

# *Tourism*Alliance



Annual Report **2009**

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**TAKE**  
**TOURISM**  
**SERIOUSLY**

# TAKE TOURISM SERIOUSLY

## Tourism Alliance Campaign

As a result of the 2007 Comprehensive Spending Review, the Government has decided to reduce VisitBritain's funding by 18% (£9m). This cut is the latest in a series of Government decisions that demonstrate the downgrading of tourism's importance to national policy. Over the last decade, there has been no increase in expenditure on overseas marketing, three major restructurings of the British Tourist Authority, English Tourist Board, English Tourism Council and VisitBritain and the erosion of government support for tourism at the national level.

The **Take Tourism Seriously** campaign aims:

- Communicate the industry's very serious concerns with regard to the cuts in funding to the national tourist board and Government policy in support of tourism
- Ensure that the review of public expenditure in support of tourism should:
  - Be independent
  - Take full account of industry views
  - Have no presumption as to its findings, in terms of efficiency savings to be Achieved or the budget required to properly resource VB activity.
- Ensure appropriate, separate Government funding is allocated to promoting the UK as a destination around the 2012 Olympics in order to maximise the forecast £2.1bn tourism legacy.

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## Our priorities for tourism recovery

- 1 That the Government takes the lead and delivers greater co-ordination of public expenditure on tourism by the National Tourist Boards, the RDAs and local authorities.
- 2 That the Government places a moratorium on new regulation that increases costs to businesses.
- 3 That DCMS allocates funding to a tactical marketing campaign that uses the decrease in the value of the pound to promote domestic tourism and inbound tourism from the near-Europe markets.
- 4 That an initiative be developed to inform the banking sector of the need to recognise the financial sensitivity of seasonal tourism businesses, especially in the need for overdraft and loan facilities for future investment.
- 5 That DCMS stimulates growth by undertaking essential planning and providing additional funding to optimise the tourism benefits associated with staging the Olympic and Paralympic Games.



## Chairman's Report

... the one thing that doesn't slow down during a recession is the promulgation of new legislation.

The past year has been very busy for the Alliance, consolidating the Take Tourism Seriously campaign work through monthly meetings with the Tourism Minister, providing input to Conservative and Liberal Democrat tourism policies, developing a new regular letter for MPs and undertaking research projects ranging from analysis by Deloitte on the economic impact of tourism with VisitBritain to updating the economic argument for switching to Daylight Saving.

There have been considerable successes – the re-establishment of an independent national tourist board for England, something which the Alliance has long advocated, is perhaps the most significant outcome of the British Tourism Framework Review, while our proposal to the then Tourism Minister, Margaret Hodge, to re-establish the Cross Whitehall Ministers' group has come to fruition and should be of benefit in the development and implementation of policy and legislation taking into account the needs of the tourism industry.

There is also the hope that the new Tourism Advisory Council, on which the Alliance sits, will take forward the following five key industry issues and produce significant benefits for business.

- 1 Reduce the tax burden on visitors to Britain
- 2 Reduce regulatory costs
- 3 Increase employees' skills for a modern workforce
- 4 Increase funding for VisitBritain's and VisitEngland's marketing programmes
- 5 Produce an Olympic strategy for tourism.

While there has been significant progress, there is no overlooking the major event of 2008 – the global recession. At the start of 2008, few predicted how dramatic and severe this would be. Indeed, there was a moment

in mid-September just after Lehman Brothers filed for bankruptcy when it appeared the whole global banking system might collapse.

In the tourism sector, the downturn saw record high visitor numbers quickly turn to record declines. On the inbound side the last three months of the year ended with visitor numbers down 12% with the UK's largest market, the USA, down a staggering 27%. On the domestic front the fall was around 14% with the business, conference and upmarket hotel sectors particularly affected.

The downturn in the market has put pressure on business expenditure and, by extension, on the subscriptions of trade associations. Yet, periods of recession are precisely the time when trade associations are most needed to lobby Government on issues that pose a burden on businesses already under considerable pressure. As we are all well aware, the one thing that doesn't slow down during a recession is the promulgation of new legislation. The maintenance of strong trade associations in this environment is especially important as we go into an election next year and there is considerable work to be done to ensure that the manifestos of the main parties reflect the needs of the tourism industry.

In the tourism sector there remain a range of important issues that need to be addressed collectively – the mandatory code for the sale of alcohol, age discrimination legislation, Air Passenger Duty, visa costs, the Furnished Holiday Lettings (FHL) rules and coastal access to name a few.

And there continues to be uncertainty regarding the Government's tourism strategy for the 2012 Olympics even though we are only 3 years away from the hosting the Games: the Government's approach to tourism support seems simply to be to develop a British City of Culture programme rather than truly resolve the lack of co-ordination between tourism marketing at the national, regional and local levels.

It is these issues that the Alliance will be pressing in the year ahead.

I would like to take the opportunity to thank the Board and the members for all their support and considerable energy in ensuring that the voice of tourism was heard in Government when it needed to be. In particular, I would like to thank the Executive, Ken Robinson, Tony Millns, and Michael Hirst, for all their hard work this year and to Tourism Alliance President, Richard Lambert, for the ongoing support that he and the CBI give us.

**Bob Cotton OBE**  
Chairman 2008-09

## **Tourism Alliance Financial Report**

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**The Tourism Alliance Limited** (Company Limited by Guarantee)

### **Director's Report**

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The directors present their report and accounts for the year ended 31 December 2008.

#### **Principal activities**

The company's principal activity during the year under review was to operate a trade association to represent, promote and further the interests of member organisations involved in the United Kingdom tourism industry, and generally to advance the interests, standing and quality of the United Kingdom tourism industry.

#### **Directors**

The directors who served during the year and at the date this report was approved, were as follows:

G R S Broke LVO

R N Collier (Resigned 17 March 2009)

R G Cotton OBE

C E Dawson

S F Dowd (Resigned 17 July 2008)

P T Hampson

M B Hirst OBE

A C Millns

R A Pritchard OBE

K G Robinson CBE

B M Simmonds OBE

M Tanzer (Resigned 17 July 2008)

M Rance (Appointed 17 July 2008)

#### **Small company special provisions**

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved on 4th June 2009.

#### **Registered office**

Approved on 4th June 2009.

6 Pullman Court  
Great Western Road  
Gloucester  
Gloucestershire  
GL1 3ND

**R G Cotton** OBE

Director

## Tourism Alliance Financial Report

The Tourism Alliance Limited (Company Limited by Guarantee)

**Income and Expenditure Account** for the year ended 31 December 2008

	Notes	Year ended 31 December 2008 £	Year ended 31 December 2007 £
<b>Income</b>		72,709	74,428
Administrative expenses		(72,563)	(73,834)
<b>Surplus on ordinary activities before taxation</b>		146	594
Tax on surplus on ordinary activities	2	–	–
<b>Retained surplus for the financial year</b>	6	146	594

The Tourism Alliance Limited (Company Limited by Guarantee)

**Balance Sheet** as at 31 December 2008

	Notes	31 December 2007 £		31 December 2006 £	
<b>Current assets</b>					
Debtors	3	3,313		9,518	–
Cash at bank and in hand		34,360		30,976	–
		37,673		40,494	–
<b>Creditors: amounts falling due within one year</b>	4	(19,377)		(23,344)	–
<b>Net current assets</b>			18,296		18,150
<b>Net assets</b>			18,296		18,150
<b>Capital and reserves</b>	5				
Income and expenditure account	6		18,296		18,150
			18,296		18,150

The directors confirm that, in accordance with Section 249B(4) of the Companies Act 1985 for the financial year ended 31 December 2008, the company was entitled to exemption under Section 249A(1) of the Act from the requirement to have an audit.

No notice has been deposited under Section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985; and
- preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to financial statements so far as they are applicable to the company.

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

**M B Hirst** OBE, Director

Approved on 4th June 2009.

## Tourism Alliance Financial Report

The Tourism Alliance Limited (Company Limited by Guarantee)

Notes to the Accounts for the year ended 31 December 2008

### 1 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

### Turnover

Turnover represents the net invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

### 2 Taxation

UK corporation tax

Year ended 31 December 2008 £	Year ended 31 December 2007 £
–	–

### 3 Debtors

Trade debtors

Other debtors

Prepayments and accrued income

31 December 2008 £	31 December 2007 £
–	2,750
1,716	4,330
1,597	2,438
3,313	9,518

### 4 Creditors: amounts falling due within one year

Trade creditors

Accruals

31 December 2008 £	31 December 2007 £
11,827	21,044
7,550	1,300
19,377	22,344

### 5 Share capital

The Association is a company limited by guarantee having no issued share capital, the liability of each member is limited to £1 each in the event of winding up.

### 6 Income and expenditure account

At 1 January

Surplus for the year

At 31 December

31 December 2008 £	31 December 2007 £
18,150	17,556
146	594
18,296	18,150

### 7 Related party transactions

There were no related party transactions during the year, which are required to be reported under FRS8.

### 8 Controlling party

The company was wholly controlled by the directors during the year.

## **Tourism Alliance Financial Report** *continued*

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### **The Tourism Alliance Limited** (Company Limited by Guarantee) **Accountants' report to the Board of Directors on the Unaudited financial statements of The Tourism Alliance Limited**

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In accordance with the letter of engagement dated 23 March 2007, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise of an income and expenditure account, a balance sheet and the related notes, from the accounting records and information and explanations given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the Company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with the technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking and compilation of financial statements.

You have acknowledged on the Balance Sheet as at 31 December 2008 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information or explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

#### **Sawin & Edwards**

Chartered Accountants

15 Southampton Place  
London WC1A 2AJ

4th June 2009.

## ***Tourism Alliance Members***

Association for Tourism in Higher Education  
ABTA – The Travel Association  
Association of Leading Visitor Attractions  
Bed and Breakfast Association  
British Association of Leisure Parks, Piers & Attractions  
British Beer & Pub Association  
British Educational Travel Association  
British Hospitality Association  
British Holiday & Home Parks Association  
British Marine Federation  
British Resorts and Destinations Association  
British Vehicle Rental and Leasing Association  
Business In Sport and Leisure  
Business Visits and Events Partnership  
Camping and Caravanning Club  
Confederation of British Industry  
Confederation of Passenger Transport UK  
Country Land and Business Association  
Cumbria Tourism  
Destination Performance UK  
East of England Tourist Board  
English Association of Self Catering Operators  
English UK  
European Tour Operators Association  
Events Industry Alliance  
Guild of Registered Tourist Guides  
Heart of England Tourist Board  
Heritage Railway Association  
Historic Houses Association  
Historic Royal Palaces  
Holiday Centres Association  
Holiday Cottages Group  
National Caravan Council  
National Trust  
South West Tourism  
The Caravan Club  
Tourism for All  
Tourism Management Institute  
Tourism Network North East  
Tourism Society  
Tourism South East  
UKinbound  
Visit London  
Visitor Attractions Forum  
Yorkshire Tourist Board

### **Associate Members**

Local Government Association  
SouthWest RDA  
VisitBritain

**Tourism**Alliance  
*the voice of tourism*

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**TOURISM**  
**SERIOUSLY**

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