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**Government
of South Australia**

ADELAIDE FESTIVAL CORPORATION

2022-23 Annual Report

ADELAIDE FESTIVAL CORPORATION
Level 9, 33 King William Street, Adelaide SA 5000
www.adelaidefestival.com.au

Contact phone number: +61 (8) 8216 4444
Contact email: info@adelaidefestival.com.au
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To:

The Hon Andrea Michaels MP
Minister for Arts

This annual report will be presented to Parliament to meet the statutory reporting requirements of *Adelaide Festival Corporation Act 1998* 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 Corporation by:

Kath M Mainland CBE
Chief Executive

Date: 29 September 2023

Signature:



From the Chief Executive

The 2023 Adelaide Festival held from 3 – 19 March 2023 was abundant in exclusive events, standing ovations and critical acclaim. In the first full-strength international program in two years, Adelaide Festival welcomed 893 artists from 18 countries, bringing with them global voices, brave new visions and contemporary theatre classics.

A total audience of 239,280 attended all Adelaide Festival events, both ticketed and free (including WOMADelaide). The total number of tickets sold to Adelaide Festival performances was 83,312. Interstate audiences remained committed to their annual festival pilgrimage, snapping up 25% of ticket sales.

Free events were again a staple of the Adelaide Festival program and were well attended with more than 45,968 visitors taking advantage of concerts, exhibitions and installations. Free events at Adelaide Festival included: the opening concert, *Spinifex Gum*, featured the vocals of Marliya, the music of Felix Reibl and Ollie McGill, singer-songwriter Emma Donovan and the Adelaide Symphony Orchestra (ASO). The event opened with the debut performance of the Citizens' Orchestra, part of the *Floods of Fire* project initiated by the ASO under Artistic Director Airan Berg. Over 4,000 people attended the concert in Elder Park.

In the Adelaide Hills, *Lost Dogs' Disco* by Australian collective ENESS enchanted 10,859 humans and 643 dogs, celebrating the role of dogs in our lives. The installation lit up Keith Stephenson Park in Mount Barker over six days.

Unvanished, an artistic collaboration between Barkindji artist Kent Morris, Studio John Fish and sound designer James Henry, took up residence on the Festival Plaza. Over two weeks 2,675 people visited and interacted with the popular installation.

A River That Flows Both Ways, an exhibition including selected works from Rivus, the 23rd Biennale of Sydney, was held at Adelaide Contemporary Experimental (ACE) until 18 March. Curated by Jose Roca, it featured the work of Imhathai Suwattthanaslip, Aluaiy Kaumakun, Yoko Mohri and Sopolemalama Filipe Tohi.

Two exhibitions from Samstag Museum of Art, James Newitt's *Haven* and Emily Wardill's *Night For Day*, attracted over 2,500 people to the Adelaide Railway Station.

Biotic Commune by textile artist Kasia Tons explored the symbiotic relationship between plants and humans. More than 5,829 people attended the exhibition at the Santos Museum of Economic Botany, which was open until 30 July.

Breakfast with Papers at The Star: Kitchen and Bar attracted an audience of 2,878 people.

Supported by the Lang Foundation and individual philanthropists, the Adelaide Festival schools program was designed to introduce children and young people to the arts. A total of 5,114 tickets were sold to 75 different schools across Adelaide as well as three interstate schools. The most popular shows were *Hans & Gret*, *Strange Case of Dr Jekyll and Mr Hyde* and *Air Play*.

Create4Adelaide (C4A), a new initiative in 2023, was launched at the beginning of the Festival. This year long project, supported by Foodland and The Advertiser, gives young people the opportunity to voice their concerns about climate change in South Australia and propose solutions through their own artworks as part of a major, environmental project which will culminate with an exhibition in the 2024 Festival. Artwork can take any form – from drawing, painting or photography, to written, musical or filmed pieces. C4A is working with creative partners including the Commissioner for Children & Young People, AGSA, Children’s University Adelaide, Botanic Gardens of South Australia, SALA Festival, University of Adelaide – Environment Institute, Carclew Youth Arts, Patch Theatre, Country Arts SA and Slingsby.

Thanks to the Tix For Next To Nix program, 11 Category 1-4 schools accessed 324 tickets to shows that were subsidised by The Balnaves Foundation. Through SA Power Network funding, 150 students from three schools experienced school performances of *The River That Ran Uphill* by Slingsby, as well as workshops with artists from Slingsby’s Flying Squad. The Festival Connect program, thanks to the philanthropic support of James and Diana Ramsay Foundation and our Festival Connect donors, ensured students from 11 Category 1-4 schools were provided with transport to and from the theatre, including three regional schools.

Through the generosity of The Balnaves Foundation, over 2,800 tickets were made available through the Pay What You Can and Tix For Next To Nix programs which gives those at an economic disadvantage the opportunity to attend Adelaide Festival flagship productions.

In her first as Director, Louise Adler well and truly put Adelaide Writers’ Week on the map. Running from 4 to 9 March with the theme Truth Be Told, the 38th Adelaide Writers’ Week drew a crowd of 17,000 from across South Australia and interstate to the Pioneer Women’s Memorial Garden. Over six days, 158 writers and authors gathered from around the world for 130 sessions, both live and virtual. Writers’ Week was live streamed into 92 libraries, schools, retirement villages and nursing homes.

The highest selling book for the week was *We Don’t Know Ourselves – A Personal History of Ireland Since 1958* by Fintan O’Toole, closely followed by *Trespasses* by Louise Kennedy, and *Colditz: Prisoners of the Castle* by Ben Macintyre.

SOLD OUT SHOWS

Messa da Requiem (Switzerland and Australia)
A Little Life (The Netherlands)
Ngapa William Cooper (Australia)
The Sheep Song (Belgium)
Hans & Gret (South Australia)
Hear My Eyes: Pan's Labyrinth x Sleep D (Australia)
Cédric Tiberghien (France)

HIGHEST SELLING SHOWS:

Messa da Requiem (Switzerland and Australia)
Strange Case of Dr Jekyll and My Hyde (Australia)
Lorde with MUNA and Stellie (New Zealand)
A Little Life (The Netherlands)
Air Play (USA)



Kath M Mainland CBE

Chief Executive

Adelaide Festival Corporation

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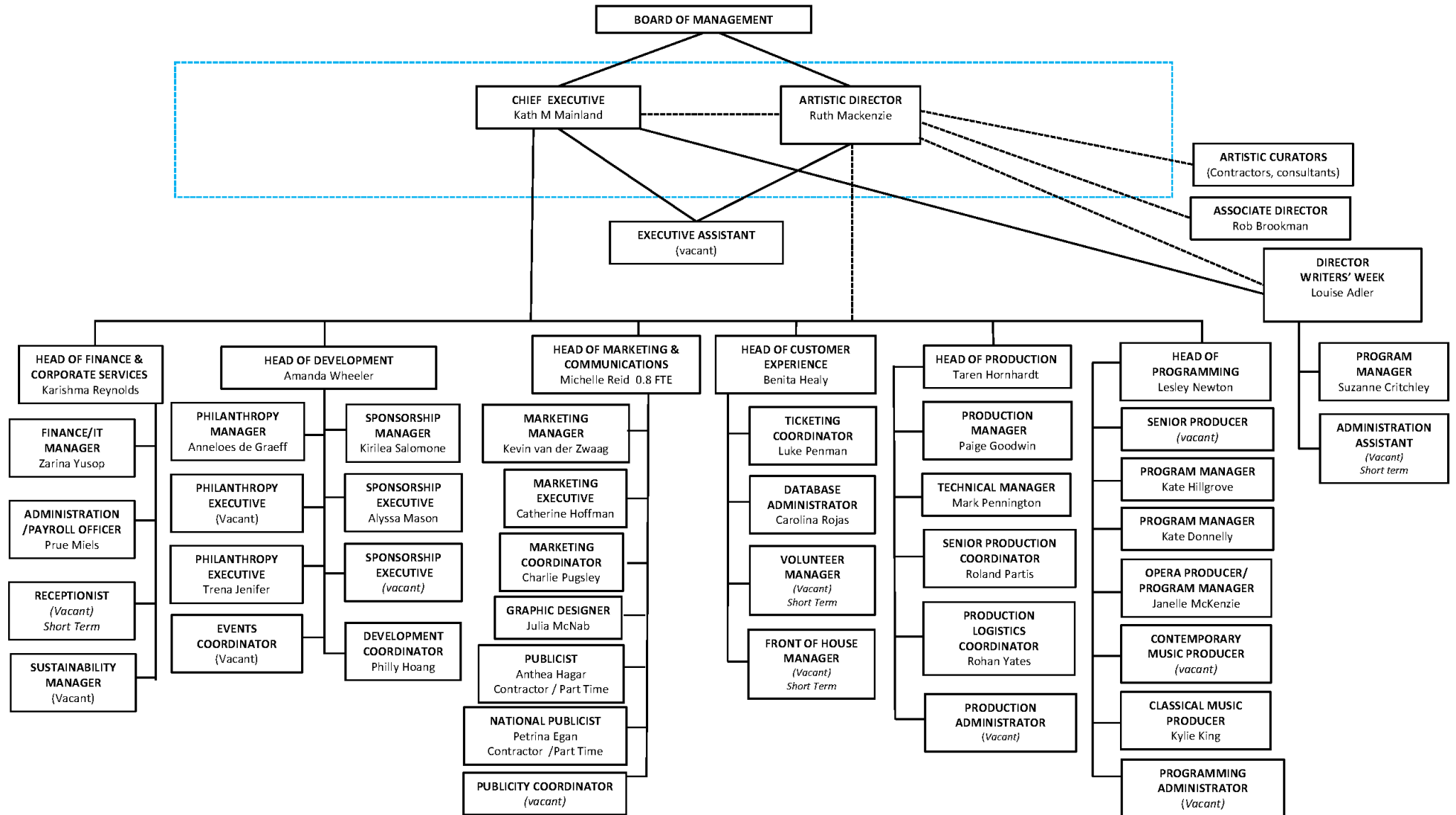
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Overview: about the agency

Our strategic focus

<p>Our Purpose</p>	<p>The Adelaide Festival, established in 1960, is recognised as one of the world’s most prestigious large-scale, multi-arts festivals.</p> <p>Its aim is to create and present an annual festival program that connects the works of local, national and international artists with audiences, stimulates community engagement and celebrates the transformative power of the arts.</p>
<p>Our Vision</p>	<p>To be one of the world’s most celebrated arts festivals, pursuing new creative horizons, enthralling audiences, and placing Adelaide at the centre of Australia’s cultural life.</p>
<p>Our Values</p>	<p>Originality, excellence and dramatic ingenuity We value creative ambition, virtuosity, and the ability of artists to innovate.</p> <p>Relevance, rigour and connection to community Our festival seeks to reflect our society through the arts. We fearlessly engage with big ideas and broker connections between artists and the communities we serve.</p> <p>Legacy Adelaide Festival experiences will resonate for a lifetime. They will affect the way our culture grows.</p> <p>Leadership, integrity and collaboration Our business practices are based on trust, respect and collaboration with our stakeholders; our organisation reflects the rich diversity of our country, and the primacy of its First Nations people.</p> <p>Sustainable Our actions demonstrate our commitment to social, environmental and economic sustainability.</p>
<p>Our functions, objectives and deliverables (GOALS)</p>	<p>1. Artistic Inspiration To present a multi-arts program that speaks to our times and offers audiences the transformative power of the arts.</p> <p>2. Adelaide Experience To have a transformative cultural impact on our city.</p> <p>3. National Market and Cultural Tourism To attract artists and audiences from across Australia and around the world.</p> <p>4. Audience Growth, Accessibility and Diversity To attract and inspire a growing and more diverse audience.</p> <p>5. Adelaide Festival (Organisation) To invest in the capabilities of the organisation to ensure it is fit for the future.</p>

Our organisational structure



Changes to the agency

During 2022/23 there were the following changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes:

- Ruth Mackenzie was appointed as Artistic Director for the 2024-2026 festivals, commencing in November 2022.
- Wouter van Ransbeek was appointed as Associate Director for the 2024-2026 festivals, commencing in November 2022.

Our Minister (s)

The Hon Andrea Michaels MP is the Minister for Arts.

Our Board

Name	Position	Term date
Judith Potter	Chair	24 May 2015 – 23 May 2016 24 May 2016 – 23 May 2019 24 May 2019 – 22 Apr 2022 28 Aug 2022 – 30 Aug 2023
Mark Roderick	Deputy Chair	28 Apr 2016 – 27 Apr 2019 28 Apr 2019 – 27 Apr 2022 28 Aug 2022 – 30 Jun 2023
Alison Beare	Board member	5 Dec 2019 – 4 Dec 2022 5 Dec 2022 – 4 Dec 2025
Anthony Berg AM	Board member	18 Aug 2022 – 17 Aug 2025
The Hon Amanda Vanstone AO	Board member	28 Jul 2016 – 27 Jul 2019 1 Aug 2019 – 31 Jul 2022 18 Aug 2022 – 27 Jul 2025
The Rt Hon Sandy Verschoor	Board member	14 Mar 2019 – 13 Mar 2022 14 Jul 22 – 18 Nov 2022
David Knox	Board member	30 May 2016 – 29 May 2019 24 Jun 2019 – 24 Apr 2022 28 Apr 2022 – 27 Aug 2022
Allan James Whalley	Board member	2 Jul 2015 – 24 Jun 2019 25 Jun 2019 – 27 Apr 2022 28 April 2022 – 27 Aug 2022
Brenton Cox	Board member	1 Dec 2022 – 30 Nov 2025
Mary Couros	Board member	2 Feb 2023 – 1 Feb 2026

Our Executive team

- **Kath M Mainland CBE** – Chief Executive, responsible for managing the Corporation.
- **Ruth Mackenzie CBE** – Artistic Director, responsible for curating and developing the annual Festival Program

Legislation administered by the agency

Adelaide Festival Corporation Act 1998

The agency's performance

Performance at a glance

The full 17-day Festival which ran from 3 – 19 March generated \$57.6 million gross expenditure for South Australia, compared to \$51.8 million in 2022.

Adelaide Festival's impact on South Australia's Gross State Product saw a 44% increase on 2022 figures, bringing an estimated \$38.1 million in newly created income for the State. Visitor bed nights increased to 105,943 (up from 103,335 in 2022), with an average spend per visitor in South Australia of \$4,676 (up 47% from \$3,168 in 2022) and created the equivalent of 324 full-time jobs (up from 250 in 2022).

The Festival's opening week of exclusive, Adelaide-only events attracted large audiences with 40% travelling to Adelaide from interstate and overseas.

The Festival continued to engage strongly with young audiences through the youth and education program in 2023, with 5,114 tickets sold to 75 schools from South Australia and interstate, and the new year-long artistic program, Create4Adelaide. Adelaide Festival launched the Create4Adelaide Open Call with the SALA Festival, inviting all young South Australians to submit their artwork by using #C4A on social media or on the Create4Adelaide website.

The 2023 Festival saw a marked increase in First Nations work. This included Marrugeku, who have been working towards an Adelaide Festival appearance since their inception 25 years ago and their early work with Peter Sellars. Marrugeku finally came to Adelaide Festival after considerable success in European festivals last summer, including the Venice Biennale, Berlin and Hamburg.

The Festival was also part of the Confederation of Australian International Arts Festivals (CAIAF), co-commissioning Daniel Riley's *Tracker*, and also shared UKARIA's commission of Lior, Nigel Westlake and Lou Bennett with *Ngapa William Cooper* both at UKARIA and at the Town Hall; the return of William Barton and Veronique Serret with *Heartland*; the South Australian premiere of Kent Morris, Studio John Fish and James Henry's augmented reality free sculpture *Unvanished*; an impressive line-up of First Nation rappers at Hindley Music Hall; sessions featuring First Nation writers at Writers' Week and the Marilya Girls Choir returning to Adelaide with *Spinifex Gum* with the ASO as the free opening event.

There was a total of eight board sessional meetings held in 2022-2023.

Date	Attendance
18 August 2022	5 members
28 September 2022	6 members
3 November 2022	5 members
7 December 2022	5 members
16 February 2023	7 members
3 April 2023	6 members
11 May 2023	7 members
29 June 2023	6 members

Agency contribution to whole of Government objectives

Agency's contribution

The Festival had a core staff of 33 for the 2022-23 financial year. For the six months leading up to the 2022 Festival a further 288 staff were added (in addition to artists employed for the Festival). During the festival period, over 316 staff and artists are directly employed. The Economic Impact Study commissioned by the Festival shows that the Festival created the equivalent of 324 full time jobs.

The Festival has a rigorous procurement system with monthly forecast of expenditure across all department and regular reporting to the Audit and Risk Committee. The purchase order system allows managers of budgets to monitor actual spend against budget prior to approval.

The Festival continued several initiatives to ensure more South Australians had access to festival events, including livestreamed events to regional South Australia (including Adelaide Writers' Week, libraries, nursing homes and schools).

Program information was made freely available and delivered to ticket buyers via digital daybills.

The Festival continued to engage strongly with young audiences through the youth and education program in 2023, with 5,114 tickets sold to 75 schools from South Australia and interstate, and new year-long artistic program Create4Adelaide.

The Festival continued its status as the only Australian major international multi-arts festival to be certified carbon neutral and encourages all artists and audiences to reduce their carbon footprint.

Agency specific objectives and performance objectives	Indicators	Performance
<p>To present a multi-arts program that speaks to our times and offers audiences the transformative power of the arts</p>	<p>Multi-arts performances and events that speak to contemporary issues</p> <p>Maintain commitment to programming major centrepiece events, and works of varying scale including large scale free events</p> <p>Collaborate with international and national partners</p> <p>Ensure local creativity and participation</p> <p>Commission and present First Nation arts and artists</p>	<p>In 2023, the Adelaide Festival presented:</p> <ul style="list-style-type: none"> • 52 events including 12 free events • 282 performances • 11 world premieres • 8 Australian premieres • 17 events exclusive to Adelaide • 893 artists from 18 countries • Major centrepiece events in opera, theatre and classical music, including <i>Messa da Requiem</i>, <i>Strange Case of Dr Jekyll and Mr Hyde</i>, <i>A Little Life</i>, <i>Kronos Five Decades</i> • Multi-arts events of scale, including opening event <i>Spinifex Gum</i> with Adelaide Symphony Orchestra, <i>Andy Warhol & Photography: A Social Media</i>, <i>Lost Dogs' Disco</i>, <i>Fantastical Journeys</i> and <i>Lorde</i>, presented at the Village Green, Adelaide Oval • International and national partners included: Adelaide Chamber Singers, Adelaide Contemporary Experimental, Adelaide Festival Centre, Adelaide Symphony Orchestra, Art Gallery of South Australia, Australian Dance Theatre, Botanic Gardens and State

		<p>Herbarium of South Australia, Carrick Hill, Musica Viva Australia, Release Creative, Samstag Museum of Art, Sandpit, Slingsby, State Opera South Australia, The Mill, UKARIA Cultural Centre, Windmill Theatre Company, WOMADelaide Foundation.</p> <ul style="list-style-type: none"> • South Australian artists and companies in 2023 included Windmill Theatre Company and Sandpit, Australian Dance Theatre, Slingsby, Bruce Nuske, Khai Liew, Catherine Truman, Adelaide Chamber Singers, Kasia Tons, Adelaide Symphony Orchestra. • First Nations artists featured in <i>Ngapa William Cooper</i>, <i>Heartland</i>, <i>Jurrungu Ngan-ga [Straight Talk]</i>, <i>Spinifex Gum</i>, <i>Tracker</i>, <i>Allday</i> with BARKAA and Kobie Dee, <i>wurukur djuanduk balag—Ancestors Are Calling</i>, <i>Unvanished</i>,
<p>To have a transformative cultural impact on our city</p>	<p>Program across a diversity of locations including non-traditional spaces</p> <p>Outdoor spaces activated</p>	<p>Festival events across 24 Adelaide locations including Adelaide Festival Centre, Her Majesty’s Theatre, Queen’s Theatre, UKARIA Cultural Centre.</p>
<p>To attract artists and audiences from across Australia and around the world</p>	<p>Maintain exclusivity of core high-profile events, including opera</p>	<p>17 events exclusive to Adelaide</p> <p>Visitor bed nights increased to 105,943 (up from 103,335 in 2022), with an average</p>

	<p>Adelaide seen as focal point for tourists in March</p> <p>Position the Festival as a key contributor to Adelaide’s status as a UNESCO City of Music</p>	<p>spend per visitor in South Australia of \$4,676 (up 47% from \$3,168 in 2022)</p> <p>Music across all genres featured in the 2023 Festival, including <i>Spinifex Gum</i>, <i>Escolania de Montserrat</i>, <i>Kronos Five Decades</i>, <i>Lorde with MUNA and Stellie</i>, <i>Heartland</i>, <i>Ngapa William Cooper</i>, <i>Cédric Tiberghien</i>, <i>The Cage Project</i>, <i>Camp Cope</i>, <i>Allday</i>, <i>Poème</i> Julia Jacklin and Yann Tiersen.</p>
<p>To attract and inspire a growing and more diverse audience</p>	<p>Engage audiences across age groups, demographics and diverse cultures</p> <p>Develop new pilot programs that identify and remove barriers to participation</p> <p>Develop and grow youth and education programs</p>	<p>The Festival continued to engage strongly with young audiences through the youth and education program in 2023, with 5,114 tickets sold to 75 schools from South Australia and interstate, and new year-long artistic program Create4Adelaide.</p> <p>Pay What You Can and Tix For Next To Nix tickets were available for low income earners and socio-economically disadvantaged schools respectively.</p>
<p>To invest in the capabilities of the organisation to ensure it is fit for the future</p>	<p>Embed effective management and governance</p> <p>Cultivate a positive and proactive team culture supported by efficient systems</p> <p>Develop Sustainability Program</p>	<p>2023 Adelaide Festival achieved a solid financial result in the midst of a difficult economic environment.</p> <p>Maintained Adelaide Festival carbon neutral certification, and presented <i>Climate Crisis & the Arts</i></p>

Corporate performance summary

In 2023, the Festival achieved a total box office income of \$5.4 million. Festival events attracted 228,737 attendances (including Festival Shows, and unticketed events such as Adelaide Writers Week). The program provided opportunities for 863 artists.

The 2023 Festival Program exceeded the targeted box office as attendances for some shows were increased to full capacity. The level of funding from the South Australian Government decreased slightly in 2022/23 but the South Australian Government’s overall contribution to the Festival Program was 43.5% (2021/22: 49.2%) of total income.

Employment opportunity programs

Program name	Performance
Adelaide University internships	Two interns working across Business Development activity
AC Arts (TAFE)	1 x secondment as a Production Coordinator (4 weeks)
NIDA secondments	1 x secondment for the Opera (6 weeks)

Agency performance management and development systems

Performance management and development system	Performance
Six-Monthly Review	FTE staff undertake reviews every six months and regular informal and formal feedback.
Post-performance review training plans	Through the review process all staff can discuss future training prospects and access to job improvement programs.

Work health, safety and return to work programs

Program name	Performance
DPC Connect	All staff are inducted with workplace WH&S and government requirements.
First Aid	There are three First Aiders in the organisation, as well as one Floor Manager and two Fire Wardens. The organisation currently has three Mental Health First Aiders.
DPC Committee	The Head of Corporate Services is a member of the DPC WHS Committee Arts Sector, looking at exposure to risks from an arts industry perspective to identify and document risks that Government would not normally be exposed to.

Workplace injury claims	Current Year 2022-23	Past year 2021-22	% Change (+ / -)
Total new workplace injury claims	2 Minor	5 Minor	-60%
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)	0	0	0%

**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 2022-23	Past year 2021-22	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	0	0	0%
Number of provisional improvement, 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 2022-23	Past year 2021-22	% Change (+ / -)
Total gross workers compensation expenditure (\$)	0	0	0%
Income support payments – gross (\$)	0	0	0%

***before third party recovery*

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/adelaide-festival-corporation>

Executive employment in the agency

Executive classification	Number of executives
Non-Public Service executives	1
Heads of Departments	7

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/adelaide-festival-corporation>

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 following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2022-23 are attached to this report.

Statement of Comprehensive Income	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	2021-22 Actual \$000s
Total Income	20,588	20,179	(409)	18,428
Total Expenses	20,588	20,147	441	19,173
Net Result	0	32	32	(745)
Total Comprehensive Result	0	32	32	(745)

Statement of Financial Position	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	2021-22 Actual \$000s
Current assets	2,470	2,259	(211)	2,486
Non-current assets	641	899	258	204
Total assets	3,111	3,158	47	2,690
Current liabilities	1,089	929	160	1,105
Non-current liabilities	108	791	(683)	179
Total liabilities	1,197	1,720	(523)	1,284
Net assets	1,914	1,438	(476)	1,406
Equity	1,914	1,438	(476)	1,406

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 – Total of \$22,600

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

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/adelaide-festival-corporation>

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 – Total of \$10,320

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

Contractors	Purpose	\$ Actual payment
Anthea Hagar	Publicity (SA)	\$11,310
Petrina Egan	Publicity (National)	\$8,600
Paul McCarthy	Risk management	\$23,000
Mark Pennington (Model Box Designs)	Technical Manager	\$75,490
Release Creative for Liz Gogler Services	Programming management	\$99,000
Ruth Mackenzie	Artistic Director (part year)	\$82,842
Rob Brookman (Sweet Reason)	Associate Director	\$123,265
Dillons	AWW Book Tent Managers	\$50,000
Adelaide Festival Centre	Bar / Front of House Management	\$1,004,735
Town Hall	Front of House	\$12,349
	Total	\$1,490,591

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/adelaide-festival-corporation>

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

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

Risk management

Risk and audit at a glance

The Audit and Risk Committee met six times in the financial year. The Committee is satisfied that all reporting and statutory requirements of the Festival have been met.

Fraud detected in the agency

Category/nature of fraud	Number of instances
None detected	0

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

Strategies implemented to control and prevent fraud

The Fraud and Corruption Policy has been in place since the Board reviewed and adopted it in June 2021. The Adelaide Festival Corporation has in place internal control procedures to minimise the risk of fraud, corruption and other criminal conduct, misconduct and maladministration. The objectives of this policy are to:

- demonstrate that the Adelaide Festival Corporation has a zero tolerance to fraud and corruption;
- ensure management, employees, contractors, volunteers, and suppliers of goods and services to the Adelaide Festival Corporation understand their responsibilities to mitigate against fraud and corruption;
- ensure there is a clear process for management, employees and other stakeholders to follow when fraud or corruption is suspected or detected; and
- assist the South Australian Police in the investigation and prosecution of suspected fraudsters.

The Adelaide Festival Corporation always requires that all staff act with honesty and integrity and to safeguard the public resources for which they are responsible. All Adelaide Festival Corporation employees are required to understand and adhere to the Code of Conduct for South Australian Public Sector Employees and the South Australian Public Sector Fraud and Corruption Control Policy.

The Code of Conduct outlines the underlying principles of respect, integrity, accountability and ethical decision making that is expected from Adelaide Festival Corporation employees.

The Policy is designed to assist public sector agencies in the prevention, detection and response to activities labelled or defined as fraud or corruption, other criminal conduct, misconduct and maladministration within the sector.

As a part of its responsibility for ensuring the values of integrity and honesty are upheld, the Adelaide Festival Corporation is committed to the prevention, detection

and reduction of fraud and corruption by establishing a fraud and corruption prevention culture throughout all levels of the Organisation.

The Adelaide Festival Corporation will pursue all suspected acts of fraud, corrupt practices or other similar malpractices and report to the police as required by state government policy and the law.

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/adelaide-festival-corporation>

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*:

0

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/adelaide-festival-corporation>

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

Act or Regulation	Requirement
N/A	N/A

Reporting required under the *Carers' Recognition Act 2005*

The organisation is aware of its obligations under section 6 of the *Carers Recognition Act 2005*. For the period of the 2022-23 financial year there was no person or body contracted with the organisation to provide relevant services under the Act.

The organisation continues to support Companion Card to allow cardholders companion free entry into participating venues and events.

Public complaints

Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2022-23
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	0
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	1
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	0
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	1
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0
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

Complaint categories	Sub-categories	Example	Number of Complaints 2022-23
Service quality	Information	Incorrect, incomplete, out-dated or inadequate information; not fit for purpose	0
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	0
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	87
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	6
		Total	95

Additional Metrics	Total
Number of positive feedback comments	274
Number of negative feedback comments	107
Total number of feedback comments	500
% complaints resolved within policy timeframes	100%

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/adelaide-festival-corporation>

Service Improvements

Due to a constant drive to improve and review our complaints, we are pleased to report that the 2023 Adelaide Festival attracted no negative feedback around quality of performances, production values, ticket pricing and marketing materials. The vast majority of feedback and formal complaints was around the programming of two Palestinian writers at Adelaide Writers' Week – Mohammed El Kurd and Susan Abulhawa.

Compliance Statement

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

Appendix: Audited financial statements 2022-2023

Certification of the Financial Statements

We certify that the:

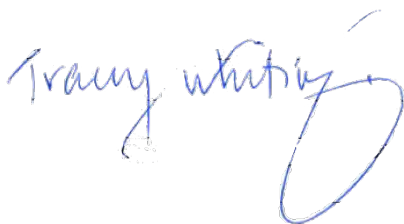
- financial statements of the Adelaide Festival Corporation:
 - are in accordance with the accounts and records of the authority;
 - comply with relevant Treasurer's instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the authority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



Kath M Mainland CBE
Chief Executive



Karishma Reynolds
Head of Finance and Corporate Services



Tracey Whiting AM
Chair

Date: 29 September 2023

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2023

	Note No.	2023 \$'000	2022 \$'000
Income			
SA Government grants	2.1	8,784	9,075
Non-SA Government grants	2.1	559	188
Box Office sales	2.2	5,350	4,383
Other sales		345	345
Interest		127	3
Other income	2.3	1,497	1,457
Sponsorship	2.4	1,818	1,977
Foundation Adelaide Festival distribution	2.5	1,700	1,000
Total income		20,179	18,428
Expenses			
Employee benefits expense	3.3	5,279	4,616
Supplies and services	4.1	14,587	13,862
Depreciation and amortisation	4.2	258	551
Loss on impairment of Non-current Asset	5.2	-	143
Borrowing costs	4.3	23	1
Total expenses		20,147	19,173
Net result		32	(745)
Total comprehensive result		32	(745)

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

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

STATEMENT OF FINANCIAL POSITION
As at 30 June 2023

	Note No.	2023 \$'000	2022 \$'000
Current assets			
Cash and cash equivalents	6.1	630	2,043
Receivables	6.2	1,629	443
Total current assets		2,259	2,486
Non-current assets			
Property, plant and equipment	5.1	878	94
Non-current Asset held for sale	5.1	-	60
Intangible Assets	5.4	21	50
Total non-current assets		899	204
Total assets		3,158	2,690
Current liabilities			
Payables	7.1	343	367
Financial liabilities	7.2	214	61
Employee benefits	3.4	229	232
Provisions	7.3	15	8
Contract Liabilities	7.4	128	437
Total current liabilities		929	1,105
Non-current liabilities			
Payables	7.1	40	13
Financial liabilities	7.2	431	-
Employee benefits	3.4	249	127
Provisions	7.3	71	39
Total non-current liabilities		791	179
Total liabilities		1,720	1,284
Net Assets		1,438	1,406
Equity			
Retained earnings		1,438	1,406
Total Equity		1,438	1,406

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

**Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023**

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

	Retained earnings \$'000	Total Equity \$'000
Balance at 1 July 2021	2,151	2,151
Net Result for 2021-22	(745)	(745)
Total Comprehensive Result for 2021-22	(745)	(745)
Balance at 30 June 2022	1,406	1,406
Net Result for 2022-23	32	32
Total Comprehensive Result for 2022-23	32	32
Balance at 30 June 2023	1,438	1,438

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

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

	Note No.	2023 \$'000	2022 \$'000
Cash flows from operating activities			
Cash inflows			
Receipts from SA Government	2.1	8,784	9,075
Receipts from customers, sponsors, donors and others		9,533	9,656
Receipts from Commonwealth-sourced grants	2.1	444	50
Receipts from Overseas Governments	2.1	116	138
Interest received		127	3
GST recovered from the ATO		151	143
Cash generated from operations		19,154	19,065
Cash outflows			
Employee benefit payments		(4,971)	(4,525)
Payments for supplies and services		(15,638)	(14,019)
Interest paid	4.3	(23)	(1)
GST paid to the ATO		(317)	(267)
Cash used in operations		(20,949)	(18,812)
Net cash provided by operating activities		(1,795)	253
Cash flows from investing activities			
Cash inflows			
Sale of plant and equipment		60	
Cash outflows			
Purchase of plant and equipment		(261)	(18)
Net cash used in investing activities		(201)	(18)
Cash flows from financing activities			
Cash outflows			
Repayment of principal portion of lease liabilities		584	(215)
Net cash used in financing activities		584	(215)
Net increase/(decrease) in cash and cash equivalents		(1,412)	20
Cash and cash equivalents at the beginning of the period		2,043	2,023
Cash and cash equivalents at the end of the period	6.1	630	2,043

The accompanying notes form part of these financial statements.

1. About the Adelaide Festival Corporation

The Adelaide Festival Corporation (the Corporation) was established pursuant to the *Adelaide Festival Corporation Act 1998*. Our vision is to be recognised nationally and internationally, as one of the world's greatest large-scale, multi-arts festivals that:

- brings to its audience the power of great art;
- pursues new creative horizons;
- places Adelaide at the centre of Australia's cultural life;
- creates a transformational impact on our city, making art central to the culture of our society.

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

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*;
- Treasurers Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

For the purposes of preparing the financial statements, the Corporation is a not-for-profit entity. The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

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.

Cash flows include GST in the Statement of Cash Flows

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

1.2. Objectives and programs

The functions of the Corporation, as prescribed under the *Adelaide Festival Corporation Act 1998*, are to:

- (a) Conduct in Adelaide and other parts of the State the multifaceted arts event that is known as the Adelaide Festival of Arts;
- (b) Continue and further develop the Adelaide Festival of Arts as an event of international standing and excellence;
- (c) Conduct or promote other arts events and activities;
- (d) Provide advisory, consultative, managerial or support services within areas of the Corporation's expertise;
- (e) Undertake other activities that promote the arts or public interest in the arts, or that otherwise involve an appropriate use of its resources; and
- (f) Carry out other functions assigned to the Corporation by or under the *Adelaide Festival Corporation Act 1998* or any other Act, or by the Minister.

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

2. Income

The 2023 Festival program exceeded the targeted box office as attendances for some shows were increased to full capacity, due to easing of COVID-19 restrictions. The level of funding from SA Government decreased slightly in 2022 but the SA Government's overall contribution to the Festival Program was 43.5% (2022: 49.2%) of total income.

2.1. Grants from Governments

	2023	2022
	\$'000	\$'000
SA Government grants	8,784	9,075
Commonwealth-sourced grants	443	50
Overseas Government grants	116	138
<i>Non-SA Government grants</i>	<u>559</u>	<u>188</u>
Total grants from Governments	<u>9,343</u>	<u>9,263</u>

Revenues from Governments mainly relate to a recurring annual operating grant with the Department of the Premier and Cabinet (DPC) through a Memorandum of Administrative Arrangement (MOAA). The Corporation has concluded that the MOAA does not contain sufficiently specific performance obligations, therefore the grant funding is recognised under AASB 1058 upon receipt.

2.2. Box Office

	2023	2022
	\$'000	\$'000
Ticketek	3,044	1,948
Tessitura	2,306	2,435
Total box office	<u>5,350</u>	<u>4,383</u>

A contract is established when a customer purchases a show ticket. The performance is to deliver the show on time. As such, all the box office sales are recognised under AASB15 upon completion of the show.

All ticket sales for Adelaide Festival Centre Trust venues are purchased by the public through Ticketek but the Corporation is also able to use its own ticketing system to sell tickets for all other venues, where no ticketing contract exists. Ticketek charge an in-side charge for all tickets sold, which is recorded as cost-of-sales against box office. Customer Experience will also charge the in-side charge to the program as a form of income to support the department. The percentage of sales between the ticketing systems for the 2023 Festival are: Ticketek 56.9% and Tessitura 43.1%.

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

2.3. Other income

	2023	2022
	\$'000	\$'000
Sundry	727	685
Friends membership	130	133
Donations	640	639
Total other income	1,497	1,457

The Corporation engaged volunteers to provide ushering and information services during the Festival events. These services were not recognised because they did not form a core part of the Festival program and services of this nature would not have otherwise been purchased.

Friends membership and sundry income are recognised under AASB 15.

Donations are recognised upon receipt under AASB 1058.

2.4. Sponsorship

	2023	2022
	\$'000	\$'000
Sponsorship – Cash	1,229	1,358
Sponsorship – In-kind	589	619
Total sponsorship	1,818	1,977

Expenses related to in-kind sponsorship have been recognised in supplies and services.

For multiple year sponsorships with funding received in advance, the Corporation recognises revenue over time when its performance obligations are satisfied at the end of each festival. The unfulfilled portion is recognised as contract liabilities and disclosed in note 7.4.

2.5 Foundation Adelaide Festival Distribution

	2023	2022
	\$'000	\$'000
Funding from Foundation Adelaide Festival	1,700	1,000
Total Funding	1,700	1,000

The Foundation Adelaide Festival was established as a charitable institution operating in Australia to establish, maintain and act as Trustee of a public ancillary fund, to be known as 'The Foundation Adelaide Festival Public Ancillary Fund', solely for the purpose of providing money, property or benefits to the Adelaide Festival Public Fund. Under the Governance and Relationship Structure, an annual distribution is made from the Foundation to the Adelaide Festival Corporation, based on funds raised across various campaigns through annual giving.

**Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023**

3. Board, committees and employees

3.1. Key Management Personnel

Key Management Personnel of the Corporation include the Minister, Chief Executive, Artistic Directors and the Board who have responsibility for the management of the Corporation including its strategic and artistic direction.

The Board Members are appointed by the Government in accordance with the *Adelaide Festival Corporation Act 1998*.

Total compensation for key management personnel was \$555,104 (2022: \$887 000).

The compensation disclosed in this note excludes salaries and other benefits the Minister receives. The Minister's remuneration and allowances are set by *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

Compensation of key management is disclosed above. There were no other transactions with key management personnel or related parties (2022: Nil).

3.2. Board and Committee members

Members during the 2023 financial year were:

Board

Ms Judy Potter (Chair)
 Ms Alison Beare
 Mr David Knox (to August 2022)
 Mr Mark Roderick
 Mr Alan James Whalley (to August 2022)
 Hon. Amanda Vanstone
 Mr Anthony Berg (from August 2022)
 Mr Brenton Cox (from December 2022)
 Ms Mary Couros (from February 2023)
 Right Hon. The Lord Mayor of Adelaide Sandy Verschoor (to November 2022)

Audit and Risk Committee

Mr Mark Roderick (Chair)
 Ms Judy Potter
 Mr Alan James Whalley (to August 2022)
 Ms Megan Hender
 Mr Brenton Cox (from December 2022)
 Mr Anthony Berg (from August 2022)

Board and committee remuneration

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

	2023	2022
\$0 - \$19,999	8	8
Total number of members	7	8

The total remuneration received or receivable by members was \$29,500 (2022: \$56,000). From which \$5,884 (2022:\$10,000) was donated back to the Corporation. Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

From time to time, Board members will receive complimentary tickets to shows or events conducted by the Corporation. These benefits are provided to attend Festival events solely for the purpose of the execution of duties of office and direct hosting of guests, sponsors and donors.

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

3.3. Employee benefits expense

	2023	2022
	\$'000	\$'000
Salaries and wages	4,547	3,942
Employment on-costs – superannuation	426	418
Employment on-costs – other	277	200
Board fees	29	56
Total employee benefits expense	5,279	4,616

Employment on-costs – superannuation

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

Executive remuneration

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

	2023	2022
	No	No
\$157 001 to \$160 000*	-	1
\$160 001 to \$180 000	-	1
\$180 001 to \$200 000	-	-
\$200 001 to \$220 000	1	1
\$220 001 to \$240 000	-	-
\$240 001 to \$260 000	-	-
\$260 001 to \$280 000	-	-
\$280,001 to \$300,000	1	-
Total	2	3

*This band has been included for the purpose of reporting comparative figures based on the executive base level remuneration rate for 2021-22.

The total remuneration received by these employees for the year was \$525,604 (2022: \$603 000).

The table includes all employees who received remuneration 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, fringe benefits and any fringe benefits tax paid or payable in respect of those benefits.

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

3.4. Employee benefits liability

	2023	2022
	\$'000	\$'000
Current		
Accrued Salaries and Wages	50	34
Annual Leave	179	131
Long Service Leave	-	67
<i>Total current employee benefits</i>	<u>229</u>	<u>232</u>
Non-Current		
Long Service Leave	249	127
<i>Total non-current employee benefits</i>	<u>249</u>	<u>127</u>
Total employee benefits	<u>518</u>	<u>359</u>

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

Salaries and wages, annual 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 in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

Long service leave

AASB 119 *Employee benefits* contain the calculations methodology for long service leave liability.

The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB119 *Employee benefits* requires the use of yield on long term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government bonds has increased from 3.25% to 4.0%. This rate is used as the rate to discount future long service leave cash flows.

The net financial effect of the changes to actuarial assumptions in the current financial year is an increase in the long service leave liability of \$6k. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance increased the salary inflation rate from 2.5% to 3.5% for long service leave liability.

The current long service leave reflects the portion of leave expected to be settled within the next 12 months, based on previous experience and known applications for leave. There is no expectation of any long service leave to be taken in the next 12 months.

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

4. Expenses**4.1. Supplies and services**

The current breakdown of supplies and services for the 2023 Festival shows that 75.5% went towards the presentation of the Festival, 10.7% went to the promotion of the Festival, 4.1% went to servicing our corporate sponsorship and philanthropy programs, and 9.8% went to corporate governance and artistic direction.

	2023	2022
	\$'000	\$'000
Presentation of the Festival		
Event staging and contracts	4,755	4,543
Cost of goods for sale	721	618
Royalty and license fees	286	229
Artist fees and payments	3,646	3,604
Artist travel and accommodation	1,599	1,102
Total presentation of the Festival	11,007	10,096
Promotion of the Festival		
Marketing, advertising and media	1,288	1,282
Design, printing and distribution costs	268	260
Total promotion of the Festival	1,557	1,542
Corporate governance and artistic direction		
Short-term and low-value leases	63	22
Communications and information technology	234	214
Insurance	86	161
Other expenditure	1,047	1,294
Total corporate governance and artistic direction	1,430	1,691
Corporate sponsorship and philanthropy programs		
Hospitality, sponsorship and ticketing	594	533
Total corporate sponsorship and philanthropy programs	594	533
Total supplies and services	14,587	13,862

Other expenses include audit fees paid/payable to the Auditor General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$42,400 (\$42,000). No other services were provided by the Auditor General's Department

The total amount paid for consultants for the year was \$25,000 (2022: \$24,000)

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

4.2. Depreciation and amortisation

	2023	2022
	\$'000	\$'000
Plant and equipment	61	293
Furniture and Fittings	12	-
Right-of-use buildings	156	221
Purchased computer software	29	37
Total depreciation and amortisation	258	551

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

Useful life

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

Class of Asset	Useful life (years)
Plant and equipment	3-10
Furniture and Fittings	3-5
Right-of-use buildings	life of lease
Purchased computer software	4-5

Review of accounting estimates

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, on an annual basis. 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.

4.3. Borrowing costs

	2023	2022
	\$'000	\$'000
Interest expense on lease liabilities	23	1
Total borrowing costs	23	1

The Corporation does not capitalise borrowing costs.

5. Non-financial assets

The Festival has continued to invest in improvement to software, databases and website design.

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

5.1. Property, plant and equipment by asset class

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

	2023	2022
	\$'000	\$'000
Plant and equipment at cost (deemed Fair Value)	679	1043
Asset held for sale	0	60
Less: Accumulated depreciation	(610)	(955)
<i>Total plant and equipment</i>	<u>68</u>	<u>148</u>
Furniture and Fittings at cost	221	-
Less: Accumulated depreciation	(12)	-
<i>Total Furniture and Fittings</i>	<u>209</u>	<u>-</u>
Right-of-use buildings	1,409	658
Less: Accumulated depreciation	(808)	(652)
<i>Total Right-of-use buildings</i>	<u>601</u>	<u>6</u>
Total Property, Plant and Equipment	<u>878</u>	<u>154</u>

5.2. Property, plant and equipment owned by the Corporation

Property, plant and equipment owned by the Corporation with a value equal to or in excess of \$1,000 is capitalised, otherwise it is expensed. Property, plant and equipment owned by the Corporation is recorded at fair value.

Impairment

Property, plant and equipment owned by the Corporation has been assessed for impairment.

Fair Value

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

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

Reconciliation 2022-2023

	Plant and equipment	Furniture and Fittings	Right-of- use buildings	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	148	-	6	154
Additions	40	221	751	1,012
Impairment of assets	-	-	-	-
Depreciation	(61)	(12)	(156)	(229)
Asset Disposals	(60)	-	-	(60)
Carrying amount at the end of the period	68	209	601	878

5.3. Property, plant and equipment leased by the Corporation

Right-of-use assets for property, plant and equipment leased by the Corporation as lessee are measured at cost. The Corporation's right-of-use assets mainly relate to a lease of 605.5m² floor of a building in the Adelaide CBD, being the registered office of the Corporation.

The Corporation also has a warehouse/storage space in Richmond and an outdoor storage in Netley which expired in March 2023. Both leases are/were with the Department for Infrastructure and Transport (DIT). Short-term leases of 12 months or less and low value leases, where the underlying asset value is less than \$15 000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 4.1.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2.

Impairment

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

5.4. Intangible assets

	2023	2022
	\$'000	\$'000
Purchased computer software	181	181
Less: accumulated amortisation	(160)	(131)
Total intangible assets	21	50

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 \$1,000.

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

Reconciliation 2022-2023

	Purchased computer software \$'000	Total \$'000
Carrying amount at beginning of the period	50	50
Additions	-	-
Amortisation	(29)	(29)
Carrying amount at the end of the period	21	21

6. Financial Assets**6.1. Cash and cash equivalents**

	2023 \$'000	2022 \$'000
Cash at bank	158	1,172
Cash at hand	1	1
Short term deposits with SAFA	471	870
Total cash and cash equivalents	630	2,043

Short term deposits are made on an at-call basis with funds transferred within 24 hours upon request. The deposits are lodged with SAFA and earn interest at the respective short term deposit rate on a monthly basis.

6.2. Receivables

	2023 \$'000	2022 \$'000
Current		
Trade receivables		
From non-government entities	1,291	55
Statutory receivables		
GST input tax recoverable	167	318
Prepayments	171	70
Total current receivables	1,629	443

Trade receivables arise in the normal course of selling goods and services to other government agencies and to the public. Trade receivables are normally settled within 14 days after the receipt of an invoice or the goods/services have been provided under contractual agreement.

Statutory receivables do not arise from contracts with customers. They are recognised and measured similarly to contractual receivables (except impairment) but are not classified as financial instruments for disclosure purposes.

The net amount of GST recoverable 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 they are measured at amortised cost.

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

The Corporation has assessed the collectability of its trade receivables and does not believe that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand.

7. Liabilities

Employee benefits liabilities are disclosed in note 3.4.

7.1. Payables

	2023	2022
	\$'000	\$'000
Current		
Trade payables and accrued expenses	266	250
Statutory payables		
Payroll tax and other	72	96
Employment on-costs	5	21
<i>Total current payables</i>	343	367
Non-Current		
Statutory payables		
Employment on-costs	40	13
<i>Total non-current payables</i>	40	13
Total payables	383	380

Payables and accruals are raised for all amounts owing but unpaid. 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.

Employment on-costs

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to 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 being paid on termination, affects whether certain on-costs are recognised as a consequence of long service liabilities.

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

7.2. Financial Liabilities

	2023	2022
	\$'000	\$'000
Current		
Lease Liabilities	214	61
<i>Total current payables</i>	<u>214</u>	<u>61</u>
Non-Current		
Lease Liabilities	431	-
<i>Total non-current payables</i>	<u>431</u>	<u>-</u>
Total financial liabilities	<u>645</u>	<u>61</u>

The Corporation measures financial liabilities including borrowings/debt at amortised cost.

7.3. Provisions

	2023	2022
	\$000	\$000
Current		
Provision for workers compensation	15	8
<i>Total current provisions</i>	<u>15</u>	<u>8</u>
Non-current		
Provision for remedial costs	15	15
Provision for workers compensation	56	24
<i>Total non-current provisions</i>	<u>71</u>	<u>39</u>
Total provisions	<u>86</u>	<u>47</u>

Movement in provisions

	2023	2022
	\$'000	\$'000
Carrying amount at beginning of the period	47	29
Additional provisions recognised	39	18
Carrying amount at the end of the period	<u>86</u>	<u>47</u>

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 2023 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector. The provision is for the estimated cost of ongoing payments to employees as required under the current legislation.

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

An additional provision has also been recognised to reflect the possible end of lease remedial costs for the office lease.

Adelaide Festival Corporation
Financial Statements For the year ended 30 June 2023

7.4. Contract Liabilities

	2023 \$'000	2022 \$'000
Current		
Contract liabilities	128	437
Total contract liabilities	128	437

Contract liabilities relate to sponsorship received in advance with performance obligations to be fulfilled in future years.

8. Other disclosures**8.1. Cash flow**

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

9. Outlook**9.1. Unrecognised commitments**

Expenditure commitments

	2023 \$'000	2022 \$'000
Within one year	20	6
Later than one year but not longer than two years	18	2
Total expenditure commitments	38	8

The Corporation's expenditure commitments relate to two computer equipment leases. There are two 3-year equipment leases, one which commenced in October 2021 to September 2024 and the other from July 2022 to June 2025, both on interest free terms.

9.2. Contingent assets and liabilities

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

The Corporation is not aware of any contingent assets and liabilities.

9.3. Events after the reporting period

The Corporation is not aware of any events after the reporting period.



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

To the Chair Adelaide Festival Corporation

Opinion

I have audited the financial report of the Adelaide Festival Corporation for the financial year ended 30 June 2023.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Adelaide Festival Corporation as at 30 June 2023, 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 2023
- a Statement of Financial Position as at 30 June 2023
- a Statement of Changes in Equity for the year ended 30 June 2023
- a Statement of Cash Flows for the year ended 30 June 2023
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Chair, the Chief Executive and the Head of Finance and Corporate Services.

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 Adelaide Festival Corporation. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

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

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards – Simplified 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 is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The members of the Board are responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 19(3) of the *Adelaide Festival Corporation Act 1998*, I have audited the financial report of the Adelaide Festival Corporation for the financial year ended 30 June 2023.

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

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

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



Daniel O'Donohue
Assistant Auditor-General (Financial Audit)

27 September 2023