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To the Chair of the Board Adelaide Venue Management Corporation

Opinion

I have audited the financial report of the Adelaide Venue Management Corporation (AVMC) for the financial year ended 30 June 2026.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the AVMC as at 30 June 2026, 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 2026
- a Statement of Financial Position as at 30 June 2026
- a Statement of Changes in Equity for the year ended 30 June 2026
- a Statement of Cash Flows for the year ended 30 June 2026
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Chair, the Chief Executive Officer and the Chief Financial 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 AVMC. 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 Officer and the Board for the financial report

The Chief Executive Officer 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, 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 Officer 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 Officer 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 members of the Board are 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 schedule 13(3) of the *Public Corporations Act 1993*, I have audited the financial report of the AVMC for the financial year ended 30 June 2026.

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 AVMC's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer
- conclude on the appropriateness of the Chief Executive Officer'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 Officer and the 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

23 September 2026

Certification of the Financial Statements

We certify that the:

- Financial statements of the Adelaide Venue Management Corporation:
 - are in accordance with the accounts and records of the Corporation; and
 - comply with relevant Treasurer's instructions; and
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Adelaide Venue Management Corporation 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 Adelaide Venue Management Corporation for the financial year over its financial reporting and its preparation of financial statements have been effective.

Andrew Daniels

CHAIR

Adelaide Venue Management
Corporation

Date: 27/8/26



Martin Radcliffe

CHIEF EXECUTIVE OFFICER

Adelaide Venue Management Corporation

Date: 27/8/26



Mia Carrall

CHIEF FINANCIAL OFFICER

Adelaide Venue Management Corporation

Date: 27/8/26



Statement of Comprehensive Income

for the year ended 30 June 2026

	Note No.	2026 \$'000	2025 \$'000
Income from trading activities			
Facility charges	3.1	98 258	90 590
Interest		2 424	2 605
Net loss from the disposal of property, plant and equipment	3.4	58	(373)
Other income	3.2	5 214	5 008
Total income from trading activities		105 954	97 830
Expenses from trading activities			
Employee related expenses	4.1	51 811	46 502
Supplies and services	4.2	27 047	25 229
Depreciation and amortisation	5.6	4 917	4 608
Total expenses from trading activities		83 775	76 339
Profit from trading activities		22 179	21 491
Income from property management activities			
Interest		140	184
Intra-government transfers	3.3	14 121	13 966
Other income	3.2	993	648
Total income from property management activities		15 254	14 799
Expenses from property management activities			
Employee related expenses	4.1	3 870	3 528
Supplies and services	4.2	10 595	10 488
Depreciation and amortisation	5.6	28 648	32 960
Borrowing costs	4.3	11 235	11 135
Total expenses from property management activities		54 348	58 111
Loss from property management activities		(39 094)	(43 312)
Net profit / (loss)		(16 915)	(21 821)
Other comprehensive income			
Change in asset revaluation surplus		153 932	-
Total other comprehensive income		153 932	-
Total comprehensive result		137 017	(21 821)

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

Statement of Financial Position

as at 30 June 2026

	Note No.	2026 \$'000	2025 \$'000
Current assets			
Cash and cash equivalents	5.2	55 081	60 561
Receivables	5.3	5 744	7 732
Inventories	5.4	852	801
Total current assets		61 677	69 094
Non-current assets			
Property, plant and equipment	5.6	684 569	546 722
Total non-current assets		684 569	546 722
Total assets		746 246	615 816
Current liabilities			
Payables	6.2	4 361	7 490
Other financial liabilities	6.3	75	70
Employee related liabilities	6.5	3 101	3 049
Contract liabilities	6.4	11 549	14 228
Other non-financial liabilities	6.7	87	84
Provisions	6.6	242	187
Total current liabilities		19 415	25 108
Non-current liabilities			
Other financial liabilities	6.3	396 028	395 661
Employee related liabilities	6.5	3 595	3 138
Contract liabilities	6.4	776	936
Other non-financial liabilities	6.7	4 496	4 553
Provisions	6.6	857	758
Total non-current liabilities		405 752	405 046
Total liabilities		425 167	430 154
Net assets		321 079	185 662
Equity			
Contributed capital		133 840	133 840
Asset revaluation surplus	7.1	294 103	140 171
Accumulated surplus/(deficit)		(106 864)	(88 349)
Total equity		321 079	185 662

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 2026

	Note No.	Contributed capital \$'000	Asset revaluation surplus \$'000	Accumulated surplus/(deficit) \$'000	Total \$'000
Balance at 30 June 2024		133 840	140 171	(64 928)	209 083
Net profit / (loss) for 2024-25		-	-	(21 821)	(21 821)
Total comprehensive result for 2024-25		-	-	(21 821)	(21 821)
Dividends paid		-	-	(1 600)	(1 600)
Balance at 30 June 2025		133 840	140 171	(88 349)	185 662
Net profit / (loss) for 2025-26		-	-	(16 915)	(16 915)
Gain or loss on revaluation of land & buildings during 2025-26		-	153 932	-	153 932
Total comprehensive result for 2025-26		-	153 932	(16 915)	137 017
Dividends paid	7.4	-	-	(1 600)	(1 600)
Balance at 30 June 2026		133 840	294 103	(106 864)	321 079

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

Statement of Cash Flows
for the year ended 30 June 2026

	Note No.	2026 \$'000	2025 \$'000
Cash flows from operating activities			
Cash inflows			
Receipts from the sale of goods and services		114 443	105 188
Intra-government transfers		14 121	13 967
Interest received		2 546	2 818
		131 110	121 973
Cash outflows			
Employee related payments		55 018	48 898
Supplies and services		45 526	37 410
Borrowing costs		11 202	11 164
GST remitted		5 781	5 627
		117 527	103 099
Net cash from/(used in) by operating activities	7.2	13 583	18 874
Cash flows from investing activities			
Cash inflows			
Proceeds from the sale of property, plant and equipment	3.4	75	122
		75	122
Cash outflows			
Purchase of property, plant and equipment		17 467	13 910
		17 467	13 910
Net cash from/(used in) by investing activities		(17 392)	(13 788)
Cash flows from financing activities			
Cash outflows			
Dividends paid to SA Government		1 600	1 600
Repayment of principal portion of lease liabilities		71	66
		1 671	1 666
Net cash from/(used in) by financing activities		(1 671)	(1 666)
Net increase / (decrease) in cash and cash equivalents		(5 480)	3 420
Cash and cash equivalents at the beginning of the financial year		60 561	57 141
Cash and cash equivalents at the end of the financial year	5.2	55 081	60 561

The accompanying notes form part of these financial statements.

I About Adelaide Venue Management Corporation

Adelaide Venue Management Corporation, (the Corporation), is a statutory authority of the State of South Australia, established on 4 February 1999 as a subsidiary of the Minister for Tourism by Regulations under the *Public Corporations Act 1993*.

The Corporation is governed by a Board of Directors and operates under a charter approved pursuant to the provisions of the *Public Corporations Act 1993*.

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

I.1 Basis of preparation

The financial statements are general purpose financial statements prepared in accordance 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.

For the purposes of preparing the financial statements, the Corporation 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 specifically disclosed in the note associated with the item measured.

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

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 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 12 months after the end of the reporting period or for which the Corporation has no right to defer the settlement for at least 12 months after the end of the reporting period are classified as current liabilities. All other assets and liabilities are classified as non-current.

I.2 Objectives and activities

The objectives of the Corporation are to:

- 1 manage and operate the Corporation's sites/venues;
- 2 manage, promote and sponsor events at the Corporation's sites/venues or elsewhere;
- 3 foster and assist the commercial development of the Corporation's sites/venues in order to complement and enhance the commercial potential; and
- 4 carry out any other functions conferred on the Corporation by the Minister.

The Corporation has one principal activity which is to manage and operate the Adelaide Convention Centre, Adelaide Entertainment Centre and Coopers Stadium. Therefore, no statement of expenses and income by activity has been prepared.

I.3 Significant transactions with government related entities

All significant transactions with other SA Government related entities are separately disclosed elsewhere in the financial statements.

2 Board and committees

2.1 Key management personnel

Key management personnel of the Corporation include the Minister, the Board, the Chief Executive Officer and the Executive Team. Total compensation for key management personnel was \$1 913 000 in 2025-26 and \$2 027 000 in 2024-25.

The compensation disclosed in this note excludes salaries and other benefits the Minister for Tourism 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*.

	2026	2025
Compensation	\$'000	\$'000
Salaries and other short-term employee benefits	1 913	2 027
Total	1 913	2 027

Transactions with key management personnel and other related parties

Unless otherwise disclosed, transactions between key management personnel and other related parties are on conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing with the related party at arm's length in the same circumstances.

2.2 Board and committee members

Members during the 2025-26 financial year were:

Board

Andrew Daniels (Chair)

Denise Von Wald (Deputy Chair)

Joanne Denley

Jodi Glass

Ian Horne

Jim Kouts

Penelope Lion

Gretchen Richards

Audit and Risk Committee

Joanne Denley (Chair)

Denise Von Wald

Ian Horne

Penelope Lion

Board and committee remuneration

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

	2026	2025
\$0	-	1
\$1 to \$19 999	-	-
\$20 000 to \$39 999	7	7
\$40 000 to \$59 999	1	1
Total number of members	8	9

The total remuneration received or receivable by members was \$236 000 (\$235 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

3 Income**3.1 Facility charges**

	2026	2025
	\$'000	\$'000
Catering	48 255	44 423
Venue hire	18 289	16 726
Recoveries	14 445	12 863
Technical services	7 415	7 943
Car park	7 507	6 368
Corporate	2 347	2 267
Total facility charges	98 258	90 590

Revenues from facility charges are derived under contracts for the provision of goods and services to the public and other SA Government agencies. Revenue is recognised in the period in which the goods and services are provided.

Where contracts include several deliverables, the transaction price is allocated to each deliverable to determine when revenue is recognised. Alternatively, where contracts require an ongoing provision of services, the customer receives and uses the benefits simultaneously. In these circumstances, the Corporation's obligations are satisfied over time in line with the recognition of revenue.

Payments are largely due in advance or at the time of delivery for contracted provision of goods and services and are reported as contract liabilities until revenue is recognised.

For the majority of its contracts, at contract inception the Corporation expects the time period between receipt of payment in advance and when the Corporation transfers the related goods and services to the customer is less than 1 year. For the minority of contracts where the transfer is expected to be greater than 1 year after contract inception, in most cases only the initial deposit is paid greater than 1 year in advance. This results in any financing component being immaterial.

The Corporation has applied the practical expedient per AASB 15 *Revenue from Contracts with Customers* para 63, whereby the consideration has not been adjusted for the effects of any financing component.

Refer to note 5.3 for disclosure relating to contract balances included in receivables.

Refer to note 6.4 for disclosure relating to contract liabilities.

3.2 Other income

	2026	2025
	\$'000	\$'000
Trading activities		
Ticketing	1 784	1 598
Commission earned	1 020	1 198
Other	2 410	2 212
Total other income from trading activities	5 214	5 008
Property management activities		
Leased properties	491	425
Other	502	223
Total other income from property management activities	993	648
Total other income	6 207	5 656

3.3 Intra-government transfers

	2026	2025
	\$'000	\$'000
Intra-government transfers	14 121	13 966
Total Intra-government transfers	14 121	13 966

Intra-government transfers are recognised as income on receipt.

The Department of Treasury and Finance provide grant payments to the Corporation for interest and guarantee fees associated with borrowings sourced for the extension and redevelopment of the Adelaide Convention Centre. Refer note 4.3. And for expenses relating to the Adelaide Convention Centre site maintenance of the common areas and the riverbank precinct, exhibition hall land rent, state promotion and in 2024 for replacement of Corporation assets.

3.4 Net gain/(loss) from the disposal of property, plant and equipment

	2026	2025
	\$'000	\$'000
Property, plant and equipment		
Land & buildings	-	-
Plant & equipment	58	(373)
Total net gain/(loss) from the disposal of property, plant and equipment	58	(373)

4 Expenses

4.1 Employee related expenses

	2026	2025
	\$'000	\$'000
Trading activities		
Salaries and wages	40 830	36 762
Superannuation	5 169	4 503
Annual leave	1 573	1 491
Long service leave	717	966
Workers compensation	461	(32)
Board fees	211	210
Skills and experience retention leave (SERL)	92	84
Additional compensation	39	21
Other employee related expenses	2 719	2 497
Total employee related expenses from trading activities	51 811	46 502
Property management activities		
Salaries and wages	3 107	2 867
Superannuation	394	347
Annual leave	179	145
Skills and experience retention leave (SERL)	5	2
Long service leave	3	1
Other employee related expenses	182	166
Total employee related expenses from property management activities	3 870	3 528
Total employee related expenses	55 681	50 030

Superannuation

The superannuation expense represents the Corporation's contributions to superannuation plans in respect of current services of current employees.

Employee remuneration

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

	2026	2025
\$171 001 to \$177 000*	n/a	1
\$177 001 to \$197 000	3	1
\$197 001 to \$217 000	1	3
\$217 001 to \$237 000	1	2
\$237 001 to \$257 000	1	1
\$257 001 to \$277 000	1	0
\$277 001 to \$297 000	0	1
\$297 001 to \$317 000	1	1
\$437 001 to \$457 000	0	1
\$457 001 to \$477 000	1	0
Total number of employees	9	11

*This band has been included for the purpose of reporting comparative figures based on the executive base level remuneration rate for 2024-25.

The total remuneration received by those employees for the year was \$2 256 000 (\$2 635 000).

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 Corporation.

4.2 Supplies and services

	2026	2025
Trading activities	\$'000	\$'000
Direct materials	18 521	16 519
Administration expenses and sundries	5 116	4 979
Marketing and promotions	3 085	3 455
Repairs and maintenance	224	191
Building services costs	101	85
Total supplies and services from trading activities	27 047	25 229
Property management activities		
Building services costs	6 777	6 540
Repairs and maintenance	3 457	3 218
Administration expenses and sundries	313	311
Direct materials	48	419
Total supplies and services from property management activities	10 595	10 488
Total supplies and services	37 642	35 717

Consultants

Consultants fees paid/payable for the year (included in supplies and services expense) were \$178 000 (\$79 000).

Audit Fees

Audit fees paid/payable to the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987* were \$91 200 (\$89 000). No other services were provided by the Audit Office of South Australia.

4.3 Borrowing costs

	2026	2025
	\$'000	\$'000
Interest expense on long term borrowings	7 488	7 426
Guarantee fees on long term borrowings	3 264	3 237
Interest expense on lease liabilities	483	472
Total borrowing costs	11 235	11 135

Borrowings

The Corporation has an agreement with SAFA to source debt funding for the extension and redevelopment of the Adelaide Convention Centre.

The Department of Treasury and Finance provide grant payments to the Corporation for interest and guarantee fees associated with the borrowings. Refer note 3.3.

5 Assets**5.1 Financial assets**

	2026	2025
	Carrying amount	Carrying amount
	\$'000	\$'000
Financial assets measured at amortised cost		
Cash and cash equivalents	55 081	60 561
Contractual receivables	2 879	5 455
Other financial assets	1 304	1 251
Total financial assets	59 264	67 267

All financial assets are measured at amortised cost.

5.2 Cash and cash equivalents

	2026	2025
	\$'000	\$'000
Deposits with the Treasurer		
Operating Account	51 340	56 958
Future Asset Replacement Account	370	357
Total deposits with the Treasurer	51 710	57 315
Investment with SA Financing Authority	3 355	3 230
Cash on hand	16	16
Total cash and cash equivalents in the Statement of Financial Position	55 081	60 561
Total cash and cash equivalents in the Statement of Cash Flows	55 081	60 561

Deposits with the Treasurer

Deposit accounts are established under section 21 of the *Public Finance and Audit Act 1987*.

The Operating Account is comprised of funds held in an operating account at a commercial banking institution. Cash at bank deposits are on-call and carry an average variable interest rate of 3.70% (4.05%). Interest is accrued daily and distributed monthly.

The Future Asset Replacement Account is lodged with SAFA in a Deposit Account. Although the Corporation controls the money reported above in the Future Asset Replacement Account, its use must be approved by the Treasurer. The Future Asset Replacement Account funds carry an average variable interest rate of 3.70% (4.05%). Interest is accrued daily and distributed monthly.

Investment with SA Financing Authority

The Investment with SAFA is held in a Cash Management Facility. The SAFA Cash Management Funds carry an average variable interest rate of 3.85% (4.2%). Interest is accrued daily and distributed monthly.

5.3 Receivables

	2026	2025
	\$'000	\$'000
Current receivables		
Contractual Receivables from sale of goods and services	2 879	5 455
Accrued revenues	1 304	1 251
Prepayments	1 382	1 026
<u>Statutory receivables</u>		
GST receivable	179	-
Total current receivables	5 744	7 732

All receivables are non-interest bearing. They are held with the objective of collecting the contractual cash flows.

Contractual receivables

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.

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 receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to note 10.3 for further information on risk management.

The net amount of GST recoverable from the ATO is included as part of receivables.

Allowance for impairment loss on contractual receivables

The Corporation has provided a nil (2025 nil) loss allowance for trade receivables. Refer to note 10.3 for details regarding credit risk and the methodology for determining impairment.

	30 June 2026	1 July 2025
	\$'000	\$'000
Contract balances		
Receivables from contracts with customers, included in 'Receivables'	2 879	5 455

5.4 Inventories

	2026	2025
	\$'000	\$'000
Current - Inventories held for resale		
Beverages	507	518
Food	345	283
Total inventories held for resale	852	801

Inventories are measured at the lower of cost or their net realisable value. Cost is allocated in accordance with the average cost and standard cost methods. Net realisable value is determined using the estimated sales proceeds less costs incurred in marketing, selling and distribution to customers.

Cost of inventories

The Corporation recognised an expense for raw materials and consumables of \$12 636 000 (\$11 516 000).

5.5 Useful life and depreciation of non-financial assets

	2026	2025
	\$'000	\$'000
Trading activities		
Plant and equipment	4 917	4 608
Total depreciation and amortisation for trading activities	4 917	4 608
Property management activities		
Buildings	28 084	32 385
Leasehold improvements	344	361
Right-of-use asset	220	214
Total depreciation and amortisation for property management activities	28 648	32 960
Total depreciation and amortisation	33 565	37 568

All non-current assets not held for sale with a limited useful life are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

Useful Life

Depreciation/amortisation is calculated over the estimated useful life of the following classes of assets as follows:

Class of asset	Depreciation method	Useful life (years)
Buildings & Improvements	Straight Line	2-127
Leasehold Improvements	Straight Line	2-15
Right-of-use land	Straight Line	Lease term
Plant and Equipment	Straight Line	1-30

Review of accounting estimates

Assets' residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected 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.

Depreciation and amortisation expenses are presented in the reconciliation tables in note 5.6.

5.6 Property, plant and equipment by asset class

Property, plant and equipment comprises tangible assets owned and right-of-use (leased) assets.

	Land	Buildings and improvements	Leasehold improvements	Plant & equipment held & used	Right-of-use land	Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Reconciliation 2025-26							
Carrying amount at the beginning of the period	44 450	459 960	917	21 733	12 586	7 076	546 722
Additions	-	-	-	-	-	17 055	17 055
Transfers in / (out)	-	8 919	117	6 620	-	(15 656)	-
Disposals e.g. sales, write off	-	-	-	(16)	-	-	(16)
Revaluation increment / (decrement)	5 062	148 870	-	-	-	-	153 932
Remeasurement increment / (decrement)	-	-	-	-	441	-	441
Depreciation and amortisation	-	(28 084)	(344)	(4 917)	(220)	-	(33 565)
Carrying amount at the end of the period	49 512	589 665	690	23 420	12 807	8 475	684 569
Reconciliation 2024-25							
Carrying amount at the beginning of the period	44 450	488 625	1 322	21 609	12 475	2 658	571 139
Additions	-	-	-	-	-	13 321	13 321
Transfers in / (out)	-	3 755	129	5 019	-	(8 903)	-
Disposals e.g. sales, write off	-	(35)	(173)	(287)	-	-	(495)
Revaluation increment / (decrement)	-	-	-	-	-	-	-
Remeasurement increment / (decrement)	-	-	-	-	325	-	325
Depreciation and amortisation	-	(32 385)	(361)	(4 608)	(214)	-	(37 568)
Carrying amount at the end of the period	44 450	459 960	917	21 733	12 586	7 076	546 722
Gross carrying amount	49 512	589 665	3 319	73 549	14 174	8 475	738 694
Accumulated Depreciation	-	-	(2 629)	(50 129)	(1 367)	-	(54 125)
Carrying amount	49 512	589 665	690	23 420	12 807	8 475	684 569

5.7 Property, plant and equipment owned by the Corporation

Property, plant and equipment owned by the Corporation with a value equal to or in excess of \$3 000 is capitalised, otherwise it is expensed. Property, plant and equipment owned by the Corporation is recorded at fair value. Detail about the Corporation's approach to fair value is set out in note 10.1.

The Corporation capitalises costs associated with projects to work in progress. On completion of a project the capitalised costs are transferred to the relevant non-current asset account. The balance of work in progress reflects costs for projects which are at various stages of completion as at 30 June.

Lessor arrangements

The Corporation is a lessor of shops, offices and site space located on sites owned or leased by the Corporation. The lease terms range between 1 – 5 years, and rental payments are payable monthly by the lessees. The Corporation is also lessor of a section of land, for which the lease term is 99 years. Rental in relation to the lease of this land was received in advance. This arrangement has been classified as an operating lease. The Corporation manages risk of default and damage caused to shops, offices and site space by the use of formal lease agreements, employing a property manager to manage the majority of the leases, holding security deposits and obtaining bank guarantees.

Leased property income is disclosed in note 3.2. A maturity analysis of leased property payments is disclosed in note 9.2.

Revaluation and impairment

At the end of each reporting period, the Corporation reviews the carrying amounts of property, plant and equipment it owns to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Revaluation of property, plant and equipment is undertaken on a regular cycle is revalued at least every six years. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

5.8 Property, plant and equipment leased by the Corporation

Right-of-use assets for property, plant and equipment leased by the Corporation as lessee 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 lease payments are recognised as an expense and have not been separately disclosed in the financial statements as they are immaterial.

The Corporation has the following leases:

- The Corporation has entered into a long term lease with Renewal SA for part of the land on which Adelaide Convention Centre buildings are situated. Rental payments are made monthly, and subject to annual Consumer Price Index (CPI) review. There are no contingent rental provisions within the lease agreement. The initial lease term is 93 years, expiring 30 June 2083. The lease contains an option to renew the lease for a further 20 years at the end of the lease term. The extension option has not been incorporated into the lease term as the Corporation does not consider it reasonably certain that it would be taken up, given the current lease period does not expire until 30 June 2083. See note 10.2 for further information.
- The Corporation has 2 concessionary leases with the Minister for Recreation and Sport. These leases are significantly below-market terms and conditions principally to enable the Corporation to further its objectives. The leases are as follows:
 1. Lease of Coopers Stadium. Under the terms of the lease the Corporation is responsible for managing and maintaining the premises. The annual lease payment is \$1. The lease expires 30 June 2028, with provision for extension of this lease being for an additional period as agreed in writing by the parties.
 2. Lease of a portion of land on which Adelaide Convention Centre buildings are situated. The annual lease payment is \$1. The lease expires 1 July 2083, with a lease extension option of an additional 20 years.

The lease liabilities related to the right-of-use assets are disclosed in note 6.3. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 5.5 and note 4.3. Cash outflows related to leases are disclosed in note 7.2.

Impairment

There was no indication of impairment for property, plant and equipment leased by the department as at 30 June 2026. No impairment loss or reversal of impairment loss was recognised in 2025-26.

6 Liabilities

6.1 Financial liabilities

	2026	2025
	Carrying	Carrying
	amount	amount
	\$'000	\$'000
Financial liabilities measured at amortised cost		
Borrowings from SA Government	382 321	382 321
Lease liabilities	13 782	13 411
Contractual payables	3 520	6 611
Other financial liabilities	750	1 583
Total financial liabilities	400 373	403 926

All financial liabilities are measured at amortised cost.

6.2 Payables

	2026	2025
	\$'000	\$'000
Current		
Contractual payables	3 520	6 611
Interest accrued	750	717
Statutory payables		
Audit Office of South Australia's audit fees payable	91	94
GST payable	0	68
Total current payables	4 361	7 490

Payables and accruals are raised for all amounts owing but unpaid. All payables are non-interest bearing.

Contractual payables

Contractual payables are liabilities that arises from contracts. They include trade payables and accrued expenses. Accrued expenses are expenses incurred but not yet invoiced or paid. The balances are transferred to trade payables when invoices are received.

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

Statutory payables

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

The net amount of GST payable to the ATO is included as part of statutory payables.

6.3 Other financial liabilities

	Note	2026	2025
	No.	\$'000	\$'000
Current			
Lease Liabilities	5.8	75	70
Total current financial liabilities		75	70
Non-current			
Borrowings from SA Government		382 321	382 321
Lease Liabilities	5.8	13 707	13 340
Total non-current financial liabilities		396 028	395 661
Total financial liabilities		396 103	395 731

Note 10.2 describes possible cash outflows for leases the Corporation is exposed to that are not included in lease liabilities.

Borrowings from SA Government

The Corporation has a Client Services Agreement with SAFA for the Adelaide Convention Centre extension and redevelopment project. Under the arrangement, the Corporation has fully drawn down the approved borrowings limit of \$382.3 million from SA Government. Borrowings from SA Government are on interest-only terms, and have a maturity date of 24 May 2030. The interest rate was 1.89% in 2026 (1.89% in 2025).

	Note	2026	2026 Contractual maturities*		
		Carry Amount/ Fair value	Within 1 year	1-5 years	More than 5 years
		\$'000	\$'000	\$'000	\$'000
Lease Liabilities	10.3	13 782	565	2 823	28 798

* Maturities analysis is presented using the undiscounted cash flows and therefore may not total to equal the carrying amount/fair value of the financial instrument.

6.4 Contract liabilities

	2026	2025
	\$'000	\$'000
Current		
Contract liabilities	11 549	14 228
Total current contract liabilities	11 549	14 228
Non-current		
Contract liabilities	776	936
Total non-current contract liabilities	776	936
Total contract liabilities	12 325	15 164

Contract liabilities relate to monies received in advance for goods and services, for which revenue is recognised when the goods and services are provided. It includes amounts invoiced in relation to events and car parking which relate to future periods and amounts invoiced under Corporate Suite Licensing and Advertising Agreements.

Revenue totalling \$13 962 000 was recognised in 2025-26 that was included in contract liabilities at 1 July 2025. No revenue related to adjustments to prices for performance obligations satisfied or partially satisfied in prior periods.

	2026-27	2027-28	2028-29	2029-32	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue expected to be recognised	11 549	653	68	55	12 325

Revenue expected to be recognised in 2027-28 and beyond relates to deposits and instalment payments for future events.

6.5 Employee related liabilities

	2026	2025
	\$'000	\$'000
Current		
Annual leave	1 166	1 056
Accrued salaries and wages	881	945
Long service leave	495	505
Employment on-costs	433	438
Skills and experience retention leave (SERL)	126	105
Total current employee related	3 101	3 049
Non-current		
Long service leave	3 252	2 839
Employment on-costs	343	299
Total non-current employee	3 595	3 138
Total employee related	6 696	6 187

Employee related liabilities are accrued as a result of services provided up to the reporting date that remain unpaid. Apart from long service leave liability, employee related liabilities are measured at nominal amounts.

Salaries and wages, annual leave, time off in lieu, SERL and sick leave

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

The annual leave liability (including time off in lieu) and the SERL liability is expected to be paid within 12 months and are measured at the undiscounted amount expected to be paid.

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 of sick leave.

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 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 submitted data from the payroll system and assessed against actuarial data.

The discount rate used in measuring the liability is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has increased from the 2025 rate (3.50%) to the 2026 rate (4.50%). This increase in the bond yield, results in a decrease in the reported long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is an decrease in the long service leave liability of \$131 000 and employee related expense of \$145 000. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance left the salary inflation rate unchanged for 2026 from the 2025 rate (3.50%) for long service leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

The current portion of employee related liabilities reflects the amount for which the Corporation does not have 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 liabilities

Employment on-costs liabilities include payroll tax, Fringe Benefits Tax, Pay As You Go Withholding, ReturnToWorkSA levies and superannuation contributions. They are settled when the respective employee benefits that they relate to are discharged. These on-costs liabilities primarily relate to the balance of leave owing to employees. The estimated proportion of long service leave to be taken as leave, rather than to be paid on termination, affects the amount of on-costs liabilities recognised as a consequence of long service leave liabilities.

The Corporation contributes to several SA 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 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 been unchanged for 2026 from the 2025 rate (44%). The average factor for the calculation of employer superannuation cost on-costs has also remained the same at 12%. This rate is used in the employment on-cost calculation.

6.6 Provisions

	2026	2025
	\$'000	\$'000
Workers compensation		
Carrying amount at the beginning of the period	811	953
Re-measurement	116	(142)
Carrying amount at the end of the period	927	811
Additional compensation		
Carrying amount at the beginning of the period	134	113
Re-measurement	38	21
Carrying amount at the end of the period	172	134
Current		
Workers compensation	229	180
Additional compensation	13	7
Total current provisions	242	187
Non-current		
Workers compensation	697	631
Additional compensation	160	127
Total non-current provisions	857	758
Total provisions	1 099	945

Workers compensation provision (statutory and additional compensation schemes)

The Corporation is deemed to be a self-insured employer by virtue of the Return To Work Act 2014 and as such is liable for all medical, income and other day to day type expenses associated with a claim. The Corporation is also liable for any lump sum, redemption or permanent disability type payments for claims.

Accordingly, a provision has been reported to reflect unsettled workers compensation claims (statutory entitlements and additional compensation schemes).

The workers compensation provision is based on an actuarial assessment of outstanding liability as at 30 June 2026 provided by a consulting actuary engaged through the Office of the Commissioner of Public Sector Employment (OCPSE). The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

The additional compensation scheme provides continuing benefits to workers who have suffered eligible work- related injuries and whose entitlements have ceased under the statutory workers compensation scheme.

There is a significant degree of uncertainty associated with estimating future claim and expense payments and also around the timing of future payments due to the variety of factors involved. The liability is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

In addition to these uncertainties, the additional compensation scheme is impacted by the limited claims history and the evolving nature of the interpretation of, and evidence required to meeting, eligibility criteria. Given these uncertainties, the actual cost of additional compensation claims may differ materially from the estimate.

6.7 Other non-financial liabilities

	2026	2025
	\$'000	\$'000
Current		
Unearned lease revenue	58	58
Security deposits	29	26
Total current other liabilities	87	84
Non-current		
Unearned lease revenue	4 496	4 553
Total non-current other	4 496	4 553
Total other liabilities	4 583	4 637

Unearned lease revenue represents payment received for a section of land leased on a 99 year lease agreement during 2007. The payments received for the lease are being recognised as income over the life of the lease.

7 Other disclosures

7.1 Equity

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

For information about equity contributions refer to note 3.3.

7.2 Cash flow

Cash flows are included in the Statement of Cash Flows on a gross basis and 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.

Total cash outflows for leases was \$609 000 (\$543 000).

	2026	2025
	\$'000	\$'000
Reconciliation of profit / (loss) to net cash from operating activities:		
Net profit / (loss) for the year	(16 915)	(21 821)
Add / (less) non-cash items		
Depreciation and amortisation expense	33 565	37 568
Leased land income	(58)	(58)
Net (gain) / loss on disposal of assets	(58)	373
Movement in assets / liabilities		
(Increase) / decrease in receivables	1 921	(1 924)
(Increase) / decrease in inventories	(51)	(107)
(Decrease) / increase in payables	(2 648)	2 515
(Decrease) / increase in other liabilities	2	120
(Decrease) / increase in contract liabilities	(2 838)	1 076
(Decrease) / increase in employee related liabilities	509	1 252
(Decrease) / increase in provisions	154	(120)
Net cash from operating activities	13 583	18 874

7.3 Administered items

The Corporation includes a schedule of administered items as a note to the accounts as it is considered that administered transactions and balances are not significant in relation to the Corporation's overall financial performance and position in accordance with APS 1050.B.

Event funds

The Corporation receives gross box office receipts from ticketing agencies and holds those receipts in separate Event Funds bank accounts. In any instance where an event does not proceed, those monies are returned to the relevant ticketing agency and refunded to patrons. Alternatively, the monies are paid to promoters, the Corporation and other service providers.

	2026	2025
	\$'000	\$'000
Administered revenues		
Net box office receipts	67 187	51 630
Interest earned on event funds	769	902
Total administered revenues	67 956	52 532
Administered expenses		
Settlements paid	66 626	45 885
Total administered expenses	66 626	45 885
Movement in administered items during the year	1 330	6 647
Administered assets		
Cash at bank	21 348	20 022
Receivable - interest	74	70
Total administered assets	21 422	20 092
Administered liabilities		
Funds held for future event settlements	21 348	20 022
Accrued interest payable	74	70
Total administered liabilities	21 422	20 092
Movement in administered items during the year	1 330	6 647
Total administered assets held at the beginning of the financial year	20 092	13 445
Total administered assets held at the end of the financial year	21 422	20 092

Cash deposits

Cash at Bank is comprised of funds held in a bank account at a commercial banking institution. Funds are on-call and carry an average variable interest rate of 4.05% (4.40%). Interest is accrued daily and distributed monthly.

Coopers Stadium Upgrade Project funds

The Corporation entered into an administrative arrangement with the Office for Recreation, Sport and Racing (ORSR) to oversee and manage the Coopers Stadium Upgrade project. The SA Government was allocated \$45 000 000 in funding to ORSR which was been subsequently transferred to the Corporation for this purpose. The project period was originally from 24 April 2021 to 1 December 2024, which included a 12 month defects liability period. Project works were substantially completed by December 2022 in preparation for the FIFA Women's World Cup 2023, with final works completed in October 2024. Total project funds of \$44 993 000 were expended and unspent funds of \$7 000 was returned to ORSR in July 2025.

	2026	2025
	\$'000	\$'000
Administered funds receipts		
Receipt of project funds	-	-
Total administered funds receipts	-	-
Administered funds outflows		
Return of project funds / Project spend	7	1 741
Total administered funds outflows	7	1 741
Movement in administered items during the year	(7)	(1 741)
Administered assets		
Cash at bank	-	7
Total administered assets	-	7
Administered liabilities		
Funds held for project	-	7
Total administered liabilities	-	7
Movement in administered items during the year	(7)	(1 741)
Total administered assets held at the beginning of the financial year	7	1 748
Total administered assets held at the end of the financial year	0	7

Cash deposits

Cash at Bank is comprised of funds held in a bank account at a commercial banking institution. Funds are on-call and carry an average variable interest rate of 3.70% (4.05%).

7.4 Dividends

A current period dividend of \$1 600 000 (\$1 600 000) was paid to SA Government during the financial year as determined by the Treasurer, pursuant to Section 22(2) of the *Public Corporations (Adelaide Venue Management Corporation) Regulations 2013*.

8 Changes in accounting policy

The Corporation has assessed that the Australian Accounting Standards and Interpretations that first applied in 2025-26 did not have a material impact on the Corporation's financial statements.

9 Outlook

9.1 Unrecognised commitments

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

Contractual commitments to acquire property, plant and equipment

	2026	2025
	\$'000	\$'000
Within one year	934	4 458
Total capital commitments	934	4 458

The Corporation's capital expenditure commitments are associated with various capital projects.

Other contractual commitment

	2026	2025
	\$'000	\$'000
Within one year	2 192	1 617
Later than one year but not longer than five years	3 910	461
Total expenditure commitments	6 102	2 078

The Corporation's other contractual commitments are associated with ongoing business operations.

9.2 Operating lease maturity analysis

Operating lease maturity analysis

	2026	2025
	\$'000	\$'000
Within one year	326	325
Later than one year but not longer than two years	242	275
Later than two years but not longer than three years	135	214
Later than three years but not longer than four years	19	112
Later than four years but not longer than five years	0	14
Total operating lease revenue	722	940

The above table sets out a maturity analysis of operating lease payments receivable, showing the undiscounted lease payments to be received after the reporting date. The future lease receivables from operating leases are not recognised in the 2025-26 financial statements.

See note 5.8 for information about the property the Corporation leases out under operating leases.

9.3 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

The Corporation does not have any contingent assets.

The Corporation does not have any contingent liabilities.

9.4 Impact of standards not yet effective

The Corporation has assessed the impact of new and changed Australian Accounting Standards and Interpretations not yet effective. No Australian Accounting Standards have been early adopted.

9.5 Events after the reporting period

Disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years. The Corporation is not aware of any such events arising.

10 Measurement and risk

10.1 Fair value

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.

Initial recognition

Where assets are acquired at significantly less than fair value, they are recorded at their fair value in the Statement of Financial Position. However, if the assets are acquired at significantly less than fair value as part of a restructure of administrative arrangements, then the assets are recorded at book value (i.e. the amount recorded by the transferor immediately prior to transfer).

Revaluation

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

The revaluation process is reviewed by the Chief Financial Officer and the Corporation's Board when a valuation takes place.

For property, plant and equipment subsequently measured at fair value, a revaluation of assets or a group of assets is only performed on assets that has a cost greater than \$1.5 million at the time of acquisition, and/or has 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 asset.

Fair value hierarchy

The Corporation 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:

- a) 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.
- b) Level 2 – not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- c) Level 3 – not traded in an active market and are derived from unobservable inputs.

The Corporation's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

During 2026 and 2025, the Corporation had no valuations categorised into level 1; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

Fair value classification – non-financial assets at 30 June 2026

	Note	Level 2	Level 3	Total
Recurring fair value measurements		\$'000	\$'000	\$'000
Land	5.6	49 512	-	49 512
Buildings and improvements	5.6	458	589 207	589 665
Leasehold improvements	5.6	-	690	690
Plant and equipment	5.6	-	23 420	23 420
Work in progress	5.6	-	8 475	8 475
Total recurring fair value measurements		49 970	621 792	671 762

Fair value classification – non-financial assets at 30 June 2025

	Note	Level 2	Level 3	Total
Recurring fair value measurements		\$'000	\$'000	\$'000
Land	5.6	44 450	-	44 450
Buildings and improvements	5.6	925	459 035	459 960
Leasehold improvements	5.6	-	917	917
Plant and equipment	5.6	-	21 733	21 733
Work in progress	5.6	-	7 076	7 076
Total recurring fair value measurements		45 375	488 761	534 136

Land and buildings

The Corporation's regular revaluation cycle for land and buildings and improvements owned by the Corporation is every six years, with the valuation appraisal performed by an independent Certified Practising Valuer. An independent valuation of land and buildings owned by the Corporation was performed by a Certified Practising Valuer from Liquid Pacific Holdings Pty Ltd, as at 30 June 2026.

The valuer used depreciated replacement cost for specialised buildings, due to there not being an active market for such buildings. The depreciated replacement cost considered the need for ongoing provision of government services; specialised nature of the assets, including the restricted use of the assets; the size, condition, location and current use of the assets. The valuation was based on a combination of specialised knowledge and the acquisition/transfer costs.

The valuer arrived at fair value for land and non-specialised buildings using the market approach. The valuation was based on recent market transactions for similar land and buildings (non-specialised) in the area and includes adjustment for factors specific to the land and building being valued such as size and location.

Plant and equipment

All items of plant and equipment owned by the Corporation that had a fair value at the time of acquisition less than \$1.5 million or had an estimated useful life that was less than three years have not been revalued. The carrying value of these items is deemed to approximate fair value.

Reconciliation of Level 3 recurring fair value measurements at 30 June 2026

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

	Buildings and improvements	Leasehold improvements	Plant and equipment	Work in progress
	\$'000	\$'000	\$'000	\$'000
Opening balance at the beginning of the period	459 035	917	21 733	7 076
Acquisitions				17 055
Transfers in / (out)	8 919	117	6 620	(15 656)
Total gains / (losses) for the period in profit and loss:				
Depreciation	(28 084)	(344)	(4 917)	
Disposals			(16)	
Revaluation increment/(decrement)	149 337			
Closing balance at the end of the period	589 207	690	23 420	8 475

Reconciliation of Level 3 recurring fair value measurements at 30 June 2025

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

	Buildings and improvements	Leasehold improvements	Plant and equipment	Work in progress
	\$'000	\$'000	\$'000	\$'000
Opening balance at the beginning of the period	487 663	1 322	21 609	2 658
Acquisitions				13 321
Transfers in / (out)	3 728	129	5 019	(8 903)
Total gains / (losses) for the period in profit and loss:				
Depreciation	(32 321)	(361)	(4 608)	-
Disposals	(35)	(173)	(287)	-
Closing balance at the end of the period	459 035	917	21 733	7 076

10.2 Possible lease cash outflows not reflected in lease liabilities

The Corporation has entered into a long term lease with Renewal SA for part of the land on which the Adelaide Convention Centre buildings are situated. The lease liability does not reflect the extension option of an additional twenty years as the Corporation does not consider it reasonably certain that it would be taken up, given the current lease period does not expire until 30 June 2083.

10.3 Financial instruments**Financial risk management**

Risk management is carried out by the corporate services section and risk management policies and practices are in accordance with the *SA Government Risk Management Guide*, the principles established in the *Australian Standard Risk Management Principles and Guidelines* and internal written policies approved by the Board.

The Corporation's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

Credit risk

The Corporation has no significant concentration of credit risk. The Corporation has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

Impairment of financial assets

Loss allowances for contractual receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. The Corporation uses an allowance matrix to measure the expected credit loss of contractual receivables from non-government debtors.

To measure the expected credit losses, contractual receivables are grouped based on shared risks characteristics and the days past due. When estimating expected credit loss, the Corporation considers 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 Corporation's historical experience and informed credit assessment, including forward-looking information.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Corporation is exposed to credit risk.

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

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.

As a result of the Corporation's assessment for non-government debtors a nil loss allowance for contractual receivables has been provided for based on negligible bad debt write offs over the past 10 years, due to the Corporation's practices of holding the gross box office receipts for publicly ticketed events, from which the Corporation then deducts monies owed to it post event, requiring payment in advance of an event in most other instances and stringent credit management policies.

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 Corporation and a failure to make contractual payments for a period of greater than 90 days past due.

The Corporation considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties and therefore the expected credit loss is nil.

No impairment losses were recognised in relation to the Corporation's contractual receivables arising from the Corporation's contracts with customers or in relation to accrued revenue during the year.

Market risk

The Corporation does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging.

The Corporation has no exposure to foreign exchange risk in relation to its financial assets or liabilities.

Exposure to interest rate risk may arise through interest earned on cash and cash equivalent balances, which earn a floating interest rate.

There is no interest rate risk on Borrowings, as while movements in interest rates will affect the fair value of the loan, the contracted repayments remain the same due to the fixed interest rate. The Corporation has minimal exposure to liquidity risk in relation to interest repayments as the Department of Treasury and Finance provides funding to the Corporation for interest and fees.

The Corporation's exposure to cash flow interest rate risk is minimal.

There have been no changes in risk exposure since the last reporting period.