



**Government  
of South Australia**

**SOUTH AUSTRALIAN TOURISM  
COMMISSION  
2019-20 Annual Report**

**SOUTH AUSTRALIAN TOURISM COMMISSION**

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To:

Hon Steven Marshall MP

Premier with responsibility for Tourism

This annual report will be presented to Parliament to meet the statutory reporting requirements of the *South Australian Tourism Commission Act 1993* 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 South Australian Tourism Commission by:

Rodney Harrex

Chief Executive

Date 25 September 2020

Signature



## From the Chief Executive



Leading up to the triple crises of 2019-20 – drought, bushfires and COVID-19 – South Australia’s visitor economy had reached a record high. In December 2019, the industry not only reached – but exceeded – its December 2020 target of \$8.0 billion, when it hit \$8.1 billion in visitor expenditure.

The regional target of \$3.55 billion and the Nature-Based Tourism target of \$1.4 billion were also achieved one year early, and the tourism jobs target of 41,000 was nearly met with 40,500 directly employed. On top of that, we were in the throes of a blockbuster cruise season with more ships set to visit South Australian shores than ever before and visiting tourism regions for the first time with the first visits to Wallaroo. It would be fair to say we finished the 2019 calendar year off in a strong position.

Of course, a lot has changed since then. The visitor economy – and indeed the economy generally – is in one of the most severe contractions on record. The tourism sector is facing a significant challenge to rebound, restore our interstate and international markets and return to the position we held pre-COVID-19 as a world-class event and tourism destination.

We are continuing to back our 18,000 operators across the state, with the #BookThemOut and #WelcomeBack campaigns resonating strongly across our intrastate and interstate markets. The response was phenomenal, with operators reporting strong forward bookings – at a time when they needed it most. Importantly, we took a strong leadership role in communicating across the sector, ensuring there was consistent and timely delivery of information to stakeholders across the state.

As the COVID-19 impacts continued towards the middle of 2020, we also activated several smaller campaigns and established partnerships with trade, aimed at encouraging South Australians to holiday at home and assisting industry partners such as RAA Travel, Phil Hoffmann Travel and Tripadvisor to sell South Australian product. Again, local consumers put their hands in their pockets and spent up on local tourism businesses and experiences.

We also saw people support events in the latter part of 2019 and in early 2020, before the mass gathering restrictions were put in place. The Asian Le Mans at The Bend, the Bridgestone World Solar Challenge and the National Pharmacies Christmas Pageant in 2019 to name a few; and Superloop Adelaide 500, the Adelaide International tennis at Memorial Drive, the Santos Tour Down Under, WOMADelaide, Adelaide Festival, Adelaide Fringe and the Davis Cup tie between Australia and Brazil, held in the first few months of 2020.

The SATC celebrated hosting World Routes 2019, the world’s biggest aviation conference, which was the first time it had been held in Australia. Around 2,000 delegates from airlines, airports, and destinations around the world attended,

injecting around \$20 million into our state's economy. The SATC also developed several projects as part of South Australia's COVID-19 response, which included the Resilience and Rebound program, and the free online SATC COVID-19 Awareness Training program, which helped give confidence to both consumers and those within the tourism and hospitality sector.

An agency-wide effort went into developing our \$5.7 million package in support to help local tourism operators get through the COVID-19 crisis. The financial support included funding to help small businesses and to assist organisers of regional events, as well as dedicated training to upskill operators and boost business resilience.

While our South Australian Regional Visitor Strategy 2025 planning was put on hold, due to travel and gathering restrictions, the SATC continued to engage and consult with the regions through webinars and direct outreach. The SATC continued to drive and – based on extensive analysis of past global crises and the project path for recovery – revise our strategic framework, ensuring future plans are ambitious, achievable and dynamic, including the SATC Corporate Plan for 2021-2023.

The *South Australian Visitor Economy Sector Plan 2030* remains our goal, with the bold target of growing our visitor economy to \$12.8 billion by 2030 and grow tourism jobs to 52,000. Despite the sector being heavily impacted due to the bushfires and COVID-19, this is still our target. The potential is clear given South Australia's 2020 performance, the opportunity is there and we have the strategy in place for investment, employment and our community.

We are excited to work with industry and government to drive our recovery and ensure South Australian tourism recovers and comes back stronger than ever.



Rodney Harrex

**Chief Executive**

South Australian Tourism Commission

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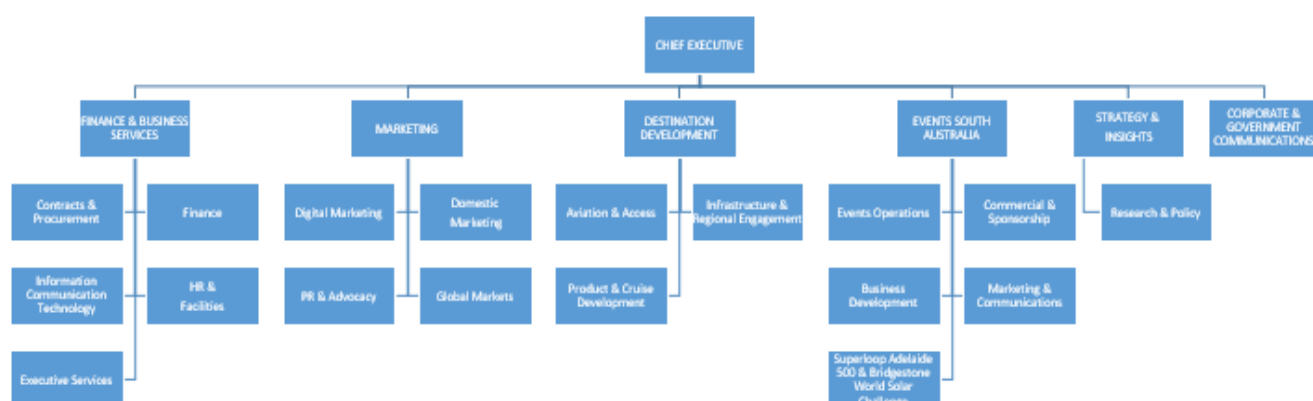
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## Overview: about the agency

### Our strategic focus

<b>Our Purpose</b>	The South Australian Tourism Commission’s overall role, under the <i>South Australian Tourism Commission Act 1993</i> , is to assist in securing economic and social benefits for the people of South Australia through promoting the state as a tourism destination and further developing and improving the state’s tourism industry.
<b>Our Vision</b>	<p>To grow the visitor economy in South Australia to \$8.0 billion by December 2020 and boosting direct employment in tourism by 10,000 additional jobs.</p> <p>The <i>South Australian Visitor Economy Sector Plan 2030</i> seeks to continue this strong momentum and unprecedented growth for the next decade and sets a bold ambition of growing the visitor economy further to \$12.8 billion by 2030, generating an additional 16,000 jobs in South Australia.</p>
<b>Our Values</b>	<p><i>Go Boldly</i> - We thrive on taking risks and enjoy stepping outside our comfort zone.</p> <p><i>Dig Deeper</i> - We never settle for simply scratching the surface. We’re hungry for knowledge, fresh ideas and innovations.</p> <p><i>Can Do</i> - We believe there’s nothing we can’t do as a team.</p> <p><i>Share The Love</i> - We have a passion for excellence and exceeding expectations.</p>
<b>Our functions, objectives and deliverables</b>	<p>The <i>South Australian Visitor Economy Sector Plan 2030</i> sets out six strategic priorities. These are:</p> <ul style="list-style-type: none"> <li>• Marketing</li> <li>• Experience and supply development</li> <li>• Collaboration</li> <li>• Industry capability</li> <li>• Leisure and business events</li> <li>• Promoting the value of tourism</li> </ul>

## Our organisational structure



## Changes to the agency

During 2019-20, the following changes to the agency's structure and objectives were implemented as a result of internal reviews or machinery of government changes.

- Transfer of the tourism portfolio to the Premier, Steven Marshall MP
- As part of the Premier's Growth State initiative, launch of the *South Australian Visitor Economy Sector Plan 2030* in August 2019, setting the tourism objectives for the coming decade.
- As a result of the Executive Director, Corporate Affairs resigning in October 2019, this position was made redundant, and the Corporate Affairs Group disbanded. As a result, the Executive Services Unit now reports into the Chief Financial Officer. Strategy and Insights, and the Corporate and Government Communication Unit, now report directly into the Chief Executive.

## Our Minister

The Hon Steven Marshall MP  
Premier of South Australia

Minister responsible for Aboriginal Affairs and Reconciliation, Defence and Space Industries, Tourism, The Arts, Veterans' Affairs and Multicultural Affairs.

## Our Executive team

The SATC executive leadership team is collectively responsible for the achievement of the objectives of the SATC, and for realising the required growth to the visitor economy.





**Rodney Harrex, Chief Executive Officer** is responsible for leading a dynamic, innovative and creative team that makes South Australia a growing destination choice for travellers and increases the recognition of the value of tourism and its contribution to employment in South Australia.



**Hitaf Rasheed, Executive Director Events South Australia** is responsible for delivering a range of major events, growing existing events and attracting new events to the state, in order to drive the visitor economy and tell the story of South Australia.



**Brent Hill, Executive Director Marketing** is responsible for developing and delivering marketing activity that promotes South Australia and creates demand for the state among our high yield experience seeker market.



**Stephanie Rozokos, Chief Financial Officer** is responsible for driving the financial, business services and cultural direction of the agency, leading the executive services, finance, contracts, procurement, risk management, human resources and information communications technology functions.



**Nick Jones, Executive Director Destination Development** is responsible for driving the supply side of the South Australian tourism industry, including increasing aviation access and cruise visitation.

### **Legislation administered by the agency**

*South Australian Tourism Commission Act 1993*

*South Australian Motor Sport Act 1984*

*Major Events Act 2013*

## **The agency's performance**

### **Performance briefly**

South Australia's tourism industry has enjoyed strong growth for a number of years and 2019-20 has been no exception. During this time our state's visitor economy grew to a record \$8.1 billion, employing 40,500 people across 18,000 businesses.

2019-20 saw the achievement of some significant milestones one year early, including the headline target of \$8.0 billion, the regional target of \$3.55 billion and the Nature-Based Tourism target of \$1.4 billion. We also experienced record levels of visitation, welcoming 8.6 million international and domestic visitors as of December 2019.

However the drought, summer bushfires and COVID-19 had a significant impact on the visitor economy from the start of 2020 resulting in the most severe contraction of tourism on record. Total expenditure in the year to March 2020 was down 4 per cent compared to the year to December 2019, with further decline expected as a result of closed international and interstate borders.

### **Agency contribution to whole of Government objectives**

The following includes a brief summary of the agency's high-level contributions to the Government's objectives.

<b>Key objective</b>	<b>Agency's contribution</b>
More jobs	Generate 10,000 additional jobs in the visitor economy by December 2020. Latest data showed that we were on track to deliver 41,000 jobs by 2020, with employment reaching 40,500 as of 2018-19. This will not be achieved with the huge job losses related to the economy coming to a standstill through the current COVID-19 pandemic.
Lower costs	<p>The SATC provides services that benefit South Australian tourism operators through lowering costs associated with doing business. This includes:</p> <ul style="list-style-type: none"> <li>• The SATC covers the listing fees for South Australian tourism operators who list their products through the Australian Tourism Data Warehouse, a digital database and multi-channel distribution network for tourism data, industry products and destination information.</li> <li>• The SATC offers an Emerging Product Program, which is aimed at tourism operators who have a product which is distribution ready and have limited to no involvement in distributing their product through the travel trade.</li> <li>• The SATC's marketing campaigns provide promotion opportunities for a range of operators across the state. This includes making footage captured available for operators and regions to use in their own marketing.</li> <li>• Industry events and products are promoted through the SATC website and social media platforms, which are at a nil cost to the operator.</li> <li>• The SATC manages three event related funding streams – the Leisure Events Bid Fund, the Regional Events and Festivals Program and the Community Events Development Fund.</li> <li>• While the Leisure Events Bid Fund is fully committed, the SATC continues to seek opportunities to secure new major leisure events for South Australia to build the state's event calendar.</li> <li>• Eleven Regional Tourism Organisations (RTOs) continued to receive funding from the SATC to support their role as the key contact between the SATC and regional stakeholders and industry.</li> </ul>

Better Services	<ul style="list-style-type: none"> <li>• Since 2016, the SATC has provided funding to the Tourism Industry Council of South Australia (TiCSA), the state's peak body for tourism, to assist their industry capability building programs and to provide service excellence training to tourism operators on a range of topics such as social media basics and online distribution and customer relationships.</li> <li>• Provided support for 414 small tourism business who experienced financial loss as a result of COVID-19 through the Small Tourism Business Grant Fund.</li> <li>• Worked with the TiCSA to drive business capability building through the Service IQ training program.</li> </ul>
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### Agency specific objectives and performance

As part of the development of the national Tourism 2020 plan, forecasting was conducted to identify the maximum potential value for the tourism industry in Australia by 2020. South Australia's plans draw on this forecasting to set relative targets for the state. Consequently, our plan identifies a shared goal with the South Australian tourism industry to increase visitor expenditure in South Australia to a potential of \$8.0 billion by 2020. The required waypoint to achieve this goal was \$7.6 billion by March 2020.

The key focus areas to achieve these targets were:

- Driving demand;
- Working better together;
- Supporting what we have;
- Using events to drive visitation; and
- Recognising the importance of the value of tourism.

Specifically, in 2019-20, the SATC increased focus on the following areas to maximise achievement against these objectives:

- Intrastate marketing;
- Increased collaboration with international education;
- Emerging markets;
- Sustainable model for managed events; and
- Tourism infrastructure development.

Latest available data shows that visitor expenditure in South Australia reached \$7.8 billion in the year to March 2020. This represented an annual growth rate of 7 per cent and was the seventh consecutive year of growth in the overall visitor economy.

The result is higher than the March 'Full Potential' waypoint of \$7.6 billion and is solidly above the "Linear Trend" waypoint of \$6.0 billion. The growth that has led to these strong tourism outcomes has been unprecedented, however with the current pandemic the South Australian Visitor Economy is in the middle of the most severe contraction of tourism on record.

While we have already seen significant drops when comparing the current results (March 2020) to the 2019 calendar year, far more significant declines will be felt in future releases with the closure of international and interstate borders. Total expenditure in the year to March 2020 was \$7.8 billion, up 7 per cent for the previous year to March 2019, but already down 4 per cent compared on the year to December 2019 result of \$8.1 billion.

	Baseline	Corporate Plan 2018-2020				Sector Plan Targets	
	Dec 2013	June 2018	June 2019	Mar 2020	June 2020	Dec 2020	Dec 2030
<b>Linear Trend</b>	5.1	5.8	5.9	6.0	6.0	6.1	10.8
<b>Full Potential</b>	5.1	6.8	7.2	7.6	7.7	8.0	12.8
<b>Actuals</b>	5.1	6.7	7.6	7.8			

Agency objectives	Indicators	Performance
Driving Demand	Increase the value of our tourism sector from \$5.1 billion to \$7.6 billion per annum by March 2020 (on the way to our December 2020 target of \$8.0 billion).	Target achieved: the value of South Australia's tourism sector grew 7 per cent to \$7.8 billion in the year to March 2020 – March waypoint is \$7.6 billion.
Driving Demand	Increase tourism direct employment from 31,000 to 38,500 by June 2019.	Target achieved: the latest data shows direct employment in the tourism sector was 40,500 in the year to June 2019.
Driving Demand	Grow international tourism expenditure in South Australia to \$1.4 billion by 2020, with a milestone of \$1.3 billion by March 2020.	Target not achieved: the value of South Australia's international tourism fell 3 per cent to \$1.1 billion in the year to March 2020 - March waypoint is \$1.3 billion.

<p>Driving Demand</p>	<p>Grow interstate overnight expenditure in South Australia to \$2.5 billion by March 2020 and intrastate overnight expenditure to \$2.1 billion.</p>	<p>Target achieved: the value of South Australia’s interstate tourism sector reached \$2.5 billion (waypoint \$2.5 billion) and intrastate reached \$2.4 billion (waypoint \$2.1 billion) in the year to March 2020 (latest available data).</p>
<p>Working Better Together</p>	<p>Implement the Regional Visitor Strategy and actively partner with each region to deliver Tourism 2020 outcomes. Increase the value of regional tourism \$3.4 billion by March 2020, on the way to \$3.55 billion by December 2020 as outlined in the Regional Visitor Strategy.</p>	<p>Target Achieved: the value of South Australia’s regional tourism grew 7 per cent to \$3.4 billion in the year to March 2020 – March waypoint is \$3.4 billion.</p>
<p>Supporting What We Have</p>	<p>Establish an international reputation for our premium food and wine experiences.</p>	<p>Target achieved: the SATC, in partnership with the South Australian Wine Industry Association and PIRSA, developed the South Australian International Wine Tourism Strategy.</p> <p>This was used to secure funding to support \$6.1 million of projects across South Australia. \$1.9 million of this was used by the SATC in 2018-19 and 2019-20 to promote Wine Tourism in China, UK and USA.</p> <p>As of June 2020, South Australia is associated with “Good Food &amp; Wine” by 59 per cent of the interstate audience, ranking second behind Victoria with 61 per cent.</p> <p>Adelaide continues to be a member of the Great Wine Capitals global network.</p>

<p>Increasing the recognition of the value of tourism</p>	<p>Build on the current strong research program and make evidence-based information available to increase the understanding of the value and relevance of tourism to our stakeholders.</p>	<p>The SATC continued to publish the International Visitor Survey and National Visitor Survey results on its corporate website (noting that due to the impact of bushfires and COVID-19, the creation of infographics was reduced, and replaced with increased electronic updates and webinars to industry.)</p>
<p>Increasing the recognition of the value of tourism</p>	<p>Increase the understanding of the value and relevance of tourism to our stakeholders through a varied program of corporate communications.</p>	<p>Target achieved:                      Increased engagement with industry and media.                      The SATC continued to showcase businesses and events that contribute to the state’s visitor economy. Increased media activity – both in traditional and social platforms – have broadly increased the understanding of the sector and of the innovation of operators/event organisers.                      SATC Corporate Facebook followers grew 195 per cent, and engagement grew from 3500 to 12,000. Twitter grew by 22 per cent, with a 245 per cent growth in likes. Instagram (set up in late November 2019) has also grown in followers.                      The SATC Corporate website also grew in reach, with 303,148 page views - an increase of 13 per cent. The dedicated COVID-19 landing page was a key resource, with 28,840 visitors to the support page.                      One Tourism Champion video was produced on Cruise Maritime Voyages to align with what was forecast</p>

		to be the largest cruise season on record. Sadly, summer bushfires and the COVID-19 travel restrictions meant the case study and video was not widely distributed. It remains on the SATC corporate website.
Using Events to Drive Visitation	Increase the economic value of events to the full potential of \$400 million by 2020.	Target not achieved: the value of South Australia's leisure events sector fell 4 per cent to \$375 million in the year to March 2020 (the March waypoint was \$377 million). COVID-19 had a significant impact on events and festivals with numerous cancellations and postponements.
Using Events to Drive Visitation	Attract two additional major events each year.	Target achieved: Five major events were secured in 2019-20. These included: 2019 Matildas v Chile International friendly (soccer), 2020 Open Water Swimming Championships, 2020 Davis Cup by Rakuten Qualifier – Australia v Brazil (tennis), and a new winter major event - Illuminate Adelaide (2021-2023).



## Corporate performance summary

The SATC continued to administer a range of processes and practices in delivering its responsibilities under the *South Australian Tourism Act 1993* and in adherence to government financial, procurement, contracting, human resources, ICT, governance, risk management and auditing requirements.

The SATC maintains a high level of financial control over its destination development, events and marketing operations to ensure accountability for government resources. The SATC ended the 2019-20 financial year in line with budget and met all savings targets required.

In 2019-20, staff took part in SATC's annual staff engagement survey. This survey provided an objective mechanism for assessing the cultural environment. Results from the survey were consistent and reported high levels of staff engagement, well above available industry benchmarks. Individual performance reviews were used to identify both organisational and individual learning and development needs and opportunities.

The SATC's values are promoted within the organisation. The 'Culture and Values' working group met regularly with the aim to drive and influence the agency's culture through staff engagement and implementation of initiatives which endorse our values. In 2019-20, the SATC implemented a range of workplace measures to minimise the risk of COVID-19, including new technologies and flexible working practices, and a review of our facilities operations.

## Employment opportunity programs

Program name	Performance
SATC student placement program	The SATC works with local higher education providers to offer placements to students currently enrolled in courses related to tourism, marketing and events. In 2019-20, 10 student placements were supported.
Aboriginal employment strategy	The SATC's Aboriginal Employment Strategy has resulted in one Aboriginal employee being employed.
Skilling SA	The SATC has engaged one apprentice in 2019-20.

## Agency performance management and development systems

<b>Performance management and development system</b>	<b>Performance</b>
Employee Performance Management and Development Reviews (Compliance measured via a custom-made online recording tool)	<p>All employees are required to have individual performance management and development plans reviewed as a minimum on a biannual basis.</p> <p>In 2019-20, 95 per cent of employees had a current performance review in place (the 5 per cent without plans include employees on periods of extended leave).</p>
Employee Performance Management and Development Training	<p>The SATC delivers in-house training to ensure employees have the knowledge required to complete biannual reviews.</p> <p>100 per cent of employees have attended training relating to the SATC's current performance management and development review process.</p>
Training Needs Analysis (TNA)	<p>A TNA is conducted using information captured within Employee Performance Management and Development Reviews and Work, Health and Safety responsibilities of individual position descriptions. From this, individual and group learning and development activities are identified.</p>

## Work health, safety and return to work programs

<b>Program name</b>	<b>Performance</b>
<b>Work Health and Safety Briefings and Induction</b>	<p>All employees are required to attend a Work, Health and Safety briefing on joining the agency. Refreshers are delivered on a regular basis to ensure knowledge remains current.</p> <p>Contractors engaged by the SATC to undertake work on its sites are provided with site specific inductions and where required, provided with safety specific Work, Health and Safety documentation and briefings.</p> <p>The SATC also successfully transitioned to a work-from-home arrangement during the COVID-19 restrictions.</p>
<b>Work Health and Safety Policies and Procedures</b>	<p>The SATC has a suite of policies and procedures which address Work, Health and Safety matters and outline safe working practices. Policies are reviewed on an annual basis to ensure they remain current.</p> <p>Work, Health and Safety Management Plans are created for events and are reviewed yearly. All construction works conducted by the SATC are accompanied by the relevant Work, Health and Safety Management Plans as required by law, and regular inspections are conducted to ensure the requirements of the plans are carried out.</p>
<b>Work Health and Safety Training</b>	<p>The SATC has a specific Work, Health and Safety training needs analysis in place in order to identify required Work, Health and Safety training for individual roles. The SATC supports the appointment of two trained Bullying and Harassment Contact Officers.</p>
<b>Work Health and Safety Committee</b>	<p>The SATC's Work, Health and Safety Committee meets four times annually. The Committee provides a forum for management and employees to discuss Work, Health and Safety matters and acts as the key Work, Health and Safety consultative mechanism.</p>
<b>Employee Assistance Program (EAP)</b>	<p>The SATC provides a free and confidential EAP to employees. The SATC's EAP provider also delivers wellbeing sessions to employees on a biannual basis.</p>
<b>Health, Safety and Wellbeing Initiatives</b>	<p>Human Resources and Work, Health and Safety teams work to deliver a calendar of initiatives aimed at promoting physical and mental wellbeing.</p>

<b>Workplace injury claims</b>	2019-20	2018-19	% Change (+ / -)
Total new workplace injury claims	1	0	+100%
Fatalities	0	0	NA
Seriously injured workers*	0	0	NA
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	8.7	0	+/-Xx%

\*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)

<b>Work health and safety regulations</b>	2019-20	2018-19	% Change (+ / -)
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	1	3	-66.6%
Number of provisional improvement, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	0	2	-100%

<b>Return to work costs**</b>	2019-20	2018-19	% Change (+ / -)
Total gross workers compensation expenditure (\$)	\$395	\$5,130	-92%
Income support payments – gross (\$)	0	0	NA

\*\*before third party recovery

Data for previous years is available at: <https://data.sa.gov.au/data/organization/sa-tourism-commission>

### Executive employment in the agency

<b>Executive classification</b>	<b>Number of executives</b>
EXECO A	1
EXECOB	2

<b>Executive classification</b>	<b>Number of executives</b>
EXEEOA	1
EXEEOC	1
EXEEOE	1

Data for previous years is available at: <https://data.sa.gov.au/data/organization/sa-tourism-commission>

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

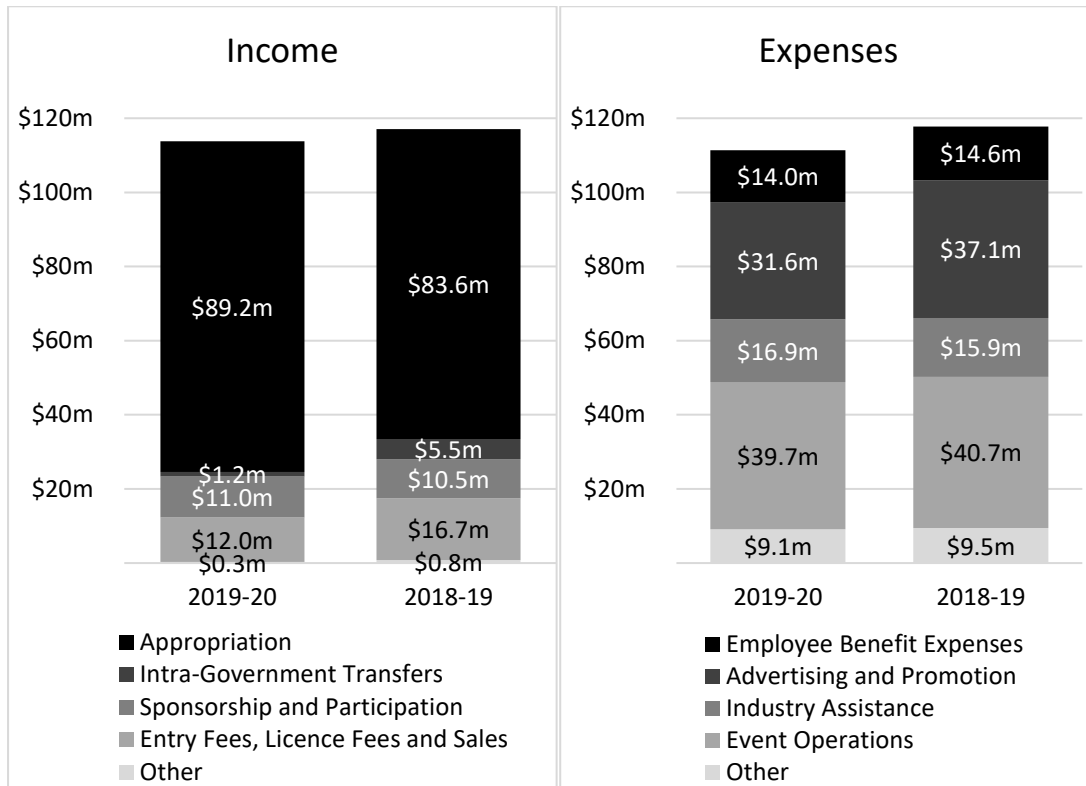
The following is a brief summary of the overall financial performance and financial position of the agency. The information is unaudited. For further information refer to the audited financial statements for 2019-20, attached to this report.

<b>Comprehensive Income</b> for the year ended 30 June	<b>2019-20</b> \$'000	<b>2018-19</b> \$'000
Income	113 753	117 080
Expenses	111 338	117 807
<b>Net result</b>	<b>2 415</b>	<b>(727)</b>
<b>Total comprehensive result</b>	<b>2 415</b>	<b>(727)</b>

<b>Financial Position</b> as at 30 June	<b>2019-20</b> \$'000	<b>2018-19</b> \$'000
Current assets	23 301	19 118
Non-current assets	21 473	15 810
<b>Total assets</b>	<b>44 774</b>	<b>34 928</b>
Current liabilities	9 558	8 437
Non-current liabilities	9 036	2 726
<b>Total liabilities</b>	<b>18 594</b>	<b>11 163</b>
<b>Equity (net assets)</b>	<b>26 180</b>	<b>23 765</b>

**Financial report audit opinion: unmodified**

The following graphs show the main items of income and expenses for 2019-20 and 2018-19.



**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 (excl GST)
All consultancies below \$10,000 each - combined	Various	\$3,400

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

Consultancies	Purpose	Actual payment (excl GST)
Hames Sharley (SA) Pty Ltd	Great Southern Bike Trail economic impact assessment	\$15,000

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/consultants-reporting-south-australian-tourism-commission>

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 and the nature of work undertaken, where the actual payments made for work undertaken during the financial year was AUD \$10,000 (or equivalent) or greater.

<b>Contractor</b>	<b>Purpose</b>
17 Tours Pty Ltd	Event management services
2OC Productions	Video production and editing
AAA Crewing Services Pty Ltd	Temporary staff (labour)
Access Hire South Australia	Event infrastructure services
Accordant Pty Ltd	ICT services
Accucorp Pty Ltd	Event infrastructure services
Action Market Research Pty Ltd	Market research
Active Air Conditioning and Refrigeration Pty Ltd	Event infrastructure services
Adelaide Contract Services Pty Ltd	Event operations services
Adelaide Event Group Pty Ltd	Event infrastructure services
Adelaide Event Operations Pty Ltd	Event operations services
Adelaide Expo Hire Pty Ltd	Event infrastructure services
Adelaide Green Clean (Events) Pty Ltd	Cleaning and waste services
Adelaide Oval SMA Ltd	Event facilities and catering
Adobe Australia Trading Pty Ltd	Digital marketing services
Advertiser Newspapers Pty Ltd	Advertising services



AEG Ogden Pty Ltd	Event facilities
AFAR Media LLC	Marketing services
Agile Group (APAC) Pty Ltd	Security services
AGL South Australia Pty Ltd	Event infrastructure services
Alexander & Symonds Pty Ltd	Surveying services
Alinta Energy Retail Sales Pty Ltd	Event infrastructure services
Altus Traffic Pty Ltd	Traffic management services
Andrew King	Security services
Anna Meares Cycling	Personal services
Apollo Lighting Service Pty Ltd	Event production services
Artcraft Pty Ltd	Tourism and event infrastructure
Arte Grafica Printing Pty Ltd	Printing services
ATF Services Pty Ltd	Event infrastructure services
Atomix Design Pty Ltd	Creative/design services
Atura Hotels and Resorts Pty Ltd	Accommodation services
Aurora Vehicle Association Inc	Event operations services
Ausco Modular Pty Ltd	Event infrastructure services
Australia Post	Postal services
Australian Fashion Labels Pty Ltd	Creative/design services
Australian Opco Pty Ltd	Travel services
Australian Sports Medicine Federation SA Branch Inc	Event operations services
Australian Tourism Data Warehouse Pty Ltd	ICT services
Australian Trade Commission	Market research
AYBS Pty Ltd	Temporary staff (hospitality)

Ayers House Functions	Event facilities and catering
Bagavagabonds LLC	Promotional services
BDA Marketing Planning Pty Ltd	Market research
BEA Motors Pty Ltd	Event operations services
Bevan Jones Jewellery by Design Pty Ltd	Provision of gifts for events
Beijing International Club Corp Ltd	Function and accommodation services
Belair Turf Management Pty Ltd	Event infrastructure services
Bernreiter	Event infrastructure services
Beyond Entertainment Pty Ltd	Event production services
Bianco Hiring Service Pty Ltd	Event infrastructure services
Big Fish Events Group	Event management services
Big Picture Marketing Strategy and Research Ltd	Market research
Big Screen Video Pty Ltd	Event infrastructure services
Bikesport Australia Pty Ltd	Event management services
Bikesportz Imports Pty Ltd	Event operations services
Blaso Pty Ltd	Event production services
Blue Max Music Live Pty Ltd	Entertainment services
Boltz Pty Ltd	Event infrastructure services
Boyd Public Relations Ltd	Public relations services
Brian Gleeson Event Management Pty Ltd	Event management services
Budget Rent a Car Australia Pty Ltd	Transport services
Calicoan Pty Ltd	Event production services
Carat Australia Media Services Pty Ltd	Advertising Services
Carat Deutschland GmbH	Advertising Services

Carat Media Services Singapore Pte Ltd	Advertising Services
Carat New Zealand Ltd	Advertising Services
CardSprint Pty Ltd	Printing services
Cater Plus Pty Ltd	Event catering services
CUB Pty Ltd	Event catering services
Carpet Tiles 1	Event infrastructure services
CCTV Hire Pty Ltd	Event infrastructure services
CES Grosvenor Hotel (SA) Pty Ltd	Accommodation services
Check It Out Graphix	Creative/design services
Chenoweth Group Pty Ltd	Video production and editing
Christopher Selwood	Event management services
Civil Tech Pty Ltd	Event infrastructure services
Clifton Productions Pty Ltd	Event infrastructure services
CMGRP Pty Ltd	Market research
CML Hotel Pty Ltd	Accommodation services
Coates Hire Operations Pty Ltd	Event infrastructure services
Coca-Cola Amatil (Aust) Pty Ltd	Event catering services
Coco L'Amour (NSW) Pty Ltd	Promotional services
Colmar Brunton Pty Ltd	Market research
Coopers Brewery Ltd	Event catering services
COR Berlin Kommunikation GmbH	Public relations services
Core Traffic Control Pty Ltd	Traffic management services
Corporation of the City of Adelaide	Event infrastructure services
Crawford Containers Pty Ltd	Event infrastructure services

CSC Corporate Domains Inc	ICT services
CSE Crosscom Pty Ltd	Event infrastructure services
Cut Price Car and Truck Rentals Pty Ltd	Transport services
Cycling Anti-Doping Foundation	Event operations services
Cycling Australia Ltd	Event operations services
Dada Supreme Pty Ltd	Video production and editing
Daniel Howe	Photography services
Data #3 Ltd	ICT services
David McKenzie	Commentary services
Dell Australia Pty Ltd	ICT services
Deloitte Access Economics Pty Ltd	Training services
Digital Coaching International	Training services
Digital Spring Ltd	Advertising services
Diligent Board Services	ICT services
Dirty Foods Pty Ltd	Event management services
DXC Enterprise Australia Pty Ltd	ICT services
Earth Art Photography	Photography services
East End Cellars	Temporary staff (hospitality)
Electric Bug Pty Ltd	Event infrastructure services
Elite Marking	Event infrastructure services
Elliot Grafton Creative	Video production and editing
Ellismgt Pty Ltd	Event infrastructure services
Emma Humphreys Communications Ltd	Public relations services
Empired Ltd	ICT services

Encore Event Technologies Pty Ltd	Event production services
Enerven Energy Infrastructure Pty Ltd	Event infrastructure services
Engie Fire Protection Pty Ltd	Event infrastructure services
Enventive Incorporated	Event management services
Enviro Sweep	Event infrastructure services
Envyus Design	Creative/design services
EPS Australia Pty Ltd	Event infrastructure services
Eubuco Verlag GmbH	Promotional services
Event Managers Australia	Event management services
Event Timing Pty Ltd	Event infrastructure services
Eventelec Events Pty Ltd	Event infrastructure services
Evrigh.com Pty Ltd	Event trophies and engraving
Expertise Events Pty Ltd	Event management services
Eyesight Security Pty Ltd	Security services
Fabian Cancellara AG	Personal services
Federal Express (Australia) Pty Ltd	Freight services
First Care Medical Services Australia Pty Ltd	Event medical services
Firstpoint Marketing and Communications Pty Ltd	Public relations services
Fleurieu Cranes Pty Ltd	Event infrastructure services
Flinders University	Event facilities
Flooring Solutions (SA) Pty Ltd	Event infrastructure services
Formile Events Pty Ltd	Traffic management services
Four Seasons Hotel Guangzhou	Function and accommodation services
Frankie Films Pty Ltd	Video production and editing

Friendly Society Medical Association Ltd	Event operations services
Fringe Innovations Pty Ltd	Ticketing services
Frontline Group Holdings Pty Ltd	Printing services
Full Throttle Management Pty Ltd	Event operations services
FVW Medien GmbH	Advertising services
Gearhouse Broadcast Pty Ltd	Event communications services
Gema Group Holdings Pty Ltd	Event catering services
George Macari Management	Personal services
Giancarlo Truffa	Marketing representation services
Girdler Amusements Pty Ltd	Event operations services
Gliderol International Pty Ltd	Event infrastructure services
Goin Off Safaris	Tourism services
Golf Car Solutions	Event operations services
Grace Records Management (Australia) Pty Ltd	Records management services
Gray Andreotti Advisory	Legal services
Gray Management Group Pty Ltd	Public relations services
GRP Public Relations Ltd	Promotional services
Harry the Hirer Pty Ltd	Event infrastructure services
Hays Specialist Recruitment (Australia) Pty Ltd	Temporary staff (backfill)
Health Safety Environment Australia Pty Ltd	Training services
Hello Sarnie Pty Ltd	Event catering services
Hemisphere Management Group Australia	Promotional services
Henry Kidman Videography	Video production and editing
Hoban Recruitment Pty Ltd	Temporary staff (labour)

Honda Australia Motorcycle & Power Equipment Pty Ltd	Event operations services
Hotel Grand Chancellor (Adelaide) Pty Ltd	Accommodation services
Howard & Sons Pyrotechnics (Displays) Pty Ltd	Event production services
HTS Group Pty Ltd	Event infrastructure services
Huang Xiaoming	Promotional services
I am Helium Pty Ltd	ICT services
Integrated Event Delivery Management	Event management services
Interflora Australian Unit Ltd	Event operations services
International Management Group of America Pty Ltd	Promotional services
Isentia Pty Ltd	Media monitoring
JamFactory Contemporary Craft & Design Inc	Event trophies and awards
Jennie Bell Ink Pty Ltd	Event management services
Jens Voigt	Promotional services
JM Style Pty Ltd	Provision of event supplies
Johns Print Centre Pty Ltd	Printing services
Jones Lang LaSalle Public Sector Valuations Pty Ltd	Valuation services
Jordan Plumbing	Event infrastructure services
Joshua Geelan	Photography services
Josie Withers Photography	Photography services
JPJ Audio Pty Ltd	Event production services
Kanga Coachlines Pty Ltd	Transport services
Kangaroo Island Sealink Pty Ltd	Transport services
Kangaroo Island Wilderness Tours	Tourism services
Karmabunny Pty Ltd	ICT services

KI Keep It Real	Promotional materials
Kimberly Conte	Event management services
Kiwi and Roo Ltd	Catering services
Koben Digital Pty Ltd	ICT services
Konsky Motorsport Group Pty Ltd	Event operations services
Leader Computer Systems	ICT services
Lieb Management & Beteiligungs GmbH	Marketing representation services
Lincoln College Inc	Event facilities, catering and accommodation services
Link SA Pty Ltd	Transport services
Living Room Bar Pty Ltd	Event facilities and catering
Lumino Events Pty Ltd	Event management services
Magnolia Quince Pty Ltd	Event catering services
Mainairservice Pty Ltd	Event infrastructure services
Majestic Roof Garden Hotel	Accommodation services
Maria Elisabetta Pappalardi	Event operations services
Marshall Power Pty Ltd	Event infrastructure services
Martin Hawkins	Event security services
Matt Gilbertson	Promotional services
Matthew Keenan	Commentary services
Maxconnectors Pty Ltd	Promotional services
Mayfair Hotel Management Pty Ltd	Accommodation services
McCready Bale Media Ltd	Advertising services
McEwan Pty Ltd	Commentary services
McGregor Tan Research Pty Ltd	Market research



McKenzie Group Consulting (Qld) Pty Ltd	Event infrastructure services
McLaughlin CB Pty Ltd	Freight services
McMahon Services Australia Pty Ltd	Event infrastructure services
Meaghan K Coles	Photography services
Media Factory Pty Ltd	Advertising services
Mediabrand Australia Pty Ltd	Advertising services
Medina Property Services Pty Ltd	Accommodation services
Melzelco Pty Ltd	Event infrastructure services
Metal Fabricators Pty Ltd	Event infrastructure services
Michele D'Aloia	Public relations services
Miller Apartments Pty Ltd	Accommodation services
Mise En Scene Pty Ltd	Video production and editing
Mister Milford Pty Ltd	Event management services
Motor Racing Enterprises	Event operations services
Motorola Solutions Australia Pty Ltd	Event communications services
Mount Lofty House	Accommodation services
Mr Rigger Pty Ltd	Event production services
Murphy Holdings Pty Ltd	Transport services
Nation Creative Pty Ltd	Creative/design services
Natrasha Pty Ltd	Event infrastructure services
NEC Australia Pty Ltd	ICT services
NEC IT Services Australia Pty Ltd	ICT services
Neil McKenzie & Associates Pty Ltd	Event infrastructure services
Nestle Australia Ltd	Equipment rental

Network Ten Pty Ltd	Event production and advertising services
New Focus Pty Ltd	Market research
New World Artists	Entertainment services
News Pty Ltd	Advertising services
Nexstage Staging and Rigging Technologies Pty Ltd	Event infrastructure services
NJS Vintners	Event management services
Northern Territory of Australia	Event facilities
Nova Entertainment Pty Ltd	Advertising services
Novatech Creative Event Technology Pty Ltd	Event production services
Novotel Barossa Valley Resort	Accommodation services
NTT Australia Pty Ltd	ICT services
Oaks Hotels & Resorts (NT) Pty Ltd	Accommodation services
O'Brien Group Enterprises Pty Ltd	Event catering services
Off Piste 4WD Tours	Tourism services
Onsite Rental Group Operations Pty Ltd	Event infrastructure services
O'Shea's Organisation Pty Ltd	Cleaning services
Ozone Hotel	Accommodation services
OzTiming Pty Ltd	Event infrastructure services
Pedestrian Group Pty Ltd	Promotional services
Pepper Tree Media Pty Ltd	Event production services
Peter Fuller & Associates Pty Ltd	Video production and editing
Peter James Mason	Event operations services
Peter Schloithe	Event operations services
Pierre Vives Tourism Consulting	Marketing representation services

Pineapple Media (SA) Pty Ltd	Production and broadcast services
Pink Fence Pty Ltd	Event infrastructure services
Pinnacle Events Pty Ltd	Event operations services
Pivotal Business Technology Pty Ltd	ICT services
PJ Cini Plumbing	Event infrastructure services
Plaspro Enterprises Pty Ltd	Provision of event supplies
Power On Solutions Pty Ltd	Event communications services
PPI Promotion & Apparel Pty Ltd	Promotional merchandise and uniforms
PR & GOUP Communication Partners SRL	Public relations services
Premiair Services Pty Ltd	Event infrastructure services
Programmed Property Services Pty Ltd	Event infrastructure services
Publicis Communications Australia Pty Ltd	Public relations services
PWE Plus GmbH	Advertising services
Quest on Franklin	Accommodation services
Raamen Pty Ltd	Printing and distribution services
Railroad Contractors of Australia Pty Ltd	Event infrastructure services
Rapha Racing Ltd	Event operations services
RC Hotels Pte Ltd	Function and accommodation services
Real Aussie Adventure Pty Ltd	Promotional services
Reko's Skip Bins	Waste disposal services
Respektive 1 GmbH	Translation services
Restaurant Sat Bains Ltd	Promotional services
Reuben Kincaid Productions Pty Ltd	Event production services
Reylag Pty Ltd (Andy J Sound)	Event production services

Ricoh Australia Pty Ltd	Printing services
Robby Gordon Entertainment/SST Pty Ltd	Event operations services
Royal Agricultural & Horticultural Society of SA Inc	Event facilities
Satalyst Pty Ltd	ICT services
SCA Digital Pty Ltd	Promotional services
Scene This	Creative/design services
Seeley International Pty Ltd	Event infrastructure services
Select Music Agency Pty Ltd	Entertainment services
Seven Network (Operations) Ltd	Event production and advertising services
Seven West Media Ltd	Broadcast services
Shabren Pty Ltd	Transport Services
Shanghai Huayu Real Estate Development Co Ltd	Function and accommodation services
Shanghai Ziliu (Adventure Tours)	Travel services
Sheppard Touring Pty Ltd	Entertainment services
Shimano Australia Cycling Pty Ltd	Event operations services
Showpony Advertising	Creative/design services
Signcity (NT) Pty Ltd	Tourism infrastructure
Signs Incorporated Pty Ltd	Tourism and event infrastructure
Simmons & Sons Enterprises Pty Ltd	Freight and distribution services
Simon Burley Pty Ltd	Tourism services
Singapore Airlines Ltd	Transport services
Sitecore Australia Pty Ltd	ICT services
Sitehost Pty Ltd	Event facilities, catering and accommodation services
Sixteen-O-Two Advertising N'Design	Creative/design services

Skee Kee International Pty Ltd	Event operations services
Slosba Stirling Pty Ltd	Event catering services
Socialbakers A.S.	Digital marketing services
Society Marketing Communications Pty Ltd	Digital marketing services
South Aussie With Cosi Pty Ltd	Production and broadcast services
South Australian Contemporary Music Co Ltd	Event production services
Southern Ocean Lodge Pty Ltd	Accommodation services
Specialised Solutions Pty Ltd	Event infrastructure services
Splashdown (Aust) Corporate Bathroom Rentals Pty Ltd	Event infrastructure services
Sports Drug Testing International Pty Ltd	Event operations services
Spotless Facility Services Pty Ltd	Event security, cleaning and ground staff services
Squeezy Digital Pty Ltd	Training services
SRS Security	Event security services
St John Ambulance Australia SA Inc	Event operations services
Stagekings Pty Ltd	Event production services
Stewie's Rigging and Hire Pty Ltd	Event infrastructure services
Subaru (Aust) Pty Ltd	Event operations services
Suez-Resourcece Alternative Fuels Pty Ltd	Waste disposal services
Sunny Side Up Productions LLC	Promotional services
Superloop Broadband Pty Ltd	Event infrastructure services
SuperRealm Communications Co Ltd	Media monitoring
Tara Milk Tea Group Pty Ltd	Promotional services
TBWA Melbourne Pty Ltd	Creative/design services
TBWA New Zealand Ltd	Creative/design services

Telstra Corporation Ltd	Telecommunications services
Tennis Australia Ltd	Market research
TFH Hire Services Pty Ltd	Event infrastructure services
The Barn Palais Pty Ltd	Accommodation services
The Big Wedgie Pty Ltd	Event operations services
The Booking Centre Pty Ltd	Transport services
The Red Agency Pty Ltd	Public relations services
Tiang & Partners	Legal services
Tick Services	Event operations services
Ticketmaster Australasia Pty Ltd	Ticketing services
Tiger Build & Joinery Pty Ltd	Event infrastructure services
TLA Worldwide (Aust) Pty Ltd	Public relations services
Toll Global Forwarding Pty Ltd	Freight services
Topline Promotions Pty Ltd	Promotional merchandise and uniforms
Tourism Australia	Administrative, marketing, promotional and training services and market research.
Tourism eSchool	Training services
Traffic Group Australia Pty Ltd	Event operations services
Travel Link Digital Co Ltd	Training services
Trustee for the GT Trust t/as Mobile Autocare	Event management services
Tyrecycle Pty Ltd	Waste disposal services
Ultimo Catering and Events Pty Ltd	Event catering services
Unique Events and Themes	Event infrastructure services
United Fire Protection Pty Ltd	Event infrastructure services
Universal McCann Worldwide Inc	Advertising services

V8 Supercars Australia Pty Ltd	Event management and advertising services
Vacaciones eDreams SLU	Advertising services
Vandenbroek Mechanical Pty Ltd	Event infrastructure services
Viking Rentals	Event infrastructure services
Vili's Cakes	Event catering services
Village Sounds Agency Pty Ltd	Entertainment services
Virt Pty Ltd	Provision of event equipment
Visualcom Pty Ltd	Event operations services
Viv Sportings Pty Ltd	Promotional merchandise
Voice Project Pty Ltd	Research services
Wagstaff Worldwide Inc	Marketing representation services
Walks Creations	Event production services
Wavemaker Australia Pty Ltd	Advertising services
Waverley Forklifts Pty Ltd	Event infrastructure services
WDM Design and Advertising Pty Ltd	Creative/design services
We Like Travel Ltd	Advertising services
Weathersafe Shades Pty Ltd	Event infrastructure services
WGASA Pty Ltd	Event infrastructure services
Wilson Parking Australia Pty Ltd	Parking services
Winc Australia Pty Limited	Storage and distribution services
X-Treme Towing Service Pty Ltd	Transport services
Yao Marketing Consulting Co Ltd	Marketing representation services
Ziptrak Pty Ltd	Event infrastructure services

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/contractors-reporting-south-australian-tourism-commission>

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.](#)

**Other financial information**

None to report.

**Other information**

None to report.



## Risk management

### Fraud detected in the agency

Category/nature of fraud	Number of instances
Theft of merchandise and modification of credentials by volunteers working at an SATC managed event.	1

### Strategies implemented to control and prevent fraud

The SATC is committed to maintaining a work environment free of fraud and corrupt behaviour. The SATC has in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures and policies, in line with its fraud risk assessment and Fraud and Corruption Policy. The SATC offers protection to genuine whistleblowers to enable disclosure of illegal activities or corruption to be made. These arrangements meet the specific needs of the SATC, and all reasonable measures to minimise the incidence of fraud, as well as to investigate and recover the proceeds of fraud, have been taken.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/fraud-reporting-south-australian-tourism-commission>

### 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/whistle-blowers-reporting-south-australian-tourism-commission>

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
<p><i>South Australian Tourism Commission Act, 1993</i></p>	<p><b>Section 24 – Annual Report</b></p> <ul style="list-style-type: none"> <li>• The Commission must, on or before 30 September in every year, forward to the Minister a report on the Commission’ operations for the preceding financial year.</li> <li>• The report must contain—             <ol style="list-style-type: none"> <li>1. the audited statements of account of the Commission for the preceding financial year; and</li> <li>2. a report on—                 <ol style="list-style-type: none"> <li>(i) the state of tourism and the tourism industry in the State; and</li> <li>(ii) the Commission's plans and the extent to which they have been implemented; and</li> <li>(iii) the extent to which the Commission met the targets set in the performance agreement for the preceding financial year; and</li> </ol> </li> <li>3. any other information required by or under the provisions of this Act or any other Act.</li> </ol> </li> <li>• The Minister must, within 12 sitting days after receiving a report under this section, have copies of the report laid before both Houses of Parliament.</li> </ul>

### The state of tourism and the tourism industry in the State

South Australia’s tourism industry has enjoyed strong growth for a number of years now and 2019-20 has been no exception. During this time our state’s visitor economy has grown to a record \$8.1 billion, employing 40,500 people across 18,000 businesses. These results show we were tracking well against our 2020 targets of growing our visitor economy to \$8 billion and reaching 41,000 tourism jobs.

We also experienced record levels of visitation, welcoming 8.6 million international and domestic visitors as of December 2019.

However, we now live in a very different world. The South Australian visitor economy is in the middle of the most severe contraction of tourism on record. While we have already seen significant drops when comparing the current results (year to March 2020) to the 2019 calendar year, far more significant declines will be felt in future releases with the closure of international and interstate borders. Total expenditure in the year to March 2020 was \$7.8 billion, up 7 per cent for the previous year to March 2019, but already down 4 per cent compared to the year to December 2019 result of \$8.1 billion.

With December 2020 fast approaching, the SATC is already looking to the future with the *South Australian Visitor Economy Sector Plan 2030*. The plan aims to grow our visitor economy to \$12.8 billion and employment to 52,000. It was developed extensively industry participation, making it a strong plan for industry, by industry.

The SATC is committed to delivering its 2020 targets and, to this end, has delivered a range of key activities during 2019-20 to achieve growth for our industry. Many of these targets will now be difficult to achieve with the impact of COVID-19.

## **Marketing**

Our domestic marketing strategies have competitively positioned South Australia as an appealing, year-round destination of choice and this activity contributed to achieving domestic expenditure to \$6.9 billion for year ending December 2019. Since January 2020, the SATC has adopted a number of approaches to ensure our marketing strategies were able to quickly adapt and respond to the challenging conditions from the double crises of bushfires and COVID-19. Despite the challenges, from January to June 2020, these domestic campaigns resulted in an 83 per cent growth in Australian website traffic compared to the same period last year, and a 42 per cent year on year growth in Australian generated leads to South Australian tourism businesses and key industry partners. Cooperative marketing with travel trade partners resulted in an average return on investment of 10:1 during this period.

Our international marketing reacted swiftly to the summer bushfire crisis through engaging well known UK Naturalist Ray Mears to broadcast live from Kangaroo Island, primarily on BBC Breakfast with an additional 18 live radio broadcasts to counteract the negative international media. This activity reached 202 million consumers in the UK with an advertising equivalent of GBP 2million. Awareness activity with Singapore Press Holdings focused on a road trip from Melbourne to Adelaide using two Asian key opinion leaders. This activity resulted in 1.2 million views to the road trip videos and saw consumers seeking additional holiday information on South Australia. International visitor spend for the year end March 2020 was at \$1.1 billion - it is expected the target of \$1.4 billion will not be achieved as international borders closed in mid-March 2020 due to COVID-19 and currently there is no indication of a reopening date.

## Events

Events are an important driver of visitation to our state and contribute to our visitor economy. As of March 2020, the economic impact of key leisure events sat at \$375 million, this was down from the \$383 million achieved in December 2019, just shy of our 2020 target of \$400 million.

The 2020 Santos Tour Down Under was the 22<sup>nd</sup> and last event for Mike Turtur as Race Director. The event played an important role in communicating to our key national and international markets that South Australia, and in particular the Adelaide Hills, was open for business after the devastating Cudlee Creek and Kangaroo Island bushfires, with powerful imagery beamed world-wide. Despite the challenging conditions, the 2020 Santos Tour Down Under continued to deliver great outcomes with 44,800 event specific visitors, 7,790,000 spectators and an economic impact of \$66.5 million generated. The Superloop Adelaide 500 was also challenged with earlier dates and the impacts of the bushfires. More than 206,000 people witnessed Shell V Racing's Scott McLaughlin take out the 2020 race. Around 11,900 people travelled to South Australia for Virgin Australia Supercars Championship season opener, which featured an expanded off-track entertainment offering, including South Australia's Hilltop Hoods as the finale concert. The event, which injected \$38.6 million into the South Australian economy, paid tribute to the CFS Foundation and other organisations for their outstanding efforts during the devastating summer bushfires, with a Parade of Heroes.

The 2019 Pageant was the first event with new naming rights partner National Pharmacies. The National Pharmacies Christmas Pageant had a live viewing audience of nearly 500,000 people (325,000 at the Pageant and 173,000 on Channel Nine) watching what is the largest parade in the Southern Hemisphere. The Pageant took a historic new route, with Father Christmas arriving at Town Hall.

At the start of the year, South Australia hosted the Adelaide International, an ATP/WTA tennis event, owned by Tennis Australia and secured through the work of the SATC. This was made possible as a result of the State Governments' commitment to redevelop Memorial Drive, including putting a roof across centre court. The first event had a number of sell-out days and proved to be a great success. The event will sit on South Australia's calendar for at least the next four years.

From March 2020 onwards, events were significantly impacted by COVID-19 restrictions, resulting in the rescheduling then cancellation of the 14th edition of Tasting Australia, and the cancellation or rescheduling of a number of regional and major sponsored events. These included the 2020 Hancock Prospecting Australian Swimming Trials and Game 1 of the NRL's Holden State of Origin, both postponed. The focus of Events South Australia shifted to supporting the event and festival industry, including industry suppliers, through a Regional Events Grant Fund, training programs, direct support and regular communication with relevant information and advice.

## **Destination Development**

Facilitation of the World Routes 2019 aviation conference was a key focus for the first half of 2019-20, as the global three-day event was held in Adelaide in September 2019. This is the first time the event was held in Australasia. World Routes is the global meeting place for airlines, airports and aviation stakeholders. The event provided the opportunity to meet with international airlines as well as showcasing South Australia as a tourism destination to approximately 2,000 international delegates. The event injected approximately \$20 million into the South Australian economy. The second half of 2019-20 had a significant impact on the tourism and aviation industry, with no international flights into Adelaide from March 2020 due to the COVID-19 pandemic.

The 2019-20 cruise season concluded earlier than scheduled, with 63 cruise ship visits and 135,720 passengers and crew welcomed to our state from October to March.

A major focus throughout the COVID-19 pandemic was the implementation of the Resilience and Rebound project, designed to help tourism businesses through the uncertain times and rebound back into business when the time was right. The project provided relevant advice and assistance to tourism operators across South Australia. Regional engagement was also essential throughout 2019-20 to understand the concerns from the tourism industry, with regular communication with the Regional Tourism Organisations throughout the 2019-20 bushfires and COVID-19.

Product and experience development remain a key priority to increase the appeal of travelling to and within regional South Australia. In 2019-20, the Destination Development team worked in partnership with federal, state and local government, private investors and numerous tourism operators and entrepreneurs to bring 175 new products and experiences to fruition. These key activities, though severely impacted by COVID-19, contributed to driving tourism in our state forward. We will continue to work with the State Government and industry partners and operators to rebound back from these extremely challenging times.

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

None to report

## Public complaints

### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2019-20
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	0
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	0
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0

<b>Complaint categories</b>	<b>Sub-categories</b>	<b>Example</b>	<b>Number of Complaints 2019-20</b>
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, outdated 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	0
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	4
		<b>Total</b>	<b>4</b>

Additional Metrics	Total
Number of positive feedback comments	n/a
Number of negative feedback comments	n/a
Total number of feedback comments	n/a
% complaints resolved within policy timeframes	n/a

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/public-complaints-reporting-south-australian-tourism-commission>



**Service Improvements resulting from complaints or consumer suggestions over 2019-20**

N/A

## **Appendix A: Audited Financial Statements 2019-20**



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## To the Chair South Australian Tourism Commission

### Opinion

I have audited the financial report of South Australian Tourism Commission for the financial year ended 30 June 2020.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the South Australian Tourism Commission as at 30 June 2020, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2020
- a Statement of Financial Position as at 30 June 2020
- a Statement of Changes in Equity for the year ended 30 June 2020
- a Statement of Cash Flows for the year ended 30 June 2020
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Chair, the Chief Executive Officer and the Chief Financial Officer.

### Basis for opinion

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

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

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

The Board of Directors 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 23(3) of the *South Australian Tourism Commission Act 1993*, I have audited the financial report of South Australian Tourism Commission for the financial year ended 30 June 2020.

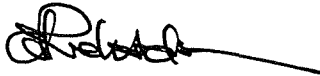
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the South Australian Tourism Commission's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- 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 the Board of Directors 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.



Andrew Richardson

**Auditor-General**

23 September 2020

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SOUTH AUSTRALIAN TOURISM COMMISSION

# CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the attached general purpose financial statements for the South Australian Tourism Commission (SATC):

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards
- are in accordance with the accounts and records of the SATC, and
- present a true and fair view of the financial position of the SATC as at 30 June 2020 and the results of its operation and cash flows for the financial year.

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

*Signed in accordance with a resolution of the board members.*



**Andrew Bullock**  
Chair  
South Australian Tourism  
Commission Board

14/09/2020



**Rodney Harrex**  
Chief Executive Officer  
South Australian Tourism  
Commission

14/09/2020

**Stephanie Rozokos**  
Chief Financial Officer  
South Australian Tourism  
Commission

14/9/2020

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SOUTH AUSTRALIAN TOURISM COMMISSION

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$'000	2019 \$'000
<b>INCOME</b>			
Appropriation	3.1	<b>89 203</b>	83 605
Intra-government transfers	3.2	<b>1 185</b>	5 479
Sponsorship and participation	3.3	<b>11 038</b>	10 509
Entry fees, licence fees and sales	3.4	<b>11 987</b>	16 697
Interest		<b>59</b>	160
Other income	3.5	<b>281</b>	231
<b>TOTAL INCOME</b>		<b>113 753</b>	116 681
<b>EXPENSES</b>			
Employee benefits expenses	2.3	<b>13 972</b>	14 550
Advertising and promotion	4.1	<b>31 633</b>	37 103
Industry assistance	4.2	<b>16 893</b>	15 524
Administration and accommodation	4.3	<b>4 671</b>	7 050
Event operations	4.4	<b>39 748</b>	40 736
Depreciation expense	4.5	<b>3 835</b>	2 410
Borrowing costs	4.6	<b>162</b>	-
Net loss from the disposal of non-current assets	4.7	<b>392</b>	39
Loss (gain) on impairment of receivables	5.2.1	<b>32</b>	(4)
<b>TOTAL EXPENSES</b>		<b>111 338</b>	117 408
<b>NET RESULT</b>		<b>2 415</b>	(727)
<b>TOTAL COMPREHENSIVE RESULT</b>		<b>2 415</b>	(727)

The net result and total comprehensive result are attributable to the SA Government as owner.

The accompanying notes form part of these financial statements.

# STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	Note	2020 \$'000	2019 \$'000
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5.1	19 416	16 568
Receivables	5.2	3 858	2 550
Other financial assets	5.3	27	-
<b>TOTAL CURRENT ASSETS</b>		<b>23 301</b>	19 118
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	6.1	21 473	15 810
<b>TOTAL NON-CURRENT ASSETS</b>		<b>21 473</b>	15 810
<b>TOTAL ASSETS</b>		<b>44 774</b>	34 928
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Payables	7.1	6 505	5 382
Financial liabilities	7.2	1 426	72
Employee benefits	2.4	1 448	1 531
Provisions	7.3	25	26
Other current liabilities	7.4	154	1 426
<b>TOTAL CURRENT LIABILITIES</b>		<b>9 558</b>	8 437
<b>NON-CURRENT LIABILITIES</b>			
Payables	7.1	133	165
Financial liabilities	7.2	7 030	-
Employee benefits	2.4	1 821	2 113
Provisions	7.3	52	40
Other non-current liabilities	7.4	-	408
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>9 036</b>	2 726
<b>TOTAL LIABILITIES</b>		<b>18 594</b>	11 163
<b>NET ASSETS</b>		<b>26 180</b>	23 765
<b>EQUITY</b>			
Contributed capital		64	64
Asset revaluation surplus	8.2	7 938	8 453
Retained earnings		18 178	15 248
<b>TOTAL EQUITY</b>		<b>26 180</b>	23 765
The total equity is attributable to the SA Government as owner.			
Unrecognised contractual commitments	10		

The accompanying notes form part of these financial statements.



## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

	Note	Contributed Capital \$'000	Asset Revaluation Surplus \$'000	Retained Earnings \$'000	Total Equity \$'000
<b>BALANCE AT 30 JUNE 2018</b>		<b>64</b>	<b>8 599</b>	<b>15 830</b>	<b>24 493</b>
Adjustments on initial adoption of AASB 9		-	-	(1)	(1)
<b>ADJUSTED BALANCE AT 1 JULY 2018</b>		<b>64</b>	<b>8 599</b>	<b>15 829</b>	<b>24 492</b>
Net result for 2018-19		-	-	(727)	(727)
Total comprehensive result for 2018-19		-	-	(727)	(727)
Transfer between equity components	6.2.2	-	(146)	146	-
<b>BALANCE AT 30 JUNE 2019</b>		<b>64</b>	<b>8 453</b>	<b>15 248</b>	<b>23 765</b>
Net result for 2019-20		-	-	2 415	2 415
Total comprehensive result for 2019-20		-	-	2 415	2 415
Transfer between equity components	6.2.2	-	(515)	515	-
<b>BALANCE AT 30 JUNE 2020</b>		<b>64</b>	<b>7 938</b>	<b>18 178</b>	<b>26 180</b>

All changes in equity are attributed to the SA Government as owner.

The accompanying notes form part of these financial statements.

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

		<b>2020</b>	2019
		<b>Inflows</b>	Inflows
		<b>(Outflows)</b>	(Outflows)
	Note	<b>\$'000</b>	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
CASH INFLOWS			
Receipts from SA Government		<b>90 388</b>	89 084
Receipts from the sale of goods and services		<b>19 095</b>	28 076
Interest received		<b>59</b>	160
GST recovered from the ATO	8.3	<b>5 549</b>	5 648
Receipts for Paid Parental Leave scheme		<b>39</b>	97
CASH GENERATED FROM OPERATIONS		<b>115 130</b>	123 065
CASH OUTFLOWS			
Employee benefits payments		<b>(14 378)</b>	(14 351)
Payments for supplies and services		<b>(95 867)</b>	(104 571)
Payments for Paid Parental Leave scheme		<b>(40)</b>	(91)
Interest paid		<b>(162)</b>	-
CASH USED IN OPERATIONS		<b>(110 447)</b>	(119 013)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	8.3	<b>4 683</b>	4 052
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
CASH INFLOWS			
Proceeds from the sale of plant and equipment		<b>34</b>	32
CASH GENERATED FROM INVESTING ACTIVITIES		<b>34</b>	32
CASH OUTFLOWS			
Purchase of plant and equipment		<b>(626)</b>	(1 585)
CASH USED IN INVESTING ACTIVITIES		<b>(626)</b>	(1 585)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(592)</b>	(1 553)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
CASH OUTFLOWS			
Repayment of leases		<b>(1 243)</b>	-
CASH USED IN FINANCING ACTIVITIES		<b>(1 243)</b>	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(1 243)</b>	-
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>2 848</b>	2 499
CASH AND CASH EQUIVALENTS AT 1 JULY		<b>16 568</b>	14 069
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	5.1	<b>19 416</b>	16 568

The accompanying notes form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. ABOUT THE SOUTH AUSTRALIAN TOURISM COMMISSION

### 1.1 REPORTING ENTITY

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

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

### 1.2 BASIS OF PREPARATION

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

- section 23 of the *Public Finance and Audit Act 1987*
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*
- relevant Australian Accounting Standards, including AASB 15 *Revenue from Contracts with Customers*, AASB 16 *Leases* and AASB 1058 *Income of Not-for-Profit Entities* first adopted in 2019-20.

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

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

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

Significant accounting policies are set out in the notes. Changes in accounting policy are disclosed in note 9.

### 1.3 OBJECTIVES AND PROGRAMS

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

- add value to the efforts of the tourism industry and other government agencies, by ensuring a coordinated approach to the promotion of South Australia which results in an increase in visitor numbers to all regions of the State, thereby increasing the value of tourism to the economy and generating employment for South Australians
- attract, develop, own and support major and strategic events that generate substantial economic and social benefits for South Australia and promote the image and profile of Adelaide and South Australia
- ensure the development of South Australia's tourism resources in a socially responsible way with emphasis on the continued maintenance and preservation of South Australia's environmental and cultural heritage and the profitability and effective utilisation of infrastructure
- achieve a strong corporate team and positive corporate culture that uses its resources in the most effective and efficient manner.

The functions and powers of the SATC in relation to motor sport are established under the *South Australian Motor Sport Act 1984* and include the promotion of motor sport events and the establishment of a motor racing circuit on a temporary basis.

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

- **Tourism Development**  
To build tourism opportunities by improving visitor access into and around the state, building industry capability and providing advice to the industry in terms of research, policy and planning.
- **Tourism Events**  
To strategically build and promote the state's event calendar by developing and attracting new events and managing and growing existing events.
- **Tourism Marketing**  
To develop and implement marketing activities and campaigns to increase the number of international and national visitors to and within South Australia.

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

**1.4 EXPENSES AND INCOME BY PROGRAM**

for the year ended 30 June 2020

	<i>Tourism Development</i>		<i>Tourism Events</i>		<i>Tourism Marketing</i>		<i>Total</i>	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>INCOME</b>								
Appropriation	12 473	11 249	45 981	40 096	30 749	32 260	89 203	83 605
Intra-government transfers	200	189	719	1 308	266	3 982	1 185	5 479
Sponsorship and participation	132	401	9 803	8 644	1 103	1 464	11 038	10 509
Entry fees, sales and commission	55	142	11 807	16 413	125	142	11 987	16 697
Interest	-	-	59	160	-	-	59	160
Other income	3	13	73	50	205	168	281	231
<b>TOTAL INCOME</b>	<b>12 863</b>	<b>11 994</b>	<b>68 442</b>	<b>66 671</b>	<b>32 448</b>	<b>38 016</b>	<b>113 753</b>	<b>116 681</b>
<b>EXPENSES</b>								
Employee benefits expenses	2 625	3 483	6 171	6 036	5 176	5 031	13 972	14 550
Advertising and promotion	1 254	1 568	6 652	6 331	23 727	29 204	31 633	37 103
Industry assistance	6 243	5 495	10 014	9 748	636	281	16 893	15 524
Administration and accommodation	673	1 039	1 799	2 772	2 199	3 239	4 671	7 050
Event operations	1 905	650	37 843	40 086	-	-	39 748	40 736
Depreciation expense	231	50	2 906	2 217	698	143	3 835	2 410
Borrowing costs	21	-	77	-	64	-	162	-
Net loss from the disposal of non-current assets	-	3	392	27	-	9	392	39
Loss (gain) on impairment of receivables	-	-	30	(4)	2	-	32	(4)
<b>TOTAL EXPENSES</b>	<b>12 952</b>	<b>12 288</b>	<b>65 884</b>	<b>67 213</b>	<b>32 502</b>	<b>37 907</b>	<b>111 338</b>	<b>117 408</b>
<b>NET RESULT</b>	<b>(89)</b>	<b>(294)</b>	<b>2 558</b>	<b>(542)</b>	<b>(54)</b>	<b>109</b>	<b>2 415</b>	<b>(727)</b>

**1.5 ASSETS AND LIABILITIES BY PROGRAM**

as at 30 June 2020

	<i>Tourism Development</i>		<i>Tourism Events</i>		<i>Tourism Marketing</i>		<i>General or Not Attributable</i>		<i>Total</i>	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>ASSETS</b>										
Cash and equivalents	-	-	5 618	4 493	1 991	1 854	11 807	10 221	19 416	16 568
Receivables	31	17	2 417	1 159	555	436	855	938	3 858	2 550
Other assets	-	-	1	-	26	-	-	-	27	-
Plant and equipment	-	-	16 832	14 780	-	-	4 641	1 030	21 473	15 810
<b>TOTAL ASSETS</b>	<b>31</b>	<b>17</b>	<b>24 868</b>	<b>20 432</b>	<b>2 572</b>	<b>2 290</b>	<b>17 303</b>	<b>12 189</b>	<b>44 774</b>	<b>34 928</b>
<b>LIABILITIES</b>										
Payables	614	187	1 170	1 581	3 831	3 108	1 023	671	6 638	5 547
Financial liabilities	-	-	4 238	8	7	64	4 211	-	8 456	72
Employee benefits	479	473	959	1 098	797	1 115	1 034	958	3 269	3 644
Provisions	-	-	-	-	-	-	77	66	77	66
Other liabilities	-	-	154	1 433	-	45	-	356	154	1 834
<b>TOTAL LIABILITIES</b>	<b>1 093</b>	<b>660</b>	<b>6 521</b>	<b>4 120</b>	<b>4 635</b>	<b>4 332</b>	<b>6 345</b>	<b>2 051</b>	<b>18 594</b>	<b>11 163</b>

**1.6 RELATED PARTY TRANSACTIONS**

Related parties of the SATC include all key management personnel and their close family members, all Cabinet Ministers and their close family members, any entities controlled or jointly controlled by a related party, all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government. See note 2.1 for transactions with key management personnel.

**1.6.1 Significant Transactions with Government Related Entities**

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

- payments to the Department for Planning, Transport and Infrastructure totalling \$1.3 million for tourism signage and event operations (included in notes 4.2 and 4.4)
- rent, outgoings and services of \$1.1 million paid to the South Australian Water Corporation for an office lease (refer to notes 4.3 and 8.3.1)

- events and convention facilities with the Adelaide Venue Management Corporation of \$586 000 (included in note 4.4)
- grants, sponsorships and contributions received from the Department of the Premier and Cabinet totalling \$575 000 (included in notes 3.2 and 3.3).

## 1.7 CHANGES TO THE SATC

On 13 January 2020 the Governor made the following proclamations:

- *Administrative Arrangements (Reference to Department for Trade, Tourism and Investment) Proclamation 2020*
- *Administrative Arrangements (Committal of Acts) Proclamation 2020*

in which references to the Minister for Trade, Tourism and Investment in the *South Australian Tourism Commission Act 1993*, the *South Australian Motor Sport Act 1984* and the *Major Events Act 2013*, and administration of those Acts transferred to the Premier. None of the assets, rights or liabilities of the SATC were transferred as a result of the proclamations.

## 1.8 IMPACT OF THE COVID-19 PANDEMIC

The COVID-19 pandemic has significantly impacted the South Australian visitor economy and the SATC's ability to achieve its objectives. The pandemic has severely damaged the tourism industry, with many sectors of the visitor economy having been under enforced closure and trading under substantially limited conditions.

The COVID-19 pandemic has impacted on the operations of the SATC. The key impacts in 2019-20 were:

- cancellation of the 2020 Tasting Australia event, originally scheduled for March-April 2020, as well as the cancellation or postponement of numerous regional and sporting events supported by the SATC including the rescheduling of the NRL State of Origin match
- redirection of tourism marketing activities in line with travel restrictions and border closures, including the reallocation of international marketing funding to activities targeted at intrastate visitation to the regions
- reallocation of resources to provide support programs to South Australian tourism businesses deeply affected by the pandemic, including financial support packages, online resources, digital training and a COVID awareness training program.

The COVID-19 pandemic will continue to impact the operations of the SATC in 2020-21. The key impacts are unquantifiable and largely dependent on the severity and duration of the pandemic. The SATC:

- has considered the impact of COVID-19 on the visitor economy, including a range of factors such as aviation, visitor origin, visitation purpose, economic factors and changes in consumer behaviour post-recovery
- has launched intrastate and interstate marketing activities to drive visitation to the regions, with plans to expand campaigns out with each stage of recovery, addressing new markets as they become available
- will continue to drive consumer engagement, with numerous digital programs showcasing products, experiences, and South Australia's food and wine heroes and to provide the industry with platforms to promote and sell products to consumers
- will monitor developments and activate contingency plans for future managed events, following health advice, current recovery stages and restrictions around large gatherings.

## 2. BOARD, COMMITTEES AND EMPLOYEES

### 2.1 KEY MANAGEMENT PERSONNEL

The key management personnel of the SATC during 2019-20 were the Premier, the Minister for Trade, Tourism and Investment, Board directors, the Chief Executive Officer and the members of the Executive Team who have responsibility for the strategic direction and management of the SATC. Total compensation for key management personnel detailed in this note excludes salaries and other benefits received by the Premier and the Minister for Trade, Tourism and Investment. The Premier's and Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

#### 2.1.1 Compensation

	2020	2019
	\$'000	\$'000
Salaries and other short-term employee benefits	1 490	1 517
Post-employment benefits	178	186
Other long-term employment benefits	115	-
Termination benefits	70	-
Total compensation	<b>1 853</b>	<b>1 703</b>

#### 2.1.2 Significant Transactions with Key Management Personnel

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

## 2.2 BOARD DIRECTORS

Members of the South Australian Tourism Commission Board during the 2020 financial year were:

Jayne Bates OAM (to 30 September 2019)	Donna Gauci (from 2 July 2019)	John Irving
Andrew Bullock (from 2 July 2019)	Judith Griggs (to 30 September 2019)	Annie Mitchell (from 1 October 2019)
Joanne Collins <sup>1</sup> (to 30 September 2019)	Rodney Harrex <sup>1</sup> ( <i>ex officio</i> )	Grant Wilckens (from 2 July 2019)
Helen Edwards (from 19 March 2020)	Ian Horne	Mark Young (to 24 June 2020)
Jayne Flaherty (from 1 October 2019)		

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

	2020 Number	2019 Number
\$0 - \$19 999	12	9
\$20 000 - \$39 999	1	1
Total number of directors	13	10

The total remuneration received or receivable by directors was \$170 000 (\$150 000). Remuneration of directors includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

## 2.3 EMPLOYEE BENEFITS EXPENSES

	2020 \$'000	2019 \$'000
Salaries and wages	10 820	10 914
Targeted voluntary separation packages	207	198
Long service leave	79	498
Annual leave	907	919
Skills and experience retention leave	21	26
Employment on-costs – superannuation	1 093	1 148
Employment on-costs – other	648	668
Board and committee fees	155	137
Other employment related expenses	42	42
Total employee benefits expenses	13 972	14 550

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

### 2.3.1 Targeted Voluntary Separation Packages (TVSPs)

	2020 \$'000	2019 \$'000
Amount paid to separated employees:		
TVSPs	207	198
Leave paid to separated employees	87	162
Recovery from the Department of Treasury and Finance	(207)	(198)
Net cost to the SATC	87	162

The number of employees who received a TVSP during the reporting period was 3 (2).

### 2.3.2 Remuneration of Employees

	2020 Number	2019 Number
The number of employees whose remuneration received or receivable falls within the following bands:		
\$151 001 - \$154 000 <sup>2</sup>	n/a	1
\$174 001 - \$194 000	1	-
\$194 001 - \$214 000	1	2
\$214 001 - \$234 000	1	-
\$234 001 - \$254 000	1	2
\$254 001 - \$274 000	-	1
\$274 000 - \$294 000	1	-
\$394 001 - \$414 000	-	1
\$414 000 - \$434 000	1	-
	6	7

The table includes all employees whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, termination payments, payments in lieu of leave, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax. The total remuneration received by these employees for the year was \$1 579 000 (\$1 705 000).

<sup>1</sup> In accordance with Premier and Cabinet Circular PC016, government employees received no remuneration for board duties during the financial year

<sup>2</sup> This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2018-19

<b>2.4 EMPLOYEE BENEFITS LIABILITY</b>	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
Current:		
Annual leave	<b>841</b>	895
Long service leave	<b>292</b>	284
Skills and experience retention leave	<b>26</b>	36
Accrued salaries and wages	<b>289</b>	316
Total current employee benefits	<b>1 448</b>	1 531
Non-Current:		
Long service leave	<b>1 821</b>	2 113
Total non-current employee benefits	<b>1 821</b>	2 113
Total employee benefits	<b>3 269</b>	3 644

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

#### **2.4.1 Salaries and Wages, Annual Leave, Skills and Experience Retention Leave and Sick Leave Liabilities**

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

The annual leave liability and the skills and experience retention leave liability are expected to be payable within twelve months and are measured at the undiscounted amounts expected to be paid. The actuarial assessment performed by the Department of Treasury and Finance reduced the salary inflation rate to 2.0% (2020) from 2.2% (2019) for annual leave and skills and experience retention leave. The net financial effect in the 2020 financial year is a decrease in the annual leave liability and skills and experience retention leave liability of \$2 000 and employee benefits expenses of \$2 000. The estimated impact in 2021 is \$3 000 and \$2 000 respectively. The estimated impact in 2022 is \$5 000 and \$2 000 respectively.

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

#### **2.4.2 Long Service Leave Liability**

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

AASB 119 *Employee Benefits* determines the calculation methodology for long service leave liability. An 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.

The actuarial assessment of the salary inflation rate for long service leave decreased to 2.5% (2020) from 4.0% (2019) resulting in a decrease in the reported long service leave liability.

AASB 119 *Employee Benefits* requires the use of the 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 decreased to 0.75% (2020) from 1.25% (2019), resulting in an increase in the reported long service leave liability.

The net financial effect in the current financial year of the changes to actuarial assumptions and the bond yield rate is a decrease in the long service leave liability of \$197 000 and employee benefits expenses of \$211 000. The impact on future periods is not possible to estimate as the long service leave liability is calculated using several demographic and financial assumptions, including the long-term discount rate.

### 3. INCOME

#### 3.1 APPROPRIATION

	2020	2019
	\$'000	\$'000
Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i>	86 193	87 381
Appropriations received under other Acts	3 010	-
Transfer to Department for Trade, Tourism and Investment for the Convention Bid Fund	-	(3 759)
Transfer to Department of Treasury and Finance for Shared Services SA pricing increase	-	(17)
Total appropriation	<u>89 203</u>	<u>83 605</u>

Appropriation is recognised as income on receipt.

Total appropriation consists of \$88 554 000 (\$82 955 000) of operational funding and \$649 000 (\$650 000) for capital purposes. For details on the expenditure associated with the operational and capital funding received refer to notes 2.3, 4 and 6.1.

The original amount appropriated to the SATC under the annual *Appropriation Act* was not varied. An additional \$3 010 000 was appropriated to the SATC from the Governor's Appropriation Fund.

#### 3.2 INTRA-GOVERNMENT TRANSFERS

	2020	2019
	\$'000	\$'000
State Government grants	715	4 029
Recovery from the Department of Treasury and Finance for TVSPs	212	200
Other revenues from SA Government	258	1 250
Total revenues from SA Government	<u>1 185</u>	<u>5 479</u>

State Government grants mainly consist of funding from the Economic and Business Growth Fund. As the grants are non-recourse grants, they have been recognised as income on receipt.

#### 3.3 SPONSORSHIP AND PARTICIPATION

	2020	2019
	\$'000	\$'000
Sponsorship income	9 712	8 644
Industry contributions	1 173	1 363
Cooperative marketing/advertising	67	395
Industry participation fees	86	107
Total sponsorship and participation	<u>11 038</u>	<u>10 509</u>

Sponsorship and participation is recognised as income from contracts with customers. Revenue is recognised in the period in which the services are provided.

#### 3.4 ENTRY FEES, LICENCE FEES AND SALES

	2020	2019
	\$'000	\$'000
Event entry fees	8 385	12 548
Licence fees	2 199	2 743
Sale of merchandise	79	62
Service fees	971	973
Rental income	272	343
Sundry sales	81	28
Total entry fees, licence fees and sales	<u>11 987</u>	<u>16 697</u>

Income from event entry fees, licence fees and sales is recognised as income from contracts with customers. Revenue is recognised in the period in which the services are provided. Where payment is received for event entry fees and licence fees in an earlier period, it is disclosed in note 7.4 as unearned revenue.

#### 3.5 OTHER INCOME

	2020	2019
	\$'000	\$'000
Gain on foreign exchange	281	231
Total other income	<u>281</u>	<u>231</u>

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



## 4. EXPENSES

Employee benefits expenses are disclosed in note 2.3.

<b>4.1 ADVERTISING AND PROMOTION</b>	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
Consumer advertising	12 522	13 673
Cooperative consumer marketing	4 689	7 121
Familiarisations	1 089	1 545
Other consumer marketing	86	152
Production	6 103	6 214
Representation and contractors	3 202	3 177
Marketing research	1 003	975
Trade marketing	858	2 046
Other advertising and promotion	2 081	2 200
Total advertising and promotion	<b>31 633</b>	37 103

<b>4.2 INDUSTRY ASSISTANCE</b>	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
Sponsorship of events	10 278	8 763
Marketing/industry support	4 919	4 871
Tourism infrastructure	1 049	1 191
Tourism marketing boards/information centre grants	541	578
Trade show subsidies/membership of tourism industry bodies	106	121
Total industry assistance	<b>16 893</b>	15 524

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

<b>4.3 ADMINISTRATION AND ACCOMMODATION</b>	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
Accommodation and service costs	1 376	3 332
Communication and computing	1 734	1 973
Stationery, postage, couriers and freight	95	94
Contractors and consultants	170	186
Motor vehicles, taxis and car parking	93	171
Domestic and international travel	261	346
Seminars, courses and training	71	127
Insurance	309	309
Audit, legal and other fees	292	237
Loss on foreign exchange	30	74
Other	240	201
Total administration and accommodation	<b>4 671</b>	7 050

### 4.3.1 Consultants

The number and dollar amount of consultancies included in Administration and Accommodation that fell within the following bands:

	2020		2019	
	No.	\$'000	No.	\$'000
Below \$10 000	1	3	1	2
\$10 000 and above	1	16	2	69
Total paid/payable to the consultants engaged	<b>2</b>	<b>19</b>	3	71

### 4.3.2 Audit Fees

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 (\$90 000). No other services were provided by the Auditor-General's Department.

<b>4.4 EVENT OPERATIONS</b>	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
Event facilities	<b>11 173</b>	10 477
Construction	<b>4 726</b>	4 796
Catering and entertainment	<b>4 003</b>	5 137
Communications	<b>1 170</b>	1 223
Transport	<b>1 345</b>	1 157
Participants and contractors	<b>10 586</b>	10 531
Television and media	<b>3 205</b>	3 185
Event management	<b>3 540</b>	4 230
Total event operations	<b>39 748</b>	40 736

<b>4.5 DEPRECIATION EXPENSE</b>	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
General plant and equipment	<b>31</b>	67
Pageant plant and equipment	<b>179</b>	147
Motor sport infrastructure	<b>1 861</b>	1 839
Fitouts	<b>305</b>	357
Right-of-use assets	<b>1 459</b>	-
Total depreciation expense	<b>3 835</b>	2 410

All non-current assets, having limited useful lives, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential.

#### 4.5.1 Review of Accounting Estimates

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

#### 4.5.2 Useful Life

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

<b>Class of Asset</b>	<b>Useful Life</b>
General plant and equipment	4-10
Pageant plant and equipment	3-35
Motor sport infrastructure	2-20
Fitouts	5-10
Right-of-use assets	3-20

<b>4.6 BORROWING COSTS</b>	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
Interest expense on lease liabilities	<b>162</b>	-
Total borrowing costs	<b>162</b>	-

<b>4.7 NET LOSS FROM THE DISPOSAL OF NON-CURRENT ASSETS</b>	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
Plant and equipment		
Net book value of assets disposed	<b>426</b>	71
Proceeds from disposal	<b>(34)</b>	(32)
Total net loss from the disposal of non-current assets	<b>392</b>	39

Gains and losses on disposal are recognised at the date control of the asset is passed to the buyer and are determined after deducting the cost of the asset from the proceeds at that time. When revalued assets are disposed of, the revaluation surplus is transferred to retained earnings.

## 5. FINANCIAL ASSETS

### 5.1 CASH AND CASH EQUIVALENTS

	2020	2019
	\$'000	\$'000
Deposits with the Treasurer	11 801	10 207
Cash at bank	7 609	6 347
Cash on hand	6	14
Total cash and cash equivalents	<u>19 416</u>	<u>16 568</u>

Cash is measured as nominal amounts.

#### 5.1.1 Deposits with the Treasurer

The SATC has three deposit accounts with the Treasurer, consisting of two general operating accounts and the Accrual Appropriation Excess Funds Account (AAEFA). The balance of the AAEFA was \$9 138 000 (\$7 682 000). The SATC controls the money in the AAEFA but its use must be approved by the Treasurer. The SATC does not earn interest on its deposits with the Treasurer.

### 5.2 RECEIVABLES

	2020	2019
	\$'000	\$'000
Current:		
Trade receivables	2 188	1 226
Less allowance for impairment loss on receivables	(39)	(7)
	<u>2 149</u>	<u>1 219</u>
GST input tax recoverable	621	780
Contract assets	428	279
Prepayments	660	272
Total receivables	<u>3 858</u>	<u>2 550</u>

Trade receivables arise in the normal course of selling goods and services to the public and to other government agencies. Trade receivables are normally settled within 30 days. Trade receivables, prepayments and accrued revenues are non-interest bearing. Trade receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost. The net amount of GST payable to the ATO is included as part of trade receivables.

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

Refer to note 11.1 for information on risk management.

#### 5.2.1 Allowance for Impairment Loss on Receivables

	2020	2019
	\$'000	\$'000
Movement in the allowance for doubtful debts		
Carrying amount at 1 July	7	36
Increase in the allowance	38	6
Amounts recovered during the year	(6)	(10)
Increase (decrease) in allowance recognised in profit or loss	32	(4)
Amounts written off	-	(25)
Carrying amount at 30 June	<u>39</u>	<u>7</u>

Refer to note 11.3 for information on credit risk and the methodology for determining impairment.

#### 5.2.2 Contract Assets

	2020
	\$'000
Opening balance from 30 June 2019 adjusted for AASB 15	279
Add additional costs incurred that are recoverable from the customer	428
Less transfer to receivables	(279)
Total contract assets	<u>428</u>

Contract assets relate to the SATC's right to consideration in exchange for goods and services transferred to customers for works completed, but not yet billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the SATC issues an invoice to the customer.

**5.3 OTHER FINANCIAL ASSETS**

	2020	2019
	\$'000	\$'000
Current:		
Foreign exchange forward contracts	27	-
Total other assets	27	-

Refer to note 11.4 for information on market risk.

**6. NON-FINANCIAL ASSETS****6.1 PLANT AND EQUIPMENT**

	2020	2019
	\$'000	\$'000
General plant and equipment		
At cost (deemed fair value)	248	248
Accumulated depreciation at the end of the period	(216)	(185)
Total general plant and equipment	32	63
Pageant plant and equipment		
At cost (deemed fair value)	2 060	2 040
Accumulated depreciation at the end of the period	(1 146)	(1 099)
Total Pageant plant and equipment	914	941
Motor sport infrastructure		
At cost (deemed fair value)	690	336
Accumulated depreciation at the end of the period	(60)	(10)
At fair value	14 411	14 808
Accumulated depreciation at the end of the period	(3 549)	(1 829)
Total motor sport infrastructure	11 492	13 305
Fitouts		
At cost (deemed fair value)	2 128	2 128
Accumulated depreciation at the end of the period	(932)	(627)
Total fitouts	1 196	1 501
Right-of-use assets		
At cost	9 295	-
Accumulated depreciation at the end of the period	(1 456)	-
Total right-of-use assets	7 839	-
Total plant and equipment	21 473	15 810

**6.1.1 Owned Plant and Equipment**

Plant and equipment owned by the SATC is valued at fair value or deemed fair value. Refer to note 6.2 for information about fair value.

All Pageant floats, regardless of their value, are recognised as non-current assets. Pageant floats are recorded at historic cost less accumulated depreciation. All other non-current tangible assets with a value equal to or in excess of \$15 000 are capitalised.

Plant and equipment includes \$161 000 (\$225 000) of fully depreciated plant and equipment still in use.

**6.1.2 Impairment of Owned Plant and Equipment**

The SATC holds its plant and equipment assets for their service potential (value in use). Specialised assets would rarely be sold and typically any costs of disposal would be negligible. Accordingly, the recoverable amount will be close to or greater than fair value.

There were no indications of impairment of plant and equipment at 30 June 2020.

**6.1.3 Leased Plant and Equipment**

On 1 July 2019 the SATC adopted AASB 16 *Leases*, resulting in the recognition of right-of-use assets representing leased accommodation and motor vehicles. Refer to note 9.1 for information on the change in accounting policy.

Plant and equipment leased by the SATC is recorded at cost. Short term leases of 12 months or less and low value leases where the underlying asset value is less than \$15 000 are not recognised as right-of-use assets. The associated rent payments are recognised as expenses and disclosed in note 4.3.

The SATC had the following leases during 2019-20:

- 10 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 or 60,000 km, up to 5 years or 100,000 km. The lease agreements contain no contingent rental provisions and no options to renew the leases at the end of their term.

- A lease of office accommodation under a Memorandum of Administrative Agreement (MOAA) with SA Water. The term of the lease is 5 years 9 months with rent payable monthly in advance. The MOAA contains an option to extend up to a further 10 years, subject to the head lease being extended. The option to extend has not been included in the term because the head lessee does not intend to exercise its option to extend.
- A commercial lease of warehouse, workshop and office space for the term of 10 years, with the option to extend for up to a further 10 years. The option to extend has been included in the term because management is reasonably certain to exercise the option. Rent is payable monthly in advance.
- A commercial lease of office accommodation for the term of 9 years, with the option to extend for 5 years. The option to extend has not been included in the term because management has determined that it will not exercise the option. Rent is payable monthly in advance.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. Refer to note 11.5 for maturity analysis of lease liabilities. Expenses related to leases, including depreciation and interest, are disclosed in notes 4.5 and 4.6. Cash outflows related to leases are disclosed in note 8.3.

#### 6.1.4 Impairment of Leased Plant and Equipment

Plant and equipment leased by the SATC has been assessed for impairment. There was no indication of impairment at 30 June 2020.

#### 6.1.5 Reconciliation of Movements in Plant and Equipment during 2019-20

	General Plant & Equipment \$'000	Pageant Plant & Equipment \$'000	Motor Sport Infrastructure \$'000	Fitouts \$'000	Right-of-Use Assets \$'000	Total \$'000
Carrying amount at 1 July	63	941	13 305	1 501	-	15 810
Adoption of AASB 16 Leases	-	-	-	-	9 281	9 281
Additions	-	154	472	-	17	643
Disposals	-	(2)	(424)	-	-	(426)
Depreciation	(31)	(179)	(1 861)	(305)	(1 459)	(3 835)
Carrying amount at 30 June	<b>32</b>	<b>914</b>	<b>11 492</b>	<b>1 196</b>	<b>7 839</b>	<b>21 473</b>

#### 6.1.6 Reconciliation of Movements in Plant and Equipment during 2018-19

	General Plant & Equipment \$'000	Pageant Plant & Equipment \$'000	Motor Sport Infrastructure \$'000	Fitouts \$'000	Right-of-Use Assets \$'000	Total \$'000
Carrying amount at 1 July	130	927	14 816	1 803	-	17 676
Additions	-	169	336	110	-	615
Disposals	-	(8)	(8)	(55)	-	(71)
Depreciation	(67)	(147)	(1 839)	(357)	-	(2 410)
Carrying amount at 30 June	<b>63</b>	<b>941</b>	<b>13 305</b>	<b>1 501</b>	<b>-</b>	<b>15 810</b>

## 6.2 FAIR VALUE MEASUREMENT

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

### 6.2.1 Acquisition and Recognition

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental costs involved with the acquisition. Non-current assets are subsequently measured at fair value.

### 6.2.2 Revaluation

The valuation processes and fair value changes are reviewed by the Chief Financial Officer at each reporting date.

All non-current tangible assets are valued at fair value and revaluation of non-current assets or group of assets is only performed when its fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than three years. A valuation appraisal by a Certified Practising Valuer is performed at least every six years.

An independent valuation of motor sport infrastructure last was performed in March 2018 by Certified Practising Valuers from Jones Lang LaSalle as at 30 June 2018. The valuers used the cost approach for the measurement of fair value, as observable market inputs were lacking, limited or unreliable. The cost approach considered the current replacement costs of the assets valued, with replacement costs being based on modern equivalent assets including all costs directly attributable to bringing the asset to working condition for its intended use, as well as improvements in asset designs, materials and technology, less allowances for physical depreciation based on the current condition and use of the assets valued. With physical depreciation and obsolescence having a significant effect on an asset's fair value, as well as the use of the cost approach in the valuation of these assets, all assets revalued have been categorised as level 3 in the fair value hierarchy.

If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation, where they are revalued to fair value.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the assets. Upon disposal or derecognition, any revaluation surplus relating to that asset is transferred to retained earnings.

### 6.2.3 Fair Value Hierarchy

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

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

Fair value measurements recognised in the Statement of Financial Position are categorised into level 3 at 30 June. The SATC had no valuations categorised into level 1 or level 2. There were no transfers of assets between fair value hierarchy levels and there were no changes in valuation techniques during 2019-20.

### 6.2.4 Fair Value Measurements

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

Motor sport infrastructure is classified in level 3 as observable market inputs are lacking, limited or unreliable. Fair value is determined using the cost approach which considers current replacement costs based on modern equivalent assets including all costs directly attributable to bringing the assets to working condition for their intended use, as well as improvements in asset designs, material and technology, less allowances for physical depreciation based on the current condition and use of the assets.

## 7. LIABILITIES

Employee benefits liabilities are disclosed in note 2.4.

### 7.1 PAYABLES

	2020	2019
	\$'000	\$'000
Current:		
Creditors	1 431	2 153
Accrued expenses	4 816	2 971
Employment on-costs	250	249
Paid Parental Leave scheme payable	8	9
Total current payables	<u>6 505</u>	<u>5 382</u>
Non-Current:		
Employment on-costs	<u>133</u>	165
Total non-current payables	<u>133</u>	165
Total payables	<u>6 638</u>	<u>5 547</u>

All payables are non-interest bearing. The net amount of GST recoverable from the ATO is included as part of creditors. The carrying amount of payables represents fair value due to their short-term nature. Refer to note 11.1 for information on risk management.

#### 7.1.1 Creditors

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the SATC.

#### 7.1.2 Accrued Expenses

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice had not been received.

#### 7.1.3 Employment On-Costs

Employment on-costs include payroll tax, workers compensation levies and superannuation contributions. The SATC makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as expenses when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The liabilities outstanding at the reporting date are for contributions due but not yet paid to superannuation

schemes, payroll tax payable to Revenue SA and the estimated on-costs on liabilities for accrued salaries and wages, long service leave, annual leave and skills and experience retention leave.

An actuarial assessment performed by the Department of Treasury and Finance determined that the average factor for the calculation of employer superannuation contribution on-cost on long service leave was 9.8%, unchanged from 2019. The percentage of long service leave taken as leave is 22.8% (27.9%), calculated as the actual percentage of leave taken during the last five years. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is a decrease in the employment on-cost of \$16 000 and the estimated future impact is a decrease of \$17 000 in both 2021 and 2022.

#### 7.1.4 Paid Parental Leave Scheme

Paid Parental Leave scheme payable represents amounts which the SATC has received from the Commonwealth Government to forward onto eligible employees by standard payroll processes. That is, the SATC is acting as a conduit through which the payment to eligible employees is made on behalf of the Family Assistance Office.

### 7.2 FINANCIAL LIABILITIES

	2020	2019
	\$'000	\$'000
Current:		
Lease liabilities	1 419	-
Foreign exchange forward contracts	7	72
Total current financial liabilities	<u>1 426</u>	<u>72</u>
Non-Current:		
Lease liabilities	7 030	-
Total non-current financial liabilities	<u>7 030</u>	<u>-</u>
Total financial liabilities	<u>8 456</u>	<u>72</u>

Financial liabilities are measured at amortised cost. All material cash outflows are reflected in the lease liabilities disclosed above.

### 7.3 PROVISIONS

	2020	2019
	\$'000	\$'000
Current:		
Provision for workers compensation	25	26
Total current provisions	<u>25</u>	<u>26</u>
Non-Current:		
Provision for workers compensation	52	40
Total non-current provisions	<u>52</u>	<u>40</u>
Total provisions	<u>77</u>	<u>66</u>

#### 7.3.1 Movement in Provisions

	2020	2019
	\$'000	\$'000
Carrying amount at 1 July	66	68
Additional provisions recognised	26	23
Reductions resulting from payments/other sacrifice of future economic benefits	(5)	(3)
Reduction resulting from re-measurement or settlement without cost	(10)	(22)
Carrying amount at 30 June	<u>77</u>	<u>66</u>

The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2020 provided by a consulting actuary engaged through the Office of the Commission for Public Sector. The provision reflects unsettled workers compensation claims and is for the estimated cost of ongoing payments to employees as required under current legislation.

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

### 7.4 OTHER LIABILITIES

	2020	2019
	\$'000	\$'000
Current:		
Accommodation incentive	-	108
Unearned revenue	-	25
Contract liabilities	154	1 293
Total current other liabilities	<u>154</u>	<u>1 426</u>
Non-Current:		
Accommodation incentive	-	408
Total non-current other liabilities	<u>-</u>	<u>408</u>
Total other liabilities	<u>154</u>	<u>1 834</u>

**7.4.1 Contract Liabilities**

	<b>2020</b>
	<b>\$'000</b>
Opening balance from 30 June 2019 adjusted for AASB 15	<b>1 293</b>
Add payments received for performance obligations yet to be completed	<b>154</b>
Less revenue recognised for completion of performance obligation	<b>(1 293)</b>
Total contract liabilities	<b>154</b>

Contract liabilities include consideration received in advance from customers in respect of events run by SATC and are recognised in the reporting period when the performance obligation is complete.

**8. OTHER DISCLOSURES****8.1 BUDGET PERFORMANCE**

The budget performance tables compare the SATC's outcome against budget information presented to Parliament (2019-20 Budget Paper 4). The original budget amounts have been presented and classified on a basis that is consistent with line items in the financial statements, and have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

In accordance with *Treasurer's Instructions (Accounting Policy Statements)* APS 1055.B, explanations are only provided for variances where the variance is more than 10% of the original budgeted amount and more than 5% of total expenses.

**8.1.1 Statement of Comprehensive Income**

	Original Budget	Actual	Variance
	2020	2020	
	\$'000	\$'000	\$'000
Income			
Appropriation	86 193	89 203	<b>3 010</b>
Intra-government transfers	-	1 185	<b>1 185</b>
Sponsorship and participation	11 139	11 038	<b>(101)</b>
Entry fees, licence fees and sales	17 772	11 987	<b>(5 785)</b>
Interest	106	59	<b>(47)</b>
Other income	-	281	<b>281</b>
Total income	<b>115 210</b>	<b>113 753</b>	<b>(1 457)</b>
Expenses			
Employee benefits expenses	14 387	13 972	<b>(415)</b>
Advertising and promotion	31 794	31 633	<b>(161)</b>
Industry assistance	20 417	16 893	<b>(3 524)</b>
Administration and accommodation	5 559	4 671	<b>(888)</b>
Event operations	40 743	39 748	<b>(995)</b>
Depreciation expense	2 310	3 835	<b>1 525</b>
Borrowing costs	-	162	<b>162</b>
Net loss from the disposal of non-current assets	-	392	<b>392</b>
Loss on impairment of receivables	-	32	<b>32</b>
Total expenses	<b>115 210</b>	<b>111 338</b>	<b>(3 872)</b>
Net result	-	2 415	<b>2 415</b>
Total comprehensive result	-	2 415	<b>2 415</b>

**8.1.2 Investing Expenditure Summary**

	Original Budget	Actual	Variance
	2020	2020	
	\$'000	\$'000	\$'000
Investing expenditure			
Total annual programs	649	626	<b>(23)</b>
Total new projects	-	17	<b>17</b>
Total investing expenditure	<b>649</b>	<b>643</b>	<b>(6)</b>

**8.2 EQUITY**

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



### 8.3 CASH FLOWS

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

#### 8.3.1 Leases

	2020	2019
	\$'000	\$'000
Right-of-use assets	1 405	-
Total cash outflow for leases	<u>1 405</u>	<u>-</u>

#### 8.3.2 Cash Flow Reconciliation

	2020	2019
	\$'000	\$'000
Reconciliation of cash and cash equivalents at 30 June:		
Cash and cash equivalents disclosed in the Statement of Financial Position	<u>19 416</u>	<u>16 568</u>
Balance as per the Statement of Cash Flows	<u>19 416</u>	<u>16 568</u>
Reconciliation of net cash provided by operating activities to net result:		
Net cash provided by operating activities	4 683	4 052
Non-cash items		
Depreciation expense	(3 835)	(2 410)
Net loss from disposal of non-current assets	(392)	(39)
Movement in assets and liabilities		
Receivables	1 308	(185)
Other assets	27	(143)
Payables	(1 091)	(1 025)
Financial liabilities	(8 384)	(71)
Employee benefits	375	(194)
Provisions	(11)	2
Other liabilities	1 680	(714)
Net movement on adoption of AASB 16	<u>8 055</u>	<u>-</u>
Net result	<u>2 415</u>	<u>(727)</u>

## 9. CHANGES IN ACCOUNTING POLICY

### 9.1 AASB 16 LEASES

AASB 16 *Leases* sets out a comprehensive model for lessee accounting that addresses recognition, measurement, presentation and disclosure of leases. Lessor accounting is largely unchanged. AASB 16 replaces AASB 117 *Leases* and related interpretations. The adoption of AASB 16 from 1 July 2019 resulted in adjustments to the amounts recognised from a lessee perspective in the financial statements:

- AASB 117 only required the recognition of an asset and lease liability for finance leases. AASB 16 applies a comprehensive model to all leases, and results in the recognition of right-of-use assets and related lease liabilities in the Statement of Financial Position for leases previously classified as operating leases.
- Operating lease payments under AASB 117 were recognised as Administration and Accommodation expenses. AASB 16 substantially replaces these with Depreciation Expenses representing the use of the right-of-use asset and Borrowing Costs representing the cost associated with financing the right-of-use asset.

#### 9.1.1 Impact on Retained Earnings

	\$'000
Closing retained earnings 30 June 2019 – AASB 17	15 248
Assets	
Receivables	(122)
Plant and equipment	9 281
Liabilities	
Financial liabilities	(9 675)
Other liabilities	516
Opening retained earnings 1 July 2019 – AASB 16	<u>15 248</u>

Undiscounted operating lease commitments under AASB 117 totalling \$7 396 000 were disclosed in the 2018-19 financial report. The difference between this amount and the lease liability recognised on 1 July 2019 is largely because the options to extend in two of the lease agreements were not included in the calculation of the undiscounted operating lease commitments.

### 9.1.2 Accounting Policies on Transition

AASB 16 sets out accounting policies on initial application in its transitional provisions. The *Treasurer's Instructions (Accounting Policy Statements)* mandates the adoption of certain alternatives in those transitional provisions. The SATC has adopted the following accounting policies:

- Retrospective application of AASB 16. The cumulative effect of initially applying the standard was recognised at 1 July 2019. Comparatives have not been restated.
- Application of AASB 16 at 1 July 2019 only to contracts that were previously identified as containing a lease under AASB 117 and related interpretations.
- Initial measurement of lease liabilities as the present value of remaining lease payments discounted using the relevant incremental borrowing rate published by the Department of Treasury and Finance as at 1 July 2019, based on the SA Government's cost of borrowing. The average weighted incremental borrowing rate for this purpose is 1.81%.
- Calculation of the initial measurement of right-of-use assets as an amount equal to the lease liability on transition adjusted for prepaid and accrued lease payments and lease incentive liabilities. Lease incentive liabilities totalling \$516 000 were written off against the relevant right-of-use assets, as these incentives were received before 1 July 2019 and accordingly do not represent future consumption of the right-of-use asset.
- Exclusion of all leases that ended by 30 June 2020 from the initial measurement of lease liabilities and right-of-use assets, except for vehicles leased from SAFA.

### 9.1.3 Ongoing Accounting Policies

The *Treasurer's Instructions (Accounting Policy Statements)* mandate accounting policies for public authorities in applying AASB 16. These requirements are reflected in the SATC's accounting policies as follows:

- Right-of-use assets and lease liabilities are not recognised for leases of low value assets with a value of \$15 000 or less.
- Right-of-use assets and lease liabilities are not recognised for short-term leases with terms of 12 months or less.
- The SATC as lessee does not include non-lease components in lease amounts.
- Right-of-use assets are subsequently measured applying a cost model.

Significant accounting policies relating to the application of AASB 16 are disclosed under relevant notes and are referenced at note 6.1.3.

## 9.2 AASB 15 REVENUE FROM CONTRACTS WITH CUSTOMERS

AASB 15 *Revenue from Contracts with Customers* establishes a revenue recognition model for revenue arising from contracts with customers. It requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

AASB 15 supersedes AASB 111 *Construction Contracts*, AASB 118 *Revenue* and related Interpretations and applies to all revenue arising from contracts with customers.

On transition there was no impact on retained earnings.

### 9.2.1 Accounting Policies on Transition

The SATC adopted AASB 15 on 1 July 2019. The *Treasurer's Instructions (Accounting Policy Statements)* require certain choices in those transitional provisions to be taken. The SATC has adopted the following accounting policies:

- Any cumulative effect of initially applying AASB 15 would be recognised as an adjustment to the opening balance of retained earnings as at 1 July 2019. Therefore, the comparative information is not restated.
- The completed contract expedient has not been adopted. Revenue which was fully recognised in previous years in accordance with the former revenue and income accounting standards has not been excluded.

On transition there was no material impact on the financial statements.

### 9.2.2 Ongoing Accounting Policies

The *Treasurer's Instructions (Accounting Policy Statements)* mandate accounting policies for public authorities in applying AASB 15. These requirements are reflected in the SATC's accounting policies as follows:

- For non-intellectual property licences, low value licences (assets which have a value of \$15 000 or less) and short-term licences (licence terms of 12 months or less) are exempt from AASB 15 revenue recognition requirements. The SATC has elected to recognise revenue at the point in time the licence is issued.
- There is no adjustment to the promised amount of consideration for the effects of a significant financing component if the period between the transfer of goods/services and the payment date is one year or less.
- The incremental costs of obtaining a contract are expensed when incurred when the amortisation period of the asset that the SATC would have recognised is one year or less.
- For measuring progress towards satisfaction of performance obligations when the output method is applied, revenue is recognised in the amount to which there is a right to invoice corresponding directly to the value to the customers of the SATC's performance completed to date.

- There are no disclosures of certain information relating to remaining performance obligations if the original contract is expected to end within one year or when revenue is recognised in accordance with AASB 15 para B16.

Significant accounting policies relating to the application of AASB 15 are disclosed under relevant notes.

### 9.3 AASB 1058 INCOME OF NOT-FOR-PROFIT ENTITIES

AASB 1058 *Income of Not-for-Profit Entities* establishes new income recognition requirements for not-for-profit entities. The standard applies when an entity receives volunteer services or enters into other transactions where the consideration to acquire an asset is significantly less than the fair value of the asset, principally to enable the entity to further its objectives. AASB 1058 supersedes income recognition requirements in AASB 1004 *Contributions*, AASB 118 *Revenue* and AASB 111 *Construction Contracts*. However, elements of AASB 1004 remain in place, primarily in relation to restructures of administrative arrangements and other contributions and distributions by owners.

On transition there was no impact on retained earnings.

### 9.4 PRESENTATION OF FINANCIAL STATEMENTS

*Treasurer's Instructions (Accounting Policy Statements)* effective from 1 June 2020 remove the previous requirement for financial statements to be prepared using the net cost of services format. Net cost of services is the total cost of services less any revenue retained by public authorities involved in the provision of services, but does not include items classified as revenues from and payments to the South Australian Government. Presentation of the Statement of Comprehensive Income on an income and expenses basis allows information to be presented in such a way that eliminates potential confusion about the source of funding for the SATC.

The presentation of the Statement of Cash Flows has also changed to remove the net cost of services format, and now shows income before expenses and cash receipts before cash payments. Related disclosures also reflect this changed format.

### 9.5 IMPACT OF STANDARDS NOT YET EFFECTIVE

The SATC has assessed the impact of new and changed Australian Accounting Standards Board Standards and Interpretations not effective at 30 June 2020.

#### 9.5.1 AASB 1059 Service Concession Arrangements: Grantors

AASB 1059 proscribes the accounting for certain arrangements in which an operator provides public services on behalf of a public sector grantor involving a service concession arrangement. This standard applies to reporting periods beginning on or after 1 January 2020. The SATC has assessed its arrangements where operators provide services and has concluded that none of these arrangements will be within the scope of AASB 1059.

## 10. UNRECOGNISED CONTRACTUAL COMMITMENTS

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Unrecognised contractual commitments are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO). If GST is not payable to, or recoverable from, the ATO the commitments are disclosed on a gross basis.

### 10.1 EXPENDITURE COMMITMENTS

Expenditure commitments at the reporting date not recognised as liabilities are payable as follows:	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
Within one year	<b>39 570</b>	47 508
Later than one year but not longer than five years	<b>10 653</b>	29 635
Total expenditure commitments	<b>50 223</b>	77 143

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

### 10.2 OPERATING LEASE COMMITMENTS

Operating leases contracted for at the reporting date but not recognised as liabilities are payable as follows:	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
Within one year	-	1 490
Later than one year but not longer than five years	-	5 436
Later than five years	-	470
Total operating lease commitments	-	7 396

Operating lease commitments are provided for the comparative year only as AASB 16 *Leases* does not distinguish between operating and finance leases for the lessee.

## 11. FINANCIAL INSTRUMENTS

### 11.1 FINANCIAL RISK MANAGEMENT

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

### 11.2 LIQUIDITY RISK

The SATC is funded principally from appropriation by the SA Government. The SATC works with the Department of Treasury and Finance to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows. Refer to note 8.1 and note 8.3 for further information.

### 11.3 CREDIT RISK

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

#### 11.3.1 Impairment of Financial Assets

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

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

The following table provides information about the SATC's exposure to credit risk and expected credit loss for non-government debtors.

	Gross Carrying Amount \$'000	Loss %	Lifetime Expected Losses \$'000
Non-government debtors at 30 June 2020			
Current (not past due)	554	0.04	<1
1 – 30 days past due	127	0.06	<1
31 – 60 days past due	110	0.16	<1
61 – 90 days past due	1 004	0.29	3
91 – 120 days past due	19	19.15	3
More than 120 days past due	117	30.80	33
Loss allowance			39

Loss rates are based on the actual history of credit loss, adjusted to reflect differences between previous economic conditions, current conditions and the SATC's view of the forecast economic conditions over the expected life of the receivables.

Impairment losses are recognised on a net basis in profit and loss. Subsequent recoveries of amounts previously written off credited against the same line item. Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the SATC and a failure to make contractual payments for a period of greater than 120 days past due.

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

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

### 11.4 MARKET RISK

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

On behalf of the SATC, at 30 June 2020 SAFA had in place 8 (9) foreign exchange forward contracts totalling \$5 210 000 (\$8 107 000). In 2019-20 the SATC had 11 (11) foreign exchange forward contracts mature totalling \$8 637 000 (\$9 195 000). The forward contracts are to cover commitments denominated in foreign currencies, including for the payment of representation fees, event participation fees and global marketing activity.

The fair value of a forward contract is affected by changes in the spot rate and changes in the forward points, which arise from the interest rate differential between currencies specified in a forward contract. On commitment date, the net fair value of the forward contract is nil, as their fair value of the rights and obligations are equal.

As with all forward foreign exchange contracts there are financial risks. Cashflows from foreign exchange forward contracts in 2019-20 are included in the Statement of Comprehensive Income, and where material are shown separately as losses in note 4.3 and as gains in note 3.5. Refer to note 5.3 and note 7.2 for further information.

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

A sensitivity analysis has not been undertaken for the interest rate risk and exchange risk of the SATC as it has been determined that the possible impact on total comprehensive result or total equity from fluctuations in interest rates and exchange rates is immaterial.

## 11.5 CATEGORISATION OF FINANCIAL INSTRUMENTS

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

The SATC measures all financial instruments at amortised cost.

### 11.5.1 Category of financial asset and financial liability

	Note	2020 Carrying Amount \$'000	2020 Contractual Maturities Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
<b>Financial assets</b>					
Cash and equivalents					
Cash and cash equivalents	5.1, 8.3	19 416	19 416	-	-
Amortised cost					
Receivables	5.2	2 363	2 363	-	-
Other financial assets	5.3	27	27	-	-
Total financial assets		21 806	21 806	-	-
<b>Financial liabilities</b>					
Amortised cost					
Payables	7.1	5 990	5 990	-	-
Lease liabilities	7.2	8 449	1 419	3 802	3 228
Other financial liabilities	7.2, 7.4	161	161	-	-
Total financial liabilities		14 600	7 570	3 802	3 228
<b>2019</b>					
	Note	Carrying Amount \$'000	2019 Contractual Maturities Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
<b>Financial assets</b>					
Cash and equivalents					
Cash and cash equivalents	5.1, 8.3	16 568	16 568	-	-
Amortised cost					
Receivables	5.2	1 506	1 506	-	-
Other financial assets	5.3	-	-	-	-
Total financial assets		18 074	18 074	-	-
<b>Financial liabilities</b>					
Amortised cost					
Payables	7.1	4 847	4 847	-	-
Lease liabilities	7.2	-	-	-	-
Other financial liabilities	7.2, 7.4	1 390	1 390	-	-
Total financial liabilities		6 237	6 237	-	-

Receivables and payables amounts disclosed above exclude amounts relating to statutory receivables and payables. In government, certain rights to receive or pay cash may not be contractual and therefore, in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levies, taxes and equivalents and Auditor-General's Department audit fees they are excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

Receivables amounts disclosed here excludes prepayments. Prepayments are presented in note 5.2 as receivables but are not financial assets as the future economic benefit is the receipt of goods and services rather than the right to receive cash or another financial asset.

## 11.6 CREDIT STANDBY ARRANGEMENTS

The SATC has a \$250 000 (\$250 000) purchasing card facility with the ANZ Bank. The unused portion of this facility as at 30 June 2020 was \$186 000 (\$120 000).

## **Appendix B: 2019-20 Performance Agreement between the Premier and the South Australian Tourism Commission Board**

**2020-21  
PERFORMANCE AGREEMENT**

**Between**

**THE SOUTH AUSTRALIAN TOURISM COMMISSION BOARD**

**and**

**THE PREMIER OF SOUTH AUSTRALIA**

## KEY FOCUS

The 2020-21 Board Performance Agreement with the Premier of South Australia relates to a period of unprecedented disruption to the South Australian Visitor Economy. This requires an adjustment to the interim waypoints as outlined in the *South Australian Visitor Economy Sector Plan 2030*, part of the broader *Growth State* program. This Board Performance Agreement also identifies the government's commitments of relevance to the Visitor Economy and affirms the South Australian Tourism Commission's (SATC) support for the achievement of these initiatives.

Leading up to the crises of 2020, tourism in South Australia was growing strongly, having achieved some significant milestones, including the achievement of the substantial stretch targets of reaching \$8 billion in visitor expenditure by 2020, a target set almost a decade ago, as outlined in the table below.

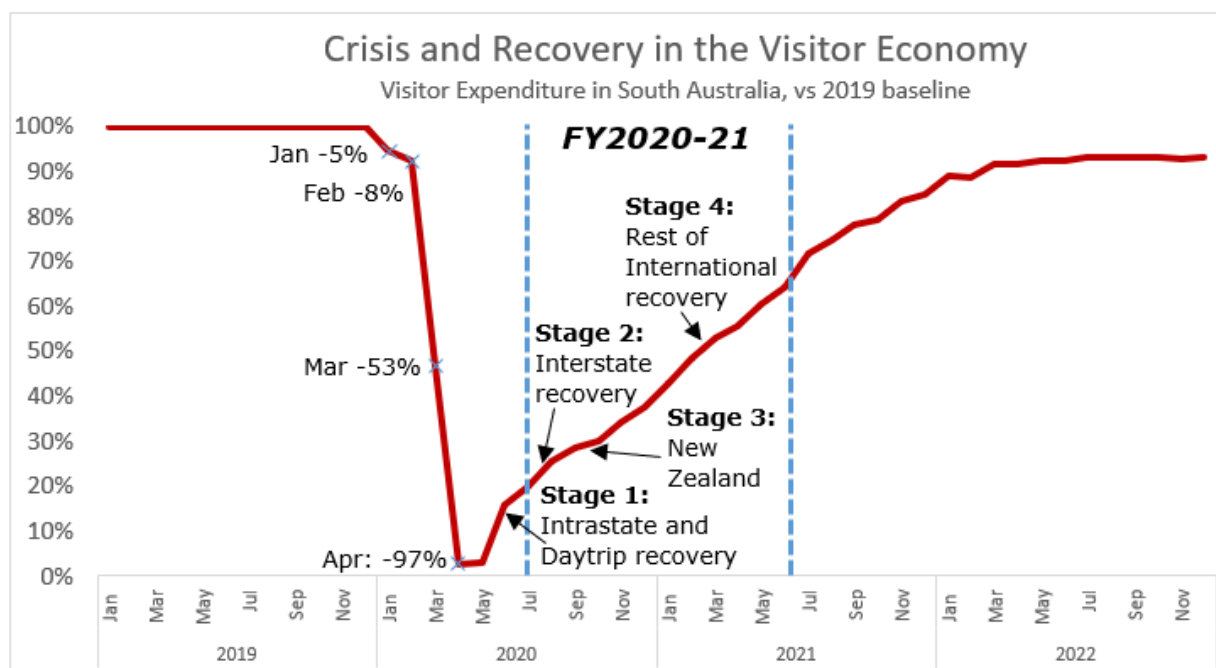
Target (by Dec 2020)	Result	Plan	Target established
Visitor Expenditure	<b>Achieved one year early</b> \$8.1b by Dec 2019, target \$8.0b	South Australian Tourism Plan 2020	2011
Tourism Jobs	<b>Waypoint achieved</b> 40,500 jobs as at June 2019 (waypoint 38,500)	South Australian Tourism Plan 2020	2011
Regional Visitor Expenditure	<b>Achieved one year early</b> \$3.56b by Dec 2019, target \$3.55b	Regional Visitor Strategy (RVS)	2011 (restated in RVS in 2018)
Chinese Visitor Expenditure	<b>Achieved two years early</b> \$436m Dec 2018, target \$370m	Activating China: 2020	2013
Nature Based Tourism Expenditure	<b>Achieved one year early</b> Dec 2019 (\$1.4b), Target \$1.4b	Nature Like Nowhere Else (Nature-Based Tourism Plan)	2016
Cruise Ship Arrivals	<b>Achieved four years early (doubled in 2018, was on track)</b> Originally 45 arrivals, increased to 100.	South Australian Cruise Ship Strategy 2020	2018

The current *Growth State* planning framework establishes the tourism industry/sector expenditure potential of \$12.8 billion by 2030. The waypoints to achieve this are understandably affected due to the unprecedented impact of drought, bushfires and COVID-19. At the time of writing, the full impact of the crisis is still unclear, making the setting of realistic recovery targets problematic.

The targets outlined in this Performance Agreement were developed by the SATC, using Tourism Research Australia data and calibrated against the work of external parties, including Adelaide Airport Ltd, Dransfield (Accommodation), STR Global (Accommodation) and IATA (Aviation). The potential impact of the COVID-19 crisis has been considered in detail by the SATC Board and its analysis and recommendations have been integrated into the Performance Agreement. The information and data were then shared with the Premier, SA Health, the Department of Treasury and Finance, Adelaide Airport Ltd and a range of other stakeholders.

This framework, outlined below, shows that the Visitor Economy would decline from \$8.1 billion in the year to December 2019, down to \$2.3 billion in the year to March 2021, before recovering to \$3.4 billion by June 2021.





The Expected COVID-19 Impact scenario is outlined below, and assumes the following conditions:

- Ongoing mild COVID-19 clusters across the country that are dealt with using localised restrictions.
- Moderate recession conditions weakening tourism demand.
- Most international borders remain closed until June 2021, with the exceptions of New Zealand (circa September 2020), a limited international education market and potentially two to three other international markets that are deemed low risk.
- Interstate borders open to a limited extent, primarily led by a small amount of business travel. Holiday travel remains impacted until late 2020.
- Intrastate travel remains basic (for example camping and Visiting friends and Relatives), with limited spend until January 2021. Day Trips also do not recover in a meaningful way until 2021.

Visitor Economy Targets (\$b)	2019-2020				2020-2021				2021-22	2030 Potential
	Sep 2019	Dec 2019	Mar 2020	Jun 2020	Sep 2020	Dec 2020	Mar 2021	June 2021	June 2022	Dec 2030
<b>Expected COVID-19 Impact</b>	7.8 <small>(Actual)</small>	8.1 <small>(Actual)</small>	7.8 <small>(Actual)</small>	5.8	4.4	3.0	2.3	3.4	6.9	\$12.8
<b>Previous Waypoints</b>	7.3	7.5	7.6	7.7	7.9	8.0	8.1	8.2	8.6	\$12.8

Other models have also been developed with the SATC Board, and should the external factors be substantially different than those outlined above, the SATC will adjust its goals to reflect this. For example, in the most optimistic “Smooth Recovery” scenario there is only a mild recession (including no significant loss of tourism businesses), no Wave 2 outbreaks of any kind and a full reopening of domestic and international borders in early 2021. This ideal scenario would see the Visitor Economy dropping to \$4.0 billion and then recovering to \$5.9 billion in June 2021 and recovering fully to \$8.1 billion by June 2022.

Alternatively, a Severe Impact scenario models the impact of an ongoing COVID-19 crisis, with Wave 2 and Wave 3 driving a severe economic downturn. In this case, international markets do not reopen at all in 2020-21, with the exception of half the international student market. Interstate borders would partially open, but then re-close until early 2021 and there would be minimal recovery to the intrastate and day trips markets due to protracted travel restrictions locally. In this Severe Impact scenario, which is deemed unlikely, the Visitor Economy would drop to \$1.0 billion in March 2021 before recovering to \$1.3 billion by June 2021 and \$4.6 billion by June 2022.

The SATC will continue to revise this impact model as further economic and consumer data comes to hand.

## KEY PERFORMANCE INDICATORS

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In 2020-21, the SATC Board will pursue the achievement of exceeding \$3.4 billion in visitor expenditure, as outlined in the Expected COVID-19 Impact scenario. The Board will refine the targets as new information or impacts come to light, and monitor the strategic direction of the SATC toward the achievement of the following targets to be achieved by June 2021:

	<b>Dec 2019</b> (actual)	<b>Low point</b>	<b>Jun 2021</b>	<b>Jun 2022</b>
<b>Visitor Economy</b>	\$8.1b	\$2.3b	\$3.4b	\$6.9b
<b>Direct Jobs</b>	40,500 (June 2019)	12,300	18,000	36,800
<b>International</b>	\$1.2b	\$316m	\$368m	\$792m
<b>Interstate</b>	\$2.7b	\$234m	\$469m	\$1.9b
<b>Intrastate</b>	\$2.6b	\$840m	\$1.3b	\$2.5b
<b>Day Trips</b>	\$1.7b	\$870m	\$1.3b	\$1.7b
<b>Domestic airline seats p/w</b>	83,800	Near zero	15,000	62,000
<b>International airline seats p/w</b>	13,200	Near zero	4,000	8,700
<b>Leisure Events</b>	\$383m	\$109m	\$161m	\$328m

## STRATEGIC PRIORITIES

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### Marketing:

- Challenge South Australians to redirect some of the \$3.3 billion that was spent overseas in 2019 to tourism experiences here in South Australia through intrastate marketing and public relations activities to increase consideration and visitation, via traditional and digital mechanisms.
- Challenge Australians to rediscover South Australia and drive recovery through interstate marketing and public relations activity, with a focus on redirecting some of the \$65 billion spent by Australians overseas in 2019.
- When appropriate, reactivate tactical marketing and public relations activities in priority international countries and leverage this with partners using traditional and digital mechanisms.
- Take advantage of South Australia's position as an uncrowded, premium destination that fits what the post-COVID-19 tourist is seeking.
- Provide targeted, user friendly content and images to help get shared messages out more strongly across our target markets and via multiple digital platforms, including mobile, tablet and desktop.
- Take advantage of international border closures to engage Australians while recognising the impact of no or limited international travel inbound.

### Experience and Supply Development:

- Work with regional tourism organisations, as well as industry and other key stakeholders to ensure the supply side of tourism is available when demand resumes.
- Work with partners to rebuild access to and within South Australia, including through joint marketing initiatives.
- Support operators and other stakeholders to leverage support and funding sources from outside of the state to endure the current crisis.
- Work with the Department for Trade and Investment to identify and promote tourism related investment opportunities to qualified investors for the benefit of industry.

### Collaboration:

- Work with other state government agencies to ensure a coordinated response to the COVID-19 and bushfire crises, with specific focus on affected areas on Kangaroo Island and in the Adelaide Hills.
- Work with SA Health across all aspects of the SATC to ensure consistency in focus and approach, including providing advice and support to implement appropriate staged easing of restrictions for the Visitor Economy.
- Partner with federal bodies, including Tourism Australia and Austrade, to maximise state government investment into tourism.
- Continue to work with the Department for Trade and Investment to implement the Premier's *Growth State* program, to drive job creation, investment and expenditure within South Australia. Consider synergies between tourism and other *Growth State* sectors as they release their own Sector Plans in 2020-21.
- Work with the regions in developing the next Regional Visitor Strategy to drive regional expenditure.
- Work with Study Adelaide to recover the international education market and promote Adelaide as a centre of education excellence.
- Support the government's commitment to Build Heritage and Eco-Tourism Opportunities, including assistance to the Department for Environment and Water.

## **Industry Capability**

- Drive industry training initiatives, such as COVID-Aware, to ensure industry emerges from the crisis ready to adapt to new conditions.
- Work with the Tourism Industry Council of South Australia (TiCSA) to deliver the Visitor Economy Restart Conference.
- Continue to provide accurate, relevant and concise research insights to assist industry to make informed business decisions, especially in relation to changed consumer behaviours post-COVID-19.
- Ensure continued strong take up by industry on the Australian Tourism Data Warehouse (ATDW) with a focus on commissionable product.

## **Leisure Events**

- Work with SA Health to plan a path for the roll-out of leisure, business, cultural and community events in South Australia and develop guidelines to assist events with their planning in a COVID-19 environment.
- Reconsider how events are managed and run in South Australia in the COVID-19 and post-COVID-19 world, seeking innovative solutions to new challenges and ensuring the industry is supported in the appropriate manner. For example, Tasting Australia Local will have a strong focus on driving consumers back into existing businesses.
- Continue to deliver a program of 'owned' events to drive visitation and raise the profile of the state as a world class event destination, using COVID-19 related restrictions to drive innovation and ensure the existing event related business in the state are supported in the appropriate manner.
- Ensure our existing major and regional events emerge strong from the existing difficult climate and are sustainable.
- Develop the capacity building program for major, regional and local/ community events and festivals across the state.
- Focus event sponsorships on core strength areas such as food and wine, arts and culture, live music, national and international sports and mass participation events, with a focus on off-peak periods (particularly winter) and utilising key infrastructure. This decision making will consider available budget, competing priorities, return on investment for the state and potential capability limitations brought about by COVID-19 restrictions.
- Increase awareness and consideration of South Australian hero events, through collaborative marketing, public relations and partnerships to trigger visitation.
- Continue to search for efficiencies for the build and dismantle time of the Superloop Adelaide 500. The 2020 build and dismantle time was 18 weeks and without a substantially increased budget for 2021, this is the quickest it can be delivered within safety constraints.
- Achieve the above in the context of revenue challenges arising from an increasingly tight market for sponsorship and corporate hospitality sales and restrictions related to COVID-19.
- Support a strong annual calendar of events, with a focus on ensuring current sponsored events remain in the state and bolstering winter content. In addition, continue to seek opportunities to bid for new major leisure events as part of the ongoing strategy to boost the state's profile and develop a pipeline of opportunities for government's consideration.

## **Promote the Value of Tourism:**

- Build on the current strong research program and make evidence-based information publicly available to increase the understanding of the value and relevance of tourism to our stakeholders.
- Continue to promote the value of tourism to government and the wider industry through a suite of targeted industry and public communications.
- Reconsider the *South Australian Visitor Economy Sector Plan 2030* in light of COVID-19 and adapt the strategic focus and targets as required.
- Provide input into the three-year National Tourism Recovery Strategy, led by Austrade, that will replace the previously planned National Tourism Strategy 2030.

**Organisational Effectiveness:**

- Continue to provide a safe, flexible and compliant work environment, including enforcing social distancing and additional hygiene measures, to protect the health and wellbeing of each individual.
- Provide systems and support across all aspects of corporate services to maximise the effective and efficient use of SATC resources and ensure public accountability expectations are met.
- Continue the strong planning and performance monitoring approach that links long term planning and outcomes to the daily work of each individual at the SATC, addressing both strategic and operational risks.
- Embed organisational values and drive continual improvement through review processes and the implementation of new initiatives.

**SIGNATURES**

We the undersigned do hereby agree to the outcomes outlined in the 2020-21 Performance Agreement between the South Australian Tourism Commission Board and the Premier with responsibility for Tourism.

Signed:  Dated: 6.8.20

**Hon Steven Marshall MP, PREMIER OF SOUTH AUSTRALIA**

Signed:  Dated: 15/8/2020

**Andrew Bullock, CHAIR on behalf of the SOUTH AUSTRALIAN TOURISM COMMISSION BOARD**

## Appendix C: South Australian Tourism Commission Board Performance Agreement 2019-20 - Report Against Strategic Priorities

PRIORITY 1: DRIVING DEMAND	
Priority	Action
<p>Utilise available government funding for international and domestic marketing to drive the achievement of the tourism industry's 2020 Full Potential</p>	<p>Prior to the impacts of the COVID-19 crisis, South Australia recorded a record high \$8.1 billion in December 2019. This was ahead of the required waypoint of \$7.5 billion. This result meant that the ambitious goal for tourism expenditure of achieving \$8 billion by December 2020, that was set in 2013, was achieved 12 months ahead of schedule.</p> <p>In response to the impact of the bushfires on South Australian tourism, additional funding was provided to the SATC which was invested in domestic marketing activity, including the #BookThemOut campaign. Due to the ongoing impacts of COVID-19 and international border closures, the SATC subsequently diverted funding from its international markets to its domestic markets.</p> <p>For the 12 months to March 2020, the visitor economy stood at \$7.8 billion. This result reflects the strong performance in the lead up to the COVID-19 pandemic and some impacts from the initial travel restrictions commencing in February 2020.</p>
<p>Continue intrastate marketing and public relations activities to increase consideration and visitation by South Australians within South Australia's regions, via traditional and digital mechanisms.</p>	<p>In 2019-20, intrastate tourism regularly achieved double digit growth up until the COVID-19 impact. Record day trips, growth in intrastate overnight stays and expenditure were achieved, including 4.9 million visitors, 14 million nights, \$2.4 billion in expenditure and averages of \$174 per night and \$496 per trip.</p> <p>Data commissioned by the SATC revealed that South Australia was gaining share of intrastate tourists compared to the rest of the country, due to a growth in trips to regions by Adelaideans. The number of people who rated South Australia as 'appealing' and 'have booked a trip and intend to travel' had grown significantly as at March 2020 (pre-pandemic), reflecting the strength of the campaigns in place in the first six months of 2019-20.</p> <p>Key marketing activity included the Spring / Summer "It's [region] but not as you know it" campaign, #BookThemOut, SATV and Welcome Back activity. SATV was a campaign dedicated to bringing the best of South Australia to peoples' living rooms. SATV featured tourism operators and businesses offering new innovative ways for consumers to continue to purchase, experience and enjoy their product or service during the crisis. The SATC's year-round digital activity ensured the intrastate market was continually shown new product via digital and social marketing.</p>

	<p>PR activity included the launch of Sephora tied to McLaren Vale / Down the Rabbit Hole; the rock band KISS performing aboard Adventure Bay Charters to attract sharks; #BookThemOut which included the Today Show airing live from Kangaroo Island; an SA Weekender partnership; and SATV with Rory and Belinda Sloane and Studio 10 with Hans' South Australia's Road Trip. The domestic PR coverage for 2019-20 achieved an Advertising Space Rate of \$28.9 million and a potential audience reach of 13,260,753. This was a solid result given the impact of both the bushfires and COVID-19.</p> <p>In addition, the SATC worked with travel trade partners, including the Royal Automobile Association (RAA), Phil Hoffman Travel, Big 4 Holiday Parks, TripAdvisor, Expedia and Stayz to encourage South Australians to book a holiday in their own State. This activity generated a return on investment of 13:1, that is for every dollar spent there was \$13 returned in terms of expenditure based on the National Visitor Survey average spend per domestic tourist.</p>
<p>Deliver tactical marketing and public relations activities in priority international countries and leverage this with partners using traditional and digital mechanisms.</p>	<p>International PR was heavily impacted by the bushfires and COVID-19. Prior to these crises, international PR activities included the sponsorship of G'Day USA to support #BookThemOut; Ray Mears from the BBC filming on Kangaroo Island; Craig Wickham's Kangaroo Island media tour of the USA; a partnership with Curtis Stone's Field Trip in the USA; filming of three episodes in South Australia of a hugely popular Chinese TV series which aired in China in late March 2020 and the use of chef Sean Connolly in New Zealand as part of SATV.</p> <p>The SATC partnered with Air New Zealand and retail travel agent partner House of Travel on a New Zealand brand campaign, launched in August 2019. Air New Zealand reported the strongest sales for Adelaide for the past 10 years, with a 22 per cent growth in sales compared to the previous year. House of Travel reported a 63 per cent increase in room nights booked for South Australia and a 73 per cent increase in airline bookings for South Australia compared to the same period in the previous year.</p> <p>In the United Kingdom, the SATC partnered with Tourism Western Australia, Qatar Airways and Waitrose &amp; Partners to promote the food and wine, wildlife and coastal experiences on offer in both States via a 36-page printed supplement in Waitrose &amp; Partners magazine. Waitrose &amp; Partners reported that 15.3 million customers saw the information and of these, 30,400 downloaded the application that provided additional in-depth information on both States. Qatar Airways reported an increase of 72 per cent for bookings into Adelaide versus the same period in the previous year.</p> <p>In 2019-20, southaustralia.com generated 1,014,292 leads to South Australian tourism operators via their ATDW listings and 76,416 leads to key industry partners. A further 136,747 direct leads were generated to key industry partners via other channels. The combined figure of 1,227,455 leads to South Australian tourism operators and industry partners represented a 70 per cent increase year on year.</p>

<p>Provide targeted, user friendly content and images to help get shared messages out more strongly across our target markets and via multiple digital platforms including mobile, tablet and desktop.</p>	<p>The SATC conducted photography and imagery shoots, which included new product in the Adelaide CBD, the urban Adelaide beaches and Esplanade, new hotels and wildlife encounters.</p> <p>Specific footage was filmed of Kangaroo Island, the Adelaide Hills and road trips to tie in with the #BookThemOut and Welcome Back marketing campaigns.</p> <p>The imagery was made available on the SATC’s updated and improved Media Gallery and was provided to other government departments and events and arts organisations.</p>
<p>Continue to conduct marketing activities in China, the US and UK as specified in the funding agreement for the State Based Grants Program under Wine Australia's Export and Regional Wine Support Package and PIRSA's South Australian Wine Industry Development Scheme. Support South Australian wine organisations in the implementation of their successful Competitive Grants through the same program.</p>	<p>During the second year of the grant program where the focus was on key wine exports markets of China, United States of America and United Kingdom, the following wine tourism promotions by the SATC occurred:</p> <p>China: co-operative marketing activity was undertaken with Ctrip (China’s largest online travel agent), which included attendance at the Shanghai Food and Wine Festival using a miniature ‘pop up’ d’Arenberg Cube.</p> <p>United States of America: A content and advertising partnership ran with Travel and Leisure, a high-end focus printed and online magazine. Activity included setting up a miniature ‘pop up’ d’Arenberg Cube at the “Destination of the Year” Gala Ball in New York. In addition, the miniature ‘pop up’ d’Arenberg Cube appeared at the Austrade’s G’Day USA Gala Ball in Los Angeles. Within the Cube, information relating to wine tourism experiences in South Australia was made available.</p> <p>Activity was planned for the United Kingdom however this was impacted by the bushfires and COVID-19.</p>



<b>PRIORITY 2: WORKING BETTER TOGETHER</b>	
<b>Priority</b>	<b>Action</b>
Work with partners on maintaining and increasing access to and within South Australia, including through joint marketing initiatives.	<p>In 2019-20, the SATC conducted co-operative marketing campaigns with domestic airlines including Qantas, Virgin Australia, Jetstar, Tiger, Regional Express and QantasLink.</p> <p>Internationally, the SATC has a marketing Memorandum of Agreement with Singapore Airlines which covers multiple countries. In addition, the SATC undertakes marketing activity with Qatar Airways, Emirates Airline, Malaysian Airline, Air New Zealand, China Southern Airways and Cathay Pacific.</p> <p>Prior to the COVID-19 crisis, nine airlines operated international flights to Adelaide delivering 13,100 seats per week. Airlines reported healthy passenger sales for routes to and from Adelaide. The SATC continued to work closely with Adelaide Airport Limited to develop relationships with existing airlines and to pitch to new airlines for future services.</p>
Work with Regional Tourism Organisations, as well as industry and other key players to better connect our tourism industry.	<p>The 11 Regional Tourism Organisations (RTOs) continued to receive funding from the SATC to support their role as the key contact between the SATC and regional stakeholders and industry. In June 2020, this funding was extended for an additional three years commencing in 2020-21.</p> <p>As part of the SATC's focus on working with the regions and industry to manage the impacts of COVID-19, the SATC hosted a weekly meeting with the representatives from the RTOs to ensure information was shared and disseminated on a regular basis. These weekly meetings will continue for the remainder of 2020. The SATC also worked with each RTO to implement 11 regional webinars during the COVID-19 pandemic to maintain connection and support for the regional tourism industry.</p> <p>The SATC worked with the Department for Infrastructure and Transport (DIT) on a state-wide brown directional signage program. The SATC worked closely with RTOs to identify the locations where the brown signage will be installed in each region. The DIT will produce and install the signs in 2020-21.</p> <p>The SATC also invested in the installation of regional welcome signage, which comprises replacement signage and new infrastructure across the State.</p> <p>The SATC's Regional Consumer Cooperative Marketing Fund enabled RTOs to apply for \$20,000 annually towards marketing campaigns. This funding is matched by the RTOs.</p> <p>In 2019-20, the SATC provided additional grant funding of \$10,000 to RTOs to assist with developing marketing and other activities to attract visitors to their region as the recovery from COVID-19 commenced.</p> <p>The SATC established a \$5.7 million financial support package to assist tourism operators during the COVID-19 pandemic. The support package comprised the Small Tourism Business Grant Fund, the</p>

	<p>Regional Events Grant Fund, the Regional Tourism Support Grant and the Digital Training program. The SATC engaged Deloitte to deliver a program to provide South Australian tourism operators with business support through the COVID-19 crisis and recovery. The SATC also contracted South Australian company Health Safety and Environment to develop the online COVID-19 awareness training course. This package was a vital support for South Australian tourism operators, enabling them to continue operating and upskilling during a period of uncertainty, as well as connecting with each other and the SATC to work collaboratively on a strategic pathway to recovery.</p>
<p>Support operators and other stakeholders to leverage funding sources from outside of the state to drive investment in South Australian tourism.</p>	<p>The SATC monitors State and Federal funding opportunities so that information can be communicated to the Regional Tourism Managers and the broader tourism industry. In 2019-20, the SATC provided a number of industry partners with letters of support to assist in their applications for funding under the Federal Government’s Building Better Regions Fund.</p> <p>The SATC was a member of the Federal Government’s Regional Events and Festival Program Assessment Panel. Through this program, funding was awarded to a number of regional events in South Australian bushfire impacted areas.</p> <p>The SATC also facilitated access to Federal funding through participation in the National Tourism Incident Communications Plan. Among others this attracted funding for South Australian zoos and aquariums which were struggling with revenue for maintaining animal welfare during COVID-19 restrictions.</p>
<p>Continue to work with the Department of Trade, Tourism and Investment to drive job creation, investment and expenditure within South Australia.</p>	<p>The Premier launched the <i>South Australian Visitor Economy Sector Plan 2030</i> in August 2019, the first of the <i>Growth State</i> sector plans to be completed. Since then, the SATC has worked with the Department of Trade and Investment as the chair of the Visitor Economy Sector, to input into other Sector Plans and identify synergies to grow jobs, investment and expenditure.</p> <p>As mentioned under Priority 1, before the impacts of the COVID-19 crisis, South Australia recorded a record high \$8.1 billion in December 2019.</p>
<p>Facilitate the running of the World Routes Conference in Adelaide in September 2019, the world’s largest conference and meeting forum in the aviation industry.</p>	<p>World Routes was held in Adelaide in September 2019, with more than 130 countries represented and 180 airlines registered. More than 10,000 meetings were conducted between decision makers from airlines, airports and tourism authorities, including the SATC. Hosting World Routes provided an opportunity to showcase the State’s strengths to the aviation industry, with the objective of attracting new airlines to Adelaide. It also provided Adelaide with the opportunity to promote South Australia as a tourism destination to a large group of business travellers (95 per cent from overseas), putting our State “on the map” with this audience. It is estimated that the conference injected \$20 million into our State’s visitor economy.</p>

	<p>The SATC, as lead of the World Routes organising committee, successfully managed all host-related aspects of running World Routes, including two social functions, delegate transport, delegate tours, VIP tour programs, Adelaide network stand and activations, airport welcome, volunteer program and a delegate marketing program. The post-event delegate survey rated the event amongst the highest scores for any World Routes event.</p>
<p>Work with Study Adelaide to support the government's commitment to promote Adelaide as a centre of education excellence.</p>	<p>The SATC partnered with StudyAdelaide in 2019-20, with a focus on promoting University "Open Days" to the Asian market.</p>
<p>Work with the Tourism Industry Council of South Australia (TiCSA) to deliver Service Excellence training to South Australian operators and the annual State Tourism Conference and Awards.</p>	<p>The SATC continued to partner with TiCSA supporting its efforts to engender service excellence among tourism operators. This support included significant funding towards the 2019 State Tourism Awards Support Program. The program assists operators in writing winning submissions for State and National Awards. The 2020 State and National Tourism Awards programs were cancelled due to the COVID-19 pandemic.</p> <p>The SATC provided funding to support TiCSA's Service IQ program which delivers professional upskilling workshops for tourism operators. The SATC usually also provides sponsorship to TiCSA to assist in running the annual industry conference. The conference was due to be held in May 2020 but was cancelled due to the COVID-19 pandemic. The SATC is contributing significant funding of \$100,000 to support a revised conference format to be held at the end of 2020.</p>
<p>Work with the regions in implementing the Regional Visitor Strategy to drive regional expenditure.</p>	<p>The SATC sits on the 2020 SA Regional Visitor Strategy (RVS) Steering Committee, which is responsible for managing the implementation of the RVS. The Steering Committee comprises representatives from Local Government Association, Regional Development Australia, TiCSA, RTOs and SATC. The SATC has produced and distributed two RVS progress reports to stakeholders, which provided updates and achievements on the key priority areas as identified in the RVS.</p> <p>The SATC has ensured that the value and importance of the RVS is communicated to all relevant stakeholders, including local councils, Regional Development Australia, tourism businesses and industry groups. During COVID-19, the SATC held 11 regional workshops and the importance of the RVS was reiterated as it supports regional tourism businesses. Planning has commenced for the 2025 RVS.</p>

<b>PRIORITY 3: SUPPORTING WHAT WE HAVE</b>	
<b>Priority</b>	<b>Action Taken</b>
Work with the Department for Trade, Tourism and Investment to identify and promote tourism related investment opportunities to qualified investors for the benefit of industry. Support the Government's commitment to cycle tourism and continue to progress the development of the Great Southern Bike Trail.	<p>The SATC provides a quarterly update to the Department for Trade and Investment which identifies existing tourism infrastructure opportunities suitable for investment.</p> <p>The SATC also works with the Department for Environment and Water (DEW) to assist in progressing appropriate investment concepts for development under the \$5 million Co-Investment Fund as part of Parks 2025. There is also continuing work with DEW on reimagining government owned tourism assets impacted by the bushfires.</p> <p>The SATC has investigated the feasibility of the Great Southern Bike Trail election commitment. The findings of this feasibility study are now being evaluated by the State Government.</p> <p>The SATC is also working with ForestrySA, in conjunction with TRC Tourism, to develop a Cudlee Creek Forest Trails Fire Recovery Strategy.</p> <p>Cycling focused events such as the Santos Tour Down Under and Melrose Fat Tyre Festival contribute to the South Australia's positioning as a cycling destination.</p>
Continue to provide accurate, relevant and concise research insights to assist industry to make informed business decisions.	<p>The SATC continues to invest heavily in research. The core surveys programs of the International Visitor Survey and National Visitor Survey continued to be produced in partnership with Tourism Research Australia, and more than 50 factsheets were published to the SATC Corporate Website for industry to use.</p> <p>In addition, the SATC worked directly with operators and RTOs to provide additional insights to guide critical business decisions.</p>
Continue to provide secretariat support for the Taskforce for the Visitor Economy which drives collaboration and cooperation across Government for the benefit of industry.	<p>The SATC provided secretariat support for the Taskforce for the visitor economy until the program was concluded in 2019-20. The objectives of this Taskforce were rolled into the broader across government work of the SATC through the <i>Growth State</i> program, and the ongoing industry engagement work conducted by the SATC as a usual course of business.</p>

<b>PRIORITY 4: INCREASING THE RECOGNITION OF THE VALUE OF TOURISM</b>	
<b>Priority</b>	<b>Action Taken</b>
Build on the current strong research program and make evidence-based information publicly available to increase the understanding of the value and relevance of tourism to our stakeholders.	In addition to the work outlined in Priority 3 above, the SATC has targeted short one-page fact sheets for the purpose of distilling the key impacts of the visitor economy by each of South Australia's tourism regions.
Continue to promote the value of tourism to Government and wider industry through a suite of targeted industry and public communications.	<p>The SATC produced a range of dedicated communications for the industry, including regular industry updates, monthly tourism news e-newsletters and a series of regional webinars with operators and key stakeholders.</p> <p>One tourism champion case study (into CMV South Australian operations and regional tourism) was produced prior to the unprecedented impacts of COVID-19. A second case study was in final production however it was halted due to the ongoing impacts of COVID-19 and associated travel restrictions.</p> <p>The SATC also supported the government with relevant and timely intelligence and data/research to assist with media enquiries and liaison with industry.</p>
Provide leadership to the tourism and associated Industries by launching and driving the achievement of the goals within the <i>South Australian Visitor Economy Sector Plan 2030</i> . The Plan was developed throughout the 2018-19 and sets an ambitious target of \$12.8 billion in visitor expenditure by 2030.	<p>The SATC was the first to launch a Sector Plan as part of the <i>Growth State</i> program, with the <i>South Australian Visitor Economy Sector Plan 2030</i> launched in August 2019. The key waypoint of the target, reaching \$8.0 billion by December 2020, was achieved one year early, with December 2019 expenditure reaching \$8.1 billion.</p> <p>Unfortunately, COVID-19 impacts are certain to be severe on the industry, and the viability of the \$12.8 billion 2030 Sector Plan target is unclear. The SATC has developed scenario modelling of the likely COVID-19 impacts in 2020, 2021 and 2022 and will continue to monitor the situation and work with SA Health and the Department of the Premier and Cabinet.</p>
Continue to provide input into the draft National Tourism Strategy which is being led by Austrade.	Input was provided to Austrade on an ongoing basis as part of the Steering Group for the National Tourism Strategy, until it was cancelled by Austrade due to the COVID-19 pandemic. It is currently understood that this process is on hold due to the uncertainty caused by COVID-19 and is unlikely to be reconvened until 2021.

**PRIORITY 5: USING EVENTS TO GROW VISITATION**

<b>Priority</b>	<b>Action Taken</b>
<p>Continue to deliver an innovative program of 'owned' events to drive visitation and raise the profile of the State as a world class event destination.</p>	<p>In 2019-20, the SATC delivered four owned and managed events. Tasting Australia presented by RAA was to be held from 27 March to 5 April, however due to the ongoing impacts of COVID-19, the event was cancelled and is scheduled to take place from 30 April to 9 May 2021.</p> <p>Highlights of the four owned events are detailed below.</p> <p>The 2019 Santos Tour Down Under attracted 44,801 event specific visitors, injecting \$66.4 million into the South Australian economy and creating 742 full-time equivalent jobs. The event also generated \$294 million in media coverage and 811 hours of broadcast television was screened across 190 territories with a potential audience of 1.32 billion, including 33 hours of men's domestic coverage from domestic broadcast partner, Seven West Media. The Santos Women's Tour Down Under (WTDU) was elevated to the new UCI ProSeries, one of only five UCI ProSeries stage races in the world and the only race at that level held outside of Europe. All four stages of the WTDU were lived streamed on SevenPlus for the first time, with stage 4 broadcast on free to air through the Seven Network and was streamed internationally. New event content in 2020 included a new elite men's and women's race held in the CBD, 'Trek Night Riders' for amateur Australian riders, the Santos Paracycling Wheel Race and additional programming in the City of Adelaide Tour Village.</p> <p>The 2019 Superloop Adelaide 500 continued to deliver strong economic and tourism benefit for South Australia, with the event remaining Australia's largest domestic motor sport event. The 2020 event contributed \$38.6 million to the State's economy, with 11,900 interstate and international visitors travelling to South Australia to attend the event and the creation of 354 full-time equivalent jobs. In addition, \$94.5 million was generated in PR media value and 33 hours of broadcast was delivered. As part of the work to enhance the overall event experience for patrons, the event offered an expanded Family Zone and Tracks of the World, the introduction of Bands on Track (40 local acts across four stages), a New 500 Club marquee, introduction of TA2 muscle cars, the return of Stadium Super Trucks and an expanded shared-suite corporate offering.</p> <p>In 2019, the National Pharmacies Christmas Pageant, which celebrated its 87th year, was the first event with the new naming rights partner. The event delivered a live viewing audience of more than 400,000 people, including around 325,000 people lining the streets of Adelaide and an additional 80,000 viewers watching the pageant live on Channel Nine.</p>

	<p>The 2019 Bridgestone World Solar Challenge saw 43 teams from 21 countries take part. This event achieved \$13.6 million in economic benefit nationally from visitor expenditure with \$6.12 million in economic impact for South Australia. The event remains one of the world's great engineering events and continues to position South Australia as a leader in technology, innovation and sustainability.</p>
<p>Develop the capacity building program for major, regional and local/ community events and festivals across the State.</p>	<p>To assist in building event capability in regions, the SATC consulted with Regional Tourism Managers and the managers of sponsored events to identify what content should be considered in future regional event workshops. Developing the event management skills of existing event managers, volunteers, and coordinators and the need to think strategically, creatively and innovatively when planning an event were recurring themes. The SATC worked with Associate Professor Steve Brown who developed and facilitated a two-day program on Event Design and Event Planning. Six workshops were conducted from October through to June and 82 attendees took part in the program.</p> <p>Further to this, the SATC focussed on ensuring the event industry in South Australia was kept up to date on matters relating to COVID-19 through regular email communication, participation in industry discussions, direct communication, providing access to the SATC funded South Australian COVID-19 Awareness Training course and involvement in webinars.</p>
<p>Focus event sponsorships on core strength areas such as food and wine, arts and culture, live music, national and international sports and mass participation events, with a focus on off-peak periods and utilising key infrastructure.</p>	<p>In 2019-20, a total of 44 events, comprising 15 major events and 29 events within the Regional Events and Festival Program (REFP) were sponsored. Due to the ongoing impacts of COVID-19, three major events were postponed, namely the 2020 International Motofest and 2020 NRL State of Origin (scheduled to be held in November 2020) and the 2020 Hancock Prospecting Australian Swimming Trials (scheduled to be held in June 2021). Seven regional events were cancelled, and one was postponed.</p> <p>Sponsored event highlights included:</p> <p>The Adelaide International ATP/WTA Tennis Tournament was held for the first time from 12 to 18 January 2020 at the re-developed Memorial Drive Tennis Centre. Seven of the top 20 female players in the world and a number of the next generation stars from the men's ATP competed.</p> <p>WOMADelaide achieved a record result in 2020 with more than 97,000 local, interstate and international guests attending the festival across the long weekend. The event generated an estimated economic benefit of \$19.2 million for the State, creating 182 full time equivalent jobs.</p> <p>The 2019 Australian Masters Games was held from 5 to 12 October. The largest multi-sport event on the Australian Sporting calendar attracted 7,810 participants / officials, plus an additional 2,109 accompanying people and delivered an estimated \$12 million in economic benefit for the State.</p>

	<p>Handpicked Festival saw around 6,200 people in attendance at Lake Breeze Wines (Langhorne Creek), up by 1,000 on the previous year. The music and wine festival drove visitors to the region and supports local businesses.</p> <p>The SATC also provided grant funding to eligible small to medium regional event organisers who experienced financial loss due to the forced cancellation or postponement of an event as a result of COVID-19.</p>
<p>Increase awareness and consideration of South Australian hero events, through collaborative marketing, public relations and partnerships to trigger visitation.</p>	<p>The SATC continued to promote events to drive visitation to South Australia.</p> <p>The SATC's managed events, which included Santos Tour Down Under and Superloop Adelaide 500, were promoted via interstate marketing and publicity campaigns aimed at increasing awareness and consideration to drive visitation to South Australia. The marketing campaigns were supported through strong media partnerships with Channel Seven and News Limited. While bushfires impacted on overall visitation numbers, with a slight decline for managed events, numbers and economic contribution to the State were strong.</p> <p>The SATC also leveraged its sponsorship of hero events through marketing and publicity support. These events included the Adelaide International, WOMADelaide and the ISPS Handa Women's Australian Open Golf.</p> <p>South Australia's regional events were promoted to drive awareness, and attendance at these events as well as reinforcing the vibrancy and creativity of the South Australian visitor experience.</p> <p>In total, SATC delivered four managed events, supported 29 events through REFP and 12 major events to deliver \$116.6 million in economic benefit to the State in 2019-20.</p> <p>The SATC shot new footage at the 2020 Fringe, WOMADelaide and Festival, for use in future interstate marketing campaigns focussed on Adelaide and events.</p> <p>Events are a key pillar in the SATC's always on digital marketing activity which drives visits to southaustralia.com and leads to South Australian tourism businesses and events. During 2019-20, southaustralia.com generated 166,369 direct leads and referrals to 2,427 different South Australian events via their ATDW listings. This represents a 44 per cent increase in event-based leads year on year. Further, in 2019-20 the SATC generated in excess of \$2 million in direct sales, through digital marketing efforts, to leading Arts festivals, including the Adelaide Fringe, WOMADelaide and the Adelaide Festival. The SATC data shares directly with BASS, enabling the tracking of real time data measuring consumers path through southaustralia.com to the BASS booking engines to purchase tickets.</p>



<p>Continue to look for efficiencies in the Grandstand build and removal time for the Adelaide 500 within safety constraints noting that a total time of 18 weeks was achieved in 2019 – the shortest time on record and meeting the Government's election commitment.</p>	<p>In 2020, the Superloop Adelaide 500 build and dismantle was again achieved within the 18-week timeframe (compared to 19.5 weeks in 2018). A number of efficiencies were made to reduce the footprint which included: the return of green space and Rymill Lake for public use over the event period; a change in track configuration to allow Fullarton Road to remain open, excluding peak concert egress times; the incorporation of the Pirie Street Grandstand into grandstands within Victoria Park to reduce noise on businesses and residents on Hutt and Pirie Street; and bringing in the fence line on the western side to ensure access to the walking / bike path.</p>
<p>Continue to seek out opportunities to bid for new major leisure events as part of the ongoing strategy to boost the State's profile and develop a pipeline of opportunities for Cabinet's consideration through to 2021-22.</p>	<p>To date, 64 events have been secured through the Leisure Events Bid Fund. These events are forecast to inject more than \$296 million into the State's economy.</p> <p>The SATC continues to seek opportunities to secure new major leisure events for South Australia, to build the State's event calendar, generate strong economic and job outcomes and develop a pipeline of opportunities for the government's consideration.</p> <p>Four new major events were secured in 2019-20, namely Matildas v Chile International Friendly, 2020 Open Water Swimming Championships, 2020 Davis Cup by Rakuten Qualifier – Australia v Brazil and the new winter event, Illuminate Adelaide</p>
<p>Achieve the above in the context of revenue challenges arising from an increasingly tight market for sponsorship and corporate hospitality sales.</p>	<p>While securing sponsorship is challenging in the current environment, Events South Australia achieved strong results across four of the five managed events, including record results for both the Santos Tour Down Under and Tasting Australia (which ultimately did not run).</p> <p>The decline of the automotive industry and the impact of the bushfires in Australia, combined with the market conditions outlined above, significantly impacted on the corporate hospitality sales for Superloop Adelaide 500 in 2020. These challenges, along with the likely impacts of COVID-19, have been reviewed and will be considered in future planning.</p>
<p>Support the Government's commitment to build heritage and eco-tourism opportunities, including assistance to the Department of Environment and Water in the development of a Heritage Tourism Strategy.</p>	<p>The SATC continues to work closely with the DEW to promote heritage and eco-tourism. In December 2019, before the impacts of COVID-19 were felt, the headline target of the Nature Based Tourism Strategy ("Nature Like Nowhere Else") was reached, with \$1.4 billion in visitor expenditure on trips with a nature-based activity component in South Australia. The DEW has since released the Parks 2025 strategy which includes a series of projects to develop the State's natural assets, some of which have potential tourism benefits. The SATC is working closely with the DEW on those projects which have tourism potential, most notably the \$5 million Co-Investment Fund. The SATC has also worked closely with the DEW on developing the Heritage Tourism Strategy, including the development of sector-specific targets modelled in line with the overall 2030 targets for the visitor economy set out in the <i>South Australian Visitor Economy Sector Plan 2030</i>.</p>

	<p>Work also continues around reimagining and rebuilding government assets impacted by the bushfires. Similarly, the SATC is represented on the Wildlife and Habitat Recovery Taskforce to ensure that tourism and economic recovery are appropriately prioritised in recovery efforts.</p>
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<b>PRIORITY 6: ORGANISATIONAL EFFECTIVENESS</b>	
<b>Priority</b>	<b>Action Taken</b>
<p>Provide systems and support across all aspects of corporate services to maximise the effective and efficient use of SATC resources and ensure public accountability expectations are met.</p>	<p>The SATC continued to administer a range of processes and practices in delivering its responsibilities under the <i>South Australian Tourism Act 1993</i> and in adherence to government financial, procurement, contracting, human resources, ICT, governance and auditing requirements. The SATC maintains a high level of financial control over its events, domestic and international operations to ensure accountability for government resources.</p>
<p>Embed a strong planning and performance monitoring approach that links long term planning and outcomes to the daily work of each individual in the office, covering strategic risk as well as operational risks.</p>	<p>Activities of the SATC are guided by the annual operational planning process.</p>
<p>Embed organisational values and drive continual improvement through review processes.</p>	<p>Training and development requirements are established as part of individual performance reviews to identify both organisational and individual learning and development needs and opportunities. The SATC's values are promoted within the organisation. The 'Culture and Values' working group aims to drive and influence the agency's culture through staff engagement and implementation of initiatives which endorse the SATC values. In 2019-20, the COVID-19 pandemic has been a major focus from a staff health and wellbeing perspective. The annual staff engagement survey provides an objective mechanism for assessing the cultural environment.</p>