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To the Chair South Australian Tourism Commission

Opinion

I have audited the financial report of the South Australian Tourism Commission for the financial year ended 30 June 2026.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the South Australian Tourism Commission as at 30 June 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 Operating Officer.

Basis for opinion

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

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

Responsibilities of the Chief Executive Officer and the Members of 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 Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive 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 South Australian Tourism Commission's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 23(3) of the *South Australian Tourism Commission Act 1993*, I have audited the financial report of the South Australian Tourism Commission for the financial year ended 30 June 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 South Australian Tourism Commission's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive 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 Chair, South Australian Tourism Commission Board about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Daniel O'Donohue
Deputy Auditor-General

4 September 2026

SOUTH AUSTRALIAN TOURISM COMMISSION

CERTIFICATION OF THE FINANCIAL STATEMENTS

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

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

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

Signed in accordance with a resolution of the board members.



David Koch AM (Aug 25, 2026 15:10:40 GMT+10)

David Koch
Chair
South Australian Tourism
Commission Board
25/08/2026



Emma Terry
Chief Executive Officer
South Australian Tourism
Commission
25/08/2026



Stephanie Rozokos (Aug 25, 2026 14:50:27 GMT+9.5)

Stephanie Rozokos
Chief Operating Officer
South Australian Tourism
Commission
25/08/2026

SOUTH AUSTRALIAN TOURISM COMMISSION

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 \$'000	2025 \$'000
INCOME			
Appropriation	2.1	87 400	67 093
Government grants, subsidies and transfers	2.2	83 871	59 163
Sponsorship and participation	2.3	8 029	8 592
Entry fees, licence fees and sales	2.4	4 873	4 710
Gain (loss) on impairment of receivables	4.3.2	6	(2)
Other income	2.5	557	1 030
TOTAL INCOME		184 736	140 586
EXPENSES			
Employee related expenses	3.1	21 612	19 784
Advertising and promotion	3.2	35 900	29 718
Industry assistance	3.3	91 098	58 022
Administration and accommodation	3.4	7 866	7 275
Event operations	3.5	26 665	27 120
Depreciation expense	3.6	483	555
Interest	3.7	55	72
Net loss (gain) from disposal of plant and equipment	3.8	12	(5)
TOTAL EXPENSES		183 691	142 541
NET RESULT		1 045	(1 955)
TOTAL COMPREHENSIVE RESULT		1 045	(1 955)

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Note	2026 \$'000	2025 \$'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4.2	11 752	10 131
Receivables	4.3	2 714	2 697
Other financial assets	4.4	77	4
Other non-financial assets	4.5	426	426
TOTAL CURRENT ASSETS		14 969	13 258
NON-CURRENT ASSETS			
Plant and equipment	5.1	3 517	3 777
Other non-financial assets	4.5	713	1 139
TOTAL NON-CURRENT ASSETS		4 230	4 916
TOTAL ASSETS		19 199	18 174
LIABILITIES			
CURRENT LIABILITIES			
Payables	6.2	7 110	7 680
Other financial liabilities	6.3	1 267	700
Employee related liabilities	6.4	2 237	1 969
Provisions	6.5	35	46
Other non-financial liabilities	6.6	350	270
TOTAL CURRENT LIABILITIES		10 999	10 665
NON-CURRENT LIABILITIES			
Other financial liabilities	6.3	2 673	2 990
Employee related liabilities	6.4	2 386	2 220
Provisions	6.5	141	131
Other non-financial liabilities	6.6	1 422	1 635
TOTAL NON-CURRENT LIABILITIES		6 622	6 976
TOTAL LIABILITIES		17 621	17 641
NET ASSETS		1 578	533
EQUITY			
Contributed capital		64	64
Retained earnings		1 514	469
TOTAL EQUITY		1 578	533

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

	Contributed Capital \$'000	Retained Earnings \$'000	Total Equity \$'000
BALANCE AT 30 JUNE 2024	64	2 424	2 488
Net result and total comprehensive result from 2024-25	-	(1 955)	(1 955)
BALANCE AT 30 JUNE 2025	64	469	533
Net result and total comprehensive result from 2025-26	-	1 045	1 045
BALANCE AT 30 JUNE 2026	64	1 514	1 578

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2026

		2026 Inflows (Outflows) \$'000	2025 Inflows (Outflows) \$'000
CASH FLOWS FROM OPERATING ACTIVITIES	Note		
CASH INFLOWS			
Receipts from government		171 356	126 256
Receipts from the sale of goods and services		9 402	9 207
GST recovered from the ATO		12 684	10 190
Receipts for Paid Parental Leave scheme		65	76
CASH OUTFLOWS			
Employee related payments		(21 197)	(19 227)
Payments for supplies, services and industry assistance		(169 996)	(134 255)
Payments for Paid Parental Leave scheme		(78)	(68)
Interest paid		(55)	(72)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	7.3	2 181	(7 893)
CASH FLOWS FROM INVESTING ACTIVITIES			
CASH INFLOWS			
Proceeds from sale of plant and equipment		8	5
CASH OUTFLOWS			
Purchase of plant and equipment		(308)	(387)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		(300)	(382)
CASH FLOWS FROM FINANCING ACTIVITIES			
CASH OUTFLOWS			
Repayment of leases		(245)	(249)
NET CASH USED IN FINANCING ACTIVITIES		(245)	(249)
Effect of exchange rate on cash and cash equivalents		(15)	148
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		1 621	(8 376)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		10 131	18 507
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4.2	11 752	10 131

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ABOUT THE SOUTH AUSTRALIAN TOURISM COMMISSION

1.1 REPORTING ENTITY

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

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

1.2 BASIS OF PREPARATION

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

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

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

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

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

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

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

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

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

1.3 OBJECTIVES AND PROGRAMS

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

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

- **Tourism Development**

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

- **Tourism Events**

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

- **Tourism Marketing**

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

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

1.4 EXPENSES AND INCOME BY PROGRAM

for the year ended 30 June 2026

	Tourism Development		Tourism Events		Tourism Marketing		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME								
Appropriation	5 891	7 407	28 428	28 481	53 081	31 205	87 400	67 093
Government grants, subsidies and transfers	8 724	1 504	70 786	56 546	4 361	1 113	83 871	59 163
Sponsorship and participation	14	6	7 831	8 319	184	267	8 029	8 592
Entry fees, licence fees and sales	38	76	4 830	4 634	5	-	4 873	4 710
Gain (loss) on impairment of receivables	1	-	3	(2)	2	-	6	(2)
Other income	54	59	154	330	349	641	557	1 030
TOTAL INCOME	14 722	9 052	112 032	98 308	57 982	33 226	184 736	140 586
EXPENSES								
Employee related expenses	3 076	2 873	8 712	8 582	9 824	8 329	21 612	19 784
Advertising and promotion	932	860	5 860	6 108	29 108	22 750	35 900	29 718
Industry assistance	10 046	3 880	67 029	53 779	14 023	363	91 098	58 022
Administration and accommodation	1 403	1 462	3 195	2 903	3 268	2 910	7 866	7 275
Event operations	139	173	26 417	26 947	109	-	26 665	27 120
Depreciation expense	38	46	329	349	116	160	483	555
Interest	8	9	23	31	24	32	55	72
Net loss (gain) from disposal of plant and equipment	-	-	12	(5)	-	-	12	(5)
TOTAL EXPENSES	15 642	9 303	111 577	98 694	56 472	34 544	183 691	142 541
NET RESULT	(920)	(251)	455	(386)	1 510	(1 318)	1 045	(1 955)

1.5 ASSETS AND LIABILITIES BY PROGRAM

as at 30 June 2026

	Tourism Development		Tourism Events		Tourism Marketing		General or Not Attributable		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Cash and equivalents	-	-	-	-	1 446	2 823	10 306	7 308	11 752	10 131
Receivables	134	52	1 752	1 833	618	622	210	190	2 714	2 697
Other financial assets	-	-	-	-	77	4	-	-	77	4
Other non-financial assets	-	-	-	-	-	-	1 139	1 565	1 139	1 565
Plant and equipment	-	-	3 517	3 777	-	-	-	-	3 517	3 777
TOTAL ASSETS	134	52	5 269	5 610	2 141	3 449	11 655	9 063	19 199	18 174
LIABILITIES										
Payables	350	685	4 873	2 972	1 760	3 931	127	92	7 110	7 680
Other financial liabilities	-	-	3 940	3 635	-	55	-	-	3 940	3 690
Employee related liabilities	582	520	1 543	1 352	1 182	965	1 316	1 352	4 623	4 189
Provisions	-	-	-	-	-	-	176	177	176	177
Other non-financial liabilities	-	-	22	4	115	53	1 635	1 848	1 772	1 905
TOTAL LIABILITIES	932	1 205	10 378	7 963	3 057	5 004	3 254	3 469	17 621	17 641

1.6 RELATED PARTY TRANSACTIONS

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

1.6.1 Significant Transactions with Government Related Entities

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

- grant income received from the Department of the Premier and Cabinet totalling \$70.8 million (\$55.9 million) and from the Department of Treasury and Finance totalling \$7.4 million (\$2.6 million) (included in note 2.2)
- contingency funding of \$5.7 million received from the Department of Treasury and Finance (included in note 2.2)
- event sponsorship of \$2.3 million (\$0.9 million) provided to the Art Gallery of South Australia (included in note 3.3)
- office accommodation and event operations totalling \$2.1 million (\$2.1 million) provided by the Department for Infrastructure and Transport (included in notes 3.4 and 3.5).

1.7 KEY MANAGEMENT PERSONNEL

The key management personnel of the SATC during 2025-26 were the Minister for Tourism, Board Directors, the Chief Executive Officer and the five other members of the Executive team who have responsibility for the strategic direction and management of the SATC. Total compensation for key management personnel detailed in this note excludes salaries and other benefits received by the Minister for Tourism. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account under section 6 the *Parliamentary Remuneration Act 1990*.

1.7.1 Compensation

	2026 \$'000	2025 \$'000
Salaries and other short-term employee related expenses	1 880	1 837
Post-employment related expenses	225	210
Total compensation	2 105	2 047

1.7.2 Significant Transactions with Key Management Personnel

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

1.8 BOARD DIRECTORS

Members of the South Australian Tourism Commission Board during the 2025-26 financial year were:

David Koch AM	Eoin Loftus	Jess Greatwich
Donna Gauci	Grant Wilckens	Sunita Gloster AM
Emma Terry ¹ (<i>ex officio</i>)	Ian Horne	Vicki-Jo Russell AM

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

	2026 Number	2025 Number
\$0 - \$19 999	8	8
\$20 000 - \$39 999	1	1
Total number of directors	9	9

The total remuneration received or receivable by directors was \$139 000 (\$148 000). Remuneration of directors includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

2. INCOME

2.1 APPROPRIATION

	2026 \$'000	2025 \$'000
Appropriation from Consolidated Account pursuant to the <i>Appropriation Act</i>	66 113	66 625
Appropriation from Governor's Appropriation Fund		
Reprofile of event sponsorships timing	-	395
Additional industry and events support	21 293	165
Transfers to other SA Government agencies	(6)	(92)
Total appropriation	87 400	67 093

Appropriation is recognised as income on receipt.

Total appropriation consists of \$86 606 000 (\$66 318 000) of operational funding and \$794 000 (\$775 000) for capital purposes.

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

2.2 GOVERNMENT GRANTS, SUBSIDIES AND TRANSFERS

	2026 \$'000	2025 \$'000
SA Government grants	78 175	59 133
Contingency funding provided by the Department of Treasury and Finance	5 696	30
Total government grants, subsidies and transfers	83 871	59 163

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

2.3 SPONSORSHIP AND PARTICIPATION

	2026 \$'000	2025 \$'000
Sponsorship income	6 995	7 052
Industry contributions	875	1 272
Cooperative marketing/advertising	73	239
Industry participation fees	86	29
Total sponsorship and participation	8 029	8 592

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

2.4 ENTRY FEES, LICENCE FEES AND SALES

	2026 \$'000	2025 \$'000
Event entry fees	990	854
Event support	2 450	2 450
Licence fees	1 036	1 050
Sale of merchandise	285	229
Service fees	107	114
Rental income	5	13
Total entry fees, licence fees and sales	4 873	4 710

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

2.5 OTHER INCOME

	2026 \$'000	2025 \$'000
Resources received free of charge	542	627
Gain on foreign exchange	15	368
Salary recoups	-	34
Net gain from derecognition of financial liabilities	-	1
Total other income	557	1 030

2.5.1 Resource Received Free of Charge

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

2.5.2 Gain on Foreign Exchange

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

3. EXPENSES

3.1 EMPLOYEE RELATED EXPENSES

	2026 \$'000	2025 \$'000
Salaries and wages	16 598	14 927
Long service leave	341	450
Annual leave	1 266	1 295
Skills and experience retention leave	41	36
Employment on-costs – superannuation	2 147	1 929
Employment on-costs – other	1 012	926
Board and committee fees	124	133
Other employee related expenses	83	88
Total employee related expenses	21 612	19 784

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

3.1.1 Employee Remuneration

	2026 Number	2025 Number
The number of employees whose remuneration received or receivable falls within the following bands:		
\$171 001 - \$177 000	n/a ¹	1
\$177 001 - \$197 000	1	2
\$197 001 - \$217 000	1	1
\$217 001 - \$237 000	-	3
\$237 001 - \$257 000	4	1
\$257 001 - \$277 000	-	1
\$277 001 - \$297 000	1	1
\$297 001 - \$317 000	2	1
\$337 001 - \$357 000	-	1
\$357 001 - \$377 000	1	-
\$457 001 - \$477 000	1	1
	11	13

The total remuneration received or receivable by these employees for the year was \$3 109 000 (\$3 351 000).

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

3.2 ADVERTISING AND PROMOTION

	2026 \$'000	2025 \$'000
Consumer advertising	14 087	14 069
Cooperative consumer marketing	4 482	4 137
Familiarisations	2 445	1 788
Other consumer marketing	129	183
Production	5 032	4 772
Representation and contractors	3 966	2 306
Marketing research	1 226	1 023
Trade marketing	2 819	663
Promotions	1 254	529
Other advertising and promotion	460	248
Total advertising and promotion	35 900	29 718

3.2.1 Services Received Free of Charge

Marketing research includes the fair value of services received free of charge of \$170 000 (\$166 000). The associated income is included in note 2.5.

¹ This band is included for reporting comparative figures based on the executive base remuneration rate for 2024-25.

3.3 INDUSTRY ASSISTANCE

	2026 \$'000	2025 \$'000
Sponsorship of events	66 973	53 714
Marketing/industry support	22 364	2 734
Tourism infrastructure	616	477
SA Government grants and transfers	-	154
Tourism marketing boards/information centre grants	1 089	898
Trade show subsidies/membership of tourism industry bodies	56	45
Total industry assistance	91 098	58 022

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

3.4 ADMINISTRATION AND ACCOMMODATION

	2026 \$'000	2025 \$'000
Accommodation and service costs	2 401	2 352
Communication and computing	1 767	1 636
Contractors	398	289
Consultants	229	295
Motor vehicles, taxis and car parking	158	103
Domestic and international travel	452	547
Seminars, courses and training	309	290
Insurance	311	262
Audit, legal and other fees	581	485
Loss on foreign exchange	980	671
Other	280	345
Total administration and accommodation	7 866	7 275

3.4.1 Audit Services Received Free of Charge

The fair value of audit services received from the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987* was \$90 300 (\$88 000). No other services were provided by the Audit Office of South Australia. The associated income is included in note 2.5.

3.4.2 Other Services Received Free of Charge

Communication and computing includes the fair value of services received free of charge of \$284 000 (\$277 000). The associated income is included in note 2.5.

3.4.3 Loss on Foreign Exchange

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

3.5 EVENT OPERATIONS

	2026 \$'000	2025 \$'000
Event facilities	7 136	6 831
Catering and entertainment	2 508	2 046
Communications	1 028	1 101
Transport	2 109	1 810
Participants and contractors	7 148	8 938
Television and media	4 755	4 705
Fees and permits	636	602
Event management	1 345	1 087
Total event operations	26 665	27 120

3.6 DEPRECIATION EXPENSE

	2026 \$'000	2025 \$'000
General and events assets	222	196
Fitouts	8	75
Right-of-use assets	253	284
Total depreciation expense	483	555

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

3.6.1 Review of Accounting Estimates

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

3.6.2 Useful Life

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

Class of Asset	Useful Life
General and events assets	3-35
Fitouts	3-19
Right-of-use assets	17

3.7 INTEREST

	2026 \$'000	2025 \$'000
Interest expense on lease liabilities	55	72
Total interest	55	72

3.8 NET LOSS (GAIN) FROM DISPOSAL OF PLANT AND EQUIPMENT

	2026 \$'000	2025 \$'000
Net loss (gain) from the disposal of:		
General and events assets	12	(5)
Total net loss (gain) from disposal of plant and equipment	12	(5)

4. ASSETS

4.1 FINANCIAL ASSETS

	2026 Carrying Amount \$'000	2025 Carrying Amount \$'000
Financial assets measured at amortised cost		
Cash and cash equivalents	11 752	10 131
Contractual receivables	756	1 110
Total financial assets measured at amortised cost	12 508	11 241
Financial assets measured at fair value through profit and loss		
Foreign currency forward contracts	77	4
Total financial assets measured at fair value through profit and loss	77	4
Total financial assets	12 585	11 245

Foreign currency forward contracts are measured at fair value through profit and loss. All other financial assets are measured at amortised cost.

4.2 CASH AND CASH EQUIVALENTS

	2026 \$'000	2025 \$'000
Deposits with the Treasurer	10 301	7 303
Cash at bank	1 446	2 823
Cash on hand	5	5
Total cash and cash equivalents	11 752	10 131

Cash is measured as nominal amounts.

4.2.1 Deposits with the Treasurer

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

4.3 RECEIVABLES

	2026 \$'000	2025 \$'000
Current receivables		
Contractual receivables		
From sale of goods and services to government entities	165	250
From sale of goods and services to non-government entities	600	876
Less allowance for impairment loss on contractual receivables	(9)	(16)
Total contractual receivables	756	1 110
Statutory receivables		
GST input tax recoverable	1 409	1 127
Total statutory receivables	1 409	1 127
Prepayments	549	460
Total current receivables	2 714	2 697
Total receivables	2 714	2 697

All receivables are non-interest bearing.

4.3.1 Contractual Receivables

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

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

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

Refer to note 9.1 for information on risk management.

4.3.2 Allowance for Impairment Loss on Contractual Receivables

	2026 \$'000	2025 \$'000
Movement in the allowance for impairment loss on contractual receivables		
Carrying amount at the beginning of the period	16	16
Increase (decrease) in the allowance	(6)	16
Amounts recovered during the year	-	(14)
Increase (decrease) in allowance recognised in profit or loss	(6)	2
Amounts written off	(1)	(2)
Carrying amount at the end of the period	9	16

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

4.3.3 Statutory Receivables

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

4.3.4 Prepayments

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

4.4 OTHER FINANCIAL ASSETS

	2026 \$'000	2025 \$'000
Current other financial assets		
Foreign currency forward contracts	77	4
Total current other financial assets	77	4
Total other financial assets	77	4

Refer to note 9.4 for information on market risk.

4.5 OTHER NON-FINANCIAL ASSETS

	2026 \$'000	2025 \$'000
Current other non-financial assets		
Accommodation incentive assets	426	426
Total current other non-financial assets	426	426
Non-current other non-financial assets		
Accommodation incentive assets	713	1 139
Total non-current other non-financial assets	713	1 139
Total other non-financial assets	1 139	1 565

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

5. PLANT AND EQUIPMENT

5.1 PLANT AND EQUIPMENT BY ASSET CLASS

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

	2026 \$'000	2025 \$'000
General and events assets		
At cost (deemed fair value)	2 510	2 557
Accumulated depreciation at the end of the period	(1 588)	(1 704)
Total general and events assets	922	853
Fitouts		
At cost (deemed fair value)	1 918	1 917
Accumulated depreciation at the end of the period	(1 834)	(1 825)
Total fitouts	84	92
Right-of-use assets		
At cost	4 182	4 248
Accumulated depreciation at the end of the period	(1 790)	(1 537)
Total right-of-use assets	2 392	2 711
Work in progress		
At cost	119	121
Total work in progress	119	121
Total plant and equipment	3 517	3 777

5.1.1 Owned Plant and Equipment

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

All Pageant floats, regardless of their value, are recognised as non-current assets. Pageant floats under construction at the end of the period are classified as work in progress. Pageant floats are recorded at historic cost less accumulated depreciation. All other non-current tangible assets with a value \$15 000 or greater are capitalised.

Plant and equipment includes \$553 000 (\$1 722 000) of fully depreciated plant and equipment still in use, \$69 000 (\$2 000) of plant and equipment retired from active use but not classified as held for sale, and \$1,000 (nil) of temporarily idle plant and equipment.

5.1.2 Impairment of Owned Plant and Equipment

The SATC holds its plant and equipment assets for their service potential (value in use). There were no indications of impairment of plant and equipment at 30 June 2026.

5.1.3 Leased Plant and Equipment

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

The SATC had the following leases during 2025-26:

- A commercial lease of warehouse, workshop and office space for the term of 10 years, with the option to extend for up to a further 10 years. The option to extend has been included in the term because management is reasonably certain to exercise the option. Rent is payable monthly in advance.
- A lease of office accommodation under a Memorandum of Administrative Agreement (MoAA) with the Department for Infrastructure and Transport (DIT) for a 5-year term, with an option for a further 5 years. The MoAA is within the scope of Premier and Cabinet Circular PC018 *Government Office Accommodation Framework*, and therefore does not meet the definition of a lease under AASB 16. No right-of-use asset or corresponding lease liability has been recognised.

The lease liabilities related to the right-of-use assets are disclosed in note 6.3. Refer to note 9.5 for maturity analysis of lease liabilities. Depreciation and interest expenses related to leases are disclosed in notes 3.6 and 3.7.

5.1.4 Impairment of Leased Plant and Equipment

There was no indication of impairment of leased plant and equipment at 30 June 2026.

5.1.5 Reconciliation of Movements in Plant and Equipment during 2025-26

	General and Events Assets \$'000	Fitouts \$'000	Right-of-Use Assets \$'000	Work in Progress \$'000	Total \$'000
Carrying amount at the beginning of the period	853	92	2 711	121	3 777
Additions	190	-	-	119	309
Disposal	(20)	-	-	-	(20)
Depreciation	(222)	(8)	(253)	-	(483)
Remeasurement	-	-	(66)	-	(66)
Transfers between asset classes	121	-	-	(121)	-
Carrying amount at the end of the period	922	84	2 392	119	3 517

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

	General and Events Assets \$'000	Fitouts \$'000	Right-of-Use Assets \$'000	Work in Progress \$'000	Total \$'000
Carrying amount at the beginning of the period	747	116	3 019	90	3 972
Additions	212	51	23	121	407
Disposals	-	-	(47)	-	(47)
Depreciation	(196)	(75)	(284)	-	(555)
Transfers between asset classes	90	-	-	(90)	-
Carrying amount at the end of the period	853	92	2 711	121	3 777

5.2 FAIR VALUE MEASUREMENT

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

5.2.1 Initial Recognition

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

5.2.2 Revaluation

General and events assets and fitouts are subsequently measured at fair value after allowing for accumulated depreciation. Right-of-use assets are subsequently measured at cost.

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

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

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

5.2.3 Fair Value Hierarchy

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

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

Fair value measurements recognised in the Statement of Financial Position are categorised into level 3 at 30 June. The SATC had no valuations categorised into level 1 or level 2. There were no transfers of assets between fair value hierarchy levels and there were no changes in valuation techniques during 2025-26.

5.2.4 Fair Value Measurements

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

6. LIABILITIES

6.1 FINANCIAL LIABILITIES

	2026 Carrying Amount \$'000	2025 Carrying Amount \$'000
Financial liabilities measured at amortised cost		
Contractual payables	7 110	7 667
Lease liabilities	2 917	3 227
Total financial liabilities measured at amortised cost	10 027	10 894
Financial liabilities measured at fair value through profit and loss		
Foreign currency forward contracts	1 023	463
Total financial liabilities measured at fair value through profit and loss	1 023	463
Total financial liabilities	11 050	11 357

Foreign currency forward contracts are measured at fair value through profit and loss. All other financial liabilities are measured at amortised cost.

6.2 PAYABLES

	2026 \$'000	2025 \$'000
Current payables		
Contractual payables		
Creditors	4 989	4 580
Accrued expenses	2 121	3 087
Total contractual payables	7 110	7 667
Statutory payables	-	13
Total current payables	7 110	7 680
Total payables	7 110	7 680

All payables are non-interest bearing.

6.2.1 Contractual Payables

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

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

Refer to note 9.1 for information on risk management.

6.2.2 Statutory Payables

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

6.3 OTHER FINANCIAL LIABILITIES

	2026 \$'000	2025 \$'000
Current other financial liabilities		
Lease liabilities	244	237
Foreign currency forward contracts	1 023	463
Total current other financial liabilities	1 267	700
Non-current other financial liabilities		
Lease liabilities	2 673	2 990
Total non-current other financial liabilities	2 673	2 990
Total other financial liabilities	3 940	3 690

Undiscounted cash outflows relating to lease liabilities are disclosed in note 9.5.1.

Refer to note 9.4 for information on market risk.

6.4 EMPLOYEE RELATED LIABILITIES

	2026 \$'000	2025 \$'000
Current employee related liabilities		
Annual leave	1 444	1 324
Long service leave	194	175
Skills and experience retention leave	68	56
Employment on-costs	394	351
Accrued salaries and wages	137	63
Total current employee related liabilities	2 237	1 969
Non-current employee related liabilities		
Long service leave	2 150	2 004
Employment on-costs	236	216
Total non-current employee related liabilities	2 386	2 220
Total employee related liabilities	4 623	4 189

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

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

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

The annual leave liability and the skills and experience retention leave liability are expected to be payable within twelve months and are measured at the undiscounted amounts expected to be paid. The Department of Treasury and Finance increased the salary inflation rate used in the calculation of short-term employee benefits to 3.5% in 2025-26 from 3.2% in 2024-25. The net result is an increase in the annual leave liability and skills and experience retention leave liability of \$4 000 and employee related expenses of \$5 000.

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

6.4.2 Long Service Leave

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

The actuarial assessment determined that the salary inflation rate for long service leave was 3.5%, unchanged from 2024-25, with no resulting change in the reported long service leave liability.

The discount rate used in the measurement of the long service leave liability reflects the yield on long term Commonwealth Government bonds. The yield on long term Commonwealth Government bonds increased to 4.75% in 2025-26 from 4.25% in 2024-25.

Changes to actuarial assumptions in the current financial year resulted in a decrease in the long service leave liability of \$84 000 and employee related expenses of \$93 000. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using several demographic and financial assumptions, including the long-term discount rate.

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

6.4.3 Employment On-Costs

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

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

An actuarial assessment performed by the Department of Treasury and Finance determined that the average factor for the calculation of employer superannuation contribution on-cost on annual leave, skills and experience retention leave and long service was 12.0%, unchanged from 2024-25. The percentage of long service leave taken as leave is 47.7% (46.4%), calculated as the actual percentage of leave taken during the last five years. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of \$6 000. The estimated future impact is an increase of \$6 000 in both 2026-27 and 2027-28.

6.5 PROVISIONS

	2026 \$'000	2025 \$'000
Current provisions		
Provision for workers compensation	35	46
Total current provisions	35	46
Non-current provisions		
Provision for workers compensation	141	131
Total non-current provisions	141	131
Total provisions	176	177

6.5.1 Movement in Provisions

	2026 \$'000	2025 \$'000
Carrying amount at the beginning of the period	177	127
Additional provisions recognised	43	58
Reductions resulting from payments/other sacrifice of future economic benefits	(1)	(18)
Adjustments resulting from re-measurement or settlement without cost	(43)	10
Carrying amount the end of the period	176	177

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

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

6.6 OTHER NON-FINANCIAL LIABILITIES

	2026 \$'000	2025 \$'000
Current other non-financial liabilities		
Accommodation incentive liabilities	213	213
Contract liabilities	137	57
Total current other liabilities	350	270
Non-current other non-financial liabilities		
Accommodation incentive liabilities	1 422	1 635
Total non-current other non-financial liabilities	1 422	1 635
Total other non-financial liabilities	1 772	1 905

6.6.1 Accommodation Incentive Liabilities

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

6.6.2 Contract Liabilities

	2026 \$'000	2025 \$'000
Balance at the beginning of the period	57	4
Payments received for performance obligations yet to be completed	137	57
Revenue recognised for completion of performance obligations	(57)	(4)
Total contract liabilities	137	57

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

7. OTHER DISCLOSURES

7.1 CHANGES IN ACCOUNTING POLICY

The SATC assessed Australian Standards and Interpretations that first applied in 2025-26 and determined that they do not have a material impact on the financial statements. No new Australian Accounting Standards or Interpretations have been early adopted.

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

7.2 BUDGET PERFORMANCE

The budget performance tables compare the SATC's outcome against budget information presented to Parliament (2025-26 Budget Paper 4). The original budget amounts have been presented and classified on a basis that is consistent with line items in the financial statements and have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

7.2.1 Statement of Comprehensive Income

	Note	Original Budget 2026 \$'000	Actual 2026 \$'000	Variance \$'000
Income				
Appropriation	(a)	66 113	87 400	21 287
Government grants, subsidies and transfers	(b)	24 679	83 871	59 192
Sponsorship and participation		6 321	8 029	1 708
Entry fees, licence fees and sales		4 576	4 873	297
Gain on impairment of receivables		-	6	6
Other income		-	557	557
Total income		101 689	184 736	83 047
Expenses				
Employee related expenses		18 983	21 612	2 629
Advertising and promotion		30 916	35 900	4 984
Industry assistance	(c)	28 117	91 098	62 981
Administration and accommodation		5 805	7 866	2 061
Event operations	(d)	17 789	26 665	8 876
Depreciation expense		766	483	(283)
Interest		75	55	(20)
Net loss from disposal of plant and equipment		-	12	12
Total expenses		102 451	183 691	81 240
Net result		(762)	1 045	1 807
Total comprehensive result		(762)	1 045	1 807

7.2.2 Investing Expenditure Summary

	Original Budget 2026 \$'000	Actual 2026 \$'000	Variance \$'000
Investing expenditure			
Total annual programs	794	309	(485)
Total investing expenditure	794	309	(485)

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

- (a) The variance in appropriation mainly relates to the government's Algal Bloom support package.
- (b) The variance in government grants, subsidies and transfers relates to funding received from the Department of the Premier and Cabinet through the Major Events Fund to grow existing owned and managed events and to secure and support major national and international events, and funding received from the Department of Treasury and Finance for financial assistance programs to grow the South Australian visitor economy.
- (c) The variance in industry assistance is due to expenditure associated with grants from the Major Events Fund to secure and support major national and international events, direct consumer and industry support payments associated with the government's Algal Bloom support package, and expenditure associated with funding for financial assistance packages to grow the South Australian visitor economy.
- (d) The variance in events operations is mainly due to expenditure associated with grants from the Major Events Fund to grow existing owned and managed events and to support major national and international events.

7.3 CASH FLOWS

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

7.3.1 Cash Flow Reconciliation

	2026 \$'000	2025 \$'000
Reconciliation of cash and cash equivalents at the end of the period		
Cash and cash equivalents disclosed in the Statement of Financial Position	11 752	10 131
Balance as per the Statement of Cash Flows	11 752	10 131
Reconciliation of net cash provided by operating activities to net result		
Net cash provided by (used in) operating activities	2 181	(7 893)
Non-cash items		
Depreciation expense	(483)	(555)
Net gain from the derecognition of financial liabilities	-	1
Effect of exchange rate on cash and cash equivalents	(15)	148
Net gain (loss) from the disposal of plant and equipment	(12)	5
Movement in assets and liabilities		
Receivables	17	728
Other financial assets	73	4
Other non-financial assets	(426)	(426)
Payables	570	6 937
Other financial liabilities (foreign currency forward contracts)	(560)	(463)
Employee related liabilities	(434)	(551)
Provisions	1	(50)
Other non-financial liabilities	133	160
Net result	1 045	(1 955)

8. UNRECOGNISED CONTRACTUAL COMMITMENTS

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

8.1 EXPENDITURE COMMITMENTS

	2026 \$'000	2025 \$'000
Expenditure commitments at the reporting date not recognised as liabilities		
Within one year	53 547	78 298
Later than one year but not longer than five years	47 000	79 156
Later than five years	5 352	7 243
Total expenditure commitments	105 899	164 697

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

9. FINANCIAL INSTRUMENTS

9.1 FINANCIAL RISK MANAGEMENT

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

9.2 LIQUIDITY RISK

The SATC is funded principally from appropriation by the SA Government. The SATC works with the Department of Treasury and Finance to determine the cash flows associated with its government-approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows. Refer to notes 7.2 and 7.3 for further information.

9.3 CREDIT RISK

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

9.3.1 Impairment of Financial Assets

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

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

Exposure to credit risk and expected credit loss for non-government debtors	Gross Carrying Amount	Lifetime Expected Losses	
	\$'000	Loss %	\$'000
Non-government debtors at 30 June 2026			
Current (not past due)	73	0.2%	-
1 – 30 days past due	510	0.4%	2
More than 120 days past due	17	42.3%	7
Total loss allowance			9

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

Contractual receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the SATC and a failure to make contractual payments for a period of greater than 120 days past due. Receivables with a contractual amount of less than \$1 000 written off during the year are still subject to enforcement activity.

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

9.3.2 Cash and Cash Equivalents

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

9.4 MARKET RISK

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

At 30 June 2026 SAFA had 12 (11) foreign currency forward contracts in place on behalf of the SATC totalling \$23 004 000 (\$21 166 000). In 2025-26 the SATC had 9 (2) foreign currency forward contracts mature totalling \$7 430 000 (\$1 100 000). Forward contracts are to cover commitments denominated in foreign currencies, including for the payment of representation fees, sponsorships, event participation fees and global marketing activity.

As with all forward foreign exchange contracts there are financial risks. Cashflows from foreign currency forward contracts in 2025-26 are included in the Statement of Comprehensive Income, and where material are shown separately as gains in note 2.5 and losses in note 3.4. Refer to notes 4.4 and 6.3 for further information.

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

9.5 CATEGORISATION OF FINANCIAL INSTRUMENTS

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

The SATC measures foreign currency forward contracts at fair value through profit and loss. All other financial instruments are measured at amortised cost.

9.5.1 Maturity Analysis of Financial Instruments

	Note	2026	2026 Contractual Maturities ¹		
		Carrying Amount \$'000	Within 1 year \$'000	1–5 years \$'000	More than 5 years \$'000
Financial liabilities					
Amortised cost					
Contractual payables	6.2	7 110	7 110	-	-
Lease liabilities	6.3	2 917	303	1 289	1 641
Fair value through profit and loss					
Foreign currency forward contracts	6.3	1 023	1 023	-	-
Total financial liabilities		11 050	8 436	1 289	1 641

	Note	2025	2025 Contractual Maturities ¹		
		Carrying Amount \$'000	Within 1 year \$'000	1–5 years \$'000	More than 5 years \$'000
Financial liabilities					
Amortised cost					
Contractual payables	6.2	7 667	7 667	-	-
Lease liabilities	6.3	3 227	303	1 289	2 025
Fair value through profit and loss					
Foreign currency forward contracts	6.3	463	463	-	-
Total financial liabilities		11 357	8 433	1 289	2 025

Amounts disclosed here exclude statutory payables and contract liabilities because they are not financial liabilities.

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

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

9.6 CREDIT STANDBY ARRANGEMENTS

The SATC has a \$500 000 (\$500 000) purchasing card facility with ANZ Bank. The unused portion of this facility at 30 June 2026 was \$259 000 (\$364 000).

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