

# review

## Annual Report & Summary Accounts

2009 | 10



The Standard Bearer for South East Wales

Capital Region Tourism



UWCH RANBARTH TWRISTIAETH

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Registered in Wales,  
Company No. 4406443

# Tourism in Context

Mandy Davies, Chair



At the end of my first year as chair of Capital Region Tourism, I find myself at the helm during turbulent times.

We are all too aware of the difficult economic climate in which we are operating. Tourism, like all business sectors, has had no option but to face the recession head on, and some of our number have failed during these most difficult of times.

Tourism continues to provide significant levels of employment in Wales, with the equivalent of 78,000 full time posts being supported by the sector and in excess of £3.4billion contributed to the Welsh economy by tourists and visitors. Looking at the wider visitor economy figures of up to £1.7bn are quoted for South East Wales alone. As Tourism Minister, Alun Ffred Jones AM, frequently observes, tourism jobs cannot be sent 'off shore' and we must remember the impact tourism can have on sustaining rural and isolated communities and services, where local inhabitants alone cannot.

Yet while some segments of the tourism industry have experienced a dire year, others have benefitted from the desire of visitors to still enjoy a break but to watch the pennies. While some tourism sectors have reported that the 'staycation' has helped sustain their businesses, nearly everyone has seen the value, if not the volume of their business decline.

As visitors across the world continue to watch their budget closely, so they are looking to reduce their spending both on the core travel and accommodation elements of their trip and on secondary spend. The holiday is once again a luxury item for nearly everyone.

For South East Wales there has been the additional impacts on business travel, conferences and meetings. The tourism product in Wales, while representing excellent value for money, is based on high quality. The past year has seen extreme pressure brought to bear on pricing, with several guest houses and B&B businesses bowing out under pressure from the budget hotel chains and the steady increase in the number of guest beds in Cardiff, beyond, in many people's eyes, the point of oversupply.

Yet from that pressure and shared concern has emerged a hugely beneficial and improved attitude towards partnership working, with a number of clusters and

packages being created, not least as a result of the industry-led 'On Your Doorstep' events which superseded the Visit Wales tourism industry roadshows during the year. It was heartening to see the successful events held in Abergavenny and Cardiff during October being developed with help from Visit Wales, so that two follow-up events were held in the spring along with a Valleys specific event. All five events saw an excellent turnout from individual operators, tourism associations, sector-specific trade groups and key stakeholders, with an address from the Tourism Minister, Alun Ffred Jones AM in Newport in February.

This initiative was just one of the ways in which CRT is taking forward the principles of destination management in the region – building capacity and partnerships across sectors and borders to deliver truly sustainable tourism. It is clear that there is a need and a desire among tourism operators to access support on a number of fronts to create joint opportunities and develop products, and to then market them effectively.

The training needs of the sector have been co-ordinated in the past by the industry's specialist training body – Tourism Training for Wales, which sadly ceased to trade at the end of the financial year.

That potentially left a number of projects in limbo, not least of which was the Croeso Cynnes Cymreig programme which has so successfully combined customer service training with local knowledge and sense of place modules, helping operators to discern and capitalise on what makes a holiday in Wales distinctive and special.

Capital Region Tourism took up the reins for driving the Croeso scheme in the region and, by the end of the year in review, the scheme was being taken up by a wide range of accommodation, attractions and smaller operators.

## **“ Tourism, like all sectors, has had no option but to face the recession head on. ”**

While the revised tourism strategy for the Capital Region now seeks to take us beyond The Ryder Cup, the momentum of the preparations for the three day tournament has picked up apace. Working with Ryder Cup Wales and Coleg Llandrillo, CRT has devised a condensed version of the Croeso programme which focuses on providing front line staff with the information they need to provide an authentic Welsh welcome that will ensure visitors enjoy their trip and encourages them to return and explore more of what Wales has to offer. That skills agenda has been a major component of CRT's focus this year and several businesses have benefitted from courses.

That is one of the fastest growing channels of the past five years and one which is leaving a great many behind, and not just in tourism.

Operators should and, indeed, must take advantage of those training opportunities, especially with the advent of Visit Wales' digital marketing strategy, pilot programmes for which were discussed in early April and should be underway before 2011.

One strand of the digital tourism strategy will look at effective information sharing and dissemination. Changes to the way information is

uploaded to and gleaned from the Visit Britain data management system were finalised during the year, but we still have two parallel systems operating in the region, making accurate data sharing of key importance to marketing success.

The influence exerted by the local tourism associations and trade bodies has grown significantly in recent years and we now have an industry which can be confident in its leadership from within and which is well-placed to work together to leverage greater support for the sector from our local authority partners and Visit Wales.

The work of CRT remains central to strengthening the links between the industry and the layers of government.

It remains a lean and effective organisation, as demonstrated by the fact that it is being asked to take on responsibilities for European funded projects.

The organisation was charged with the role of Mountain Biking Champion, producing an excellent report into the status and development potential for off road cycling as a tourism and leisure activity at which Wales can excel.

I would like to thank all my fellow directors for their valued contribution of time and expertise. I would also pay tribute to CRT's regional strategy director, Peter Cole and his team.

We were pleased to see Vivienne Wilfred return from maternity leave during the year, skills co-ordinator Alice Brown has taken on an expanded role for destination development and Chris Allen continues to work on the Ryder Cup. As ever, administrator Helen Moon is the glue that holds the organisation together and enables us, the Board, to function.

2010 is a huge year for the Capital Region, and we have much to look forward to. We must work hard to ensure we create an environment in which all major events, not just The Ryder Cup, can be used as a showcase for the wider tourism offer.

The opportunities are out there: the much talked about green shoots of recovery. Let's ensure we continue to work together and nurture every opportunity that is presented.

# Building Capacity in Regional Tourism

Peter Cole, Regional Strategy Director

Capital Region Tourism is one of four regional partnerships (RTPs) across Wales. They were initiated by Visit Wales to receive devolved resources and responsibilities for many aspects of tourism development and marketing.

The other RTPs serve South West Wales, Mid Wales and North Wales.

Since its inception in 2002, CRT has become recognised among tourism businesses in South East Wales for investing in the future of tourism on a local level and helping to promote a strong product.

The inclusive nature of our Board of Directors means that CRT is perfectly placed to manage change and ensure businesses in the region make the most of every opportunity.

Furthermore, CRT has provided a useful anchor point for the sector locally, irrespective of organisational or political changes taking place around us.



While our role has evolved and expanded, we have always operated on the basis of a small staff supported by specialist project teams and delivery partners.

We continue to broker and support partnership working between businesses through finance for short break development and marketing and through comprehensive advice and guidance.

Indeed, we have placed great emphasis on helping the sector to make the most of its intellectual and human capital at a time when financial capital is waning – both as state support and from private and banking finance sources.

**“ CRT is a fully transparent and accountable not-for-profit organisation. ”**

That partnership ethos extends all the way to our Board, which is constituted of members from the ten unitary authorities and one National Park authority within the capital region and an equal but broad spread of tourism, hospitality and leisure industry representatives who are directly elected by their industry peers. CRT is a fully transparent and accountable not-for-profit organisation governed by company law.

Part of Capital Region Tourism’s role is to ensure the capital region serves as the

essential gateway to Wales, featuring the vibrant capital city, the diverse cultural and sporting opportunities, heritage attractions and the activities based on the coast, mountains and vales.

We are also increasingly being asked to be champions for tourism at a strategic level, providing feedback, analysis and comment to Government and others, always taking a long term view. That critique has been most evident in the number of consultations towards which CRT has been asked to contribute. Many of these have had a fundamental impact on policy development at the Assembly, including the Economic Renewal

Programme, Regional Transport Strategy and the Major Events Strategy.

Throughout the year in review, CRT has once again proved the importance of local influence, decision making and knowledge to the development of a sustainable and vibrant visitor economy.

We will continue to work with our wide ranging partners, and to use the influence that brings, to help the sector in the capital region reach its potential.



# Destination Marketing

Vivienne Wilfred, Project Manager

There were two key sporting opportunities imminent during the year in review which offered outstanding potential to showcase the region to the world – the Ashes (2009) and The Ryder Cup.

These provided a great platform for our tourism partners to market their businesses as well, of course, as the many other events that were held throughout the region.

CRT was pleased to have helped many event organisers to support their marketing activities by accessing our £20k Event Marketing Fund. In addition, we were able to offer a further £15k support to businesses who were working in partnership to market their ideas and increase the short break offer for visitors.

Thanks must be noted to Alycea Lamb Horth who not only provided an invaluable service as our product development consultant, assisting businesses to market their products more strategically and effectively, but also stepped in to cover my maternity leave between May – December.

## Heart and Soul

The Valleys Heart and Soul is three year campaign led by partnership organisations from the Western Valleys, Heads of the Valleys and The Valleys Regional Park.

The aim is to change perceptions of The Valleys, attract more tourists and bring long-term economic benefits to the area, building on major transformation with a total investment of £42million.

Through a number of initiatives such as Only Boys Aloud, The V Factor and The Primaryship, The Valleys Heart and Soul campaign sought to get into communities to understand how to make the Valleys a successful, proud and culturally diverse area and to increase levels of tourism, make citizens proud of where they live and raise aspirations.

The campaign secured the Canmol CIM Marketing Award and two CIPR Cymru Gold PRide Awards.

Led by Cardiff, the New Mind system has been installed and now provides the main data upload for Cardiff, Bridgend and the Valleys to the national NTOP system from which Visit Britain, Visit Wales and national brands can download data feeds to populate websites and search/booking facilities. Work to bring the Vale of Glamorgan on to the platform is progressing well.

## Event Support – Sŵn Festival 2009/2010

A week-long festival of live music which takes over more than twenty venues across Cardiff, the Sŵn Festival is becoming an established part of the festival scene in the capital. In its third year, Sŵn used event support funding from CRT to increase its ex-Wales marketing in a bid to further grow its market.

Using the recognised ‘wrist band’ pre-payment model, complemented by on-the-door-ticketing, the festival has drawn visitors to the region

“ ...working in partnership to market their ideas and offer. ”

## Destination Management System

A concentrated work programme has been undertaken to establish a comprehensive and accurate product database for the capital region.

and encourages them to explore Cardiff, its venues, bars and restaurants.

With most events taking place later in the day, secondary visitors spend on retail and dining is welcomed during the early November slot occupied by the festival.

## Greens of Southern Wales

The successful golf activities campaign continued with the development of social networking channels. The @GreensofSWales Twitter feed attracted more than 200 followers including golf pros, commentators, golfing press, local golfers and resorts in England, Scotland and overseas.

More than 600 tweets were issued during the year including Ryder Cup News, Welsh golf updates and offers from the website.

Wales Golf Holidays became the new operator of the 'one stop' booking service.

A Facebook fan page was also launched during the year to compliment the Twitter activity and a specialist Golf page has been created on twitR, a golfer only social network.

Also, more than 50 golf clubs in the capital region provided content for an e-newsletter which they were then encouraged to print, display and to forward to members.



## Destination Development

Alice Brown, Project Manager

Helping the tourism industry to better help themselves is the cornerstone of CRTs approach to destination development. Resources are dedicated to building the capacity of Tourism Associations, product development initiatives, enhancing quality, upskilling the industry and encouraging networking and partnership development.

During the year in review, following the announcement that TTFW would be wound up at the end of the financial year, CRT directly employed me as Project Manager for Destination Development with responsibility for key areas of the business plan: Quality, Skills, Partnerships.

My former role with TTFW had already led me into other skills-related areas of work which contribute to wider destination development e.g. tourism networking events, food tourism and sustainable tourism.

Thanks must be given to Chris Allen who also joined the team temporarily, initially on a ten week Go Wales placement from May 2009 to work on planning for the Ryder Cup Welcome.

His initial placement was extended so he could fulfil much of the research work required for the Mountain Bike Champion role. Chris returned to CRT in February 2010 for nine months to coordinate the 'Welcome to the 2010 Ryder Cup' project which CRT is delivering on behalf of Visit Wales.

### Skills and Training

CRT continued to support businesses with 35 demand-led training courses and seminars, including several on using social media and the internet effectively in marketing. In addition, a programme of Food Tourism workshops were undertaken to promote the use of Welsh produce and help establish links between local suppliers and tourism operators.

### Mountain Biking Report

CRT was tasked by Visit Wales with the role of Mountain Bike Champion, not only in the Capital Region, but across Wales. It was decided that the term 'mountain biking' should include all forms of off-road cycling that take place in traffic-free environments – from trail centres to natural trails, low-level National Cycle Network routes and mountainous downhill runs.

From May until the end of September, CRT conducted an audit of the current situation in the off-road cycling tourism market. The aim of the audit was to create a report and make evidence-based recommendations as to how the off-road cycling product could be developed.

The 'champion' role does not include providing funds for product developments or marketing. However, through the comprehensive and objective research undertaken during the audit, as well as consultation with industry experts, the report submitted to Visit Wales (alongside similar reports from the other product 'champions') will inform future decisions.

### **Croeso Cynnes Cymreig**

A Welsh Assembly initiative developed jointly by Visit Wales, The Welsh Language Board and Tourism Training for Wales, the Croeso Cynnes Cymreig programme encourages businesses to learn more about their local area, what is on offer for visitors and how best to use that knowledge to offer an authentic warm Welsh welcome, which leaves visitors in no doubt that they are in Wales.

CRT undertook the promotion and co-ordination of the scheme in the capital region. The first business in the region to achieve Croeso Cynnes Cymreig was the Bryn-y-Ddafad guest house, in the Vale of Glamorgan.

Preparations of The Ryder Cup continued with the appointment of Coleg Llandrillo to develop a bespoke Croeso Cynnes

derived 'Welcome to the 2010 Ryder Cup' training course, designed for anyone working with visitors during the tournament, including stewards who will come from all over the world understand what makes The 2010 Ryder Cup distinctively Welsh.

The course places a special emphasis on the importance of offering a distinctive warm Welsh welcome and stresses the important role of customer facing staff as Ambassadors for Wales. The programme is being made available free of charge in three formats: a half day course, a 45 minute seminar and a 15 minute presentation – each suitable for people with different levels of customer interaction. A DVD and web-based film version is also being produced.

### **Trade Support / Events**

This year saw the introduction of a new format for the annual tourism roadshows, with a series of successful, industry-led 'On Your Doorstep' events held in Abergavenny and Cardiff and follow-up events in Newport and Hirwaun.

The event format proved popular because it was inclusive, interactive and relevant to the whole region.

The final event saw an influential group of more than 100 tourism leaders and business owners gather at a workshop in Newport in February to work together to create new products, packages and short breaks designed to cross local boundaries and focus on sustainability, culture and food tourism.

These day-long workshops organised by the tourism associations in the region in partnership with CRT and Visit Wales built on the feedback received from the earlier events.

### **Industry Communications**

The role of the ICN and Forum is to facilitate and encourage information sharing by supporting the region's tourism associations and sector trade groups.

The Industry Communications Network (ICN) project saw a change of management with the appointment of long-term project coordinator, Adrian Greason-Walker as Director of Wales Tourism Alliance. The contract was retained by Mid Wales Tourism, with communication consultant John Wilkinson taking over as co-ordinator for the South East Wales Tourism Forum.

The Forum continues to provide a valuable opportunity for the tourism associations and sector trade groups to share intelligence and best practice, and ensure bilateral communications channels remain open with CRT, the Assembly and the WTA. This is achieved through quarterly meetings attended by some 35 association and trade group representatives, and regular e-newsletters providing news, commentary and information which is disseminated by the representatives to their respective membership bodies.

Social media channels including Twitter and Facebook are being developed.

# Beyond 2010 and The Ryder Cup

Peter Cole, Regional Strategy Director

The Ryder Cup served as the first horizon for the regional tourism strategy developed by CRT in 2002. As the event drew ever nearer, the growing maturity and capabilities of the capital region in delivery world class events made the Ryder Cup less fundamental to our long term planning, which is why the regional tourism strategy was comprehensively revised during 2007.

Although we have raised our eyes from that single event, it is upon us and its impact on and value to the region should not be ignored. What has remained clear, both in the 2002 and later tourism strategies, is that the distinctive welcome we offer visitors is fundamental to the success of our product, built as it is around quality.

The importance of that sense of place, offering a truly warm Welsh welcome, has exercised the team at CRT and will continue to do up to and through the Ryder Cup. It is clear that the sector needs to sharpen its act and look to the longer term opportunities presented by these large events. The event will make them glad they came. The welcome will make them come back again and again.

Our work with Coleg Llandrillo in developing the 'Welcome to the 2010 Ryder Cup' training programme for visitor facing workers, be they taxi drivers, reception staff or stewards at the event, will provide a valuable tool for the Ryder Cup and future events.

Beyond the Ryder Cup, work has started to deliver a destination management

approach, replicating the model adopted by Brecon Beacons Tourism area across the capital region. It is clear that more responsibility for converting marketing activity into sales or visitors will fall on destinations, and CRT will work with them to provide the necessary tools and skills.

Finally, it is essential that we recognise that the resources for tourism are coming from an increasingly diverse number of policy areas and funding streams.

We must continue to make use of the partnerships we have in place and the new ones we continue to forge to ensure we all work in the same direction and optimise the resources and opportunities available



# Corporate Governance and Summary Accounts

## **Independent Auditor's Report to Capital Region Tourism in accordance with Chapter 3 of Section 16 of the Companies Act 2006**

We have examined the abbreviated accounts, together with the financial statements of Capital Region Tourism for the year ended 31 March 2010 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Chapter 3 of Section 16 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our work, for this report, or for the opinions we have formed.

### Respective Responsibilities of Directors and Auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 44 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Register of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinions to you.

### Basis of Opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

### Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Mr D. Gwyn J. Williams BA, FCA (Senior Statutory Auditor)  
for and on behalf of  
Clay Shaw Thomas Ltd  
Chartered Accountants and Statutory Auditor

19 July 2010

**Abbreviated Balance Sheet  
Year Ended 31 March 2010**

	Note	2010 £	£	2009 £	£
<b>FIXED ASSETS</b>					
Tangible assets	2		1,421		715
<b>CURRENT ASSETS</b>					
Debtors		125,638		218,092	
Cash at bank and in hand		<u>100,471</u>		<u>38,943</u>	
		<b>226,109</b>		<b>257,035</b>	
<b>CREDITORS</b>					
Amounts falling due within one year		<u>182,530</u>		<u>212,750</u>	
<b>NET CURRENT ASSETS</b>			<b>43,579</b>		44,285
<b>TOTAL ASSETS</b>					
<b>LESS CURRENT LIABILITIES</b>			<u><b>45,000</b></u>		<u><b>45,000</b></u>
<b>RESERVES</b>					
Contingency reserve			<b>45,000</b>		45,000
<b>MEMBERS' FUNDS</b>			<u><b>45,000</b></u>		<u><b>45,000</b></u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These abbreviated accounts were approved by the directors and authorised for issue on 19 July 2010 and are signed on their behalf by:

Mrs A Davies  
Chairperson

Companies Registration Number: 4406443

**Notes to the Abbreviated Accounts  
Year Ended 31 March 2010**

**1. Accounting Policies**

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - 25% per annum on a straight line basis

Computer equipment - 33% per annum on a straight line basis

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

**2. Fixed Assets**

	<b>Tangible Assets £</b>
<b>COST</b>	
At 1 April 2009	10,548
Additions	<u>2,132</u>
<b>At 31 March 2010</b>	<b><u><u>12,680</u></u></b>
 <b>DEPRECIATION</b>	
At 1 April 2009	9,833
Charge for year	<u>1,426</u>
<b>At 31 March 2010</b>	<b><u><u>11,259</u></u></b>
 <b>NET BOOK VALUE</b>	
<b>At 31 March 2010</b>	<b><u><u>1,421</u></u></b>
At 31 March 2009	<u><u>715</u></u>

**3. Company Limited by Guarantee**

This company is limited by guarantee and has no share capital.