

**Annual Report 2012**



**IN 2011**

- GLOBAL GROWTH WAS 3.5%
- GLOBAL TOURISM GROWTH WAS 4.4%
- UK TOURISM GROWTH WAS 5.0%



THE AVERAGE CONSTITUENCY HAS  
2,000 TOURISM EMPLOYEES

UK TOURISM STATISTICS  
2012



WHILE DOMESTIC TOURISM  
GENERATED 58,000 NEW JOBS

LAST YEAR EMPLOYMENT  
FELL BY 180,000



MANUFACTURING  
GREW BY 2.3%

CONSTRUCTION  
GREW BY 1.3%

DOMESTIC TOURISM  
GREW BY 14%

IN 2011

THE UK ECONOMY  
GREW BY 0.9%



Front cover features images of British tourism as well as scenes from our recent promotional video. It also shows the cover of 'UK Tourism Statistic 2012', a concise overview of the state of British tourism today.

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## Chairman's Report

Reducing regulatory burden in an economic climate where Government has less to offer in financial support is hugely important to industry.

The Tourism Alliance this year celebrated its 10th Anniversary. Formed in the vanguard of the 'Foot and Mouth' crisis to bring together the disparate sectors of the UK tourism industry, it continues to communicate to Government our importance to the UK economy and to work with our members who represent over 200,000 businesses throughout the UK.

At our Parliamentary Reception to celebrate English Tourism Week, we unveiled our first annual overview of tourism statistics to demonstrate how we can contribute to the growth of the economy in these challenging economic circumstances. What other British industry grew domestically by 14% in 2011 or even matched our growth in overseas tourism which grew by 5% in the same year?

It employs 2.6 million people, 44% of which are under 30 and 80% are British. Surely this is an industry that the Government should support, not only for its contribution to the economy, but its potential for employment in the future. It is a fact that every £50k increase in tourism revenue creates a new, full time equivalent job.

We were delighted when Sir David Michels accepted our invitation to become President of the Tourism Alliance and indeed spoke at our Parliamentary Reception. His background in both international and domestic tourism makes him a key advocate for our sector and a high profile spokesman. In his speech, he highlighted what have been five key themes for this year.

Reducing regulatory burden in an economic climate where Government has less to offer in financial support is hugely important to industry. Several members of the Tourism Alliance Board joined Alan Parker, who chaired the Tourism Regulation Task Force for the Tourism Minister, John Penrose MP. A 40 page report provided recommendations for removing a range of regulations. Progress has proved slow as Government Departments seem unwilling to prioritise progress, but we are promised a 'Star Chamber' and know that the Minister is constantly pressing Ministerial colleagues to act and reduce or remove burdens.

There is absolutely no point in the Deputy Prime Minister speaking in China about the UK being open for business if our visa system is so antiquated, costly and unwelcoming. We all

appreciate that the UK's borders must remain secure, but there are many changes which we could make to our visa system that would retain the security and yet regain our competitiveness. The US Government has recently recognised the need to change and commented "We can make this country as secure as it's ever been, while at the same time pursuing economic growth". Our efforts have been rewarded with recognition of the issues at the highest level in Government and we should all be grateful to the excellence of the policy papers written by Kurt Janson our Policy Director, working closely with VisitBritain to bring clarity to our recommendations. Now we need more action.

Aviation capacity was the next theme and we await the publication of a consultation paper, but it is clear that the roundtable I chaired in DCMS and the subsequent paper we wrote has been a key contributor. As our President said; "it is blindingly obvious that we must sort out aviation capacity; not only for tourism, but for the UK economy as a whole". The Tourism Alliance has played an active part in the Fair Tax for Flying campaign which supports a reduction in Air Passenger Duty and this theme will continue next year too.

Reducing VAT on tourism products and services along with the rest of Europe has been supported by the Tourism Alliance with leadership shown by many of our members. Whilst individual trade associations have taken the lead on this and on such campaigns as VAT on residential caravans or listed buildings; the Tourism Alliance has been there to lend weight and advocacy at every possible opportunity.

We have had a number of successes in helping Government to understand the unintended consequences for the Tourism Industry this year. The first was in Energy Performance Certificates for holiday homes and the second in retaining such holidays under such headings as Club 18 to 30 under the Discrimination Act. We have also achieved an exemption for very small tourism businesses from the Waste Control Regulations.

We have continued to work closely with VisitBritain and VisitEngland. The 'GREAT' campaigns for both overseas and domestic tourists have been hugely successful and with reductions for both organisations in public

funding, have acted as a prologue for the Olympic and Paralympic Games. With 30,000 unaccredited journalists and media in London this summer, we have a real opportunity to showcase the UK and encourage visitors from the 200 countries who send teams to London to return and see other parts of the country in future years. "Britain, you're invited" seems an appropriate logo.

The industry has also been keen to work in partnership with our Local Economic Partnerships (LEPs) and Destination Management Organisations (DMOs) and will be promoting further involvement by the private sector in the coming months.

Finally, I must thank all the members of the Board and our Executive Committee for their support and hard work this year, but as ever, the hard work of our Policy Director Kurt Janson is the key to so much of what we do and I thank him most sincerely on behalf of our all.

*Brigid Simmonds*

**Brigid Simmonds** OBE  
Chairman



## Policy Director's Report

The main task for the Tourism Alliance this year is to keep tourism on the Government agenda after the Olympics.

In policy terms at least, the tourism highlight of the year was undoubtedly the publishing of the Government Tourism Policy in March 2011. The Policy included many initiatives to help in the deliver this growth, ranging from those that the Tourism Alliance fully supported to those where we expressed considerable concern. Shortly afterwards, the Tourism Alliance produced the "Tourism for Growth" publication which set out the essential requirements for the potential of tourism to be realized including APD, VAT, further reforms to visa processing and aviation capacity. As such, the Policy's aspirations were applauded as a good starting point for improving competitiveness, rather than being an assured way of achieving the stated goals.

### Better Regulation

One of the Government's key priorities has been to remove regulatory burden in order to reduce business costs and stimulate growth. With the Tourism Alliance having produced a major analysis of regulatory burden at the end of 2010, the sector was well placed to be at the forefront of the deregulation agenda. This was reflected by Tourism and Hospitality being the second Red Tape Challenge topic and the Minister establishing a Regulation Taskforce.

While the Red Tape Challenge and the Taskforce both produced a significant number of recommendations, there has been a growing realisation that officials in Departments responsible for tourism related legislation are less inclined to relax regulation than the Government. This means that the Tourism Alliance will be making a concerted effort to ensure that work on implementing the outcomes of the Challenge and the Taskforce work do not stall over the coming year.

### APD and Aviation Capacity

The Tourism Alliance has therefore worked closely with ABTA in the Fair Tax on Flying campaign to press the Government to reconsider increases in APD and to resolve a number of problems and anomalies with the current scheme that actively discourage visitors to the UK

It was extremely disappointing that, after consulting on measures to improve the current APD system, the Government chose to make no changes that would benefit tourists. With the introduction of further taxation due to aviation being included in the EU Emissions Trading Scheme and proposed inflation indexed increases in APD, work will continue on this issue during the forthcoming year.

There is better news regarding the Government's position on Aviation Capacity, where it now more willing to consider new capacity, especially in the South East. The Tourism Alliance has certainly

played its role in this by convening a cross-industry briefing on the issue for the Minister and developing a position paper containing a series of principles that the Minister and Secretary of State has been using in meetings with colleagues and cabinet members when discussing the benefits of aviation expansion to the UK economy.

### Energy Performance Certificates

One of the smaller, but significant wins the Tourism Alliance had last year was when DEFRA proposed that self-catering properties should gain EPCs and display them in any marketing materials. Working with Hoseasons and EASCO we were able to show that DEFRA's approach exceeded the EU directive and that DEFRA's attempts to change legislation through the use of guidance are ultra vires. The proposal was subsequently dropped.

### Waste Control Regulations

Another win was gaining an exemption from waste disposal charges for accommodation providers that are eligible for the Small Business Rate Relief during DEFRA's revision of the Controlled Waste Regulations. This means that accommodation businesses that have a ratable value of under £12k will not be charged by councils for the disposal of their waste, saving them up to £200 per annum.

### Age Discrimination Legislation

Since proposals to introduce legislation to prevent discrimination in the sale of products and services on the basis of age began in 2007, the Tourism Alliance has been lobbying for an exemption for tourism businesses. This was done on the basis that age related market segmentation is a valid business model that provides benefits for customers who wish to socialize with people their own age. After five years of lobbying activity, it seems almost certain that the legislation will come into effect in October 2012.

However, while we may not have won the war on this issue, we have been able to pick up a number of concessions including an exemption for packages and an ability for businesses to market on the basis of age if they offer to include transport as part of the services provided.

### Daylight Saving

It has to be said that one of the biggest disappointments of the year was Daylight Saving. Firstly, it was removed from the Government's Tourism Policy at the last minute and, even more disappointingly, Rebecca Harris's Daylight Saving Private Members Bill failed to pass its third reading simply because two disaffected MPs decided that it was in the best interests of the country to talk out the Bill rather than to have an open inquiry and public debate on the benefits.

Nevertheless, the issue generated considerable debate in the media with polls showing that an increasing number of people throughout the UK recognize the benefits and support a three year trial. So, while Daylight Saving is now off the agenda for the moment, the case for its introduction has certainly been progressed.

### Visas

The visa application process for visitors to the UK remains an important issue with new research from VisitBritain in both India and China showing that there are significant problems that need to be addressed as well as a poor perception of the UK as a welcoming destination that needs to be rectified. The Tourism Alliance continued to develop policy and briefing papers on this issue and undertook discussions with Ministers and officials on ways of making the UK more competitive, especially in the Chinese and Indian markets.

These lobbying efforts are gaining traction within Government and we expect that, once the Olympics have ended, improvements to the visas regime will form a significant component of discussions on how to maximize the tourism legacy.

### VAT

Finally, the case for lowering VAT for tourism products and services was strengthened with work on the BHA-led VAT campaign. For the first time in this long-running issue, a real dialogue has been opened with Treasury and work continues using the Treasury's own Computable General Equilibrium Model to show the benefits to economic growth and employment if the UK reduces VAT rates so they are competitive with other European countries.

### Looking Forward

The main task for the Tourism Alliance this year is to keep tourism on the Government agenda after the Olympics. On the domestic side, the primary focus will be to ensure that the Government does not relax and "take its foot off the pedal" on deregulation. Meanwhile, on the international side, the tasks are to maximize the Olympic legacy by building on the potential marketing platform that global media exposure will have created and gain improvements on visas, APD and aviation capacity.

I look forward to continuing to work with you to achieve this.

**Kurt Janson**  
Policy Director

## The Tourism Alliance Key Policy Objectives

**The following are five key policy areas where action is essential to unlock the full potential of the UK's tourism industry.**

### 1 Improve International Competitiveness

The Government's Coalition programme, launched in May 2010, states that:

*"We will take steps to improve the competitiveness of the UK tourism industry, recognising the important part it plays in our national economy."*

Two years later, there has been little action by the Government to fulfil this commitment when it comes to three key factors that determine the competitiveness of the UK tourism industry in the global market – visas, Air Passenger Duty and VAT rates on tourism products and services. Indeed, Air Passenger Duty has increased significantly and it is proposed that there will be further inflation-linked increases despite the inclusion of aviation in the EU Emissions Trading Scheme from the start of 2012. Visa charges have also increased from £68 per person to £72 per person. The total cost of travelling to the UK for a family of four from the growth markets of China and India has reached a new high of £612, making the UK approximately £400 more expensive to visit than any other European destination.

Once in the UK, the high VAT rates that visitors from these countries pay in the UK for accommodation, meals and attractions adds a further £140 per person to the cost of their visit compared to staying in other European destinations. Combined, these costs make a stay in the UK £1100 more expensive than the same stay in other European destinations and provide an indication as to why the UK's share of outbound markets such as India and China has decreased by more than 50% since 2000.

A further reason for the UK's reducing share of visitors from the important emerging markets is the growing lack of aviation capacity throughout the UK and especially in the South East, which is leading to a lack of connectivity. For example, Germany has three airports that connect with six airports in China while the UK, until recently, had only one airport connecting with three airports in China. As a result, the UK significantly underperforms its European competitors in these markets with Germany receiving six times as many visitors from China than the UK.

The UNWTO forecasts that outbound tourism from China will increase to 100m per annum by 2020, while outbound tourism from India will increase to 50m per annum over the same period. Any constraints to the UK's aviation capacity will not stop people from India and China flying, it will simply mean that they will fly to other countries which will then gain the economic benefit. Also, econometric modelling by VisitBritain has shown that constraining aviation capacity will see UK residents outcompete inbound visitors for available seats, meaning that the UK's tourism deficit will increase. By contrast, an increase in capacity would increase revenue for the UK and decrease the tourism deficit.

#### Key policies

- The Government must work with the tourism industry to review VAT rates on tourism goods and services, monitoring the net effects of the French and Irish reductions, and lower VAT rates to competitive levels if and when it is shown to be economically beneficial.
- The Home Office and UKBA must develop and implement a strategy which actively encourages and facilitates legitimate visitors to the UK, including bona fide English Language students. Such a strategy should include the provision of visa applications in the language of the applicant, guaranteed application processing times, a "bolt-on" visa for applicants already holding a Schengen visa, and simplification in the support material required with the application to match Schengen requirements.
- The Government must place a moratorium on proposed increases to Air Passenger Duty until such time as a thorough economic analysis is undertaken of the impact of Air Passenger Duty on the UK economy, including tourism and business investment impacts.
- There must be an increase the UK's aviation capacity, subject to appropriate environmental controls, in order to maintain our status as one of the top global tourism destinations.

## 2 Reduce the Regulatory Burden

Reducing the regulatory burden faced by UK businesses is a core component of the Government's plans to encourage growth in the UK economy and considerable progress has been made on this issue in terms of the Red Tape Challenge and the work of the Minister's Regulation Taskforce.

However, there are a number of significant initiatives on deregulation where there has been little discernible progress. These include the three year moratorium on compliance with new legislation for small businesses and the "one in, one out" policy for new legislation, both of which have the potential to benefit the 80% of tourism businesses that are SMEs. In addition, there is little evidence to suggest that the Government's commitment to improve the quality of the impact assessments associated with new legislation and the commitment to ensure that the effects of new regulation on tourism are taken into account across Whitehall, are only being applied in a piecemeal way.

The Tourism Alliance is very concerned that the Government's initial commitment to improve regulation is starting to become bogged-down with officials in Departments responsible for the legislation that impacts on tourism businesses showing increasing reluctance to implement significant regulatory reforms.

A further area that requires on-going work, if the current level of regulatory burden on businesses is to be reduced, is reforms to the way that regulations are administered and implemented at the local level. While the Big Society agenda holds the prospect of regulation being implemented in a way that supports local businesses and finds local solutions to local issues, it also holds the prospect of regulations being applied and enforced in an inconsistent manner across the country. This approach has the potential to create considerable confusion and to significantly increase costs to businesses.

### Key policies

- Government's commitment to deregulation, and the resources it allocates to this task, must be increased.
- The outcome of the Tourism and Hospitality Red Tape Challenge and the recommendations of the Minister's Regulation Taskforce must be implemented. A timetable for the implementation of these recommendations should be published to provide a measure by which to judge progress.
- Tourism must be fully taken into account in Impact Assessments for new and amended legislation, regardless of the originating Government Department.
- Government should provide guidance to local authorities and agencies to improve the application and enforcement of existing legislation.

## 3 Improve Tourism Structures

The Tourism Alliance is very supportive of the Government's allocation of funding to both VisitEngland and VisitBritain in order to maximise the benefits and legacy associated with holding the Queen's Diamond Jubilee and hosting the 2012 Olympics. This is an unprecedented year for the UK to hold the world's attention and the associated "20.12" and "Britain is Great" campaigns are fully supported.

However, it needs to be noted that the funding for these campaigns are "one-off" allocations that will end in 2014/15 and that base-level funding for both National Tourist Boards has declined significantly over the last decade (and 34% within the term of the current Government). While the Tourism Alliance recognises that the current economic circumstances necessitate a reduction in Government expenditure, it also believes that tourism remains one of the keys to providing much greater economic growth and employment. The ability of tourism to provide growth is highlighted by the Inbound and Domestic tourism figures for 2011, which saw revenue grow by 5% and 14% respectively, adding £3.8bn to the UK economy. This is sufficient to generate 76,000 new jobs, 44% of which will be filled by people under the age of 30. As such, the base Grant-in-Aid allocations to VisitBritain and VisitEngland need to be reconsidered when the campaign-specific funding ends to ensure that the UK continues to be able to compete in the global tourism market, can effectively implement the Strategic Framework in England and achieve the targets for tourism growth set in the Government's Tourism Policy.

At the sub-national level, the abolition of the Regional Development Agencies and the subsequent formation of Local Enterprise Partnerships has resulted in substantial changes to the structure and funding of Destination Management Organisations. The Government's belief that local businesses would provide the direction and funding required to replace public expenditure and boost tourism development and marketing at the local level is not being realised in many areas. As a consequence, many DMOs have either closed or had to downsize and restructure in order to survive. The result is an incomplete patchwork of DMOs across England operating with varying degrees of resources and success.

While there is much the industry can do without public funding, there remains a need for there to be a co-ordinated, functional network of DMOs throughout England if national programmes such as the Strategic Framework are to be implemented successfully and issues related to the quality of tourism products and services are to be resolved.

### 3 Improve Tourism Structures

#### Key policies

- Government must re-examine baseline funding for VisitBritain and VisitEngland once funding for the “Britain is Great” and “20.12” campaigns ends so that they are able to lead the industry to achieve the targets in the Government Tourism Policy.
- Further support is required if there is to be a functioning tourism network in England, with full engagement between VisitEngland, Destination Management Organisations and tourism businesses, to ensure implementation of the Government’s Tourism Policy and the objectives set out in VisitEngland’s Strategic Framework.
- Guidance should be given to Local Enterprise Partnerships on the needs and opportunities of tourism businesses, to ensure their engagement and support.
- A secure on-going funding stream for the English Tourism Research and Intelligence Partnership (ETRIP) is required in order to provide the collection and detailed analysis of tourism statistics that are vital for both the industry and central and local government policy making.

### 4 Improve Quality and Skills

While the vast majority of the tourism products and services provided to visitors are of a high standard, there remain exceptions, and customer expectations are continually rising. The industry acknowledges that further improvements in staff skills and product quality are required if the UK is to successfully compete in the global market. While these matters are primarily the responsibility of businesses in the tourism sector, there are specific initiatives that require government intervention.

On quality, the requirement that no public funding is used to support the accommodation grading schemes now managed by VisitEngland must not lead to a decline in the drive for greater quality of products or management. On skills, there is a need for the career opportunities in tourism to be recognised in higher education. Greater linkage is essential between higher education courses and industry needs. There is a growing disparity between the larger, more structured tourism businesses which are committed to a culture of formal in-service training and many smaller businesses whose owners may not themselves have undertaken formal training and in which there is much less opportunity for career progression. It is important to ensure that training provision can effectively reach and involve smaller businesses.

#### Key policies

- Ensure that industry-led and self-funding quality schemes meet the needs of visitors and identify businesses that comply with statutory minimum standards.
- Provide tax incentives for businesses to invest in training and development, and provide high quality tourism products (such as re-introducing hotel building and other business improvement allowances) and do not impose VAT on maintenance and alterations to historic buildings.

### 5 Improve Sustainability

Tourism is already a highly sustainable industry. It supports and encourages the upkeep and maintenance of National Parks, historic buildings, beaches and modern urban landscapes as well as stimulating the growth in arts and cultural activities. Tourism encourages people to try local foods and produce, undertake outdoor activity and understand the culture of others. Visitors choose pleasant, safe destinations, so any reduction of standards lowers demand.

Because people have to travel to undertake tourism, its environmental footprint is sometimes singled-out for disproportionate criticism above other areas of economic activity. This overlooks the many beneficial consequences of tourism and the steps being taken to reduce its overall environmental impact.

In addition of environmental sustainability, there is a strong case for the introduction of a social tourism programme similar to those operating in other European countries. The evidence is that these programmes not only reduce problems and costs associated with social exclusion, but that they significantly improve the sustainability of tourism destinations by providing valuable income at times of lower demand.

#### Key policies

- Government resources should be allocated to the development of programmes that assist tourism businesses to operate more sustainably.
- There needs to be a thorough analysis of the societal and cultural benefits associated with tourism in order for Government to better integrate tourism into departmental policy across Whitehall.
- The case for a national social tourism programme needs to be investigated as a cross-Whitehall policy initiative.
- Support is needed for tourism businesses to develop strategies that incentivise visitors to recognise sustainability and use public rather than private transport when appropriate.

## Tourism Alliance Strategy 2012 – 2015

The Tourism Alliance, formed with the support of the Secretary of State for Culture, Media and Sport, aims to unite the UK tourism industry to communicate the importance of tourism to the UK economy and to ensure that is recognised in Government policy. The Alliance comprises 50 Tourism Industry Organisations that together represent some 200,000 businesses of all sizes throughout the UK.

### Purpose

The purpose of the Tourism Alliance, as defined in our Memorandum of Association, is:

*'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'.*

### Vision and mission

Tourism is one of the UK's top five economic sectors, and our aim is to make tourism central in government policy and, especially, its strategy for growth.

For the Tourism Alliance itself, we aim to be recognised by both the Government and the industry as being the channel and key forum for discussing and negotiating matters affecting the tourism sector.

We will achieve this by developing policies and strategies to improve the international competitiveness of the UK tourism industry, and by effectively lobbying and working with Government to deliver this.

We also aim to increase the TA membership over the strategy period by 20% to make it even more representative of the sector.

## Key Strategies

The key strategies to be pursued by the Tourism Alliance are as follows.

### 1 Communicating the Importance of Tourism

**To improve external and internal communications in order to increase understanding of the importance of Tourism to national and local economies and its ability to generate growth and employment.**

In order to more effectively increase the understanding of the importance of the tourism sector to the UK economy and to ensure that the interests of the sector are taken into account in the development and implementation of new legislation, the Tourism Alliance needs to improve both internal and external communications.

Improving internal communications will allow member organisations to develop co-ordinated messages in their communications with Government and demonstrate coherence within the industry.

Action also needs to be undertaken to improve external communications to establish the Tourism Alliance as a main point of contact when tourism-related issues enter the media and to allow the Tourism Alliance to more effectively state the case for tourism.

#### Actions

- Provide a “core messages” media support kit for members on established and emerging key issues
- Undertake policy briefing days for members with civil servants from different departments on a range of tourism-related issues
- Undertake breakfast meetings with Ministers and shadow Ministers based around the Tourism Alliance Strategy
- Revise and update the Tourism Alliance Communication Strategy and press contact list to ensure that the TA's views on key tourism issues can be communicated proactively.

## 2 Influencing Government Policy

**To ensure that the interests of the tourism sector are taken into account in the development and implementation of all relevant Government policy.**

Due to the nature of tourism, there is always a considerable number of policy and regulatory matters being developed by Government that impact upon the tourism industry. As the Tourism Alliance's resources are limited, it is unable to fully engage with all issues. Also, in continuously reacting to Government initiatives, the Alliance's ability to be proactive and effectively drive a beneficial tourism agenda is reduced. The Tourism Alliance Board will therefore determine the priority issues to be addressed by the Alliance to provide the greatest benefit to the industry and the UK economy.

Where appropriate, TA members will lead on issues that primarily affect their interests, with other TA members and the TA corporately operating in support.

### Actions

- Identify a core set of policy issues that will provide the maximum benefit to the UK tourism industry as a whole
- Develop policy position statements to support these critical issues
- Develop and implement action plans that present solutions to the identified core issues
- Establish membership groups to lead on appropriate issues.

## 3 Improving the use of Tourism Research and Statistics

**To promote the production and availability of accurate tourism research and statistics as a basis for improving the understanding of the importance of the tourism industry to national and local economies, and the ability of the sector to generate growth and employment.**

The disparate nature of the tourism industry means that the sources of tourism statistics are often diverse and the actual figures can vary depending on the methodology used. The lack of easily accessible, coherent tourism statistics makes it difficult for the Government and key decision-makers to understand the importance and opportunities afforded by the sector. This lack of understanding also makes it difficult for the sector to effectively argue the case for Government support. One of the key strategies of the Tourism Alliance is therefore to improve the Government's understanding of the tourism industry and particularly the role of the private sector in tourism.

### Actions

- Bringing together key tourism statistics for use by the industry
- Develop a measure for international competitiveness
- Identify and undertake research on key aspects of the tourism industry and its impacts and benefits to the UK
- Produce an annual key tourism statistics digest with informed commentary on trends and implications
- Introduce an industry barometer survey to measure the health and confidence of the tourism industry.

## Tourism Alliance Strategy 2012 – 2015

### Action Plan

Action	Date by	Measurement	Responsibility
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#### Communicating the Importance of Tourism

1. Provide Core Messages Kit on Established and Emerging Issues	September 2012 and then on-going	Establish Kit by September 2012 and then review Twice Yearly	Policy Director
2. Undertake Policy Briefing Days for members	On-going	At least Two Policy Briefing Days Annually	Policy Director
3. Undertake Breakfast Meetings with Ministers and other key figures	On-going	At least Five Breakfast Meetings Annually	Policy Director
4. Revise and Update Tourism Alliance Communications Strategy	July 2012	Produce Revised Communications Strategy	Policy Director
5. Annual Report and other Publications	On-going	Publication of Annual Report at AGM	Policy Director

#### Influencing Government Policy

1. Identify and Review a Core Set of Policy Issues	On-going	Review and Agreement of Core Issues by Tourism Alliance Board every Six Months	Tourism Alliance Board
2. Develop Policy Position Statements on UK and EU issues	August 2012 and then on-going	Position Statements on Core Policy Issues Published in August 2012 and updated on an on-going basis	Policy Director
3. Establish Membership Groups to Lead on Appropriate Issues	As required	At least Five Breakfast Meetings Annually	Tourism Alliance Board

#### Improving the Use of Research and Statistics

1. Bring Together Key Tourism Statistics	On-going	Distributing of Key Figures and Publications to all Members on a Monthly Basis	Policy Director
2. Develop a Measure of International Competitiveness	February each year	Publication of an Annual Competitiveness Survey	Policy Director
3. Identify and Research Key Aspects of the Tourism Industry	As required		Board to Determine Research Priorities as Required
4. Produce an Annual Tourism Statistics Digest	March each year	Publication of Statistics Review	Policy Director
5. Introduce an Industry Barometer Survey	April and September each year	Publication of Survey Results Twice Per Annum	Policy Director

## **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 2011.

#### **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**

M Bedingfield (Resigned 13 July 2011)

G R S Broke LVO (Resigned 30 September 2011)

C E Dawson (Resigned 13 July 2011)

P T Hampson

M B Hirst OBE

A C Millns

R A Pritchard OBE

D Phillips (Resigned 13 July 2011)

M Rance

K G Robinson CBE

B M Simmonds OBE

G Verity

R G Cotton OBE (Resigned 13 July 2011)

U Ibrahim (appointed 13 July 2011)

B Donoghue (appointed 30 September 2011)

T Jenkins (appointed 13 July 2011)

A Woodward (appointed 13 July 2011)

A Climpson OBE (appointed 13 July 2011)

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

The report of the directors has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 5 July 2012.

#### **Registered office**

6 Pullman Court  
Great Western Road  
Gloucester  
Gloucestershire  
GL1 3ND

**M Rance** Director

## Tourism Alliance Financial Report

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

**Income and Expenditure Account** for the year ended 31 December 2011

	Notes	Year ended 31 December 2011 £	Year ended 31 December 2010 £
<b>Income</b>		72,869	76,249
Administrative expenses		(69,836)	(71,968)
<b>Surplus on ordinary activities before taxation</b>		3,033	4,281
Tax on surplus on ordinary activities	2	–	–
<b>Retained surplus for the financial year</b>	6	3,033	4,281

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

**Balance Sheet** as at 31 December 2011

Company registration Number 05106422

	Notes	£	31 December 2010 £	£	31 December 2009 £
<b>Current assets</b>					
Debtors	3	2,117		9,374	–
Cash at bank and in hand		34,831		27,601	–
		36,948		36,975	–
<b>Creditors: amounts falling due within one year</b>	4	(9,175)		(12,235)	–
<b>Net current assets</b>			27,773		24,740
<b>Net assets</b>			27,773		24,740
<b>Capital and reserves</b>	5				
Income and expenditure account	6		27,773		24,740
			27,773		24,740

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

For the year ending 31 December 2011, the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with Section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

**M Rance** Director

Approved by the board on 5 July 2012.

## Tourism Alliance Financial Report

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

**Notes to the Accounts** for the year ended 31 December 2011

### 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 April 2008).

### 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

<b>Year ended 31 December 2011 £</b>	Year ended 31 December 2010 £
–	–

### 3 Debtors

Trade debtors

Other debtors

Prepayments and accrued income

<b>31 December 2011 £</b>	31 December 2010 £
544	–
1,188	8,974
385	400
<b>2,117</b>	<b>9,374</b>

### 4 Creditors: amounts due within one year

Trade creditors

Accruals and deferred income

<b>31 December 2011 £</b>	31 December 2010 £
7,230	5,878
1,945	6,357
<b>9,175</b>	<b>12,235</b>

### 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

<b>31 December 2011 £</b>	<b>31 December 2010 £</b>
24,740	20,459
3,033	4,281
<b>27,773</b>	<b>24,740</b>

### 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**

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

**Accountants' report to the Board of Directors on the preparation of the**

**Unaudited financial statements of The Tourism Alliance Limited** for the year ended 31 December 2011

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of The Tourism Alliance Limited for the year ended 31 December 2011 as set out on pages 2 to 5 from the company's accounting records and from information and explanations you have given us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com/membershandbook](http://www.icaew.com/membershandbook).

This report is made solely to the Board of Directors of The Tourism Alliance Limited, as a body, in accordance with the terms of our engagement letter dated 25 March 2010. Our work has been undertaken solely to prepare for your approval the accounts of The Tourism Alliance Limited and state those matters that we have agreed to state to the Board of Directors of The Tourism Alliance Limited, as a body, in this report in accordance with AAF 02/10 as detailed at [www.icaew.com/compilation](http://www.icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Tourism Alliance Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that The Tourism Alliance Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and surplus of The Tourism Alliance Limited. You consider that The Tourism Alliance Limited is exempt from the statutory audit requirement for the year ended 31 December 2011.

We have not been instructed to carry out an audit or a review of the accounts of The Tourism Alliance Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

### **Sawin & Edwards**

Chartered Accountants

15 Southampton Place  
London WC1A 2AJ

5 July 2012



## **The Tourism Alliance**

The Tourism Alliance is the Voice of the Tourism Industry, comprising 50 Tourism Industry Organisations that together represent some 200,000 businesses of all sizes throughout the UK.

The purpose of the Tourism Alliance is to identify and develop policies and strategies to raise standards and promote quality within the industry and work with and lobby government on all key issues relevant to the growth and development of tourism, to maximise its contribution to the economy.

The Tourism Alliance was established in 2001 with the support of the Secretary of State for Culture, Media and Sport.

Policy Director:

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### **Members**

ABTA  
ALVA  
ANTOR  
Association for Tourism in Higher Education  
BALPPA  
Bed & Breakfast Association  
Brighton and Hove Tourism Alliance  
British Beer & Pub Association  
British Destinations  
British Educational Travel Association  
British Holiday & Home Parks Association  
British Hospitality Association  
British Marine Federation  
Business in Sport & Leisure  
Business Visits & Events Partnership  
Camping & Caravanning Club  
Confederation of Passenger Transport  
Country Land and Business Association  
Cumbria Tourism  
EASCO  
English UK  
English Historic Towns Forum  
European Tour Operators Association  
Farm Stay UK  
Group Business Travel Forum  
Heritage Railway Association  
Historic Houses Association  
Historic Royal Palaces  
Holiday Centres Association  
Hoseasons  
Institute of Tourism Guiding  
Marketing Manchester  
Mersey Partnership  
National Caravan Council  
National Trust  
New Forest Tourism  
Outdoor Industries Association  
Resort Development Organisation  
South West Tourism Alliance  
The Caravan Club  
The Tourism Society  
Tourism for All  
Tourism South East  
UKInbound  
Visit Cornwall  
Visit Kent  
Visit London  
Visit Wiltshire  
Visitor Attractions Group  
Welcome to Yorkshire

### **Observers**

Local Government Association  
VisitBritain  
VisitEngland