained high in others. The emergence of the Omicron variant alarmed markets and governments, leading to financial losses and renewed restrictions on movement and travel. Meanwhile, inflation was ranked among consumers' top 5 concerns with rising costs for necessities as well as discretionary items dampening overall confidence. Current spending plans were lower across all regions except Asia, reflecting concerns about rising inflation. While concerns about health, economy and job security was down in intensity compared to the previous quarter, slightly more believed their economy would remain in recession in 12 months. Expectations for future job prospects and personal finances improved in the final quarter of 2021 overall, but this varied across regions with optimism for personal finances climbing for Asia, Latin America and the Gulf Cooperation Council economies, but somewhat less so in Europe, Africa and the Middle East. Expectations for job prospects improved in most regions.

#### Global Confidence across Regions in Q4 2021:

- Confidence was up in 51% of markets surveyed with higher optimism among large economies in Asia with China and Australia seeing substantial gains, and confidence in India remaining the highest in the world albeit declining in 2021 Q4
- Confidence dipped in Europe slightly overall with sizeable declines in Germany, the UK, the Netherlands, Turkey and parts of Eastern Europe
- Confidence in Latin America was up slightly, with a strong rebound in Mexico
- Africa and the Middle East saw a slight dip in confidence overall. While confidence in Egypt and Pakistan fell, further gains were seen in the GCC economies
- There was a sharp decline in confidence in North America from the extremely high levels of Q3 2021, however still remains in a positive territory.

#### Australian confidence

According to the Travel Sentiment Tracker by Tourism Australia, Australian consumer confidence showed fluctuations during the year ended June 2022 and with an upward trend from August through to December 2021, but a decline in January 2022 and another sharp decline in June 2022 (70 where <100 is negative, >100 is positive) with rising inflation and interest rates.

Travel intention within Australia in the next six months showed similar trends throughout the year, but was more stable in May and June 2022, finishing at 51 per cent intention in June 2022. Safety perceptions of Australia remained strong with a marginal dip in June 2022 after a period of recent growth, at 78 per cent.



Bouddi National Park, Bouddi

## Visitor Snapshot: NSW Year Ending June 2022

### TOTAL OVERNIGHT VISITORS (INTERNATIONAL AND DOMESTIC)

#### TOTAL VISITOR ARRIVALS

Australia	86.9 million
NSW	25.4 million
Change on Previous Year: Australia	-0.6%
Change of Previous Year: NSW	-15.8%
NSW Market Share Visitors	29.3%

### TOTAL VISITOR NIGHTS

Australia	407.9 million
NSW	115.8 million
Change on Previous Year: Australia	18.9%
Change on Previous Year: NSW	7.5%
NSW Market Share Visitor Nights	28.4%

### AVERAGE LENGTH OF STAY

Australia	4.7 nights
NSW	4.6 nights

### TOTAL EXPENDITURE (OVERNIGHT AND DAYTRIP)

Australia	\$97.0 billion
NSW	\$25.7 billion
Change on Previous Year: Australia	19.8%
Change on Previous Year: NSW	-0.02%
NSW Market Share Visitor Expenditure	26.5%

### TOTAL VISITOR MARKET SHARE (OVERNIGHT AND DAYTRIP)

Visitation to Sydney and Regional NSW	Visitors	Visitor Nights
Sydney	33%	39%
Regional	68%	61%

Note: Figures may add to more than 100% in some instances as some visitors will visit multiple destinations.

### DOMESTIC VISITORS AND VISITOR NIGHTS (OVERNIGHT AND DAYTRIP)

PURPOSE OF VISIT	Visitors	Visitor Nights
Holiday	43%	44%
Visiting Friends & Relatives	32%	34%
Business	14%	16%
Other	12%	6%
<b>Total</b>	<b>100%</b>	<b>100%</b>

### DOMESTIC PURPOSE OF VISIT (OVERNIGHT AND DAYTRIP) - CHANGES ON PREVIOUS YEAR (YE JUNE 2022)

PURPOSE OF VISIT	Visitors	% Change
Holiday	-9.8 million	-25.7%
Visiting Friends & Relatives	-4.1 million	-16.2%
Business	-2.7 million	-22.1%
Other	-1.9 million	-19.3%
<b>Total</b>	<b>-18.2 million</b>	<b>-21.5%</b>

### DOMESTIC VISITOR NIGHTS CHANGES ON PREVIOUS YEAR (YE JUNE 2022)

PURPOSE OF VISIT	Visitor Nights	% Change
Holiday	-9.5 million	-20.2%
Visiting Friends & Relatives	-3.8 million	-11.6%
Business	-2.2 million	-14.2%
Other	-2.6 million	-33.8%
<b>Total</b>	<b>-18.2 million</b>	<b>-17.5%</b>

Source: National and International Visitor Surveys, Tourism Research Australia.

Note: Visitors may visit a State for more than one purpose – hence, figures by Purpose of Visit category may not add up to the Total.



## Visitor Snapshot: NSW Year Ending June 2022 CONTINUED

TOTAL OVERNIGHT VISITORS AND NIGHTS						
	Visitors (millions)	% change	Visitor nights (millions)	% change	Expenditure (\$billion)	% change
<b>Sydney</b>						
International	0.5	788.4%	26.9	815.8%	\$2.6	916.7%
Domestic	6.4	-1.5%	18.8	-5.5%	\$5.1	15.5%
<b>Total</b>	<b>6.9</b>	<b>5.4%</b>	<b>45.7</b>	<b>100.2%</b>	<b>\$7.8</b>	<b>65.3%</b>
<b>Regional NSW</b>						
International	0.1	508.6%	3.5	186.0%	\$0.2	183.8%
Domestic	19.0	-21.6%	66.5	-20.4%	\$12.5	-16.7%
<b>Total</b>	<b>19.1</b>	<b>-21.1%</b>	<b>70.1</b>	<b>-17.4%</b>	<b>\$12.7</b>	<b>-15.5%</b>
<b>New South Wales</b>						
International	0.6	672.9%	30.5	629.6%	\$2.9	732.4%
Domestic	24.9	-17.5%	85.4	-17.5%	\$17.6	-9.3%
<b>Total</b>	<b>25.4</b>	<b>-15.8%</b>	<b>115.8</b>	<b>7.5%</b>	<b>\$20.5</b>	<b>3.8%</b>

Note: NSW visitors total is less than the addition of Sydney and Regional NSW as some visitors will visit multiple locations.

NSW TOP 3 INTERNATIONAL MARKETS						
	Visitors (thousands)	% change	Visitor nights (millions)	% change	Expenditure (\$million)	% change
<b>Country of Origin</b>						
United Kingdom	69.2	1394.9%	2.5	520.6%	\$229.8	602.9%
USA	67.3	843.5%	1.6	235.2%	\$186.5	358.3%
New Zealand	65.1	77.9%	1.1	13.3%	\$108.8	15.0%

Note: In late February 2022, the Australian Government reopened its international borders to fully vaccinated arrivals on all types of visas without needing to quarantine. The one-way Trans-Tasman travel bubble recommenced in March 2022 which converted to two-way in the following month, allowing quarantine free travel between New Zealand and Australia.



Destination NSW greeted visitors at Sydney Airport in February 2022, when international borders reopened after 704 days. Surf Lifesavers and five of Sydney's iconic drag queens joined the celebrations as the ultimate welcoming committee, with brass musicians playing *Feel Good*, the soundtrack behind the Destination NSW tourism marketing campaign.





Belmore Falls , Morton National Park



# Review

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## Consumer Marketing

Consumer Marketing delivers programs to promote Sydney and regional NSW with the aim of increasing visitor numbers and raising awareness of our destinations to keep them top of mind. Bringing together the functions of marketing, partnerships, PR and visiting media, content and creative services, and the design studio enables the division to focus on driving results to support the vision of making NSW the premier visitor economy of the Asia Pacific.

### 'Feel New' Visitor Brand Launch

The Feel New tourism marketing campaign launched on 24 October 2021 and is a strategic pillar of the NSW Visitor Economy Strategy (VES) 2030, which articulates the vision for NSW to be the premier visitor economy of the Asia Pacific.

Feel New is a destination brand positioning designed to unify both NSW and Sydney under the one umbrella brand, while also providing a fresh, new approach to grow visitation, connect with people on a personal level, and build resident pride and visitor advocacy.

This campaign is unlike anything Destination NSW has delivered before, shifting the focus from relying heavily on the icons, to instead showcasing the incredible breadth of both natural and cultural experiences and the emotional benefits a trip to NSW provides.

The campaign objectives, to generate visitor demand and increase visitation and visitor expenditure, support the first phase of recovery identified in the NSW VES 2030.

The campaign was designed to benefit tourism operators across NSW by providing a unified message that operators can support and incorporate into their own marketing. It targeted a total audience of 12,655,000 people aged 18–54, intending to travel domestically for a holiday within the next 12 months.

The campaign launched domestically with TV, cinema, digital video, social and print communications for both Sydney and NSW.

From launch, the Feel New campaign attracted widespread media attention. Within the first 24 hours, more than 987 placements were generated, including coverage on all major news programs in Australia.

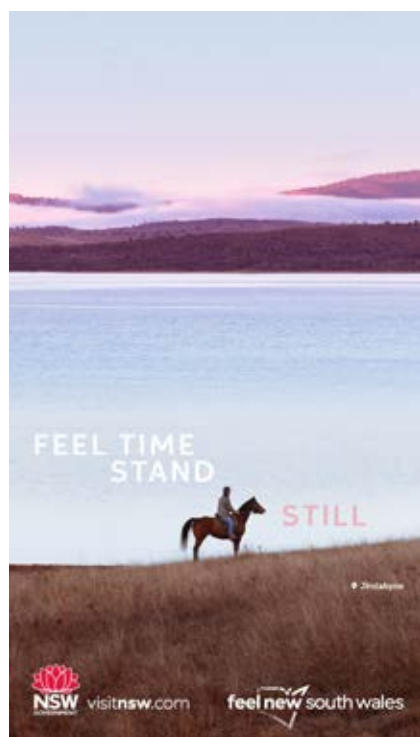
The launch of the *Feeling Good* music video – a key component of the PR launch activity for the new brand – received 232,890 views on YouTube in the first two weeks, with coverage landing across culture outlets including *The Music*, *Broadsheet* and *The Music Network*.

Within the first three months of launch, more than 2,756 editorial placements and social media posts were secured, reaching 299 million people with an advertising value equivalent of \$14 million.

Since the brand launched, more than 2.1 million leads have been delivered and research has shown that people who recognised and engaged with the Feel New brand activity, and either made bookings or extended their stay, have contributed approximately \$120 million in visitor expenditure to NSW. This expenditure includes accommodation, food and wine, and products and experiences within the NSW visitor economy.

According to Destination NSW's research, the campaign resonates well among those who saw the advertising, with the campaign being perceived as interesting, as well as involving and eliciting feelings of excitement, fascination and inspiration.

The campaign also had strong brand recall with 72 per cent of those who recognised the television commercial, identifying it as Sydney/NSW (well above benchmark). Of those who had seen the ads, there was a significant increase in people 'now considering NSW for a potential holiday or short break' compared to those who hadn't seen the ads.





## Consumer Marketing CONTINUED

### 'Renew Yourself' Campaign

'Renew Yourself' was the next phase of the Feel New brand campaign. It was a tactical burst of activity with the goal of driving demand to Sydney and key NSW destinations following the lift of COVID-19 travel restrictions.

The campaign focused on 'demand' marketing, generating awareness of the new brand positioning for NSW and long-term differentiation for the state against competitors. The campaign objective was to restore the destination image, build motivation to travel and create tourism demand for experiences, which supports the first phase of recovery identified in the NSW VES 2030.

The Renew Yourself campaign supported areas most affected by travel restrictions, including Sydney and surrounds, and border towns and regions, such as The Murray and Sapphire Coast.

Key advertising channels included radio, digital display and social media with a large volume of tactical content driving immediate leads to industry. Supporting PR activity amplified recovery initiatives as they launched.

The campaign exceeded media key performance indicators and generated a total of 219,117 leads to visitor economy stakeholders, delivering 366 per cent over media target. Total clicks also exceeded 29 per cent above media target to a total of 498,468. PR activity delivered a total reach of 67 million and \$14.6 million in advertising value equivalent through famils, broadcast integrations, content partnerships and media mailers.

Overall the Renew Yourself campaign built on the Feel New brand campaign proposition and resonated well with Australians, eliciting feelings of excitement, inspiration and fascination.

### Aviation Attraction Fund

On 20 October 2021, the NSW Government announced \$60 million for an Aviation Attraction Fund as part of the \$530 million COVID-19 Economic Recovery Plan.

The Aviation Attraction Fund opened on 1 February 2022 and will remain open until 30 June 2023. The fund will accelerate NSW's road to recovery by attracting new airlines to the state; rebuilding capacity into NSW through tailored airline incentives; growing market share; and driving significant economic and social benefits to NSW through visitation, visitor spend and job creation.

The Aviation Attraction Fund involves extensive collaboration with airports and airlines comprising three streams: Sydney International Route Support; Regional NSW Domestic and International Route Support; and NSW Contestable Fund. It is open to all domestic and international airlines servicing the state or planning to service the state.

On 28 February 2022, the NSW Government confirmed Bamboo Airways as the first recipient to be awarded under the fund and, on 8 April 2022, the NSW Government confirmed its support for the Qantas Group's new Bengaluru (Bangalore) and Incheon services to Sydney.

Qantas commenced four weekly services between Bengaluru and Sydney on 14 September. Jetstar will commence three weekly Incheon services from November, with Qantas commencing four weekly services from 10 December 2022. These new routes bring 11 flights from India and South Korea every week, providing 3,277 seats into Sydney each week and supporting more than 360 jobs in NSW.

### Feel NSW Co-Operative Marketing Program

In November 2021, the NSW Government announced an \$8 million COVID-19 response package supporting the visitor economy with funding for regional tourism product development and the events sector. The package included a \$2 million Feel New South Wales Co-Operative Marketing Program, which was created to assist visitor destinations across NSW to increase their marketing presence and generate demand in a competitive environment. Specifically, the program was designed to increase the number of visitors, length of stay and expenditure in various destinations across NSW.

Local councils and tourism organisations were invited to participate in one of four packages designed to deliver upon different objectives and at varying levels of investment required. The four packages were:

1. Paid social media promoting weekly offers to drive last-minute bookings
2. Paid social media targeting visitors in destination, encouraging them to see and spend more while visiting
3. Content marketing (YouTube, articles and influencers) pushing to itineraries aimed at increasing length of stay
4. High-impact advertising (TV, out-of-home, digital video) to increase appeal during shoulder seasons

The program funds led to partnerships with 27 destinations co-developing 31 campaigns aligned to the Feel New Brand and driving visitors to either visitnsw.com or sydney.com. In addition to matching the partner's financial contributions for paid media, Destination NSW funded media fees and campaign development costs, as well as new photography and video shoots for higher tier partnerships.

The Feel New Co-Operative Marketing Program supported the NSW VES 2030 'Road to Recovery' Strategic Pillar by encouraging travellers to choose NSW for their next holiday, thereby supporting the visitor economy recovery. Due to the vast number of participating destinations, the marketing program also showcased NSW's diversity, encouraging regional dispersal and visitor expenditure in rural communities.

The campaign is in market between May and November 2022 and, to date, 30 campaigns have been delivered for 26 partners, including 45 YouTube videos, social media content, new website content including 20 itineraries and maps, 34 articles and a first-ever deals page on visitnsw.com. A high-impact campaign for the South Coast, covering seven Local Government Areas, has been successfully rolled out with creative testing showing it delivered strongly on the objective of making the South Coast a more appealing winter destination.

## Consumer Marketing CONTINUED

### International Market Reopening

In November 2021, a Vaccinated Travel Lane (VTL) opened between Singapore and NSW, which provided the opportunity to recommence international marketing activity. In February 2022, additional priority markets of the UK, Germany, USA, India and France were able to freely travel to and from Australia. From mid-March, South Korea, Malaysia and Indonesia were also open for travel to NSW.

We developed integrated partnership marketing recovery programs for each priority market and delivered demand-driving campaigns with airlines and key distribution partners, targeting consumers with a high propensity to travel in Singapore, UK, Germany, USA, India, France, South Korea, Malaysia and Indonesia.

The activity was developed to build awareness and demonstrate that NSW was open to international visitors. It was designed to increase intention to travel, drive demand and generate bookings to support the NSW visitor economy and the NSW VES 2030 'Road to Recovery' Strategic Pillar.

Through creative executions across paid and owned channels including digital video, digital display and influencers, the partnerships showcased the key strengths of Sydney and regional NSW providing a reason to travel. Partnership programs promoted key destinations, events (e.g. Vivid Sydney) and experiences through packages, itineraries and content tailored to each market.

Prior to the borders reopening, we had developed an extensive market reopening strategy that enabled us to respond quickly and, in some instances, be the first state to market. Our plan was agile and enabled us to respond to changing market conditions, demonstrating alignment with our guiding principles: move fast, be responsive and agile.

More than 65 campaigns were delivered between November 2021 and June 2022, which delivered more than \$64 million in incremental visitor expenditure based on results received to date.

### Virgin Australia Airlines Partnership

In December 2021, domestic borders reopened between Victoria, Queensland, Australian Capital Territory and NSW. This provided Destination NSW with the opportunity to work with major domestic carriers on demand-driving campaigns to increase visitation to NSW.

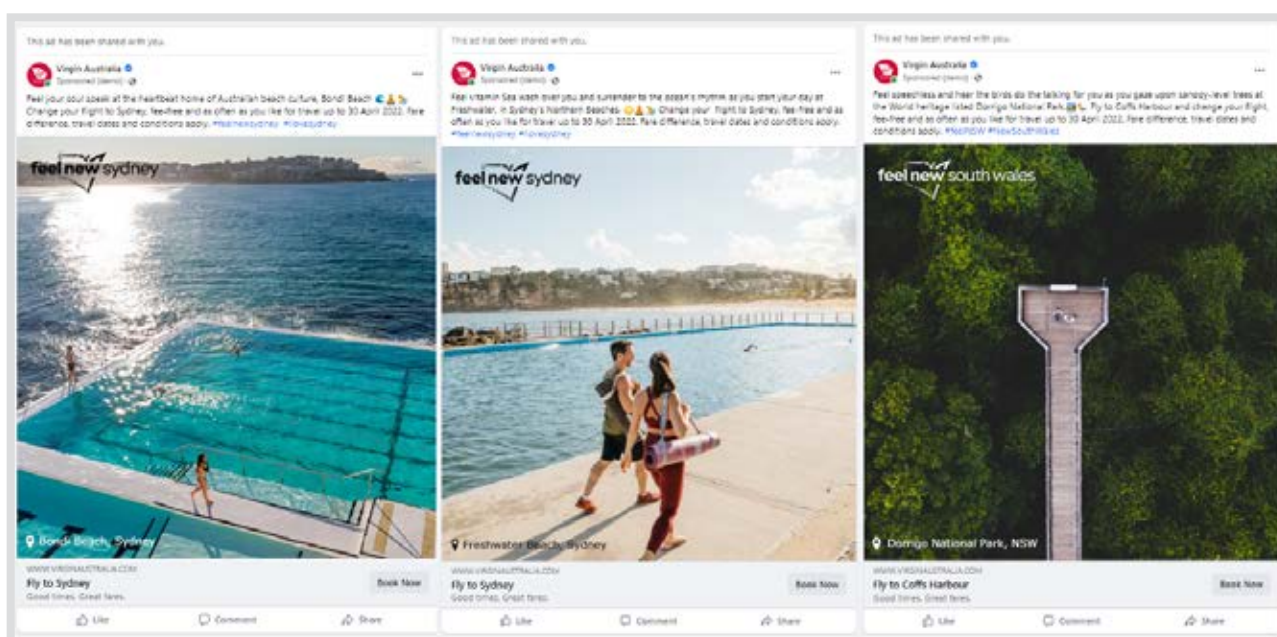
Destination NSW developed an integrated partnership program with Virgin Australia Airlines to promote travel to Sydney, Coffs Harbour, Newcastle and Ballina/Byron. The activity ran from December 2021 to June 2022 and targeted visitors with a high propensity to travel in Victoria, Queensland, Australian Capital Territory, Western Australia, and Sydney (for regional destinations).

The aim of the partnership was to stimulate demand and drive visitation by exposing audiences in key interstate markets to relevant destination messaging and appealing flight price points.

Through creative executions across paid and owned channels including digital video, digital display and influencers, the partnership highlighted the key attributes of Sydney and regional NSW and promoted iconic destinations and attractions as well as precincts and places, events (Vivid Sydney), and experiences.

Between December 2021 and June 2022, the partnership delivered more than \$19 million to the NSW visitor economy. The campaign ran during a restricted travel period in the initial phase of domestic travel re-opening post the COVID-19 lockdown period. It exceeded targets towards the NSW VES 2030 visitor expenditure target.

The partnership demonstrated the level of collaboration necessary to respond to ongoing uncertain market conditions. The need for agile and dynamic industry partnerships is paramount to the success of growing the visitor economy in the post-pandemic environment.



## Consumer Marketing CONTINUED

### Driving Value Through Destination NSW's Owned Platforms and Assets

Our owned digital channels play a pivotal role in driving value for the NSW visitor economy. In the 2021-22 financial year, several initiatives were undertaken to support the continuous improvement of these channels.

#### The Approach: Establishing a Digital Centre of Excellence

As part of the major structural reorganisation of the Consumer Marketing team, the Digital Centre of Excellence (Digital COE) was established to bring a renewed focus to the role and usage of digital channels across the entire visitor customer journey. A three-year digital roadmap has been developed with the implementation of key initiatives commencing through the 2023 financial year.

#### Social Channels: Growing Audience and Launching TikTok

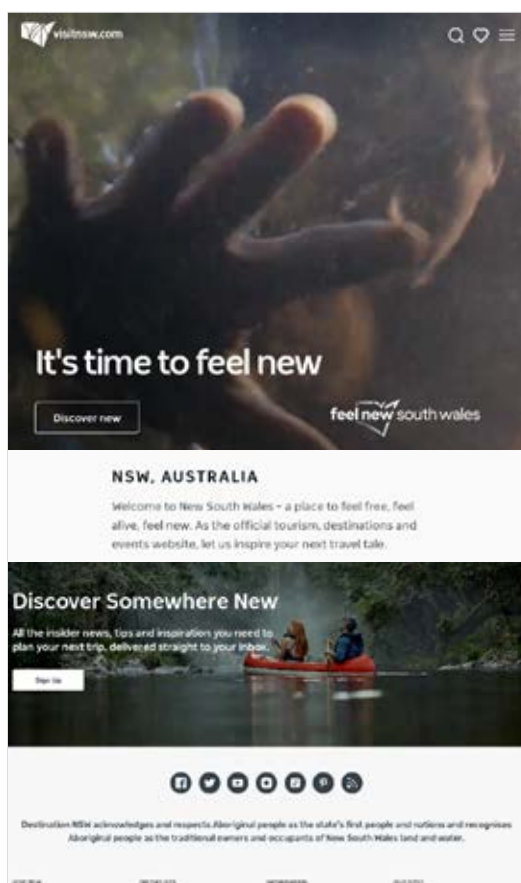
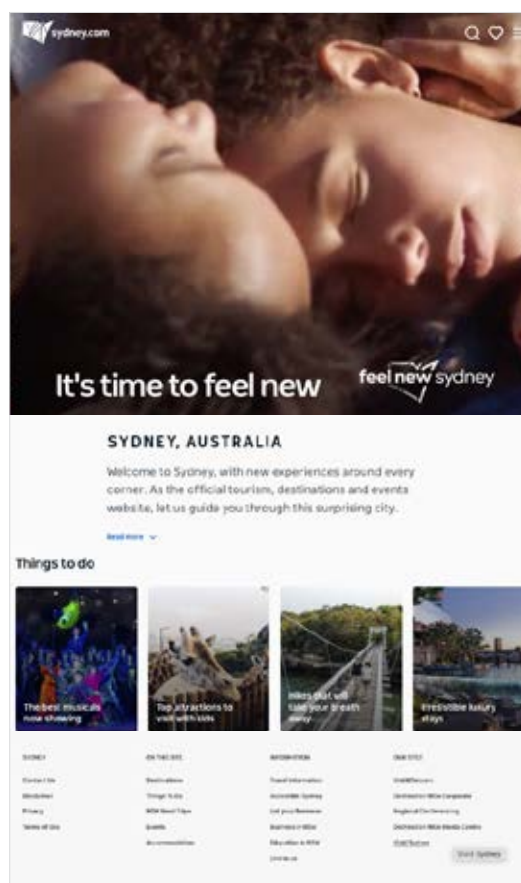
Destination NSW consumer social media channels successfully maintained number one State Tourism Organisation market share with more than six million followers, increasing by 228,785 new followers in 2021-22.

Vertical form video played a major role in social media in 2021-22. In total, there were 149 million video views across all our consumer social channels, up 60 per cent from the previous year. Vertical form video was consistently the best-performing content across all consumer social media channels, with the highest individual video receiving more than 9.7 million plays, 946,000 likes and 47,900 shares/saves.

In August 2021, the Sydney and Visit NSW TikTok channels were launched and have enabled us to be at the forefront of cutting-edge social trends. We have begun to change the perceptions of Sydney and NSW through light-hearted, trending cultural moments that encourage NSW travel content consumption. Since launch, the consumer TikTok channels have received a combined 146,400 followers, 32.8 million video views and more than two million likes. TikTok has also played a role in facilitating trip planning through functional and informative content, while also driving bookings via mass media and discovery, allowing us to reach our key international markets.

#### Websites: Building on Strong SEO Ranking to Deliver Value

Our consumer websites (sydney.com and visitnsw.com) received 18.3 million visits and drove more than three million leads to the tourism industry in the 2021-22 financial year. Associated revenue from leads to industry was \$83.7 million for domestic audiences. Our consumer websites also successfully maintained number one State Tourism Organisation market share on average for the financial year. Foundational to this is the Search Engine Optimisation (SEO) focused content strategy with search accounting for 76 per cent of total website traffic and with organic search making up 63 per cent of total traffic (paid search making up 13 per cent).





## Consumer Marketing CONTINUED

### CRM: Establishing a Personalised eDM Program

In December 2021, the consumer eDM, Escapes was refreshed and relaunched as Somewhere New, to align with the new visitor brand, build engagement and drive demand and conversion. A new preference centre was developed, enabling the segmentation of the eDM database of more than 320,000 subscribers for the first time. Drawing on a deeper understanding of SEO insights and data, a new content strategy was built around the segmentation, creating the opportunity to serve content to consumers in line with their preferences.

Preference segments include 'family with kids'; 'couples'; 'solo travel'; and 'travel with friends', with interests selected including road trips, events, and special deals and offers. Since the relaunch, organic subscriptions have increased by more than 7,000. The results have delivered extremely high engagement, including an average eDM open rate of 36 per cent and a click rate of 3.7 per cent, exceeding the target and reaching 16 per cent and 2 per cent above the industry standard, respectively. The most successful edition in terms of engagement was a special edition ahead of Valentine's Day, which was distributed to the 'couples' segment and achieved an open rate of 63 per cent and click rate of 16 per cent.

This program has delivered the foundation for continued work to build engagement and direct communication with consumers. The coming 12 months will see an incentive program to build preference centre uptake and a subscriber acquisition program. Combined with deeper dives into consumer insights and data to better understand and service existing and new audiences, through both eDM and website, this program of work will lead us toward personalisation of content.

### Content Library and Content Capture: Showcasing NSW

The new in New South Wales has been showcased through video and photographic shoots in locations throughout Sydney and regional NSW. Content capture at keystone events including Vivid Sydney, ELEVATE Sydney and Sydney's

Open for Lunch has built a collection of event-focused content assets. In addition, a collection of Aboriginal tourism experiences in Sydney have been showcased. We have partnered with Tourism Australia to deliver new visual assets to 240 NSW operators as part of the National Tourism Content Initiative. Destination and tourism experience content capture has provided fresh visual assets to marketers, media, and industry and government stakeholders, with access through the continually growing Destination NSW Content Library.

Our Content Library houses more than 30,000 visual assets and, in the 2021-22 financial year, delivered the following results:

- 146,984 unique views
- 2,011 new registrations (increase 9% YoY)
- Delivered more than 80,000 digital assets to approved users to promote and market NSW (increase 5% YoY)
- 3,386 new assets added.

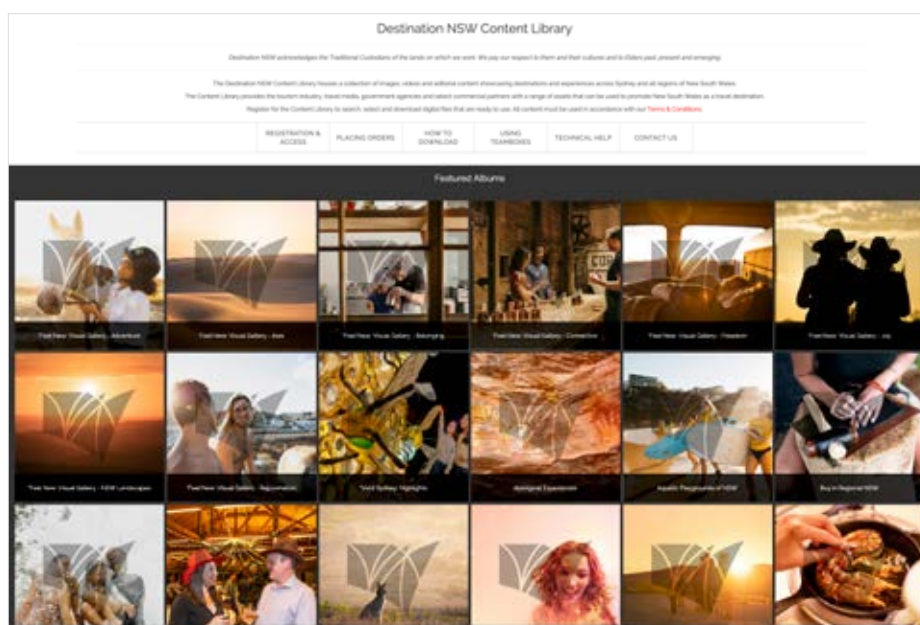
In addition, a Resource Hub was built to provide industry and stakeholders access to campaign assets, style guides and toolkits.

### Media Centre

Following its launch success in March 2021, our Media Centre continued to play a vital role in awareness and demand generation through fuelling story placements and coverage via media and content creators globally.

The Media Centre attracted more than 164,000 visits, which exceeded the annual goal of 100,000 by more than 64 per cent, and a total of 138,410 unique users, which exceeded the goal by more than 73 per cent.

With the reopening of international borders, the Media Centre is being enhanced and will soon include additional country-specific homepages for our international markets including USA, UK and India.





## Vivid Sydney

### Return of Vivid Sydney

After a two-year hiatus, Sydney was craving the return of its annual winter festival of light, music and ideas, to bring people back together, reinvigorate the night-time economy and shine a spotlight on the city's vibrant culture, creativity and innovation.

Owned, managed and delivered by Destination NSW on behalf of the NSW Government, Vivid Sydney brings the teams together, along with other NSW Government agencies, to deliver a calendar highlight that has grown to become the largest festival of light, music and ideas in the Southern Hemisphere.

The 2022 program commenced on 27 May 2022 and featured more than 200 events and artworks including 50 light installations and 3D projection artworks, more than 100 eclectic music events held across 25 Sydney venues, more than 65 thought-provoking Vivid Ideas talks and immersive workshops, and the inaugural Vivid Sydney Dinner.

Vivid Light returned with the longest continuous Light Walk in the festival's history. The 8km Light Walk spanned from Circular Quay to Central Station with installations in precincts along the route including Barangaroo, Walsh Bay, Sydney CBD, Circular Quay, Darling Harbour, Darling Square, The Goods Line, Central Station, Luna Park, Taronga Zoo, The Rocks and Sydney Opera House.

The 2022 festival opened with First Light, a new event held on Friday 27 May. It celebrated the Gadigal people and Country and included a smoking ceremony, Welcome to Country, dance performances by NAISDA Dance College and other companies, pyrotechnics and Sydney Harbour Bridge pylon projections.

Australia's First Nations culture was also celebrated with an impressive new projection in the Sydney Opera House Lighting of the Sails. *Yarrkalpa – Hunting Ground, 2021* (inspired by *Yarrkalpa – Always Walking Country 2014*) was created by eight female Martu Artists of the Pilbara region, and Sydney creative technologists Curriious, incorporating new music by Electric Fields and featuring the vocals of the Martu Artists.

A festival highlight came in the first weekend of the festival with Sydney Harbour hosting the largest-ever drone show in the Southern Hemisphere. In a partnership between Vivid Sydney and the streaming platform Paramount+, 600 drones lit up the night sky above Sydney Harbour for the spectacular show.

Vivid Sydney also commemorated Her Majesty The Queen's Platinum Jubilee on 2 June 2022 when the Sydney Harbour Bridge, CBD buildings and vessels in Sydney Harbour shone royal purple. The special one-off '7 Minutes for 7 Decades' moment marked Her Majesty's 70 years of dedicated service as part of a national program of recognition with many landmarks lit with royal purple across NSW and the nation during the official Platinum Jubilee celebrations in the UK from 2–5 June.

Vivid Sydney continues to resonate with visitors, with the 2022 festival achieving record attendance of almost 2.6 million visitors, a 7.5 per cent increase on 2019, despite a reduction in international visitors. The opening weekend and Queen's Birthday June long weekend also broke all previous records, attracting 400,000 and 630,000 visitors respectively.



*Vivid Sydney 2022 featured the largest-ever drone show in the Southern Hemisphere.*

## Vivid Sydney CONTINUED

### Return of Vivid Sydney CONTINUED

#### Sustainability

Vivid Sydney continues to explore ways to integrate sustainable practices into the festival. All grid-connected lighting installations were powered with 100 per cent GreenPower accredited renewable energy, through the purchase of Large-Scale Generation Certificates from certified NSW generators.

In 2022, Vivid Sydney's average nightly energy consumption was the equivalent of powering 636 one-person households in Sydney in winter. Carbon emissions are offset by supporting tree-planting projects in regional NSW.

Other sustainable practices included the placement of Sydney Water drinking stations across the Vivid Light Walk, which saved an estimated 302kg of plastic bottles from being purchased.

#### Promoting Vivid Sydney

With a rapidly changing COVID-19 situation, ongoing border closures and consumer confidence at an all-time low, the marketing campaign was pivotal in building awareness that Vivid Sydney was back, bigger and better than ever.

The objectives of the campaign were to:

- Drive awareness, appeal and brand recognition for Vivid Sydney
- Drive ticket sale conversion and encourage incremental overnight visitation
- Maximise event advocacy, social sharing and to drive repeat visitation for 2023.

The multifaceted marketing campaign was a perfect example of collaboration across the Consumer Marketing team. The flighting and messaging of the campaign activity was carefully considered and utilised all touchpoints across paid, owned and earned channels. The 20-week campaign, which ran between 16 February and 18 June 2022, was structured around three key phases, each having a distinct objective.

The 'Announce Phase' was timed alongside Destination NSW's 100-day countdown media moment, which aimed to generate excitement and hype among target audiences, inspiring them to visit and experience Vivid Sydney. Campaign research indicates that awareness of the event reached 65 per cent during the campaign period.

Program launch was celebrated with another media moment, and aligned with the launch of the website, tickets on-sale, and travel packages. The role of this 'Facilitate Phase' was to promote the program and key events, travel packages and itineraries while converting ticket sales. In total, there were 2.7 million visits to [vividssydney.com](https://vividssydney.com) (48 per cent increase on 2019) and more than 650,000 leads (50 per cent increase on 2019) with social media alone contributing to 15.7 per cent of total transactions received on the website.

During the 23-day event period (27 May–18 June) the 'Connect Phase' of activity aimed to enhance the on-ground experience of festival goers and encourage attendance dispersal, while generating event advocacy to repeat visitation. Social media was the main channel during the festival, focusing on bespoke vertical video content, shared in real time. More than 400,000 people tuned into our five live streams across Facebook and TikTok and, overall, we reached 352.92 million people via the hashtag #vividssydney.

The creative strategy for the Vivid Sydney marketing campaign embodied the festival's creative theme for 2022 'Vivid Sydney – the soul of our City'. After seeing the campaign creative, 51 per cent agreed that Vivid Sydney represents the soul of Sydney.

Use of the upmost engaging and iconic imagery and video content resulted in the campaign exceeding norms on creative diagnostics including: enjoyment (66 per cent), talkability (48 per cent), eye-catching (80 per cent) and appeal (66 per cent), leaving ad-recognisers feeling 'excited, fascinated and inspired'.

Adherence to Vivid Sydney brand guidelines ensured that the Vivid Sydney brand was unified and recognisable across all touchpoints and media channels. As a result, correct recall of the Vivid Sydney brand is 58 per cent, which is very high (branding norm 47 per cent).

All results mentioned above are from the 'DNSW Brand Engagement Monitor, June 2022 – Fiftyfive5'

The campaign delivered:

- 2.7 million visits to [vividssydney.com](https://vividssydney.com) (48% increase on 2019)
- 63.4 million combined reach/impressions across paid media channels
- Vivid Sydney owned social posts reached over 81.6 million people (16% growth from 2019) and 49.9 million video views (432% growth from 2019)
- Gained 60,453 new social followers during the campaign, including 17.8% growth on Instagram and built a TikTok following to 175,000
- Reached 352.92 million people via the hashtag #vividssydney
- Social media generated more than 371,000 clicks to [vividssydney.com](https://vividssydney.com)
- 2.79 billion total reach from PR activities with an Advertising Value Equivalent (AVE) of \$76,523,216
- 21,610 clips generated (50% increase on 2019)
- 7,943 total media mentions globally (226% increase on 2019).

Vivid Sydney is a major contributor to the NSW Government fulfilling its Phase One goal to return the total visitor expenditure to the pre-COVID level of \$43 billion in 2019 by 2024 and \$65 billion in 2030.

## Vivid Sydney CONTINUED

### Return of Vivid Sydney CONTINUED

#### Results

- 2.58 million attendees at Vivid Sydney 2022 (up 7.5% on 2019)
- Largest opening night with more than 140,000 attendees
- 440,000 attendees for the opening weekend, making it the largest opening weekend in the event's history
- 636,000 attendees over the Queen's Birthday June Long Weekend
- Longest-ever Light Walk – 8km stretching from the Sydney Opera House to Central Station
- More than 100,000 Vivid Sydney travel packages sold
- More than 701,000 attendees enjoyed a meal in a restaurant, café or hotel – a 24% increase on previous record
- 2.1 million attendees had a sit-down or takeaway meal while visiting Vivid Sydney
- Around 90,000 patrons enjoyed Vivid Sydney from aboard a harbour cruise
- Average percentage of attendees using public transport increased by 3%
- 50 Vivid Light installations
- 100 Vivid Music performances held across 25 Sydney venues
- 67 Vivid Ideas events, with 106 sessions at 25 venues



*Vivid Sydney is owned, managed and delivered by Destination NSW on behalf of the NSW Government.*



## Events

Investing in a world-class events calendar to maximise the economic and social benefits to NSW is a key Strategic Pillar of the NSW VES 2030. The Events team is responsible for developing and delivering a distinctive and compelling events calendar that positions Sydney and NSW as the events capital of the Asia Pacific.

In 2021-22, the team secured or retained 99 events including 16 multi-year agreements, the CBD revitalisation initiatives and securing NSW-exclusive events through the new State Significant Event Fund. As impacts of COVID-19 and extreme weather events continued to be experienced, the team worked proactively with event organisers and other external stakeholders regarding event postponements and cancellations.

Destination NSW was delighted to see the return of Vivid Sydney in 2022, for the first time since 2019.

### State Significant Event Fund

The State Significant Event Fund, announced as part of the 2021-22 State Budget, provides \$200 million in funding over four consecutive years for event organisers and promoters who deliver exclusive events that will turbocharge the state's visitor economy, in line with the VES 2030.

The State Significant Event Fund is designed to accelerate investment to acquire and develop signature sporting and cultural events of national and international significance.

Events secured in 2021-22 under the State Significant Event Fund include F.C. Barcelona v A-Leagues All Stars, Duel in the Pool, FIFA World Cup 2022 Qualifier – Socceroos v Japan, Sydney Super Cup 2022 & 2025, Bruno Mars Live and Exclusive at Allianz Stadium, and the Wanderer Festival in regional NSW.

### Culture, Entertainment and Creative Industries

This year, our major events calendar continued to showcase the strength of our arts and creative industries and entertainment sectors in Sydney and NSW with exclusive exhibitions such as *Matisse: Life & Spirit Masterpieces from the Centre Pompidou, Paris*; *Doug Aitken: New Era*; the Do Ho Suh exhibition; blockbuster musicals such as *Hamilton* and *Mary Poppins*; and securing South by Southwest (SXSW) for Sydney, a conference and festival that celebrates film, technology and music.

The year has not been without its challenges with COVID-19 lockdowns and travel restrictions shutting the doors for several months. However, as part of the NSW Government's CBDs Revitalisation Program, Sydney's Open for Lunch and ELEVATE Sydney welcomed people to enjoy our city once again.



Barcelona FC players and management team with Destination NSW CEO Steve Cox on 24 May 2022.



## Events CONTINUED

### ELEVATE Sydney 2022

ELEVATE Sydney was a free five-day entertainment and cultural celebration featuring a blockbuster line-up of live music and entertainment performed on Sydney's Cahill Expressway. Taking place from 1–5 January 2022, ELEVATE Sydney was part of NSW Government's CBDs Revitalisation Program to turbocharge the recovery of the NSW visitor economy and reaffirm Sydney's position as a global events destination.

This new public event was created in response to a recommendation from local businesses through the CBD Summit in early 2021 to support businesses after New Year's Eve. A major event of this scale, for free community access, had not been created since Vivid Sydney. Using the Cahill Expressway as a public space, a series of first-ever experiences was created, inspired by renowned sites, such as The High Line in New York City and The Stairs to Kriterion, a temporary public art installation in Rotterdam 2016.

ELEVATE Sydney brought together a diverse mix of Australian artists from various genres and provided something for everyone to enjoy. The outdoor event featured a program of children's entertainment, sport-themed variety shows, pop and disco, youth events, and First Nations showcases.

Highlights of ELEVATE Sydney included:

- ELEVATE SkyShow, an Australian first, featuring 500 choreographed drones flying over Sydney Cove, creating a mesmerising light show forming elaborate patterns set to an original soundscape. A boomerang, a waratah and a series of animations told a powerful story of Sydney's past, present and hopes for 2022
- Final Night performances featuring Tones and I and Tim Minchin
- ELEVATE Encore with ARIA Award-winning Australian artists Peking Duk and Lime Cordiale
- A contemporary Call to Country designed by Rhoda Roberts AO and performances by leading First Nations artists Electric Fields and Troy Cassar-Daley
- Children's entertainment including The Wiggles, Bluey and Junkyard Beats
- Disco night with Marcia Hines, Leo Sayer and Courtney Act
- ELEVATE Music featuring BVT, CXLOE, Hauskey, L-FRESH the LION and Ngaiire
- The best of Aussie sporting culture with live conversations from sporting legends and athletes including Australia's most successful Olympian, Emma McKeon.

Survey results from ELEVATE Sydney include:

- 89% from Sydney with 7% from regional NSW and 3% interstate
- 88% respondents rated their overall experience as 'very good' or 'good'
- Nearly 80% of respondents visited the Sydney CBD specifically for ELEVATE Sydney
- More than 8 out of 10 (85%) respondents were aware that ELEVATE Sydney was a NSW Government initiative
- Of those who said it was one of the main reasons for visiting Sydney, 64% said it was the *primary* purpose of their visit to Sydney.



*Destination NSW transformed Sydney's Cahill Expressway in January 2022 into a spectacular stage for live music, discussion, activities and performances.*

## Events CONTINUED

### Sydney's Open for Lunch

Sydney's Open for Lunch was developed to support recovery in Sydney's hospitality sector, encouraging Sydneysiders to reconnect with the CBD and enjoy sharing a meal with friends, family and work colleagues after an extended lockdown. Events took place across Sydney on 3 December 2021, including George Street, Parramatta, South Eveleigh and the YCK Laneways (York, Clarence and Kent Streets). Well-known chefs and figures from Sydney's dining scene – Luke Mangan, Kylie Kwong, Palisa Anderson, Mike McEneaney and more – came together to collaborate on an exciting program that fused food, drink and entertainment.

Eighty-four restaurants across 11 precincts participated in the events, which created 719 jobs and facilitated visitor economy growth.

Hero events included:

- The sold-out George Street Long Lunch transformed Sydney's iconic street for one day only into the ultimate summer lunch party for more than 600 guests. Guests dined outdoors with a three-course lunch prepared by Palisa Anderson of Chat Thai, Mike McEneaney of Kitchen by Mike, Luke Mangan of Glass Brasserie and Michael Nicolian of Continental Delicatessen. Live musical performances by George Ellis Orchestra featuring Josh Pyke, plus the Hot Potato Band, and a surprise performance by Hot Dub Time Machine contributed to the celebratory mood as their music entertained guests.
- A lunchtime disco fever took over the piazza in Locomotive Street for the South Eveleigh Alfresco Disco, where Kylie Kwong served a noodle feast from her Cantonese eatery Lucky Kwong, complemented with cocktails by neighbouring Re- cocktail bar and kitchen.

- The YCK Laneways became a sit-down soiree for diners to settle in and experience the best of inner-city bar culture over delicious bites as several independent venues put on themed long lunches that continued into the evening.
- Parramatta Square turned into a lunchtime food fiesta with three of its neighbourhood restaurants teaming up to welcome and wow diners. CiccioBella, LILYMU and Ruse Bar & Brasserie each served a three-course plated meal. The musical talents of renowned indie RnB collective Winston Surfshirt (DJ set), RnB star Milan Ring and soulful hip-hop artist Nardean entertained guests during the lunch.

We delivered the event within four-and-a-half weeks in response to the recovery phase post Public Health Orders being lifted and worked with the City of Sydney, City of Parramatta, TransDev, Transport for NSW and local businesses to manage road closures, approvals and secure the necessary sanctions.

Survey results from Sydney's Open for Lunch include:

- 95% from Sydney with 5% from regional NSW
- 9 in 10 respondents were aware the event was a NSW Government initiative
- Around 9 in 10 (89%) respondents rated their overall experience as 'very good'
- 74% strongly agreed the event was a great initiative to boost the local economy
- 3,969 attendees across the four primary events (George Street, Parramatta, South Eveleigh and the YCK Laneways)



*Destination NSW showcased the Harbour City's world-class and diverse dining scene at Sydney's Open for Lunch on 3 December 2021. The events fused food, drink and entertainment to turbocharge the revitalisation of the hospitality industry.*



## Events CONTINUED

### Sport and Destination

Sydney and NSW have been proud to host many of our nation's sporting events and have continued to work with industry stakeholders to deliver the best event infrastructure and environment.

We are making Sydney the home of football through ongoing support of the Socceroos and the Matildas and hosting spectacular international matches, such as FC Barcelona v A-Leagues All Stars. Investment in running events has led to the Sydney Marathon being announced as a candidate for the World Marathon Majors, while cycling and surfing events around the state are highlighting the natural beauty of NSW terrain and boosting daytrip and overnight visitation to the regions.

### Regional Festivals

Our support of regional festivals, such as the Parkes Elvis Festival, Broken Hill Mundi Mundi Bash and Tamworth Country Music Festival continued in 2022 with the aim of driving international, interstate, and intrastate visitation and generating economic and social benefits for the state. Regional festival visitation contributes to the NSW VES 2030 total visitor expenditure target of \$65 billion by 2030.

The Parkes Elvis Festival is held annually in the second week of January to coincide with Elvis Presley's birthday. Due to COVID restrictions in January, the 2022 festival was held in April. The festival boasts a program of more than 200 events across five days.

The Tamworth Country Music Festival is an annual festival celebrating Australian country music, which culminates with the Country Music Association of Australia Awards, known as the Golden Guitars. The festival celebrated its 50<sup>th</sup> Anniversary in 2022, but was postponed from its traditional mid-January date to the end of April 2022, due to COVID-19 impacts.

The Broken Hill Mundi Mundi Bash is Australia's newest outback music festival and is created by the producers of the iconic Birdsville Big Red Bash. Set on the stunning red dirt of the Mundi Mundi Plains with the beautiful Barrier Ranges as a backdrop, the Broken Hill Mundi Mundi Bash brought the NSW outback to life.



*The Broken Hill Mundi Mundi Bash was proudly supported by Destination NSW.*

## Events CONTINUED

### FC Barcelona v A-Leagues All Stars

In 2022, Destination NSW secured a Sydney exclusive tour by inviting FC Barcelona to participate in an international exhibition match against the A-Leagues All Stars, once again positioning the Harbour City as the home of football in Australia.

This exclusive event was the first time FC Barcelona had toured Australia and provided football fans with an opportunity to see one of the world's most popular and recognised international football clubs, featuring some of the sport's best and highest-paid players. The A-Leagues All Stars team included a selection of the most talented and exciting Australian and international players from the A-Leagues club rosters.

The event was successfully held at Accor Stadium on 25 May 2022, with FC Barcelona defeating the A-Leagues All Stars 3-2 in a competitive match. The event attracted a cumulative attendance of 70,174; the largest attendance at a live sporting event in NSW since 2019, demonstrating that Sydney is open and welcoming visitors in a COVID Safe way. The match was played ahead of the A-League Men's Grand Final on 28 May and in the same week as football's prestigious Dolan Warren Awards.

In addition to the match, fans were able to see the football stars up close at an open training session at Accor Stadium. The FC Barcelona playing squad, as well as their manager, club legend Xavi, also attended a 'Welcome to Sydney' press conference and visited the Sydney Opera House the evening before the match for a team photograph on Sydney Harbour with the iconic Sydney Harbour Bridge lit up with image projections and FC Barcelona colours.

We partnered with VenuesLive to ensure images of FC Barcelona's exclusive visit to Sydney Harbour were shared internationally via the Club's social media channels (which has the largest social media presence of any football brand in the world and more than 396 million followers) and via Getty Images worldwide, who distributed images to 212 countries.

Bringing the Club's star power to Sydney put Australian football back in the international spotlight and highlighted the

city's attractions and world-class events calendar to football fans around the globe, turbocharging the NSW visitor economy on its road to recovery and helping to build the Sydney and NSW brand.

Media results included:

- 3,547 media clips
- Total advertising value equivalent of \$46,069,912
- Total reach of 4,980,531,129.

### NRL Indigenous All Stars v NZ Maori 2022

In the 2021-22 financial year, Destination NSW partnered with the National Rugby League (NRL) to secure the NRL Indigenous All Stars v NZ Maori match exclusively for Sydney. The NRL Indigenous All Stars is a showcase event promoting Indigenous and Maori cultures in a week-long festival of rugby league, culminating in a double header of matches between the NRL Indigenous All-Star men's and women's teams versus the NZ Maori Kiwis and Ferns.

This annual event is traditionally held as an NRL Premiership pre-season fixture. In February 2022 the event was successfully held at CommBank Stadium in Western Sydney and attracted a near sell-out attendance of 26,755. In line with the NSW VES 2030 guiding principle 'lead with our strengths' Sydney had competitive advantage to host this event at CommBank Stadium, which is an ideal venue size with a total seating capacity of 30,000.

The event strategically aligned with Destination NSW's COVID-19 Road to Recovery program and promoted Sydney as open and welcoming to international and interstate visitors in a COVID Safe way, driving international (New Zealand), interstate and intrastate visitation.

The event generated positive community outcomes and celebrated the NRL's commitment to Aboriginal and Torres Strait Islander and New Zealand Maori cultures. It reinforced NSW as the home of Rugby League and delivered economic and social benefits for the state.



Media call for the NRL Indigenous All Stars versus Maori All Stars fixture in February 2022.



## Policy, Product and Engagement

The Policy, Product and Engagement Division comprises the functions of product and distribution development; industry development; regional destination development; regional business events and funding programs; visitor servicing; ministerial and parliamentary services; corporate affairs and policy; and stakeholder and ministerial communications. This new division was formed to drive stakeholder engagement to increase collaboration between visitor economy and government and develop the visitor economy to support the implementation of the NSW Visitor Economy Strategy (VES) 2030 and the NSW Government's vision of making NSW the premier visitor economy of the Asia Pacific.

### Product and Distribution Development

Aligning deliverables to the NSW VES 2030 was a core focus in 2021-22 with our teams providing platforms and adapting to the ongoing impacts of COVID-19. All activities focused on the NSW VES 2030 'Road to Recovery' Strategic Pillar. In line with guiding principle four 'move fast, be responsive and agile', we redesigned and reformatted a range of our industry development initiatives to support digital-only and hybrid delivery.

These activities also demonstrated how we were able to 'Accelerate Digital Innovation' in line with guiding principle two of the NSW VES 2030 by leveraging digital meeting and webinar platforms to deliver live and on-demand content for visitor economy businesses to access from any device.

### NSW First Program Digital Transition

NSW First is Destination NSW's industry development and capability-building program. Due to the ongoing impact of COVID-19, the team tailored the program to ensure continuity through a combination of online learning and events, in addition to face-to-face workshops, as restrictions eased.

Eleven webinars, three online short courses and nine workshops and showcases were delivered from July 2021 to June 2022, attended by 4,304 participants. In addition, a new Digital Accelerator for Tourism program, offering digital health check reports and consultation sessions to 200 NSW businesses, commenced in June 2022.

The NSW First Program included a collaboration with Meta to deliver a five-part webinar series, Facebook and Instagram for Tourism, as well as three customer service-focused online

short courses, or micro credentials, delivered in partnership with Restaurant and Catering Australia.

The program provided tools and information to help visitor economy businesses position themselves for recovery and a return to profitability in response to the impacts of COVID-19. The redesigned program enabled the team to leverage digital meeting and webinar platforms to deliver live and on-demand content for visitor economy businesses to access from any device. This digital access enabled participation from businesses throughout NSW.

Post-event surveys delivered an overall satisfaction rate of 98 per cent.

### New Product Workshop

In June 2022, the Policy, Product and Engagement team delivered its first New Product Workshop in two years, at the Sofitel Sydney, Darling Harbour. Usually held annually, this event introduces newly commissionable visitor economy businesses (sellers) — including tour, accommodation and attraction operators, travel distributors (buyers), inbound tour operators, domestic wholesalers and online travel agents — in an appointment-based, business-to-business environment.

Participating businesses prepared for the event by taking part in the NSW First Program, a capability-building program delivered by the team to help businesses in the visitor economy develop, promote and sell their products.

Twenty-three NSW seller businesses from Sydney and regional NSW attended the event, the highest number to date, including four from cool-climate wine region, Orange; six regional NSW accommodation providers; and 15 experiences from Sydney and its surrounding regions.

The event, which followed the reopening of international borders, saw more than 400 appointments take place between buyers and sellers, followed by a networking event showcasing NSW food and wine.

This initiative addresses Action 1.17 of the NSW VES 2030, Strategic Pillar One, 'Road to Recovery': *Deliver an expanded program of NSW First industry development workshops to help visitor economy businesses develop, promote and sell in the current and future B2B and B2C environment.* The workshop enabled visitor economy businesses to build new B2B relationships with distribution networks and enabled them to target and sell to new markets.



*Twenty-three NSW businesses introduced their products to key domestic and international buyers in June 2022 at the Destination NSW New Product Workshop.*

## Policy, Product and Engagement CONTINUED

### National Experience Content Initiative

The National Experience Content Initiative (NECI), led by Tourism Australia, is a \$12 million content creation initiative aimed at supporting visitor economy businesses across Australia in their recovery and driving increased visitation, by helping them to better market their experiences and attractions.

Destination NSW collaborated with Tourism Australia to coordinate delivery of 242 content shoots in NSW for NECI, liaising with NSW tour and attraction businesses, facilitating production teams, and assisting with talent-sourcing. Each participating business receives an edited one-minute video and 40 select still images in addition to raw images and b-roll footage, which can be used to update website content, ATDW listings and other marketing assets.

The NECI collaboration supported the NSW VES 2030 Guiding Principle 'Collaborate with Industry and Government' and delivered quality marketing assets to more than 240 NSW visitor economy businesses, enabling further opportunities for growth. The project equips NSW tour and attraction businesses to better showcase their unique experiences to potential visitors, aligning with the 'Showcase our Strengths' Strategic Pillar of the NSW VES 2030.

### Australian Tourism Exchange 2022

Destination NSW partnered with Tourism Australia to deliver the live 2022 Australian Tourism Exchange (ATE) at ICC Sydney from 15–18 May 2022.

After two years of travel restrictions, more than 1,100 participants attended, including international buyers from 20 countries and 91 NSW tourism suppliers. An online component was held from 24–26 May to connect participants unable to attend the live event.

ATE provided an opportunity for visitor economy stakeholders to meet, exchange knowledge, and maintain and establish new business connections to promote Sydney and NSW. The Destination NSW team conducted more than 650 meetings across the live and online components of the event. An exclusive function provided further opportunity for the NSW tourism suppliers to network with the buyers. The team hosted 31 familiarisation itineraries showcasing Sydney and NSW destinations to 245 international buyers.

Destination NSW also offered all attending international buyers the opportunity to participate in the Feel New ATE Morning Program. The objective of the program was to get buyers active in a fun environment, while showcasing some immersive NSW experiences. Five NSW tourism suppliers participated in the program promoting their products/experiences including Let's Go Surfing, Fit City Tours, Bonza Bike Tours, Local Travel Planner and Sydney Harbour Boat Tours. The NSW operators reported the program as a success, based on participation numbers and anecdotal feedback.

ATE 2022 supported Strategic Pillars One and Four of the NSW VES 2030, 'Road to Recovery' and 'Showcase our Strengths', and demonstrated alignment with the guiding principles of putting the visitor first, leading with our strengths and moving fast, and being responsive and agile by pivoting to a hybrid event format.



*Destination NSW partnered with Tourism Australia to bring the nation's premier travel trade event to NSW, using the Harbour City as the backdrop to sell Australia to the world.*



## Policy, Product and Engagement CONTINUED

### Tourism Product Development Funding

The Tourism Product Development Funding Program continued in 2021-22 to support post-COVID-19 recovery. This \$4.1 million program enables businesses to update and improve their accommodation product or create new attractions or experiences that directly align with NSW VES 2030. Support delivered through this program increases the capacity of the NSW visitor economy to deliver high-quality experiences during the recovery phase.

The program comprised two streams, providing grants to regional NSW through the 'Refresh and Renew' stream and to regional NSW and Greater Sydney through the 'Experience Development' stream.

The Refresh and Renew Fund offered \$30,000 grants, with businesses committing a minimum co-contribution of \$15,000 to update their accommodation product and improve the visitor experience. Fifty-five Refresh and Renew projects received funding to directly address consumer feedback enabling the product to better meet consumer expectations in the future.

The Experience Development Fund offered grants between \$80,000 and \$150,000 in matched funding to support the development of new tourism attractions and experiences in NSW.

This fund involved a two-stage process, comprising an Expression of Interest (EOI) from which 23 EOIs were shortlisted and invited to submit a full application. Twenty full applications were submitted and are under assessment.

The Tourism Product Development Funding Program supports the implementation of the NSW VES 2030 by addressing visitor expectations and developing new experiences and services and by accelerating digital innovation.

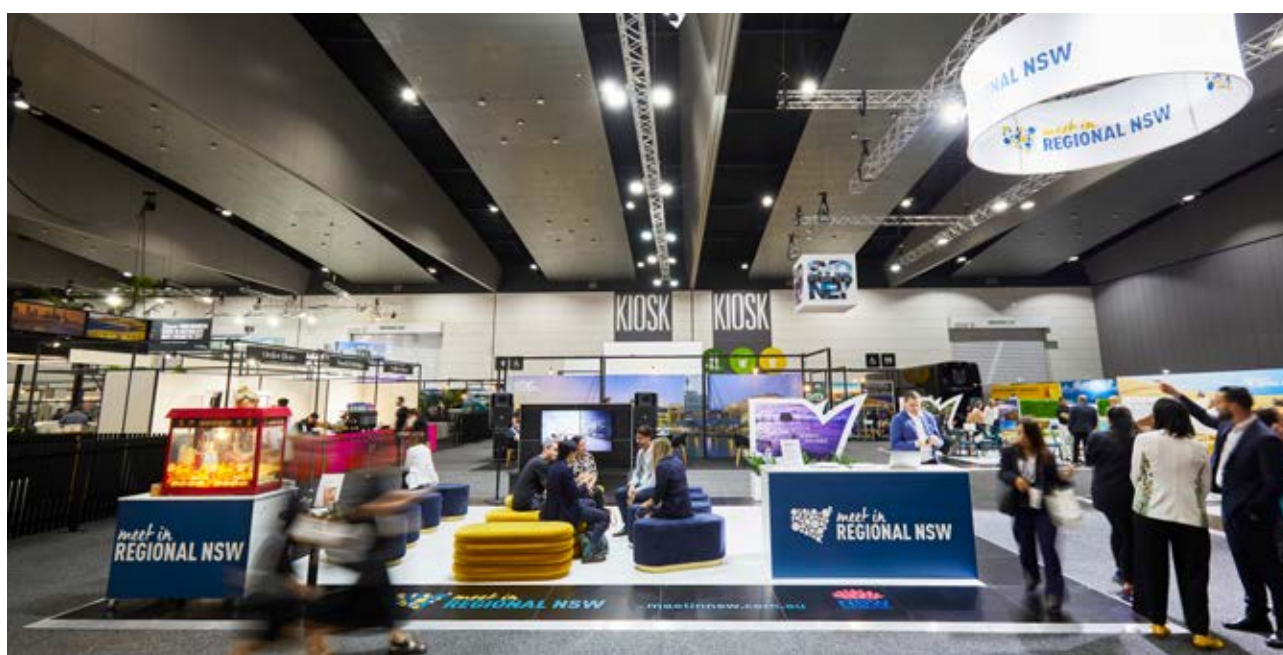
Details of grants delivered through the Refresh and Renew Fund can be found in the Appendices.

### Meet in Regional NSW Program

The Meet in Regional NSW Program is delivered by the Destination NSW Regional Conferencing Unit and designed to raise awareness and consideration for regional NSW as a premier destination for business events. The program helps deliver key actions identified in the NSW VES 2030, including securing and supporting new business events for regional NSW to drive visitation and expenditure across the state.

In 2021-22, the Regional Conference Unit secured 29 events to be delivered in regional NSW between 2021 and 2024 with an estimated direct delegate expenditure of \$3 million. Sales activities have generated an additional 95 business event leads with an estimated potential value of \$11 million for regional NSW.

The program has also delivered 17,853 direct website leads to businesses listed on [meetinnsw.com.au](https://meetinnsw.com.au).



*Destination NSW showcased regional conferencing destinations, meeting facilities and suppliers in March 2022 at the Asia-Pacific Incentives and Meetings Expo (AIME).*



## Policy, Product and Engagement CONTINUED

### Regional Business Event Development Fund

The NSW Regional Business Event Development Fund is designed to help stakeholders create, attract and support exciting business events for regional NSW and to support new business event initiatives. The fund aims to enrich these business events with opportunities offered by iconic towns and regions, while helping secure successful conferences and events for the future.

In 2021-22, \$750,000 in funding was allocated for the program as part of the NSW Government Business Event Industry Support Package. The \$5.5 million stimulus package was designed to support jobs across the state's business events industry, as part of a \$51.5 million COVID-19 economic recovery package announced on 25 March 2021.

Business events drive mid-week visitation, particularly for regions that typically thrive on leisure tourism. The fund's focus on business events drives economic growth, job stability and job creation for regional NSW.

Grants of up to \$30,000 were available to support conference initiatives that drive additional delegate numbers and overall expenditure by encouraging visitors to stay longer in region before and after their business event. Funding for small-scale infrastructure projects that help operators upgrade facilities to secure additional business events is also available as part of the program.

Thirty-nine applicants received funding in 2021-22, supporting four new infrastructure projects and delivering an expected 6,763 delegates to regional NSW. Full details can be found in the Appendices.

### Corporate Affairs and Policy

The Corporate Affairs and Policy business unit is responsible for corporate communications, ministerial and parliamentary services, visitor economy policy, and Destination NSW's corporate digital strategy.

In 2022, the Communications team delivered a range of activities to amplify Government investments in policies and programs that underpin the Government's vision for Sydney to be the events capital and NSW to be the premier visitor

economy of the Asia Pacific. This included press releases and speeches, media and stakeholder events, and delivering the agency's press office.

The Ministerial and Parliamentary Services team was responsible for developing a range of outputs to support ministers and government representatives, as well as the Destination NSW executive team. This included briefing notes and supplementary questions for two Budget Estimates hearings. The team also delivered a further 400 documents comprising briefing notes, correspondence and responses to Questions on Notice.

The Visitor Economy Policy team worked across the organisation and the NSW Government, providing input to submissions and leading key initiatives to support and develop the NSW visitor economy. The team coordinated two significant policy initiatives during 2022 to be shared in 2023 and provided secretariat services to the newly established Visitor Economy Senior Officers Group. In the reporting period four Visitor Economy Senior Officers Group meetings were held.

The team was also responsible for Destination NSW's corporate website, which provides access to information about the organisation and the NSW visitor economy, including industry resources, statistics and research reports. The team project managed the first phase of development for a new corporate website during 2021-22. The new website will be delivered in 2023. Content for the weekly Destination NSW Insights newsletter was also revitalised in the third quarter of FY22. The eDM attracted a highly engaged audience, with weekly open rates above 37 per cent. A reinvigorated LinkedIn content posting strategy introduced in the third quarter of FY22 resulted in followers of the Destination NSW corporate page increasing by 3300 to 25,999.

The Corporate Affairs and Policy team supported whole-of-organisation initiatives including Great Southern Nights, ELEVATE Sydney and the highly anticipated and successful return of Vivid Sydney. In addition to coordinating and supporting media and stakeholder activities for these events, the team represented Destination NSW in the Government Coordination Centre for over 180 hours and produced over 150 operational reports to keep internal and external stakeholders updated throughout the event.



Casey Donovan performed at the media call and announcement of the full program line-up for Great Southern Nights 2022. The media call was project managed and delivered by the Destination NSW ministerial and corporate communications and public relations teams alongside Australian Recording Industry Association (ARIA).

## People and Culture

Building upon the establishment of the People and Culture Division in 2021, the division has further expanded to include a dedicated internal communications team and additional HR specialisms.

The team focuses on our people to create an engaging, empowered, and high-performing work culture that supports Destination NSW's values, vision and purpose, while also providing integral quality internal services with expert advice and guidance. People and Culture has four strategic objectives:

- Getting the basics right
- Creating and supporting high-performing teams
- Making Destination NSW the premier place to work
- Embedding a diverse and inclusive recognition culture.

### Continuing to Support Our People Throughout a Challenging Year

People and Culture continued its multifaceted approach to supporting our people during continued challenging times of the pandemic and natural disasters. The People Committee remained focused on increasing employee connections with organised initiatives and activities fostering both a supportive and fun remote working environment. Our monthly CEO focus group sessions continued, with everyone encouraged to ask questions, give feedback and offer their point of view for open and transparent conversations.

We raised awareness of the support on hand, including a dedicated Employee Assistance Program (EAP); Lunch & Learn; and profiling the EAP services available and how to use them for the best outcomes with a particular lens on positive wellbeing and improving resilience. Our bi-weekly People and Culture update included dedicated wellbeing features to ensure our people regularly reflected on how they were feeling, felt supported and knew where to go for help. With people gradually returning to the office toward the second half of the year, there was an additional focus given to Work Health & Safety to ensure there was a level of comfort for everyone and an awareness of required COVID Safe protocols and policies.



*Destination NSW staff joined with more than 1000 Sydneysiders to create a giant human Progress Flag on the steps of Sydney Opera House to mark the 44th anniversary of the first Sydney Gay and Lesbian Mardi Gras and invite the world to attend Sydney WorldPride 2023.*

## People and Culture CONTINUED

### A Unified, High-Performing Culture Driven By Purpose

A dedicated internal communications team was created in August 2021 to further recognise the importance of our people and the influential role that best-in-class internal communications has in supporting a cohesive, high-performing culture.

An internal communication strategy has been developed outlining key focus areas, initiatives, and actions to ensure every employee understands and feels part of Destination NSW's strategy, vision, and values.

A clear internal communications cadence has been established across new dedicated channels to improve leadership visibility, drive a positive culture, showcase our strengths and successes, and empower people to collaborate. This includes monthly Town Halls with values, business and cyclical updates led by CEO Steve Cox, a bi-weekly People and Culture-focused update, and the monthly *Insider* newsletter – all about the depth, breadth and excellence of our people. The Destination NSW Intranet provides a central point for news, information and policies, with content reviewed regularly and new sections created for onboarding, recruitment processes and other critical business information.

We have regular activities and initiatives to celebrate and recognise our people, events of cultural significance, and wellbeing. Destination NSW's values of collaboration, agility, respect, ownership, excellence, and passion are integrated throughout communications activities. Nearing completion of the Destination NSW reorganisation has brought new capabilities, ideas and energy to the organisation and has enabled a good balance between continuity and renewal.

### Listening to Our Employees to Make Positive Change

Destination NSW's greatest strength lies in the knowledge, expertise and passion of its people. As we progress toward our goal of making Destination NSW the premier place to work, People and Culture ensures a diverse range of voices are heard in multiple ways, so our employees feel their opinions are valued, respected and acted upon.

The monthly CEO Focus Group sessions, initially created to support our people throughout the pandemic, have become part of our regular employee engagement cadence. These sessions actively demonstrate the tangibility and accessibility of our CEO in an open, honest, and friendly environment. They also provide an opportunity for our people to hear directly from the CEO about organisational direction and strategy.

People and Culture listened to and acted upon employee feedback in both the annual People Matter Employee Survey and Destination NSW Pulse Survey by implementing significant positive changes to ways of working, bringing more transparency in recruitment, and showcasing development opportunities. The Crown Conditions Award was implemented along with a new Flexible Working Policy to better support work-life balance by introducing a 35-hour work week, flex leave and paid directed overtime. We have also provided greater role clarity by developing more than 90 new role descriptions outlining specific accountabilities as well as implementing an annual salary review and increment policy. We regularly communicate secondment and development opportunities, highlighting the range of learning and techniques available. Feedback mechanisms are included in all People and Culture initiatives and activities.



## Corporate Services

The Corporate Services team brings together specialist support services including finance, legal, procurement, risk, governance, strategy, research and insights, information technology support, database administration, record-keeping, general administration, facilities management and property maintenance.

### Customer Relationship Management – Salesforce CRM

The Salesforce program is delivering identified, high-priority projects to assist Destination NSW's strategy by supporting users and conducting minor improvements and delivering training and cleansing data. Some of the high-priority projects include delivering a digital contract request and registering solution, extending and streamlining the existing contract processes in Salesforce, and building integrations to key systems.

### Work Management Platform

During the year, the Corporate Services team implemented a work management platform across Destination NSW to assist teams with operational efficiency by tracking projects and workflows, as well as tracking Objectives and Key Results (OKR) data and reporting. This has enabled greater team collaboration in an agile work environment.

### Data Warehousing Initiative

Over the last year, Corporate Services has been developing a data repository that will deliver reporting and self-service data provision both internally and across stakeholders over time. The development allows for the consolidation of several data sources – both internal and external – and allows for dashboarding and data sharing. Phase one of the project has gone live internally with a management dashboard initiative displaying market and industry statistics, such as airline seats, ticket sales, website visits and leads, and visitation performance.



*Destination NSW exhibited with 20 regional destination partners in March 2022 at the Get Local business event expo.*





Dorrig National Park, Dorrig Mountain



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## Destination NSW Senior Executive

**Steve Cox**, MBA, Post Grad Dip Management  
Chief Executive Officer

**Sandra Bender** BA, LLB (Hons)  
Director, Event Acquisition and Development, Culture,  
Entertainment and Creative Industries

**Francine Biddulph**, MBA, Dip HR (until 20 August 2021)  
Director, People and Culture

**Arthur Cheng**, M Comm, B. Soc Sci (Hons), Dip Couns,  
Dip Proj Mgt, CPHR (commenced 24 January 2022)  
Director, People and Culture

**Neville D'Costa**, B. Com, LLB (Hons)  
Director, Procurement and Legal

**Peter Doran**, BA MA QPR AMSRS TASA FAIM MAICD MISPI  
Director, Performance Assessment, Insights and Strategy

**Sue Doyle**, BA Tourism Management  
Director, Partnerships and International Marketing

**Libby Ellis**, B. Education (until 31 December 2021)  
Event Development Manager, Arts and Entertainment

**Paul Fletcher**, Grad Dip (Employment Relations)  
(16 August 2021 until 15 February 2022)  
Acting Director, People and Culture

**Bronwen Gwynn-Jones**, BA (Hons); Master of  
Arts (Communications)  
Director, Content and Creative Services

**Luke Hanley** (commenced 1 September 2021)  
Director, Event Acquisition and Development,  
Sport & Destination Events

**Rachael Hayes**, B. Communications  
(Public Relations) (commenced 25 October 2021)  
Director, Corporate Affairs and Policy

**Kathryn Illy**, MBA, Grad Dip Management, B. Bus  
and Economics  
General Manager, Consumer Marketing

**Bohdi Lewis**, B. Commerce (Marketing and Management)  
(commenced 17 January 2022)  
Director, Brand Strategy and Customer Experience

**Stephen Mahoney**, BA (Hons) Japanese Language and Culture  
General Manager, Policy, Product and Engagement

**Ian Maltman**, CA FFIN GAICD Grad Dip (Applied Finance),  
Grad Conv. (Accounting) BAPSc  
Chief Financial Officer and General Manager, Corporate  
Services

**Sonia McIvor**, BA, Master of Tourism (until 28 January 2022)  
Director, Marketing

**Kylie-Jane Menzies**, AdvDip Travel and Tourism Marketing  
Director, Product and Distribution Development

**Kristy Meudell**, BA (Communications)  
Director, Public Relations, Influencers and Visiting Media

**Caroline Miller**, CPA  
Director, Finance

**Adam Shutler**, B. Sc (Hons) Product Design  
(commenced 14 February 2022)  
Director, Digital Centre of Excellence

**Jacqueline Smith**, B. Media Comm; Master of Environmental  
Law (until 29 October 2021)  
Director, Ministerial and Corporate Communications

**Nathan Ting**, BA Business Studies (Marketing Major)  
(until 3 December 2021)  
Director, Digital Marketing Services

**Julie Turpie**, BA (Hons) Leisure and Recreation Management  
General Manager, Events

## Human Resources

### Destination NSW Employee Profile (as at 30 June 2022)

The following tables cover the Employee of Destination NSW (rounding applied).

PERCENTAGE OF EMPLOYEE BY GRADING: FULL-TIME EQUIVALENT (FTE)						
Total Employee on 30 June 2022	2021-2022	Men	Women	% Total	% Men	% Women
Grade 3-4 \$74,118 - \$81,517	2	1	1	1.0%	0.5%	0.5%
Grade 5-6 \$87,494 - \$96,539	21	2	19	10.5%	1.0%	9.5%
Grade 7-8 \$99,431 - \$110,063	33	2	31	16.5%	1.0%	15.5%
Grade 9-10 \$113,344 - \$124,901	34	5	29	17.0%	2.5%	14.5%
Grade 11-12 \$131,094 - \$151,609	25	5	20	12.5%	2.5%	10.0%
Senior Executives Band 1-3	18	9	9	9.0%	4.5%	4.5%
Overseas Employees	19	2	17	9.5%	1.0%	8.5%
Contingent Workforce	48	16	32	24.0%	8.0%	16.0%
<b>Total</b>	<b>200</b>	<b>42</b>	<b>158</b>	<b>100%</b>	<b>21.0%</b>	<b>79.0%</b>

\*Includes 8 employee on maternity Leave

STAFF PROFILE BY EMPLOYMENT BASIS			
Total employees on 30 June 2022	2021-22	2020-2021	2019-2020
Permanent Full-time	104	111	104
Permanent Part-time	19	12	18
Temporary Full-time	9	14	17
Temporary Part-time	2	1	2
Senior Executives	18	18	18
Contingent Workforce	48	53	40
<b>Total employees on 30 June</b>	<b>200</b>	<b>209</b>	<b>199</b>

\*Includes 8 staff on Maternity Leave

## Senior Executive Profile

In 2021-22, Destination NSW's employee-related expenditure allocated to Senior Executives was at 20.61 per cent. This compares to 24.68 per cent for 2020-2021.

SENIOR EXECUTIVE PROFILE				
Band	2021-2022		2020-2021	
	Female	Male	Female	Male
Band 3	0	1	0	1
Band 2	2	2	2	2
Band 1	7	6	7	6
Totals	9	9	9	9
	18		18	

SENIOR EXECUTIVE PROFILE – REMUNERATION			
Band	Range	\$ Average Remuneration 2021-2022	\$ Average Remuneration 2020-2021
Band 3	\$354,201 – \$499,250	486,875	475,000
Band 2	\$281,551 – \$354,200	309,521	303,344
Band 1	\$197,400 – \$281,550	233,488	218,564

### Exceptional movements in remuneration

A salary increase of 2.04 per cent, effective from the first full pay period on or after 1 July 2021, was paid to clerical officers in accordance with the Crown Employees (Public Sector – Salaries 2021) Award.

An application was made to, and approved by, the NSW Government Wages Policy Taskforce for an increase of 2.04 per cent to all non-executive staff not covered under the Crown Award, also effective from the first full pay period on or after 1 July 2021.

The Statutory and Other Offices Remuneration Tribunal determined an increase of 2.5 per cent to the total remuneration packages for Public Service Senior Executives effective 1 July 2021.

Various international based staff received annual cost of living increases in accordance with their individual employment agreements.



## Corporate Governance

### Destination NSW Board of Management

#### Method of appointment and term of Board Members

Under the terms of the *Destination NSW Act 2011*, members of the Board of Management of Destination NSW are appointed by the responsible Minister. During the year the responsible Minister was the Minister for Enterprise, Investment and Trade, Minister for Sport and Tourism, Minister for Western Sydney, The Hon. Stuart Laurence Ayres, MP.

The Board consists of a Chairman (also appointed by the Minister), individuals with relevant skills and experience, the Secretary of the cluster and the Chief Executive Officer. Each member holds office for the term specified in his or her instrument of appointment. If they are otherwise qualified, members are eligible for reappointment for additional term(s).

#### Board Members

Christine McLoughlin AM (Chairman)  
 Russell Balding AO (Deputy Chairman)  
 Rebekah Horne  
 Sally Loane  
 Rod McGeoch AO  
 The Hon. George Souris AM  
 Anne Loveridge (appointed 2 August 2021)  
 Amy Brown (until 19 September 2022)  
 Steve Cox  
 Margaret Jack AM (until 12 April 2022)

#### Board Meetings

The Destination NSW Board met on six occasions during 2021-22. The attendance record of the members was, Christine McLoughlin AM (5/6), Russell Balding AO (6/6), Rod McGeoch AO (6/6), Sally Loane (6/6), The Hon. George Souris AM (6/6), Rebekah Horne (4/6), Anne Loveridge (5/5), Amy Brown (5/6), Steve Cox (6/6) and Margaret Jack AM (4/5).

### Board Committees

#### Audit and Risk Committee

The Committee has an important role in risk management and audit through endorsement of internal and external audit plans, review of audit reports and the review of risk assessment and management.

This Committee also ensures the sound financial position of Destination NSW through regular reviews of its budget performance. The Destination NSW Audit and Risk Committee met on five occasions during 2021-22.

The attendance record of the members was: Anne Loveridge (Appointed as Chair on 28 January 2022) (5/5), Sally Loane (5/5) (Chair until 27 January 2022) and The Hon. George Souris AM (5/5).

### Business Events Sydney

Destination NSW has two Board Members on the Business Events Sydney Board:

The Hon. George Souris AM and Steve Cox.

### Legal Change

Until 12 April 2022, the Minister for Jobs, Investment, Tourism and Western Sydney administered the following Acts and the Regulations made under those Acts:

*Destination NSW Act 2011 No 21*

*Major Events Act 2009 No 73*

*Motor Sports (World Rally Championship) Act 2009 No 55*

*Motor Racing (Sydney and Newcastle) Act 2008 No 106.*

From 13 April, the Minister for Jobs, Investment, Tourism and Western Sydney administered the following Acts and the Regulations made under those Acts:

*Destination NSW Act 2011 No 21*

*Major Events Act 2009 No 73*

*Motor Sports Events Act 2022 No 11*

## Corporate Governance CONTINUED

### Consultants

Consultants equal to or more than \$50,000:

Consultant	Funding \$	Title/Nature
Nil		

Consultants less than \$50,000:

Consultant	Funding \$	Title/Nature
PricewaterhouseCoopers	\$30,479	Support for Major Events Industry in NSW
Alun Probert	\$36,285	Reviewing Compliance with Advertising Requirements

### Disclosure of Controlled Entities

On 29 March 2021, Destination NSW became part of the Department of Premier and Cabinet cluster and Investment NSW. Accordingly, the Destination NSW Staff Agency was abolished following the creation of Investment NSW Agency, which provided personnel services to Destination NSW.

Prior to 29 March 2021, the Destination NSW Staff Agency was classified as an Executive Agency pursuant to Part 2 of Schedule 1 of the *Government Sector Employment Act 2013* and fell within the NSW Treasury cluster of the public service. The head of the agency was the Chief Executive Officer of Destination NSW, who was responsible for general and employer functions.

The Staff Agency's objective was to provide personnel services to Destination NSW. The Staff Agency had responsibility for the employees and employee-related liabilities of Destination NSW.

Since 1 April 2022, Destination NSW moved to the Department of Enterprise, Investment and Trade Cluster (DEIT) as part of the Machinery of Government changes. At the same time, the Destination NSW Staff Agency recommenced operations and Destination NSW staff transferred from the Investment NSW to Destination NSW Staff Agency.

### Disclosure of subsidiaries

Destination NSW does not have any interest in any public sector subsidiaries. Destination NSW does hold a shareholding in Australian Tourism Warehouse Data Limited. Destination NSW is also a member of seven Destination Networks, which are established as companies limited by guarantee.

### Government Information (Public Access) Act 2009

In 2021-22, Destination NSW received three valid access applications under the *Government Information (Public Access) Act 2009*.

Pursuant to the *Government Information (Public Access) Act 2009*, Destination NSW reviews its release of Government information each year.

As a result of this review, Destination NSW will continue to provide open access to a range of information, such as annual reports, e-newsletters, media resources, social media accounts, policy documents, statistics and research and a register of government contracts including some contract values.

Destination NSW aims to strike a balance to provide information to the public while acknowledging the resources of Destination NSW and the commercial nature of its operations.

The table below details the total number of access applications received by the agency during the reporting year (1 July 2021 to 30 June 2022).

Valid Applications	Invalid Applications
3	0

Destination NSW did not receive any informal applications during the reporting period.

## Corporate Governance CONTINUED

### Government Information (Public Access) Act 2009

A detailed breakdown of the types and nature of the requests is provided in the following tables.

**TABLE A: NUMBER OF APPLICATIONS BY TYPE OF APPLICANT AND OUTCOME\***

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	1	1	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	1	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0

\* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

**TABLE B: NUMBER OF APPLICATIONS BY TYPE OF APPLICATION AND OUTCOME**

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	2	1	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

\* A "personal information application" is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

**TABLE C: INVALID APPLICATIONS**

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0



## Corporate Governance CONTINUED

### Government Information (Public Access) Act 2009 CONTINUED

**TABLE D: CONCLUSIVE PRESUMPTION OF OVERRIDING PUBLIC INTEREST AGAINST DISCLOSURE: MATTERS LISTED IN SCHEDULE 1 TO ACT**

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Information about complaints to Judicial Commission	0
Information about authorised transactions under <i>Electricity Network Assets (Authorised Transactions) Act 2015</i>	0
Information about authorised transaction under <i>Land and Property Information NSW (Authorised Transaction) Act 2016</i>	0

\* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

**TABLE E: OTHER PUBLIC INTEREST CONSIDERATIONS AGAINST DISCLOSURE: MATTERS LISTED IN TABLE TO SECTION 14 OF ACT**

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	1
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

## Corporate Governance CONTINUED

### Government Information (Public Access) Act 2009 CONTINUED

TABLE F: TIMELINES

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	3
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
<b>Total</b>	<b>3</b>

TABLE G: NUMBER OF APPLICATIONS REVIEWED UNDER PART 5 OF THE ACT (BY TYPE OF REVIEW AND OUTCOME)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by NCAT	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

\* The Information Commissioner does not have the authority to vary decisions but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

TABLE H: APPLICATIONS FOR REVIEW UNDER PART 5 OF THE ACT (BY TYPE OF APPLICANT)

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

TABLE I: APPLICATIONS TRANSFERRED TO OTHER AGENCIES UNDER DIVISION 2 OF PART 4 OF THE ACT (BY TYPE OF TRANSFER)

	Number of applications transferred
Agency-initiated transfers	0

## Corporate Governance CONTINUED

### Privacy and Personal Information Protection Act 1998

Destination NSW respects the privacy of members of the public who use its services and of its employees. As a NSW Public Service Executive Agency, Destination NSW must comply with NSW State and Commonwealth Privacy legislation.

During the reporting year, no complaints were received regarding the privacy management of Destination NSW.

Destination NSW has a privacy policy which is reviewed regularly. The privacy policy and terms of use documents for all Destination NSW websites were amended as a result of the General Data Privacy Regulation released by the European Commission.

Destination NSW advises members of the public of its privacy obligations in various media and correspondence i.e. website and terms and conditions. Destination NSW also outlines its privacy obligations in contracts with third parties and requests those third parties also to be aware and comply with privacy legislation.

Requests for access to personal information held by Destination NSW may be made to the Privacy Officer at Level 2, 88 Cumberland Street, The Rocks, NSW, 2000 or by telephone on (02) 9931 1111.

In compliance with the provisions of the *Privacy and Personal Information Protection Act 1998*, Destination NSW has a Privacy Management Plan and has a designated Privacy Officer. Mechanisms have been established to make Destination NSW staff aware of the *Privacy and Personal Information Protection Act 1998* and other privacy obligations.

In all staff contracts, staff are required to exercise confidentiality in their dealings with third parties and in the execution of their duties.

### Public Interest Disclosures

The *Public Interest Disclosures Act 1994* requires Agencies to report every six months to the Ombudsman on Public Interest Disclosures (PIDs) and to include this information in Annual Reports.

This report covers those PIDs received during the period from 1 July 2021 to 30 June 2022.

Number of public officials who have made a disclosure to the Agency – (0)

Number of the public interest disclosures received by the Agency relating to:

- Corrupt conduct – (0)
- Maladministration – (0)
- Serious and substantial waste – (0)
- Government information contravention – (0).

Total number of public interest disclosures received – (0)

The number of public interest disclosures finalised to 30 June 2022 – (0)

The Destination NSW PID Reporting Policy and Procedure was developed in accordance with the requirements of the

*Public Interest Disclosures Act 1994* and approved effective from June 2012.

To ensure that staff are aware of the contents of the Policy and the protections available, as required under s6E (1)(b) of the *Public Interest Disclosures Act 1994*.

Destination NSW staff have access to the Public Interest Disclosures policy on the staff intranet and have been provided training through presentations and workshops on the existence of the *Public Interest Disclosures Act 1994*.

### Internal Audits

Destination NSW conducted an internal audit program during the reporting year, comprising four audits undertaken by Deloitte:

- Event Funding – Culture and Entertainment Event
- Risk Management Refresh
- Change Management
- Information Management and Privacy.

Destination NSW is implementing the agreed recommendations from these audits.

Destination NSW has developed a risk management program to identify and manage risks consistent with NSW Government guidelines and policy. Risk management aims to safeguard the public, staff, buildings and related assets.

Risk controls include:

- Assessing corporate risk and conducting internal audits
- Managing ongoing risk, including maintaining registers and conducting fire and safety audits
- Developing risk strategies
- Maintaining appropriate insurance cover with the Treasury Managed Fund that covers all classes of risk
- Training and workshops
- Reviewing financial management processes.

### Insurance

Destination NSW is insured through the Treasury Managed Fund. The coverage provided by the scheme is all inclusive and policies are held for Workers Compensation, Motor Vehicles, Property, Miscellaneous and Public Liability.



## NSW Cyber Security Policy

### Destination NSW Cyber Security Policy Annual Attestation Statement for the 2021 - 2022 Financial Year

I, Christine McLoughlin, am of the opinion that Destination NSW have managed cyber security risks in a manner consistent with the Mandatory requirements set out in the NSW Government Cyber Security Policy.

- Governance is in place to manage cyber security maturity and initiatives
- New system and processes are in development to further strengthen the cyber security environment
- There is an approved cyber security plan to ensure continuous improvement and management of cyber security governance and resilience
- There is an approved incident response plan, which was formally tested in-line with the NSW Cyber Security Policy
- Risks to information and systems have been assessed and are managed.

This is via the information technology and cyber security services provided to Destination NSW by the Departments of Enterprise, Investment and Trade (DEIT) and of Customer Service (DCS). I base this opinion on reliance of the respective attestations provided by DEIT and DCS.



**Christine McLoughlin AM**

Chairman  
Destination NSW

Dated: 30 September 2022

## Internal Audit and Risk Management Attestation Statement for the 2021-22 Financial Year for Destination NSW

The Board of Destination NSW are of the opinion that Destination NSW has internal audit and risk management processes in operation that are, excluding the exceptions described below, compliant with the [7] Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*, specifically:

CORE REQUIREMENTS		For each requirement, please specify whether compliant, non-compliant, or in transition
<b>Risk Management Framework</b>		
1.1	The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	Compliant
1.2	The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	Compliant
<b>Internal Audit Function</b>		
2.1	The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.	Compliant
2.2	The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	Compliant
2.3	The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant
<b>Audit and Risk Committee</b>		
3.1	The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
3.2	The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant

### Membership

The chair and members of the Audit and Risk Committee are:

- [Independent] Chair, Anne Loveridge, Appointed as ARC Chair from 28 January 2022 (Appointment 2 August 2021 to 1 August 2024)
- [Independent] Member 1, Sally Loane, (Appointment 13 April 2022 to 12 April 2025) (ARC Chair until 27 January 2022)
- [Independent] Member 2, The Hon. George Souris AM (Appointment 13 April 2022 to 12 April 2025)

## Internal Audit and Risk Management Attestation Statement for the 2021-22 Financial Year for Destination NSW CONTINUED

### Departures from Core Requirements

The Board of Destination NSW advise that the internal audit and risk management processes for Destination NSW depart from the following core requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*:

1. The circumstances giving rise to these departures have been determined by the Responsible Minister and Destination NSW has implemented the following practicable alternative measures to meet the core requirements:

DEPARTURE	Reason for departure and description of practicable alternative measures implemented/being implemented
<b>Non-Compliance</b>	
<ul style="list-style-type: none"> <li>Core Requirement 3.1.6 – Independent members from Prequalification Scheme</li> </ul>	<ul style="list-style-type: none"> <li>Independent Members are individuals who do not hold positions within the agency and are not employees of the NSW Government. They collectively possess all skill and knowledge requirements set out in the policy and also satisfy other TPP20-08 criteria prohibiting conflicts of interest</li> <li>Loss of industry knowledge, adequate skills of current members and administrative burden.</li> </ul>

*The determination by the Portfolio Minister for Destination NSW in respect of this departure covers Financial year FY22 and FY23.*

These processes, including the practicable alternative measures being implemented, demonstrate that the Destination NSW has established and maintained frameworks, including systems, processes and procedures for appropriately managing audit and risk within the agency.

Signed in accordance with the resolution of the Board of Destination NSW.



**Christine McLoughlin AM**  
Chairman

Dated: 30 September 2022



## Policies and Programs

### Work Health and Safety

Destination NSW is committed to ensuring the active participation of all employees in Workplace Health and Safety (WHS) matters and continues to ensure everyone has a safe and healthy workplace. The active WHS Committee continues to promote and educate employees in the identification and management of WHS. There were no compensation cases or lost time injuries recorded in 2021-2022.

Destination NSW has a strong commitment to providing employees with practical WHS advice, especially during work from home periods due to the COVID-19 pandemic with the provision of ergonomic advice, regular check-in sessions and team meetings and mental health support via the Employee Assistance Program. The People and Culture team has been available to assist employees and managers to minimise the negative impact of the current COVID-19 pandemic and natural disasters, to ensure the demands of remote working are managed and that employee's safety remains a priority. There was also additional emphasis given to COVID-19 protocols and policies with people returning more frequently to the office during the second half of the year, which included enhanced office cleaning and regular reminders that staff with any COVID symptoms should not attend the office.

### Disability Inclusion

Destination NSW is committed to providing an accessible and inclusive workplace and supports the inclusion in the community of individuals with a disability. Destination NSW will continue to plan and implement inclusive events for people living with a disability through accessible events and experiences, including Vivid Sydney.

### Workforce Diversity

Destination NSW recognises that diverse workforces are more innovative, productive and increase high-quality outputs. We will continue to support employees to acknowledge and celebrate diversity, with involvement in NAIDOC week, LGBTIQ+ celebrations, charity fundraisers, and promote behaviour in line with the Destination NSW values of excellence, collaboration, respect, agility, passion and ownership.

The below table has been populated with Workforce Diversity information for Destination NSW.

TRENDS IN THE REPRESENTATION OF WORKFORCE DIVERSITY GROUPS				
Workforce Diversity Group	Benchmark	2022	2021	2020
Women	50%	79.0%	82.0%	82.7%
Aboriginal and/or Torres Strait Islander People	3.3%	0.5%	0.8%	0.0%
People whose First Language Spoken as a Child was not English	23.2%	3.5%	3.2%	1.4%
People with Disability	5.6%	0.0%	0.0%	1.4%
People with a Disability Requiring Work-Related Adjustment	N/A	0.0%	0.0%	0.7%

Destination NSW exceeded the Benchmark 50% target in the Trends in Workforce Diversity Group Women with a strong result in 2021-2022 of 82.0%.

### Multicultural Initiatives

Destination NSW encourages staff to celebrate diversity and continues to advocate for the values of a multicultural society by showing respect, and by being inclusive of diverse backgrounds, experiences and perspectives. Destination NSW continues to follow the NSW Government guidelines regarding Culturally and Linguistically Diverse communities and provides customised translations of its sydney.com website in key community and visitor languages such as Simplified Chinese, Mandarin, Japanese, Korean and German.

Destination NSW has actively supported multiculturalism through the Regional Event Fund, some of which moved online due to COVID-19. Destination NSW will continue to explore opportunities to develop programs, initiatives and events that help people from culturally diverse communities achieve high degrees of social and economic participation.

## Operations

### Promotion

OVERSEAS VISITS BY EMPLOYEES AND OFFICERS				
Name of Officer	Purpose of Visit	Country visited	From	To
Steve Cox	Travelled to the United Kingdom to undertake engagement with key travel trade and events partners.	United Kingdom	06.02.2022	12.02.2022
Samantha Cameron	Attended the Australian Tourism Exchange (ATE), hosted international buyer delegates from their respective markets, and engaged with, and undertook face-to-face business planning meetings.	Australia	08.05.2022	19.05.2022
Daliah Von Harten	Attended the Australian Tourism Exchange (ATE), hosted international buyer delegates from their respective markets, and engaged with, and undertook face-to-face business planning meetings.	Australia	05.05.2022	20.05.2022
Pascal Reiling	Attended the Australian Tourism Exchange (ATE), hosted international buyer delegates from their respective markets, and engaged with, and undertook face-to-face business planning meetings.	Australia	05.05.2022	20.05.2022
Jenny Kim	Attended the Australian Tourism Exchange (ATE), hosted international buyer delegates from their respective markets, and engaged with, and undertook face-to-face business planning meetings.	Australia	07.05.2022	19.05.2022
Irene Morgan	Attended the Australian Tourism Exchange (ATE), hosted international buyer delegates from their respective markets, and engaged with, and undertook face-to-face business planning meetings. Attended the three-day ATE event on 24-26 May 2022.	Australia	06.05.2022	26.05.2022
Haruhiko Niihori	Attended the Australian Tourism Exchange (ATE), hosted international buyer delegates from their respective markets, and engaged with, and undertook face-to-face business planning meetings.	Australia	08.05.2022	21.05.2022
Siew Hoon Tan	Attended the Australian Tourism Exchange (ATE), hosted international buyer delegates from their respective markets, and engaged with, and undertook face-to-face business planning meetings.	Australia	08.05.2022	22.05.2022
Pooja Razdan	Attended the Australian Tourism Exchange (ATE), hosted international buyer delegates from their respective markets, and engaged with, and undertook face-to-face business planning meetings.	Australia	09.05.2022	19.05.2022

## Management Activities

### Research and Development

Along with the Commonwealth Government and other States and Territories, Destination NSW co-funds two national surveys that provide detailed information on the size of the visitor economy and trends in visitor behaviour, including length of stay, accommodation used, purpose of visit, day trips, transport used, activities undertaken, expenditure, travel party, demographics, destinations visited, and source markets.

The International Visitor Survey is normally conducted in airport exit lounges around Australia, sampling 40,000 departing visitors each year. With the closure of Australia's international borders, the International Visitor Survey was suspended from April 2020 and International Visitor Survey (IVS) results have been estimated based on Overseas Arrivals and Departure (OAD) statistics and other immigration data from the Department of Home Affairs. The National Visitor Survey interviews 120,000 Australian residents aged 15 years and over. From January 2019, the National Visitor Survey was conducted through 100 per cent mobile interviewing.

Destination NSW uses the results of these surveys internally to develop strategy, inform campaign activities as well as externally to share insights with industry.

### Consumer Enquiries Response

Destination NSW stakeholders and the community can make enquiries or offer feedback via Feedback Assist, or by providing comments in writing or by email. The online Feedback Assist functionality provides a consistent level of service in response to enquiries and/or feedback received from our stakeholders and the community. We are committed to providing professional, courteous and prompt assistance to its stakeholders and community and the public in general.

All requests for information or assistance made to Destination NSW are met directly and promptly and, where necessary, are referred to the most appropriate officer. Destination NSW received no significant consumer complaints during the reporting period. Consequently, no changes to the Agency's programs and services were warranted on the basis of negative consumer response.

### Economic and other factors affecting achievement of operational objectives

A wide range of economic, industry and consumer factors affect NSW visitor economy performance. The COVID-19 pandemic led to the most severe contraction in global and domestic economic activity in decades.

### Global economy

According to the World Economic Outlook by the International Monetary Fund (IMF), several shocks and events have hit a global economy already weakened by the pandemic, including high inflation worldwide particularly in the US and major European economies, a worse-than-anticipated slowdown in China and further negative impact from the Ukraine war. It is anticipated that the economic damage from the war in Ukraine will contribute to a significant slowdown in global growth in 2022, with fuel and food prices having increased rapidly. Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023, which is 0.8 and 0.2 percentage points lower respectively than projections made in January 2022. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term.

### Australian economy

The Australian economy has been resilient to the disruptions caused by the Omicron outbreaks and flooding on the east coast and grew strongly over the first half of 2022. At the same time inflation is high globally and in Australia with global factors such as the Ukraine war contributing to this outcome as well as domestic pressures. According to the Reserve Bank of Australia, Australia's inflation will continue to increase over the course of 2022 and as supply constraints start to ease inflation is expected to decline in the coming years.

Higher prices for petrol added to overall inflation, and the prices of fruit and vegetables rose because of flooding on the east coast. These cost pressures have lifted inflation for the construction industry, consumer durables, groceries and other services.

Employment growth has been strong domestically with the unemployment rate declining to its lowest point in almost 50 years (3.5 per cent in June 2022). The competing forces of a tight labour market and pressures of high living costs on household incomes make the outlook for consumption unpredictable. The slowing housing market (market conditions varying across the country) is expected to dampen growth in household consumption and soften investment due to higher interest rates and high construction costs. It should however be noted that the market experienced a significant record-breaking price growth throughout 2021.

### Aviation

Air transport is key to economic development. This wider economic benefit is underpinned by both the direct connections between cities and falling air transport costs. While travel restrictions have resulted in severe disruptions to domestic and international travel since April 2020, the domestic aviation industry continued to recover in March 2022 through to June 2022. The International Air Transport Association announced that they expect overall traveller numbers to recover in 2024 and exceed pre-COVID-19 levels by that point.

According to the Aviation Statistical Report by the Bureau of Infrastructure and Transport Research Economics (BITRE), there were 30.4 million passengers carried on Australian domestic commercial aviation (including charter operations) in the year ending June 2022, an increase of 40.8 per cent compared with the year ending June 2021. In the year ending June 2022, the number of domestic aviation passengers travelling through regional airports was 16.5 million, 26.8 per cent higher than for the year ending June 2021.



## Management Activities CONTINUED

### Infrastructure Investment

Investing in tourism is a long-term proposition, requiring significant time and capital from planning to approval to completion. Tracking the progress of these investments will establish how well supply is keeping up with expected increases in demand.

Tourism Research reported in its Tourism Investment Monitor that Australia's visitor economy investment pipeline in 2020-2021 comprised 225 projects worth \$42.8 billion, a decrease of \$0.8 billion or 30 projects on previous year. Aviation accounted for 39 per cent of the investment (\$16.7 billion), followed by Arts, recreation and business services (37 per cent or \$15.7 billion) and Stand-alone Accommodation (25 per cent or \$10.5 billion).

New South Wales held one-third of all tourism investment, with 56 projects valued at \$13.7 billion. This was a slight decrease of \$0.4 billion compared with 2019-20. Investments were mostly in the Aviation (\$5.7 billion) and Arts, recreation and business services (\$4.1 billion) sectors. Capital city investment was \$13.0 billion while Regional investment was \$0.8 billion.



*The \$60 million Aviation Attraction Fund landed two new routes on the state's runway to recovery in April 2022, with Qantas announcing Sydney-Bengaluru (Bangalore) and Sydney-Incheon services..*

## Grants

### Regional Conferencing

Business Event	Organiser	Amount
National Renewables in Agriculture Conference and Expo	Renewables in Agriculture Conference	\$25,000
Waste 2022 Conference & Expo	Impact Environmental Conferences	\$30,000
The Exchange International Women's Day Leadership Assembly	The Exchange Dubbo Pty Ltd	\$13,300
m3 Property National Conference	m3 Property National	\$9,000
Agriculture Trends'23	Western Murray Land Improvement Group	\$15,000
Mathematical Association NSW Annual Conference	Mathematical Association of NSW	\$30,000
2023 Parks & Leisure Australia NSW/ACT Region Conference	Parks and Leisure Australia	\$15,000
2022 Parks & Leisure Australia NSW/ACT Region Conference	Parks and Leisure Australia	\$15,000
Primex Field Days Pty Ltd	Primex	\$30,000
Inaugural RNA Biology and Biotechnology Conference	The Australian National University	\$15,000
Mathematical Association Leadership Program	Mathematical Association of NSW	\$3,100
Replacement floor project at Food I am	Food I am	\$27,625
9 <sup>th</sup> Australasia Vaccines & Immunotherapeutics Development Meeting (AVID)	ASN Events	\$14,000
2022 Centre of Excellence Synthetic Biology Annual Conference	Macquarie University	\$30,000
Thrive Narrabri	GRO Events Group	\$12,400
Rotary District 9800 Annual Conference	Rotary Club of Brighton Victoria	\$30,000
Conservation in Action 2022	Gilgandra Shire Council	\$30,000
Australian Cider Conference - AusCider 2022	Cider Australia	\$11,250
Digital Agri Food Summit	Charles Sturt University	\$27,800

## Grants CONTINUED

## Regional Conferencing CONTINUED

Business Event	Organiser	Amount
EXPO 22 Golden Chain Motels	Golden Chain Motels	\$15,000
Adventure Tourism & Outdoor Industry Master Class	Outdoors NSW & ACT	\$7,254
Australian Epigenetics Alliance Annual Scientific Meeting	ASN Events	\$15,000
Murray Darling Association's 78 <sup>th</sup> National Conference and AGM	Murray Darling Association	\$30,000
Wings over Illawarra General Aviation Expo	Bright Events Pty Ltd	\$30,000
Community Transport Organisation (CTO) Conference 2023 - Illuminate	Community Transport Organisation	\$30,000
No Time to Waste Rural and Regional Waste Management Conference	Riverina Eastern Regional Organisation of Councils Inc	\$10,000
Lions District Convention	The Lions Club of Kiama	\$8,700
The Quarters Forresters Beach Conference Wi-Fi Infrastructure	The Quarters Forresters Beach	\$15,000
Australian Rice Growers Conference	Ricegrowers Association of Australia	\$15,000
Gold Crest Explorer Expo for blind, low vision and deaf travellers	Cocky Guides	\$12,500
2024 NSW Oyster Conference	NSW Oyster Growers Association	\$24,000
Thriving Women 2023	Women Together Learning Ltd	\$30,000
National Aboriginal Wellbeing Conference	Spirit Dreaming Training and Education	\$20,000
Inland Growth Summit	Regional Development Orana Inc	\$25,000
Reignite Retreat for women in small business	The Biz Collective Pty Ltd	\$7,000
Australian Freshwater Sciences Society Annual Conference 2022	ASN Events	\$30,000
Australian Society of Travel Writers Convention - Showcasing Tweed Businesses	Tweed Tourism Company	\$15,000
Lithgow Trauma Informed Care Conference 2022	Lithgow Community Projects Inc	\$15,000
MerinoLink Conference22	MerinoLink Ltd	\$12,000
Total Funding Support		\$749,929



## Grants CONTINUED

### Regional Event Fund

The 2021 and 2022 Regional Event Fund program continued to inject much-needed support into regional communities recovering from the impacts of COVID-19, bushfires, floods and other factors. Many postponed events from the previous year were able to take place, while others were still postponed or cancelled due to continued disruption.

66 events were secured in 2021-22, as part of the Regional Event Fund program.

Event	Organisation	Amount
Australian Alpine Ascent Multisport Festival	Elite Energy Pty Ltd	\$20,000
Minerama Fossicking, Gem & Jewellery Show	Glen Innes Severn Council	\$20,000
Newcastle Fringe Festival	Newcastle Fringe Festival Inc.	\$20,000
Warbirds Over Scone	Upper Hunter Shire Council	\$20,000
Play On The Plains	Deni Play On the Plains Festival Ltd	\$20,000
Newcastle Food Month	Maher Initiatives Pty Ltd t/as Newcastle Events	\$20,000
Byron Coast Charity Walk - postponed to 2023	Westpac Rescue Helicopter Service	\$20,000
Perfect Light Film Festival	Film Festivals Australia	\$20,000
The KISS Arts Festival	The KISS Arts Festival	\$20,000
Yours and Owls Festival *** CANCELLED	Yours and Owls Events Pty Ltd	\$20,000
Blood, Sweat and Beers	Grainmother Brewing Supplies Pty Ltd	\$20,000
Robertson Potato Festival	Expertise Events Pty Ltd	\$20,000
Tumbarumba to Rosewood Rail Trail Marathon	Wagga Wagga Road Runners Incorporated	\$20,000
Orange Chamber Music Festival	Orange Chamber Music Festival Incorporated	\$15,980
Cobargo Folk Festival: Together Again!	Yuin Folk Club Inc	\$30,000
Byron Bay Triathlon	NX Sports Community Foundation Limited	\$20,000
Big Country Festival	Pink Salt Productions Pty Ltd	\$20,000
Kyogle Writers Festival	Kyogle and District Arts Council: Kyogle Writers Festival sub-committee	\$9,550
Riverlight Ulmarra	Events Delivered	\$20,000
Harvest Festival	Central Coast Council	\$20,000
MudgeeQue	MudgeeQue	\$20,000
Beta Climbing Festival	Ops Event Management	\$20,000

## Grants CONTINUED

## Regional Event Fund CONTINUED

Event	Organisation	Amount
Ride the Wave Festival	Make a Difference PMQ INC	\$20,000
Winter Bites Festival	Snowy Valleys Council	\$15,625
WinterSun Festival	Breeze Lab	\$20,000
Words on the Waves Writers Festival	Words on the Waves	\$19,151
Sawtell Chilli Festival	Sawtell Chamber of Commerce	\$20,000
Bathurst Winter Festival	Bathurst Regional Council	\$27,500
Festival of W (A Very Wagga Christmas)	Wagga Wagga City Council	\$20,000
Australian Art Deco Festival Leeton	Leeton Shire Council	\$20,000
Elephant Trail Race	Coastal Track and Trail Runners (formally known as Coastal Sports and Fitness)	\$20,000
Horses Birthday Festival - postponed to 2023	Glenworth Valley Holdings Pty Ltd trading as Glenworth Valley Outdoor Adventures	\$20,000
Moama Lights	Murray River Council	\$20,000
Winter Fire Festival	TDO Ltd trading as Orange360	\$20,000
River of Art Festival	River of Art Incorporated	\$38,720
River Sounds	Gig Big PTY LTD	\$20,000
Slim Dusty Festival Kempsey ** CANCELLED	Chandler Shaw Events Pty Ltd	\$20,000
Great Cattle Dog Muster	Muswellbrook Chamber of Commerce and Industry Inc	\$20,000
Tweed Coast Enduro	NX Sports Community Foundation Limited	\$20,000
DREAM Festival	Dubbo Regional Council	\$30,000
Write Around the Murray Festival	Albury City Council	\$27,500
Tulip Time	Wingecarribee Shire Council	\$27,500
Grazing Down The Lachlan	Forbes Arts Society	\$20,000
Port Stephens Multisport Festival	Allura Pty Ltd	\$20,000
GV Block Party	Greenvalleys Mountain Bike Club	\$18,840
Burradise Festival at Culburra Beach	Love Culburra Beach Festival Inc	\$20,000

## Grants CONTINUED

## Regional Event Fund CONTINUED

Event	Organisation	Amount
Art Byron	Art Byron Limited	\$20,000
The Big Picture Festival Newcastle	Art Thinking Australia PTY LTD	\$20,000
Gears + Beers Festival	The Rotary Club of Wollundry Wagga Wagga	\$30,000
LisAmore! - postponed to 2023 - 2022 event cancelled	Lismore Friendship Festival Inc	\$20,000
Riverlights Multicultural Festival	Maitland City Council	\$20,000
Griffith Spring Fest	Griffith City Council	\$30,000
Trundle ABBA Festival- 2022 event cancelled	Parkes Shire Council	\$30,000
The Mullum Music Festival- event cancelled	Red Square Music Pty Ltd	\$27,500
Grafton Jacaranda Festival	Grafton Jacaranda Festival Inc.	\$27,500
Tweed Artisan Festival	Destination Tweed Limited	\$20,000
The Willo Marathon- 2022 event cancelled	Rocky Trail Entertainment Pty Ltd	\$20,000
The Waterfront Food + Wine Festival	Kao Kreative	\$20,000
Sand N Sea Festival	Elite Energy Pty Ltd	\$20,000
Fairgrounds Festival - postponed to 2023	Fairgrounds Festival Pty Ltd	\$20,000
Real Festival - postponed to 2023	Penrith City Council	\$20,000
Siteworks	Bundanon Trust	\$20,000
The Bay Games	Bay Games Pty Ltd	\$20,000
Shellharbour SUP Festival	Stand Up Paddle Boarding Shellharbour	\$20,000
Tumut River Tap Days	Tumut River Brewing Co	\$19,090
Walcha Motorcycle Rally	Walcha Council	\$20,000

*Note: all amounts are exclusive of Goods and Services Tax*

## Grants CONTINUED

### Tourism Industry Marketing Support package – grants program

On 29 October 2021, the NSW Government announced \$10 million for Destination Marketing Recovery Program as part of its \$530 million COVID-19 Economic Recovery Plan. Destination NSW allocated \$2 million from its Destination Marketing Recovery Program to leverage the new 'Feel New' marketing campaign. The program aimed to stimulate demand in the visitor economy and directly benefit NSW's tourism operators to drive intrastate and interstate visitation.

#### PACKAGE 1: WEEKLY OFFERS TO PUSH LAST-MINUTE BOOKINGS (REGIONAL)

- Eligible recipients: Regional NSW LTOs and LGAs
- Funding: 18 grants of \$2,400 available to LTOs and LGAs (partner contribution of \$2000 per grant, matched up to 120 per cent by Destination NSW)
- Note: Regional partners requesting multiple bursts were granted where there was availability.

Regional Partner	Partner Contribution	Destination NSW contribution
Tweed Tourism Company	\$6,000	\$7,200
Yass Valley Council (Destination Southern)	\$2,000	\$2,400
Edward River Council	\$2,000	\$2,400
Upper Lachlan Shire (Destination Southern) Note: Partner subsequently pulled out of participating	\$2,000	\$2,400
Blue Mountains Tourism	\$2,000	\$2,400
Lithgow City Council Note: Partner subsequently pulled out of participating	\$2,000	\$2,400
Hunter Valley Wine and Tourism Association	\$10,000	\$12,000
Federation Council	\$6,000	\$7,200
Snowy Valleys Council	\$4,000	\$4,800
Penrith City Council	\$6,000	\$7,200
Wollondilly Shire	\$4,000	\$4,800

#### PACKAGE 2: TARGETED SOCIAL MEDIA TO ENCOURAGE VISITORS TO SPEND MORE WHEN IN REGIONS

- Eligible recipients: Regional NSW LTOs and LGAs
- Funding: 10 grants of \$2,400 available to LTOs and LGAs (partner contribution of \$2000 per grant, matched up to 120 per cent by Destination NSW)

Regional Partner	Partner Contribution	Destination NSW contribution
Bathurst Regional Council	\$2,000	\$2,400
Tweed Tourism Company	\$2,000	\$2,400
Orange 360	\$2,000	\$2,400
Goulburn Mulwaree	\$2,000	\$2,400
Blue Mountains Tourism	\$2,000	\$2,400
Lithgow City Council	\$2,000	\$2,400
Lake Macquarie Council	\$2,000	\$2,400
Barrington Coast	\$2,000	\$2,400
Kempsey Shire Council	\$2,000	\$2,400
Destination Kiama	\$2,000	\$2,400



## Grants CONTINUED

### PACKAGE 3: DESTINATION SPECIFIC CONTENT MARKETING CAMPAIGN TO INCREASE LENGTH OF STAY

- Eligible recipients: All NSW LTOs and LGAs
- Funding: 10 grants of \$56,800 available to LTOs and LGAs (partner contribution of \$40,000 per grant, matched up to 120 per cent by Destination NSW)

Regional Partner	Partner Contribution	Destination NSW contribution
Bathurst Regional Council	\$40,000	\$56,800
Edward River Council	\$40,000	\$56,800
Broken Hill City Council	\$40,000	\$56,800
Sapphire Coast	\$40,000	\$56,800
Shoalhaven City Council	\$45,000	\$56,800
Blue Mountains Tourism	\$40,000	\$56,800
Lake Macquarie Council	\$40,000	\$56,800
Penrith City Council	\$40,000	\$56,800
Ballina Shire Council	\$40,000	\$56,800
Albury City Council	\$40,000	\$56,800

### PACKAGE 4: HIGH IMPACT, INTRASTATE AND INTERSTATE MARKETING CAMPAIGN

- Eligible recipients: Regional NSW LTOs and LGAs
- Funding: 2 grants of \$120,000 available to LTOs and LGAs matched up to 120 per cent by Destination NSW

Regional Partner	Partner Contribution	Destination NSW contribution
Tweed Tourism Council	\$120,000	\$144,000
South Coast	\$125,000	\$144,000

*Note: all amounts are exclusive of Goods and Services Tax*

## Grants CONTINUED

### Tourism Product Development Fund

Organisation	Project	Grant Amount
<b>Refresh and Renew</b>		
Accor Australia & New Zealand Hospitality Pty Ltd	Pullman Magenta Shores Resort	\$30,000
Always Eden Pty Ltd	Heritage House	\$30,000
Apera Hotels Bathurst Pty Ltd	Mantra Bathurst	\$30,000
C Casella & M L Casella	Glen Innes Motel	\$30,000
Charbot Pty Ltd	The Jindy Inn	\$30,000
Club Macquarie Limited	Macquarie 4 Star	\$30,000
Coastal Holdings Group Pty Ltd	Outback Quarters Motel Hay	\$30,000
Cobram Barooga Golf Resort Pty Ltd	Cobram Barooga Golf Resort	\$30,000
Crestview Lifestyle Park Pty Ltd	Crestview Tourist Park	\$30,000
Filebead Pty Ltd	Altona Motel	\$30,000
F J Precision (Holdings) Pty Ltd	Valhalla Perisher	\$30,000
Gosford RSL Club Ltd	Ashwood Motel West Gosford	\$30,000
J A Shepherd & W A Shepherd	Hermitage Hill Country Retreat & Function Centre	\$30,000
Jolac Pty Ltd	The Leaning Oak Holiday Lifestyle	\$30,000
J R & D J Carter	Nyngan Riverside Caravan Park	\$30,000
KTDJF Investments Pty Ltd	Berrigan Motel	\$30,000
Kempsey Shire Council	Crescent Head Holiday Park	\$30,000
Leisure Inn Pokolbin Resort Pty Ltd	Leisure Inn Pokolbin Resort	\$30,000
N M Kember & R B Kember	Econo Lodge Griffith Motor Inn	\$30,000
Pivotal Entertainment Pty Ltd	Quest Wagga Wagga	\$30,000
Powerhouse Motor Inn Pty Ltd	Powerhouse Hotel Tamworth	\$30,000
Regatta Point Holiday Park Pty Ltd	Regatta Point Holiday Park	\$30,000
Riverina Australian Football Club Ltd	Quality Hotel Rules Club Wagga	\$30,000
Sea-Eagle Estate Pty Ltd	Robyn's Nest Guest House	\$30,000
Sergio Balatti Family Trust	Shellharbour Motel & Branches Restaurant	\$30,000
Shoalhaven City Council	Holiday Haven Bendalong	\$30,000
Sinofield Enterprises Pty Ltd	Sinofield Ed-Retreat	\$30,000
Soukhyam Pty Ltd	Heritage Motor Inn Goulburn	\$30,000
Sportsman's Management Pty Ltd	Sportsman's Motor Inn	\$30,000
The Esplanade Motel Warners Bay Pty Ltd	The Esplanade Motel	\$30,000
The Federation of Community, Sporting and Workers Clubs Limited	Riverside Holiday Resort	\$30,000
The Hunter Resort Pty Ltd	The Hunter Valley Resort	\$30,000
The R M Hotel Braidwood Pty Ltd	Royal Mail Hotel Braidwood	\$30,000

## Grants CONTINUED

## Tourism Product Development Fund CONTINUED

Organisation	Project	Grant Amount
<b>Refresh and Renew</b>		
The Trustee for Azzopardi Family Trust	Deniliquin Riverside Caravan Park	\$30,000
The Trustee for Barnes Family Trust	Corowa Bindaree Holiday Park	\$30,000
The Trustee for Earthstar Family Trust & The Trustee for G T Family Trust	The Palace Hotel Broken Hill	\$30,000
The Trustee for Fraser Family Trust	Cowra Holiday Park	\$30,000
The Trustee for Hsiao Family Trust	Summer Hill Motor Inn	\$30,000
The Trustee for IAAC Family Trust	Albury Paddlesteamer Motel	\$30,000
The Trustee for MacWardle-Taylor Family Trust	Paradise Palms Motel Mulwala	\$30,000
The Trustee for McIvor Family Trust No 4	Sturt Motel Broken Hill	\$30,000
The Trustee for Magnay Family Trust	Moama Central Motel	\$30,000
The Trustee for Mason Family Trust	Motel Meneres	\$30,000
The Trustee for Massive Inc Trust	The Cove Jervis Bay	\$30,000
The Trustee for Siesta Unit Trust	Quality Resort Siesta	\$30,000
The Trustee for Walmsley Family Trust No 2	Savannah Park Motor Inn	\$30,000
The Trustee for Wonboyn Trust	Wonboyn Cabins & Caravan Park	\$30,000
The Trustee for Xinming Trust	The Wagga Club Motel	\$30,000
The Trustee for The Bundanoon Trust	Bundanoon Guest House	\$30,000
The Trustee for The Cherry Family Trust	Wooyung Beach Holiday Park	\$30,000
The Trustee for The Gerald and Catherine Barnard Family Trust	Australian Walkabout Wildlife Park	\$30,000
The Trustee for The Tamworth Trust	The Tamworth Hotel	\$30,000
TwoTarts Pty Ltd	Harriet House Tumut	\$30,000
Tyler and Kiah Pty Ltd	Kianinny Bush Cottages	\$30,000
Zindran International Pty Ltd	Century Motor Inn, Service Station and Coaches	\$30,000
<b>Experience Development Fund</b>		
Applications Under Assessment		

Note: all amounts are exclusive of Goods and Services Tax

## Financial Management

PAYMENT OF ACCOUNTS					
Quarter	Current (within due date) \$	Less than 30 days overdue \$	Between 30 and 60 days overdue \$	Between 60 and 90 days overdue \$	More than 90 days overdue \$
<b>All Suppliers</b>					
September 2021	28,878,410	2,532,661	NIL	NIL	9,080
December 2021	50,257,195	3,716,449	13,835	NIL	5,165
March 2022	40,001,610	3,604,399	6,482	1,831	12,936
June 2022	67,653,258	6,339,252	NIL	NIL	1,881
<b>Total all suppliers</b>	<b>186,790,473</b>	<b>16,192,761</b>	<b>20,317</b>	<b>1,831</b>	<b>29,062</b>
<b>Small Business</b>					
September 2021	136,926	132,147	NIL	NIL	NIL
December 2021	3,358,744	111,010	NIL	NIL	NIL
March 2022	1,024,392	313,436	NIL	1,331	NIL
June 2022	3,927,687	959,082	NIL	NIL	1,881
<b>Total Small Business</b>	<b>8,447,749</b>	<b>1,515,675</b>	<b>NIL</b>	<b>1,331</b>	<b>1,881</b>
<b>All Suppliers</b>					
	<b>September 2021</b>	<b>December 2021</b>	<b>March 2022</b>	<b>June 2022</b>	
Total no of accounts due for payment	1,006	986	990	1,936	
No of accounts paid on time	889	856	889	1,789	
% of account paid on time (based on no of accounts)	88%	87%	90%	92%	
\$ amount of accounts due for payment	31,420,151	53,992,643	43,627,258	73,394,391	
\$ amount of accounts paid on time	28,878,410	50,257,195	40,001,610	67,653,258	
% of accounts paid on time (based on \$ amount of accounts)	92%	93%	92%	91%	
Number of payments for interest on overdue accounts	NIL	NIL	NIL	NIL	
Interest paid on overdue accounts	NIL	NIL	NIL	NIL	



## Investment Performance

Refer Financial Statements: Financial Instruments Note 19.

## Liability Management Performance

Destination NSW has no debt greater than \$20 million.

## Financial Management

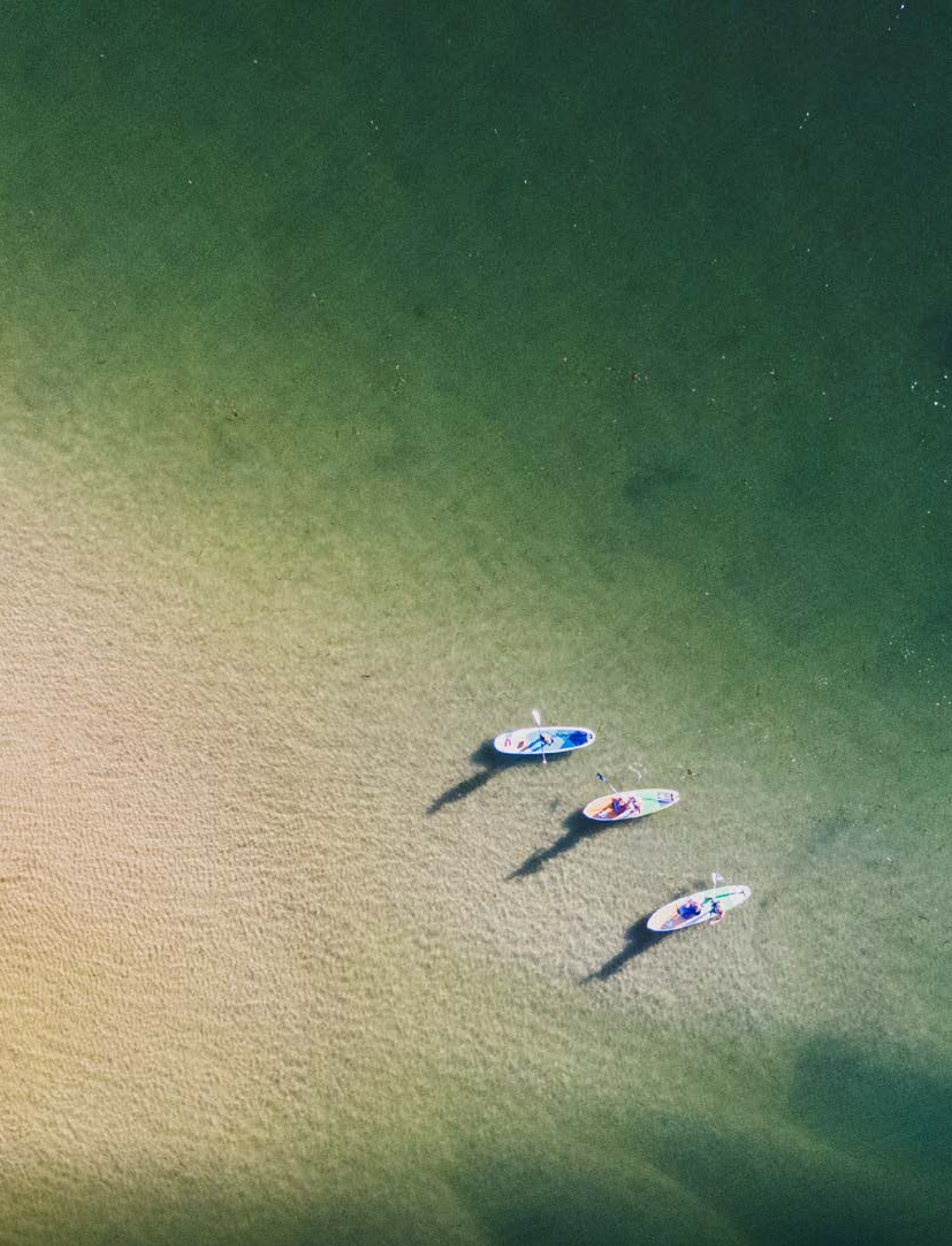
In FY 2021-22 there are no after Balance-Day events which have a significant effect on the financial or other operations of Destination NSW.

## Budgets

Refer Financial Statements: Note 17.

## Implementation of Price Determination

Destination NSW is not subject to the Tribunal.



Wallis Lake, Forster-Tuncurry

# Financial Statements

## Contents

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<b>101</b>	Notes to the Financial Statements

## Statement in accordance

### DESTINATION NSW

#### Statement by the Accountable Authority

Pursuant to section 7.6(4) of the Government Sector Finance Act 2018 ('the Act'), I state that

- (a) these financial statements have been prepared in accordance with:
- Australian Accounting Standards (which includes Australian Accounting Interpretations);
  - applicable requirements of the Act, the Government Sector Finance Regulation 2018; and
  - Treasurer's directions issued under the Act.
- (b) these financial statements present fairly Destination NSW's financial position as at 30 June 2022 and the financial performance and cash flows for the year then ended; and
- (c) there are no circumstances which would render any particulars in the financial statements to be misleading or inaccurate.



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Christine McLoughlin AM  
Chairman  
30 September 2022



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Steve Cox  
Chief Executive Officer  
30 September 2022



## Auditor's Report



### INDEPENDENT AUDITOR'S REPORT

#### Destination NSW

To Members of the New South Wales Parliament

#### Opinion

I have audited the accompanying financial statements of Destination NSW (DNSW), which comprises the Statement by the Accountable Authority, the Statement of Comprehensive Income for the year ended 30 June 2022, the Statement of Financial Position as at 30 June 2022, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a Statement of Significant Accounting Policies and other explanatory information of DNSW and the consolidated entity. The consolidated entity comprises DNSW and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2018* (GSF Regulation) and the Treasurer's Directions
- presents fairly the financial position, financial performance and cash flows of DNSW and the consolidated entity.

My opinion should be read in conjunction with the rest of this report.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of DNSW and the consolidated entity in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Auditor's Report CONTINUED

### The Board's Responsibilities for the Financial Statements

The members of the Board is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the GSF Act, GSF Regulation and Treasurer's Directions. The members of the Board's responsibility also includes such internal control as the members of the Board determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of the Board are responsible for assessing the ability of DNSW and the consolidated entity to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that DNSW or the consolidated entity carried out their activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Mary Yuen  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

4 October 2022  
SYDNEY

# Financial Statements for the Year Ended 30 June 2022

## Destination New South Wales

### Statement of Comprehensive Income for the year ended 30 June 2022

Description	Notes	Consolidated			Parent	
		Budget 2022 \$000	Actual * 2022 \$000	Actual 2021 \$000	Actual 2022 \$000	Actual 2021 \$000
Continuing Operations						
Expenses excluding losses						
Operating expenses						
Employee related	(2.a)	-	6,720	16,638	-	-
Personnel services	(2.b)	22,689	16,443	4,952	23,163	21,590
Other operating expenses	(2.c)	338,427	198,944	160,198	198,944	160,198
Depreciation and amortisation	(2.d)	1,543	1,548	1,490	1,548	1,490
Grants and subsidies	(2.e)	10,334	9,765	6,675	9,765	6,675
Finance Costs	(2.f)	42	41	65	41	65
Total expenses excluding losses		373,035	233,461	190,018	233,461	190,018
Revenue						
Grants and contributions	(3.a)	376,086	292,741	194,423	292,741	194,423
Other revenue	(3.b)	-	2,171	3,165	2,171	3,165
Acceptance by the Crown Entity of employee benefits and other liabilities	(3.c)	-	38	30	38	30
Total revenue		376,086	294,950	197,618	294,950	197,618
Operating result		3,051	61,489	7,600	61,489	7,600
Gain / (loss) on disposal		-	(1)	-	(1)	-
Other gains / (losses)						
Impairment gain / (loss) on property, plant & equipment	(4)	-	35	(99)	35	(99)
Unrealised gain/ (loss) on FX Forward contract	(4)	-	817	(55)	817	(55)
Derecognition of right-of-use assets and lease liabilities with Property NSW	(4)	-	579	-	579	-
Total gains / (losses)		-	1,431	(154)	1,431	(154)
Net result from continuing operations		3,051	62,920	7,446	62,920	7,446
NET RESULT		3,051	62,920	7,446	62,920	7,446
Other comprehensive income		-	-	-	-	-
Total other comprehensive income		-	-	-	-	-
Total comprehensive income		3,051	62,920	7,446	62,920	7,446

The accompanying notes form part of these financial statements.

\* The consolidated results includes 12 months activity for the parent entity and 3 months activity for the Destination NSW Staff Agency that recommenced operations effective 01 April 2022. Refer to Note 1(a).

# Financial Statements for the Year Ended 30 June 2022 CONTINUED

## Destination New South Wales

### Statement of Financial Position as at 30 June 2022

	Notes	Budget 2022 \$000	Consolidated Actual 2022 \$000	Actual* 2021 \$000	Parent Actual 2022 \$000	Actual 2021 \$000
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	(6)	10,909	100,141	-	100,141	17,543
Receivables and prepayments	(7)	2,915	8,507	-	8,507	6,663
<b>Total Current Assets</b>		<b>13,824</b>	<b>108,648</b>	<b>-</b>	<b>108,648</b>	<b>24,206</b>
<b>Non-Current Assets</b>						
Receivables	(7)	-	730	-	730	-
Property, plant and equipment	(8)	441	1,310	-	1,310	501
Right-of-use assets	(9)	1,404	-	-	-	2,808
Intangible assets	(10)	25	13	-	13	27
<b>Total Non-Current Assets</b>		<b>1,870</b>	<b>2,053</b>	<b>-</b>	<b>2,053</b>	<b>3,336</b>
<b>Total Assets</b>		<b>15,694</b>	<b>110,701</b>	<b>-</b>	<b>110,701</b>	<b>27,542</b>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Payables	(11)	21,180	41,091	-	41,091	22,422
Borrowings	(12)	1,903	-	-	-	1,794
Provisions	(13)	3,623	4,352	-	4,352	-
Other financial liabilities at fair value		81	-	-	-	-
<b>Total Current Liabilities</b>		<b>26,787</b>	<b>45,443</b>	<b>-</b>	<b>45,443</b>	<b>24,216</b>
<b>Non-Current Liabilities</b>						
Borrowings	(12)	158	-	-	-	2,061
Provisions	(13)	1,103	1,488	-	1,488	415
<b>Total Non-Current Liabilities</b>		<b>1,261</b>	<b>1,488</b>	<b>-</b>	<b>1,488</b>	<b>2,476</b>
<b>Total Liabilities</b>		<b>28,048</b>	<b>46,931</b>	<b>-</b>	<b>46,931</b>	<b>26,692</b>
<b>Net Assets</b>		<b>(12,354)</b>	<b>63,770</b>	<b>-</b>	<b>63,770</b>	<b>850</b>
<b>Equity</b>						
Accumulated funds		(12,354)	63,770	-	63,770	850
<b>Total Equity</b>		<b>(12,354)</b>	<b>63,770</b>	<b>-</b>	<b>63,770</b>	<b>850</b>

The accompanying notes form part of these financial statements.

\* The consolidated position as at 30 June 2021 is not required as Destination NSW Staff Agency ceased operation as at 28 March 2021. Refer to Note 1(a).



# Financial Statements for the Year Ended 30 June 2022 CONTINUED

## Destination New South Wales

### Statement of Changes in Equity for the year ended 30 June 2022

Consolidated	Notes	Accumulated Funds \$000	Total \$000
Balance at 1 July 2021		850	850
Net result for the year		62,920	62,920
Total comprehensive income for the year		62,920	62,920
Balance at 30 June 2022		63,770	63,770
Balance at 1 July 2020		(6,596)	(6,596)
Net result for the year		7,446	7,446
Total comprehensive income for the year		7,446	7,446
Balance at 30 June 2021		850	850

The accompanying notes form part of these financial statements.

Parent	Accumulated Funds \$000	Total \$000
Balance at 1 July 2021	850	850
Net result for the year	62,920	62,920
Total comprehensive income for the year	62,920	62,920
Balance at 30 June 2022	63,770	63,770
Balance at 1 July 2020	(6,596)	(6,596)
Net result for the year	7,446	7,446
Other comprehensive income	-	-
Total comprehensive income for the year	7,446	7,446
Balance at 30 June 2021	850	850

The accompanying notes form part of these financial statements.

# Financial Statements for the Year Ended 30 June 2022

CONTINUED

## Destination New South Wales

### Statement of Cash Flows for the year ended 30 June 2022

	Notes	Consolidated			Parent	
		Budget	Actual*	Actual	Actual	Actual
		2022	2022	2021	2022	2021
		\$000	\$000	\$000	\$000	\$000
<b>Cash flows from operating activities</b>						
<b>Payments</b>						
Employee and personnel services expenses		(22,689)	(22,369)	(22,030)	(22,369)	(22,030)
Grants and subsidies		(10,334)	(9,765)	(6,675)	(9,765)	(6,675)
Finance Costs		(42)	(41)	(65)	(41)	(65)
Payments to suppliers		(337,428)	(191,181)	(178,081)	(191,181)	(178,081)
<b>Total payments</b>		<b>(370,493)</b>	<b>(223,356)</b>	<b>(206,851)</b>	<b>(223,356)</b>	<b>(206,851)</b>
<b>Receipts</b>						
Grants and contributions		375,086	286,417	194,480	286,417	194,480
Other		-	22,315	15,465	22,315	15,465
<b>Total receipts</b>		<b>375,086</b>	<b>308,732</b>	<b>209,945</b>	<b>308,732</b>	<b>209,945</b>
<b>Net cash flows from operating activities</b>	(18)	<b>4,593</b>	<b>85,376</b>	<b>3,094</b>	<b>85,376</b>	<b>3,094</b>
<b>Cash flows from investing activities</b>						
Purchases of property, plant and equipment		(350)	(982)	(350)	(982)	(350)
<b>Net cash flows from investing activities</b>		<b>(350)</b>	<b>(982)</b>	<b>(350)</b>	<b>(982)</b>	<b>(350)</b>
<b>Cash flows from financing activities</b>						
Repayment of borrowings		(1,783)	(1,796)	(1,699)	(1,796)	(1,699)
<b>Net cash flows from financing activities</b>		<b>(1,783)</b>	<b>(1,796)</b>	<b>(1,699)</b>	<b>(1,796)</b>	<b>(1,699)</b>
<b>Net increase in cash and cash equivalents</b>		<b>2,460</b>	<b>82,598</b>	<b>1,045</b>	<b>82,598</b>	<b>1,045</b>
Opening cash and cash equivalents		8,449	17,543	16,498	17,543	16,498
<b>Closing cash and cash equivalents</b>	(6)	<b>10,909</b>	<b>100,141</b>	<b>17,543</b>	<b>100,141</b>	<b>17,543</b>

The accompanying notes form part of these financial statements.

\* The consolidated results includes 12 months activity for the parent entity and 3 months activity for the Destination NSW Staff Agency that recommenced operations effective 01 April 2022. Refer to Note 1(a).

# Notes to the Financial Statements

## 1 Statement of Significant Accounting Policies

### (a) Reporting entity

Destination NSW is a NSW statutory body, established pursuant to the Destination NSW Act 2011 (the Act). The Destination NSW Group comprises Destination NSW and the entity under its control, the Destination NSW Staff Agency (the Agency).

The Group is a body corporate with a board of management that has a statutory position of Chief Executive Officer (CEO) who is responsible for the day to day management of the Group in accordance with the directions of the Board. The Group is a not-for-profit entity (as profit is not its principal objective).

In the process of preparing the consolidated financial statements for the economic entity, consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated, and like transactions and other events are accounted for using uniform accounting policies.

The Group is consolidated as part of the NSW Total Sector Accounts and falls within the NSW Department of Enterprise, Investment and Trade Cluster (DEIT).

The Group's main aim is to achieve economic and social benefits for the people of New South Wales by developing tourism and securing major events.

Under the Destination NSW Act 2011, Destination NSW cannot employ any staff but may arrange for the use of the services of any staff (whether by way of secondment or otherwise) to enable the Group to exercise its functions. Accordingly, Investment NSW (INSW) provided employee services to Destination NSW up to 31 March 2022, and Destination NSW Staff Agency provided employee services to Destination NSW from 1 April 2022 due to Administrative Order dated 21 December 2021 mentioned below.

The Agency (Destination NSW) has as its head, the CEO of Destination NSW and all staff reporting to the CEO.

Where reference in these notes is made to 'Group' it refers to the total activities of Destination NSW and the Destination NSW Staff Agency. A reference to the 'Parent' relates to the activities of Destination NSW only.

These financial statements for the year ended 30 June 2022 have been authorised for issue by the Board on 30 September 2022.

### For the period from 1 April 2022

As per the Administration Order dated 26 March 2021, effective from 29 March 2021 the Destination NSW Staff Agency was abolished and staff were transferred to INSW. As per the Administration Order dated 21 December 2021, effective from 01 April 2022 Destination NSW Staff Agency recommenced operations and staff transferred from INSW to Destination NSW Staff Agency. As at 01 April 2022, \$1.7 million of annual leave liabilities, \$2.3 million of long service leave liabilities and associated on costs were transferred to the Destination NSW Staff agency from INSW. Accordingly, employee costs incurred by the Destination NSW Staff Agency with effect from 01 April 2022 are disclosed in Note 2(a). Employee related provisions carried by the Destination NSW Staff Agency as at 30 June 2022 have been disclosed in Note 13. There are no other impacts to Destination NSW.

For the purposes of the Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash Flows, and their related notes, the FY 2022 Consolidated results includes 12 months activity for the parent entity and 3 months activity for the Destination NSW Staff Agency that recommenced operations as at 1 April 2022.

Commencing 1 May 2022, there were changes in the terms and conditions of employment for non-executive DNSW staff based in Australia due to implementation of the Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009. Key changes include:

- The application of a 35-hour working week (replacing the previous 38-hour working week)
- Application of Extended Leave (previously, long service leave per NSW Act applies)
- The introduction of a Destination NSW Flexible Working Hours Agreement
- Payment of approved overtime and
- Payment of Leave Loading

# Notes to the Financial Statements CONTINUED

## 1 Statement of Significant Accounting Policies (continued)

### (b) Basis of preparation

The Group's financial statements are general purpose financial statements which have been prepared on an accrual basis in accordance with:

- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations)
- the requirements of the *Government Sector Finance Act 2018* (GSF Act) and the *Government Sector Finance Regulation 2018*
- Treasurer's Directions issued under the GSF Act.

Certain financial assets and liabilities are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Key judgements, assumptions and estimates made by management are disclosed in the relevant notes to the financial statements.

Valuation of Long Service Leave is measured at present value in accordance with AASB 119 Employee Benefits as stated in Note 13.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the entity's presentation and functional currency.

The entity's financial statements have been prepared on a going concern basis, which contemplates the continuity of normal operating activity and the realisation of assets and the settlement of liabilities in the normal course of operations. The entity held cash on hand and at bank as at 30 June 2022 of \$100.1m. The entity receives annual grants from the NSW Government which are sufficient to fund its ongoing operations.

### 2021-22 going concern

The Group assessed the impact on the fair value of its financial assets and recognised a credit loss where considered appropriate. Fair value reflects historical cost evidence adjusted for forward looking economic outlook and conditions. No additional credit loss was recognised during the current financial year. Therefore, it is appropriate for the 2021-22 financial statements to be prepared on a going concern basis.

### (c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

### (d) Accounting for the Goods and Services Tax

Income, expenses and assets are recognised net of the amount of GST, except that:

- the amount of GST incurred by the Group as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of cost of acquisition of an asset or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

### (e) Foreign currency translation

Transactions in foreign currencies are recorded using the spot rate at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the end of the reporting date.

Differences arising on settlement or translation of monetary items are recognised in net result.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or net results are also recognised in other comprehensive income or net results, respectively).

### (f) Comparative Information

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements.



## Notes to the Financial Statements CONTINUED

### 1 Statement of Significant Accounting Policies (continued)

#### (g) Changes in Accounting policies, including new or revised AASB

##### i. Effective for the first time 2021-22

The following amendments and interpretations apply for the first time in FY2021-22.

- AASB 2020-5 Amendments to Australian Accounting Standards – Insurance Contracts
- AASB 2020-7 Amendments to Australian Accounting Standards – Covid-19- Related Rent Concessions: Tier 2 Disclosures
- AASB 2020-8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2
- AASB 2020-9 Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments
- AASB 2021-1 Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities
- AASB 2021-3 Amendments to Australian Accounting Standards – Covid-19- Related Rent Concessions beyond 30 June 2021
- AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The application of the amendments and interpretations did not have a material impact on the financial statements of the entity.

##### ii. Issued but not yet effective

NSW public sector entities are not permitted to early adopt new AAS, unless Treasury determines otherwise. The following new AAS and amendments have not been applied and are not yet effective. The initial application of the AAS and amendments is not expected to have any material impact in the year of initial application.

Date Issued	Pronouncement	Effective for annual reporting periods beginning on or after
Various	AASB 2014-10 Amendments to Australian Accounting Standards- <i>Sales of Contribution of Assets between Investor and its Associate or Joint Venture</i> , AASB 2015-10 Amendment to Australian Accounting Standards - <i>Effective Date of Amendments to AASB 10 and AASB 128</i> , AASB 2017-5, <i>Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</i>	1 January 2025
March - August 2020	AASB 2020-1 Amendment to Australian Accounting Standards - <i>Classification of Liabilities as Current or Non-current</i> and AASB 2020-6 Amendments to Australian Accounting Standards - <i>Classification of Liabilities as Current or Non-current - Deferral of Effective Date</i>	1 January 2023
June 2020	AASB 2020-3 Amendments to Australian Accounting Standard - <i>Annual improvements 2018-2020 and other Amendments</i>	1 January 2022
March 2021	AASB 2021-2 Amendments to Australian Accounting Standard - <i>Disclosure of Accounting Policies and Definition of Accounting Estimates</i>	1 January 2023
June 2021	AASB 2021-5 Amendments to Australian Accounting Standards - <i>Deferred tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023

#### (h) Impact of COVID-19 on Financial Reporting for 2021-22

The entity has assessed the impact of COVID-19 on the fair value of its non-current physical assets and associated impairments, fair value of financial instruments, receivables and potential credit losses, provisions and other liabilities as well as revenue impacts from cancelled events.

The impact of COVID-19 has had no adverse impact on the above mentioned as the allocated budget had been carried forward and earmarked for use in the following financial year where events were impacted by either cancellation or postponement.

Given the uncertainty around the continued impact of COVID-19, management are continuing the work with suppliers, event co-ordinators and other NSW Government agencies to mitigate business disruptions. Force majeure provisions were activated by DNSW to ensure no contracts were onerous to DNSW.

Insurance recoveries in relation to cancelled events have been recorded in Note 3(b).

## Notes to the Financial Statements CONTINUED

## 2 Expenses Excluding Losses

	Consolidated		Parent	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
<b>(a) Employee related expenses</b>				
Salaries and wages (including annual leave)	5,411	14,249	-	-
Superannuation – defined benefit plans	11	29	-	-
Superannuation – defined contribution plans	256	932	-	-
Long service leave	571	133	-	-
Workers compensation insurance	-	136	-	-
Payroll tax and fringe benefits tax	422	749	-	-
Redundancy Payments	-	233	-	-
Other – miscellaneous	49	177	-	-
	<b>6,720</b>	<b>16,638</b>	<b>-</b>	<b>-</b>

	Consolidated		Parent	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
<b>(b) Personnel services</b>				
Personnel services – INSW	16,443	4,952	16,443	4,952
Personnel services – DNSW Staff Agency			6,720	16,638
	<b>16,443</b>	<b>4,952</b>	<b>23,163</b>	<b>21,590</b>

As per the Administration Order dated 21 December 2021, effective from 01 April 2022 Destination NSW Staff Agency commenced operations and staff transferred from INSW to Destination NSW Staff Agency. Please refer to Note 1(a) for details. This change has resulted in employee costs and employee liabilities and associated on costs recognised in Destination NSW Staff Agency as disclosed above.

	Consolidated		Parent	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
<b>(c) Other operating expenses include the following:</b>				
Accommodation expenses	155	236	155	236
Administration fees	54	55	54	55
Advertising	43,358	36,363	43,358	36,363
Auditor's remuneration – audit of financial statement	114	120	114	120
Internal audit services	183	194	183	194
Bad and doubtful debts	-	6	-	6
Consultancy	67	747	67	747
Contractors	13,168	9,138	13,168	9,138
Expense relating to short-term leases	1,986	854	1,986	854
Fees – events	1,298	263	1,298	263
Fees – other	6,585	4,096	6,585	4,096
Maintenance*	39	98	39	98
Motor vehicle expenses	4	19	4	19
Other operating expenses	10,189	4,784	10,189	4,784
Promotion	119,823	102,461	119,823	102,461
Purchases	681	156	681	156
Telecommunication	150	99	150	99
Travel	562	171	562	171
Visiting journalist accommodation and expenses	528	338	528	338
	<b>198,944</b>	<b>160,198</b>	<b>198,944</b>	<b>160,198</b>

## Notes to the Financial Statements CONTINUED

## 2 Expenses Excluding Losses (continued)

	Consolidated		Parent	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
<b>Maintenance Reconciliation</b>				
* Maintenance expense – contracted labour and other (non-employee related), as above	39	98	39	98
<b>Total maintenance expenses included in Note 2(c)</b>	<b>39</b>	<b>98</b>	<b>39</b>	<b>98</b>

**Recognition and Measurement****Maintenance expense**

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement or an enhancement of a part or component of an asset, in which case the costs are capitalised and depreciated.

**Insurance**

The Group's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

**Lease expense**

The entity recognises the lease payments associated with the following types of leases as an expense on a straight-line basis:

- Leases that meet the definition of short-term. i.e. where the lease term at commencement of the lease is 12 months or less. This excludes leases with a purchase option.
- Leases of assets that are valued at \$10,000 or under when new.

Variable lease payments not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate, initially measured using the index or rate as at the commencement date). These payments are recognised in the year in which the event or condition that triggers those payments occurs.

	Consolidated		Parent	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
<b>(d) Depreciation and amortisation expense</b>				
Amortisation – right-of-use asset	1,356	1,376	1,356	1,376
Depreciation – plant and equipment	178	100	178	100
	<b>1,534</b>	<b>1,476</b>	<b>1,534</b>	<b>1,476</b>
Amortisation of intangible assets	14	14	14	14
	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>

**Recognition and Measurement**

Refer to Note 8, 9 and 10 for recognition and measurement policies on depreciation and amortisation.

	Consolidated		Parent	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
<b>(e) Grants and subsidies</b>				
Grant to other non-government bodies	9,765	6,675	9,765	6,675
	<b>9,765</b>	<b>6,675</b>	<b>9,765</b>	<b>6,675</b>
<b>f) Finance costs</b>				
Interest expense from lease liabilities	41	65	41	65
	<b>41</b>	<b>65</b>	<b>41</b>	<b>65</b>

**Recognition and Measurement**

Finance costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs are recognised as expenses in the year in which they are incurred, in accordance with Treasury's Mandate to not-for-profit NSW GGS entities.

## Notes to the Financial Statements CONTINUED

### 3 Revenue

#### Recognition and Measurement

Income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer defined by AASB 15 *Revenue from Contracts with Customers*. Comments regarding the accounting policies for the recognition of income are discussed below.

	Consolidated		Parent	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
<b>(a) Grants and contributions</b>				
Grants – NSW Budget Sector Agencies	3,094	8,832	3,094	8,832
In kind sponsorship	4,382	1,282	4,382	1,282
Other grants and contributions with sufficiently specific performance obligations	3,575	12,319	3,575	12,319
Grants without sufficiently specific performance obligations – Principal Department	281,690	171,990	281,690	171,990
	<b>292,741</b>	<b>194,423</b>	<b>292,741</b>	<b>194,423</b>

#### Recognition and Measurement

Revenue from grants and contributions with sufficiently specific performance obligations is recognised as when the entity satisfies a performance obligation by transferring the promised services. This mainly relates to joint promotional activities with the Industry.

The entity typically satisfies its performance obligations when the promotional activity is complete.

Revenue from these grants and contributions is recognised based on the contribution amount specified in the funding agreement/funding approval, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Total funding amount in a contract is allocated to distinct performance obligations for promotional activities. No element of financing is deemed present as funding payments are usually received in advance or shortly after the relevant obligation is satisfied.

Income from Government grants without sufficiently specific performance obligations is recognised when the entity obtains control over the granted assets (e.g. cash).

The Group receives funding under appropriations from the grant funding received from the cluster which receives appropriations from the Consolidated Fund. Appropriations for each financial year are set out in the Appropriation Bill that is prepared and tabled for that year.

#### Appropriations disclosure

The *Appropriation Act 2021 (Appropriations Act)* appropriates the sum of \$3.8 billion to the Premier out of the Consolidated Fund for the services of the Department of Premier and Cabinet for the year 2021–22. The spending authority of the Premier from the Appropriations Act has been delegated or subdelegated to officers of the Department of Premier and Cabinet and entities that it is administratively responsible for, including the Destination NSW.

Effective 1 April 2022, Machinery of Government changes were enacted through the Administrative Arrangements (Administrative Changes—Miscellaneous) Order (No 3) 2022, transferring appropriations out of the Consolidated Fund related to Destination NSW under the Appropriations Act from the Premier to the Minister for Enterprise, Investment and Trade. For the period 1 April 2022 to 30 June 2022, the spending authority of the Minister for Enterprise, Investment and Trade has been delegated or subdelegated to officers of the Department of Enterprise, Investment and Trade (DEIT) and entities that it is administratively responsible for, including Destination NSW.

The responsible Minister for each GSF agency is taken to have been given an appropriation out of the Consolidated Fund under the authority s4.7 of the Government Sector Finance Act, at the time the GSF agency receives or recovers any deemed appropriation money, for an amount equivalent to the money that is received or recovered by the GSF agency. The spending authority of the responsible Minister from deemed appropriation money has been delegated or sub-delegated to officers of Destination NSW for its own services.

A summary of compliance is disclosed in the financial statements of the Annual Report of the Department of Premier and Cabinet and the Department of Enterprise, Investment and Trade. They have been prepared on the basis of aggregating the spending authorities of both the Premier and the Minister for Enterprise, Investment and Trade for the services of the Department of Premier and Cabinet and the Department of Enterprise, Investment and Trade, respectively, and the responsible Ministers for the services of the entities the principal departments are administratively responsible for that receives or recovers deemed appropriation money. It reflects the status at the point in time this disclosure statement is being made. Destination NSW's spending authority and expenditure is included in the summary of compliance of both the Department of Premier and Cabinet and the Department of Enterprise, Investment and Trade.

The delegation/sub-delegations for FY21/22 and FY20/21, authorising officers of Destination NSW to spend Consolidated Fund money, impose limits to the amounts of individual transactions, but not the overall expenditure of Destination NSW. However, as it relates to expenditure in reliance on a sum appropriated through an annual Appropriations Act, the delegation/sub-delegations are referable to the overall authority to spend set out in the relevant Appropriations Act. The individual transaction limits have been properly observed. The information in relation to the limit from the Appropriations Act is disclosed in the summary of compliance table included in the financial statements of the Annual Report of the Department of Premier and Cabinet and the Department of Enterprise, Investment and Trade.



## Notes to the Financial Statements CONTINUED

## 3 Revenue (continued)

	2022 \$000	2021 \$000	2022 \$000	2021 \$000
<b>(b) Other revenue</b>				
Miscellaneous – insurance refunds and other	2,171	3,165	2,171	3,165
	<b>2,171</b>	<b>3,165</b>	<b>2,171</b>	<b>3,165</b>

**(c) Acceptance by the Crown Entity of employee benefits and other liabilities**

The following liabilities and / or expenses have been assumed by the Crown Entity or other government entities:

Superannuation – defined benefit	36	29	36	29
Payroll tax	2	1	2	1
	<b>38</b>	<b>30</b>	<b>38</b>	<b>30</b>

## 4 Other gains / (losses)

	Consolidated		Parent	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Impairment gain / (loss) on property, plant & equipment	35	(99)	35	(99)
Unrealised profit / (loss) on FX Forward contract*	817	(55)	817	(55)
Derecognition of right-of-use assets and lease liabilities with Property NSW**	579	-	579	-
	<b>1,431</b>	<b>(154)</b>	<b>1,431</b>	<b>(154)</b>

\* Unrealised profit on FX Forward contract represents the fair value gain on measurement of foreign exchange forward contracts as at 30 Jun 2022. Please refer to Note 7 for further details.

\*\* Net gain is recognised from the derecognition of the right-of-use asset and lease liability with Property NSW as at 30 June 2022. Please refer to Note 9 for further details on the derecognition.

The net gain from the derecognition of right-of-use asset and lease liability as at 30 June 2022 is reconciled as below:

	2022 \$000
Right-of-use asset	
Gross carrying value	5,958
Less: accumulated depreciation and accumulated impairment provision	(4,478)
Net book value of ROU Asset derecognised	<b>1,480</b>
Amortised balance of incentives received	-
Lease liability derecognised	2,059
Net gain on derecognition	<b>579</b>

**Recognition and Measurement**

Impairment losses may arise on non-financial assets held by the entity from time to time. Accounting for impairment losses is dependent upon the individual asset (or group of assets) subject to impairment. Accounting Policies and events giving rise to impairment losses are disclosed in the following notes:

Trade receivables and contract assets – Note 7

Property, plant and equipment – Note 8

Leases – Note 9

Intangible assets – Note 10

## 5 Service Groups of Destination NSW

Destination NSW has only one service group. Details of the expenses, income, assets and liabilities for this service group are available in the primary financial statements.

## Notes to the Financial Statements CONTINUED

## 6 Current Assets - Cash and Cash Equivalents

	Consolidated		Parent	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
Cash at bank and on hand	100,141	-	100,141	17,543
	<b>100,141</b>	<b>-</b>	<b>100,141</b>	<b>17,543</b>

For the purpose of the statement of cash flows, cash and cash equivalents include cash at bank, cash on hand, and short-term deposits with original maturities of three months or less and subject to an insignificant risk of changes in value, and net of outstanding bank overdraft.

Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of the year to the statement of cash flows as follows:

	Consolidated		Parent	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
Cash and cash equivalents (per statement of financial position)	100,141	-	100,141	17,543
	<b>100,141</b>	<b>-</b>	<b>100,141</b>	<b>17,543</b>

Refer to Note 19 for details regarding credit risk, liquidity risk, and market risk arising from financial instruments.

## 7 Current/Non-Current Assets - Receivables

	Consolidated		Parent	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
<b>Current Receivables</b>				
Trade receivables from contracts with customers	1,555	-	1,555	1,095
less: Allowance for expected credit loss	-	-	-	-
Net GST	6,308	-	6,308	5,562
Other receivable*	37	-	37	-
Accrued Income	600	-	600	-
Prepayments	7	-	7	6
	<b>8,507</b>	<b>-</b>	<b>8,507</b>	<b>6,663</b>
<b>Non-Current Receivables</b>				
Other receivable*	730	-	730	-
	<b>730</b>	<b>-</b>	<b>730</b>	<b>-</b>

Details regarding credit risk of trade receivables that are neither past due nor impaired, are disclosed in Note 19.

\* The Group enters into foreign exchange forward contracts to manage its exposure to exchange rate risks. Such derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. Destination NSW has not designated a hedging instrument. Accordingly, other receivables include \$0.759m representing the fair value of the unexpired foreign currency forward contracts as at 30 June 2022. An unrealised gain of \$0.759m has been included in unrealised gain/ (loss) on FX Forward contract in the statement of comprehensive income for the year ended 30 June 2022.

## Notes to the Financial Statements CONTINUED

### 7 Current/Non-Current Assets - Receivables (continued)

#### Recognition and Measurement

All 'regular way' purchases or sales of financial asset are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

#### Subsequent measurement

The entity holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

#### Impairment

The entity recognises an allowance for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate.

For trade receivables, the entity applies a simplified approach in calculating ECLs. The entity recognises a loss allowance based on lifetime ECLs at each reporting date. The entity has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

The provision matrix considered the impact of COVID-19 and recent natural disasters and took into account the following:

- Increased credit risk associated with debtors as a result of poor trading conditions.
- Higher receivables balances (i.e. exposure at default) due to recent credit deferment policies of Government and/or late payment.
- Lost time value of money, if contractual payment dates are extended or amounts are expected to be received later than when contractually due.

## Notes to the Financial Statements CONTINUED

## 8 Non-Current Assets - Property, Plant and Equipment

	Plant and Equipment		Total	
	Consolidate \$000	Parent \$000	Consolidate \$000	Parent \$000
<b>At 1 July 2021 - fair value</b>				
Gross carrying amount	-	5,034	-	5,034
Accumulated depreciation and impairment	-	(4,533)	-	(4,533)
<b>Net carrying amount</b>	<b>-</b>	<b>501</b>	<b>-</b>	<b>501</b>
<b>At 30 June 2022 - fair value</b>				
Gross carrying amount	5,995	5,995	5,995	5,995
Accumulated depreciation and impairment	(4,685)	(4,685)	(4,685)	(4,685)
<b>Net carrying amount</b>	<b>1,310</b>	<b>1,310</b>	<b>1,310</b>	<b>1,310</b>

## Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the reporting period is set out below.

Consolidated and parent	Plant and Equipment \$000	Total \$000
<b>Year ended 30 June 2022</b>		
Net carrying amount at beginning of year	501	501
Purchases of assets	981	981
Disposals	(1)	(1)
Depreciation expense – asset owned	(171)	(171)
<b>Net carrying amount at end of year</b>	<b>1,310</b>	<b>1,310</b>

Parent	Plant and Equipment \$000	Total \$000
<b>Year ended 30 June 2021</b>		
Net carrying amount at beginning of year	243	243
Purchases of assets	350	350
Depreciation expense – asset owned	(92)	(92)
<b>Net carrying amount</b>	<b>501</b>	<b>501</b>

## Recognition and Measurement

## Acquisition of property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other AAS.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. deferred payment amount is effectively discounted over the period of credit.

## Capitalisation thresholds

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

## Major inspection costs

When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.



## Notes to the Financial Statements CONTINUED

### 8 Non-Current Assets - Property, Plant and Equipment (continued)

#### **Restoration costs**

The present value of the expected cost for the restoration or cost of dismantling of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

#### **Depreciation of property, plant and equipment**

Except for certain non-depreciable assets, depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the entity.

All material separately identifiable components of assets are depreciated over their shorter useful lives.

Land is not a depreciable asset. Certain heritage assets including original artworks and collections and heritage buildings may not have a limited useful life because appropriate curatorial and preservation policies are adopted. Such assets are not subject to depreciation. The decision not to recognise depreciation for these assets is reviewed annually.

Each class of asset has a default life which may be varied as a result of management review either at acquisition or at any time during the asset life.

Default asset class lives are:

Plant and equipment                      1-8 years

Depreciation rates are reviewed and determined on an annual basis.

#### **Revaluation of property, plant and equipment**

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP21-09). This policy adopts fair value in accordance with AASB 13, AASB 116 and AASB 140 Investment Property.

Non-specialised assets with short useful lives are measured at depreciated historical cost, which for these assets approximates fair value. The entity has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

#### **Impairment of property, plant and equipment**

As a not-for-profit entity with no cash generating units, impairment under AASB 136 Impairment of Assets is unlikely to arise. Since property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material.

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the entity estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the net result.

## Notes to the Financial Statements CONTINUED

### 9 Leases

The following table presents right-of-use assets and lease liabilities as at 30 June 2022:

#### a. DNSW as a lessee

The entity leases various motor vehicles. Lease contracts are typically made for fixed periods of 3 to 5 years, but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. The entity does not provide residual value guarantees in relation to leases.

Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of DNSW.

AASB 16 Leases (AASB 16) requires a lessee to recognise a right-of-use asset and a corresponding lease liability for most leases.

The entity has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less. Low value assets are assets with a fair value of \$10,000 or less when new.

#### Right-of-use assets under leases

	Buildings *	Plant & Equipment	Total
	\$000	\$000	\$000
Balance at 1 July 2021	2,801	7	2,808
Reversal of impairment	35	-	35
Amortisation expense	(1,356)	(7)	(1,363)
Derecognition of right-of-use-asset	(1,480)	-	(1,480)
Balance at 30 June 2022	-	-	-

\* Please refer to the derecognition Note 9(v).

#### Right-of-use assets under leases

	Buildings	Plant & Equipment	Total
	\$000	\$000	\$000
Balance at 1 July 2020	4,276	14	4,290
Additions	-	-	-
Amortisation expense	(1,376)	(7)	(1,383)
Impairment	(99)	-	(99)
Balance at 30 June 2021	2,801	7	2,808

## Notes to the Financial Statements CONTINUED

### 9 Leases (continued)

#### Lease liabilities

	2022 \$000
<b>Balance at 1 July 2021</b>	3,855
Additions	-
Interest expenses	41
Payments	(1,837)
Derecognition of lease liabilities	(2,059)
<b>Balance at 30 June 2022</b>	-

#### Lease liabilities

	Total \$000
<b>Balance at 1 July 2020</b>	5,550
Additions	-
Interest expenses	65
Payments	(1,760)
<b>Balance at 30 June 2021</b>	<b>3,855</b>

The following amounts were recognised in the statement of comprehensive income for the year ended 30 June 2022 in respect of leases other than lease arrangements with Property NSW where DNSW is the lessee. Please refer to 9(v) for the derecognition of right of use assets and lease liabilities pertaining to lease arrangements with Property NSW as at 30 June 2022.

Consolidated/Parent	Total \$000
Depreciation expense of right-of-use assets	1,356
Interest expense on lease liabilities	41
Expense relating to short-term leases	-
<b>Total amount recognised in the statement of comprehensive income</b>	<b>1,397</b>

The entity had total cash outflows for leases including lease arrangements with Property NSW of \$1.837m in FY2021-22 (FY2020-21: \$1.699m).

#### Recognition and Measurement

The entity assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The entity recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

##### i. Right-of-use assets

The entity recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability (refer ii below), adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land and buildings 5 years
- Motor vehicles and other equipment 3 years

If ownership of the leased asset transfers to the entity at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

## Notes to the Financial Statements CONTINUED

### 9 Leases (continued)

#### i. Right-of-use assets (continued)

The right-of-use assets are also subject to impairment. The entity assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the entity estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the net result.

#### ii. Lease liabilities

At the commencement date of the lease, the entity recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- exercise price of a purchase options reasonably certain to be exercised by the entity; and
- payments of penalties for terminating the lease, if the lease term reflects the entity exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the entity's leases, the lessee's incremental borrowing rate is used, being the rate that the entity would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The entity's lease liabilities are included in borrowings.

#### iii. Short-term leases and leases of low-value assets

The entity applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

#### iv. Leases that have significantly below-market terms and conditions principally to enable the entity to further its objectives

The initial and subsequent measurement of right-of-use assets under leases at significantly below-market terms and conditions that are entered into principally to enable the entity to further its objectives is same as normal right-of-use assets. They are measured at cost, subject to impairment.



## Notes to the Financial Statements CONTINUED

### 9 Leases (continued)

#### v. Derecognition of Right-of-Use Asset and Lease Liability effective 1st July 2022

During financial year ended 30 June 2022, Destination NSW has accepted changes in the office accommodation arrangements with Property NSW (PNSW). The main change is the introduction of the "substitution right" clause, that gives PNSW a right to relocate the entity during the term of the agreement. The clause provides PNSW with a substantive substitution right. Therefore, these agreements are not accounted for as a lease within the scope of AASB 16. The office accommodation agreement with PNSW is no longer accounted for as a lease from 30 June 2022. This involves judgment that the "substitution right" clause in the agreement provides PNSW with a substantive substitution right. Management judgments include an assessment that PNSW can obtain benefits from exercising the substitution right through efficiencies in office accommodation at the whole-of-government level and/or its other service objectives. It is also considered practical for PNSW to exercise the substitution right, due to the non-specialised nature of the relevant office accommodation. The corresponding right of use assets and lease liabilities have been derecognised on 30 June 2022, the effective date of the new clauses. The net impact of the derecognition is recognised in "Other Gains/(Losses)" (refer to Note 4). From 1 July 2022, the accommodation charges will be recognised as expenses when incurred over the agreement duration.

Destination NSW continues to be responsible to make good, and to control the fit-out during the remaining occupancy period, as the entity receives the economic benefits through using the fit-out, or through expected compensation from PNSW, if PNSW exercises its right to relocate the entity. Therefore, the entity's accounting treatment for its make-good provisions and fit-out costs in relation to the relevant accommodation remains unchanged.

The net gain from the derecognition of right-of-use asset and lease liability as at 30 June 2022 is reconciled as below:

#### Right-of-use assets

	Land and Buildings \$000
<b>Balance at 1 July 2021</b>	2,801
Reversal of impairment	35
Depreciation expense	(1,356)
Derecognition of right-of-use-asset (i)	(1,480)
<b>Balance at 30 June 2022</b>	-

#### Lease liabilities

	2022 \$000
<b>Balance at 1 July 2021</b>	3,855
Additions	-
Interest expenses	41
Payments	(1,837)
Derecognition of lease liabilities (ii)	(2,059)
<b>Balance at 30 June 2022</b>	-

	2022 \$000
Derecognition of right-of-use asset (i)	(1,480)
Derecognition of lease liabilities (ii)	2,059
<b>Net gain on derecognition</b>	<b>579</b>

#### Items recognised in the statement of comprehensive income in relation to Property NSW leases.

Consolidated/Parent	Total \$000
Depreciation expense of right-of-use assets	1,356
Interest expense on lease liabilities	41
Gains or losses arising from derecognising right-of-use assets and lease liabilities with Property NSW	(579)
<b>Total amount recognised in the statement of comprehensive income</b>	<b>818</b>

## Notes to the Financial Statements CONTINUED

### 10 Intangible Assets

Software	Parent \$000
<b>At 1 July 2021</b>	
Cost (gross carrying amount)	140
Accumulated amortisation and impairment	(113)
<b>Net carrying amount</b>	<b>27</b>
<b>At 30 June 2022</b>	
Cost (gross carrying amount)	140
Accumulated amortisation and impairment	(127)
<b>Net carrying amount</b>	<b>13</b>
<b>At 30 June 2022</b>	
Net carrying amount at start of year	27
Amortisation (recognised in 'depreciation and amortisation')	(14)
<b>Net carrying amount at end of year</b>	<b>13</b>
<b>June 2021 Intangible Assets Schedule</b>	
<b>At 1 July 2020</b>	
Cost (gross carrying amount)	140
Accumulated amortisation and impairment	(99)
<b>Net carrying amount</b>	<b>41</b>
<b>At 30 June 2021</b>	
Cost (gross carrying amount)	140
Accumulated amortisation and impairment	(113)
<b>Net carrying amount</b>	<b>27</b>
<b>Year ended 30 June 2021</b>	
Net carrying amount at start of year	41
Amortisation (recognised in 'depreciation and amortisation')	(14)
<b>Net carrying amount at end of year</b>	<b>27</b>

### Recognition and Measurement

The Group recognises intangible assets only if it is probable that future economic benefits will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. Following initial recognition, intangible assets are subsequently measured at fair value only if there is an active market. If there is no active market for the Group's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

All research costs are expensed. Development costs are only capitalised when certain criteria are met. The useful lives of intangible assets are assessed to be finite. The Group's intangible assets are amortised using the straight line method over their useful lives.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

## Notes to the Financial Statements CONTINUED

## 11 Current/ Non Current Liabilities - Payables

	Consolidated		Parent	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
<b>Current</b>				
Accrued salaries, wages and on-costs	344	-	344	-
Unearned income*	489	-	489	1,370
Personnel services	-	-	-	4,325
Creditors	40,258	-	40,258	16,669
Current – Derivatives	-	-	-	58
	<b>41,091</b>	<b>-</b>	<b>41,091</b>	<b>22,422</b>

\* Unearned income represents monies received for performance obligations not yet satisfied. Unearned income is expected to be recognised as revenue in the subsequent reporting period when the underlying performance obligations are satisfied.

Details regarding liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 19.

**Recognition and Measurement**

Payables represent liabilities for goods and services provided to the Group and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Payables are financial liabilities at amortised cost, initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised net result when the liabilities are derecognised as well as through the amortisation process.

## 12 Current / Non-Current Liabilities - Borrowings

	Consolidated		Parent	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
Current – Lease liability (see Note 9)	-	-	-	1,794
Non-Current – Lease Liability (see Note 9)	-	-	-	2,061
	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,855</b>

Details regarding liquidity risk, including a maturity analysis of the above payables are disclosed in Note 19.

**Recognition and Measurement***Financial liabilities at amortised cost*

Borrowings classified as financial liabilities at amortised cost are initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in net result when the liabilities are derecognised as well as through the amortisation process.

The Group enters into a small number of FX forward contracts with TCorp from time to time to manage its exposure to foreign exchange rate arising from operational activities.

*Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

The changes in fair value of liabilities designated at fair value through profit or loss are recorded in profit or loss with the exception that movements in fair value due to changes in the entity's own credit risk are recorded in other comprehensive income and do not get recycled to net result.

## Notes to the Financial Statements CONTINUED

## 13 Current / Non-Current Liabilities - Provisions

	Consolidated		Parent	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
<b>Current</b>				
<b>Employee benefits and related on-costs*</b>				
Annual leave	2,023	-	-	-
Long service leave	2,301	-	-	-
Other on-costs	28	-	28	-
Personnel services provision	-	-	4,324	-
	<b>4,352</b>	<b>-</b>	<b>4,352</b>	<b>-</b>
<b>Non-Current</b>				
<b>Employee benefits and related on-costs</b>				
Non - Current long service leave obligations expected to be settled after 12 months	423	-	423	-
	<b>423</b>	<b>-</b>	<b>423</b>	<b>-</b>
<b>Other Provisions</b>				
Restoration Costs <sup>1</sup>	415	-	415	415
Other Provisions <sup>2</sup>	650	-	650	-
<b>Non-Current Other Provisions</b>	<b>1,065</b>	<b>-</b>	<b>1,065</b>	<b>415</b>
<b>Total Non-Current Provisions</b>	<b>1,488</b>	<b>-</b>	<b>1,488</b>	<b>415</b>

Note:

1) Provision for Make Good: - Destination NSW has exercised option to extend the lease and the earliest exit date is 1 July 2023.

2) Other Provisions are largely relating to Insurance Recovery for cancelled events.

	Consolidated		Parent	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
<b>Aggregate employee benefits and related on-costs</b>				
Provisions – current	4,352	-	-	-
Provisions – non-current	423	-	-	-
Personnel services payable (Note 11)	-	-	-	4,325
Accrued salaries, wages and on-costs (Note 11)	344	-	-	-
	<b>5,119</b>	<b>-</b>	<b>-</b>	<b>4,325</b>

\* As per the Administration Order dated 21st Dec 2021, effective from 01 April 2022 Destination NSW Staff Agency commenced operations and staff transferred from INSW to Destination NSW Staff Agency. Please refer to Note 1(a) for details. This change has resulted in employee costs and employee liabilities and associated on costs carried in Destination NSW Staff Agency as disclosed above.

**Movements in provisions (other than employee benefits)**

Movements in each class of provision during the financial year, other than employee benefits are set out below:

	Consolidated		Parent	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
<b>Restoration Costs</b>				
Carrying amount at the beginning of financial year	415	-	415	415
Carrying amount at the end of financial year	<b>415</b>	<b>-</b>	<b>415</b>	<b>415</b>

**Annual leave**

The liability at 30 June 2022 was \$2.023m (2021: \$0) as per above.

**Long service leave**

The liability at 30 June 2022 was \$2.724m (2021: \$0) as per above.



## Notes to the Financial Statements CONTINUED

### 13 Current / Non-Current Liabilities - Provisions (continued)

#### Recognition and Measurement

##### **Employee benefits and related on-costs Salaries and wages, annual leave and sick leave**

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 Employee Benefits (although short-cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 8.40% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The entity has assessed the actuarial advice based on the entity's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the entity does not expect to settle the liability within 12 months as the entity does not have an unconditional right to defer settlement.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

##### **Long service leave and superannuation**

The Group's liability for defined benefit superannuation are assumed by the Crown Entity. The Group accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown Entity of employee benefits and other liabilities'.

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using Commonwealth government bond rate at the reporting date.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

##### **Consequential on-costs**

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

##### **Other provisions**

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented net of any reimbursement in the Statement of Comprehensive Income.

Any provision for restructuring is recognised only when the Group has a detailed formal plan and the Group has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

## Notes to the Financial Statements CONTINUED

### 14 Equity

#### Accumulated funds

The category 'accumulated funds' includes all current and prior period retained funds.

### 15 Commitments

#### (a) Capital commitments

As at 30 June 2022 Destination NSW had no capital commitments (2021: Nil).

### 16 Contingent Liabilities and Contingent Assets

The Group is not aware of the existence of any contingent liabilities or contingent assets as at balance date (2021: Nil).

### 17 Budget Review

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the financial statements are explained below.

#### Net Result

The consolidated actual net result of \$62.92m for 2022 has a favourable variance to budget of \$59.87m. This was primarily due to lower than budgeted expenditure of \$139.57m and lower than budgeted revenue of \$81.14m. These factors were mainly attributable to timing of activities and the impacts of COVID-19 and natural disasters resulting in postponement of events and lower activity during the year.

#### Assets and liabilities

The net assets are \$76.12m higher than budget of (\$12.35m). Current assets are \$94.82m higher than budget predominately due to higher cash and cash equivalents of \$89.23m as a result of postponement of events and other activity payments.

Total liabilities are \$18.88m higher than budget due to higher payables \$19.91m.

The variances of both current assets and net liabilities to budget were due to reduced expenditure on promotional activities. Program activities were curtailed due to COVID-19 and natural disasters which resulted in a significant reduction in activity in the NSW Visitor Economy.

#### Cash flows

The net increase in cash of \$82.60m has a variance to budget of \$80.14m. This is primarily due to favourable net cash flows from operating activities variance of \$80.78m with activities budgeted at \$4.59m compared to actual of \$85.38m

### 18 Reconciliation of Cash Flows from Operating Activities to Net Result

	Consolidated		Parent	
	2022	2021	2022	2021
	\$000	\$000	\$000	\$000
<b>Net Cash used on operating activities</b>	85,376	3,094	85,376	3,094
Depreciation and amortisation	(1,548)	(1,490)	(1,548)	(1,490)
(Decrease) / increase in provisions	(5,424)	4,311	(5,424)	4,311
Decrease / (increase) in receivables	1,807	3,510	1,807	3,510
(Decrease) / increase in creditors	(18,721)	(1,825)	(18,721)	(1,825)
Other gain / (loss)	1,430	(154)	1,430	(154)
<b>Net Result</b>	<b>62,920</b>	<b>7,446</b>	<b>62,920</b>	<b>7,446</b>

## Notes to the Financial Statements CONTINUED

### 19 Financial Instruments

The Group's principal financial instruments are outlined below. These financial instruments arise directly from the Group's operations or are required to finance the Group's operations. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Group's main risks arising from financial instruments are outlined below, together with the Group's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Board has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Group, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Audit and Risk Committee on a continuous basis.

#### (a) Financial instrument categories

Class	Category		Consolidated		Parent	
			Carrying Amount		Carrying Amount	
			2022	2021	2022	2021
Financial Assets			\$000	\$000	\$000	\$000
Cash and cash equivalents	6	N/A	100,141	-	100,141	17,543
Receivables <sup>1</sup>	7	Amortised cost	1,555	-	1,555	1,095
			<b>101,696</b>	<b>-</b>	<b>101,696</b>	<b>18,638</b>
<b>Financial Liabilities</b>			<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Payables <sup>2</sup>	11	Financial liabilities measured at amortised cost	40,602	-	40,602	21,053
			<b>40,602</b>	<b>-</b>	<b>40,602</b>	<b>21,053</b>

#### Notes

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).
3. Derivative Financial Instruments

The Group determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

#### (b) Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the entity transfers its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- the Group has transferred substantially all the risks and rewards of the asset; or
- the entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where the Group has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the Group's continuing involvement in the asset. In that case, the entity also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the entity could be required to repay.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

## Notes to the Financial Statements CONTINUED

### 19 Financial Instruments (continued)

#### (c) Financial risks

##### (i) Credit risk

Credit risk arises when there is the possibility of the Group's debtors defaulting on their contractual obligations, resulting in a financial loss to the Group. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Group, including cash, receivables, and authority deposits. No collateral is held by the Group. The Group has not granted any financial guarantees.

Credit risk associated with the Group's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

##### Cash and cash equivalents

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. No interest is earned by Destination NSW on bank balances.

No interest is earned on the overseas advance accounts.

##### Receivables - trade debtors

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand.

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors.

##### Authority Deposits

The Group has no funds placed on deposit with TCorp.

##### Other Facilities

The Group has access to the following banking facilities:

	2022	2021
	\$000	\$000
Citibank	1,200	1,200
	<b>1,200</b>	<b>1,200</b>

##### (ii) Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due. The Group continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of loans and other advances.

During the current year and prior year, there were no defaults of borrowing. No assets have been pledged as collateral. The Group's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11-12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which the invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Board may automatically pay the supplier simple interest. The rate of interest applied during the year was 0% (2021: 0%).

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments, together with the interest rate exposure.



## Notes to the Financial Statements CONTINUED

### 19 Financial Instruments (continued)

#### (ii) Liquidity risk (continued)

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments, together with the interest rate exposure.

#### Maturity Analysis and interest rate exposure of financial liabilities

Consolidated and Parent	Weighted Average effective interest rate	Interest Rate exposure			Maturity Dates		
		Nominal Amount	Fixed Interest Rate	Non- interest bearing	< 1 year	1-5 years	> 5 years
		\$000	\$000	\$000	\$000	\$000	\$000
2022							
Payables	-	40,602	-	40,602	40,602	-	-
Total		40,602	-	40,602	40,602	-	-
2021							
Payables	-	16,669	-	16,669	16,669	-	-
Derivatives <sup>1</sup>	-	58	-	58	58	-	-
Lease liabilities <sup>2</sup>	1.41%	3,855	3,855	-	1,794	2,061	-
Total		20,582	3,855	16,727	18,521	2,061	-

<sup>1</sup> Derivatives represent fair value of forward contracts for foreign currency that expire beyond 30th June 2022.

<sup>2</sup> The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the statement of financial position.

#### (iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The effect on net result and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Group operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposure in existence at the financial position date. The analysis is performed on the same basis as for 2021. The analysis assumes that all other variables remain constant.

## Notes to the Financial Statements CONTINUED

### 19 Financial Instruments (continued)

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through the entity's interest-bearing liabilities. As at 30 June 2022, there are no interest bearing liabilities and therefore there is no interest rate risk as at 30 June 2022. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with NSW TCorp. The Group does not account for any fixed rate financial instruments at fair value through profit or loss or as at fair value through other comprehensive income or available-for-sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of 1% is used, consistent with current trends in interest rates (based on official RBA interest rate volatility over the last five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

The Group's exposure to interest rate risk is set out below.

Group and Parent	Carrying Amount	Profit	Equity	Profit	Equity
	\$000	-1.0%		+1.0%	
		\$000		\$000	

#### 2022

##### Financial assets

Cash and cash equivalents	100,141	(1,001)	(1,001)	1,001	1,001
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#### 2021

##### Financial assets

Cash and cash equivalents	17,543	(175)	(175)	175	175
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##### Other price risk - TCorp Hour Glass Investment facilities

The Group holds no units in Hour-Glass investment trusts.

#### Foreign exchange risk

Foreign exchange risk is the risk that a business's financial performance or position will be affected by fluctuations in the exchange rates between currencies.

Foreign exchange risk, if not identified and managed appropriately, can have significant financial impacts for Government Entities and the State as a whole. These impacts mostly flow from the sale or purchase of international goods or services due to the inherent volatility of foreign exchange markets.

The Group has entered into a FX forward arrangement to comply with TPP 18-03 Foreign Exchange Risk policy. The unrealised gain of \$0.817m has been disclosed in Note 4.

#### (d) Fair value measurement

##### i. Fair value compared to carrying amount

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

##### ii. Fair value recognised in the Statement of Financial Position

Management assessed that cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their fair values, largely due to the short-term maturities of these instruments.

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the entity categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted (unadjusted) prices in active markets for identical assets / liabilities that the entity can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

## Notes to the Financial Statements CONTINUED

### 20 Related Party Disclosures

During the year, the Group incurred \$0.761m (2021: \$0.734m) in respect of the key management personnel services that is provided by Destination NSW Staff Agency, a controlled entity of the Group.

	FY 2022	FY 2021
Key Management Personnel Services	\$000	\$000
Salaries	722	691
Non-monetary benefits	19	19
Post-employment benefits	20	24
	<b>761</b>	<b>734</b>

Except as disclosed, during the year the Group did not enter into any transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

During the year, DNSW entered into transactions with NSW Government related entities that are controlled, jointly controlled or significantly influenced by NSW Government. These transactions in aggregate are a significant portion of the DNSW's receipt of services. These transactions are all at arm's length and in the ordinary course of the business of Destination NSW.

The transactions which are individually significant include:

- \$155.3m Cluster grants received from Department Premier and Cabinet ( 2021: \$61.9m )
- \$126.3m Cluster grants received from Department of Enterprise, Investment and Trade ( 2021: \$Nil )
- \$Nil Cluster grants received from NSW Treasury ( 2021: \$110m )

### 21 Events after Reporting Period

There are no events subsequent to the balance date that affect the financial information disclosed in these financial statements.

**End of the audited Financial Statements**





Blenheim Beach, Vincentia



# Access

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## Access

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