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To the Chairperson, Board of Trustees South Australian Country Arts Trust

Opinion

I have audited the financial report of the South Australian Country Arts Trust (the Trust) and the consolidated entity comprising the South Australian Country Arts Trust and its controlled entity 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 Trust and its controlled entity as at 30 June 2025, its financial performance and 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 - Simplified Disclosures.

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 Chairperson, Board of Trustees, the Chief Executive and the Finance Manager.

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 Trust and its controlled entity. 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 of Trustees 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 the Australian Accounting Standards – Simplified Disclosures, 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 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 and the consolidated 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 of Trustees is responsible for overseeing the entity'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 15(3) of the *South Australian Country Arts Trust Act 1992*, I have audited the financial report of the Trust and its controlled entity 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 Trust'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
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group as a basis for forming an opinion on the group financial report. I am responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. I remain solely responsible for my audit opinion.

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 Board of Trustees 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

12 March 2026

South Australian Country Arts Trust

**Annual Financial Statements
for the year ended
30 June 2025**

**Country Arts SA
ABN: 63 908 129 329
85 North East Road, COLLINSWOOD, SA 5081
www.countryarts.org.au
Contact phone number: (08) 8444 0400**

Certification of the Financial Statements

We certify that the:

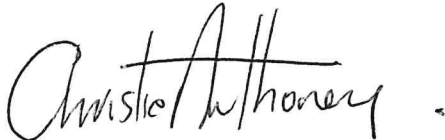
- financial statements of the South Australian Country Arts Trust:
 - are in accordance with the accounts and records of the Trust;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Trust at the end of the financial year and the result of its operations and cash flows for the financial year.
- internal controls employed by the South Australian Country Arts Trust for the financial year over its financial reporting and its preparation of financial statements have been effective.



Anthony Peluso
Chief Executive
24 February 2026



Penny Zhang
Finance Manager
24 February 2026



Christie Anthoney
Chairperson, Board of Trustees
24 February 2026

South Australian Country Arts Trust
Statement of Comprehensive Income
for the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
<u>Income</u>			
SA Government grants, subsidies and transfers	2.1	8,648	4,517
Fees and charges	2.2	2,183	2,696
Commonwealth-sourced grants and funding	2.3	279	630
Grants and subsidies revenue	2.4	548	1,011
Interest revenues		226	266
Other income	2.6	920	890
Resources free of charge	2.5	52	-
Total income		12,856	10,010
<u>Expenses</u>			
Employee related expenses	3.3	7,103	5,664
Program expenses	4.1	1,468	1,601
Infrastructure expense	4.1	2,177	1,477
Administration expenses	4.1	749	1,120
Grants and subsidies	4.2	142	189
Depreciation and amortisation	5.1	2,070	2,146
Net loss from disposal of non-current assets		-	5
Total expenses		13,709	12,202
Net result		(853)	(2,192)
<u>Other Comprehensive Income</u>			
Items that will not be reclassified to net result			
Changes in property, plant and equipment asset revaluation surplus		23,221	-
Total other comprehensive income		23,221	-
Total comprehensive result		22,368	(2,192)

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

South Australian Country Arts Trust

Statement of Financial Position

as at 30 June 2025

	Note	2025 \$'000	2024 \$'000
<u>Current assets</u>			
Cash and cash equivalents	6.2	6,643	5,080
Receivables	6.3	244	225
Inventories		33	39
Other assets		38	45
Total current assets		6,958	5,389
<u>Non-current assets</u>			
Property, plant and equipment	5.1	53,177	31,076
Works of art	5.1	193	343
Total non-current assets		53,370	31,419
Total assets		60,328	36,808
<u>Current liabilities</u>			
Payables	7.2	1,582	1,324
Employee related liabilities	3.4	1,273	993
Provisions	7.3	24	31
Other current liabilities	7.4	1,161	718
Total current liabilities		4,040	3,066
<u>Non-current liabilities</u>			
Employee related liabilities	3.4	690	466
Provisions	7.3	89	135
Total non-current liabilities		779	601
Total liabilities		4,819	3,667
Net assets		55,509	33,141
<u>Equity</u>			
Retained earnings		(12,138)	(11,285)
Asset revaluation surplus		67,647	44,426
Total equity		55,509	33,141

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

South Australian Country Arts Trust

Statement of Changes in Equity

for the year ended 30 June 2025

	Asset revaluation surplus \$'000	Retained earnings \$'000	Total Equity \$'000
Balance at 30 June 2023	44,426	(9,093)	35,333
Net result	-	(2,192)	(2,192)
Balance at 30 June 2024	44,426	(11,285)	33,141
Net result	-	(853)	(853)
Other Comprehensive Income	23,221	-	23,221
Balance at 30 June 2025	67,647	(12,138)	55,509

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

South Australian Country Arts Trust

Statement of Cash Flows

for the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
<i>Cash inflows</i>			
SA Government grants, subsidies and transfers		8,648	4,517
Fees and charges		2,870	2,462
Receipts from Commonwealth-sourced grants and funding		307	630
Receipts from grants and subsidies		603	1,011
Interest received		219	245
GST recovered from the ATO		(46)	14
Other receipts		1,070	980
Cash generated from operations		13,671	9,859
<i>Cash outflows</i>			
Employee related payments		(6,658)	(5,502)
Payments for supplies and services		(4,631)	(4,146)
Payments of grants and subsidies		(18)	(189)
Cash used in operations		(11,307)	(9,837)
Net cash provided by/(used in) operating activities		2,364	22
Cash flows from investing activities			
<i>Cash inflows</i>			
Proceeds from the sale of property, plant and equipment		-	-
Cash generated from investing activities		-	-
<i>Cash outflows</i>			
Purchase of property, plant and equipment		(801)	(851)
Cash used in investing activities		(801)	(851)
Net cash provided by/(used in) investing activities		(801)	(851)
Net increase/(decrease) in cash and cash equivalents		1,563	(829)
Cash and cash equivalents at the beginning of the period		5,080	5,909
Cash and cash equivalents at the end of the period	6.2	6,643	5,080

The accompanying notes form part of these financial statements.

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1. About the South Australian Country Arts Trust

Established in 1993, the South Australian Country Arts Trust (the Trust) is a South Australian Government statutory authority, which trades as Country Arts SA. The trust was established pursuant to the South Australian Country Arts Trust Act 1992.

The Trust has a wide ranging responsibility for the development of the arts in country South Australia and is the principal provider of arts programs to country South Australians.

The Trust delivers arts programs through:

- managing and operating Arts Centres in Whyalla, Port Pirie, Renmark, Mount Gambier and Noarlunga;
- developing performing arts touring programs for the theatres and for touring to other regional centres
- developing and managing visual arts touring programs;
- managing a number of arts development and community artist funding programs;
- the provision of policy advice to the Minister of Arts;
- advocating for the continuing development of the arts in country South Australia; and
- the provision of an arts information and advisory service to country South Australians.

1.1. 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*; and
- relevant Australian Accounting Standards, applying simplified disclosures.

For the purposes of preparing the financial statements, the agency is a not-for-profit entity. The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is identified in the notes to the financial statements.

The Trust is not subject to income tax. The Trust is liable for payroll tax, fringe benefit tax, goods and services tax, emergency services levy, and local government rates.

Income, expenses and assets are recognised net of the amount of 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 the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

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

Assets and liabilities that are to be sold, consumed or realised as part of the normal 12 month operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Inventories include goods held for sale in the ordinary course of business. Inventories are maintained for theatre catering purposes and are measured at the lower of cost or net realisable value.

The financial statements and accompanying notes include all the controlled activities of the Trust. The consolidated financial statements have been prepared by combining the South Australian

Country Arts Trust (the Trust) and the Country Arts Foundation (Foundation) in accordance with AASB 10 Consolidated Financial Statements.

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

1.2. Principles of Consolidation

Controlled entities are those entities over which the Trust has control. The Trust has control over an entity when it is exposed, or has rights to, variable returns from its involvement with that entity and can affect those returns through its power over the entity. This is the case with the Foundation, which is a controlled entity of the Trust. Refer to note 8.5.

1.3. Comparative information

The presentation and classification of items in the financial statements is consistent with prior periods except where specific accounting standards and/or accounting policy statements have required a change.

Where presentation or classification of items in the financial statements has been amended, comparative figures have been adjusted to confirm to changes in presentation or classification in these statements unless impracticable.

The restated comparative amounts do not replace the original financial statements for the preceding period.

2. Income

2.1. SA Government grants, subsidies and transfers

	2025 \$'000	2024 \$'000
Arts South Australia grants	8,648	4,517
Total SA Government grants, subsidies and transfers	8,648	4,517

The Trust receives an annual recurrent operating grant from Arts South Australia, a division of the Department of the Premier and Cabinet to undertake agreed programs. The operating grant falls under *AASB 1058 Income for Not-for-Profit Entities* and is recognised as income on receipt, as there are no specific performance obligations attached.

2.2. Fees and charges

	2025 \$'000	2024 \$'000
Box office – programmed performances	105	92
Box office – films	578	492
Ticket booking fees	248	408
Venue hire	361	583
Candy bar sales	513	490
Recovery of theatre costs	193	342
Sponsorships	10	50
National touring	17	81
Other	158	158
Total fees and charges	2,183	2,696

Revenue from fees and charges is derived from goods and services provided to other SA Government agencies and the public.

Per *AASB 15 Revenue from Contracts with Customers* the revenue is recognised upon delivery of the service to the clients or by reference to the stage of completion.

2.3. Commonwealth-sourced grants and funding

	2025 \$'000	2024 \$'000
Specific purpose grants	279	630
Total Commonwealth-sourced grants and funding	279	630

Commonwealth-sourced grants and funding are recognised in accordance with *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income for Not-for-Profit Entities* on completion of agreed deliverables and in compliance with all obligations under the agreement.

2.4. Grants and subsidies revenue

	2025 \$'000	2024 \$'000
Specific purpose grant from entities within SA Government	230	238
Specific purpose grant from entities external to SA Government	318	773
Total grants and subsidies revenue	548	1,011

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These grants are received by the Trust for specific purposes from SA Government and non SA Government entities. As per *AASB 15 Revenue from Contracts with Customers* revenue is recognised as and when the performance obligations of the grant are met.

2.5. Resources received free of charge

	2025 \$'000	2024 \$'000
Services received free of charge	52	-
Total resources received free of charge	52	-

The Trust received audit services free of charge from the Audit Office of South Australia in relation to work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Audit Office of South Australia.

2.6. Other income

	2025 \$'000	2024 \$'000
Salary recoveries	635	789
Foundation income	61	46
Insurance recovery	95	9
Other	129	46
Total other income	920	890

Other Income is recognised on receipt under *AASB 1058 Income of Not-for-Profit Entities*.

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Trust include the Minister, Board of Trustees and the Chief Executive Officer who are responsible for the strategic direction and management of the Trust. Total compensation for key management personnel was \$267,000 in 2024-25 (2023-24 \$271,000).

The compensation disclosed in this note excludes salaries and other benefits the Minister for Arts receives. 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 of the *Parliamentary Remuneration Act 1990*.

Transactions with key management personnel and other related parties

There were no material related party transactions between the Trust and key management personnel and their close family members.

3.2. Board and committee members

Members during the 2025 financial year were:

Board of Trustees

Kath M Mainland CBE*, Chair	Shouwn Oosting
Ian McKay	Stephanie Toole
Susan (Suzie) Betts (resigned Feb-25)	Ella Winnall
Victoria MacKirdy (term end Mar-25)	Darren Braund
Simone Bailey	

Committee Members

Governance and Finance Committee

Victoria MacKirdy, Chair (term end Mar-25)	Ian McKay
Simone Bailey, Chair (appointed Jan-25)	Darren Braund

First Nations Advisory Committee

Danielle Deshong	Shouwn Oosting, Chair
Lee-Ann Buckskin	Susan (Suzie) Betts (resigned Feb-25)
Shania Richards	Dre Ngatokorua (appointed Dec-24)

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Grants Assessment Panel

Ella Winnall, Chair (appointed Feb-24)	Fleur Noble (appointed Sep-24)
Nick Carroll	Lucia Pichler
Sandy Hahn (appointed Dec-23)	Janene Piip (appointed Sep-24)
Deborah Hughes (appointed Sep-24)	Nic Tubb*
Caitlyn Larsson (appointed Oct-24)	Sue-Ellen Shepherdson (appointed Oct-24)
Simone Linder-Patton (appointed Sep-24)	Mia Stocks (appointed Sep-24)
Fulvia Mantelli	Jasmine Swales-Smith
Dre Ngatokorua (appointed Feb-25)	Lee-Ann Buckskin (appointed Feb-25)
Lewis Major (resigned Dec-24)	Michael Colbung (resigned Aug-24)
Christabel (Christie) Anthony (term ended Dec-24)	

*In accordance with Premier and Cabinet Circular 016, government employees did not receive any remuneration for board/committee duties during the financial year.
Kath M Mainland ceased employment with State Government of South Australia on 30 April 2025. From that point she commenced receiving sitting fees.

Board and committee remuneration

The number of members whose remuneration received or receivable falls within the following bands:	2025	2024
\$0 - \$19 999	26	24
Total number of members	26	24

The total remuneration received or receivable by members was \$23,000 (2023-24 \$18,000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax. Any travel allowance paid to Board or Committee members has not been included as remuneration as it is considered to be a reimbursements of direct out of pocket expenses incurred by the relevant members.

3.3. Employee related expenses

	2025 \$'000	2024 \$'000
Salaries and wages	5,385	4,366
Long service leave	504	128
Annual leave	323	350
Skills and experience retention leave	15	17
Employment on-costs - superannuation	507	508
Employment on-costs - other	292	227
Board and committee fees	23	17
Workers compensation	(53)	42
Provision for permanent employees overtime	111	-
Other employee related expenses	(4)	9
Total employee related expenses	7,103	5,664

Employment on-costs - superannuation

The superannuation employment on-cost charge represents the Trust's contributions to superannuation plans in respect of current services of current employees.

Employee remuneration

	2025 No	2024 No
The number of employees whose remuneration received or receivable falls within the following bands:		
\$231 001 to \$251 000	1	-
\$251 001 to \$271 000	1	1
Total	2	1

The total remuneration received by those employees for the year was \$495,000 (2023-24 \$257,000).

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, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits as well as any termination benefits for employees who have left the Trust.

3.4. Employee related liabilities

	2025 \$'000	2024 \$'000
Current		
Accrued salaries and wages	174	127
Annual leave and TOIL	300	358
Long service leave	490	332
Skills and experience retention leave	36	40
Employment on-costs	162	136
Provision for permanent staff overtime	111	-
Total current employee related liabilities	1,273	993
Non-current		
Long service leave	624	423
Employment on-costs	66	43
Total non-current employee related liabilities	690	466
Total employee related liabilities	1,963	1,459

Long-term employee related liabilities are measured at present value and short-term employee related liabilities are measured at nominal amounts.

Long service leave

The liability for long service leave is measured at 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 expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations, which are based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities. The discount rate is reflective of the yield on long-term Commonwealth Government bonds. The

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yield on long-term Commonwealth Government bonds has remained the same from 2024 (4.25%) to 2025 (4.25 %).

The current portion of employee related liabilities reflects the amount for which the Trust does not have the right to defer settlement for at least 12 months after reporting date. For long service leave, the amount relates to leave approved before year end that will be taken within 12 months, expected amount of leave to be approved and taken by eligible employees within 12 months, and expected amount of leave to be paid on termination to eligible employees within 12 months.

Employment on-costs

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to are discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

The Trust contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the respective superannuation schemes.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave has remained the same as the 2024 rate of 44% and the average factor for the calculation of employer superannuation cost on-costs has changed from the 2024 rate of 11.5% to 12.0%. 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 employee benefits expense of \$56 (not including oncosts). The impact on future periods is impracticable to estimate.

4. Expenses

Employee related expenses are disclosed in note 3.3.

4.1. Supplies and services

<i>Program expenses</i>	2025 \$'000	2024 \$'000
Live touring expenses	487	636
Marketing	196	221
Cost of goods sold	259	227
Film distributor payments	283	233
Production show expenses	56	112
Other	187	172
Total Program expenses	1,468	1,601

<i>Infrastructure expenses</i>	2025 \$'000	2024 \$'000
Repairs and maintenance	493	506
Information technology and communication	882	433
Utilities	269	271
Consultants	188	83
Insurance	234	166
Other	111	18
Total Infrastructure expenses	2,177	1,477

<i>Administration expenses</i>	2025 \$'000	2024 \$'000
Travel	170	225
Printing and stationery	27	36
Motor vehicle expense	29	36
Freight	55	45
Staff development	67	64
Contractors and temporary staff	251	592
Other	150	122
Total Administration expenses	749	1,120

4.2. Grants and subsidies

	2025 \$'000	2024 \$'000
Grants	142	189
Total grants and subsidies	142	189

Grants and subsidies paid by the Trust are for arts related assistance and project purposes and are predominately recurrent in nature. Entities receiving these grants and subsidies include non-government organisations and the general public. The grants and subsidies given are usually subject to terms and conditions set out in the contract, correspondence, or by legislation. For contributions payable, the contribution will be recognised as liability and expense when the Trust has a present obligation to pay the contribution.

5. Non-financial assets

5.1. Property, plant and equipment by asset class

Property, plant and equipment comprises tangible assets owned. The assets presented below do not meet the definition of investment property.

	Land \$'000	Building & improvements \$'000	Plant & equipment \$'000	Works of art \$'000	Work in progress \$'000	Total \$'000
Gross carrying amount	3,824	223,630	3,966	193	1,039	232,652
Accumulated Depreciation	-	(177,048)	(2,234)	-	-	(179,282)
Carrying amount	3,824	46,582	1,732	193	1,039	53,370
Reconciliation 2024-25						
Carrying amount at the beginning of the period	3,690	25,629	1,403	343	354	31,419
Acquisitions		115			812	927
Transfers to (from) WIP					(127)	(127)
Revaluation increment / (decrement)	134	22,715	522	(150)		23,221
Depreciation		(1,877)	(193)			(2,070)
Carrying amount at the end of the period	3,824	46,582	1,732	193	1,039	53,370

Revaluation surplus relating to de-recognised property, plant and equipment is transferred to retained earnings on de-recognition.

5.2. Recognition, useful life and depreciation

All non-current tangible assets with a value equal to, or in excess of, \$1,000 for works of art and \$5,000 for all other tangible assets are capitalised. Non-current assets are initially recorded at cost, or at the value of liabilities assumed, plus any incidental cost involved with the acquisitions. Non-current assets are subsequently measured at fair value after allowing for accumulated depreciation.

Where assets are acquired at no value, or minimal value, they are recorded at their fair value in the Statement of Financial Position.

Depreciation is calculated on a straight-line basis. Assets depreciation is calculated over the estimated useful life as follows:

Class of asset	Useful life (years)
Building and improvements	4 to 60
Plant and equipment	5 to 20

5.3. Revaluation of non-current assets owned by the Trust

All non-current physical assets are valued at written down current cost (a proxy for fair value). Revaluation of non-current assets or groups of assets is only performed when its fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than 3 years.

Every six years, the Trust revalues its land and buildings and works of art via an independent Certified Practising Valuer. However, if at any time management considers that the carrying amount of the asset materially differs from the fair value, then the asset will be revalued regardless of when the last valuation took place. Non-current physical assets that are acquired between revaluations are held at cost until the next valuation, when they are re-valued to fair value.

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Any revaluation increment is credited to the asset revaluation surplus except to the extent that it reverses a revaluation decrement of the same asset class previously recognised as an expense, in which case the increment is recognised as income. Any revaluation decrement is recognised as an expense, except to the extent that it reverses a revaluation increment for the same asset class, in which case the decrement is debited directly to the asset revaluation surplus to the extent of the credit balance existing in the asset revaluation surplus for that class of asset.

Upon disposal or derecognition, any revaluation surplus relating to that asset is transferred to retained earnings.

Valuation of land and buildings

Trust's land, buildings and improvements were revalued as at 30 June 2025 by JLL Public Sector Valuations.

Land

The fair value was determined using a direct comparison approach with recent market transactions in the area. Where recent market transactions were not available, the valuer has used their experience to provide an estimate of the market value, considering the size, location and other restrictions on the land.

Buildings and improvements – Art Centres

The fair value was estimated based on the written down modern equivalent replacement cost. The estimated modern equivalent replacement cost was determined by the Valuer with reference to Rawlinson's Australian Construction Handbook Edition 36 and Readers Digest (2025) – Australian Edition. Additional costs were included for country location, planning approvals, preliminaries, contingencies and complexity of the theatres, having regard to the extent of non-theatre functions.

Buildings and improvements - Other

The fair value was determined using a direct comparison approach with recent market transactions in the area.

Plant and equipment

The valuation of plant and equipment was performed by JLL Public Sector Valuations as at 30 June 2025. Where there were sufficient observable transactions of similar assets, the market approach has been utilised to determine the fair value of plant and equipment. In instances where insufficient or no observable transactions of similar assets have been identified, the current replacement cost approach has been utilised.

Valuation of works of art

The valuation of the Works of Art collections controlled by the Trust was performed by JLL Public Sector Valuations as at 30 June 2025.

Market evidence has primarily been sourced from auction markets and dealer enquiries. These inputs to the fair value measurements are considered level 2 in the fair value hierarchy as they have been observed from the market and the valuer has been required to utilise minimal professional judgement to adjustments for differences in asset characteristics. In certain circumstances where the valuer has had to utilise significant professional judgement in determining the fair value measurements, these assets have been categorised at level 3 of the fair value hierarchy.

Impairment of assets

All non-current tangible assets are tested for indications of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. The recoverable amount is determined as the higher of an asset's fair value less cost of disposal and depreciated

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replacement cost. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

For revalued assets, a fair value assessment is performed each year.

There were no indications of impairment of property, plant and equipment at 30 June 2025.

6. Financial assets

6.1. Financial assets

	2025 Carrying amount \$'000	2024 Carrying amount \$'000
Financial assets measured at amortised cost		
Cash and cash equivalents	6,643	5,080
Contractual receivables	213	201
Total financial assets	6,856	5,281

6.2. Cash and cash equivalents

	Note	2025 \$'000	2024 \$'000
Deposits with the Treasurer		6,373	4,934
Imprest accounts / cash on hand		8	8
Cash on Hand – Foundation	8.5	262	138
Total cash and cash equivalents		6,643	5,080

All financial assets are measured at amortised cost

6.3. Receivables

	2025 \$'000	2024 \$'000
Contractual receivables from government entities	159	86
Contractual receivables from non-government entities	54	115
Accrued income	31	24
Total receivables	244	225

Contractual receivables arise in the normal course of selling goods and services to other government agencies and to the public. Contractual receivables are normally settled within 30 days after the issue of an invoice, or the goods/services have been provided under a contractual arrangement.

Receivables are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

7. Liabilities

Employee related liabilities are disclosed in note 3.4.

7.1. Financial liabilities

	2025 Carrying amount \$'000	2024 Carrying amount \$'000
Financial liabilities measured at amortised cost		
Payables	567	667
Total financial liabilities	567	667

All financial liabilities are measured at amortised cost.

7.2. Payables

	2025 \$'000	2024 \$'000
Current		
Contractual payables	567	667
Accrued expenses	750	450
Statutory payables		
Government taxes and equivalents	265	156
Audit Fees	-	51
Total statutory payables	265	207
Total current payables	1,582	1,324
Total payables	1,582	1,324

Payables and accrued expenses are recognised for all amounts owing but unpaid. Contractual payables are normally settled within 15 days from the date the invoice is received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Statutory payables do not arise from contracts. Statutory payables include government taxes and equivalents, statutory fees and charges. This is in addition to employee related payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go Withholding and ReturnToWorkSA levies. Statutory payables are carried at cost.

7.3. Provisions

	2025 \$'000	2024 \$'000
<u>Current</u>		
Workers Compensation	23	27
Additional compensation	1	4
Total current provisions	24	31
<u>Non-Current</u>		
Workers Compensation	75	97
Additional compensation	14	38
Total non-current provisions	89	135
Total provisions	113	166

A provision has been reported to reflect unsettled workers compensation claims. 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 is for the estimated cost of ongoing payments to employees as required under current legislation.

The Trust is responsible for the payment of workers' compensation claims.

7.4. Other non-financial liabilities

	2025 \$'000	2024 \$'000
<u>Current</u>		
Unearned revenue	904	570
Contract liabilities	257	148
Total current other liabilities	1,161	718
Total other liabilities	1,161	718

Unearned revenue predominately relates to box office ticket sales taken in advance of performances. Contract liabilities represent obligations that need to be met in regards to grant contracts. Revenue is recognised under *AASB 15 Revenue from Contractors with Customers* when performance obligations are fulfilled.

8. Other notes

8.1. Unrecognised commitments

Commitments arising from contractual sources are disclosed at their nominal value and are inclusive of non-recoverable GST.

Capital contractual commitments

	2025 \$'000	2024 \$'000
Not later than one year	659	109
Total capital commitments	659	109

Other contractual commitments

The Trust's other contractual commitments comprise of service and live tour performance agreements and software licencing agreements.

	2025 \$'000	2024 \$'000
Not later than one year	393	149
Later than one year but not later than five years	347	69
Total other contractual commitments	740	218

8.2. Contingent assets and liabilities

The Trust has become aware of historical discrepancies relating to overtime payments for certain employees. The Trust is currently seeking advice from Crown Solicitor's Office (CSO) and the Industrial Relations And Policy (IRAP) on this matter. The Trust is unable to determine its liability as this is dependent on the outcome of this advice. Therefore, the financial impact cannot be reliably measured at this stage.

8.3. Events after the reporting period

There are no events after 30 June 2025 that require disclosure.

8.4. Regional Arts Fund

The Trust manages the South Australian component of the Regional Arts Fund on behalf of the Commonwealth Government's Department of Infrastructure, Transport, Regional Development, Communications and Arts. The Regional Arts Fund is a Commonwealth program that supports artistic cultural development in regional and remote communities throughout Australia. The grant received from the Commonwealth for the Regional Arts Fund includes a component to reimburse Country Arts SA for administration of the Fund.

The Trust received and managed a one-off payment for the South Australia component of a Recovery Boost to be disbursed over 3 years. This fund is to help regional artists and organisations develop new work and explore new delivery models in light of the impacts of COVID-19, bushfires and drought. The Recovery Boost funding concluded in the 2023-24 financial year.

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	2025 \$'000	2024 \$'000
Funds from prior year recommitted	8	48
Annual regional arts fund allocation	734	615
Administration costs incurred by the Trust	95	140
Total funds available	837	803
Expenditure and grant commitments approved during the year	800	795
Funds carried forward	37	8

8.5. Country Arts Foundation

The consolidated financial statements as at 30 June 2025 include the Country Arts Foundation Ltd. The Foundation is registered charity with charity programs to champion arts in regional South Australia.

	2025 \$'000	2024 \$'000
Revenue	125	43
Expenses	1	23
Surplus (Deficit)	124	20
Cash at Bank	262	138

All gifts and money received by the Trust from the Foundation are used to undertake special projects on behalf of the Trust. In 2024-25 no funds were transferred to the Trust (in 2023-24, \$20,000 was used to fund Nebula and \$1,500 to fund Tix on Us).