



Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
ABN 53 327 061 410
enquiries@audit.sa.gov.au
www.audit.sa.gov.au

To the Chair South Australian Tourism Commission

Opinion

I have audited the financial report of the South Australian Tourism Commission for the financial year ended 30 June 2025.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the South Australian Tourism Commission as at 30 June 2025, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2025
- a Statement of Financial Position as at 30 June 2025
- a Statement of Changes in Equity for the year ended 30 June 2025
- a Statement of Cash Flows for the year ended 30 June 2025
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Chair, the Chief Executive Officer and the Chief Operating Officer.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the South Australian Tourism Commission. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Chief Executive and the Board Members for the financial report

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Board Members are responsible for overseeing the South Australian Tourism Commission's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 23(3) of the *South Australian Tourism Commission Act 1993*, I have audited the financial report of the South Australian Tourism Commission for the financial year ended 30 June 2025.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit 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 South Australian Tourism Commission's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive and the Chair, South Australian Tourism Commission Board about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Daniel O'Donohue
Deputy Auditor-General

10 September 2025

SOUTH AUSTRALIAN TOURISM COMMISSION

CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the financial statements of the South Australian Tourism Commission (SATC):

- are in accordance with the accounts and records of the SATC,
- comply with relevant Treasurer's Instructions,
- comply with relevant accounting standards, and
- present a true and fair view of the financial position of the SATC at the end of the financial year and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the SATC for the financial year over its financial reporting and its preparation of the financial statements have been effective.

Signed in accordance with a resolution of the board members.



David Koch
Chair
South Australian Tourism
Commission Board

2 / 9 / 2025



Emma Terry
Chief Executive Officer
South Australian Tourism
Commission

2 / 9 / 2025



Stephanie Rozokos
Chief Operating Officer
South Australian Tourism
Commission

2 / 9 / 2025

SOUTH AUSTRALIAN TOURISM COMMISSION

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$'000	2024 \$'000
INCOME			
Appropriation	2.1	67 093	63 193
Government grants, subsidies and transfers	2.2	59 163	59 863
Sponsorship and participation	2.3	8 592	9 521
Entry fees, licence fees and sales	2.4	4 710	2 301
Net gain from disposal of plant and equipment	2.5	5	-
Other income	2.6	1 030	571
TOTAL INCOME		140 593	135 449
EXPENSES			
Employee related expenses	3.1	19 784	17 769
Advertising and promotion	3.2	29 718	27 021
Industry assistance	3.3	58 022	60 999
Administration and accommodation	3.4	7 275	5 604
Event operations	3.5	27 120	28 119
Depreciation expense	3.6	555	1 302
Interest	3.7	72	79
Loss on impairment of receivables	4.3.2	2	11
TOTAL EXPENSES		142 548	140 904
NET RESULT		(1 955)	(5 455)
TOTAL COMPREHENSIVE RESULT		(1 955)	(5 455)

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

		2025	2024
	Note	\$'000	\$'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4.2	10 131	18 507
Receivables	4.3	2 697	1 969
Other financial assets	4.4	4	-
Other non-financial assets	4.5	426	426
TOTAL CURRENT ASSETS		13 258	20 902
NON-CURRENT ASSETS			
Plant and equipment	5.1	3 777	3 972
Other non-financial assets	4.5	1 139	1 565
TOTAL NON-CURRENT ASSETS		4 916	5 537
TOTAL ASSETS		18 174	26 439
LIABILITIES			
CURRENT LIABILITIES			
Payables	6.2	7 680	14 617
Other financial liabilities	6.3	700	253
Employee related liabilities	6.4	1 969	1 768
Provisions	6.5	46	24
Other non-financial liabilities	6.6	270	217
TOTAL CURRENT LIABILITIES		10 665	16 879
NON-CURRENT LIABILITIES			
Other financial liabilities	6.3	2 990	3 251
Employee related liabilities	6.4	2 220	1 870
Provisions	6.5	131	103
Other non-financial liabilities	6.6	1 635	1 848
TOTAL NON-CURRENT LIABILITIES		6 976	7 072
TOTAL LIABILITIES		17 641	23 951
NET ASSETS		533	2 488
EQUITY			
Contributed capital		64	64
Retained earnings		469	2 424
TOTAL EQUITY		533	2 488

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

	Contributed Capital \$'000	Retained Earnings \$'000	Total Equity \$'000
BALANCE AT 30 JUNE 2023	64	7 879	7 943
Net result and total comprehensive result from 2023-24	-	(5 455)	(5 455)
BALANCE AT 30 JUNE 2024	64	2 424	2 488
Net result and total comprehensive result from 2024-25	-	(1 955)	(1 955)
BALANCE AT 30 JUNE 2025	64	469	533

The accompanying notes form part of these financial statements. All changes in equity are attributed to the SA Government as owner.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

		2025 Inflows (Outflows) \$'000	2024 Inflows (Outflows) \$'000
CASH FLOWS FROM OPERATING ACTIVITIES	Note		
CASH INFLOWS			
Receipts from government		126 256	123 056
Receipts from the sale of goods and services		9 207	10 461
GST recovered from the ATO		10 190	10 088
Receipts for Paid Parental Leave scheme		76	70
CASH OUTFLOWS			
Employee related payments		(19 227)	(17 070)
Payments for supplies, services and industry assistance		(134 255)	(125 072)
Payments for Paid Parental Leave scheme		(68)	(74)
Interest paid		(72)	(79)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	7.1	(7 893)	1 380
CASH FLOWS FROM INVESTING ACTIVITIES			
CASH OUTFLOWS			
Proceeds from sale of plant and equipment		5	-
CASH OUTFLOWS			
Purchase of plant and equipment		(387)	(176)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		(382)	(176)
CASH FLOWS FROM FINANCING ACTIVITIES			
CASH OUTFLOWS			
Repayment of leases		(249)	(963)
NET CASH USED IN FINANCING ACTIVITIES		(249)	(963)
Effect of exchange rate on cash and cash equivalents		148	5
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(8 376)	246
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		18 507	18 261
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4.2	10 131	18 507

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ABOUT THE SOUTH AUSTRALIAN TOURISM COMMISSION

1.1 REPORTING ENTITY

The South Australian Tourism Commission (SATC) is a not-for-profit statutory corporation of the State of South Australia, established pursuant to the *South Australian Tourism Commission Act 1993*. The SATC is an instrumentality of the Crown and holds its property on behalf of the Crown.

The financial statements and accompanying notes include all the controlled activities of the SATC. The SATC does not control any other entity and has no interests in unconsolidated structured entities.

1.2 BASIS OF PREPARATION

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*
- relevant Australian Accounting Standards.

The financial statements have been prepared on a twelve-month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

All amounts in tables in the financial statements and accompanying notes are rounded to the nearest thousand dollars (\$'000).

Income, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST) except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of an asset or part of an expense item as applicable
- contractual receivables and contractual payables, which are stated with the amount of GST included.

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

Assets that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets. Liabilities that are due to be settled within twelve months after the end of the reporting period or for which the SATC has no right to defer the settlement for at least twelve months after the end of the reporting period are classified as current liabilities. All other assets and liabilities are classified as non-current.

Material accounting policy information is set out in the notes to the financial statements.

1.3 OBJECTIVES AND PROGRAMS

The purpose of the SATC is to assist in securing economic and social benefits for the people of South Australia through the promotion of South Australia as a tourism destination, including the promotion of events, festivals and other activities, and the further development and improvement of the State's tourism industry.

In achieving its objectives, the SATC provides a range of services classified into the following programs:

- **Tourism Development**

To build tourism opportunities by improving visitor access into and around the state, building industry capability and providing advice to the industry in terms of research, policy and planning.

- **Tourism Events**

To strategically build and promote the state's event calendar by developing and attracting new events and managing and growing existing events.

- **Tourism Marketing**

To develop and implement marketing activities and campaigns to increase the number of international and national visitors to and within South Australia.

The following tables present income, expenses, assets and liabilities attributed to each program. Income and expenses attributed to the SATC as a whole have been proportionally allocated to each of the programs based on full time equivalent employees in each of the programs.

1.4 EXPENSES AND INCOME BY PROGRAM

for the year ended 30 June 2025

	Tourism Development		Tourism Events		Tourism Marketing		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME								
Appropriation	7 407	5 916	28 481	27 193	31 205	30 084	67 093	63 193
Government grants, subsidies and transfers	1 504	303	56 546	58 051	1 113	1 509	59 163	59 863
Sponsorship and participation	6	10	8 319	9 338	267	173	8 592	9 521
Entry fees, licence fees and sales	76	71	4 634	2 230	-	-	4 710	2 301
Net gain from disposal of non-current assets	-	-	5	-	-	-	5	-
Other income	59	40	330	201	641	330	1 030	571
TOTAL INCOME	9 052	6 340	98 315	97 013	33 226	32 096	140 593	135 449
EXPENSES								
Employee related expenses	2 873	2 734	8 582	7 546	8 329	7 489	19 784	17 769
Advertising and promotion	860	920	6 108	6 114	22 750	19 987	29 718	27 021
Industry assistance	3 880	5 487	53 779	52 870	363	2 642	58 022	60 999
Administration and accommodation	1 462	1 175	2 903	1 844	2 910	2 585	7 275	5 604
Event operations	173	226	26 947	27 893	-	-	27 120	28 119
Depreciation expense	46	169	349	655	160	478	555	1 302
Interest	9	12	31	34	32	33	72	79
Loss on impairment of receivables	-	9	2	1	-	1	2	11
TOTAL EXPENSES	9 303	10 732	98 701	96 957	34 544	33 215	142 548	140 904
NET RESULT	(251)	(4 392)	(386)	56	(1 318)	(1 119)	(1 955)	(5 455)

1.5 ASSETS AND LIABILITIES BY PROGRAM

as at 30 June 2025

	Tourism Development		Tourism Events		Tourism Marketing		General or Not Attributable		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Cash and equivalents	-	-	-	3 019	2 823	7 086	7 308	8 402	10 131	18 507
Receivables	52	158	1 833	1 269	622	375	190	167	2 697	1 969
Other financial assets	-	-	-	-	4	-	-	-	4	-
Other non-financial assets	-	-	-	-	-	-	1 565	1 991	1 565	1 991
Plant and equipment	-	-	3 777	3 920	-	-	-	52	3 777	3 972
TOTAL ASSETS	52	158	5 610	8 208	3 449	7 461	9 063	10 612	18 174	26 439
LIABILITIES										
Payables	685	360	2 972	11 678	3 931	2 251	92	328	7 680	14 617
Other financial liabilities	-	-	3 635	3 452	55	-	-	52	3 690	3 504
Employee related liabilities	520	423	1 352	1 122	965	959	1 352	1 134	4 189	3 638
Provisions	-	-	-	-	-	-	177	127	177	127
Other non-financial liabilities	-	-	4	4	53	-	1 848	2 061	1 905	2 065
TOTAL LIABILITIES	1 205	783	7 963	16 256	5 004	3 210	3 469	3 702	17 641	23 951

1.6 RELATED PARTY TRANSACTIONS

Related parties of the SATC include all key management personnel and their close family members, all Cabinet Ministers and their close family members, any entities controlled or jointly controlled by a related party, all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the government. See note 1.7.2 for significant transactions with key management personnel.

1.6.1 Significant Transactions with Government Related Entities

Other than as disclosed elsewhere in the financial statements, the SATC had the following significant transactions with government:

- net grant income received from the Department of the Premier and Cabinet totalling \$55.9 million (\$58.0 million) and from the Economic Recovery Fund of the Department of Treasury and Finance totalling \$2.6 million (nil) (included in note 2.2)
- office accommodation and event operations totalling \$2.1 million (\$1.1 million) provided by the Department for Infrastructure and Transport (included in notes 3.4 and 3.5).

1.7 KEY MANAGEMENT PERSONNEL

The key management personnel of the SATC during 2024-25 were the Minister for Tourism, Board Directors, the Chief Executive Officer and the members of the Executive team who have responsibility for the strategic direction and management of the SATC. Total compensation for key management personnel detailed in this note excludes salaries and other benefits received by the Minister for Tourism. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account under section 6 the *Parliamentary Remuneration Act 1990*.

1.7.1 Compensation

	2025 \$'000	2024 \$'000
Salaries and other short-term employee related expenses	1 837	1 541
Post-employment related expenses	210	168
Total compensation	2 047	1 709

1.7.2 Significant Transactions with Key Management Personnel

The SATC had no individually significant transactions with key management personnel, their close family members or any entities controlled or jointly controlled by key management personnel or their close family members.

1.8 BOARD DIRECTORS

Members of the South Australian Tourism Commission Board during the 2024-25 financial year were:

Andrew Bullock (to 1 July 2024)	Donna Gauci	Eoin Loftus
David Koch (from 2 July 2024)	Jess Greatwich	Grant Wilckens
Justyna Jochym (to 22 June 2025)	Ian Horne	Emma Terry ¹ (ex officio)

The number of directors whose total remuneration received or receivable falls within the following bands:

	2025 Number	2024 Number
\$0 - \$19 999	8	8
\$20 000 - \$39 999	1	1
Total number of directors	9	9

The total remuneration received or receivable by directors was \$148 000 (\$152 000). Remuneration of directors includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

2. INCOME

2.1 APPROPRIATION

	2025 \$'000	2024 \$'000
Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i>	66 625	65 738
Reprofile of event sponsorships timing	395	(2 500)
Additional marketing support	165	-
Transfers to other SA Government agencies	(92)	(45)
Total appropriation	67 093	63 193

Appropriation is recognised as income on receipt.

Total appropriation consists of \$66 318 000 (\$62 437 000) of operational funding and \$775 000 (\$756 000) for capital purposes.

2.2 GOVERNMENT GRANTS, SUBSIDIES AND TRANSFERS

	2025 \$'000	2024 \$'000
SA Government grants	59 133	58 042
Contingency funding provided by the Department of Treasury and Finance	30	1 021
Commonwealth grants	-	800
Total government grants, subsidies and transfers	59 163	59 863

SA Government grants consist of funding from the Department of the Premier and Cabinet's Major Events Fund and the Department of Treasury and Finance's Economic Recovery Fund, and are recognised in accordance with AASB 1058 *Income of Not-for-Profit Entities* as income on receipt.

¹ In accordance with Premier and Cabinet Circular PC016, no director received remuneration for board duties while employed by the SA Government.

2.3 SPONSORSHIP AND PARTICIPATION

	2025	2024
	\$'000	\$'000
Sponsorship income	7 052	6 791
Industry contributions	1 272	2 565
Cooperative marketing/advertising	239	165
Industry participation fees	29	-
Total sponsorship and participation	8 592	9 521

Sponsorship and participation is recognised as income from contracts with customers. Revenue is recognised in the period in which the services are provided. Where payment is received for sponsorship and participation in an earlier period, it is disclosed in note 6.6 as a contract liability.

2.4 ENTRY FEES, LICENCE FEES AND SALES

	2025	2024
	\$'000	\$'000
Event entry fees	854	830
Event support	2 450	-
Licence fees	1 050	1 163
Sale of merchandise	229	230
Service fees	114	71
Rental income	13	7
Total entry fees, licence fees and sales	4 710	2 301

Income from event entry fees, licence fees and sales is recognised as income from contracts with customers. Revenue is recognised in the period in which the services are provided. Where payment is received for event entry fees and licence fees in an earlier period, it is disclosed in note 6.6 as a contract liability.

2.5 NET GAIN FROM DISPOSAL OF PLANT AND EQUIPMENT

	2025	2024
	\$'000	\$'000
Net proceeds from disposal	5	-
Total net gain from disposal of plant and equipment	5	-

2.6 OTHER INCOME

	2025	2024
	\$'000	\$'000
Resources received free of charge	627	452
Gain on foreign exchange	368	119
Salary recoups	34	-
Net gain from derecognition of financial liabilities	1	-
Total other income	1 030	571

2.6.1 Resource Received Free of Charge

Resources received free of charge consist of IT, telecommunications and media monitoring services provided by the Department of the Premier and Cabinet and audit services provided by the Audit Office of South Australia. Services of this nature would otherwise have been purchased. The associated expenses are included in notes 3.2 and 3.4.

2.6.2 Gain on Foreign Exchange

Foreign currency transactions are translated using exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated using exchange rates at the reporting date. Gains on foreign exchange arise when items are translated at less favourable rates than those at which they were translated when initially recognised or in previous financial statements.

3. EXPENSES

3.1 EMPLOYEE RELATED EXPENSES

	2025 \$'000	2024 \$'000
Salaries and wages	14 927	13 427
Long service leave	450	470
Annual leave	1 295	1 164
Skills and experience retention leave	36	29
Employment on-costs – superannuation	1 929	1 626
Employment on-costs – other	926	833
Board and committee fees	133	137
Other employee related expenses	88	83
Total employee related expenses	19 784	17 769

Superannuation employment on-costs represent the SATC's contributions to superannuation plans for the current services of current employees.

3.1.1 Employee Remuneration

	2025 Number	2024 Number
The number of employees whose remuneration received or receivable falls within the following bands:		
\$166 001 - \$171 000 ¹	n/a	1
\$171 001 - \$191 000	3	1
\$191 001 - \$211 000	1	1
\$211 001 - \$231 000	2	-
\$231 001 - \$251 000	2	1
\$251 001 - \$271 000	-	2
\$271 001 - \$291 000	2	-
\$291 001 - \$311 000	1	-
\$331 001 - \$351 000	-	1
\$351 001 - \$371 000	1	-
\$431 001 - \$451 000	-	1
\$451 001 - \$471 000	1	-
	13	8

The total remuneration received or receivable by these employees for the year was \$3 351 000 (\$2 096 000).

The table includes all employees whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, termination payments, payments in lieu of leave, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

3.2 ADVERTISING AND PROMOTION

	2025 \$'000	2024 \$'000
Consumer advertising	14 069	12 720
Cooperative consumer marketing	4 137	3 356
Familiarisations	1 788	1 282
Other consumer marketing	183	100
Production	4 772	4 333
Representation and contractors	2 306	2 329
Marketing research	1 023	1 258
Trade marketing	597	656
Other advertising and promotion	843	987
Total advertising and promotion	29 718	27 021

3.2.1 Services Received Free of Charge

Marketing research includes the fair value of services received free of charge of \$166 000 (\$182 000). The associated income is included in note 2.6.

¹ This band is included for reporting comparative figures based on the executive base remuneration rate for 2023-24.

3.3 INDUSTRY ASSISTANCE

	2025	2024
	\$'000	\$'000
Sponsorship of events	53 714	52 800
Marketing/industry support	2 734	3 783
Tourism infrastructure	477	3 632
SA Government grants and transfers	154	117
Tourism marketing boards/information centre grants	898	592
Trade show subsidies/membership of tourism industry bodies	45	75
Total industry assistance	58 022	60 999

Industry assistance is recognised as a liability and expense when the SATC has a contractual obligation to pay and the expense recognition criteria are met.

3.4 ADMINISTRATION AND ACCOMMODATION

	2025	2024
	\$'000	\$'000
Accommodation and service costs	2 352	1 428
Communication and computing	1 636	1 349
Contractors	289	307
Consultants	295	514
Motor vehicles, taxis and car parking	103	90
Domestic and international travel	547	434
Seminars, courses and training	290	301
Insurance	262	239
Audit, legal and other fees	485	394
Loss on foreign exchange	671	4
Other	345	544
Total administration and accommodation	7 275	5 604

3.4.1 Audit Services Received Free of Charge

The fair value of audit services received from the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987* was \$88,000 (\$96 000). No other services were provided by the Audit Office of South Australia. The associated income is included in note 2.6.

3.4.2 Other Services Received Free of Charge

Communication and computing includes the fair value of services received free of charge of \$277 000 (\$270 000). The associated income is included in note 2.6.

3.4.3 Loss on Foreign Exchange

Foreign currency transactions are translated using exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated using exchange rates at the reporting date. Losses on foreign exchange arise when items are translated at more favourable rates than those at which they were translated when initially recognised or in previous financial statements.

3.5 EVENT OPERATIONS

	2025	2024
	\$'000	\$'000
Event facilities	6 831	8 195
Catering and entertainment	2 046	2 282
Communications	1 101	883
Transport	1 810	1 584
Participants and contractors	8 938	8 466
Television and media	4 705	4 723
Fees and permits	602	523
Event management	1 087	1 463
Total event operations	27 120	28 119

3.6 DEPRECIATION EXPENSE

	2025 \$'000	2024 \$'000
General and events assets	196	165
Fitouts	75	230
Right-of-use assets	284	907
Total depreciation expense	555	1 302

All plant and equipment, having limited useful lives, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential.

3.6.1 Review of Accounting Estimates

Plant and equipment's residual values, useful lives and amortisation methods are reviewed annually and adjusted if appropriate. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate. The value of fitouts is amortised over the estimated remaining useful life of each fitout, or the unexpired period of the relevant lease, whichever is shorter.

3.6.2 Useful Life

Depreciation is calculated on a straight-line basis over the estimated useful life of the following classes of assets.

Class of Asset	Useful Life
General and events assets	3-35
Fitouts	3-10
Right-of-use assets	3-20

3.7 INTEREST

	2025 \$'000	2024 \$'000
Interest expense on lease liabilities	72	79
Total interest	72	79

4. ASSETS

4.1 FINANCIAL ASSETS

	2025 Carrying Amount \$'000	2024 Carrying Amount \$'000
Financial assets measured at amortised cost		
Cash and cash equivalents	10 131	18 507
Contractual receivables and contract assets	1 110	822
Other financial assets	4	-
Total financial assets	11 245	19 329

All financial assets are measured at amortised cost.

4.2 CASH AND CASH EQUIVALENTS

	2025 \$'000	2024 \$'000
Deposits with the Treasurer	7 303	8 397
Cash at bank	2 823	10 105
Cash on hand	5	5
Total cash and cash equivalents	10 131	18 507

Cash is measured as nominal amounts.

4.2.1 Deposits with the Treasurer

Deposits with the Treasurer in 2024-25 consisted of one deposit account for general operating purposes, and one special deposit account, the Accrual Appropriation Excess Funds Account (AAEFA). The balance of the AAEFA was \$1 593 000 (\$2 557 000). The SATC controls the money in the AAEFA but its use must be approved by the Treasurer. The SATC does not earn interest on its deposits with the Treasurer.

4.3 RECEIVABLES

	2025 \$'000	2024 \$'000
Current receivables		
Contractual receivables		
From sale of goods and services to government entities	250	64
From sale of goods and services to non-government entities	876	480
Less allowance for impairment loss on contractual receivables	(16)	(16)
Total contractual receivables	1 110	528
Statutory receivables		
GST input tax recoverable	1 127	837
Total statutory receivables	1 127	837
Prepayments	460	310
Contract assets	-	294
Total current receivables	2 697	1 969
Total receivables	2 697	1 969

All receivables are non-interest bearing.

4.3.1 Contractual Receivables

Contractual receivables arise in the normal course of selling goods and services to the public and to other government agencies. Contractual receivables are normally settled within 30 days of the receipt of an invoice or provision of the goods or services under a contractual arrangement. Contractual receivables are held with the objective of collecting the contractual cash flows and are measured at amortised cost.

Contractual receivables are presented on a gross basis and include the GST component arising from contracts with customers.

Other than as recognised in the allowance for impairment loss on contractual receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of contractual receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to note 9.1 for information on risk management.

4.3.2 Allowance for Impairment Loss on Contractual Receivables

	2025 \$'000	2024 \$'000
Movement in the allowance for impairment loss on contractual receivables		
Carrying amount at the beginning of the period	16	10
Increase in the allowance	16	11
Amounts recovered during the year	(14)	-
Increase in allowance recognised in profit or loss	2	11
Amounts written off	(2)	(5)
Carrying amount at the end of the period	16	16

Impairment losses relate to contracts with customers external to SA Government. Refer to note 9.3 for information on credit risk and the methodology for determining impairment.

4.3.3 Statutory Receivables

Statutory receivables do not arise from contracts with customers. They are related to taxes and equivalents as well as statutory fees and charges. Statutory receivables are recognised and measured similarly to contractual receivables. Statutory receivables are not financial assets. No impairment loss was recognised in relation to statutory receivables.

4.3.4 Prepayments

Prepayments relate to payments made to suppliers before receiving the purchased goods or services. They are not contractual receivables or contract assets, both of which are related to payments to be received from customers. Prepayments are not financial assets or statutory receivables.

4.3.5 Contract Assets

Contract assets relate to the SATC's right to consideration for works completed, but not yet billed at the reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the SATC issues an invoice to the customer.

4.4 OTHER FINANCIAL ASSETS

	2025 \$'000	2024 \$'000
Current other financial assets		
Foreign currency forward contracts	4	-
Total current other financial assets	4	-
Total other financial assets	4	-

Refer to note 9.4 for information on market risk.

4.5 OTHER NON-FINANCIAL ASSETS

	2025 \$'000	2024 \$'000
Current other non-financial assets		
Accommodation incentive assets	426	426
Total current other non-financial assets	426	426
Non-current other non-financial assets		
Accommodation incentive assets	1 139	1 565
Total non-current other non-financial assets	1 139	1 565
Total other non-financial assets	1 565	1 991

Accommodation incentive assets relate to an arrangement with the Department for Infrastructure and Transport for office accommodation, described in note 5.1.3. The incentive is a discount in accommodation expenses for five years. See also note 6.6.

5. PLANT AND EQUIPMENT

5.1 PLANT AND EQUIPMENT BY ASSET CLASS

Plant and equipment comprises owned and leased (right-of-use) tangible assets. The assets presented below do not meet the definition of an investment property.

	2025 \$'000	2024 \$'000
General and events assets		
At cost (deemed fair value)	2 678	2 477
Accumulated depreciation at the end of the period	(1 704)	(1 640)
Total general and events assets	974	837
Fitouts		
At cost (deemed fair value)	1 917	1 867
Accumulated depreciation at the end of the period	(1 825)	(1 751)
Total fitouts	92	116
Right-of-use assets		
At cost	4 248	4 357
Accumulated depreciation at the end of the period	(1 537)	(1 338)
Total right-of-use assets	2 711	3 019
Total plant and equipment	3 777	3 972

5.1.1 Owned Plant and Equipment

Plant and equipment owned by the SATC is valued at deemed fair value. Refer to note 5.2 for information about fair value.

All Pageant floats, regardless of their value, are recognised as non-current assets. Pageant floats are recorded at historic cost less accumulated depreciation. All other non-current tangible assets with a value \$15 000 or greater are capitalised.

Plant and equipment includes \$1 722 000 (\$1 737 000) of fully depreciated plant and equipment still in use and \$2 000 (nil) of plant and equipment retired from active use but not classified as held for sale.

5.1.2 Impairment of Owned Plant and Equipment

The SATC holds its plant and equipment assets for their service potential (value in use). There were no indications of impairment of plant and equipment at 30 June 2025.

5.1.3 Leased Plant and Equipment

Right-of-use plant and equipment assets leased by the SATC are measured at cost. Short term leases of 12 months or less and low value leases where the underlying asset value is less than \$15 000 are not recognised as right-of-use assets. The associated rent payments are recognised as expenses and included in note 3.4.

The SATC had the following leases during 2024-25:

- A commercial lease of warehouse, workshop and office space for the term of 10 years, with the option to extend for up to a further 10 years. The option to extend has been included in the term because management is reasonably certain to exercise the option. Rent is payable monthly in advance.
- Twelve (9) motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable with rental payments monthly in arrears. Effective 1 April 2025, SAFA issued new lease agreements with a standard clause giving them substantive substitution rights. Consequently, SAFA's motor vehicle leases no longer meet the AASB 16 definition of a lease. The SATC has derecognised the right-of-use assets and lease liabilities relating to the motor vehicle leases. The associated vehicle rental charges are recognised as expenses and included in note 3.4.
- A lease of office accommodation under a Memorandum of Administrative Agreement (MoAA) with the Department for Infrastructure and Transport (DIT) for a 5-year term, with an option for a further 5 years. The MoAA is within the scope of Premier and Cabinet Circular *PC018 Government Office Accommodation Framework*, and therefore does not meet the definition of a lease under AASB 16. No right-of-use asset or corresponding lease liability has been recognised.

The lease liabilities related to the right-of-use assets are disclosed in note 6.3. Refer to note 9.5 for maturity analysis of lease liabilities. Expenses related to leases, including depreciation and interest, are disclosed in notes 3.6 and 3.7. Cash outflows related to leases are disclosed in note 7.1.1.

5.1.4 Impairment of Leased Plant and Equipment

There was no indication of impairment of leased plant and equipment at 30 June 2025.

5.1.5 Reconciliation of Movements in Plant and Equipment during 2024-25

	General and Events Assets \$'000	Fitouts \$'000	Right-of-Use Assets \$'000	Total \$'000
Carrying amount at the beginning of the period	837	116	3 019	3 972
Additions	333	51	23	407
Disposal	-	-	(47)	(47)
Depreciation	(196)	(75)	(284)	(555)
Carrying amount at the end of the period	974	92	2 711	3 777

5.1.6 Reconciliation of Movements in Plant and Equipment during 2023-24

	General and Events Assets \$'000	Fitouts \$'000	Right-of-Use Assets \$'000	Total \$'000
Carrying amount at the beginning of the period	828	346	3 885	5 059
Additions	174	-	41	215
Depreciation	(165)	(230)	(907)	(1 302)
Carrying amount at the end of the period	837	116	3 019	3 972

5.2 FAIR VALUE MEASUREMENT

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

5.2.1 Initial Recognition

Plant and equipment assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental costs involved with the acquisition.

5.2.2 Revaluation

Plant and equipment, other than right-of-use assets, are subsequently measured at fair value after allowing for accumulated depreciation. Right-of-use assets are subsequently measured at cost.

The valuation process is reviewed by the Chief Operating Officer at each reporting date.

For plant and equipment subsequently measured at fair value, a revaluation of assets or group of assets is only performed on assets that have a cost greater than \$1.5 million at time of acquisition and an estimated useful life greater than three years.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the assets.

5.2.3 Fair Value Hierarchy

The SATC classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation.

- Level 1 – traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 – not traded in an active market and are derived from inputs (other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3 – not traded in an active market and are derived from unobservable inputs.

Fair value measurements recognised in the Statement of Financial Position are categorised into level 3 at 30 June. The SATC had no valuations categorised into level 1 or level 2. There were no transfers of assets between fair value hierarchy levels and there were no changes in valuation techniques during 2024-25.

5.2.4 Fair Value Measurements

All items of general and events assets and fitouts had a fair value at the time of acquisition less than \$1.5 million or had an estimated useful life less than three years. In accordance with *Treasurer's Instructions (Accounting Policy Statements) 2019 APS 116.D* these assets have not been revalued. The carrying value of assets not revalued is deemed to approximate fair value.

6. LIABILITIES

6.1 FINANCIAL LIABILITIES

	2025 Carrying Amount \$'000	2024 Carrying Amount \$'000
Financial liabilities measured at amortised cost		
Contractual payables	7 667	14 508
Other financial liabilities	3 690	3 504
Total financial liabilities	11 357	18 012

All financial liabilities are measured at amortised cost.

6.2 PAYABLES

	2025 \$'000	2024 \$'000
Current payables		
Contractual payables		
Creditors	4 580	1 981
Accrued expenses	3 087	12 527
Total contractual payables	7 667	14 508
Statutory payables	13	109
Total current payables	7 680	14 617
Total payables	7 680	14 617

All payables are non-interest bearing.

6.2.1 Contractual Payables

Contractual payables are recognised for all amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors represent amounts unpaid where an invoice has been received before the end of the reporting period. Accrued expenses represent amounts unpaid where an invoice has not been received.

Contractual payables are normally settled within 15 days from the date the invoice is first received.

Refer to note 9.1 for information on risk management.

6.2.2 Statutory Payables

Statutory payables do not arise from contracts. Statutory payables include government taxes and equivalents, and statutory fees and charges.

6.3 OTHER FINANCIAL LIABILITIES

	2025 \$'000	2024 \$'000
Current other financial liabilities		
Lease liabilities	237	253
Foreign exchange forward contracts	463	-
Total current other financial liabilities	700	253
Non-current other financial liabilities		
Lease liabilities	2 990	3 251
Total non-current other financial liabilities	2 990	3 251
Total other financial liabilities	3 690	3 504

All material cash outflows are reflected in the lease liabilities disclosed above.

Refer to note 9.4 for information on market risk.

6.4 EMPLOYEE RELATED LIABILITIES

	2025 \$'000	2024 \$'000
Current employee related liabilities		
Annual leave	1 324	1 178
Long service leave	175	184
Skills and experience retention leave	56	39
Employment on-costs	351	361
Accrued salaries and wages	63	6
Total current employee related liabilities	1 969	1 768
Non-current employee related liabilities		
Long service leave	2 004	1 720
Employment on-costs	216	150
Total non-current employee related liabilities	2 220	1 870
Total employee related liabilities	4 189	3 638

Employee related liabilities accrue from services provided up to the reporting date that remain unpaid. Apart from long service leave, employee related liabilities are measured at nominal amounts.

6.4.1 Salaries and Wages, Annual Leave, Skills and Experience Retention Leave and Sick Leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the skills and experience retention leave liability are expected to be payable within twelve months and are measured at the undiscounted amounts expected to be paid. The Department of Treasury and Finance increased the salary inflation rate used in the calculation of short-term employee benefits to 3.2% in 2024-25 from 2.4% in 2023-24. The net result is an increase in the annual leave liability and skills and experience retention leave liability of \$11 000 and employee related expenses of \$13 000.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

6.4.2 Long Service Leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The measurement of long service leave payments is determined by whole of government actuarial calculations performed by the Department of Treasury and Finance, based on actuarial assumptions on expected future salaries and wages levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

The actuarial assessment determined that the salary inflation rate for long service leave was 3.5%, unchanged from 2023-24, with no resulting change in the reported long service leave liability.

The discount rate used in the measurement of the long service leave liability reflects the yield on long term Commonwealth Government bonds. The yield on long term Commonwealth Government bonds was 4.25%, unchanged from 2023-24, with no resulting change in the reported long service leave liability.

Changes to actuarial assumptions in the current financial year had no net financial effect on the long service leave liability or employee related expenses. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using several demographic and financial assumptions, including the long-term discount rate.

Current long service leave reflects the portion of leave expected to be settled within the next twelve months based on previous experience. All other long service leave is classified as non-current.

6.4.3 Employment On-Costs

Employment on-costs liabilities include payroll tax, workers compensation levies and superannuation contributions.

The SATC makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as expenses when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The liabilities outstanding at the reporting date are for contributions due but not yet paid to superannuation schemes, payroll tax payable to Revenue SA and the estimated on-costs on liabilities for accrued salaries and wages, long service leave, annual leave and skills and experience retention leave.

An actuarial assessment performed by the Department of Treasury and Finance determined that the average factor for the calculation of employer superannuation contribution on-cost on annual leave, skills and experience retention leave and long service leave increased to 12.0% in 2024-25 from 11.5% in 2023-24. The percentage of long service leave taken as leave is 46.4% (31.0%), calculated as the actual percentage of leave taken during the last five years. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of \$18 000. The estimated future impact is an increase of \$19 000 in 2025-26 and \$20 000 in 2026-27.

6.5 PROVISIONS

	2025 \$'000	2024 \$'000
Current provisions		
Provision for workers compensation	46	24
Total current provisions	46	24
Non-current provisions		
Provision for workers compensation	131	103
Total non-current provisions	131	103
Total provisions	177	127

6.5.1 Movement in Provisions

	2025 \$'000	2024 \$'000
Carrying amount at the beginning of the period	127	179
Additional provisions recognised	58	32
Reductions resulting from payments/other sacrifice of future economic benefits	(18)	(6)
Adjustments resulting from re-measurement or settlement without cost	10	(78)
Carrying amount the end of the period	177	127

The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2025 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision reflects unsettled workers compensation claims and is for the estimated cost of ongoing payments to employees as required under current legislation.

The SATC is responsible for the payment of workers compensation claims.

6.6 OTHER NON-FINANCIAL LIABILITIES

	2025 \$'000	2024 \$'000
Current other non-financial liabilities		
Accommodation incentive liabilities	213	213
Contract liabilities	57	4
Total current other liabilities	270	217
Non-current other non-financial liabilities		
Accommodation incentive liabilities	1 635	1 848
Total non-current other non-financial liabilities	1 635	1 848
Total other non-financial liabilities	1 905	2 065

6.6.1 Accommodation Incentive Liabilities

Accommodation incentive liabilities relate to an arrangement with the Department for Infrastructure and Transport for office accommodation, described in note 5.1.3. The incentive is a discount in accommodation expenses for the first 5 years of the 10-year accommodation term. The benefit of the incentive is spread over the full term so that reported expenses reflect the economic substance of the arrangement and related benefits provided. See also note 4.5.

6.6.2 Contract Liabilities

	2025 \$'000	2024 \$'000
Balance at the beginning of the period	4	22
Payments received for performance obligations yet to be completed	57	4
Revenue recognised for completion of performance obligations	(4)	(22)
Total contract liabilities	57	4

Contract liabilities relate to consideration received in advance from customers in respect of events managed by SATC and are recognised in the reporting period when the performance obligation is complete. All contract liabilities are expected to be realised as revenue within 12 months.

7. OTHER DISCLOSURES**7.1 CASH FLOWS**

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

7.1.1 Cash Flow Reconciliation

	2025 \$'000	2024 \$'000
Reconciliation of cash and cash equivalents at the end of the period		
Cash and cash equivalents disclosed in the Statement of Financial Position	10 131	18 507
Balance as per the Statement of Cash Flows	10 131	18 507
Reconciliation of net cash provided by operating activities to net result		
Net cash provided by (used in) operating activities	(7 893)	1 380
Non-cash items		
Depreciation expense	(555)	(1 302)
Net gain from the derecognition of financial liabilities	1	-
Effect of exchange rate on cash and cash equivalents	148	5
Net gain from the disposal of plant and equipment	5	-
Movement in assets and liabilities		
Receivables	728	(1 094)
Other financial assets	4	(155)
Other non-financial assets	(426)	1 991
Payables	6 937	(3 588)
Other financial liabilities	(463)	-
Employee related liabilities	(551)	(701)
Provisions	(50)	52
Other non-financial liabilities	160	(2 043)
Net result	(1 955)	(5 455)

7.2 PROCUREMENT EXPENDITURE

	2025 \$'000	Proportion %
Total expenditure on contracts above \$55 000 per contract (including GST) resulting from procurements under Treasurer's Instruction 18 <i>Procurement</i>		
South Australian businesses	29 221	69.5%
Non-South Australian businesses	12 799	30.5%
Total expenditure on contracts above \$55 000 resulting from procurements	42 020	100.0%

Arrangements between public authorities and with other governments are not included. Total expenditure with South Australian businesses may include the cost of goods sourced from outside SA.

7.2.1 Classification of South Australian or Non-South Australian Business

Treasurer's Instruction 18 defines a South Australian business as one that operates in SA and more than 50% of the workforce delivering the contract resulting from the procurement are residents of SA.

The classification as South Australian business or non-South Australian business is generally based on circumstances at the time of entering into a contract. For contracts entered into before 20 February 2023, assessments made under previous procurement requirements are used to determine the classification where sufficient evidence is available to the SATC. For contracts entered into before 20 February 2023 where such evidence is not available, and for all other contracts, the classification is based on the definition of a South Australian business provided in Treasurer's Instruction 18. In many cases the classification is based on representations made by suppliers at a point in time which have not been subject to independent verification.

7.3 CHANGES IN ACCOUNTING POLICY

The SATC assessed Australian Standards and Interpretations that first applied in 2024-25 and determined that they do not have a material impact on the financial statements. No new Australian Accounting Standards or Interpretations have been early adopted.

The SATC assessed new and changed Australian Accounting Standards and Interpretations not yet effective and does not expect a material impact on the financial statements from the adoption of these standards when they become effective.

7.4 EQUITY

The asset revaluation surplus is used to record increments and decrements in the fair value of plant and equipment to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

7.5 BUDGET PERFORMANCE

The budget performance tables compare the SATC's outcome against budget information presented to Parliament (2024-25 Budget Paper 4). The original budget amounts have been presented and classified on a basis that is consistent with line items in the financial statements and have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

7.5.1 Statement of Comprehensive Income

		Original Budget	Actual	Variance
	Note	2025	2025	
		\$'000	\$'000	\$'000
Income				
Appropriation		66 625	67 093	468
Government grants, subsidies and transfers	(a)	17 464	59 163	41 699
Sponsorship and participation		6 277	8 592	2 315
Entry fees, licence fees and sales		2 074	4 710	2 636
Net gain from disposal of plant and equipment		-	5	5
Other income		-	1 030	1 030
Total income		92 440	140 593	48 153
Expenses				
Employee related expenses		16 629	19 784	3 155
Advertising and promotion		28 495	29 718	1 223
Industry assistance	(b)	23 564	58 022	34 458
Administration and accommodation		4 987	7 275	2 288
Event operations	(c)	18 585	27 120	8 535
Depreciation expense		817	555	(262)
Interest		76	72	(4)
Loss on impairment of receivables		-	2	2
Total expenses		93 153	142 548	49 395
Net result		(713)	(1 955)	(1 242)
Total comprehensive result		(713)	(1 955)	(1 242)

7.5.2 Investing Expenditure Summary

	Original Budget	Actual	Variance
	2025	2025	
	\$'000	\$'000	\$'000
Investing expenditure			
Total annual programs	775	384	(391)
Total leases	50	23	(27)
Total investing expenditure	825	407	(418)

Explanations are only provided for variances where the variance is more than 10% of the original budgeted amount and more than 5% of original budgeted total expenses.

- (a) The variance in government grants, subsidies and transfers mainly relates to funding received from the Department of the Premier and Cabinet through the Major Events Fund to grow existing owned and managed events and to secure and support major national and international events.
- (b) The variance in industry assistance is mainly due to expenditure associated with grants from the Major Events Fund to secure and support major national and international events.
- (c) The variance in events operations is mainly due to expenditure associated with grants from the Major Events Fund to grow existing owned and managed events and to support major national and international events.

8. UNRECOGNISED CONTRACTUAL COMMITMENTS

Commitments include operating, capital and outsourcing arrangements arising from contractual sources. They are disclosed at their nominal value and are inclusive non-recoverable GST.

8.1 EXPENDITURE COMMITMENTS

	2025 \$'000	2024 \$'000
Expenditure commitments at the reporting date not recognised as liabilities		
Within one year	78 298	59 309
Later than one year but not longer than five years	79 156	65 460
Later than five years	7 243	9 074
Total expenditure commitments	164 697	133 843

The SATC's commitments arise from agreements for marketing services, event operations, event sponsorship, accommodation, industry grants and other cooperative and service contracts. There are no purchase options available to the SATC.

9. FINANCIAL INSTRUMENTS

9.1 FINANCIAL RISK MANAGEMENT

Risk management is managed by the SATC's Corporate Services group. Risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the *Australian Standard Risk Management Principles and Guidelines*. The SATC's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held. There have been no changes in risk exposure since the last reporting period.

9.2 LIQUIDITY RISK

The SATC is funded principally from appropriation by the SA Government. The SATC works with the Department of Treasury and Finance to determine the cash flows associated with its government-approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows. Refer to notes 7.1 and 7.5 for further information.

9.3 CREDIT RISK

The SATC has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. No collateral is held as security and no credit enhancements relate to financial assets held by the SATC.

9.3.1 Impairment of Financial Assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9 *Financial Instruments*. The SATC uses an allowance matrix to measure the expected credit loss of contractual receivables from non-government debtors. Contractual receivables are grouped based on shared risks characteristics and days past due, taking into account reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the SATC's historical experience and informed credit assessment, including any relevant forward-looking information. Loss rates are calculated based on the probability of a contractual receivable progressing through stages to write-off based on the common risk characteristics of the transaction and debtor.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

Exposure to credit risk and expected credit loss for non-government debtors	Gross Carrying Amount \$'000	Lifetime Expected Losses Loss % \$'000
Non-government debtors at 30 June 2025		
Current (not past due)	561	0.2% 1
1 – 30 days past due	10	1.4% -
31 – 60 days past due	47	1.3% 1
61 – 90 days past due	251	2.4% 6
More than 120 days past due	8	91.8% 8
Total loss allowance		16

Loss rates are based on the actual history of credit loss, adjusted to reflect differences between previous economic conditions, current conditions and the SATC's view of the forecast economic conditions over the expected life of the contractual receivables. Impairment losses are presented on a net basis within net result. Subsequent recoveries of amounts previously written off are credited against the same line item.

Contractual receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the SATC and a failure to make contractual payments for a period of greater than 120 days past due. Receivables with a contractual amount of \$3 000 written off during the year are still subject to enforcement activity.

All impairment losses on contractual receivables arise from contracts with customers. No impairment losses were recognised in relation to contract assets during the year.

9.3.2 Cash and Cash Equivalents

Cash and cash equivalents have low credit risk due to the external credit ratings of the counterparties and therefore the expected credit loss is nil.

9.4 MARKET RISK

The SATC does not trade in foreign currency, enter into transactions for speculative purposes nor engage in high risk hedging for its financial assets. To manage its exchange risk the SATC implements forward foreign exchange cover through SAFA in accordance with Treasurer's Instruction 23 *Management of Foreign Currency Exposures*. Due to their short-term nature, the SATC does not designate its foreign currency forward contracts as hedging instruments.

At 30 June 2025 SAFA had 11 (0) foreign exchange forward contracts in place on behalf of the SATC totalling \$21 166 000 (nil). In 2024-25 the SATC had 2 (11) foreign exchange forward contracts mature totalling \$1 100 000 (\$12 326 000). Forward contracts are to cover commitments denominated in foreign currencies, including for the payment of representation fees, sponsorships, event participation fees and global marketing activity.

As with all forward foreign exchange contracts there are financial risks. Cashflows from foreign exchange forward contracts in 2024-25 are included in the Statement of Comprehensive Income, and where material are shown separately as gains in note 2.6 and losses in note 3.4. Refer to notes 4.4 and 6.3 for further information.

The SATC does not undertake any hedging of interest rate risk. There is no exposure to other price risks.

9.5 CATEGORISATION OF FINANCIAL INSTRUMENTS

Details of the material accounting policy information and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised for each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset or financial liability note.

The SATC measures all financial instruments at amortised cost.

9.5.1 Maturity Analysis of Financial Instruments

Category of financial asset and financial liability	Note	2025 Carrying Amount \$'000	2025 Contractual Maturities ¹		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and equivalents					
Cash and cash equivalents	4.2, 7.1	10 131	10 131	-	-
Amortised cost					
Receivables	4.3	1 110	1 110	-	-
Other financial assets	4.4	4	4		
Total financial assets		11 245	11 245	-	-
Financial liabilities					
Amortised cost					
Payables	6.2	7 667	7 667	-	-
Lease liabilities	6.3	3 227	303	1 289	2 025
Other financial liabilities	6.36.6	463	463	-	-
Total financial liabilities		11 357	8 433	1 289	2 025
Category of financial asset and financial liability	Note	2024 Carrying Amount \$'000	2024 Contractual Maturities ¹		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and equivalents					
Cash and cash equivalents	4.2, 7.1	18 507	18 507	-	-
Amortised cost					
Receivables	4.3	822	822	-	-
Total financial assets		19 329	19 329	-	-
Financial liabilities					
Amortised cost					
Payables	6.2	14 508	14 508	-	-
Lease liabilities	6.3	3 504	325	1 285	2 359
Total financial liabilities		18 012	14 833	1 285	2 359

¹ Contractual maturities are presented using undiscounted cashflows and therefore may not equal the total carrying amount of the financial instrument.

Amounts disclosed here exclude prepayments, statutory receivables, statutory payables and contract liabilities because they are not financial assets or financial liabilities.

Prepayments are presented in note 4.3 as receivables but are not financial assets as the future economic benefit is the receipt of goods and services rather than the right to receive cash or another financial asset.

Statutory receivables and statutory payables include Commonwealth, State and Local Government taxes and equivalents, fees and charges and employee-related payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go withholding and ReturnToWorkSA levies. In government, certain rights to receive or obligations to pay cash may not be contractual but have their source in legislation and the disclosure requirements of AASB 7 *Financial Instruments: Disclosures* do not apply.

Contract liabilities are not financial liabilities as they represent a future obligation to provide goods and services in return for consideration already received.

9.6 CREDIT STANDBY ARRANGEMENTS

The SATC has a \$500 000 (\$500 000) purchasing card facility with ANZ Bank. The unused portion of this facility at 30 June 2025 was \$364 000 (\$344 000).