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**Government  
of South Australia**

# **ADELAIDE FESTIVAL CENTRE TRUST**

## **2021-22 Annual Report**

### **ADELAIDE FESTIVAL CENTRE TRUST**

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2021-22 ANNUAL REPORT for the Adelaide Festival Centre Trust

To:

The Honourable Andrea Michaels MP  
Minister for Arts

This annual report will be presented to Parliament to meet the statutory reporting requirements of *Adelaide Festival Centre Trust Act 1971* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the ADELAIDE FESTIVAL CENTRE TRUST by:

The Honourable Hieu Van Le AC

Chair, Adelaide Festival Centre Trust

Date 30/09/2022

Signature



From the Chief Executive

Adelaide Festival Centre experienced a second year of unprecedented disruption due to the COVID-19 pandemic, and yet continued to remain at the forefront of the arts industry's response. Re-opening after a seven-month closure, Adelaide Festival Centre's Festival Theatre welcomed back a stellar program of entertainment. Throughout the year shows and exhibitions continued at all other Adelaide Festival Centre venues. Audiences showed great trust in our careful approach to the health measures implemented across the organisation, returning in large numbers.

Her Majesty's Theatre enjoyed her first full season of shows since the award winning rebuild. A documentary about this achievement premiered on commercial television and was a fitting tribute to this great theatre's resurrection. Throughout the year, the rebuild won the following Awards:

**Master Builders South Australia Building Excellence Awards:**

- Interior /Finishes Commercial awarded to JRCM Commercial Joinery
- Commercial/Industrial Building \$50 million-\$100million awarded to Hansen Yuncken

**Australian Institute of Building - South Australia and Northern Territory Professional Excellence in Building Awards:**

- Commercial Construction \$60 million plus - Hansen Yuncken
- Professional Excellence – Hansen Yuncken's Chris Cavenett, Her Majesty's Theatre Project Manager

**Australian Institute of Architects SA 2021**

- City of Adelaide Prize – COX Architecture
- David Saunders Award for heritage – COX Architecture
- Jack Mcconnell Award for Public Architecture – COX Architecture

The stunning Ian and Pamela Wall Gallery and Pickard Terrace on the first floor of Her Majesty's opened thanks to their generous donations through the Adelaide Festival Centre Foundation. I would like to thank all donors to this magnificent project and acknowledge the Foundation Board and in particular, Patron Legh Davis, who's unswerving commitment is unparalleled, along with the Chair Miranda Starke and Patron Joan Hardy OAM.

In keeping with the UNESCO City of Music designation, a series titled Music@The Maj featured extraordinary artists, including the Australian legend Archie Roach, during his Tell Me Why tour. This stunning concert was one of Archie's last. We pay tribute to the enduring legacy of his life and pay our respect to his family, friends and dedicated fans.

This year saw ownership of Adelaide Festival Centre's Scenery Workshop at Regency Park successfully transferred to new operators, Theatre Safe Australia. The workshop continues to provide high-quality scenic builds for the theatre sector.

The twelve-month period started with Alan Cummings much revered *Adelaide Cabaret Festival*, handing the Artistic Director baton to Tina Arena, who in June 2022 delivered sold out shows and brought audiences back to live experiences.

A highlight of the Cabaret Festival in 2022 was landing the original Famous Spiegeltent on the new Festival Plaza, marking a significant milestone in the development of the precinct.

Throughout the year, audiences returned in large numbers to the Adelaide Festival Centre, with Disney's highly acclaimed musical *Frozen* attracting many thousands of people to Festival Theatre for three months of non-stop delight.

The *Adelaide Guitar Festival*, led by Artistic Director, Slava Grigoryan reached beyond the city limits with On the Road regional program bringing free live music to Kangaroo Island, Lobethal, Clare & Gilbert Valleys, Hindmarsh, Port Augusta, Edithburgh, Tumby Bay and Cleve.

The Guitar Festival enabled audiences to return to Adelaide Festival Centre and I thank artists, staff and audiences for their unwavering commitment to our COVID-19 management practices that enabled a return to live events.

In the spirit of reconciliation, our commitment to the community of Aboriginal artists in South Australia was expanded through the additions of OUR WORDS and OUR STORIES to the already well established and successful OUR MOB exhibition. These two new additions enable a welcoming space for a shared narrative of First Nations culture and language. OUR MOB and OUR YOUNG MOB exhibitions continue to enable opportunity and access for the purchase of wonderful artwork directly from the artists.

Whilst COVID-19 forced the postponement of some of Annette Shun Wah's extraordinary *OzAsia Festival* performances, it also allowed innovative thinking that resulted in successful outcomes. The Moon Lantern Festival for example, a traditional highlight of the OzAsia program evolved into the Moon Lantern Trail. Spread over four days, audiences were encouraged to rove through the lanterns enabling social distancing and more time to view the spectacular lantern creations. We will continue that tradition going forward.

Our commitment to young people was enhanced with the opening of the new interactive *Children's Artspace* hosting exhibitions by children of all ages, students and their families sharing big ideas and engaging with art created by and for South Australian children. The model of a Children's Artspace is inspired by a global network of like-minded galleries in Japan, the United States and Norway. There is great potential for international exchange and cultural engagement in the future.

This year, BASS Ticketing was replaced with a new arrangement with Ticketek. Details of the transition are discussed below.

I would like to express my sincere admiration to management and staff for their ongoing enthusiasm and tireless work to keep the lights on and everyone safe.

Finally, may I thank Adelaide Festival Centre Trustees in particular, current Chair, the Honourable Hieu Van Le AC, and former Chair Jim Hazel, for their guidance and support.



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Douglas Gautier AM

**CEO & Artistic Director**

ADELAIDE FESTIVAL CENTRE TRUST

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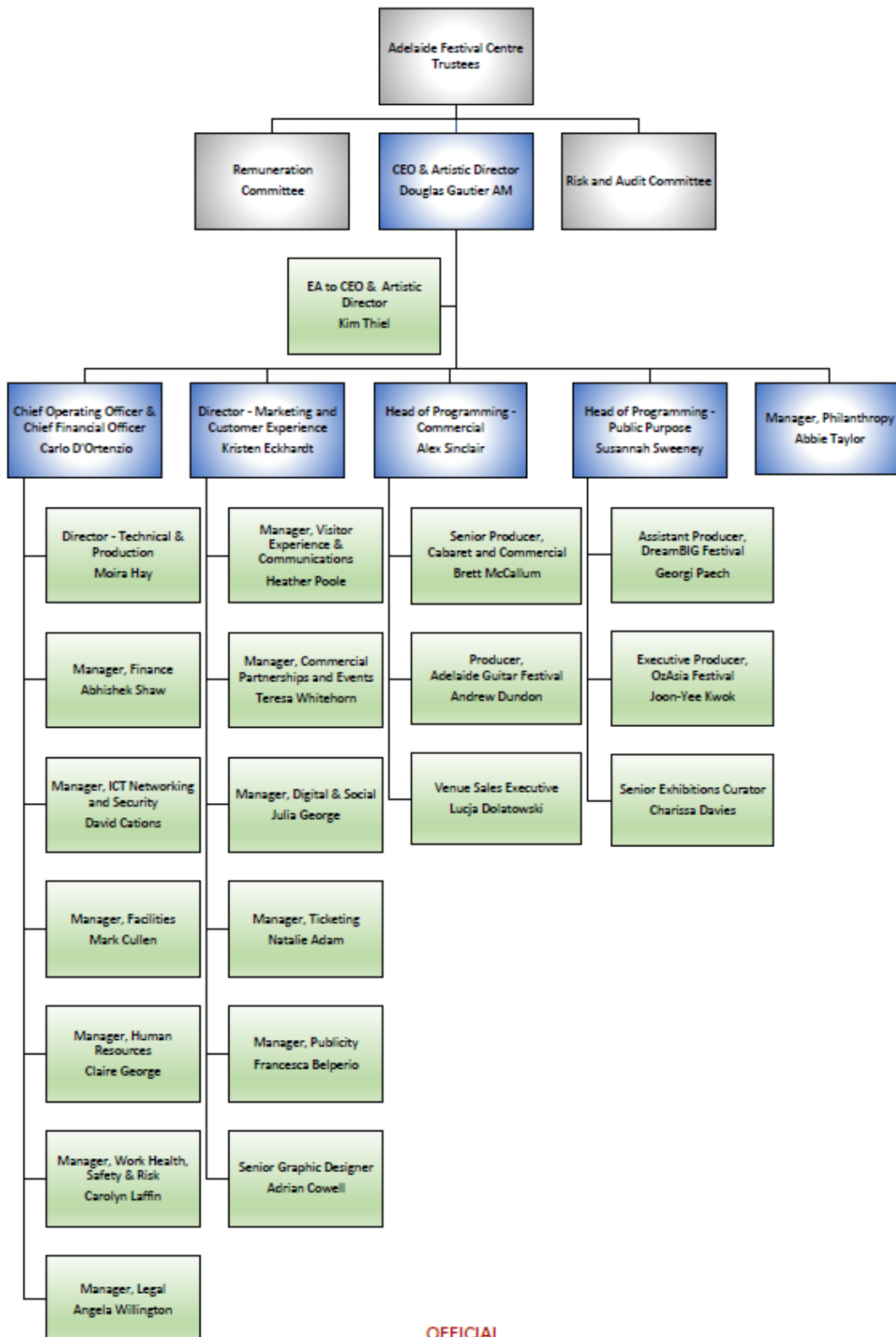
## Overview: about the agency

### Our strategic focus

<b>Our Purpose</b>	To entertain, engage, educate and inspire
<b>Our Vision</b>	To be the arts and entertainment heart of the festival state
<b>Our Values</b>	To be a national and international cultural leader and collaborator
<b>Our functions, objectives and deliverables</b>	<ul style="list-style-type: none"> <li>• To be a local and international cultural leader and trusted partner.</li> <li>• Deliver a dynamic, balanced program of performing arts, exhibitions, education programs, commercial product, and cultural activity across all Adelaide Festival Centre venues, reflective of the diverse communities we serve. Arts for all.</li> <li>• Grow audiences by delivering excellent customer experiences, building our brand and reputation and being responsive to a changing media and consumer landscape.</li> <li>• Provide technically well-provisioned, safe, sustainable and accessible venues and spaces.</li> <li>• Maintain and grow a positive organisational culture built on collaboration and creativity.</li> <li>• Consolidate and increase philanthropic and sponsorship support.</li> <li>• Build financial, IT, administrative and entrepreneurial capacity to respond to change and embrace opportunity.</li> </ul> <p><i>Adelaide Festival Centre Trust Strategic Plan 2021-2024</i></p>



## Our organisational structure



**Changes to the agency**

During 2021-2022 there were two significant changes to Adelaide Festival Centre's structure and objectives as a result of internal reviews.

- BASS Ticketing was replaced with a new arrangement with Ticketek. Eight full time, two part time and 12 casual employees were affected. Of the full time and part time staff, seven elected to take a Targeted Voluntary Separation Package, two had their contracts terminated early with a severance pay, and one remained as a redeployee.
- The Adelaide Festival Centre Scenery Workshop was sold to Theatre Safe Australia. Three full time, three part time employees and seven casual employees were affected. Of the full time and part time staff, three elected to take a Targeted Voluntary Separation Package, and three had their contracts terminated early with a severance pay.

**Our Minister**

The Honourable Andrea Michaels MP, Minister for Arts

Since taking office, Minister Michaels has been a supportive advocate for the Arts. We are grateful for her attendance, speeches and support.

**Our Board**

NAME	POSITION	TERM DATES
The Honourable Hieu Van Le AC (appointed Chair January 2022)	Chair	09/09/2021 to 8/9/2024
Jacqui McGill AO (Deputy Chair)	Deputy Chair	25/03/2021 to 24/03/2024
Julia Knight		27/10/2019 to 26/10/2022
Mitchell Butel		29/06/2020 to 28/06/2023
Maggie Zhou		21/04/2019 to 20/04/2022 and 19/5/2022 to 18/05/2024
The Right Honourable the Lord Mayor Sandy Verschoor		12/09/2017 to 11/09/2020 and 29/10/2020 to 28/10/2023
Steven Woolhouse		29/10/2020 to 28/10/2023
Bruce Carter		21/01/2022 to 20/01/2025

<b>PREVIOUS MEMBERS DURING 2021-2022 FINANCIAL YEAR</b>		
Anthony (Tony) Smith		09/08/2018 to 08/08/2021
James (Jim) Hazel		Chair from 29/06/2020 to 20/01/2022 Previous terms 21/01/2013 to 20/01/2016 17/03/2016 to 16/03/2019 17/03/2019 to 28/06/2020

**Our Executive team**

CEO & Artistic Director	Douglas Gautier AM
Chief Operating & Financial Officer	Carlo D'Ortenzio
Director of Marketing & Customer Experience	Kristen Eckhardt
Director of Production & Technical	Moir Hay
Head of Cabaret, Commercial & Venue Sales	Alex Sinclair
Head of Public Purpose Programming	Susannah Sweeney
Manager, Philanthropy	Abbie Taylor

**Legislation administered by the agency**

*Adelaide Festival Centre Trust Act 1971*

## The agency's performance

### Performance at a glance

The Adelaide Festival Centre remained at the forefront of the arts industry's response to the COVID-19 pandemic, producing events and welcoming visitors under COVID-19 restrictions throughout 2021-2022. The decision to mandate both masks and vaccinations for staff, service providers, artists and audiences was made in 2021. This was then lifted for audiences in mid-2022. While COVID-19 continued to impact the Adelaide Festival Centre throughout the year, this did not stop it moving forward with festivals, openings, musicals and other events.

### Board Meeting Attendance

NAME	POSITION	MEETING ATTENDANCE
The Honourable Hieu Van Le AC (appointed Chair January 2022)	Chair	Attended 5 meetings (of 5 meetings during his term)
Jacqui McGill AO (Deputy Chair)	Deputy Chair	Attended 6 meetings
Julia Knight		Attended 6 meetings
Mitchell Butel		Attended 5 meetings
Maggie Zhou		Attended 5 (of 5 meetings during her term)
The Right Honourable the Lord Mayor Sandy Verschoor		Attended 5 meetings
Steven Woolhouse		Attended 5 meetings
Bruce Carter		Attended 2 meetings (of 3 meetings during his term)
<b>PREVIOUS MEMBERS DURING 2021-2022 FINANCIAL YEAR</b>		
Anthony (Tony) Smith		Attended 1 meeting (his final meeting held during his term)
James (Jim) Hazel		Attended 3 (of 3 meetings held during his term)

## Agency contribution to whole of Government objectives

Agency's contribution
<ul style="list-style-type: none"> <li>• Supporting arts, culture and entertainment to increase activity and build the visitor economy.</li> <li>• Deliver a dynamic, balanced program of performing arts, exhibitions, education programs, commercial product, and cultural activity that is accessible, wide reaching and developed to ensure the Centre is financially sustainable. Adelaide Festival Centre strives to contain costs through system improvements and takes opportunities to explore additional savings and revenue sources where possible.</li> <li>• Promoting national and international engagement and building South Australia's reputation nationally and overseas. Developing more accessible venues to support patrons, artists and staff.</li> </ul>

## Agency specific objectives and performance

Adelaide Festival Centre is operated by the Adelaide Festival Centre Trust (the Trust). The Trust is a South Australian Government statutory body, created and with responsibilities outlined in the *Adelaide Festival Centre Trust Act 1971*.

The Trust's purpose, as set out in the Act, is to contribute to the cultural, social and intellectual development of all South Australians. Towards this, the Trust functions:

- a) to produce, present and manage the performing arts in the building occupied by the Trust at Adelaide Festival Centre or any other building;
- b) to provide or assist in providing premises and equipment for the purpose of the presentation of the performing arts;
- c) to promote and encourage the development and presentation of the performing arts;
- d) to promote and encourage public interest and participation in the performing arts;
- e) to promote and encourage either directly or indirectly the knowledge, understanding, appreciation and enjoyment of the performing arts;
- f) to perform the functions given to the Trust under another Act; and
- g) to perform functions that are incidental, complementary or helpful to, or likely to enhance the effective and efficient performance of, the functions mentioned in paragraphs (a) to (f).

The Trust endeavours to maintain a strong governance framework, consistent with contemporary best practice and compliant with legislative requirements and contemporary financial standards, government policies and priorities.

**Adelaide Festival Centre Trust Strategic Plan 2021-2024 objectives include:**

*Corporate:* To be a local and international cultural leader and trusted partner.

*Programming:* Deliver a dynamic and balanced program of performing arts, exhibitions, education programs, commercial product, and cultural activity across all Adelaide Festival Centre venues, reflective of the diverse communities we serve. Arts for all.

*Marketing, Sales and Audience Engagement:*  
Grow audiences by delivering excellent customer experiences, building our brand and reputation and being responsive to a changing media and consumer landscape.

*Venue and Infrastructure:*  
Provide technically well-provisioned, safe, sustainable and accessible venues and spaces.

*People and Culture:*  
Maintain and grow a positive organisational culture built on collaboration and creativity.

*Sponsorship and Philanthropy:*  
Consolidate and increase philanthropic and sponsorship support.

*Sustainability and Growth:*  
Build financial, IT, administrative and entrepreneurial capacity to respond to change and embrace opportunity.

<b>Agency objectives</b>	<b>Indicators</b>	<b>Performance</b>
Year-round program and festivals	Adelaide Festival Centre presents theatre, dance, music, and exhibitions, and is committed to supporting and co-presenting some of the world's biggest touring musicals. The program included theatre, ballet, contemporary dance and performances for children and young people. The Festival Theatre closed for 7 months from July 21 to Feb 22 for further renovations. It was re-opened in Feb 2022 with the reveal of the beautiful new entrance and reinstated Kaurna public artworks.	While the 2021-2022 year was still impacted by COVID-19 it was an improvement from the previous year.  Ticketed : 280,181 Non-ticketed: 207,794 Total attendances: 487,975

<p>Adelaide Guitar Festival 2021</p>	<p>Adelaide Guitar Festival 2021 was still recovering from the effects of COVID-19. The festival team continued delivering rescheduled AGF 2020 events until June before immediately commencing delivery of the next AGF 2021 in July.</p> <p>COVID-19 restrictions continued to plague the festival through July as some artists were refused approval to cross state borders, resulting in last minute changes to events, and a state-wide lockdown was enforced in the middle of the festival dates. The team adapted quickly, with the support of AFC management, and rescheduled all but two ticketed performances to other times throughout the year, the final ticketed event was held in Festival Theatre in February 2022.</p>	<p>With two years of severely impacted Festivals, the team regrouped to reflect and tweak the festival structure:</p> <ul style="list-style-type: none"> <li>• Curated/Ticketed Events Delivered: 7</li> <li>• Community Events (Regional): 3</li> <li>• Community Events (Metro): 1</li> <li>• Online Event (competition): 1</li> <li>• Educational Programs: 2</li> <li>• Regional Venues: 19</li> <li>• Metro Venues: 4</li> <li>• Individual Artists (approx): 78</li> <li>• Winter School Participation: 102</li> <li>• Guitarchestra: 80</li> </ul>
<p>OzAsia Festival 2021</p>	<p>OzAsia Festival celebrated its most successful opening week to date with a record-breaking 100,000 attendances across the first four days of inspiring performances and exciting community events, including the newly reimagined Moon Lantern Trail. More than 180,000 attendances were recorded across 60 unique events.</p>	<p>Despite interstate border closures forcing the cancellation of multiple planned performances, the final program delivered 9 world premieres, 10 Adelaide premieres and 20 events exclusive to South Australia to audiences both in-person and online. It was also the inaugural In Other Words program of talks and literature.</p> <p>The recorded attendance of more than 180,000 people included:</p> <ul style="list-style-type: none"> <li>• 110,000 at Lucky Dumpling Market</li> <li>• 44,000 at Moon Lantern Trail</li> <li>• 16,000 across all visual arts exhibitions</li> <li>• 12,000 across all other events, performances, workshops and activities</li> </ul>

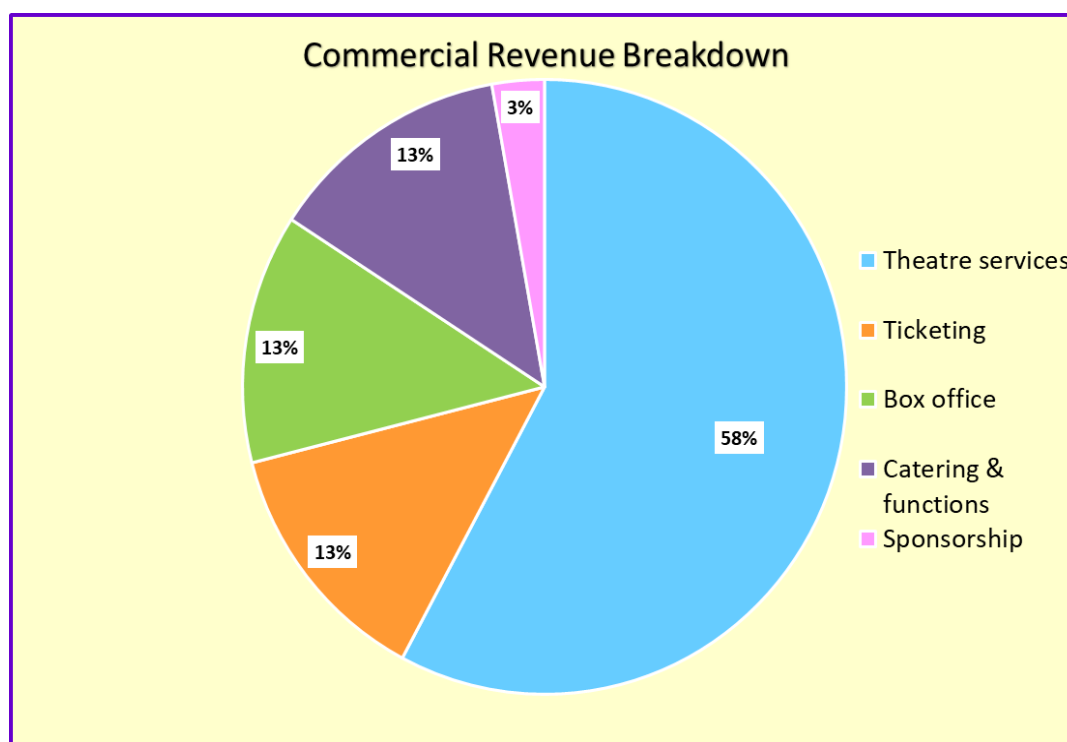
Adelaide Cabaret Festival 2022	Adelaide Cabaret Festival 2022 featured 32 shows and 86 performances over 12 decadent days and nights and almost 40,000 attendances at ticketed and free events across six venues, including Her Majesty's Theatre and The Famous Spiegel Tent, located on Festival Plaza.	Led by international star and Australian icon Tina Arena AM, the Festival program had close to 40,000 attendances and showcased: <ul style="list-style-type: none"> <li>• 14 World Premieres</li> <li>• 2 Australian Premieres</li> <li>• 14 Adelaide Premieres</li> </ul> and countless standing ovations throughout. Songs My Mother Taught Me, featuring Tina Arena, Wendy Matthews, Lior, Thando, Jess Hitchcock, and Sophie Koh wrapped up the Festival with two sold out performances.
Learning & Engagement (includes Families and Multicultural programs)	Learning and Engagement programs include accessible and affordable programming for South Australian families and vital collaborations with our culturally diverse communities.	This includes Families programming / Free workshops / Students Got Talent / Lunar New Year / Play In The Plaza / Multicultural communities program support. Families engagement in 2021-2022 included: <ul style="list-style-type: none"> <li>• 6073 attendances</li> <li>• 19 shows</li> <li>• 391 artists</li> <li>• 373 local</li> <li>• 18 interstate</li> </ul>
On Stage	On Stage Performing Arts Learning program provides open access and accessible workshops for young people 8-17 years in the school holidays.	Two of the holiday periods were cancelled due to COVID-19 impacts, but others managed to go ahead. New relationships have been developed with the South Australian small to medium sector including Gravity and Other Myths who presented the April 2022 workshop intensive in Acro and Physical Theatre. Engagement across the year included: <ul style="list-style-type: none"> <li>• 6 Workshops</li> <li>• 84 Participants</li> <li>• 3 Sponsored participants</li> <li>• 13 Tutors</li> </ul>
OUR MOB / First Nations	The 2021 OUR MOB exhibition was held in September, pushed back due to COVID-19	Featured 22 OUR YOUNG MOB artists with 40 OUR MOB artists.  Prizes included the Inaugural Trevor Nickolls Art Prize for OUR MOB and OUR YOUNG MOB, Don Dunstan



		Foundation OUR MOB Emerging Artist Prize, Country Arts SA Regional OUR MOB Professional Development Opportunity and OUR YOUNG MOB Award: art materials donated by Ku Arts.
centrED	Adelaide Festival Centre's centrED schools program provided curriculum relevant arts education experiences and resources for students and teachers of South Australia, with a primary focus on connecting students and educators with artist experiences and live performance. centrED programs are designed by an Education Officer who is supported by funding from the Department for Education. The program provides free and heavily subsidised programming, along with transport and ticket subsidies – all supported by the Education Minister's grant program and Adelaide Festival Centre Foundation.	<ul style="list-style-type: none"> <li>• Student Attendances: 7788</li> <li>• Teacher Attendances: 841</li> <li>• School Attendances: 231</li> </ul>

### Corporate performance summary

While the Adelaide Festival Centre relies on funding from the South Australian Government, it is a commercial operation and in the Financial Year 2021-22 it generated over \$12 million in revenue from its key commercial operations.



Key commercial operations include:

- Theatre Services – encompassing theatre hire, provision of production services (sound, lighting, staging, wardrobe) and merchandise sales on commission.
- Ticketing and Database marketing – under a ticketing services arrangement with Ticketek, provision of ticketing for shows and events held in our theatres.
- Box office – proceeds of ticket sales to shows and festivals presented by Adelaide Festival Centre Trust.
- Sponsorship – both centre-wide sponsorship and sponsorship of specific festivals and events.
- Catering services – including functions, business and retail operations at all venues.

### Employment opportunity programs

Program name	Performance
Work Experience and Work Placement programs	Adelaide Festival Centre's work experience program provides students with an understanding and overview of how Adelaide Festival Centre operates and knowledge of careers available within arts administration. The 2021-2022 Work Experience Program saw eight students (two groups of four) working across both Programming and Marketing. Students from lower IoED (Index of Educational Disadvantage) ranked schools were prioritised to participate.

International Internship programs	2021-2022 would have seen Adelaide Festival Centre host interns from the China National Theatre for Children, Chinese University Hong Kong, Hong Kong Arts Development Council, Center for China Shanghai International Arts Festival, Guangzhou Opera House and the Malaysian Government – Cultural Economy Development Agency had international travel restrictions been lifted.
Bridging the Gap School Based Traineeship	Adelaide Festival Centre has been hosting two Aboriginal school students for one day per week since January 2021. These students are trainees supported by the Bridging the Gap Foundation and will continue through until the end of 2022 whilst they complete their schooling.

### Agency performance management and development systems

Performance management and development system	Performance
Adelaide Festival Centre managers use an updated suite of performance management and development forms to review the organisational and personal effectiveness, teamwork and customer focus of permanent, temporary and casual staff.	Compliance for 2021-2022 with performance and development reviews was 7.0%.

### Work health, safety and return to work program

Program name	Performance
COVID-19	Ensuring a COVID-safe environment through robust COVID Management Plans that included the continuous review and update to COVID-19 detailed risk assessments for employees, artists, and patrons. Provisions of a COVID-safe environment also required the implementation of safe work policies and procedures for the vaccine mandate, RAT screening program (involving stay at home if unwell or have any cold/flu symptoms, having PCR test if symptomatic, taking RAT tests before shifts). Accommodating preventions such as meetings being conducted online, wearing of masks by all staff, maintaining good physical distance wherever possible.
Reopening Festival Theatre	The Emergency Preparedness and Evacuation and First Aid programs, training, and equipment preparations in readiness for the re-opening of the Festival Theatre completed.
Event Management	Event management incorporating COVID Management Plans for events such as the opening of the new Festival Plaza.

Workplace injury claims	Current year 2021-22	Past year 2020-21	% Change (+/-)
Total new workplace injury claims	7	7	0
Fatalities	0	0	0
Seriously injured workers*	0	0	0
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	1	0	+100%

\*Number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (part 2 Division 5)

Work health and safety regulations	Current year 2021-22	Past year 2020-21	% Change (+/-)
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	1	0	100+
Number of provisional, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	0	0	0

Return to work costs**	Current year 2021-22	Past year 2020-21	% Change (+/-)
Total gross workers compensation expenditure (\$)	\$448,749	\$36,598	+88%
Income support payments – gross (\$)	\$4,036	\$0.00	+100%

\*before third party recovery

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/afct-workhealth-and-safety>

## Executive employment in the agency

Executive classification	Number of executives
Employees defined as Executives as per the State Government of South Australia Human Resources Dataset: Data Definition	10

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/afct-executive-employment>

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

## Financial performance

### Financial performance at a glance

The AFCT continued to have business interruptions in 2021-22 due to the ongoing Plaza works, COVID-19 and another period where the Festival Theatre was closed due to redevelopment.

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2021-2022 are attached to this report.

<b>Statement of Comprehensive Income</b>	<b>2021-22 Budget \$000s</b>	<b>2021-22 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2020-21 Actual \$000s</b>
Total Income	41,982	47,631	5,649	39,359
Total Expenses	41,982	44,835	(2,853)	39,043
<b>Net Result</b>	-	<b>2,796</b>	<b>2,796</b>	<b>316</b>
<b>Total Comprehensive Result</b>	-	<b>2,796</b>	<b>2,796</b>	<b>316</b>

<b>Statement of Financial Position</b>	<b>2021-22 Budget \$000s</b>	<b>2021-22 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2020-21 Actual \$000s</b>
Current assets	17,968	127,600	109,632	21,209
Non-current assets	179,818	158,434	(21,384)	163,286
<b>Total assets</b>	<b>197,786</b>	<b>286,034</b>	<b>88,248</b>	<b>184,495</b>
Current liabilities	12,883	13,735	(852)	14,006
Non-current liabilities	61,500	145,129	(83,629)	148,072
<b>Total liabilities</b>	<b>74,383</b>	<b>158,864</b>	<b>(84,481)</b>	<b>162,078</b>
<b>Net assets</b>	<b>123,403</b>	<b>127,170</b>	<b>3,767</b>	<b>22,417</b>
<b>Equity</b>	<b>123,403</b>	<b>127,170</b>	<b>3,767</b>	<b>22,417</b>

### Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

**Consultancies with a contract value below \$10,000 each**

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each - combined	Various	\$4,000

**Consultancies with a contract value above \$10,000 each**

Consultancies	Purpose	\$ Actual payment
Risky Business Emergency Management	Safety Management services for OzAsia and Cabaret Festivals	\$ 24,258
	<b>Total</b>	<b>\$ 28,258</b>

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/afct-consultant-data>

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

**Contractors disclosure**

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

**Contractors with a contract value below \$10,000**

Contractors	Purpose	\$ Actual payment
All contractors below \$10,000 each - combined	Various	\$502,699

**Contractors with a contract value above \$10,000 each**

Contractors	Purpose	\$ Actual payment
Access2Arts	Disability Action and Inclusion Project	\$12,950
Alan Langlely	Duty Operator	\$56,900
Alison Jones	Site Designer for festivals and events	\$47,227

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Ben Hur Performance Management	Stage Management	\$12,000
Big Cactus	Backline labour for Cabaret festival	\$16,218
Bowerbird Bazaar	Design services for events	\$ 20,000
Christopher Bartlett	OzAsia Lantern artist	\$ 39,196
Click Films	Video production	\$ 16,000
DiUbaldo and Co	Procurement probity advisor	\$ 25,200
Elastian Pty Ltd	ICT services	\$ 20,025
Engie Electrical and Communications	ICT services	\$ 11,935
Event Personnel Australia	Stage production crew	\$ 92,994
ForMile Events	Site management services for Cabaret Festival	\$ 38,909
LightLogix Pty Ltd	Light repairs and installation	\$ 25,984
Michael McCabe	Technical equipment advisor	\$ 16,348
Michaela Banks	Lantern building for OzAsia festival	\$ 14,649
Mosaic Audio Visual Pty Ltd	Lighting provision for Cabaret Festival	\$ 30,830
Pinnacle People	Food and Beverage staff	\$ 35,451
Stephanie Fisher	Site management services for Cabaret Festival	\$ 10,490
The Electric Canvas	Light projection on roof	\$120,000
Traffic Group Australia	Traffic Management for outdoor events	\$ 13,633
Wakefield Press	Printing of 50th Anniversary book	\$ 43,600
WGASA Pty Ltd	Light projection engineering services	\$ 18,506
	<b>Total</b>	<b>\$1,241,744</b>

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/afct-contractor-data>

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website.

[Adelaide Festival Centre Trust \(tenders.sa.gov.au\)](https://tenders.sa.gov.au).

The website also provides details of [across government contracts](#).



## Risk management

### Risk and audit at a glance

#### Fraud detected in the agency

Category/nature of fraud	Number of instances
Nil	0

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

#### Strategies implemented to control and prevent fraud

The Adelaide Festival Centre Trust has in place controls, appropriate to the nature of its business, to ensure that any risk of fraud is effectively managed. These controls include:

- Oversight by an independent Board of Trustees and an internal Risk and Audit Committee
- Operations being governed by a charter, Treasurer's Instructions, and the Trust's own policies
- Management's ongoing consideration of the risk within its normal business operations
- Internal controls and procedures throughout the business, including segregation of duties, ongoing monitoring and review and financial systems controls
- Annual audits by the Auditor-General's department.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/afct-fraud-detected>

#### Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

Nil

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/afct-whistleblowers-disclosure>

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

**Reporting required under any other act or regulation**

N/A

**Reporting required under the *Carers' Recognition Act 2005***

N/A

## Public complaints

### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2021-22
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	0
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	2
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	1
Communication	Communication quality	Inadequate, delayed or absent communication with customer	2
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	14
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	8
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	2
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	1
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	1

## OFFICIAL

2021-22 ANNUAL REPORT for the Adelaide Festival Centre Trust

Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	2
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	4
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	1
Product quality (performance, event, or ancillary)	Information	Incorrect, Incomplete, out of date or insufficient information	1
Product quality (performance, event, or ancillary)	Cost of goods	Third party or internally produced performances, events, ancillary goods	2
Product quality (performance, event, or ancillary)	Systems/technology/design	Performance or event did not meet customer expectations	8
No case to answer	No case to answer	Another patron affected the customer experience, not raised at the time, no allowance for staff to address	16
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	25
		<b>Total</b>	90

<b>Additional Metrics</b>	<b>Total</b>
Number of positive feedback comments	30
Number of negative feedback comments	45
Total number of feedback comments	75
% complaints resolved within policy timeframes	95%

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/afct-summary-of-complaints-by-subject>.

**Service Improvements**

Throughout 2020-21, Adelaide Festival Centre continued to collect feedback via regular post-show surveys about patrons' experience and perceptions of COVID-19 safety. The following areas were modified and adjusted throughout 2021-22 in response to patron feedback:

- Patron communications and signage
- Refund policies
- AFCT COVID-19 Vaccination requirements
- Face mask requirements outside of government mandates

Festival Plaza car park opened in January 2022. Festival Plaza car park is not managed or operated by Adelaide Festival Centre Trust, but its operations impact Festival Centre patrons immensely. Following continued negative feedback about the new car park and its design, cost, and customer experience, Adelaide Festival Centre worked with counterparts at Walker Corporation to advocate for improved patron experience. Process and infrastructure changes were implemented including:

- Additional signage
- Lift capacity
- On-the-ground staff were scheduled for large events

**Compliance Statement**

Adelaide Festival Centre Trust is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Yes
Adelaide Festival Centre Trust has communicated the content of PC 039 and the agency's related complaints policies and procedures to employees.	Yes

## **Appendix: Audited financial statements 2021-2022**

# INDEPENDENT AUDITOR'S REPORT



Government of South Australia

Auditor-General's Department

Level 9  
State Administration Centre  
200 Victoria Square  
Adelaide SA 5000  
Tel +618 8226 9640  
Fax +618 8226 9688  
ABN 53 327 061 410  
audgensa@audit.sa.gov.au  
www.audit.sa.gov.au

## To the Chairman and Presiding Officer Adelaide Festival Centre Trust

### Opinion

I have audited the financial report of the Adelaide Festival Centre Trust for the financial year ended 30 June 2022.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Adelaide Festival Centre Trust as at 30 June 2022, 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 – Simplified Reporting Requirements.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chairman and Presiding Officer, the Chief Executive Officer and Artistic Director, and the Chief Financial Officer/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 Adelaide Festival Centre Trust. 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 members of the Trust 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 – Simplified Reporting Requirements, 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 Trust 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*, section 24(3) of the *Adelaide Festival Centre Trust Act 1971* and section 32(4) of the *Public Corporations Act 1993*, I have audited the financial report of Adelaide Festival Centre Trust for the financial year ended 30 June 2022.

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

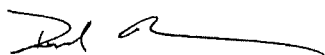


than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- 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 Adelaide Festival Centre Trust's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive 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 members of the Trust 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

**Assistant Auditor-General (Financial Audit)**


23 September 2022

**Adelaide Festival Centre Trust**

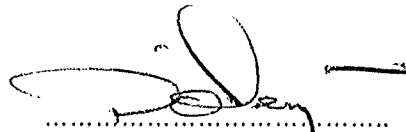
**Certification of the Financial Statements**

We certify that the:

- financial statements of the Adelaide Festival Centre Trust:
  - are in accordance with the accounts and records of the trust; 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 trust at the end of the financial year and the result of its operations and cash flows for the financial year.
- internal controls employed by the Adelaide Festival Centre Trust for the financial year over its financial reporting and its preparation of financial statements have been effective.



.....  
Douglas Gautier AM  
**Chief Executive Officer and Artistic Director**  
16 September 2022



.....  
Carlo D'Ortenzio  
**Chief Financial Officer/Chief Operating Officer**  
16 September 2022



.....  
The Honourable Hieu Van Le AC  
**Chairman and Presiding Officer**  
16 September 2022

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**Adelaide Festival Centre Trust**

**Statement of Comprehensive Income**  
for the year ended 30 June 2022

	<i>Note</i>	<b>2022</b> \$'000	2021 \$'000
<hr/>			
<b>Income</b>			
SA Government grants, subsidies and transfers	2.1	30,855	21,018
Sales of goods and services	2.2	11,853	12,024
Other income	2.3	4,923	6,317
<b>Total income</b>		<u>47,631</u>	<u>39,359</u>
<b>Expenses</b>			
Employee benefits expenses	3.3	16,857	15,253
Supplies and services	4.1	16,747	12,559
Depreciation and amortisation	5.3,5.6	6,679	6,684
Borrowing costs	4.2	3,617	3,726
Other expenses	4.3	935	821
<b>Total expenses</b>		<u>44,835</u>	<u>39,043</u>
<b>Net result</b>		<u>2,796</u>	<u>316</u>
<b>Total comprehensive result</b>		<u><u>2,796</u></u>	<u><u>316</u></u>

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

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**Adelaide Festival Centre Trust**

**Statement of Financial Position**  
as at 30 June 2022

	Note	2022 \$'000	2021 \$'000
<b>Current assets</b>			
Cash and cash equivalents	6.2	126,038	19,205
Receivables	6.3	1,376	1,877
Inventories	5.7	186	127
<b>Total current assets</b>		<u>127,600</u>	<u>21,209</u>
<b>Non-current assets</b>			
Property, plant and equipment	5.1	148,781	153,479
Works of art	5.5	9,590	9,589
Intangible assets	5.6	63	218
<b>Total non-current assets</b>		<u>158,434</u>	<u>163,286</u>
<b>Total assets</b>		<u>286,034</u>	<u>184,495</u>
<b>Current liabilities</b>			
Payables	7.2	4,349	7,633
Financial liabilities	7.3	3,149	2,926
Employee benefits	3.4	1,643	1,448
Provisions	7.4	153	38
Other liabilities	7.5	4,441	1,961
<b>Total current liabilities</b>		<u>13,735</u>	<u>14,006</u>
<b>Non-current liabilities</b>			
Payables	7.2	165	136
Financial liabilities	7.3	142,773	145,331
Employee benefits	3.4	1,716	2,518
Provisions	7.4	475	87
<b>Total non-current liabilities</b>		<u>145,129</u>	<u>148,072</u>
<b>Total liabilities</b>		<u>158,864</u>	<u>162,078</u>
<b>Net assets</b>		<u>127,170</u>	<u>22,417</u>
<b>Equity</b>			
Asset revaluation surplus		13,337	13,337
Contributed capital	8.1	110,179	8,222
Retained earnings		3,654	858
<b>Total Equity</b>		<u>127,170</u>	<u>22,417</u>

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

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**Adelaide Festival Centre Trust**

**Statement of Changes in Equity**  
for the year ended 30 June 2022

	Contributed capital \$ '000	Asset revaluation \$ '000	Retained Earnings \$ '000	Total Equity \$ '000
Balance at 1 July 2020	8,222	13,337	542	22,101
Net result for 2020-2021	-	-	316	316
<b>Total comprehensive result for 2020-2021</b>	-	-	<b>316</b>	<b>316</b>
<b>Balance at 30 June 2021</b>	<b>8,222</b>	<b>13,337</b>	<b>858</b>	<b>22,417</b>
Net result for 2021-2022	-	-	2,796	2,796
<b>Total comprehensive result for 2021-2022</b>	-	-	<b>2,796</b>	<b>2,796</b>
Equity contribution received	101,957	-	-	101,957
<b>Balance at 30 June 2022</b>	<b>110,179</b>	<b>13,337</b>	<b>3,654</b>	<b>127,170</b>

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

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**Adelaide Festival Centre Trust**

**Statement of Cashflows**  
for the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
Receipts from SA Government grants, subsidies and transfers	2.1	30,855	21,018
Receipts from patrons and customers	2.2	21,195	23,915
Increase in funds held on behalf of promoters	7.2	-	2,758
Interest received	2.3	13	39
GST recovered from the ATO		2,931	3,412
<b>Cash generated from operations</b>		<b>54,994</b>	<b>51,142</b>
<b>Cash outflows</b>			
Employee benefit payments	3.3	(16,849)	(15,880)
Payments for supplies and services	4.1	(18,054)	(14,938)
Interest paid	4.2	(3,617)	(3,726)
Decrease in funds held on behalf of promoters	7.2	(3,820)	-
<b>Cash used in operations</b>		<b>(42,340)</b>	<b>(34,544)</b>
<b>Net cash provided by operating activities</b>		<b>12,654</b>	<b>16,598</b>
<b>Cash flows from investing activities</b>			
<b>Cash outflows</b>			
Purchase of property, plant and equipment	5.3	(2,172)	(1,823)
<b>Net cash used in investing activities</b>		<b>(2,172)</b>	<b>(1,823)</b>
<b>Cash flows from financing activities</b>			
<b>Cash inflows</b>			
Equity Contribution from SA Government as owner	9.3	101,957	-
<b>Cash generated in financing activities</b>		<b>101,957</b>	<b>-</b>
<b>Cash outflows</b>			
Repayment of lease liability	4.2	(5,606)	(5,617)
<b>Cash used in financing activities</b>		<b>(5,606)</b>	<b>(5,617)</b>
<b>Net cash provided by financing activities</b>		<b>96,351</b>	<b>(5,617)</b>
<b>Net increase in cash and cash equivalents</b>		<b>106,833</b>	<b>9,158</b>
Cash and cash equivalents at the beginning of the period		19,205	10,047
<b>Cash and cash equivalents at the end of the period</b>	6.2	<b>126,038</b>	<b>19,205</b>

The accompanying notes form part of these financial statements.

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Adelaide Festival Centre Trust

Notes to the Financial Statements

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## 1. About the Adelaide Festival Centre Trust

The Adelaide Festival Centre Trust (the trust) is a not-for-profit South Australian Government Statutory Authority established under the Adelaide Festival Centre trust Act 1971.

On 21 October 1999 the Adelaide Festival Centre Foundation (the foundation) was incorporated under the Associations Incorporation Act 1985. The foundation is controlled by the trust by virtue of clauses in the foundation's constitution which requires its Board appointments to be approved by the trust and also require the foundation to act in accordance with directions from the trust.

The financial statements and accompanying notes comprise the activities of the trust and the foundation. The activities of the foundation are not material and therefore a full consolidated presentation has not been adopted. Consistent accounting policies have been applied and all inter-entity balances and transactions arising with the foundation have been eliminated in full. The financial results of the foundation are summarised in note 8.

### 1.1 Basis of Preparation

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

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

For the purposes of preparing the financial statements, trust 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.

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, 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.

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

The trust provides services on behalf of event promoters under exclusive agency arrangements. The trust charges a fee for these services that is recognised as revenue. The trust does not control the revenue (net of fees charged) generated from promoter events and as such only recognises the changes in cash held in trust on behalf of promoters (refer to note 6.2) and the requisite amount payable to those promoters (refer to note 7.2) together with the net change in cash held in the Statement of Cash Flows as at 30 June.

### 1.2 Objectives and programs

The objectives of the trust are to:

- a) encourage and facilitate artistic, cultural and performing arts activities throughout the State;
- b) be responsible for the care, management, maintenance and improvement of the Adelaide Festival Centre and Her Majesty's Theatre and their facilities;
- c) provide expert advisory, consultative, managerial or support services to persons associated with artistic, cultural or performing arts activities; and
- d) promote the involvement of young people and their families and extend activities into the school sector.

### 1.3 Impact of COVID-19 pandemic

The COVID-19 pandemic required the closure of the trust's theatres under a public health directive on 19 March 2020. The theatres gradually began to reopen in October 2020 with various levels of occupancy allowed and not resuming to full occupancy until April 2021. There have been ongoing impacts to business due to covid and a high number of show and ticket cancellations. The impact of the COVID-19 restrictions was a loss of revenue offset by a reduction in expenses and resulting in an insurance claim for \$2.77m (\$4.7m) under the trust's business disruption insurance policy (refer to note 2.3).



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**1.4 Changes to the trust**

In July 2021, the trust entered into a contract with Ticketek for ticketing services to its theatres. This operation has traditionally been performed inhouse by the trust's BASS ticketing operation. 9 permanent staff accepted separation packages and 8 casual staff accepted positions with Ticketek. Refer to note 3.3 for details regarding separation payments.

The trust ceased its operation of the set build workshop as of 31 July 2021. A \$71,000 gain on the sale of workshop plant and equipment was recognised. Several employees accepted employment with the set building organisation that purchased the workshop assets. 5 staff accepted separation packages. Refer to note 3.3 for details regarding separation payments.

**2. Income**

The trust's income is derived principally from fees and charges for rental of its theatres, production recoveries for theatre staff, revenue from ticket sales and for ticketing services, sponsorship and income from bar sales and functions.

<b>2.1 SA Government grants, subsidies and transfers</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Operating base grant	25,881	15,496
HMT redevelopment funding	3,425	3,785
AFC redevelopment supplementation	1,420	1,385
Other SA Government revenue	129	352
<b>Total SA Government grants, subsidies and transfers</b>	<b>30,855</b>	<b>21,018</b>

Revenue from the SA Government is received in the form of grants. The operating base and redevelopment funding are granted through a memorandum of administrative arrangement between the Department of the Premier and Cabinet and the trust. Other SA Government revenue is received through individual grant agreements with various SA Government agencies. Where money is appropriated in the form of an equity contribution, the Treasurer has acquired a financial interest in the net assets of the trust and the appropriation is recorded as contributed equity.

The trust recognises any festival/event specific revenue in the period the festival/event occurs and when the relating performance obligations are satisfied. All other grant revenue is recognised on receipt.

<b>2.2 Sales of goods and services</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Theatre services	6,852	6,127
Ticketing	1,567	2,409
Box office	1,557	2,001
Sponsorship	332	520
Catering and functions	1,545	967
<b>Total sales of goods and services</b>	<b>11,853</b>	<b>12,024</b>

The trust recognises income from the sales of goods and services in the period the goods or service have been provided. The majority of sales for goods and services are derived under contract.

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### 2.3 Other income

	2022	2021
	\$'000	\$'000
Insurance recoveries	2,773	4,747
Donations	1,249	814
Fundraising income	-	98
Grants - Non SA Government	365	54
Sub lease rent	91	173
Interest	15	39
Sundry income	430	392
<b>Total other income</b>	<b>4,923</b>	<b>6,317</b>

Insurance recoveries relates to a claim for business interruption due to the closure of the theatres in response to a State Government directive relating to the COVID-19 pandemic. Insurance recoveries are recognised when a claim has been approved by SAICORP.

Fundraising income relate to activities undertaken by the foundation. Funds raised through raffles and events are used to support the redevelopment of Her Majesty's theatre and to make the performing arts more accessible for the public of South Australia.

Cash donations to support the redevelopment of Her Majesty's Theatre, children's and education programs, prizes and internships are received from the public through the foundation. Fundraising income and donations are recognised on receipt.

Sub lease rent relates to income received from rental of retail spaces in the Adelaide Festival Centre to external parties. Rebates for lease rental were extended due to COVID-19 trading restrictions impacting on leasees ability to trade. Rent is recognised in advance.

## 3. Boards, committees, and employees

### 3.1 Key management personnel

Key management personnel of the trust include the trustees, the Chief Executive Officer/Artistic Director and the three members of the Executive Team.

Total compensation for the trust's key management personnel was \$1.15m (\$1.3m).

#### *Transactions with key management personnel and other related parties*

Related parties of the trust include all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government. The Trust leases storage warehouse space from a related party of a KMP member for \$212,000 per annum.

As a part of the duties of office, from time to time, trustees receive complimentary tickets to shows and events conducted by or through the trust. These benefits serve to involve the trustees in the product and business that is being managed and/or involve the execution of office in liaison with external parties.

### 3.2 Boards and committees

Trustees during the 2022 financial year were:

The Honourable Hieu Van Le AC (Chair) (appointed January 2022)  
Ms Jacqui McGill AO (Deputy Chair)  
Ms Julia Knight  
Mr Mitchell Butel\*  
Ms Maggie Zhou

The Right Hon Sandra Verschoor  
Mr Steven Woolhouse\*  
Mr Bruce Carter (appointed January 2022)  
Mr Anthony Smith (retired August 2021)  
Mr James Hazel (retired January 2022)

\* In accordance with Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for board/committee duties during the financial year.

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

#### *Board and committee remuneration*

	2022	2021
\$0 - \$19,999	10	10
<b>Total number of members</b>	<b>10</b>	<b>10</b>

The total remuneration received or receivable by members was \$20,000 (\$28,000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

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**3.3 Employee benefits expenses**

	2022	2021
	\$'000	\$'000
Salaries and wages	12,402	12,304
Targeted voluntary separation packages	1,032	-
Long service leave	(269)	(394)
Annual Leave	669	856
Employment on-costs - superannuation	1,272	1,194
Employment on-costs - other	1,309	1,107
Board fees	19	20
Other employee related expenses	423	166
<b>Total employee benefits expenses</b>	<b>16,857</b>	<b>15,253</b>

**Employment on-costs - superannuation**

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

**(a) Employee remuneration**

	2022	2021
	Number	Number
The number of staff whose remuneration received or receivable falls within the following bands:		
\$157,001 to \$177,000	2	-
\$207,001 to \$227,000	1	2
\$287,001 to \$307,000	1	1
\$427,001 to \$447,000	1	-
\$547,001 to \$567,000	-	1
<b>Total</b>	<b>5</b>	<b>4</b>

	2022	2021
	Number	Number
<b>(b) Performance bonus remuneration of staff (included in table (a) above)</b>		
The number of staff who received performance bonus remuneration		
\$107,001 to \$127,000 *	-	1
<b>Total</b>	<b>-</b>	<b>1</b>

\*Includes payout of cumulative long term bonus due to end of contract.

Table (a) includes all employees whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits as well as any termination benefits for employees who have left the trust. Total remuneration received for the year, included in table (a) was \$1.29m (\$1.27m).

**Targeted voluntary separation packages (TVSPs) and Redundancy payments**

The number of employees who received a TVSP and Redundancy payments during the reporting period was 14 (Nil).

	2022	2021
	\$'000	\$'000
Amount paid to separated employees:		
TVSPs and Redundancy payments	678	-
Leave paid to separated employees	354	-
<b>Net cost to the trust</b>	<b>1,032</b>	<b>-</b>

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**3.4 Employee Benefits Liability**

	2022 \$'000	2021 \$'000
<b>Current</b>		
Annual leave	914	1,056
Long service leave	326	89
Accrued salaries and wages	325	222
Skills and experience retention leave	78	81
<b>Total current employee benefits</b>	<b>1,643</b>	<b>1,448</b>
<b>Non-current</b>		
Long service leave	1,716	2,518
<b>Total non-current employee benefits</b>	<b>1,716</b>	<b>2,518</b>
<b>Total employee benefits</b>	<b>3,359</b>	<b>3,966</b>

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

***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 is then applied to the trust's employee details. Key assumptions include whether the characteristics of employee remuneration, terms of service with the public sector, and expectations as to when employees take long service leave, as established by the actuary, are applicable to employees of the trust. These assumptions affect both the expected amount to be paid that has been factored into the calculation of the liability. The discount rate used in measuring the liability is another key assumption. The discount rate is reflective of long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has increased from 2021 (1.25%) to 2022 (3.50%).

This increase in the bond yield results in a \$333,000 decrease in the reported long service leave liability.

The trust classifies a portion of long service leave as current, based on the past 12-months history of settlements.

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**4. Expenses**

Employee benefits expenses are disclosed in note 3.3.

**4.1 Supplies and services**

	2022 \$'000	2021 \$'000
Accommodation	4,412	4,072
Artistic production	5,933	2,684
Advertising and marketing	1,054	697
Supplies	1,520	1,563
Communications and IT	1,812	1,489
Professional expenses	1,392	1,471
Repairs and maintenance	418	209
Travel and entertainment	133	206
Sponsorship	40	38
Bank and credit charges	33	130
<b>Total supplies and services</b>	<b>16,747</b>	<b>12,559</b>

Accommodation costs are principally made up of the costs of utilities, cleaning and maintenance and repairs.

Advertising and marketing and Artistic production expenses relate to the costs involved in the direct provision of performances, festivals and other artistic offerings presented by the trust.

Supplies include cost of goods sold, including food and beverages sold at functions and through the bars.

Audit fees paid/payable to the Auditor-General's Department relating to work performed under the Public Finance and Audit Act 1987 were \$72,000 (\$76,000). No other services were provided by the Auditor-General's Department.

**Consultants**

The number of consultancies and the dollar amount paid/payable (included in supplies and services expense) to consultants that fell within the following bands:

	2022 No.	2022 \$'000	2021 No.	2021 \$'000
Below \$10,000	2	4	1	9
\$10,000 or above	1	24	-	-
<b>Total</b>	<b>3</b>	<b>28</b>	<b>1</b>	<b>9</b>

**4.2 Borrowing Costs**

	2022 \$'000	2021 \$'000
Interest paid/payable on financial liabilities measured at amortised cost	789	815
Interest expense on lease liabilities	2,828	2,911
<b>Total borrowing costs</b>	<b>3,617</b>	<b>3,726</b>

The trust does not capitalise borrowing costs.

**4.3 Other expenses**

	2022 \$'000	2021 \$'000
Net loss from disposal of property plant and equipment	316	-
Donated assets	-	295
Other	619	526
<b>Total other expenses</b>	<b>935</b>	<b>821</b>

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**5. Non-financial assets**

**5.1 Property, plant and equipment by asset class**

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

	2022 \$'000	2021 \$'000
<b>Land and buildings</b>		
Land at cost	3,240	3,240
Buildings at cost	64,434	62,778
Accumulated depreciation at the end of the period	(1,580)	(776)
<b>Total land and buildings</b>	<b>66,094</b>	<b>65,242</b>
<b>Capital works in progress</b>		
Capital works in progress at cost	-	672
<b>Leasehold improvements</b>		
Leasehold improvements at cost	90	90
Accumulated depreciation at the end of the period	(18)	(9)
<b>Total leasehold improvements</b>	<b>72</b>	<b>81</b>
<b>Plant and equipment</b>		
Plant and equipment at fair value	3,149	3,050
Accumulated depreciation at the end of the period	(910)	(376)
Plant and equipment at cost	2,770	2,770
Accumulated depreciation at the end of the period	(247)	(247)
<b>Total plant and equipment</b>	<b>4,762</b>	<b>5,197</b>
<b>Right-of-use assets</b>		
Right-of-use assets at cost	91,892	92,034
Accumulated depreciation at the end of the period	(14,455)	(10,202)
<b>Total right-of-use assets</b>	<b>77,437</b>	<b>81,832</b>
<b>Furniture and fittings</b>		
Furniture and fittings at fair value	164	164
Accumulated depreciation at the end of the period	(57)	(18)
Furniture and fittings at cost	331	331
Accumulated depreciation at the end of the period	(22)	(22)
<b>Total furniture and fittings</b>	<b>416</b>	<b>455</b>
<b>Total property, plant and equipment</b>	<b>148,781</b>	<b>153,479</b>

**5.2 Useful life and depreciation**

Depreciation is calculated on a straight-line basis. Property, plant and equipment depreciation is calculated over the estimated useful life as follows:

Class of asset	Useful life (years)
Buildings	80
Leasehold improvements	5-15
Plant and equipment	5-25
Furniture and fittings	15

The useful lives of right-of-use assets is the lease term.

The trust holds works of art and land on which depreciation is not applied because these items are considered to have an indeterminable useful life.

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### 5.3 Property, plant and equipment owned by the trust

Property, plant and equipment with a value equal to or in excess of \$15,000 is capitalised, otherwise it is expensed. Owned property, plant and equipment is subsequently measured at fair value. At least every 6 years, AFCT re-values its non-current assets via a Certified Practising Valuer or internal estimates based on indices or recent transactions. However, if at any time, management considers 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. 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. No revaluations were undertaken in the 2021-22 financial year.

#### *Land and buildings*

Land is measured at cost and is deemed to be fair value. The land and buildings relate to Her Majesty's theatre.

#### *Plant and equipment*

An independent valuation of plant and equipment was carried out at 30 June 2020 by using the market approach under AASB 13 and also considering the 'highest and best use' of each item. The market approach requires the valuer to observe the market for similar or identical assets to reach an opinion of value.

#### *Impairment*

Property, plant and equipment have been assessed for impairment as part of the stocktake process. There was no indication of impairment.

#### *Reconciliation 2021-22*

	Land & Buildings	Capital works in progress	Plant and equipment	Furniture and fittings	Right-of-use buildings	Leasehold improvements	Total
	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000
Carrying amount at 1 July 2021	65,242	672	5,197	455	81,833	81	153,480
Acquisitions	-	1,449	118	-	603	-	2,170
Depreciation	(804)	-	(672)	(39)	(4,999)	(9)	(6,523)
Disposals	-	(8)	(338)	-	-	-	(346)
Transfers between asset classes	1,656	(2,113)	457	-	-	-	-
Carrying amount at 30 June 2022	66,094	-	4,762	416	77,437	72	148,781

### 5.4 Property, plant and equipment leased by the trust

Right-of-use assets for property, plant and equipment leased by the trust 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 trust has the following leases:

- 4 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60,000 km) up to 5 years (100,000 km). No variable lease payments are provided for in the lease agreements and no options exist to renew the leases at the end of their term.

- Lease of the Adelaide Festival Centre complex encompassing the Festival, Dunstan Playhouse and Space theatres, banquet room, function spaces and bars. The lessor is Minister for the Arts and the term of the lease is 20 years concluding 30 June 2028 with a right of renewal for a further 10 years to 30 June 2038. Rental is indexed annually at 2.5% and the rent for 2021-22 was \$5.52m (\$5.38m). Refer to Note 9.3 for details on future transfer of this asset to the Trust.

- 1 commercial lease with a private landlord for a storage facility at Kilburn with a term of 5 years (expiring 31 January 2027 with a right of renewal for two further 2 year terms on 1 February 2027 and 1 February 2029 respectively) and annual lease payment of \$211,000. The Regency Park lease was terminated on 31 July 2021 when operations of the set building workshop ceased.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. Expenses related to leases, including interest expenses, are disclosed in note 4.

#### *Impairment*

Property, plant and equipment leased by the trust has been assessed for impairment. There was no indication of impairment.

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**5.5 Works of art**

	2022	2021
	\$'000	\$'000
Works of art at fair value	9,590	9,589
<b>Total works of art</b>	<b>9,590</b>	<b>9,589</b>

*Reconciliation 2021-22*

	\$'000
Carrying amount at 1 July 2021	9,589
Acquisitions	2
Disposals	(1)
<b>Carrying amount at 30 June 2022</b>	<b>9,590</b>

**5.6 Intangible assets**

	2022	2021
	\$'000	\$'000
<b>Computer software</b>		
Purchased computer software	2,173	2,173
Accumulated amortisation	(2,110)	(1,955)
<b>Total computer software</b>	<b>63</b>	<b>218</b>

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$15 000.

*Reconciliation 2021-22*

	Purchased computer software
	\$'000
Carrying amount at 1 July 2021	218
Amortisation	(155)
<b>Carrying amount at 30 June 2022</b>	<b>63</b>

**5.7 Inventories**

	2022	2021
	\$'000	\$'000
Materials at cost	186	127
<b>Total inventories</b>	<b>186</b>	<b>127</b>

*Cost of inventories*

Inventories held for distribution at no or nominal consideration are measured at cost and adjusted when applicable for any loss of service potential. Inventories held for sale are measured at the lower of cost or their net realisable value.



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6. Financial assets

6.1 Categorisation of financial assets

	2022 Carrying amount \$'000	2021 Carrying amount \$'000
<b>Financial assets</b>		
<b>Cash and equivalents</b>		
Cash and cash equivalents	126,038	19,205
<b>Financial assets at amortised cost</b>		
Receivables	666	1,015
<b>Total financial assets</b>	<b>126,704</b>	<b>20,220</b>

6.2 Cash and cash equivalents

	2022 \$'000	2021 \$'000
Cash at bank and on hand	122,566	8,273
Cash held in trust for promoters	527	5,779
Cash held in donations from foundation	2,945	5,153
<b>Total cash and cash equivalents</b>	<b>126,038</b>	<b>19,205</b>

Cash at Bank includes a \$102 million equity contribution received in 2021-22 for transfer of the Adelaide Festival Centre asset expected to occur in 2022-23. At that time the lease with Department of Premier and Cabinet will be cancelled and the right of use asset and lease liability will be removed.

**Interest rate risk**

Cash on hand is non-interest bearing.

Cash at bank earns a floating interest rate, based on daily bank deposit rates.

The carrying amount of cash and cash equivalents represents fair value.

The trust operates a trust account where box office sales on behalf of promoters is held until the shows have been completed. As an incorporated association and deductible gift recipient, the foundation operates its own bank accounts. Cash is measured at nominal amounts and all bank deposits are interest bearing.

6.3 Receivables

	2022 \$'000	2021 \$'000
<b>Current</b>		
<b>Trade receivables</b>		
From government entities	29	542
From non-government entities	757	483
Less impairment loss on receivables	(120)	(10)
<b>Total trade receivables</b>	<b>666</b>	<b>1,015</b>
<b>Statutory receivables</b>		
GST input tax recoverable	234	221
<b>Total statutory receivables</b>	<b>234</b>	<b>221</b>
Prepayments	474	641
Accrued revenues	2	-
<b>Total current receivables</b>	<b>1,376</b>	<b>1,877</b>

Trade receivables arise in the normal course of selling goods and services to other government agencies and to the public. Trade receivables are generally settled within 20 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Statutory receivables do not arise from contracts with customers. The net amount of GST receivable from the ATO is included as part of receivables.

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

Impairment losses relate to contracts with customers external to SA Government. No impairment loss was recognised in relation to statutory receivables.

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**7. Liabilities**

Employee benefits liabilities are disclosed in note 3.4.

**7.1 Categorisation of financial liabilities**

	2022 Carrying amount \$'000	2021 Carrying amount \$'000
<b>Financial liabilities</b>		
<b>Financial liabilities at amortised cost</b>		
Payables	3,824	7,701
Borrowings from SA Government	61,598	61,598
Lease liabilities	84,324	86,659
<b>Total financial liabilities</b>	<b>149,746</b>	<b>155,958</b>

Payables as disclosed in this note does not include accrued expenses or statutory amounts as these are not financial instruments.

**7.2 Payables**

	2022 \$'000	2021 \$'000
<b>Current</b>		
Trade payables	157	57
Accrued expenses	3,395	3,042
Amounts payable to promoters	527	4,347
<b>Statutory payables</b>		
Employment on-costs	270	187
<b>Total current payables</b>	<b>4,349</b>	<b>7,633</b>
<b>Non-current</b>		
<b>Statutory payables</b>		
Employment on-costs	165	136
<b>Total non-current payables</b>	<b>165</b>	<b>136</b>
<b>Total payables</b>	<b>4,514</b>	<b>7,769</b>

Payables and accruals are raised for all amounts owing but unpaid. Trade payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Statutory payables do not arise from contracts.

The decrease in amounts payable to promoters is due to the outsourcing of ticketing services to Ticketek which now holds amounts payable to promoters and passes these on to the trust to organise payment to promoters. Payables result when there is a timing difference between receipt of monies from Ticketek and payment to the promoter.

**Employment on-costs**

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

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**7.3 Financial liabilities**

	2022 \$'000	2021 \$'000
<b>Current</b>		
Lease Liabilities	3,149	2,926
<b>Total current borrowings</b>	<b>3,149</b>	<b>2,926</b>
<b>Non-current</b>		
Borrowings from SA Government	61,598	61,598
Lease Liabilities	81,175	83,733
<b>Total non-current borrowings</b>	<b>142,773</b>	<b>145,331</b>
<b>Total borrowings</b>	<b>145,922</b>	<b>148,257</b>

The trust measures financial liabilities, including borrowings, at amortised cost.

Non current lease liabilities include the lease of Adelaide Festival Centre from the Minister for the Arts, refer to Note 5.4 and Note 9.3 for details on future transfer of this asset to the Trust.

***Borrowings***

In 2017-18 the trust entered into a funding agreement to finance the redevelopment of HMT. Funds are drawn down as required and the term of the agreement is 10 years. The interest rate is determined by the Treasurer and the rate was 1.15% in June 2022 (0.35% in 2021).

**7.4 Provisions**

	2022 \$'000	2021 \$'000
<b>Current</b>		
Provision for workers compensation	153	38
<b>Total current provisions</b>	<b>153</b>	<b>38</b>
<b>Non-current</b>		
Provision for workers compensation	475	87
<b>Total non-current current provisions</b>	<b>475</b>	<b>87</b>
<b>Total provisions</b>	<b>628</b>	<b>125</b>

***Movement in provisions***

	2022 \$'000
Carrying amount at the beginning of the period	125
Additional provisions recognised	507
Reductions arising from payments	(4)
<b>Carrying amount at the end of the period</b>	<b>628</b>

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2022 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

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

**7.5 Other liabilities**

	2022 \$'000	2021 \$'000
Venue hire deposits	1,219	638
Other deposits	-	8
Income in advance	3,215	1,308
Unclaimed monies	7	7
<b>Total other liabilities</b>	<b>4,441</b>	<b>1,961</b>

***Income in advance***

Income received for the programming, marketing and sponsorship of performances and deposits on functions, where the performance, function or event is being held after balance date.

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**8. Other disclosures**

**8.1 Equity**

In 2021-22, the trust received an equity contribution of \$102m to fund the purchase of the Adelaide Festival Centre complex which is currently leased by the trust. As at the date of these statements, the transfer had not been completed. Refer to the Statement of Changes in Equity for the equity contribution and note 9.3 for details of the asset purchase.

**8.2 Controlled Entity**

The consolidated financial statements at 30 June 2022 include the transactions of the Adelaide Festival Centre Foundation Incorporated.

Significant items in the financial report of the Foundation are:

	2022 \$'000	2021 \$'000
Revenue	1,793	1,056
Expenses	3,979	325
<b>Surplus (Loss)</b>	<b>(2,186)</b>	<b>731</b>
 Cash at bank	 <b>2,945</b>	 <b>5,153</b>

All gifts and money received by the Adelaide Festival Centre Foundation Incorporated (the foundation) are used to support artistic programs for children and youth, scholarships and regional programs.

**9. Outlook**

**9.1 Unrecognised commitments**

Commitments arising from contractual sources are disclosed at their nominal value.

*Expenditure commitments*

	2022 \$'000	2021 \$'000
Within one year	2,318	632
Later than one year but not longer than five years	335	128
<b>Total expenditure commitments</b>	<b>2,653</b>	<b>760</b>

The trust's expenditure commitments are for agreements for maintenance of computer systems, provision of artistic services and provision of festival related services.

**9.2 Expected rental income**

*Operating lease maturity analysis*

	2022 \$'000	2021 \$'000
<b>Commitments in relation to operating leases contracted for at the</b>		
Within one year	191	184
Later than one year but not longer than five years	833	805
Later than five years	226	446
<b>Total operating lease commitments receivable</b>	<b>1,250</b>	<b>1,435</b>

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. These amounts are not recognised as assets.

The trust has a 10 year agreement that commenced 1 January 2018 to sub-lease retail spaces in the Adelaide Festival Centre. The rent receivable is determined by the annual rent charge including any set levies, and subject to an annual rent increase of 2%.

Refer to note 5.4 for information about equipment the trust leases out under operating lease.

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### 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.

#### *Contingent Assets*

The transfer of property for the Adelaide Festival Centre located at King William Road Adelaide and comprising the Festival Theatre, Dunstan Playhouse and Space Theatre is in progress and contingent on the finalisation of the sales contract. As at 30 June 2022, the State Government had provided \$102m as an equity contribution, to fund the transfer of the property to the trust.

The insurance recoveries relating to business interruption, due to COVID-19 impact on theatre activity, for 2021-22 is outstanding. Insurance recoveries are recognised when approved by SAICORP.

#### *Contingent liabilities*

The trust is not aware of any contingent liabilities.

### 9.4 Events after the reporting period

There were no events between 30 June 2022 and the date the financial statements are authorised for issue where the events may have a material impact on the results of subsequent years.

