



**FESTIVALE**

**ANNUAL GENERAL MEETING**

**13 September 2017**

**Time: 6pm**

**KPMG Boardroom**

**2 Floor, 33 George Street**

**LAUNCESTON**

**Chairman: Lou Clark**

**Treasurer: Michael Hine**



## **FESTIVALE 2017 CHAIRMAN'S REPORT**

Now in its 31st year, Festivale is one of Tasmania's premier summer events and has become a signature event for Launceston and the Tamar Valley region.

Festivale 2017 continued to maintain the high standards of excellence that patrons and stall holders have come to expect. Community, sponsor and stakeholder feedback was extremely positive. While we anticipated a small profit for 2017 to break even was a \$55,000 turn-around, from the 2016 event. This was due in no small part to the hard work attracting new sponsors to the event by event manager, Meagan Bennett, sound financial management from Treasurer Michael Hine and increased financial support from Launceston City Council.

It was however disappointing that Festivale found itself competing for patrons with another major event on the same weekend, Party in the Paddock. Two major events on the same weekend undoubtedly impacted on Festivale patron numbers on Friday night. A move of weekend to the first weekend in February for 2018 will mitigate the impact of a clash of major events.

Going forward the Festivale Committee will focus strongly on increasing cash and in kind sponsorship as well as patronage. Potential growth for the event lies in attracting more interstate visitors in particular.

In support of Festivale's future sustainability the Committee recognizes that there are opportunities to grow interstate visitation particularly from the eastern seaboard states. While the Festivale brand is strong locally it is starting to attract attention from interstate and over the past four years our patron survey has indicated that the number of visitors travelling from interstate to attend the event is increasing.

Over the past 12 months, Meagan Bennett, event manager has worked closely with key stakeholders to develop tourism and social media and marketing strategies to build on future event attendance. Elements of these key strategies were implemented in the lead up to the 2017 event. Festivale's key objectives in 2017 in the lead up to the 2018 event is to resource and implement our tourism and digital marketing strategies to broaden the events appeal and increase visitation to Launceston and the Tamar Valley region.

Developed in 2016 through with funding from Events Tasmania, these strategies will create pathways and applications that will engage audiences and support the Committee's work to increase future interstate and potentially international visitation. Festivale's aim is to deliver positive and measurable outcomes for the event, the City of Launceston and tourism generally in Tasmania.

In 2017 Festivale featured:

- A Launch cocktail party attended by more than 300 key stakeholders including the Premier of Tasmania, Leader of the Opposition, sponsors and VIP's who enjoyed fine Tasmanian food, wine and James Boag beer served from the Boag's Bar in the Park.
- More than 80 quality Tasmanian food, wine, beer cider and spirits stalls
- The annual Festivale Lunch hosted by Stillwater Restaurant, sponsored by Goaty Hill Tasmania with special guest and renowned chef, Simon Bryant.
- A series of master classes at Design Tasmania featuring the annual Four Beers, Four Cheeses class presented by James Boag and King Island Cheese Company. The 2017 master class series saw Dr Andrew Pirie host his final sparkling master class for Festivale. Andrew hosted the inaugural class and has handed over the reins to a younger generation of winemakers
- Conservatory Cooking returned in 2017 in the John Hart Conservatory featuring Craig Will, Stillwater, guest chef Simon Bryant and Fiona Hoskin, formerly of Fi & Me.
- A non-stop line up of local and interstate entertainment over two stage an international buskers pitch, roving performers and the internationally acclaimed Tiny Top Circus Tent.
- Live comedy for the first time on the KMPG stage
- RAW entertainment in partnership with Theatre North
- Annual Festivale Wine Awards judged by Rebecca Duffy, Holm Oak Vineyards , James Welsh, sommelier and co-owner Stillwater and Black Cow Restaurants and Curly Haslam – Coates, Vintage Tasmania.
- Annual Cider Awards, judged by Dr Fiona Kerslake, Luke Dempsey and Rohan Birchmore.
- Our ongoing collaboration with Harvest Launceston Farmer's Market on the Saturday of Festivale with guest chef Simon Bryant, Craig Will Executive Chef Stillwater Restaurant and Fiona Hoskin, chef and entrepreneur.
- Festivale Best Stall Awards – judged by Simon Bryant, Ling Qian, Editor Australian Good Food Guide, Paul Hodgen, GM Launceston Airport, Alderman Danny Gibson, Damon Wise GM Mercury Newspaper and Scott Lovell GM Think Big.

In 2017 Festivale reached out to lovers of Tasmanian food, wine, beer and cider with an integrated marketing campaign which featured:

- A new social media strategy implemented by an external and experienced social media company increasing Festivale's Facebook followers from approximately 6000 in 2016 to 7492 in 2017
- 10,000 copies of the Festivale program distributed at the event, through the Launceston Travel and Information Centre and Launceston Airport
- Festivale free wine and taste plate promotion at the Launceston Airport 10 days prior to the event in partnership with Launceston Airport, the Tasmanian Food Company and Goaty Hill Tasmania. The James Boag Upper Deck Restaurant served patrons with a free taste plate from Tasmanian Food Co with every purchase of Tasmanian beer, wine, cider or spirit purchased, while Goaty Hill Tasmania served free wine tastings from a fully Festivale branded pop up shop
- Editorial in Tasmanian newspapers, the Examiner, Mercury and Advocate plus syndication of stories on line

- A four page lift out feature sponsored by the Examiner and circulated on Sunday 5 February showcasing what was on offer in 2017
- Strip advertisements placed in the Examiner Newspaper from December 1, 2016 – 9 February 2017
- A 60 second and 30 second statewide television campaign pre and post event with Southern Cross media.
- Collaboration with Tourism Tasmania with #tassiestyle summer promotional campaign including a selfie promotion where patrons took photos and shared their Festivale experience on social media to win prizes.
- The Australian Good Food and Travel Guide developed and launched the Festivale App on the 6 February. The free App allows patrons to view program information, stallholder menus and pricing and much more. Over the coming year the App will be developed further to become a key marketing tool for future events
- Print and on line advertising and editorials with the Australian Good Food and Travel Guide, Brand Tasmania, Food and Beverage Tasmania, Discover Tasmania, Voyeur Inflight Magazine, DUO Magazine and Travelways
- International bloggers and social media companies posted stories and images to promote the event.
- Television news coverage with Southern Cross Media, WIN and ABC Television in the lead up to and throughout the event
- Radio news coverage on ABC Northern Tasmanian, ABC Tasmania, LAFM and regional stations
- ABC Radio editorial in the lead up to and during Festivale including interviews with the Festivale Chairman, event manager, guest chef Simon Bryant, stallholders and entertainers
- ABC Radio outside broadcast on Friday 10 February from City Park from 4pm -6pm
- Major billboard signage at the arrivals carousel in Launceston Airport and seven second advertisement on the digital billboard on the exit route from Launceston Airport.
- Festivale posters distributed throughout the State
- From December 2016 to 28 February, 2017 the Festivale website experienced 40,434 sessions, 115,344 page views with an average session duration of 1.58 minutes Band with peaked at 116 GB.

The total number of patrons surveyed throughout the 2017 event was 747 with an additional 43 online surveys completed via the Festivale website post event.

More than half of patrons attending Festivale in 2017 were over 45+ years (62.7%) and 25-34 years 15.6%.

61.2% of total patrons attended the 2017 event as part of a group such as family &/or friends. This indicates that the event has become a social experience for significant sized groups as 65.8% of patrons came in groups larger than four persons.

The greatest number of patrons (57.9%) attending Festivale were local and living within 20kms of the event. 79.7% of Festivale patrons lived in Tasmania while 17.2% came from interstate and 3.1% were international. Of the interstate patrons the largest numbers came from the eastern seaboard with 42.7% from Victoria, 27.5% from NSW and 18.3% from QLD.

88.9% of our interstate patrons travelled by plane with 83.5% arriving at Launceston Airport and 88.2% departing from Launceston Airport.

- Other interesting facts were highlighted about our interstate patrons:
  - 48.4% planned to spend \$600 on accommodation and meals outside of Festivale
- 44.3% used a hire car
- 10.1% came on the Spirit of Tasmania
- 35.9% stayed 1-3 days
- 29.7% stayed 4-7days
- 12.5 % stayed 8-10 days
- 21.9% stayed longer than 10 days

All patrons surveyed were asked if Festivale was the main reason for coming to Launceston with 46.6% saying yes while 41.4% indicated they were local and decided to attend.

72.7% of those surveyed indicated that they had previously attended the event one or more times. 32.2% of total patrons came on Saturday while 12.6% attended all three days, with 97.5% of patrons surveyed in agreement that the event met or exceeded their expectations with 97.1% indicating they will attend again in the future.

With length of stay growing there are opportunities for Launceston businesses and tourism operators to interact with and engage these patrons pre and post Festivale. Festivale will be working closely with tourism organisations and influencers over the coming months to share information on Festivale and to participate in upcoming marketing campaigns.

To enable us to stage this amazing weekend we have a huge contingent of sponsors to thank and acknowledge for their support and investment in Festivale.

It's important, to recognise the incredible contribution of volunteer committee members to Festivale. It would not be possible to stage this event each year without you and our staff. I would like to acknowledge and thank each member of the Festivale team for their commitment, passion and hard work.

**2016/2017 Committee:**

Chris Veevers	Brett Mackenzie
David Dunn	Rosemary Armitage
Andrew Hurst	Rachel Ciezki
Kate Oliver	Alison Archer
Michael Hine	Dan Ryan
Bronwyn Ballantyne	Mary Shannon

I thank Kate Oliver and Mary Shannon who both recently resigned from the Committee for their valued contributions to Festivale.

I would also like to acknowledge the work of Festivale's event manager, Meagan Bennett for her energy, passion and commitment to Festivale over the past 12 months and successfully delivering her first event.

Earlier this year we welcomed Tanya Hussey to the role of marketing co-ordinator. I acknowledge that Tanya is working feverishly to ensure the program launch for 2018 on Sunday 1 October goes to plan.

Thank you to Brett MacKenzie who filled the role of site manager in 2017 and will continue in this role for the 2018 event while mentoring a future site manager. We thank Brett for his cool head in a crisis and thoughtful manner in dealing with contractors, suppliers and stallholders.

I would also like to extend my thanks to partners, husbands, wives and families for their support of committee members and the event. I acknowledge in particular my husband, Michael Brett and thank him for his support.

It takes many volunteer hours to stage Festivale but there is immense satisfaction in knowing that Festivale continues to be one of Tasmania's premier food and wine events festivals.

I am extremely proud of how our small, dedicated and hardworking team put this wonderful event together year in year out. Much of your work goes unseen and most of it is done without a lot of thanks.

After 17 years as a volunteer I am stepping down from the role of Chairman and as a committee member and passing on the baton to a new Chairman, David Dunn who will take Festivale forward and into a new era. I wish David, the Committee and staff all the best for Festivale going forward.

After 10 years as Chairman this is my last annual report and my last Festivale AGM. I look forward to experiencing Festivale from the other side, as a patron in 2018.

A handwritten signature in black ink, appearing to read 'Lou Clark', written in a cursive style.

Lou Clark  
Chairman  
Launceston Festivale Committee Inc  
13 September 2017



C A M E R O N S

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LAUNCESTON FESTIVALE  
COMMITTEE  
INCORPORATION

AUDITED FINANCIAL  
STATEMENTS

FOR THE PERIOD ENDED 30TH JUNE 2017  
(CLIENT COPY – PLEASE RETAIN FOR YOUR RECORDS)

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Incorporation

## AUDITOR'S REPORT



## INDEPENDENT AUDITOR'S REPORT TO THE COMMITTEE OF LAUNCESTON FESTIVALE COMMITTEE INCORPORATION

### Scope

We have audited the accompanying financial report, being a special purpose financial report, of Launceston Festivale Committee Incorporation, which comprises of a balance sheet as at 2017, the profit and loss statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

### Committee's Responsibility for the Financial Report

The Committee of Launceston Festivale Committee Incorporation is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the *Associations Incorporation Act 1964* and the needs of the members. The Committee's responsibility also includes such internal control as the officers determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the officers, as well as evaluating the overall presentation of the financial report.

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



CAMERONS

## Opinion

In our opinion, the financial report gives a true and fair view of the financial position of Launceston Festivale Committee Incorporation as at 2017, and of its financial performance for the year then ended in accordance with the financial reporting requirements of the *Associations Incorporation Act 1964*.

## Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Launceston Festivale Committee Incorporation to meet the requirements of the *Associations Incorporation Act 1964*. As a result, the financial report may not be suitable for another purpose.

It is not practicable for the Launceston Festivale Committee Incorporation to maintain an effective system of internal control over cash receipts until their initial entry in the accounting records. Accordingly, it was not practicable for us to extend our audit procedures to verify receipts beyond an examination of the initial receipting records of the Association.

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GREGORY HARPER  
Registered Company Auditor  
ASIC Registration #: 337294

Dated: 18 Jul 2017

CAMERONS  
46 Cameron St  
Launceston Tas 7250

LAUNCESTON FESTIVALE  
COMMITTEE INCORPORATION

FINANCIAL REPORTS  
FOR THE PERIOD ENDED 30TH JUNE 2017

# Profit & Loss

## Festivale 1 July 2016 to 30 June 2017

	30 Jun 17	30 Jun 16
<b>Income</b>		
Beer Sales	60,331	77,617
Festivale Lunch Income	5,291	-
Grants - Events Tasmania	20,000	-
Info Tent Sales	37,822	43,201
Masterclass Income	3,478	-
Ticket Sales - Gate	256,369	313,915
Ticket Sales - Pre Sold	44,565	51,356
<b>Stall holder charges</b>		
Gas Contribution	2,936	-
Power Contribution	15,272	-
Stallholder Charges	129,219	148,837
Vehicle Pass Income	4,866	-
Vendor Staff Ticket Sales	4,669	-
<b>Total Stall holder charges</b>	<b>156,963</b>	<b>148,837</b>
<b>Total Income</b>	<b>584,818</b>	<b>634,925</b>
<b>Gross Profit</b>	<b>584,818</b>	<b>634,925</b>
<b>Plus Other Income</b>		
Interest Received	533	1,557
Membership Fees	230	-
Sponsorship & Donations - Cash	140,500	140,484
Sponsorship & Donations - In Kind	209,576	242,818
Sundry Income	201	893
<b>Total Other Income</b>	<b>351,040</b>	<b>385,752</b>
<b>Less Operating Expenses</b>		
Conservatory Cooking	167	-
Employee Leave	2,829	-
Fuel - generators	1,689	-
<b>Administrative Overheads</b>		
Accounting Fees	16,500	20,000
Audit Fees	2,500	2,563
Bank Fees	3,333	1,761
Committee Expenditure	7,095	13,909
Computer Expenses	3,032	1,392
Depreciation	8,709	7,568
Employee Expenses - Superannuation	7,065	7,766
Employee Expenses - Wages	73,427	97,655
Insurance	10,663	12,112
Interest Paid	70	236
Memberships & Subscriptions	1,376	1,215
Office Rent & Facilities	10,000	10,000

# Profit & Loss

	30 Jun 17	30 Jun 16
Parking	-	13
Postage	886	1,799
Printing & Stationery	4	1,423
Recruitment Fees	2,079	1,075
Sales Commissions & Fees	3,643	2,149
Storage	5,914	98
Sundry Admin	1,004	516
Telephone & Internet Expenses	7,821	6,117
Training & Planning	818	864
Vouchers (Funny Money)	1,637	840
<b>Total Administrative Overheads</b>	<b>167,575</b>	<b>191,072</b>
<b>Bar - COGS &amp; Expenses</b>		
Bar Staff	13,000	17,121
Purchases - Beer	20,182	28,639
<b>Total Bar - COGS &amp; Expenses</b>	<b>33,182</b>	<b>45,760</b>
<b>Entertainment Expenditure</b>		
Audiovisual Production	69,697	82,366
Entertainers, MC's & Stage Managers	120,120	111,523
Fireworks	-	16,455
Travel & Accommodation	16,576	24,453
<b>Total Entertainment Expenditure</b>	<b>206,393</b>	<b>234,796</b>
<b>Food and Wine</b>		
Festivale Lunch (Including Guest Chef)	8,245	13,114
Ice, Water & Van	14,743	13,303
Marketing & Sponsors Entertainment	25,594	15,003
Masterclass Expenses	1,744	2,201
<b>Total Food and Wine</b>	<b>50,326</b>	<b>43,621</b>
<b>Logistics</b>		
Buggy Costs (Rego)	145	146
Cash Collection & Handling	6,500	5,000
Donations to Volunteer Clubs	12,089	22,209
Electricity	-	2,464
Gas	3,912	1,887
Labour Hire	45,345	38,010
Licences & Permits	1,810	2,798
Marquees	50,825	54,695
P&E Hire	67,939	88,517
Security	44,209	52,917
Site Cleaning	20,550	37,161
Site Electrician	22,500	25,500
Site Maintenance	1,094	-
Site Planning & Surveying	3,100	7,789
Sundry Venue Expenditure	3,779	3,794
Superannuation - Labour Hire	2,000	-
Ticketing System	3,492	3,786
<b>Total Logistics</b>	<b>289,289</b>	<b>346,674</b>

# Profit & Loss

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	30 Jun 17	30 Jun 16
<b>Publicity &amp; Promotion</b>		
Advertising - Newspaper & Print	8,235	6,823
Advertising - TV, Billboard & Other	47,720	87,380
Awards	1,795	840
Photos & Videos	-	3,690
Printing & Website	42,292	40,365
Purchases - Glasses	40,629	42,380
Purchases - Merchandise	40	6,420
Signage	4,811	19,286
Sundry - Marketing	32,450	-
Surveys	5,900	5,650
<b>Total Publicity &amp; Promotion</b>	<b>183,874</b>	<b>212,834</b>
<b>Total Operating Expenses</b>	<b>935,325</b>	<b>1,074,757</b>
<b>Operating Profit</b>	<b>533</b>	<b>(54,080)</b>
<b>Non-operating Expenses</b>		
Prior Year Adjustments	-	1,800
<b>Total Non-operating Expenses</b>	<b>-</b>	<b>1,800</b>
<b>Net Profit</b>	<b>533</b>	<b>(55,880)</b>

# Balance Sheet

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## Festivale As at 30 June 2017

30 Jun 2017      30 Jun 2016

### Assets

	30 Jun 2017	30 Jun 2016
<b>Bank</b>		
CBA - Business Online Saver	73,469	100,000
CBA - Business Transaction A/C	48,944	16,202
<b>Total Bank</b>	<b>122,414</b>	<b>116,202</b>
<b>Current Assets</b>		
Petty Cash	100	100
Prepayments	10,953	-
Trade debtors - net of in-kind	3,808	7,320
<b>Total Current Assets</b>	<b>14,861</b>	<b>7,420</b>
<b>Fixed Assets</b>		
Plant & Equipment - at WDV	50,265	26,024
<b>Total Fixed Assets</b>	<b>50,265</b>	<b>26,024</b>
<b>Total Assets</b>	<b>187,540</b>	<b>149,646</b>

### Liabilities

<b>Current Liabilities</b>		
Bonds Refundable	1,000	-
CBA - Credit Card (D Pearce)	-	2,892
Employee Provisions	2,829	-
GST Payable	2,049	(6,521)
Income in Advance	37,500	-
PAYGW Payable	3,756	7,296
Rounding	-	-
Salary Sacrifice - Car Parking	1,060	(6)
Superannuation Payable	1,324	996
Trade Creditors	10,812	18,311
<b>Total Current Liabilities</b>	<b>60,329</b>	<b>22,969</b>
<b>Non-Current Liabilities</b>		
Suspense (29999)	-	-
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>	<b>60,329</b>	<b>22,969</b>
<b>Net Assets</b>	<b>127,211</b>	<b>126,677</b>

### Equity

Current Year Earnings	533	(55,880)
Retained Earnings	126,677	182,557
<b>Total Equity</b>	<b>127,211</b>	<b>126,677</b>

**LAUNCESTON FESTIVALE COMMITTEE INCORPORATION**  
**ABN 61 392 554 163**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**1 Summary of Significant Accounting Policies**

These financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act 1964 Tasmania. The committee has determined that the association is not a reporting entity.

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

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these financial statements.

**(a) Income Tax**

The association has self-assessed the income tax exemption status and determined that it is exempt from income tax.

**(b) Property, Plant and Equipment**

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

**Plant and Equipment**

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

**LAUNCESTON FESTIVALE COMMITTEE INCORPORATION**  
**ABN 61 392 554 163**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

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

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised leased assets are depreciated on a straight line basis over their estimated useful lives to the entity commencing from the time the asset is held ready for use.

The assets' residual values and useful lives are reviewed, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**(c) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

**LAUNCESTON FESTIVALE COMMITTEE INCORPORATION**  
**ABN 61 392 554 163**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**(d) Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of any goods and services tax (GST) payable to the Australian Taxation Office.

**(e) Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current year.

**(f) Critical Accounting Estimates and Adjustments**

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

**(g) Members' Guarantee**

The organisation is incorporated under the Associations Incorporation Act 1964. If it is wound up, the rules of the organisation state that each member is required to make a token contribution towards meeting any outstanding obligations.

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**LAUNCESTON FESTIVALE COMMITTEE INCORPORATED**  
**ABN 61 392 554 163**

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**STATEMENT BY MEMBERS OF THE COMMITTEE**

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial statements as set out on pages 1 to 7:

1. Presents a true and fair view of the financial position Launceston Festivale Committee Incorporated as at 30 June 2017 and its performance for the year ended on that date.
2. At the date of this statement there are reasonable grounds to believe that Launceston Festivale Committee Incorporated will be able to pay its debts as and when they fall due.

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

CHAIRMAN



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LOUISE CLARK

Treasurer



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MICHAEL HINE

17 JULY 2017

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27 June 2017

**GREGORY HARPER**

PO Box 1368

LAUNCESTON TAS 7250

Dear Gregory Harper

This representation letter is provided in connection with your audit of the financial report of Launceston Festivale Committee Incorporation for the year ended 30th June 2017, for the purpose of expressing an opinion as to whether the financial report is, in all material respects, presented fairly in accordance with Australian Accounting Standards and the Launceston Festivale Committee Incorporation constitution.

We acknowledge our responsibility for ensuring that the financial report is in accordance with Australian Accounting Standards and the Launceston Festivale Committee Incorporation constitution and confirm that the financial report is free of material misstatements, including omissions.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

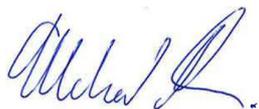
1. We have made available to you:
  - a) All financial records and related data, other information, explanations and assistance necessary for the conduct of the audit
2. There:
  - a) Has been no fraud, error or non-compliance with laws and regulations involving committee members or employees who have a significant role in internal control;
  - b) Has been no fraud, error or non-compliance with laws and regulations that could have a material effect on the financial report; and
  - c) Have been no communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report.
3. We acknowledge our responsibility for the design and implementation of internal control to prevent and detect error. We have established and maintained adequate internal control to facilitate the preparation of a reliable financial report, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.

4. We believe the effects of those uncorrected financial report misstatements aggregated by the auditor during the audit are immaterial, both individually and in the aggregate, to the financial report taken as a whole. A summary of any such item(s) is attached.
5. We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities.
6. We have considered the requirements of AASB 136, "Impairment of Assets", when assessing the impairment of assets and in ensuring that no assets are stated in excess of their recoverable amount.
7. The following have been properly recorded and/or disclosed in the financial report:
  - a) Related party transactions and related amounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements and guarantees (written or oral);
  - b) Share options, warrants, conversions or other requirements;
  - c) Arrangements involving restrictions on cash balances, compensating balances and line-of-credit or similar arrangements;
  - d) Agreements to repurchase assets previously sold;
  - e) Material liabilities or contingent liabilities or assets including those arising under derivative financial instruments;
  - f) Unasserted claims or assessments that our lawyer has advised us are probable of assertion; and
  - g) Losses arising from the fulfillment of, or an inability to fulfill, any sale commitments or as a result of purchase commitments for inventory quantities in excess of normal requirements or at prices in excess of prevailing market prices.
8. There are no violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial report or as a basis for recording an expense.
9. The entity has satisfactory title to all assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral. Allowances for depreciation have been adjusted for all items of property, plant and equipment that have been abandoned or are otherwise unusable.
10. The entity has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.
11. There were no material commitments for construction or acquisition of property plant and equipment or to acquire other non-current assets such as investments or intangibles, other than those disclosed in the financial report.

12. We have no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realizable value.
13. No events have occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in, the financial report.

We understand that your examination was made in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report or the entity taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Michael R.', is positioned above the printed name of the Treasurer.

Treasurer  
Launceston Festivale Committee Inc