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**Government  
of South Australia**

**SOUTH AUSTRALIAN TOURISM  
COMMISSION  
2021-22 Annual Report**

**SOUTH AUSTRALIAN TOURISM COMMISSION**  
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2021-22 ANNUAL REPORT for the South Australian Tourism Commission

To:

Hon Zoe Bettison MP

Minister 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:

Stephanie Rozokos

Chief Executive

Date 21 September 2022

Signature



## From the Chief Executive



More than two years into the global COVID-19 pandemic and our state's tourism industry is seeing the 'green shoots' of recovery emerge. Our forward thinking and innovative operators have worked hard to adapt their offerings for the COVID-normal environment which has been in a constant state of change.

With border closures and lockdowns a thing of the past, consumer confidence is increasing, and we are plotting our way back to our 2019 record-high \$8.1 billion visitor economy. We're rebuilding after our industry suffered the most severe contraction of tourism on record. At its lowest point, the visitor economy was just \$4.4 billion in the year to March 2021. Through sheer hard work and determination, our state's visitor economy has grown to \$6.2 billion as of June 2022, ahead of our original impact forecast of \$6.1 billion.

These results are on the back of South Australians continuing to holiday at home which saw intrastate overnight expenditure surpass pre-COVID levels by June 2021. Our state's borders re-opening in November 2021 has seen strong growth in the interstate market, which has reached a post-pandemic record high of \$1.9 billion – on its way to its pre-COVID value of \$2.7 billion.

With Australia's borders opening in February 2022, there's been slower growth in the international market, but it is returning. International expenditure has almost doubled from \$150 million at year end March 2022 to \$272 million at year end June 2022. While it's still well below its pre-COVID \$1.2 billion, we've seen more international flights resume on the back of strong travel demand – a solid indication we're on the right path.

Regional tourism has been the powerhouse through the pandemic, with performance at record-high levels for much of 2021. Data for the year end December 2021 showed South Australia's regions were not only meeting – but beating – their visitor expenditure targets set for 2025. In fact, six out of our 11 tourism regions exceeded

their 2025 visitor expenditure targets at the end of 2021, an impressive four years ahead of schedule. As of June 2022, total visitor expenditure in regional South Australia is \$3.4 billion, just \$600 million shy of its 2025 target of \$4.0 billion.

In the Adelaide CBD, while recovery has been slower, we've also made some impressive inroads. We've celebrated the highest accommodation occupancy of major cities across Australia and New Zealand, and topped 2019 levels in some instances. Average occupancy for Adelaide accommodation in May 2022 was 79 per cent – the best result since the pandemic began, and higher than the equivalent period pre-COVID (May 2019). When you consider at the time of last year's Annual Report, Adelaide hotels were yet to see occupancy levels on par with the pre-COVID period, this is a big step forward on the road to recovery.

Our focus is squarely on reclaiming our once record \$8.1 billion visitor economy, on our way to \$12.8 billion by 2030. We've delivered a range of key initiatives this past financial year to drive growth in our industry. These include the last four rounds of the Great State Voucher stimulus program, fully allocating the \$20 million Tourism Industry Development Fund to 114 projects across the state and running four managed events in COVID-safe formats.

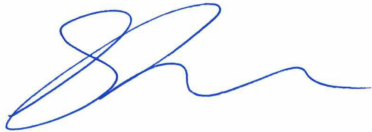
I'd like to acknowledge the work of our previous Chief Executive, Rodney Harrex who led the SATC for almost 10 years. His vision and passion for South Australia's tourism industry took it to record heights and helped navigate our industry through the unprecedented challenges of a global pandemic for well over two years. Rod was Chief Executive for all of 2021-22, leaving the SATC in July 2022.

In 2022, we are getting a sense of normality back. Borders are open, consumers are booking holidays with increased confidence, people are coming back into the city, and we are learning to live with COVID. The work we have done over the past two and a half years puts us in a good position to build on the momentum of positive results.

Looking ahead, international events are back with the return of the Santos Tour Down Under in January 2023, and for the first time in two years, cruise ships are

coming back to our shores with 106 cruise visits scheduled for the 2022-23 season.

Thank you to the South Australian tourism industry and the State Government for continuing to work with us to recover and grow our state's visitor economy. We look forward to the year ahead as we enter the next phase of this journey.



Stephanie Rozokos

**Chief Executive**

South Australian Tourism Commission

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## Overview: about the agency

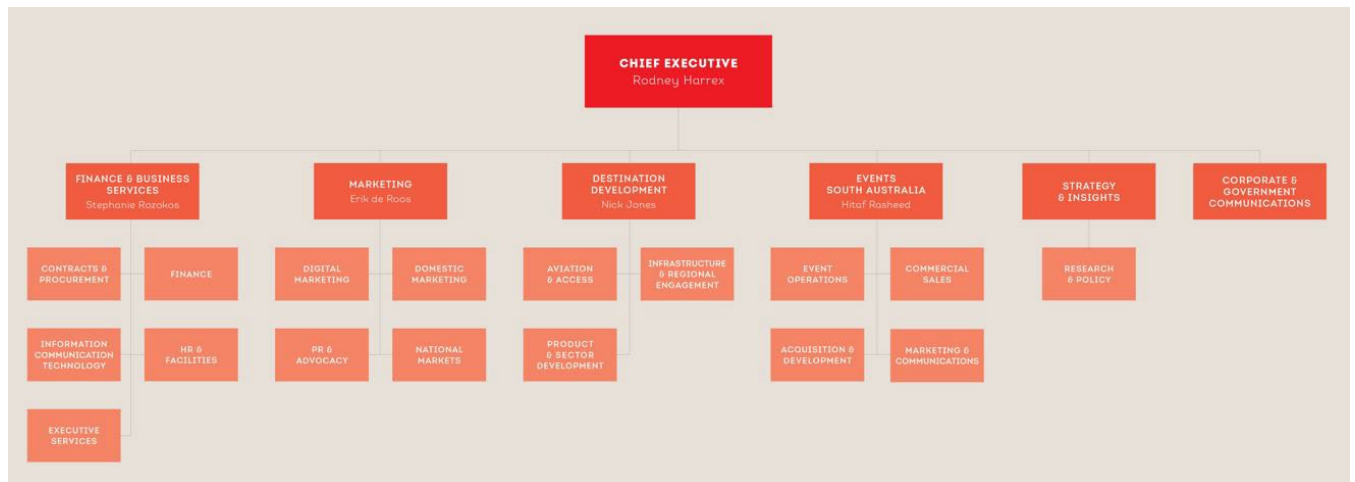
### Our strategic focus

<p><b>Our Purpose</b></p>	<p>Our 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.</p>
<p><b>Our Vision</b></p>	<p>To grow the visitor economy in South Australia to \$12.8 billion by December 2030, generating 16,000 additional jobs.</p>
<p><b>Our Values</b></p>	<p><b>Go Boldly</b> - We thrive on taking risks and enjoy stepping outside our comfort zone.</p> <p><b>Dig Deeper</b> - We never settle for simply scratching the surface. We’re hungry for knowledge, fresh ideas and innovations.</p> <p><b>Can Do</b> - We believe there’s nothing we can’t do as a team.</p> <p><b>Share The Love</b> - We have a passion for excellence and exceeding expectations.</p>
<p><b>Our functions, objectives and deliverables</b></p>	<p>To help us achieve our vision, our work is guided by six strategic priorities, outlined in the South Australian Visitor Economy Sector Plan 2030:</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>• Promote the value of tourism</li> </ul>



## Our organisational structure

Our organisational structure as of 30 June 2022.



## Our Board structure

Our Board structure as of 30 June 2022.

Name	Position	Initial Appointment	Appointment Expiry date
Mr Andrew Bullock	Chair and Director	2 July 2019	2 July 2021 – 1 July 2024
Mr John Irving	Director	1 October 2011	8 October 2020 to 7 October 2022
Mr Grant Wilckens	Director	2 July 2019	2 July 2021 – 1 July 2023
Mr Ian Horne	Director	5 October 2006	2 July 2021 – 1 July 2023
Ms Donna Gauci	Director	2 July 2019	2 July 2021 – 1 July 2023
Ms Jayne Flaherty	Director	1 October 2019	1 October 2021 – 30 September 2023
Ms Helen Edwards	Director	19 March 2020	19 March 2022 – 18 September 2022
Mr Rodney Harrex	Ex-Officio	8 April 2013	

In 2021-22 there were eight Board Meetings held. All Board Directors attended all eight Board Meetings except for Mr Grant Wilckens and Ms Donna Gauci who attended seven Board Meetings.




## Changes to the agency



During 2021-22 there were no changes to the agency’s structure and objectives as a result of internal reviews or machinery of government changes.

**Our Minister**

 A portrait of Zoe Bettison, a woman with dark hair and glasses, wearing a blue blazer over a black top. She is smiling slightly and looking towards the camera.	<p><b>The Hon Zoe Bettison MP</b> is the Minister for Tourism.</p>
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**Our Executive team**

 A portrait of Rodney Harrex, a man with short hair, wearing a dark suit jacket, white shirt, and patterned tie. He is smiling and looking towards the camera.	<p><b>Rodney Harrex is the Chief Executive</b>, responsible for leading our agency to grow tourism in South Australia and increase the recognition of the value of tourism and its contribution to employment in our state.</p>
 A portrait of Hitaf Rasheed, a woman with dark hair, wearing a red and white patterned top. She is smiling and looking towards the camera.	<p><b>Hitaf Rasheed is the Executive Director of Events South Australia</b>, responsible for growing events in South Australia and attracting new events to the state to round out our events calendar. She also leads the management and delivery of the Santos Tour Down Under, Tasting Australia presented by RAA Travel, National Pharmacies Christmas Pageant and Bridgestone World Solar Challenge.</p>
 A portrait of Erik de Roos, a man with a beard and short hair, wearing a light blue blazer over a white shirt. He is smiling and looking towards the camera.	<p><b>Erik de Roos is the Executive Director of Marketing</b>, responsible for developing and delivering marketing activity that promotes all that South Australia has to offer.</p> <p>The current focus is on stimulating visitation in the COVID-normal environment and keeping South Australia top of mind as a compelling and accessible holiday destination.</p>

	<p><b>Stephanie Rozokos is the Chief Financial Officer</b>, responsible for driving the financial, business services and cultural direction of the agency, leading the finance, contracts, procurement, risk management, human resources and information communications technology functions.</p>
	<p><b>Nick Jones is the Executive Director, Destination Development</b>, responsible for increasing accessibility to South Australia, attracting new hotel and infrastructure development, and regional tourism development.</p>

**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 at a glance

While the effects of the COVID-19 pandemic have had a major impact on the South Australian visitor economy, as restrictions lift and people learn to live with COVID, there is evidence that travel is growing back to pre-pandemic levels. Even with this positive sentiment, there are concerns about inflation, the cost of living, energy costs, the escalation of geopolitical tensions and the ever-present risk of new variants impacting the recovery of the South Australian visitor economy.

The latest results for the June 2022 year end saw expenditure recover to \$6.2 billion, ahead of the SATC’s original impact forecast of \$6.1 billion (see table below). The recovery was on the back of stronger than expected conditions at various times in 2021, and a resurgent recovery from Omicron in 2022. In fact, the SATC’s model is now anticipating a recovery of the visitor economy to \$7.6 billion by June 2023.

In 2021-22, the area of strength has been the intrastate overnight market, surpassing its pre COVID expenditure by June 2021, then reaching a record high \$2.7 billion in intrastate spend by September 2021. As interstate and international borders have reopened, the intrastate overnight market has seen a small decline back to \$2.5 billion in the latest results, 1 per cent down on pre-COVID levels. In this same period, the interstate market has grown to reach a new post-COVID high of \$1.9 billion, a good result but still down 28 per cent on the \$2.7 billion pre-COVID performance. With the borders reopening in February, the international market has started to grow, reaching \$272 million, but still down 77 per cent on pre-COVID levels.

The recovery has been led by strong growth in interstate expenditure over the last quarter and the record high intrastate expenditure in response to the easing of COVID related travel restrictions.

There is cause for optimism as recovery has continued strongly into the current quarter (April, May and June). South Australia’s tourism industry has seen solid recoveries from both the interstate and international markets, as demonstrated by robust metrics from the accommodation sector (in both Adelaide and regions) as well as the aviation sector (both domestic and international).

	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Jun-23
<b>Expected Impact (\$b)</b>	\$4.9	\$5.3	\$5.7	\$5.9	\$6.1	\$7.6
<b>Actual Performance (\$b)</b>	\$5.8	\$5.9	\$6.2	\$6.1	\$6.2	-

### Agency response to COVID-19

To support the state’s tourism industry during the pandemic, the SATC completed two significant initiatives during 2021-22.

## Great State Vouchers

The SATC delivered the last four rounds of the Great State Voucher stimulus program from September 2021 until May 2022. Building on the success of the first four rounds, these vouchers proved popular with consumers, driving bookings with participating accommodation and tour/experience operators. Rounds five to eight injected \$87.8 million into the state’s visitor economy. In total, the program achieved over 269,000 bookings, generating \$148.7 million in expenditure and supporting 808 jobs, giving operators a much-needed boost. Originally launched in October 2020, the program provided consumers with a \$100 voucher for participating CBD accommodation or \$50 for regional and suburban accommodation. The program was then extended to include experience and tour vouchers which saw \$100 vouchers available for single-day tours and experiences, and \$200 vouchers for multi-day tours and experiences.

Round	Type of Voucher	Travel period
GSV 1	Accommodation	15 October - 11 December 2020
GSV 2	Accommodation	7 January - 31 March 2021
GSV 3	Experiences	28 April – 31 July 2021 (extended to 31 August)
GSV 4	Accommodation	2 June - 31 August 2021
GSV 5	Experiences	17 September - 28 November 2021
GSV 6	Accommodation	23 September - 10 December 2021
GSV 7	Accommodation	16 Feb - 31 May 2022
GSV 8	Experiences	11 March - 31 May 2022

## Tourism Industry Development Fund (TIDF)

The \$20 million Tourism Industry Development Fund was fully allocated in February 2022. During 2021-22, 61 projects were funded. The TIDF was designed to support and stimulate private sector investment in new and improved regional accommodation, and the development of quality tourism product and experiences. It aimed to assist in the COVID recovery of regional tourism by encouraging regional operators to improve and diversify so they can attract more visitors and get a higher return on their offering. In total, there were 114 projects funded, worth a total of \$82.7 million, creating 608 ongoing jobs and over 1,180 temporary construction jobs. Projects funded through the TIDF are projected to contribute \$74.5 million to the economy each year. As of 30 June 2022, 59 of the 114 projects have been completed or nearly completed, providing visitors and locals alike with new accommodation and experiences to enjoy. The fund opened in September 2020 with funds allocated across the 2020-21 and 2021-22 financial years.

**Agency contribution to whole of Government objectives**

The following table 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	<p>The SATC’s goal is to generate 16,000 additional jobs in the visitor economy by December 2030. The latest employment results are to the year end June 2021 and show that employment in the South Australian tourism industry dropped by 7 per cent to 37,300 people in the year to June 2021. Overall, the decrease since the pre-COVID comparison point is of 8 per cent from 40,400. This is better than expected due to the positive impacts of the JobKeeper initiative which was active until 28 March 2021.</p>
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>- Tourism Industry Development Fund – to support and stimulate private sector investment in new and improved regional accommodation, and the development of quality tourism product and experiences with a focus on the recovery of regional tourism post COVID-19.</li> <li>- Marketing of South Australia – funding to increase marketing with the aim of boosting international and domestic visitors to the state.</li> <li>- The SATC delivered four rounds of the Great State Voucher stimulus program in 2021-22, supporting accommodation, experiences, and tour operators both in the Adelaide CBD and regional South Australia.</li> <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>- In 2021-22, the SATC subsidised a portion of the registration fee for tourism operators registered under the South Australia section for the Australian Tourism Exchange in Sydney in May 2022.</li> </ul>

	<ul style="list-style-type: none"> <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 tourism 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 zero cost to the operator.</li> <li>- Events South Australia provides sponsorship to leisure events throughout the year through its funding programs.</li> <li>- 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. The SATC continued to provide each RTO with up to \$20,000 for direct cooperative marketing activities under the Regional Cooperative Marketing Fund; this required RTOs to match the funding dollar for dollar. The SATC provided an additional \$10,000 to RTOs, which was not required to be matched, to assist with the regions’ recovery from the impacts of COVID-19.</li> </ul>
<p>Better Services</p>	<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 its 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>- The SATC provides support to industry through the provision of accurate, relevant, and concise research insights to assist industry in making informed business decisions, especially in relation to changed consumer behaviours post-COVID-19. It also works across key government agencies to provide timely advice and support to the sector.</li> </ul>



## Agency specific objectives and performance

The SATC'S key 2030 ambition is to grow the visitor economy to \$12.8 billion, generating 16,000 additional jobs. To reach this bold vision, The *South Australian Visitor Economy Sector Plan 2030* sets out six priority areas for industry development. They are: Marketing, Experience and Supply Development, Collaboration, Industry capability, Leisure events, and Promote the value of tourism.

As of June 2022, the state's visitor economy is worth \$6.2 billion, ahead of the SATC's original impact forecast of \$6.1 billion. In terms of tourism employment, the latest figures for 2020-21 show there were 37,300 people employed in the sector. While down, these results are better than expected due to the positive impacts of the JobKeeper initiative which was active until 28 March 2021. The SATC will not see the full effect of COVID-19 on employment until the 2021-22 State Tourism Satellite Accounts are released in June 2023.

The below table outlines the SATC's high level targets and progress towards achieving its 2030 goals. For detailed information on the SATC's strategic priorities under *The South Australian Visitor Economy Sector Plan 2030* and its progress against these, please see the Board Performance Agreement Report at Appendix C.



<b>Agency objectives</b>	<b>Indicators</b>	<b>Performance</b>
2030 Target – Total expenditure	Limit the decline in the value of our tourism sector to \$6.1 billion per annum by June 2022 (on the way to our December 2030 target of \$12.8 billion).	Target achieved: the value of South Australia’s tourism sector fell 23 per cent to \$6.2 billion in the year to June 2022.
2030 Target – International expenditure	Limit the decline in international tourism expenditure in South Australia to \$136 million by June 2022 with a milestone of \$3.3 billion by December 2030.	Target achieved: the value of South Australia’s international tourism fell 77 per cent to \$272 million in the year to June 2022.
2030 target – Domestic expenditure	Limit the decline in interstate overnight expenditure in South Australia to \$1.5 billion by June 2022 and intrastate overnight expenditure to \$2.6 billion	Target not achieved: the value of South Australia’s interstate tourism sector reached \$1.9 billion and intrastate reached \$2.5 billion in the year to June 2022
2030 Target - Employment	Limit the decline in tourism direct employment to 32,400 by June 2022 and 52,000 by 2030. June 2021 target was 26,200.	Target achieved: the latest data shows direct employment in the tourism industry dropped by 7 per cent to 37,300 people in the year to June 2021. NB: The full effect on employment has been softened through the JobKeeper initiative.

<p>2030 Target - Leisure events</p>	<p>Increase the economic value of events to the full potential of \$750 million by 2030 with a March 2022 waypoint of \$288 million.</p>	<p>Target not achieved: the value of South Australia’s leisure events sector fell 36 per cent to \$246 million in the year to March 2022 (latest figures available at time of publication compared to December 2019). COVID-19 had a significant impact on events and festivals with numerous cancellations and postponements.</p>
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**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 2021-22 financial year in line with budget and met all savings targets required. In 2021-22 an additional \$9.8 million was provided to the SATC to deliver rounds 7 and 8 of the Great State Voucher program, building on the success of the earlier rounds.

The SATC developed its first “Reflect” Reconciliation Action Plan (RAP), with final approval being granted by Reconciliation Australia in July 2021. In October 2021, the SATC launched the “Reflect” RAP. The Reflect RAP signifies the SATC’s commitment to reconciliation, with the launch celebrating the start of the agency’s reconciliation journey.

In 2021-22, the SATC continued to provide a safe working environment including a range of workplace measures to minimise the risk of COVID-19. The SATC provided staff with a range of initiatives aimed at promoting physical and mental wellbeing.

Staff took part in the SATC’s annual staff engagement survey in December 2021. This survey provided an objective mechanism for assessing the cultural environment. Results from the survey showed an improvement in staff engagement from 2020 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 aims to drive and influence the agency's culture through staff engagement and implementation of initiatives which endorse the SATC values. In 2021-22, staff wellbeing has continued to be a major focus for the working group.

The SATC has increased organisational cyber security maturity in accordance with the South Australian Government cyber security requirements, namely South Australian Protective Security Framework and the South Australian Cyber Security Framework. This has been achieved through partnerships with external agencies to continuously assess and improve upon the requirements and guidelines contained within these frameworks.

### **Employment opportunity programs**

<b>Program name</b>	<b>Performance</b>
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 2021-22, six student placements were supported.
Aboriginal Employment Strategy	In line with the deliverables of the SATC's first Reconciliation Action Plan, the SATC works across Government and with local higher education providers to promote employment opportunities to Aboriginal and Torres Strait Islander candidates.
Skilling SA	The SATC supports two trainees through Pathway One and Pathway Two of the Skilling SA program in collaboration with the Office of the Commissioner for Public Sector Employment.

**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 2021-22, 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>All employees, with the exception of 10 new starters that have commenced since 3 June 2022, have attended training relating to the SATC’s current performance management and development review process.</p>
Training Needs Analysis (TNA)	A TNA is conducted using information captured within Employee Performance Management and Development Reviews. From this, individual, group learning and development activities are identified.

**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>
<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 three 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>People and Culture and Work, Health and Safety teams work to deliver a calendar of initiatives aimed at promoting physical and mental wellbeing. The SATC's Culture and Values Working Group provides a forum to drive and influence the agency's culture through staff engagement and implementation of initiatives which focus on staff health and wellbeing.</p>

<b>Workplace injury claims</b>	2021-22	2020-21	% Change (+ / -)
Total new workplace injury claims	1	1	NA
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)	0	0	NA

\*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>	2021-22	2020-21	% Change (+ / -)
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	2	0	+200%
Number of provisional improvement, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	0	0	NA

<b>Return to work costs**</b>	2021-22	2020-21	% Change (+ / -)
Total gross workers compensation expenditure (\$)	\$13,119	\$20,641	- 36%
Income support payments – gross (\$)	\$646	\$13,402	- 95%

\*\*before third party recovery

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/work-health-and-safety-and-return-to-work-performance-reporting-south-australian-tourism-commission>

**Executive employment in the agency**

<b>Executive classification</b>	<b>Number of executives</b>
Executive A	1
Executive B	3
Executive D	1

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/executive-employment-reporting-south-australian-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 2021-22 financial statements, attached to this report.

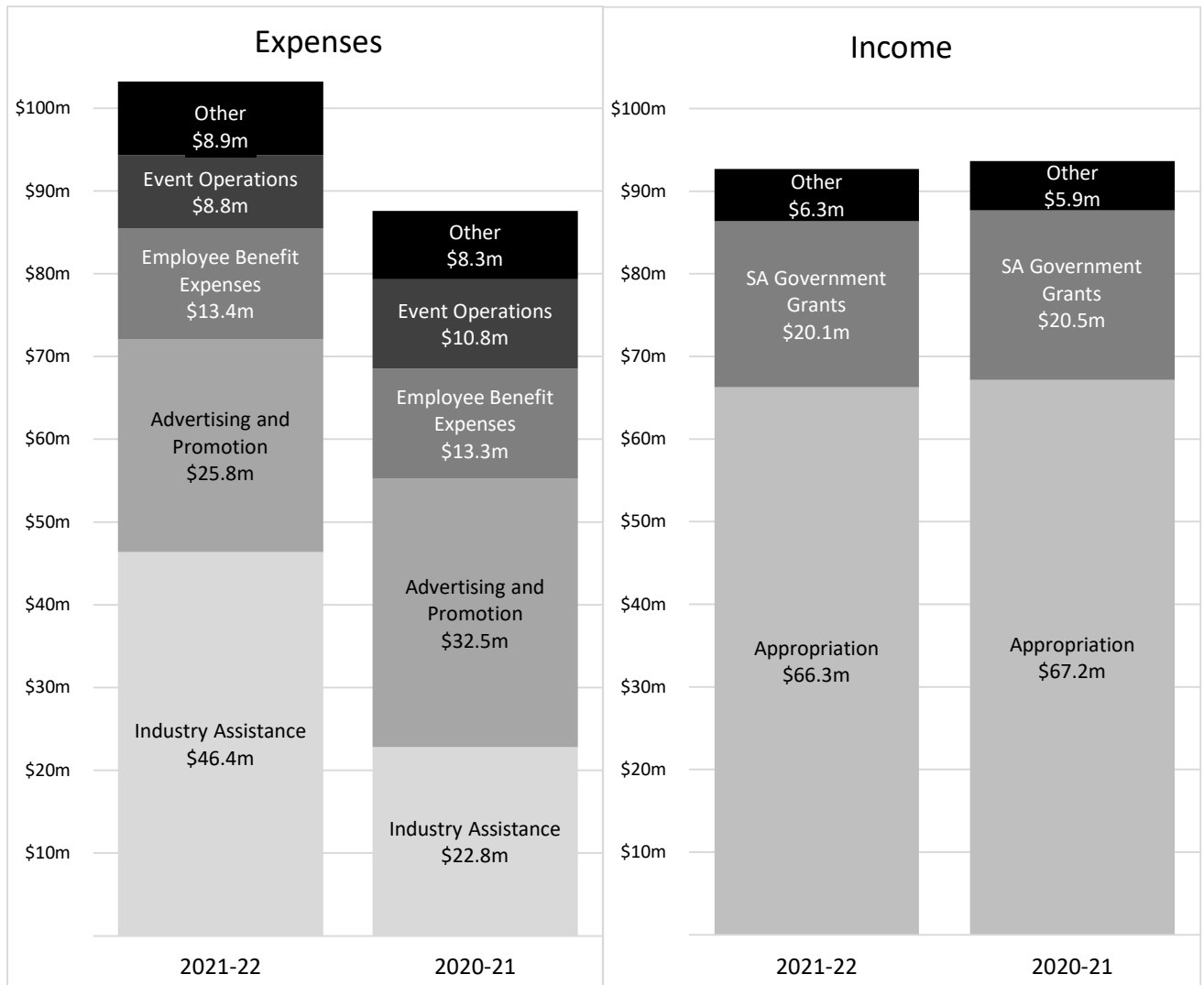
<b>Statement of Comprehensive Income</b> for the year ended 30 June	<b>2021-22</b> \$'000	<b>2020-21</b> \$'000
Income	92 683	93 646
Expenses	103 217	87 594
<b>Net result</b>	<b>(10 534)</b>	<b>6 052</b>
<b>Total comprehensive result</b>	<b>(10 534)</b>	<b>(620)</b>

<b>Statement of Financial Position</b> as at 30 June	<b>2021-22</b> \$'000	<b>2020-21</b> \$'000
Current assets	31 844	34 379
Non-current assets	6 547	8 069
<b>Total assets</b>	<b>38 391</b>	<b>42 448</b>
Current liabilities	17 369	9 403
Non-current liabilities	5 996	7 485
<b>Total liabilities</b>	<b>23 365</b>	<b>16 888</b>
<b>Equity (net assets)</b>	<b>15 026</b>	<b>25 560</b>

**Financial report audit opinion:** unmodified.

The following graphs show the main items of income and expenses for 2021-22 and 2020-21.





**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.

No external consultants were engaged by the agency in 2021-22.

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

Consultancies	Purpose	\$ Actual payment
Nil	N/A	\$0

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

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Nil	N/A	\$0
	Total	\$0

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 amount paid or payable 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
1834 Hospitality Pty Ltd	Cooperative marketing
AAPC Ltd	Cooperative marketing
Adelaide Event Operations Pty Ltd	Event operations services
Adelaide Oval SMA Ltd	Event facilities and catering
Adobe Systems Software Ireland Ltd	Digital marketing services
Advanced Tent Technology Pty Ltd	Event infrastructure services
Adventure Charters Investment Trust	Tourism services
Agile Group (Global) Pty Ltd	Security services
Air New Zealand Ltd	Cooperative marketing
Allfab Australia Pty Ltd	Event infrastructure
Alliance Airlines Pty Ltd	Transport services

<b>Contractor</b>	<b>Purpose</b>
Altus Traffic Pty Ltd	Traffic management services
Ambleside Distillers Pty Ltd	Event facilities and catering
Apollo Lighting Service Pty Ltd	Event production services
Artcraft Pty Ltd	Tourism and event infrastructure
ATF Services Pty Ltd	Event infrastructure services
Atomix Design Pty Ltd	Creative/design services
Attorney General's Department	Legal services
Auscycling Ltd	Event operations services
Australian Green Clean (Events) Pty Ltd	Cleaning and waste services
Australian Sports Medicine Federation SA Branch Inc	Event operations services
Australian Tourism Data Warehouse Pty Ltd	ICT services
Australian Trade and Investment Commission	Market research
Australian Venue Co Ltd	Event facilities
Awkar Pty Ltd	Catering services
B&H Australia Pty Ltd	ICT services
Belgravia Sports Apparel Pty Ltd	Event uniforms
BHGLS Pty Ltd	Entertainment services
Bianco Hiring Service Pty Ltd	Event infrastructure services
Big Picture Marketing Strategy and Research Ltd	Market research
Big Screen Video Sales Pty Ltd	Event infrastructure services
Big4 Holiday Parks of Australia Pty Ltd	Cooperative marketing
Bikesportz Imports Pty Ltd	Event operations services
Bizar Mobile Pty Ltd	Digital services
Boltz Pty Ltd	Event infrastructure services

<b>Contractor</b>	<b>Purpose</b>
Bornbred Talent Pty Ltd	Promotional 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 New Zealand Ltd	Advertising services
Chan Brothers Travel Pte Ltd	Cooperative Marketing
Channel 9 South Australia Pty Ltd	Advertising services
Chicken and Bees Pty Ltd	Promotional services
Christopher David Selwood	Event management services
Churchill Warehouse Pty Ltd	Storage, transport, equipment hire
Coates Hire Operations Pty Ltd	Event infrastructure services
Cook SA Pty Ltd	Event management services
Corporate Aircraft Charter Pty Ltd	Transport 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
D77 Pty Ltd	Transport services
Data#3 Ltd	ICT services
Datacom Systems (AU) Pty Ltd	ICT services
David John Clarke	Creative/design services
Declan Christopher Hartley-Brown	Photography services

<b>Contractor</b>	<b>Purpose</b>
Dell Australia Pty Ltd	ICT services
Deloitte Access Economics Pty Ltd	Market research
Department for Infrastructure and Transport	Traffic management services
Department of the Premier and Cabinet	Media monitoring and ICT services
Discovery Holiday Parks Pty Ltd	Cooperative marketing and accommodation services
Dotdigital Apac Pty Ltd	ICT services
Drogo & Co Pty Ltd	Production and broadcast services
Duy Phat Huynh	Photography services
DWP Australia Pty Ltd	Design services
DXC Enterprise Australia Pty Ltd	ICT services
Ellismgt Pty Ltd	Event infrastructure services
Emma Humphreys Communications Ltd	Public relations services
Emma Jade McCaskill	Event management services
Encore Event Technologies Pty Ltd	Event production services
Envyus Design Pty Ltd	Creative/design services
Event Timing Pty Ltd	Event infrastructure services
Experience Australia Group Pty Ltd	Cooperative marketing
Expertise Events Pty Ltd	Event management services
First Care Medical Services Australia Pty Ltd	Event medical services
Flight Centre Travel Group Pty Ltd	Travel services and cooperative marketing
Formile Events Pty Ltd	Traffic management services
Frame Creative Pty Ltd	Creative/design services
Frankie Films Pty Ltd	Video production services

<b>Contractor</b>	<b>Purpose</b>
G.C Biddle & Others	Legal services
Gayler Family Trust	Event production services
Good Broadcast Ltd	Public relations services
Grace Records Management (Australia) Pty Ltd	Records management services
Gravity Media (Australia) Pty Ltd	Broadcast services
Green Edge Cycling Pty Ltd	Sporting services
GT Wine Group Pty Ltd	Advertising services
Harry Allen Vick	Photography services
Health Safety Environment Australia Pty Ltd	Training services
Helloworld Services Pty Ltd	Cooperative marketing
Hoban Recruitment Pty Ltd	Temporary staff (labour)
Holidays of Australia Pty Ltd	Cooperative marketing
House of Travel Ltd	Cooperative marketing
HTS Group Pty Ltd	Event infrastructure services
Hygge Studio Pty Ltd	Event infrastructure services
Hyundai Motor Company Australia Pty Ltd	Event operations services
I am Helium Pty Ltd	ICT services
Ignite Holidays Pty Ltd	Cooperative marketing
Indoor Pyrotechnics & SA Fireworks Pty Ltd	Event operations services
Institute of Public Administration Australia South Australian Division Inc	Training 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

<b>Contractor</b>	<b>Purpose</b>
Jeremy Edward Mackinnon	Video production services
Jetstar Airways Pty Ltd	Cooperative marketing
JLGP Pty Ltd	Photography services
Kangaroo Island Sealink Pty Ltd	Transport services
Kantar Public Australia Pty Ltd	Market research
Karen Mary Lindsay	Creative/design services
Karena Armstrong Food Pty Ltd	Event management services
Kelsian Group Ltd	Cooperative marketing
Kimberly Conte	Event management services
Kingsford the Barossa Pty Ltd	Accommodation and catering services
Koben Digital Pty Ltd	ICT services
Kojo Studios Pty Ltd	Video production services
Komodo Media Australia Pty Ltd	Promotional services
KWP Advertising Pty Ltd	Creative/design services
Lachlan Anthony Turner	Event production services
Lieb Management & Beteiligungs GmbH	Marketing representation services
Luxury Escapes Travel Pty Ltd	Cooperative marketing
Maria Elisabetta Pappalardi	Event operations services
Mark Hamilton Hender	Recruitment services
Market Street Hotelier Pty Ltd	Accommodation services
Marshall Power Australia Pty Ltd	Event infrastructure services
Mason Gray Strange Auction (SA) Pty Ltd	Auction services
Matt Peter Gilbertson	Promotional services
Matthew William Keenan	Commentary services

<b>Contractor</b>	<b>Purpose</b>
Max Events Pty Ltd	Event management services
Maxima Group Training (aust) Ltd	Temporary staff (trainees)
Mayfair Hotel Management Pty Ltd	Accommodation services
McGregor Tan Research Pty Ltd	Market research
McMahon Services Australia Pty Ltd	Event infrastructure services
Meaghan Katherine Coles	Photography services
Melanie Selwood	Event management services
Metal Fabricators Pty Ltd	Event infrastructure services
Naked Bookings Pty Ltd	Voucher agency service
Natrasha Pty Ltd	Event infrastructure services
NEC Australia Pty Ltd	ICT services
NEC IT Services Australia Pty Ltd	ICT services
New Age Marketing e.K.	Cooperative marketing
Newstyle Printing Co Pty Ltd	Printing services
Nexstage Staging & Rigging Technologies Pty Ltd	Event infrastructure services
Nicholas William Bellotti	Video production services
Noortquip Rentals Pty Ltd	Event infrastructure services
Novatech Creative Event Technology Pty Ltd	Event production services
NTT Australia Pty Ltd	ICT services
Nuago Pty Ltd	ICT services
O'Shea's Organisation Pty Ltd	Cleaning services
Office of the Commissioner for Public Sector Employment	Training services
Olympic Investments (SA) Pty Ltd	Event infrastructure services
OPS SA	Entertainment services



<b>Contractor</b>	<b>Purpose</b>
Peak Metrics Pty Ltd	Market research
Peter Fuller & Associates Pty Ltd	Video production services
Pineapple Media (SA) Pty Ltd	Production and broadcast services
Pivotal Business Technology Pty Ltd	ICT services
Platinum Aircraft Charter Pty Ltd	Transport services
Power On Solutions Pty Ltd	Event communications services
PPI Promotion & Apparel Pty Ltd	Promotional merchandise/uniforms
Precision Models Pty Ltd	Promotional services
Priya Sid Media Pty Ltd	Promotional services
Public Caffè (SA) Pty Ltd	Catering services
Publicis Communications Australia Pty Ltd	Public relations services
PWE Plus GmbH	Advertising services
Qantas Airways Ltd	Cooperative marketing and transport services
Qantas Group Accommodation Pty Ltd	Cooperative marketing
QBT Pty Ltd	Travel services
R McHenry & K.W Van Der Zwaag	Entertainment services
RAA Insurance Ltd	Cooperative marketing
Railroad Contractors of Australia Pty Ltd	Event infrastructure services
Randstad Pty Ltd	Temporary staff (backfill)
Rawnsley Park Tourism Pty Ltd	Accommodation services
Recruitco Pty Ltd	Temporary staff (events)
Red Balloon Pty Ltd	Cooperative marketing
Redbikini Pty Ltd	Video production

<b>Contractor</b>	<b>Purpose</b>
Regional Express Holdings Ltd	Cooperative marketing
Richard Porte	Sporting services
Ricoh Australia Pty Ltd	Printing services
Roadside Services and Solutions Pty Ltd	Tourism infrastructure services
Rohan Dennis	Sporting services
Royal Automobile Association of South Australia Inc	Cooperative marketing
SA Ambulance Service Inc	Event operations services
SA Lift and Loader Pty Ltd	Equipment rental
Satalyst Pty Ltd	ICT services
Select Music Agency Pty Ltd	Entertainment services
Seppeltsfield Road Distillers Pty Ltd	Event catering services
Seppeltsfield Wines Pty Ltd	Event catering services
Serenity Asset Sussex Hotel Management Pty Ltd	Accommodation services
Seven Network (Operations) Ltd	Advertising services
Shanghai Ctrip Commerce Co	Cooperative marketing
Shanghai Linzhi Information Technology Development Co Ltd	Marketing representation services
Shimano Australia Cycling Pty Ltd	Event operations services
Showpony Adelaide Pty Ltd	Creative/design services
Sign Event Pty Ltd	Event infrastructure services
Signs Incorporated Pty Ltd	Tourism and event infrastructure
Simmons & Sons Enterprises Pty Ltd	Freight and distribution services
Singapore Airlines Ltd	Cooperative marketing
Sitehost Pty Ltd	Event facilities, catering and accommodation services

<b>Contractor</b>	<b>Purpose</b>
Sixteen-O-Two Advertising N Design	Creative/design services
Skycity Adelaide Pty Ltd	Accommodation services
Sloe Food Company 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 Cross Austereo Pty Ltd	Cooperative marketing
Specialised Event Solutions Pty Ltd	Event infrastructure services
Specialised Solutions Pty Ltd	Event infrastructure services
Spotless Facility Services Pty Ltd	Cleaning services
SRS Security Pty Ltd	Event security services
St John Ambulance Australia South Australia Inc	Event operations services
Stewie's Rigging and Hire Pty Ltd	Event infrastructure services
STR Global Ltd	Market research
Strava Inc	Digital services
Sunstate Airlines (Qld) Pty Ltd	Transport services
Superloop Broadband Pty Ltd	Event infrastructure services
Talent4 Media Ltd	Promotional services
TBWA Melbourne Pty Ltd	Creative/design services
TBWA New Zealand Ltd	Creative/design services
Telstra Corporation Ltd	Telecommunications services
The Creator's Hand Pty Ltd	Training services
The Models Mgmt Pty Ltd	Promotional services

<b>Contractor</b>	<b>Purpose</b>
The One Picture Group Ltd	Market research
Titan Containers NZ Ltd	Event infrastructure services
Topline Promotions Pty Ltd	Promotional merchandise and uniforms
Tourism Australia	Administrative, marketing, promotional and training services and market research
Traffic Group Australia Pty Ltd	Traffic management services
Trailfinders Ltd	Cooperative marketing
Travelscape LLC	Cooperative marketing
Trustee for AB Edible Trust & DF Edible Trust & JD Edible Trust	Promotional services
Trustee for BDA Unit Trust	Market research
Trustee for Eckersley Development Trust	Accommodation services
Trustee for Forman Family Trust	Photography services
Trustee for Fowlers Bay Eco Park Trust	Tourism services
Trustee for Goin Off Safaris Trust	Tourism services
Trustee for McEwan Family Trust	Commentary services
Trustee for Mt Lofty Operations Unit Trust	Accommodation and catering services
Trustee for Murphy Holdings Unit Trust	Transport services
Trustee for Parsons Plumbing and Gas	Event infrastructure services
Trustee for Phil Hoffman Travel	Cooperative marketing
Trustee for Pink Fence Hire Trust	Event infrastructure services
Trustee for the A & AM Palumbo Family Trust No. 2	Accommodation services
Trustee for the Adelaide Event Group Unit Trust	Event infrastructure services
Trustee for the Dirty Food Family Trust	Event management services

<b>Contractor</b>	<b>Purpose</b>
Trustee for the JAG Trading Trust	Event operations services
Trustee for the Majestic Roof Garden Hotel Class Trust	Accommodation services
Trustee for the Nick Stock Family Trust	Event management services
Trustee for TIR Family Trust	Temporary staff (labour)
Trustee for WDM Advertising Unit Trust	Creative/design services
Trustee for Wendt Farms Trust	Accommodation services
University of Adelaide	Software development
Valsport Pty Ltd	Promotional services
Village Gate Pty Ltd	Signage and printing services
Virgin Australia Airlines Pty Ltd	Cooperative marketing and transport services
Virtuoso Australia Pty Ltd	Cooperative marketing
Visualcom Pty Ltd	Event operations services
Voice Project Pty Ltd	Research services
Vok Beverages Pty Ltd	Event catering
Wagstaff Worldwide Inc	Marketing representation services
Wavemaker Australia Pty Ltd	Advertising services
Webjet Marketing Pty Ltd	Cooperative marketing
Wejugo Pty Ltd	Digital services
Wilson Parking Australia Pty Ltd	Parking services
Winc Australia Pty Limited	Storage and distribution services
Yao Marketing Consulting Co Ltd	Marketing representation services
YouGov Singapore Pte Ltd	Digital 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 information**

None to report.

## Risk management

### Risk and audit at a glance

The Audit and Risk Committee assists the SATC Board in fulfilling its responsibilities relating to the annual financial statements as well as reviewing the adequacy of the SATC’s accounting and reporting systems, internal controls, risk management practices, and administrative policies and procedures. The Committee’s roles and responsibilities and scope are defined in its Terms of Reference.

The SATC is committed to ensuring that a risk management approach is applied to all business activities to ensure that the Agency maximises opportunities while not exposing the organisation to unacceptable levels of risk. The SATC aims to ensure that risk management is embedded in its decision-making, processes, and culture, and contributes to the achievement of its strategic objectives.

The SATC’s risk management practices are based on the International Risk Management Standard (ISO 31000:2018). In 2021-22 the SATC’s risk management framework was updated to reflect the changes to the South Australian Government’s procurement processes which came into effect on 1 July 2021. The Framework provides minimum requirements and practical guidance to all staff on how to implement risk management processes across a wide range of activities undertaken by the SATC.

The SATC continued to manage its risks throughout the year by undertaking regular reviews of the risk register, developing detailed risk management plans for SATC managed events, and completing risk assessments for new projects and procurements.

During 2021, the Audit and Risk Committee took on the responsibilities of the Agency Security Committee under the Government’s Protective Security Framework and the Committee will consider security as part of its regular meetings.

The annual Business Continuity Plan test was undertaken in February 2022 and key learnings from this exercise were actioned and business continuity processes and documentation updated accordingly.

### Fraud detected in the agency

Category/nature of fraud	Number of instances
Nil	Nil

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

### 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>(1) The Commission must, on or before 30 September in every year, forward to the Minister a report on the Commission's operations for the preceding financial year.</p> <p>(2) The report must contain—</p> <p>(a) the audited statements of account of the Commission for the preceding financial year; and</p> <p>(b) a report on—</p> <p>(i) the state of tourism and the tourism industry in the State; and</p> <p>(ii) the Commission's plans and the extent to which they have been implemented; and</p> <p>(iii) the extent to which the Commission met the targets set in the performance agreement for the preceding financial year; and</p> <p>(c) any other information required by or under the provisions of this Act or any other Act.</p>

### **(i) report on the state of tourism and the tourism industry in the state**

After the impacts of the global COVID-19 pandemic caused the most severe contraction of tourism on record, there have been strong signs of recovery for South Australia's visitor economy in 2021-22.

The latest results for the June 2022 year end have seen South Australia's visitor economy grow to \$6.2 billion, ahead of the SATC's original impact forecast of \$6.1 billion. This is a real achievement – having made serious inroads on reclaiming the state's 2019 \$8.1 billion record high, after dropping to just \$4.4 billion at its lowest point during the pandemic (year end March 2021).

Driving these results has been continued strength in the intrastate market as South Australians holidayed closer to home, as well as the end of lockdowns and border restrictions which saw consumer confidence surge and recovery in the interstate market.

With South Australia's borders opening to interstate in late November 2021, pent-up demand and a greater sense of certainty saw this market surge. Latest data shows the interstate market grew to reach a post-COVID high of \$1.9 billion in the year to

June 2022 (worth \$2.7 billion pre pandemic), and by June 2022, domestic aviation capacity was almost at pre-COVID levels.

With the nation's borders opening in February 2022, international market expenditure has seen strong growth in that short space of time, reaching \$272 million for the year to June 2022. While recovery is likely to be slower than interstate, indications – such as international aviation rebuilding and the cruise resumption in 2022-23 – show recovery to its pre-COVID \$1.2 billion is on track.

Looking at tourism employment, the latest data for 2020-21 shows the sector employed 37,300 people, down from 40,400 in 2019-20. While it has decreased, these results are better than expected due to the positive impacts of the former Federal Government's JobKeeper initiative which was active until 28 March 2021. The full effect of COVID-19 on tourism employment will not be clear until the 2021-22 State Tourism Satellite Accounts statistics are released in June 2023.

The SATC's focus is squarely on reclaiming South Australia's once record \$8.1 billion visitor economy, on the way to \$12.8 billion by 2030. A range of initiatives have been delivered which aim to promote the state as a tourism destination and support the tens of thousands of businesses across South Australia's tourism industry.

## **Marketing**

With South Australians holidaying at home like never before, marketing activity capitalised on this trend, with targeted campaigns and incentives that drove demand and bookings.

The SATC's domestic advertising campaign 'For Those Who Want A Little More', had several phases of activity throughout the year. The campaign positions South Australia as an accessible holiday destination for locals and visitors alike and consists of television, outdoor and digital advertising. Messaging also highlighted road trips to capitalise on this trend and encouraged locals to take an extended trip into the state's tourism regions. The campaign was well received by both the intrastate and interstate markets with awareness/appeal, consideration and intention measures tracking above average when compared to similar SATC campaigns. A dedicated campaign 'Have a Date with your State', launched in February 2022, targeted young locals in the 18–34 year-old age group to further entice this audience to take a trip within their state with friends and family. Exceeding objectives, the campaign reached 602,000 (79 per cent) of the target audience with a total of seven million advertising impressions served which attributed to over 32,000 leads to South Australia tourism operators.

The SATC's consumer website, [southaustralia.com](https://southaustralia.com), recorded 6.85 million website visits by South Australians, generating 1.25 million leads to tourism operators and travel partners.

'For Those Who Want A Little More' also ran in key interstate markets during 2021-22. During this time, [southaustralia.com](https://southaustralia.com) saw 3.39 million website visits from interstate, generating 512,000 leads to tourism operators and travel partners.

Interstate expenditure also grew to \$1.9 billion as of June 2022, a post-COVID high, but 28 per cent below its \$2.7 billion pre-COVID performance.

A key stimulus initiative, the Great State Voucher program, wrapped up in 2021-22. The final four rounds ran from September 2021 to May 2022, injecting \$87.8 million into the state's visitor economy. Over the life of the scheme, the vouchers generated a total \$148.7 million into the state's visitor economy. Originally launched in October 2020 the vouchers provided incentives for consumers to book accommodation and experiences. It proved popular with both consumers and operators, achieving 269,000 bookings across South Australia and supporting 808 jobs in total.

International borders opened on 21 February 2022, paving the way for international travellers to return. In line with this, the SATC undertook marketing and PR activity in key global markets including the United Kingdom, Europe, North America, Singapore and New Zealand. International expenditure reached \$272 million for the year ending June 2022. In this short time, international expenditure in South Australia has seen strong growth, showing pent up demand for the state.

To encourage international visitation from the working holiday maker market, the SATC launched a £10 flight campaign in April 2022. Over 16,000 people in the UK and Ireland registered their interest in buying one of the 200 £10/€10 return tickets to Adelaide – with the flights selling out in under five minutes. The campaign was so popular that it was extended, offering a further round of return flights at £499 to working holiday makers who were unsuccessful in the first round.

Underpinning all campaigns is PR activity across the international and domestic markets. It achieved a total potential audience reach of over 60.1 billion as well as a total of 3,366 articles promoting South Australia and keeping it top of mind as a must-see travel destination. This was achieved through always-on press office pitching, media familiarisations, broadcast sponsorships, events, influencer programs, and brand partnerships.

## Events South Australia

Events are an important driver of visitation, giving people a reason to visit the state 'right now'. The SATC delivered four managed events in COVID-safe formats last financial year and supported a range of regional events and sponsored events which have helped drive visitation and expenditure in the CBD and regional South Australia.

### Managed events

- **2021 Bridgestone World Solar Challenge, October:** Virtual activities including a telemetry challenge and virtual forum were hosted in order to stay connected and engaged with the event audience.
- **2021 National Pharmacies Christmas Pageant, 13 November:** This much-loved event took place for the second year at Adelaide Oval due to COVID-19 restrictions. An audience with a capacity of 35,000 was permitted. The event was broadcast by Channel 9, achieving a peak audience of 159,678 viewers and ranking the number one program in Adelaide on the night.

- **2022 Santos Festival of Cycling, 21-29 January:** For the second consecutive year, the festival was held in place of the Santos Tour Down Under due to the impacts of COVID-19 and international border restrictions. The Santos Festival of Cycling welcomed domestic teams and riders across a range of cycling disciplines to race in South Australia. This event was strategically important, helping keep the state's connection with the sport of cycling, with sponsors, fans, and the community.
- **2022 Tasting Australia presented by RAA Travel, 29 April-8 May:** Due to border restrictions in the programming and planning phase, the event focused on Australian talent for the second year in a row. The program was well supported by industry with over 200 events held across 11 South Australian tourism regions. More than 60,000 people visited the festival hub, Town Square - up from 54,000 in 2021.

### Sponsored events

The SATC continued to grow and expand the state's event calendar, focusing on attracting new events and growing event 'clusters' during the traditionally quieter winter months.

A range of events were secured in 2021-22, including:

- **Harvest Rock (2022-2024)** a new two-day contemporary international music festival will be held annually in the city parklands from November 2022 to 2024. The destination music festival will be a unique proposition on the Australian music calendar featuring iconic international artists, leading Australian artists, the state's best food and wine, culinary stages, pop-up cellar doors, art installations and VIP corporate experiences.
- **Wallabies v South Africa (Springboks) and Wallaroos v New Zealand (Black Ferns)** – Adelaide hosted a historic rugby double-header blockbuster at Adelaide Oval on 27 August 2022. These international test matches drew a crowd of over 36,000. The Wallabies last played in Adelaide in 2004 and this was the first time the Wallaroos played here.
- **SkySong**, the centrepiece of the 2022 Adelaide Fringe, featured hundreds of drones flying in majestic formation to a soundtrack of First Nations storytelling through poetry and song. More than 39,000 people attended the show held from 11 to 20 March 2022 at Leconfield and Richard Hamilton Wines in McLaren Vale.
- The **Australian Age Swimming Championships** were held from 11 to 18 April 2022 at the South Australian Aquatic and Leisure Centre. The **Australian National Swimming Championships** were also held from 17 to 22 May 2022 which saw Australia's Olympic and Paralympic elite vie for national team selection ahead of the 2022 World Swimming Championships and 2022 Commonwealth Games in Birmingham.
- **Counterpointe - the Australian Ballet** brought a powerful and energetic performance exclusively to Adelaide at Her Majesty's Theatre from 8 to 13 July 2022, with fantastic reviews and audiences.
- The **2022 AFL Masters National Carnival** will be held from 25 September to 1 October 2022. The AFL Masters National Carnival is the

largest mass participation football event in Australia, expected to attract in excess of 2,000 participants and generate an estimated \$3 million in economic benefit.

The winter events calendar was expanded, with Australia's newest major event, **Illuminate Adelaide**, making its debut in July-August 2021. Despite the impact of COVID-19 including a state-wide lockdown and restrictions on interstate borders, the event attracted an attendance of more than 500,000, generating over \$30 million into the state's visitor economy. **Illuminate Adelaide 2021** also included a regional program with activations 'Digital Garden' in Mount Gambier from 9 June to 4 July 2021 which attracted more than 10,000 visitors over the four weeks and 'Big Picture Series x Colour Tumbly' from 13 to 21 August 2021 in Tumbly Bay. An installation planned for Renmark had to be postponed to June 2022 due to interstate travel restrictions preventing the artist from travelling to SA.

The **Regional Event Fund** sponsored 54 events in 2021-22, more than doubling the number of events supported in the previous financial year. This was in part due to an additional \$1 million in regional event funding from the State Government. Events supported in 2021-22 included Fringe Mount Gambier (Limestone Coast), Clare Valley Gourmet Week, Oakbank Easter Carnival (Adelaide Hills), SALA Festival (state wide), and True Grit SA (Riverland).

In 2021-22, the team continued to **support the event industry** in the COVID-normal environment, including working closely with SA Health and communicating updates or providing direct advice to event operators.

## **Destination Development**

With tourism recovery on the right path, international cruise lines are set to return and international aviation has not only resumed but it is rebuilding in line with demand.

### **Cruise**

The Federal Government lifted the ban on international cruise ships on 17 April 2022, allowing cruise ships to operate in Australia. During the 2022-23 season, 106 cruise ship visits are scheduled to arrive at South Australian ports and anchorages. This exceeds the 82 visits made in what was a blockbuster season in 2018-19, when the sector contributed \$145 million to the state's visitor economy.

Throughout the pandemic, the SATC has maintained contact with cruise lines to keep South Australia top of mind for the return of cruise visitors. The SATC has worked with Flinders Ports, Kangaroo Island Council and Port Lincoln Council to ensure that the infrastructure required to service these ships is in place and ready.

### **Aviation**

The SATC continued to work with Adelaide Airport and the State Government to support the return of international flights. Pre-COVID, there were nine international airlines providing up to 52 flights per week to Adelaide. As international travel

demand continues to grow, the number of airlines operating to Adelaide is also increasing.

As of 30 June 2022, international carriers flying direct into Adelaide were Qatar Airways, Singapore Airlines, Malaysia Airlines, Air New Zealand, Jetstar International and Fiji Airways, providing 27 flights per week. The SATC is continuing to investigate opportunities for new airline routes (national and international) with Adelaide Airport.

Domestic aviation is also rebuilding in line with increased consumer confidence and a sense of certainty in restrictions. As of 30 June 2022, domestic seats were almost at pre-COVID levels, with approximately 68,000 seats per week supplied across four domestic carriers (Qantas Airlines, Virgin Australia, Jetstar and Rex Airlines).

### **Tourism Industry Development Fund**

A key support measure to aid the recovery of South Australia's tourism industry was the \$20 million Tourism Industry Development Fund (TIDF). Fully allocated in 2021-22, the Fund encouraged private investment in regional tourism infrastructure, helping drive tourism demand and create jobs. During this period, 61 projects were funded. In total, grants were awarded to 114 projects across the state, worth a combined total of nearly \$82.7 million. It is expected the 114 projects will create 608 ongoing jobs, over 1,180 temporary construction jobs and generate an estimated \$74.5 million in visitor expenditure each year. As of 30 June 2022, 59 of the 114 projects are complete or nearly complete, providing visitors and locals alike with new and improved accommodation and experiences to enjoy.

### **Accommodation development**

There continues to be strong private investment in accommodation in South Australia. In 2021-22, one hotel opened in the Adelaide CBD, the 251-room Sofitel Adelaide on Currie Street. Another four hotels are currently under construction, the Marriott Hotel, Vibe Hotel, TRYP Hotel and the Ramada Playford Hotel which will contribute 737 rooms when open. Overall, there were 453 new rooms and 416 refurbished rooms made available across our tourism regions. The TIDF was a key driver for private investment in accommodation in the regions, contributing 281 new rooms and 400 refurbished rooms.

#### **(ii) the Commission's plans and the extent to which they have been implemented.**

This information is outlined throughout the 2021-22 Annual Report.

#### **(iii) the extent to which the Commission met the targets set in the performance agreement for the preceding financial year.**

The SATC's Board Performance Agreement and Board Performance Agreement Report can be found at Appendix B and Appendix C at the end of the 2021-22 Annual Report.

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

Not applicable to the agency.



## Public complaints

### Number of public complaints reported

<b>Complaint categories</b>	<b>Sub-categories</b>	<b>Example</b>	<b>Number of Complaints 2021-22</b>
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	1
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
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



<b>Complaint categories</b>	<b>Sub-categories</b>	<b>Example</b>	<b>Number of Complaints 2021-22</b>
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	0
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	1
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	1
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	37
		<b>Total</b>	<b>40</b>

<b>Additional Metrics</b>	<b>Total</b>
Number of positive feedback comments	0
Number of negative feedback comments	4
Total number of feedback comments	4
% complaints resolved within policy timeframes	100%

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

**Service Improvements**

In line with PC039- Complaint Management in the South Australian Public Sector, in 2021-22, the SATC implemented a new Complaints and Feedback Policy and process, including the implementation of a new Complaint Management System which will allow for collecting, reporting and monitoring complaints and feedback to inform service improvement. The new Policy is designed to identify opportunities to improve customer experience and satisfaction within the delivery of services.

The new Policy conforms to the principles of the Australian/New Zealand Standard: Guidelines for Complaint Management in Organisations (AS/NZS10002:2014) (the Standard) and the Commonwealth Ombudsman Complaint Management Framework and Department of the Premier and Cabinet Circular PC039 Complaint Management in the South Australian Public Sector.

The complaints and feedback data will be reviewed and analysed regularly to identify systemic issues and trends and to determine resolution of outcomes and improvements to remedy issues.

**Compliance Statement**

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

## **Appendix A: Audited financial statements 2021-22**



Our ref: A22/244

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Mr A Bullock  
Chair  
South Australian Tourism Commission Board  
South Australian Tourism Commission  
Level 9  
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ADELAIDE SA 5000  
email: [andrew@1834hotels.com.au](mailto:andrew@1834hotels.com.au)  
[SATCExecutiveAssistanttoCE@sa.gov.au](mailto:SATCExecutiveAssistanttoCE@sa.gov.au)

Dear Mr Bullock

### **Audit of the South Australian Tourism Commission for the year to 30 June 2022**

We have completed the audit of your accounts for the year ended 30 June 2022. Two key outcomes from the audit are the:

- 1 Independent Auditor's Report on your agency's financial report
- 2 audit management letter recommending you address identified weaknesses.

#### **1 Independent Auditor's Report**

We are returning the financial report for the South Australian Tourism Commission, with the Independent Auditor's Report. This report is unmodified.

My annual report to Parliament indicates that we have issued an unmodified Independent Auditor's Report on your financial report.

#### **2 Audit management letter**

During the year, we sent you an audit management letter detailing the weaknesses we noted and improvements we considered you need to make.

No significant matters were noted. We have received a response to our letter and will follow these up in the 2022-23 audit.

I have also included summary comments about these matters in my annual report. These identify areas we assessed as not meeting a sufficient standard of financial management, accounting and control.

### **What the audit covered**

Our audits meet statutory audit responsibilities under the *Public Finance and Audit Act 1987* and the Australian Auditing Standards.

Our audit covered the principal areas of the South Australian Tourism Commission's financial operations and included test reviews of systems, processes, internal controls and financial transactions. Some notable areas were:

- revenue
- financial accounting
- cash and cash management
- contract management and procurement
- employee benefit expenses and workforce management
- supplies and services expenditure, and
- industry assistance expenditure.

Particular attention was given to the 30 June 2022 write down to the recoverable amount of motorsport infrastructure assets that will be transferred to the soon-to-be established South Australian Motor Sport Board. We concluded that the financial report was prepared in accordance with the financial reporting framework in this respect.

I would like to thank the staff and management of your agency for their assistance during this year's audit.

Yours sincerely



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

14 September 2022

enc

SOUTH AUSTRALIAN TOURISM COMMISSION

# CERTIFICATION OF THE FINANCIAL STATEMENTS

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

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

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

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



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

12 / 9 / 2022



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

12 / 9 / 2022



**Andrew Laity**  
Acting Chief Financial Officer  
South Australian Tourism  
Commission

12 / 9 / 2022

SOUTH AUSTRALIAN TOURISM COMMISSION

# STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$'000	2021 \$'000
<b>INCOME</b>			
Appropriation	2.1	<b>66 273</b>	67 177
SA Government grants, subsidies and transfers	2.2	<b>20 100</b>	20 520
Commonwealth-sourced grants	2.3	<b>732</b>	-
Sponsorship and participation	2.4	<b>3 725</b>	5 326
Entry fees, licence fees and sales	2.5	<b>1 352</b>	844
Interest		-	11
Net gain (loss) from the disposal of non-current assets	2.6	<b>140</b>	(468)
Other income	2.7	<b>361</b>	236
<b>TOTAL INCOME</b>		<b>92 683</b>	93 646
<b>EXPENSES</b>			
Employee benefits expenses	3.3	<b>13 368</b>	13 301
Advertising and promotion	4.1	<b>25 758</b>	32 481
Industry assistance	4.2	<b>46 358</b>	22 789
Administration and accommodation	4.3	<b>4 974</b>	4 474
Event operations	4.4	<b>8 820</b>	10 767
Depreciation expense	4.5	<b>1 700</b>	3 646
Borrowing costs	4.6	<b>117</b>	138
Loss (gain) on impairment of receivables	5.2.1	<b>50</b>	(2)
Loss on impairment of non-current assets	6.3.1	<b>2 072</b>	-
<b>TOTAL EXPENSES</b>		<b>103 217</b>	87 594
<b>NET RESULT</b>		<b>(10 534)</b>	6 052
<b>OTHER COMPREHENSIVE INCOME</b>			
Changes in plant and equipment asset revaluation surplus		-	(6 672)
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		-	(6 672)
<b>TOTAL COMPREHENSIVE RESULT</b>		<b>(10 534)</b>	(620)

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

# STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	Note	2022 \$'000	2021 \$'000
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	5.1	29 549	29 670
Receivables	5.2	2 295	2 185
Non-current assets classified as held for sale	6.3	-	2 524
TOTAL CURRENT ASSETS		<b>31 844</b>	34 379
NON-CURRENT ASSETS			
Plant and equipment	6.1	6 547	8 069
TOTAL NON-CURRENT ASSETS		<b>6 547</b>	8 069
<b>TOTAL ASSETS</b>		<b>38 391</b>	42 448
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Payables	7.1	14 772	5 682
Financial liabilities	7.2	1 262	1 197
Employee benefits	3.4	1 175	1 510
Provisions	7.3	36	719
Other current liabilities	7.4	124	295
TOTAL CURRENT LIABILITIES		<b>17 369</b>	9 403
NON-CURRENT LIABILITIES			
Payables	7.1	110	126
Financial liabilities	7.2	4 412	5 643
Employee benefits	3.4	1 366	1 646
Provisions	7.3	108	70
TOTAL NON-CURRENT LIABILITIES		<b>5 996</b>	7 485
<b>TOTAL LIABILITIES</b>		<b>23 365</b>	16 888
<b>NET ASSETS</b>		<b>15 026</b>	25 560
<b>EQUITY</b>			
Contributed capital		64	64
Asset revaluation surplus	8.2	-	517
Retained earnings		14 962	24 979
<b>TOTAL EQUITY</b>		<b>15 026</b>	25 560

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



# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

	Note	Contributed Capital \$'000	Asset Revaluation Surplus \$'000	Retained Earnings \$'000	Total Equity \$'000
<b>BALANCE AT 30 JUNE 2020</b>		<b>64</b>	<b>7 938</b>	<b>18 178</b>	<b>26 180</b>
Net result for 2020-21		-	-	6 052	<b>6 052</b>
Loss on revaluation of plant and equipment during 2020-21		-	(6 672)	-	<b>(6 672)</b>
Total comprehensive result for 2020-21		-	(6 672)	6 052	<b>(620)</b>
Transfer between equity components	6.2.2	-	(749)	749	-
<b>BALANCE AT 30 JUNE 2021</b>		<b>64</b>	<b>517</b>	<b>24 979</b>	<b>25 560</b>
Net result for 2021-22		-	-	(10 534)	<b>(10 534)</b>
Total comprehensive result for 2021-22		-	-	(10 534)	<b>(10 534)</b>
Transfer between equity components	6.2.2	-	(517)	517	-
<b>BALANCE AT 30 JUNE 2022</b>		<b>64</b>	<b>-</b>	<b>14 962</b>	<b>15 026</b>

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

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

		<b>2022</b>	2021
		<b>Inflows (Outflows)</b>	Inflows (Outflows)
	Note	<b>\$'000</b>	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
CASH INFLOWS			
Receipts from SA Government		<b>87 548</b>	88 006
Receipts from the Commonwealth		<b>386</b>	-
Receipts from the sale of goods and services		<b>3 641</b>	7 715
Interest received		-	11
GST recovered from the ATO		<b>6 701</b>	5 110
Receipts for Paid Parental Leave scheme		<b>29</b>	94
CASH GENERATED FROM OPERATIONS		<b>98 305</b>	100 936
CASH OUTFLOWS			
Payments to SA Government		-	(309)
Employee benefits payments		<b>(14 060)</b>	(13 409)
Payments for supplies, services and industry assistance		<b>(83 485)</b>	(74 964)
Payments for Paid Parental Leave scheme		<b>(37)</b>	(95)
Interest paid		<b>(117)</b>	(138)
CASH USED IN OPERATIONS		<b>(97 699)</b>	(88 915)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	8.3	<b>606</b>	12 021
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
CASH INFLOWS			
Proceeds from the sale of plant and equipment		<b>600</b>	207
CASH GENERATED FROM INVESTING ACTIVITIES		<b>600</b>	207
CASH OUTFLOWS			
Purchase of plant and equipment		<b>(152)</b>	(327)
CASH USED IN INVESTING ACTIVITIES		<b>(152)</b>	(327)
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>		<b>448</b>	(120)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
CASH OUTFLOWS			
Repayment of leases		<b>(1 200)</b>	(1 491)
CASH USED IN FINANCING ACTIVITIES		<b>(1 200)</b>	(1 491)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(1 200)</b>	(1 491)
Effect of exchange rate on cash and cash equivalents		<b>25</b>	(156)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(121)</b>	10 254
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		<b>29 670</b>	19 416
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	5.1	<b>29 549</b>	29 670

The accompanying notes form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. ABOUT THE SOUTH AUSTRALIAN TOURISM COMMISSION

### 1.1 REPORTING ENTITY

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

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

### 1.2 BASIS OF PREPARATION

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

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

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

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.

### 1.3 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 outlined in the South Australian Visitor Economy Sector Plan 2030. The key impacts on the operations of the SATC in 2021-22 were:

- delivery of managed events under COVID-19 restrictions, such as the Santos Tour Down Under, which was run as a smaller domestic event, and the National Pharmacies Christmas Pageant, which was held as a twilight stadium show
- redirection of tourism marketing activities in line with travel restrictions and border closures, including the reallocation of international marketing funding to activities targeted at interstate and intrastate visitation
- reallocation of resources to provide support programs to South Australian tourism businesses deeply affected by the pandemic, including the Great State Voucher campaign.

It is expected that the effects of COVID-19 will have significantly less impact on the operations of the SATC in 2022-23, with managed events returning to pre-COVID status, and marketing activities increasing as the visitor economy grows to near pre-pandemic levels.

### 1.4 OBJECTIVES AND PROGRAMS

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

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

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

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

**1.5 EXPENSES AND INCOME BY PROGRAM**

for the year ended 30 June 2022

	<i>Tourism Development</i>		<i>Tourism Events</i>		<i>Tourism Marketing</i>		<i>Total</i>	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>INCOME</b>								
Appropriation	5 299	6 994	33 852	27 300	27 122	32 883	66 273	67 177
SA Government grants, subsidies and transfers	10 000	10 345	-	-	10 100	10 175	20 100	20 520
Commonwealth-sourced grants	532	-	-	-	200	-	732	-
Sponsorship and participation	123	281	3 400	4 009	202	1 036	3 725	5 326
Entry fees, licence fees and sales	13	-	1 339	842	-	2	1 352	844
Interest	-	-	-	11	-	-	-	11
Net gain from the disposal of non-current assets	-	(28)	140	(344)	-	(96)	140	(468)
Other income	48	29	140	105	173	102	361	236
<b>TOTAL INCOME</b>	<b>16 015</b>	<b>17 621</b>	<b>38 871</b>	<b>31 923</b>	<b>37 797</b>	<b>44 102</b>	<b>92 683</b>	<b>93 646</b>
<b>EXPENSES</b>								
Employee benefits expenses	2 395	2 067	5 593	6 091	5 380	5 143	13 368	13 301
Advertising and promotion	794	1 200	2 496	2 649	22 468	28 632	25 758	32 481
Industry assistance	9 634	3 502	20 242	12 417	16 482	6 870	46 358	22 789
Administration and accommodation	491	452	1 823	1 632	2 660	2 390	4 974	4 474
Event operations	213	70	8 605	10 659	2	38	8 820	10 767
Depreciation expense	220	200	814	2 772	666	674	1 700	3 646
Borrowing costs	17	17	49	63	51	58	117	138
Loss (gain) on impairment of receivables	-	-	50	(1)	-	(1)	50	(2)
Loss on impairment of non-current assets	-	-	2 072	-	-	-	2 072	-
<b>TOTAL EXPENSES</b>	<b>13 764</b>	<b>7 508</b>	<b>41 744</b>	<b>36 282</b>	<b>47 709</b>	<b>43 804</b>	<b>103 217</b>	<b>87 594</b>
<b>NET RESULT</b>	<b>2 251</b>	<b>10 113</b>	<b>(2 873)</b>	<b>(4 359)</b>	<b>(9 912)</b>	<b>298</b>	<b>(10 534)</b>	<b>6 052</b>

**1.6 ASSETS AND LIABILITIES BY PROGRAM**

as at 30 June 2022

	<i>Tourism Development</i>		<i>Tourism Events</i>		<i>Tourism Marketing</i>		<i>General or Not Attributable</i>		<i>Total</i>	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>ASSETS</b>										
Cash and equivalents	-	-	663	691	5 427	3 897	23 459	25 082	29 549	29 670
Receivables	367	227	162	420	552	148	1 214	1 390	2 295	2 185
Non-current assets classified as held for sale	-	-	-	2 524	-	-	-	-	-	2 524
Plant and equipment	-	-	4 571	4 951	-	-	1 976	3 118	6 547	8 069
<b>TOTAL ASSETS</b>	<b>367</b>	<b>227</b>	<b>5 396</b>	<b>8 586</b>	<b>5 979</b>	<b>4 045</b>	<b>26 649</b>	<b>29 590</b>	<b>38 391</b>	<b>42 448</b>
<b>LIABILITIES</b>										
Payables	3 683	150	5 708	1 366	5 004	3 832	487	460	14 882	5 808
Financial liabilities	-	-	3 868	4 059	-	-	1 806	2 781	5 674	6 840
Employee benefits	320	437	687	932	646	844	888	943	2 541	3 156
Provisions	-	-	-	690	-	-	144	99	144	789
Other liabilities	-	129	124	144	-	22	-	-	124	295
<b>TOTAL LIABILITIES</b>	<b>4 003</b>	<b>716</b>	<b>10 387</b>	<b>7 191</b>	<b>5 650</b>	<b>4 698</b>	<b>3 325</b>	<b>4 283</b>	<b>23 365</b>	<b>16 888</b>

**1.6.1 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 3.1 for transactions with key management personnel.

### 1.6.2 Significant Transactions with Government Related Entities

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

- grants paid to the Department of Treasury and Finance totalling \$8.3 million (\$206,000) for payment to Tourism Industry Development Fund grant recipients (included in note 4.2)
- rent, maintenance, outgoings and services of \$1.2 million (\$1.3 million) paid to the South Australian Water Corporation for an office lease (refer to notes 4.3 and 6.1.3)
- sponsorships paid to the Art Gallery of South Australia totalling \$1.1 million (nil) for several major exhibitions (included in note 4.2)
- grants, sponsorships and contributions received from the Department of the Premier and Cabinet totalling \$0.7 million (\$1.1 million) (included in notes 2.2 and 2.4).

## 2. INCOME

### 2.1 APPROPRIATION

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i>	<b>66 288</b>	69 285
Appropriations received under other Acts		-
Carryover of appropriation from 2021 to 2022	-	(2 115)
Transfer from Department of Treasury and Finance for Shared Services SA variation	<b>4</b>	7
Budget adjustment for enterprise agreement	<b>(19)</b>	-
Total appropriation	<b>66 273</b>	67 177

Appropriation is recognised as income on receipt.

Total appropriation consists of \$65 553 000 (\$66 475 000) of operational funding and \$720 000 (\$702 000) for capital purposes.

### 2.2 SA GOVERNMENT GRANTS, SUBSIDIES AND TRANSFERS

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
State Government grants	<b>20 100</b>	20 520
Total revenues from SA Government	<b>20 100</b>	20 520

State Government grants mainly consist of funding from the Department of Treasury and Finance's Jobs and Economic Growth Fund and COVID-19 Support Fund. As the grants are non-recourse grants, they have been recognised as income on receipt.

### 2.3 COMMONWEALTH-SOURCED GRANTS

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Commonwealth grants	<b>732</b>	-
Total Commonwealth-sourced grants	<b>732</b>	-

Commonwealth grants consist of a grant received under the Recovery for Regional Tourism Program. Commonwealth-sourced grants are recognised in accordance with AASB 1058 *Income of Not-for-Profit Entities* as income on receipt.

### 2.4 SPONSORSHIP AND PARTICIPATION

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Sponsorship income	<b>2 810</b>	3 006
Industry contributions	<b>813</b>	1 270
Cooperative marketing/advertising	<b>100</b>	1 050
Industry participation fees	<b>2</b>	-
Total sponsorship and participation	<b>3 725</b>	5 326

Sponsorship and participation is recognised as income from contracts with customers. Revenue is recognised in the period in which the services are provided. Where payment is received for sponsorship and participation in an earlier period, it is disclosed in note 7.4 as a contract liability.

<b>2.5 ENTRY FEES, LICENCE FEES AND SALES</b>	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Event entry fees	<b>879</b>	533
Licence fees	<b>138</b>	105
Sale of merchandise	<b>289</b>	11
Service fees	<b>13</b>	117
Rental income	<b>33</b>	60
Sundry sales	<b>-</b>	18
Total entry fees, licence fees and sales	<b>1 352</b>	844

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 a contract liability.

<b>2.6 NET GAIN (LOSS) FROM THE DISPOSAL OF NON-CURRENT ASSETS</b>	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Plant and equipment		
Net proceeds from disposal	<b>600</b>	303
Net book value of assets disposed	<b>(460)</b>	(771)
Total net gain (loss) from the disposal of non-current assets	<b>140</b>	(468)

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, the revaluation surplus is transferred to retained earnings.

<b>2.7 OTHER INCOME</b>	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Services received free of charge	<b>228</b>	222
Gain on foreign exchange	<b>123</b>	14
Recoup of employee benefits expenses	<b>10</b>	-
Total other income	<b>361</b>	236

Services received free of charge consist of services provided by the ICT and Digital Government (IDG) division of the Department of the Premier and Cabinet. Services of this nature would otherwise have been purchased.

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.

### 3. BOARD, COMMITTEES AND EMPLOYEES

#### 3.1 KEY MANAGEMENT PERSONNEL

The key management personnel of the SATC during 2021-22 were the Premier as Minister for Tourism, 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. The Premier's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account under section 6 the *Parliamentary Remuneration Act 1990*.

<b>3.1.1 Compensation</b>	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Salaries and other short-term employee benefits	<b>1 352</b>	1 328
Post-employment benefits	<b>198</b>	169
Total compensation	<b>1 550</b>	1 497

#### 3.1.2 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.

### 3.2 BOARD DIRECTORS

Members of the South Australian Tourism Commission Board during the 2022 financial year were:

Andrew Bullock	Donna Gauci	John Irving
Helen Edwards	Rodney Harrex <sup>1</sup> ( <i>ex officio</i> )	Grant Wilckens
Jayne Flaherty <sup>1</sup>	Ian Horne	

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

	<b>2022</b>	2021
	<b>Number</b>	Number
\$0 - \$19 999	<b>7</b>	8
\$20 000 - \$39 999	<b>1</b>	1
Total number of directors	<b>8</b>	9

The total remuneration received or receivable by directors was \$126 000 (\$137 000). Remuneration of directors includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

### 3.3 EMPLOYEE BENEFITS EXPENSES

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Salaries and wages	<b>10 804</b>	10 616
Long service leave	<b>(284)</b>	(76)
Annual leave	<b>863</b>	858
Skills and experience retention leave	<b>18</b>	22
Employment on-costs – superannuation	<b>1 168</b>	1 095
Employment on-costs – other	<b>622</b>	620
Board and committee fees	<b>115</b>	125
Other employment related expenses	<b>62</b>	41
Total employee benefits expenses	<b>13 368</b>	13 301

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

#### 3.3.1 Executive Remuneration

	<b>2022</b>	2021
	<b>Number</b>	Number
The number of employees whose remuneration received or receivable falls within the following bands:		
\$154 001 - \$174 000	<b>3</b>	-
\$194 001 - \$214 000	<b>1</b>	2
\$214 001 - \$234 000	<b>2</b>	1
\$234 001 - \$254 000	<b>-</b>	1
\$254 001 - \$274 000	<b>1</b>	-
\$274 001 - \$294 000	<b>-</b>	1
\$394 001 - \$414 000	<b>-</b>	1
\$454 001 - \$474 000	<b>1</b>	-
	<b>8</b>	6

The total remuneration received by these employees for the year was \$1 850 000 (\$1 560 000).

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

<sup>1</sup> In accordance with Premier and Cabinet Circular PC016, no director received remuneration for board duties during the financial year while employed by the SA Government

**3.4 EMPLOYEE BENEFITS LIABILITY**

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Current:		
Annual leave	<b>978</b>	916
Long service leave	<b>173</b>	244
Skills and experience retention leave	<b>24</b>	23
Accrued salaries and wages	-	327
Total current employee benefits	<b>1 175</b>	1 510
Non-Current:		
Long service leave	<b>1 366</b>	1 646
Total non-current employee benefits	<b>1 366</b>	1 646
Total employee benefits	<b>2 541</b>	3 156

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.

**3.4.1 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. An actuarial assessment performed by the Department of Treasury and Finance determined that the salary inflation rate for annual leave and skills and experience retention leave was 1.5%, a decrease from 2.0% in 2021. The net financial effect in the current financial year of the changes to the salary inflation rate is a decrease in the annual leave and skills and experience retention leave liability of \$5 000 and employee benefits expenses of \$6 000.

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

**3.4.2 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 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 determined that the salary inflation rate for long service leave was 2.5%, unchanged from 2021. As a result there is no financial effect.

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 increased to 3.5% from 1.25% in 2021, resulting in a decrease 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 \$283 000 and employee benefits expenses of \$306 000. 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.



## 4. EXPENSES

Employee benefits expenses are disclosed in note 3.3.

### 4.1 ADVERTISING AND PROMOTION

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Consumer advertising	<b>12 257</b>	16 645
Cooperative consumer marketing	<b>5 083</b>	4 747
Familiarisations	<b>737</b>	639
Other consumer marketing	<b>106</b>	84
Production	<b>3 141</b>	4 530
Representation and contractors	<b>2 472</b>	2 667
Marketing research	<b>930</b>	961
Trade marketing	<b>196</b>	235
Other advertising and promotion	<b>836</b>	1 973
Total advertising and promotion	<b>25 758</b>	32 481

### 4.2 INDUSTRY ASSISTANCE

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Sponsorship of events	<b>20 801</b>	12 593
Marketing/industry support	<b>16 607</b>	7 396
Tourism infrastructure	<b>8 300</b>	2 206
Tourism marketing boards/information centre grants	<b>564</b>	543
Trade show subsidies/membership of tourism industry bodies	<b>86</b>	51
Total industry assistance	<b>46 358</b>	22 789

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.

### 4.3 ADMINISTRATION AND ACCOMMODATION

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Accommodation and service costs	<b>1 051</b>	1 075
Communication and computing	<b>2 336</b>	1 971
Stationery, postage, couriers and freight	<b>32</b>	33
Contractors and consultants	<b>196</b>	156
Motor vehicles, taxis and car parking	<b>62</b>	64
Domestic and international travel	<b>157</b>	99
Seminars, courses and training	<b>151</b>	101
Insurance	<b>170</b>	148
Audit, legal and other fees	<b>419</b>	390
Loss on foreign exchange	<b>142</b>	214
Other	<b>258</b>	223
Total administration and accommodation	<b>4 974</b>	4 474

#### 4.3.1 Consultants

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

	<b>2022</b>		2021	
	<b>No.</b>	<b>\$'000</b>	No.	\$'000
\$10 000 and above	-	-	1	32
Total paid/payable to the consultants engaged	-	-	1	32

#### 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 \$82 000 (\$77 000). No other services were provided by the Auditor-General's Department.

#### 4.3.3 Resources Provided Free of Charge

Services provided free of charge included in communication and computing were \$228 000 (\$222 000) and were expensed at fair value.

<b>4.4 EVENT OPERATIONS</b>	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Event facilities	<b>2 363</b>	1 581
Catering and entertainment	<b>710</b>	586
Communications	<b>601</b>	542
Transport	<b>314</b>	208
Participants and contractors	<b>2 861</b>	3 809
Television and media	<b>842</b>	545
Fees and permits	<b>208</b>	3 151
Event management	<b>921</b>	345
Total event operations	<b>8 820</b>	10 767

<b>4.5 DEPRECIATION EXPENSE</b>	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
General plant and equipment	<b>4</b>	27
Pageant plant and equipment	<b>183</b>	189
Motor sport infrastructure	-	1 832
Fitouts	<b>306</b>	285
Right-of-use assets	<b>1 207</b>	1 313
Total depreciation expense	<b>1 700</b>	3 646

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	4-5
Pageant plant and equipment	3-35
Fitouts	3-9
Right-of-use assets	3-20

<b>4.6 BORROWING COSTS</b>	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Interest expense on lease liabilities	<b>117</b>	138
Total borrowing costs	<b>117</b>	138

## 5. FINANCIAL ASSETS

<b>5.1 CASH AND CASH EQUIVALENTS</b>	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Deposits with the Treasurer	<b>23 454</b>	25 077
Cash at bank	<b>6 090</b>	4 588
Cash on hand	<b>5</b>	5
Total cash and cash equivalents	<b>29 549</b>	29 670

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 \$2 179 000 (\$10 624 000). 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**

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Current:		
Trade receivables		
From government entities	<b>346</b>	362
From non-government entities	<b>655</b>	349
Less allowance for impairment loss on receivables	<b>(79)</b>	(29)
Total trade receivables	<b>922</b>	682
Statutory receivables		
GST input tax recoverable	<b>1 145</b>	1 271
Total statutory receivables	<b>1 145</b>	1 271
Prepayments	<b>227</b>	232
Contract assets	<b>1</b>	-
Total receivables	<b>2 295</b>	2 185

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 and prepayments 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 10.1 for information on risk management.

**5.2.1 Allowance for Impairment Loss on Receivables**

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Movement in the allowance for impairment loss on receivables		
Carrying amount at 1 July	<b>29</b>	39
Increase in the allowance	<b>50</b>	25
Amounts recovered during the year	-	(27)
Increase (decrease) in allowance recognised in profit or loss	<b>50</b>	(2)
Amounts written off	-	(8)
Carrying amount at 30 June	<b>79</b>	29

Impairment losses relate to contracts with customers external to SA Government. Refer to note 10.3 for information on credit risk and the methodology for determining impairment.

**5.2.2 Contract Assets**

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Balance at 1 July	-	428
Add additional costs incurred that are recoverable from the customer	<b>1</b>	-
Less transfer to receivables	-	(428)
Total contract assets	<b>1</b>	-

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.

Contract assets are non-interest bearing.

Refer to note 10.4 for information on market risk.

## 6. NON-FINANCIAL ASSETS

### 6.1 PLANT AND EQUIPMENT BY ASSET CLASS

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

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
General plant and equipment		
At cost (deemed fair value)	<b>158</b>	233
Accumulated depreciation at the end of the period	<b>(157)</b>	(228)
Total general plant and equipment	<b>1</b>	5
Pageant plant and equipment		
At cost (deemed fair value)	<b>2 119</b>	2 112
Accumulated depreciation at the end of the period	<b>(1 292)</b>	(1 234)
Total Pageant plant and equipment	<b>827</b>	878
Fitouts		
At cost (deemed fair value)	<b>1 868</b>	1 868
Accumulated depreciation at the end of the period	<b>(1 217)</b>	(911)
Total fitouts	<b>651</b>	957
Right-of-use assets		
At cost	<b>8 643</b>	8 615
Accumulated depreciation at the end of the period	<b>(3 575)</b>	(2 386)
Total right-of-use assets	<b>5 068</b>	6 229
Total plant and equipment	<b>6 547</b>	8 069

#### 6.1.1 Owned Plant and Equipment

Plant and equipment owned by the SATC is valued at 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 \$632 000 (\$365 000) 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). Other than as disclosed in note 6.3, there were no indications of impairment of plant and equipment at 30 June 2022.

#### 6.1.3 Leased Plant and Equipment

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

The SATC had the following leases during 2021-22:

- Nine (13) 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.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. Refer to note 10.5 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 2022.

**6.1.5 Reconciliation of Movements in Plant and Equipment during 2021-22**

	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	5	878	-	957	6 229	<b>8 069</b>
Additions	-	140	-	-	46	<b>186</b>
Disposals	-	(8)	-	-	-	<b>(8)</b>
Depreciation	(4)	(183)	-	(306)	(1 207)	<b>(1 700)</b>
Carrying amount at 30 June	<b>1</b>	<b>827</b>	-	<b>651</b>	<b>5 068</b>	<b>6 547</b>

**6.1.6 Reconciliation of Movements in Plant and Equipment during 2020-21**

	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	32	914	11 492	1 196	7 839	<b>21 473</b>
Additions	-	158	75	94	38	<b>365</b>
Disposals	-	(5)	(539)	(48)	(335)	<b>(927)</b>
Depreciation	(27)	(189)	(1 832)	(285)	(1 313)	<b>(3 646)</b>
Revaluation	-	-	(6 672)	-	-	<b>(6 672)</b>
Reclassification as held for sale	-	-	(2 524)	-	-	<b>(2 524)</b>
Carrying amount at 30 June	<b>5</b>	<b>878</b>	-	<b>957</b>	<b>6 229</b>	<b>8 069</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.

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.

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 2021-22.

### 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.

### 6.3 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Motor sport infrastructure	-	2 524
Total non-current assets classified as held for sale	<u>-</u>	<u>2 524</u>

Specialised assets associated with the Adelaide 500 event were revalued in 2020-21 and reclassified as held for sale as at 30 June 2021. In March 2022 the SA Government announced that the event would be managed by the South Australian Motor Sport Board, with all unsold motor sport infrastructure assets to be transferred to the new entity. The expected change in use of the assets is an indication of impairment, as no future cashflows will be derived by the SATC. As a result, the recoverable amount has been determined to be zero.

Legislation to re-establish the SAMSB had not passed as at 30 June. Refer to note 8.5.

#### 6.3.1 Movement in Non-Current Assets Classified as Held for Sale

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Motor sport infrastructure		
Carrying amount at 1 July	<b>2 524</b>	-
Reclassification of plant and equipment	-	2 524
Disposals	<b>(452)</b>	-
Impairment loss	<b>(2 072)</b>	-
Carrying amount at 30 June	<u>-</u>	<u>2 524</u>

## 7. LIABILITIES

Employee benefits liabilities are disclosed in note 3.4.

### 7.1 PAYABLES

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Current:		
Trade payables		
Creditors	<b>6 330</b>	1 731
Accrued expenses	<b>8 194</b>	3 679
Total trade payables	<u><b>14 524</b></u>	<u>5 410</u>
Statutory payables		
Employment on-costs	<b>248</b>	264
Paid Parental Leave scheme payable	-	8
Total statutory payables	<u><b>248</b></u>	<u>272</u>
Total current payables	<u><b>14 772</b></u>	<u>5 682</u>
Non-Current:		
Statutory payables		
Employment on-costs	<b>110</b>	126
Total non-current payables	<u><b>110</b></u>	<u>126</u>
Total payables	<u><b>14 882</b></u>	<u>5 808</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 10.1 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 are statutory payables and 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 increased to 10.6% in 2022 from 10.1% in 2021. The percentage of long service leave taken as leave is 27.9% (25.2%), calculated as the actual percentage of leave taken during the last five years. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of \$15 000 and the estimated future impact is an increase of \$15 000 in both 2023 and 2024.

## 7.2 FINANCIAL LIABILITIES

	2022 \$'000	2021 \$'000
Current:		
Lease liabilities	1 262	1 197
Total current financial liabilities	<u>1 262</u>	<u>1 197</u>
Non-Current:		
Lease liabilities	4 412	5 643
Total non-current financial liabilities	<u>4 412</u>	<u>5 643</u>
Total financial liabilities	<u><u>5 674</u></u>	<u><u>6 840</u></u>

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

## 7.3 PROVISIONS

	2022 \$'000	2021 \$'000
Current:		
Provision for workers compensation	36	29
Other provisions	-	690
Total current provisions	<u>36</u>	<u>719</u>
Non-Current:		
Provision for workers compensation	108	70
Total non-current provisions	<u>108</u>	<u>70</u>
Total provisions	<u><u>144</u></u>	<u><u>789</u></u>

### 7.3.1 Movement in Provisions

	2022 \$'000	2021 \$'000
Carrying amount at 1 July	789	77
Additional provisions recognised	41	704
Reductions resulting from payments/other sacrifice of future economic benefits	(703)	(5)
Adjustments resulting from re-measurement or settlement without cost	17	13
Carrying amount at 30 June	<u><u>144</u></u>	<u><u>789</u></u>

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

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

## 7.4 OTHER LIABILITIES

	2022 \$'000	2021 \$'000
Current:		
Contract liabilities	124	283
Unclaimed monies	-	12
Total current other liabilities	<u>124</u>	<u>295</u>
Total other liabilities	<u><u>124</u></u>	<u><u>295</u></u>

**7.4.1 Contract Liabilities**

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Balance at 1 July	<b>283</b>	154
Add payments received for performance obligations yet to be completed	<b>11</b>	283
Less revenue recognised for completion of performance obligation	<b>(170)</b>	(154)
Total contract liabilities	<b>124</b>	283

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. All contract liabilities are expected to be realised as revenue within 12 months.

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

The budget performance tables compare the SATC's outcome against budget information presented to Parliament (2021-22 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.

**8.1.1 Statement of Comprehensive Income**

	Original Budget	Actual	Variance
	2022	2022	\$'000
	\$'000	\$'000	\$'000
Income			
Appropriation	66 288	66 273	<b>(15)</b>
SA Government grants, subsidies and transfers	20 000	20 100	<b>100</b>
Commonwealth-sourced grants	-	732	<b>732</b>
Sponsorship and participation	4 643	3 725	<b>(918)</b>
Entry fees, licence fees and sales	1 045	1 352	<b>307</b>
Net gain from the disposal of non-current assets	-	140	<b>140</b>
Other income	-	361	<b>361</b>
Total income	<b>91 976</b>	<b>92 683</b>	<b>707</b>
Expenses			
Employee benefits expenses	15 035	13 368	<b>(1 667)</b>
Advertising and promotion	23 676	25 758	<b>2 082</b>
Industry assistance	(a) 35 332	46 358	<b>11 026</b>
Administration and accommodation	3 503	4 974	<b>1 471</b>
Event operations	10 995	8 820	<b>(2 175)</b>
Depreciation expense	3 734	1 700	<b>(2 034)</b>
Borrowing costs	120	117	<b>(3)</b>
Loss (gain) on impairment of receivables	-	50	<b>50</b>
Loss on impairment of non-current assets	-	2 072	<b>2 072</b>
Total expenses	<b>92 395</b>	<b>103 217</b>	<b>10 822</b>
Net result	<b>(419)</b>	<b>(10 534)</b>	<b>(10 115)</b>
Total comprehensive result	<b>(419)</b>	<b>(10 534)</b>	<b>(10 115)</b>

**8.1.2 Investing Expenditure Summary**

	Original Budget	Actual	Variance
	2022	2022	\$'000
	\$'000	\$'000	\$'000
Investing expenditure			
Total annual programs	720	140	<b>(580)</b>
Total leases	50	46	<b>(4)</b>
Total investing expenditure	<b>770</b>	<b>186</b>	<b>(584)</b>

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

- (a) The variance in industry assistance is mainly due to a 2022-23 State Budget initiative that provided \$9.8 million for additional rounds of the Great State Voucher program.



## 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.

Total cash outflow for leases was \$1 317 000 (\$1 631 000).

### 8.3.1 Cash Flow Reconciliation

	2022 \$'000	2021 \$'000
Reconciliation of cash and cash equivalents at 30 June:		
Cash and cash equivalents disclosed in the Statement of Financial Position	<b>29 549</b>	29 670
Balance as per the Statement of Cash Flows	<b>29 549</b>	29 670
Reconciliation of net cash provided by operating activities to net result:		
Net cash provided by operating activities	<b>606</b>	12 021
Non-cash items		
Depreciation expense	<b>(1 700)</b>	(3 646)
Impairment of non-current assets	<b>(2 072)</b>	-
Net gain (loss) from disposal of non-current assets	<b>140</b>	(468)
Net in-kind/non-cash transactions	-	(96)
Effect of exchange rate on cash and cash equivalents	<b>25</b>	(156)
Movement in assets and liabilities		
Receivables	<b>110</b>	(1 673)
Other assets	-	(27)
Payables	<b>(9 074)</b>	830
Financial liabilities other than leases	-	7
Employee benefits	<b>615</b>	113
Provisions	<b>645</b>	(712)
Other liabilities	<b>171</b>	(141)
Net result	<b>(10 534)</b>	6 052

## 8.4 CHANGES IN ACCOUNTING POLICY

The SATC has early-adopted AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*. AASB 2021-2 amends the following standards to improve accounting policy disclosures and clarify the distinction between accounting policies and accounting estimates:

- AASB 7 *Financial Instruments: Disclosures*, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements
- AASB 101 *Presentation of Financial Statements*, to require entities to disclose their material accounting policy information rather than their significant accounting policies
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates
- AASB 134 *Interim Financial Reporting*, to identify material accounting policy information as a component of a complete set of financial statements
- AASB Practice Statement 2 *Making Materiality Judgements*, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

## 8.5 EVENTS AFTER THE REPORTING PERIOD

Under amendments to the *South Australian Motor Sport Act 1984* (SAMS Act):

- administration of the SAMS Act was transferred from the SATC to the newly re-established South Australian Motor Sport Board (SAMSB)
- assets and liabilities of the SATC relating to the functions and powers under the SAMS Act were vested in the SAMSB.

## 9. 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.

### 9.1 EXPENDITURE COMMITMENTS

Expenditure commitments at the reporting date not recognised as liabilities	<b>2022</b>	2021
are payable as follows:	<b>\$'000</b>	\$'000
Within one year	<b>31 825</b>	18 131
Later than one year but not longer than five years	<b>17 467</b>	22 493
Total expenditure commitments	<b>49 292</b>	40 624

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

## 10. FINANCIAL INSTRUMENTS

### 10.1 FINANCIAL RISK MANAGEMENT

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

### 10.2 LIQUIDITY RISK

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

### 10.3 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.

#### 10.3.1 Impairment of Financial Assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9 *Financial Instruments*. The SATC uses an allowance matrix to measure the expected credit loss of 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	Loss %	Lifetime Expected Losses \$'000
	\$'000		\$'000
Non-government debtors at 30 June 2022			
Current (not past due)	549	0.05	-
1 – 30 days past due	3	0.07	-
31 – 60 days past due	11	0.18	-
More than 120 days past due	92	85.39	<b>79</b>
Total loss allowance			<b>79</b>

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.

#### 10.4 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.

In 2021-22 the SATC had 10 (8) foreign exchange forward contracts mature totalling \$5 186 000 (\$5 210 000). 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 2021-22 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 2.7.

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

#### 10.5 CATEGORISATION OF FINANCIAL INSTRUMENTS

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

The SATC measures all financial instruments at amortised cost.

##### 10.5.1 Category of financial asset and financial liability

	Note	2022	2022 Contractual Maturities <sup>1</sup>		
		Carrying Amount \$'000	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	<b>29 549</b>	29 549	-	-
Amortised cost					
Receivables	5.2	<b>922</b>	922	-	-
Total financial assets		<b>30 471</b>	30 471	-	-
<b>Financial liabilities</b>					
Amortised cost					
Payables	7.1	<b>14 442</b>	14 442	-	-
Lease liabilities	7.2	<b>5 674</b>	1 361	1 946	3 003
Other financial liabilities	7.4	<b>124</b>	124	-	-
Total financial liabilities		<b>20 240</b>	15 927	1 946	3 003
<b>2021</b>					
	Note	Carrying Amount \$'000	2021 Contractual Maturities <sup>1</sup>		
<b>Financial assets</b>					
Cash and equivalents					
Cash and cash equivalents	5.1, 8.3	<b>29 670</b>	29 670	-	-
Amortised cost					
Receivables	5.2	<b>682</b>	682	-	-
Total financial assets		<b>30 352</b>	30 352	-	-
<b>Financial liabilities</b>					
Amortised cost					
Payables	7.1	<b>5 333</b>	5 333	-	-
Lease liabilities	7.2	<b>6 840</b>	1 316	2 964	3 315
Other financial liabilities	7.4	<b>295</b>	295	-	-
Total financial liabilities		<b>12 468</b>	6 944	2 964	3 315

<sup>1</sup> Maturities analysis is presented using undiscounted cashflows and therefore may not equal the total carrying amount of the financial instrument.

Amounts disclosed here exclude prepayments and statutory receivables and payables. 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.

#### **10.5.2 Statutory Receivables and Payables**

Receivables and payables amounts disclosed above exclude amounts relating to statutory receivables and payables. This includes Commonwealth, State and Local Government taxes and equivalents, fees and charges, Auditor-General's Department audit fees and employee-related payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go withholding and ReturnToWorkSA levies. In government, certain rights to receive or pay cash may not be contractual but have their source in legislation and therefore, in these situations, the disclosure requirements of AASB 7 *Financial Instruments: Disclosures* will not apply. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

#### **10.6 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 2022 was \$93 000 (\$148 000).

## **Appendix B: SATC Board Performance Agreement 2021-22**

**2021-22  
PERFORMANCE AGREEMENT**

**Between**

**THE SOUTH AUSTRALIAN TOURISM COMMISSION BOARD**

**and**

**THE PREMIER OF SOUTH AUSTRALIA**

## KEY FOCUS

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The 2021-22 Board Performance Agreement with the Premier of South Australia responds to the period of unprecedented disruption that COVID-19 caused to the South Australian Visitor Economy. The Agreement continues to factor in 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 target of reaching \$8 billion in visitor expenditure by 2020. This target had been set almost a decade ago, as outlined in the table below.

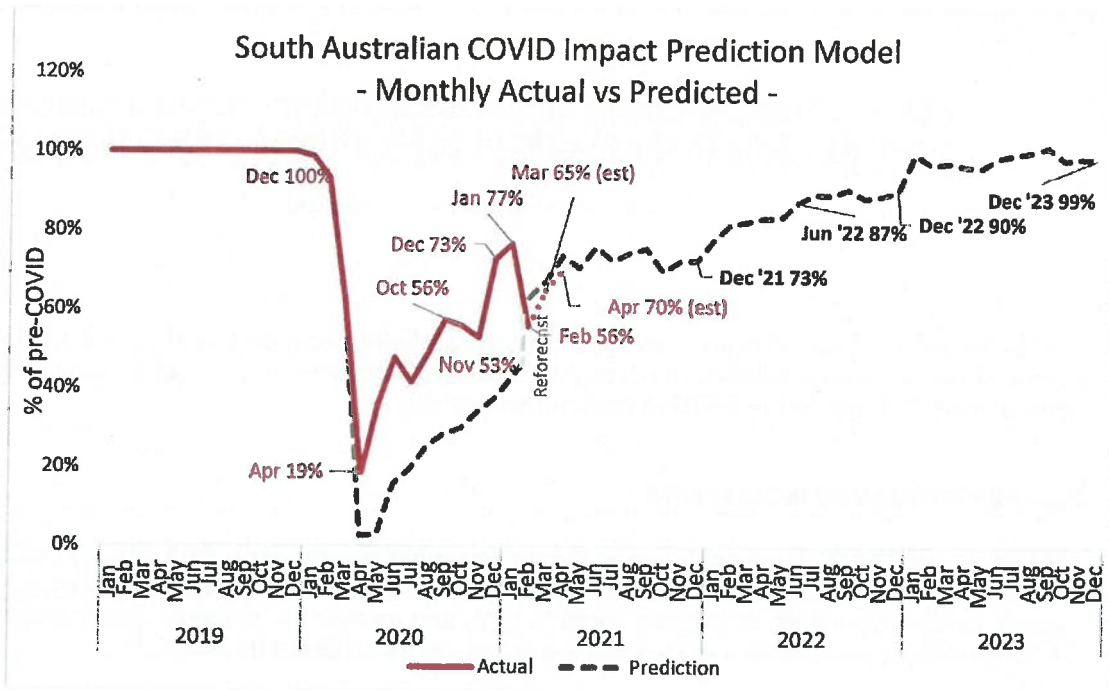
The current *Growth State* planning framework establishes the tourism industry/sector expenditure potential of \$12.8 billion by 2030. The waypoints to achieve this continue to be affected due to the impact of COVID-19.

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 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 Agreement.

The current forecast model for 2021-22 recasts predictions of recovery in the interstate and international markets based on new and emerging information about travel restrictions, consumer confidence and likely demand. The key assumptions underpinning the revised model are as follows:

- Intrastate and Day Trip expenditure to outperform 2019 levels. This will be driven by South Australians continuing to spend a portion of their planned outbound international expenditure in their own state, and there being significant barriers for South Australians to travel interstate or overseas.
- Interstate expenditure recovery to be slower than previously anticipated. Even with a comprehensive and successful vaccination program, this market is not anticipated to recover to pre-COVID levels until late 2022. The interstate business travel market is anticipated to be permanently subdued due to increased usage of video conferencing technology and protracted risk-adverse attitudes to business travel.
- International travel to remain heavily suppressed throughout 2021. Apart from a small number of international students, driven by a potential quarantine arrangement for the 2022 school year, we do not anticipate any significant recovery to the broader market until well into 2023. International leisure recovery will be led by the Visiting Friend and Relatives (VFR) market. Full recovery of international expenditure to the record levels seen in 2019 is unlikely for some time. The consensus among professional forecasting organisations point to 2024 for a global recovery to pre-COVID levels. However, as Australia is a long-haul international destination, and there is a high level of caution across the Australian governments, it is likely that international travel to South Australia will be subdued beyond this timeframe.

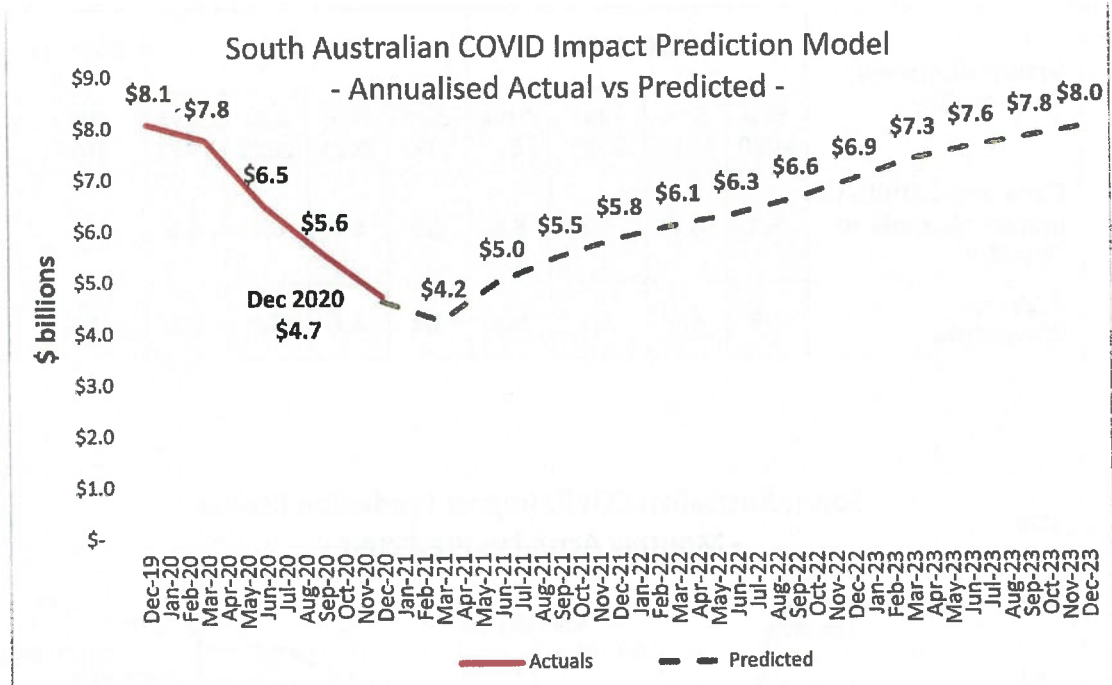
Visitor Economy Targets (\$b)	2020-2021				2021-2022				2021-22	2030 Potential
	Sep 2020	Dec 2020	Mar 2021	June 2021	Sep 2021	Dec 2021	Mar 2022	June 2022	June 2022	Dec 2030
Expected COVID-19 Impact (Actuals to Dec 20)	5.6	4.7	4.2	5.0	5.5	5.8	6.0	6.3	6.3	\$12.8
Previous Waypoints	7.9	8.0	8.1	8.2	8.3	8.4	8.5	8.6	8.6	\$12.8



Applying this scenario to the usual 12 months rolling average will result in a likely decline from \$4.7 billion in the latest available data for year to December 2020, recovering to \$5.0 billion by the year to June 2021, and further recovering to \$6.3 billion by June 2022.

Looking beyond the scope of this 2021-22 Board Performance Agreement, this charts an overall recovery to \$8.0 billion (pre COVID-19 levels) by the end of 2023, noting this is with a different overall structure to the market, with domestic tourism representing a larger share of overall expenditure than previously.





The SATC will continue to revise this impact model as further economic and consumer data comes to hand, noting it needs to be recognised there will continue to be volatility around the models which will require the SATC to respond accordingly.

**KEY PERFORMANCE INDICATORS**

In 2021-22, the SATC Board will pursue the achievement of exceeding \$6.3 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 2022:

	Dec 2019 (actual)	Low point	Jun 2021	Jun 2022
Visitor Economy	\$8.1b	\$2.3b	\$5.0b	\$6.3b
Direct Jobs	40,500 (June 2019)	12,300	26,700	33,600
International	\$1.2b	\$316m	\$70m	\$353m
Interstate	\$2.7b	\$234m	\$869m	\$1.5b
Intrastate	\$2.6b	\$840m	\$2.5b	\$2.6b
Day Trips	\$1.7b	\$870m	\$1.6b	\$1.8b
Domestic airline seats p/w	83,800	Near zero	27,000	48,000
International airline seats p/w	13,200	Near zero	800	3,900
Leisure Events	\$383m	\$109m	\$237m	\$298m

## **STRATEGIC PRIORITIES**

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### **Marketing:**

- Conduct highly targeted on-brand integrated Intrastate marketing campaigns, based on consumer research, with a focus on Adelaide City, new tourism experiences, short trips and road trips to encourage an intrastate-led recovery and build state pride.
- Conduct targeted on-brand integrated Interstate marketing campaigns to markets to promote travel to South Australia and build in flexibility to quickly pause activity in response to COVID management plans that are needed. Focus on Adelaide as the gateway to our regions and their unique experiences, acknowledging that competitive pressure from other states will be significant when borders open will be significant.
- Develop and launch stimulus opportunities that have immediate return, including airline sales and trade partnership campaigns. Consider new and creative stimulus measures.
- Ready to conduct targeted International campaigns and engage with trade and media partners when appropriate in available markets.
- Continue the Great State Voucher Program, supporting accommodation, experiences and tour operators. Consider new and creative stimulus measures as strategically appropriate.
- Continue strategic PR campaigns to ensure South Australia remains relevant and top-of-mind and change consumer perceptions. This will be achieved by partnering with influencers, media outlets, and non-traditional brands.
- Conduct targeted cooperative marketing campaigns with key partners.
- Work with domestic tourism trade partners to ensure South Australia is being sold via these businesses.
- Drive digital development of southaustralia.com, both for reliability and enhanced features.
- Conduct digital marketing and optimisation to ensure all language variants of southaustralia.com address high volume search queries to drive organic search traffic and leads.
- Evolve the social media strategy to deliver reach, especially to 'new followers' to SATC accounts, as well as grow exposure and leads to South Australian tourism operators.
- Continue to implement the 2021 Year of South Australian Wine campaign, with consistent branding and application for wine and wine events to encourage local and interstate visitation.
- Provide ongoing research and consumer insight to guide marketing strategy, with a particular focus on emerging opportunities in domestic markets to inform communication plans and decision making.

### **Experience and Supply Development:**

- Continue to administer the Tourism Industry Development Fund to assist operators to invest in their businesses to ensure a strong industry upon emergence from the COVID-19 restrictions.
- Support tourism operators with diversification of new products and experiences that appeal to current and emerging target markets, with a focus on the intrastate market, given the ongoing interstate and international travel barriers.
- In accordance with the guidelines and advice from the federal government, work with the cruise industry to determine an appropriate and safe resumption of cruise visitation to South Australian ports and anchorages and continue to encourage regional dispersal.
- Work with Adelaide Airport, the Aviation Reference Group and state government to support the recommencement of targeted international airlines, monitoring emerging opportunities and act to capitalise where possible and appropriate, which may include the provision of aviation support funding packages.
- Work with domestic airlines to ensure continuity and growth of services to Adelaide and regional South Australia, when opportunities arise, to support the intrastate market.
- Work with investors and developers to deliver tourism accommodation in Adelaide CBD and regions.
- Support the state's 11 regions and their councils in the development and refurbishment of

regional accommodation and developing experiences that align with targets identified in the Regional Visitor Strategy 2025.

#### **Collaboration:**

- Work with a range of key government stakeholders to progress infrastructure needs to support tourism.
- Work with SA Health towards a safe easing of restrictions and to provide leadership for the Visitor Economy response to COVID-19, including guiding and informing industry on adapting to new business conditions, including for events and festivals.
- Foster inter-governmental relationships, with a specific focus on the growth of events and identifying and developing leverage opportunities for cultural diplomacy, business, trade and attracting investment and to build broader event focused networks aimed at creating jobs and growing business outcomes for South Australia.
- Work with airline partners, state and federal government and Adelaide Airport Ltd to quickly respond to international and domestic route opportunities.
- Work closely with Regional Tourism Organisations to understand and address their challenges and needs, including the provision of strategic advice and assistance with managing issues.
- Engage with tourism operators to ensure timely awareness of emerging issues and provide support on matters that affect business capabilities.
- Work with Tourism Australia to ensure alignment and that South Australia is well featured and promoted in campaigns, initially domestically and then when international marketing resumes.

#### **Industry Capability**

- Support and deliver the resources available on the SATC corporate website, including the SATC Industry Toolkit, and provide relevant workshops and programs to encourage business growth.
- Work with and manage the Tourism Industry Council of South Australia (TiCSA) relationship and funding agreements, including managing deliverables against the funding for TiCSA programs, including Tourism Awards and Service Excellence.
- Develop tourism workforce knowledge and identify strategic workforce shortage issues to be addressed.
- Drive awareness for Australian Tourism Data Warehouse (ATDW) and SATC digital marketing. Continue to provide digital capability support to operators to improve SATC reporting and support development of ATDW at a national level.

#### **Leisure Events**

- Implement the Regional Events Fund, maximising the economic and job benefits to the state, with a focus on regional South Australia.
- Review all managed events based on the current and likely future environment.
- Design, deliver and evaluate the most viable program for the 2021 National Pharmacies Christmas Pageant, 2022 Santos Tour Down Under, 2022 Tasting Australia presented by RAA Travel, and 2021 Bridgestone World Solar Challenge (virtually) to maximise the economic, job and community outcomes for the state.
- Achieve agreed commercial revenue targets through existing and commercially sustainable new partnerships to grow the Events South Australia managed events portfolio and support Acquisition & Development and broader SATC initiatives as required.
- Research and develop how events can be leveraged to drive visitation or enhance the experience in a region as needed in response to COVID-19 impacts.
- Secure new or grow existing events or event clusters to create a more compelling and balanced event calendar.
- Continue to work with the Events Advisory Group to drive event expenditure in South Australia.
- Effectively manage and leverage existing event sponsorships to support event organisers

and owners and maximise the opportunity for the state, including Illuminate Adelaide in its first year.

- Provide and maximise marketing support to key managed and sponsored events to drive further awareness and expenditure as appropriate.

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

- Identify opportunities to promote the value of tourism and advocate the activities of the SATC across industry, federal, state and local government and other key stakeholders.
- Provision of relevant, accurate information and advice to ensure the SATC's strategic approach is well represented and respected across government and industry.
- Work with Tourism Research Australia to ensure that timely and accurate data is available to industry and government.
- Provide insight about the state of the industry and the key areas of impact, including changing consumer behaviours in international, interstate and intrastate differences, driving both internal SATC decision making, state government and industry planning.
- Continually monitor and review the impacts of COVID-19 to ensure that priorities of the SATC, government and industry are optimised to drive recovery.

#### **Organisational Effectiveness:**

- Adapt to rapid budget changes and uncertainty around tourism marketing and events due to COVID-19.
- Maintain and grow available SATC budget.
- Continue to provide a COVID-safe workplace.
- Implement new human resources systems, including recruitment, performance management and learning and development.
- Build organisational capability and ensure appropriate workforce planning to adequately resource SATC projects. Support employee engagement, health, and wellbeing through identification and delivery of culture and values initiatives.
- Adoption of new technologies to deliver organisational objectives and projects.
- Comply with the South Australian Government cyber security requirements, namely South Australian Protective Security Framework and the South Australian Cyber Security Framework.
- Implement the South Australian Government's procurement reform (South Australian Productivity Commission) including a new Procurement Framework and reporting system.
- Provide contract management training based on the outcomes of the South Australian Government procurement reform.

**SIGNATURES**

We the undersigned do hereby agree to the outcomes outlined in the 2021-22 Performance Agreement between the South Australian Tourism Commission Board and the Premier with responsibility for Tourism.

Signed:  \_\_\_\_\_ Dated: 27-5-21 \_\_\_\_\_

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

Signed:  \_\_\_\_\_ Dated: 28-5-21 \_\_\_\_\_

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

## **Appendix C: SATC Board Performance Agreement Report 2021-22**

**SOUTH AUSTRALIAN TOURISM COMMISSION BOARD PERFORMANCE AGREEMENT 2021-22**  
**REPORT AGAINST STRATEGIC PRIORITIES**

<b>PRIORITY 1: MARKETING</b>	
<b>Priority</b>	<b>Action</b>
<p>Conduct highly targeted on-brand integrated Intrastate marketing campaigns, based on consumer research, with a focus on Adelaide City, new tourism experiences, short trips and road trips to encourage an intrastate-led recovery and build state pride.</p>	<p>Marketing activity focused on driving intrastate visitation through targeted campaigns and incentives that built brand awareness and consideration, as well as driving demand and bookings.</p> <p>The domestic advertising campaign ‘For Those Who Want A Little More’ had several phases of activity throughout 2021-22, positioning South Australia as an accessible holiday destination for South Australians. The campaign featured a diversity of experiences and consisted of television, outdoor and digital advertising. Messaging also highlighted road trips to encourage South Australians to take an extended trip into regions.</p> <p>Through regular campaign tracking (BDA survey results, March 2022), the campaign was well received by the intrastate market with awareness, consideration and intention measurements tracking above average when compared to similar SATC campaigns. Awareness of the campaign among South Australians reached 23 per cent, consideration of booking a trip within South Australia reached 45 per cent and intention to book a trip within South Australia reached 37 per cent.</p> <p>A dedicated campaign ‘Have A Date With Your State’ launched on 14 February 2022, targeted young locals aged 18 to 34 years-old to further entice this audience to take a trip within their state. Exceeding objectives, the campaign reached 602,000 (79 per cent) of the target audience with a total of seven million advertising impressions served which attributed to over 32,000 leads to South Australian tourism operators.</p> <p>In 2021-22, southaustralia.com recorded 6.85 million website visits by South Australians, generating 1.25 million leads to tourism operators and travel partners.</p> <p>Intrastate expenditure reached \$2.5 billion in the latest available data to June 2022 year end.</p>
<p>Conduct targeted on-brand integrated Interstate marketing campaigns to markets to promote travel to South Australia and build in flexibility to quickly pause activity in response to COVID management plans that are needed. Focus on Adelaide as the gateway to our regions and their unique experiences, acknowledging that competitive</p>	<p>Marketing activity in interstate markets resumed as borders reopened, focussing on driving interstate visitation via campaigns aimed at increasing awareness and consideration of South Australia as a desirable holiday destination.</p> <p>The domestic advertising campaign ‘For Those Who Want A Little More’ also positioned South Australia as an accessible holiday destination, targeting the core markets of, Melbourne, Sydney and Brisbane. Marketing activity was run in the Northern Territory, Tasmania and Western Australia when Victoria, New South Wales and Queensland state borders were closed. Campaign elements included television, outdoor and digital advertising. Messaging also highlighted road trips to encourage Australians to take a road trip in South Australia.</p> <p>Through regular campaign tracking (BDA survey results, March 2022), this campaign was well received by the interstate market with awareness, consideration and intention measurements tracking above average when</p>



<p>pressure from other states will be significant when borders open will be significant.</p>	<p>compared to previous SATC campaigns. Appeal of the campaign among the interstate audience reached 51 per cent, consideration of booking a trip to South Australia reached 47 per cent and intention to book a trip reached 30 per cent.</p> <p>Interstate expenditure reached \$1.9 billion in the latest available data to June 2022 year end.</p> <p>In 2021-22, southaustralia.com saw 3.39 million website visits from interstate, generating 512,000 leads to tourism operators and travel partners.</p>
<p>Develop and launch stimulus opportunities that have immediate return, including airline sales and trade partnership campaigns. Consider new and creative stimulus measures.</p>	<p>Four additional rounds of the Great State Voucher program, comprising accommodation, tours and experiences, were delivered to generate immediate expenditure into the Adelaide CBD and regions by increasing short-term occupancy and bookings of tourism experiences across the state. A total of 252,500 vouchers were issued across the four rounds, with an average redemption rate of 58 per cent, generating an estimated economic impact of \$87.8 million to the state and supporting 473 jobs.</p> <p>To stimulate the return of the working holiday maker market, in April 2022, the SATC launched a £10 flight campaign in partnership with UK travel agent, Trailfinders. More than 16,000 people in the United Kingdom and Ireland registered their interest in buying one of the 200 £10/€10 return tickets to Adelaide. The campaign was so popular it was extended, offering a further round of return flights at £499 to working holiday makers who were unsuccessful in the first round.</p> <p>The campaign achieved significant global media coverage and had more than 31,000 visits to the Trailfinders' campaign website.</p>
<p>Ready to conduct targeted International campaigns and engage with trade and media partners when appropriate in available markets.</p>	<p>The SATC has undertaken marketing and PR activity in key international markets, including United Kingdom, Europe, North America, Singapore and New Zealand.</p> <p>In New Zealand, the SATC conducted the 'Sometimes I Wonder' brand campaign, which ran from March through to June and included television advertising, billboards in Auckland and extensive digital advertising. In Singapore, the SATC partnered with Singapore Airlines in a campaign to drive bookings to Adelaide.</p> <p>The SATC has ongoing trade engagement in each key international market led by the SATC offices in the respective regions. The SATC has participated in formal Tourism Australia Roadshows in the United Kingdom, Germany, Italy, France, Northern Europe, United States and Canada. Virtual trade training and engagement has taken place on an ongoing basis in Singapore, New Zealand, China, Hong Kong and Japan.</p> <p>International expenditure reached \$272 million in the latest available data to June 2022 year end, noting international borders have only been open for just over 4 months of the reporting period.</p>
<p>Continue strategic PR campaigns to ensure South Australia remains relevant and top-of-mind and change consumer perceptions. This will be achieved by partnering with</p>	<p>In 2021-22, the SATC achieved significant media coverage across the international and domestic markets. PR produced 3,366 articles promoting South Australia as a must-do travel destination through media familiarisations, broadcast sponsorships, events, influencer programs and brand partnerships.</p> <p>PR activity included a broadcast partnership with New Zealand's number one TV network Seven Sharp; a TikTok influencer campaign to support the launch of South Australia's TikTok channel; local news weather crosses to support campaign activity; and production of a local show 'A Little More South Aussie with Cosi and Friends' in</p>



<p>influencers, media outlets, and non-traditional brands.</p>	<p>partnership with Channel 7 to support the South Australian tourism industry during the Omicron outbreak.</p> <p>Through influencer marketing on social media, 496 pieces of content were produced, securing a total combined estimated reach of more than 13.1 million across TikTok and Instagram and generating more than 17,367 operator leads.</p>
<p>Conduct targeted cooperative marketing campaigns with key partners.</p>	<p>In 2021-22, the SATC executed a total of 44 co-operative marketing campaigns recording an average return on investment of 95:1 (benchmark 15:1). The interstate and intrastate campaigns reported a total of 327,750 passengers into South Australia generating a potential economic impact of nearly \$333 million.</p> <p>Key trade partners included Qantas, Virgin Australia, Jetstar, Webjet, the Expedia Group (Stayz and Wotif.com brands), Helloworld and the Flight Centre Travel Group.</p>
<p>Work with domestic tourism trade partners to ensure South Australia is being sold via these businesses.</p>	<p>The SATC attended Tourism Australia's 2022 Australian Tourism Exchange. The SATC offered a subsidy of \$1,000 for every South Australian operator in attendance at the event. This event provided the opportunity for SATC attendees and operators to meet face to face with domestic and international agents and partners.</p> <p>The SATC trade database grew to more than 6,000 travel trade agents now receiving the monthly South Australia Snippets trade newsletter which features new product and upcoming event information.</p>
<p>Drive digital development of southaustralia.com, both for reliability and enhanced features.</p>	<p>To improve the user experience on the SATC's consumer website, southaustralia.com, work continued on a range of features. These included the launch of a new trip planner and enhancements to the website chatbot to make it easier for consumers to plan their holiday to South Australia. The process of updating the consumer website was improved, reducing website downtime, making it seamless for consumers to use the website while changes were running in the background.</p> <p>Additionally, incremental technical improvements resulted in a 13 per cent improvement in website performance compared to last financial year as measured by Google's Lighthouse scoring system. Website performance is important for website users but is also a contributing factor to how a website performs in search engine rankings.</p>

<p>Conduct digital marketing and optimisation to ensure all language variants of southaustralia.com address high volume search queries to drive organic search traffic and leads.</p>	<p>In addition to the improvements in website performance detailed above, the SATC also invested resources in Search Engine Optimisation (SEO), with the aim of ensuring the SATC's consumer website, southaustralia.com, is highly visible to consumers searching for information on travelling to South Australia through search engines such as Google. SEO activity was focussed on boosting the website's search engine ranking through technical, domain authority and content related techniques. The aim is to have southaustralia.com appear on the first page of search engine results for keyword searches relating to tourism and South Australia, so that more consumers visit the website and engage with it. A consumer finding the website through a web search is referred to as organic search traffic. The easier a website is to find on Google, the higher the organic search traffic to it will be.</p> <p>In 2021-22 southaustralia.com saw a total of 3.92 million visits via organic search traffic, which was a 5 per cent increase compared to the previous year.</p> <p>Technical SEO activity included audits of southaustralia.com to uncover any issues which may negatively impact search engine rankings such as broken links. Authority related SEO activity included identifying trending keywords to recommend content which would attract links from third party websites, further boosting visits to southaustralia.com. Content related SEO activity included keyword research across the Australia, United Kingdom, USA, New Zealand, Singapore, Malaysia, Germany, France and Italy markets to ensure that southaustralia.com pages address keywords that people frequently enter search engines, helping to increase visits to southaustralia.com.</p> <p>There are international versions of southaustralia.com in languages including Italian, French and German which make it easier for these key international markets to plan their trips to our state. SEO and optimisation activity of these international variants of the consumer website contributed to an 18 per cent year on year increase in visits and a 45 per cent increase in leads via international organic search traffic to southaustralia.com.</p>
<p>Evolve the social media strategy to deliver reach, especially to 'new followers' to SATC accounts, as well as grow exposure and leads to South Australian tourism operators.</p>	<p>Social media activity included the launch of a South Australian TikTok account in April 2022, which moved from static to video content. The TikTok account has attracted more than 16,000 followers and 170,000 likes of the short form videos, with some individual videos seeing upwards of 700,000 video views. In addition, the introduction of short form video via Instagram Reels has driven significant increases in non-follower reach, with more than 90 per cent of views of SATC content on Instagram being by people not already following the SATC account.</p> <p>Longer form videos (5-10 minutes) were also produced for a six-part YouTube series 'Stories of the South' which resulted in more than 400,000 video views.</p> <p>In 2021-22, SATC owned social activity also generated more than 33,000 leads to South Australian tourism operators via links from social media posts to Australian Tourism Data Warehouse (ATDW) pages on southaustralia.com.</p>

<p>Continue to implement the 2021 Year of South Australian Wine campaign, with consistent branding and application for wine and wine events to encourage local and interstate visitation.</p>	<p>Launched in January 2021, 'The Year of South Australian Wine' program of activity concluded in December 2021. The campaign included print and digital advertising and aimed to drive visitation to wine regions and for consumers to experience wine festivals and events. As part of the campaign, the SATC delivered events to drive messaging and to support the wine and tourism industries.</p> <p>Interstate association of South Australia as a place with 'Credible wineries and wine regions' stands at 69 per cent, the highest in the country in the latest available data to May 2022 and well ahead of second placed Victoria at 47 per cent. 'Good Food and Wine' remains strong at 56 per cent, just behind Victoria at 57 per cent and well ahead of all other states.</p>
<p>Provide ongoing research and consumer insight to guide marketing strategy, with a particular focus on emerging opportunities in domestic markets to inform communication plans and decision making.</p>	<p>The SATC maintained an extensive research program throughout 2021-22 to ensure evidence-based decision making was conducted throughout the commission. At a strategic level, the key achievement was the ongoing implementation for the "COVID Impact Model" that provides the underlying KPIs for all SATC strategic planning in 2021-22 and is outlined further in Priority 6. Key achievements included communications testing of marketing campaigns and qualitative research into perceptions of the 12 tourism regions across South Australia.</p>

<b>PRIORITY 2: EXPERIENCE AND SUPPLY DEVELOPMENT</b>	
<b>Priority</b>	<b>Action</b>
<p>Continue to administer the Tourism Industry Development Fund to assist operators to invest in their businesses to ensure a strong industry upon emergence from the COVID-19 restrictions.</p>	<p>In 2021-22, 61 projects received funding under the SATC's \$20 million (2020-21 and 2021-22) Tourism Industry Development Fund (TIDF), with grant funding worth more than \$11.5 million.</p> <p>The TIDF was introduced to stimulate private sector investment in new and improved regional accommodation, and the development of quality tourism products and experiences across regional South Australia.</p> <p>The Fund was fully allocated in early 2022. The total funding supported 114 projects across all 11 tourism regions. The projects are worth \$82.7 million and are estimated to generate \$74.5 million in the state's visitor economy each year. It is also expected these projects will create an additional 608 ongoing jobs.</p> <p>As at end of June 2022, 59 of the 114 supported projects were completed or nearly completed.</p>
<p>Support tourism operators with diversification of new products and experiences that appeal to current and emerging target markets, with a focus on the intrastate market, given the ongoing interstate and international travel barriers.</p>	<p>The SATC continued to engage with and support operators in creating new or diversified tourism products to align with current and emerging target markets. Support included regular engagement with industry and the provision of advice, market insights and information on government funding programs that were open for applications.</p>
<p>In accordance with the guidelines and advice from the federal government, work with the cruise industry to determine an appropriate and safe resumption of cruise visitation to South Australian ports and anchorages and continue to encourage regional dispersal.</p>	<p>The Federal Government's restriction of foreign flagged cruise ships into Australian waters was lifted on 17 April 2022, allowing cruise ships to operate in Australia. The first cruise ship for the 2022 South Australian cruise ship season will arrive at Port Adelaide on 17 September 2022.</p> <p>The SATC worked with state and commonwealth departments, SA Health, Flinders Ports, Cruise Lines International Association (CLIA) and the Australian Cruise Association (ACA) to implement health protocols for the upcoming cruise ship season for both passengers and operators. The protocols outline vaccination requirements, onboard health screening/ temperature checks and isolation and quarantine requirements.</p> <p>The SATC provided funding to the City of Port Lincoln and Kangaroo Island Council to improve the infrastructure offering for cruise visitors. The City of Port Lincoln Council built undercover shelter for passengers and volunteers on the wharf and Kangaroo Island Council installed signage and constructed new footpaths where passengers arrive adjacent to the Penneshaw jetty.</p> <p>A redevelopment of the Port Adelaide Passenger Terminal was undertaken in partnership with Flinders Ports. The SATC contributed funding to the overall project cost. This included new flooring, air-conditioning, furniture, destination imagery on walls, a large screen to provide visitor information and reconfiguration of space to enable appropriate passenger movement through the terminal.</p>

	<p>In April 2022, the SATC attended Seatrade Cruise Global in Miami with the ACA. The SATC held meetings with cruise lines to promote South Australia as a safe and appealing cruise destination.</p> <p>To help prepare for the restart of cruising in South Australia, the SATC in collaboration with ACA, CLIA and Carnival Australia invited key cruise stakeholders, tourism operators and local businesses to present a series of workshops in Adelaide, Port Lincoln and Kangaroo Island in early July 2022.</p>
<p>Work with Adelaide Airport, the Aviation Reference Group and state government to support the recommencement of targeted international airlines, monitoring emerging opportunities and act to capitalise where possible and appropriate, which may include the provision of aviation support funding packages.</p>	<p>The SATC continued to work with Adelaide Airport Limited (AAL), and the state government to support the return of international aviation services to South Australia.</p> <p>As at 30 June 2022, six international airlines were operating 27 flights per week to Adelaide - Qatar Airways, Singapore Airlines, Malaysia Airlines, Air New Zealand, Jetstar International and Fiji Airways. This was up from three airlines operating nine flights per week as at 1 July 2021. Prior to COVID, Adelaide serviced nine international airlines, providing up to 52 flights per week.</p> <p>The SATC worked closely with Adelaide Airport to maintain strong relationships with all airlines that operate or have the potential to operate to Adelaide. Regular meetings in Adelaide or in the airline's Australian headquarters ensured that Adelaide was in consideration for flights.</p> <p>The SATC attended the Australian Tourism Exchange in Sydney in May 2021 where international airlines were invited to meet all the state tourism organisations. The SATC and AAL jointly presented market updates to target airlines focussing on attracting airline services that link South Australia with its key tourism markets. The SATC also attended online aviation forums, which provided valuable intelligence about the strategies airlines employ to re-start their services.</p> <p>The SATC worked with Air New Zealand to secure and promote flights between Adelaide and Auckland when trans-Tasman borders re-opened from April 2022. The support was a key reason Air New Zealand scheduled flights to commence on 4 July 2022.</p>
<p>Work with domestic airlines to ensure continuity and growth of services to Adelaide and regional South Australia, when opportunities arise, to support the intrastate market.</p> <p>Work with airline partners, state and federal government and Adelaide Airport Ltd to quickly respond to international and domestic route opportunities.</p>	<p>The SATC has worked closely with AAL to help rebuild domestic airline capacity to South Australia. South Australia is served by four domestic carriers, namely Qantas Airlines, Virgin Australia, Jetstar and Rex Airlines. As at end of June 2022, domestic seats had returned to almost pre-COVID levels, with approximately 68,000 seats per week supplied. The SATC maintained close working relationships with all airlines.</p> <p>The SATC supported Qantas' decision to base new E190 aircraft in Adelaide by providing digital marketing support to Qantas for new routes to Cairns, Townsville, Hobart and Newcastle..</p> <p>In 2021-22, the following new domestic routes were introduced:</p> <ul style="list-style-type: none"> <li>• Virgin commenced new routes to Adelaide from Sunshine Coast, Launceston and Hobart.</li> <li>• Rex re-commenced flights between Melbourne and Adelaide.</li> </ul> <p>Rex and Qantas collectively serve six South Australian regional routes, namely Port Lincoln, Kingscote, Whyalla, Mount Gambier, Ceduna and Coober Pedy.</p> <p>The SATC worked closely with Qantas to ensure that additional flights to Kangaroo Island were provided to cover</p>

	<p>the cessation of Rex flights to the Island. The SATC secured Commonwealth Government support through Austrade's Recovery for Regional Tourism program. This program commenced in January 2022 and allows Qantas to operate a reliable schedule, providing confidence to travel agents and consumers to book visitors to the Island.</p>
<p>Work with investors and developers to deliver tourism accommodation in Adelaide CBD and regions.</p>	<p>There continues to be strong private investment in accommodation in South Australia. In November 2021, the 251 room Sofitel on Currie Street opened in the Adelaide CBD.</p> <p>The SATC continues to monitor hotel developments in the CBD. As of 30 June 2022, there were four hotels under construction, which will contribute 737 rooms when these hotels open. The four hotels are Vibe Hotel (123 rooms), Ramada Playford Hotel (205 rooms), TRYP Hotel (124 rooms) and Marriott Hotel (285 rooms).</p> <p>Overall, there were 453 new rooms and 416 refurbished rooms in all regions. The TIDF was a key driver for private investment in accommodation in the regions, contributing 281 new rooms and 400 refurbished rooms across South Australia.</p>
<p>Support the state's 11 regions and their councils in the development and refurbishment of regional accommodation and developing experiences that align with targets identified in the <i>South Australian Regional Visitor Strategy 2025</i>.</p>	<p>The SATC worked with the Regional Tourism Organisations (RTOs) to support experience and accommodation developments in the region by providing data and insights to grow the visitor economy.</p> <p>The SATC assisted regions in reviewing masterplans, feasibility studies and proposals to ensure projects align with the Regional Visitor Strategy.</p>

<b>PRIORITY 3: COLLABORATION</b>	
<b>Priority</b>	<b>Action</b>
Work with a range of key government stakeholders to progress infrastructure needs to support tourism.	The SATC works with various state and federal government departments to ensure tourism infrastructure priorities in South Australia remain top of mind for consideration for funding support. This includes Infrastructure SA, the Department for Infrastructure and Transport (DIT) and Austrade. The SATC provides presentation updates on the Adelaide accommodation pipeline, regional tourism infrastructure priorities and South Australian Tourism investment opportunities to government stakeholders.
Work with SA Health towards a safe easing of restrictions and to provide leadership for the visitor economy response to COVID-19, including guiding and informing industry on adapting to new business conditions, including for events and festivals.	<p>The SATC provided regular, timely communications to the state's tourism industry during COVID, through industry events and training, regional visits and amplifying key messages through its corporate website, social media channels and regular email industry updates. In 2021-22, communications focussed on providing the latest health and travel advice relevant to tourism as well as the latest developments in the COVID-normal environment.</p> <p>The SATC worked closely with SA Health and the events industry regarding COVID-Safe event parameters, to enable events to continue safely through COVID and to adapt to the restrictions as they changed.</p>
Foster inter-governmental relationships, with a specific focus on the growth of events and identifying and developing leverage opportunities for cultural diplomacy, business, trade and attracting investment and to build broader event focused networks aimed at creating jobs and growing business outcomes for South Australia.	<p>Collaboration is core to the delivery and maximisation of major events in South Australia.</p> <p>FOMO Fridays, aimed at creating a vibrant city and driving people back to work and to the city on Fridays, was a collaboration between the SATC, the Department of the Premier and Cabinet (DPC), City of Adelaide and the Property Council. Collaboration with the Department of Trade and Investment (DIT) and SAPOL was critical to the delivery of the Santos Festival of Cycling in January, and other sponsored events. In addition, collaboration with the Department for Environment and Water as well as Plan SA was important to achieving a start at the top of Mount Lofty for the first time at the Santos Festival of Cycling.</p> <p>Collaboration with the DTI and Creative Industries within the Department of Industry, Innovation and Science on the Live Music fund was important in securing new music festival, Harvest Rock.</p> <p>The National Pharmacies Christmas Pageant continued to work with Multicultural Affairs to include representation from multicultural groups in the event. The Pageant also collaborates with the City of Adelaide and the Adelaide Economic Development Agency to help grow city activation to attract visitation to the CBD.</p> <p>The SATC collaborated with the DTI and the DPC to ensure hosting opportunities are leveraged, including the Adelaide International and the upcoming ICC T20 Men's World Cup in November 2022.</p>



<p>Work closely with Regional Tourism Organisations to understand and address their challenges and needs, including the provision of strategic advice and assistance with managing issues.</p>	<p>The SATC worked closely with the 11 RTOs to provide support and advice to assist the regions in addressing specific challenges and needs.</p> <p>The SATC continued to provide direct funding to the RTOs to support their role as the key contact between the SATC and regional stakeholders and industry.</p> <p>The SATC continued to provide each RTO with up to \$20,000 for direct cooperative marketing activities under the Regional Cooperative Marketing Fund; this required RTOs to match the funding dollar for dollar. The SATC provided an additional \$10,000 to RTOs, which was not required to be matched, to assist with the regions' recovery from the impacts of COVID-19.</p> <p>The SATC has a designated staff member to liaise directly with the tourism managers of the RTOs. Regular group meetings, one-on-one meetings and RTO forums were held to ensure continuity in communications and provide immediate support when needed.</p>
<p>Engage with tourism operators to ensure timely awareness of emerging issues and provide support on matters that affect business capabilities.</p>	<p>The SATC engaged with more than 100 tourism operators through one-on-one meetings to seek feedback on challenges facing the industry and used the insights to inform and develop initiatives to support operators.</p>
<p>Work with Tourism Australia to ensure alignment and that South Australia is well featured and promoted in campaigns, initially domestically and then when international marketing resumes.</p>	<p>The SATC regularly engaged with Tourism Australia. In April 2022, the SATC hosted a full day immersion session with Tourism Australia's Managing Director and key marketing staff to ensure marketing priorities are aligned.</p> <p>As mentioned above in Priority 1, the SATC attended Tourism Australia's 2022 Australian Tourism Exchange.</p>



PRIORITY 4: INDUSTRY CAPABILITY	
Priority	Action Taken
Support and deliver the resources available on the SATC corporate website, including the SATC Industry Toolkit, and provide relevant workshops and programs to encourage business growth.	<p>The SATC continued to deliver the resources available on the SATC corporate website, including the Industry Toolkit, to support tourism operators in creating new and enhanced products and experiences. Specific resources were shared with operators based on their needs and goals, and ongoing engagement was provided to support operators in understanding these resources where required.</p> <p>The SATC also delivered product development workshops across South Australia's regions to educate operators on the resources available through the SATC's corporate website, and through the product development team, to support the creation of new products and experiences.</p>
Work with and manage the Tourism Industry Council of South Australia relationship and funding agreements, including managing deliverables against the funding for TiCSA programs, including Tourism Awards and Service Excellence.	<p>The SATC continued to provide funding to the Tourism Industry Council of South Australia (TiCSA), the state's tourism peak body, to assist its industry capability building programs and provide service excellence training to tourism operators on a range of topics. These topics included social media, online distribution and building customer relationships.</p> <p>In addition, the SATC funded TiCSA to deliver the Tourism Awards Program and the annual South Australian Tourism Conference.</p>
Develop tourism workforce knowledge and identify strategic workforce shortage issues to be addressed.	<p>The SATC, in taking a leadership position on the issue of labour and skills shortages, received commissioned research by Deloitte Access Economics, to provide the evidence base to highlight the extent of the issues, and to identify possible solutions in the immediate, medium and long term. This evidence base, and the associated issues have been summarised in the <i>South Australian Tourism Industry Workforce Directions Paper</i> and available on the SATC's corporate website, <a href="http://tourism.sa.gov.au">tourism.sa.gov.au</a>.</p> <p>The SATC partnered with Workforce Blueprint to deliver a webinar focusing on recruitment and retention of tourism and hospitality employees during times of skills and workforce shortages. A total of 102 participants registered and the content is still available for viewing on the SATC's corporate website.</p>
Drive awareness for Australian Tourism Data Warehouse (ATDW) and SATC digital marketing. Continue to provide digital capability support to operators to improve SATC reporting and support development of ATDW at a national level.	<p>The SATC held 45 ATDW and Digital Marketing workshops in all eleven tourism regions and Adelaide. The workshops covered the importance of having a profile on the ATDW, tips on how to optimise ATDW profiles and digital marketing.</p> <p>In 2021-22, the SATC corporate website was enhanced with the addition of the ATDW Support and Marketing Hub which provides a comprehensive resource of support materials for tourism operators.</p>

<b>PRIORITY 5: LEISURE EVENTS</b>	
<b>Priority</b>	<b>Action Taken</b>
<p>Implement the Regional Events Fund, maximising the economic and job benefits to the state, with a focus on regional South Australia.</p>	<p>The Regional Event Fund provided financial and marketing support to attract and grow tourism events in the regions. The annual grants program aimed to strengthen the state's regional events calendar beyond the traditionally peak summer tourism period, driving increased visitation, job creation and economic stimulus to the regional economy.</p> <p>An additional \$1 million was committed to support regional events in 2021-22. Funds were allocated to new significant regional events, a marketing calendar for regional events and industry development programs, including an event assessment tool to support event organisers. For the first time, the Regional Event Fund was offered over two rounds (July and November 2021).</p> <p>A total of 55 regional events were sponsored under the 2021-22 Regional Event Fund. These events included Fringe Mount Gambier (Limestone Coast), Clare Valley Gourmet Week, Oakbank Easter Carnival (Adelaide Hills), SALA Festival (statewide), and True Grit SA (Riverland). Five regional events were cancelled due to the impacts of COVID, though event organisers received partial funding as they reached certain milestones in line with their sponsorship agreement.</p>
<p>Review all managed events based on the current and likely future environment.</p>	<p>The SATC's managed events were reviewed, modified, and delivered based on the projected environment and event requirements.</p> <p>The National Pharmacies Christmas Pageant took place at Adelaide Oval for the second year in a row in line with COVID audience restrictions. The Santos Festival of Cycling also took place for the second year in a row due to international border restrictions preventing international teams from competing in the Santos Tour Down Under. Tasting Australia presented by RAA Travel featured Australian talent and the Bridgestone World Solar Challenge presented virtual activities to stay connected to its audience.</p> <p>Planning commenced for future managed events with the aim of delivering strong events, integrating learnings from COVID and ensuring these events continue to grow. For example, the 2022 National Pharmacies Christmas Pageant, which is in its 90th year, will return to the streets of Adelaide and the Santos Tour Down Under will again return to South Australia as a Union Cycliste Internationale (UCI) WorldTour event.</p>
<p>Design, deliver and evaluate the most viable program for the 2021 National Pharmacies Christmas Pageant, 2022 Santos Tour Down Under, 2022 Tasting Australia presented by RAA Travel, and 2021 Bridgestone World Solar Challenge (virtually) to maximise the economic, job and community</p>	<p>The 2021 National Pharmacies Christmas Pageant held at Adelaide Oval had an audience capacity of 35,000. The event was broadcast by Channel 9 and achieved a peak audience of 159,678 viewers and was the number one program in Adelaide on the night.</p> <p>The 2022 Santos Festival of Cycling was again held in place of the Santos Tour Down Under due to the ongoing impacts of COVID. The Santos Festival of Cycling welcomed domestic teams and riders across a range of cycling disciplines to race in South Australia. This event was strategically important, to keep South Australia's connection with the sport of cycling, with sponsors, and the community. The event was held across the Adelaide CBD, the</p>

<p>outcomes for the state.</p>	<p>Barossa, Adelaide Hills and Fleurieu Peninsula and the road race and track events were broadcast through Seven Network on the 7plus digital streaming platform.</p> <p>Tasting Australia was held with a few COVID restrictions in place. Due to border restrictions in the programming and planning phase, Australian talent only, except for one chef from Singapore, were invited. The program was well supported by industry, with more than 200 events held across the 11 tourism regions. Ticket sales were strong, with more than 80 sold out events and more than 60,000 people visiting Town Square at the 2022 event (up from 54,000 in 2021).</p> <p>The 2021 Bridgestone World Solar Challenge presented virtual activities, including a telemetry challenge and a virtual forum.</p>
<p>Achieve agreed commercial revenue targets through existing and commercially sustainable new partnerships to grow the Events South Australia managed events portfolio and support Acquisition and Development and broader SATC initiatives as required.</p>	<p>The SATC secured the following significant new partnerships as well as retaining existing sponsorships for its managed events</p> <ul style="list-style-type: none"> <li>• The Santos Festival of Cycling – new partnerships with Asahi Beverages, Belgravia New Balance, Hyundai and Vale Ale and renewed sponsors, including Garmin, Seppeltsfield, Trek, and Wilsons Parking.</li> <li>• Tasting Australia - new partnerships with Asahi Beverages, Hotel Indigo and Ambleside Distilleries and renewed sponsors, Yalumba, Master Cask and GT Wine.</li> <li>• National Pharmacies Christmas Pageant – secured Toyota, Beaumont Tiles and Jayco.</li> </ul>
<p>Research and develop how events can be leveraged to drive visitation or enhance the experience in a region as needed in response to COVID-19 impacts.</p>	<p>Events play an important role in driving additional visitation to regional South Australia and growing the visitor economy. Events raise awareness of the event and the regional destination, showcasing the South Australian tourism experience to a broader audience.</p> <p>Utilising the data generated through independent market research and post event reports, key findings and learnings are applied to future events to help drive visitation and enhance experiences in region. The SATC works closely with industry stakeholders and media partners to maximise public relations, marketing and promotional opportunities for all events.</p>
<p>Secure new or grow existing events or event clusters to create a more compelling and balanced event calendar.</p>	<p>A range of events were secured in 2021-22, including:</p> <ul style="list-style-type: none"> <li>• SkySong – the centrepiece of the 2022 Adelaide Fringe featured hundreds of drones flying in majestic formation to a soundtrack of First Nations storytelling through poetry and song. More than 39,000 people attended the show held from 11 to 20 March 2022 at Leconfield and Richard Hamilton Wines in McLaren Vale.</li> <li>• The Australian Age Swimming Championships were held from 11 to 18 April 2022 at the South Australian Aquatic and Leisure Centre. The Australian National Swimming Championships were also held from 17 to 22 May 2022 which saw Australia’s Olympic and Paralympic elite vie for national team selection ahead of the 2022 World Swimming Championships and 2022 Commonwealth Games in Birmingham.</li> </ul>

	<ul style="list-style-type: none"> <li>• Wallabies v South Africa (Springboks) and Wallaroos v New Zealand (Black Ferns) – Adelaide hosted a historic rugby double-header blockbuster at Adelaide Oval on 27 August 2022. The Wallabies took on Rugby World Cup Champions South Africa and the Wallaroos played New Zealand’s Black Ferns. The international test matches drew a record high crowd of 36,336. The Wallabies last played in Adelaide in 2004 and this was the first time the Wallaroos played here.</li> <li>• Harvest Rock (2022-2024) a new two-day contemporary international music festival will be held annually in the city parklands from November 2022 to 2024. The destination music festival will be a unique proposition on the Australian music calendar featuring iconic international artists, leading Australian artists, the state’s best food and wine, culinary stages, pop-up cellar doors, art installations and VIP corporate experiences.</li> </ul> <p>The SATC is also focused on building the state’s events calendar by bolstering the current winter cluster with an offering of new sponsored events, including the Australian Ballet’s Counterpointe, The Bend SuperSprint and the Art Gallery of South Australia’s Moving Portraits by Robert Wilson and Archie 100 exhibition.</p>
<p>Continue to work with the Events Advisory Group to drive event expenditure in South Australia.</p>	<p>The former government established the South Australian Events Advisory Group to act as a “think tank”, providing a forum to share suggestions and ideas regarding additional leisure event opportunities for South Australia. The Events Advisory Group concluded in September 2021.</p>
<p>Effectively manage and leverage existing event sponsorships to support event organisers and owners and maximise the opportunity for the state, including Illuminate Adelaide in its first year.</p>	<p>The SATC sponsored a range of major events in 2021-22, including:</p> <ul style="list-style-type: none"> <li>• Illuminate Adelaide made its debut from 16 July to 1 August 2021. Despite the impact of COVID, including a state-wide lockdown and restrictions on interstate borders, the event attracted attendances of more than 500,000, generated more than 7,000 bed nights, more than \$30 million in economic activity and generated significant national exposure. Illuminate Adelaide 2021 also included a regional program, comprising ‘Digital Garden’ in Mount Gambier from 9 June to 4 July 2021, which attracted more than 10,000 visitors over the four weeks, and ‘Big Picture Series x Colour Tumbly’ from 13 to 21 August 2021 in Tumbly Bay. An installation planned for Renmark was postponed to June 2022 due to interstate travel restrictions preventing the artist from travelling to South Australia.</li> <li>• WOMADelaide returned to the Botanic Gardens in 2022, from 11 to 14 March. The festival operated in a reduced capacity due to COVID, with the program including mainly domestic artists, however attracted total attendances of 57,372 with 45 per cent of attendees being visitors to the state and delivering \$17.4 million in economic benefit to South Australia.</li> <li>• The state secured two tennis events, A Day at the Drive on 29 January 2021 and the Adelaide International WTA 500 from 22 to 27 February 2021.</li> <li>• The 2021 Australian Masters Rowing Championship (held from 27 to 30 May 2021) and Rowing Australia’s World Cup 3 Replica Rowing Regatta (held from 10 to 12 June 2021) brought around 1,700 athletes, officials and accompanying supporters to Adelaide.</li> </ul>

<p>Provide and maximise marketing support to key managed and sponsored events to drive further awareness and expenditure as appropriate.</p>	<p>The SATC continued to promote sponsored and managed events through targeted marketing and communications campaigns. Television partnerships were key in driving domestic awareness through advertising and free of charge placements for managed events.</p> <p>The Santos Festival of Cycling was streamed close to 85,000 times on 7plus (up from 68,000 at the previous event). In addition, the event generated 7,583 pieces of editorial coverage, with a total audience reach of 132 million. There were 10 per cent more users to the Santos Tour Down Under website compared to the previous years' event and a 2 per cent increase in visits to the website.</p> <p>The National Pharmacies Christmas Pageant achieved PR value of \$15.3 million and 915,000 live and video on demand viewing minutes from the broadcast. The digital campaign achieved more than 2.6 million impressions, reaching over 216,000 people.</p> <p>Tasting Australia achieved 2,089 pieces of editorial coverage, with a combined potential reach of more than 60 million, a record for the event. Television generated the greatest number of editorial pieces, resulting from segments filmed with Sydney and Queensland Weekender on Channel 7. The SATC also secured Tasting Australia segments on national and local news packages with media partner Channel 7 as well as coverage across 9 News, 10 News and ABC News.</p> <p>Sponsored and regional events were integrated into the intrastate and domestic marketing campaign across paid and PR activities as well as SATC social media platforms.</p>
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**PRIORITY 6: PROMOTE THE VALUE OF TOURISM**

<b>Priority</b>	<b>Action Taken</b>
<p>Identify opportunities to promote the value of tourism and advocate the activities of the SATC across industry, federal, state and local government and other key stakeholders.</p>	<p>The SATC's corporate communications included regular email industry alerts, social media posts across corporate channels (Facebook, Instagram, LinkedIn and Twitter), media releases and opinion pieces. This communication was further amplified through print, radio and television coverage, as well as an increased corporate social media presence.</p> <p>Communications were dedicated to keeping the industry informed regarding the latest developments in the COVID-normal environment, advising of support and assets available and sharing the latest tourism news and statistics.</p> <p>The SATC's corporate Facebook followers grew 68 per cent compared to 2020-21, and 366,000 accounts were reached. In the same period, Twitter followers increased by 12 per cent, with an average engagement rate of 1.7 per cent. Instagram followers increased 37 per cent to 19,800 followers and reached 144,000 accounts. The SATC corporate website was accessed by 192,000 users - a decrease of 28.5 per cent compared to 2020-21. The Great State Voucher remained the top campaign during this period, with 82,000 visitors to the page.</p> <p>In 2021-22, the Tourism Trailblazers video case study campaign for industry was launched across the SATC's corporate communications channels. The campaign aims to inspire tourism operators to take advantage of growth in the domestic market by sharing the stories of those who have taken a chance and done something different. Seven case studies were released. The video case studies focus on one tourism operator per region, sharing their stories and lessons learnt with the wider industry.</p>
<p>Provision of relevant, accurate information and advice to ensure the SATC's strategic approach is well represented and respected across government and industry.</p>	<p>The SATC continued to provide relevant and accurate information to inform decision making, including Tourism Research Australia's quarterly and monthly data, as well as other data providers, including STR and Hemisphere to provide accommodation and mobile tracking data.</p> <p>The SATC also continued to maintain the suite of more than 50 factsheets published to its corporate website, which were adapted to better assess COVID impacts. Where appropriate, visitor statistics and accommodation data were promoted through communication channels, including media releases, opinion pieces, social media, and industry alerts.</p> <p>This information is continually used when representing the tourism industry on boards, committees, steering groups at the local and national level as well as when providing input and strategic advice on tourism matters to our stakeholders. This has also expanded to using the accurate insights to inform the development of the Sustainable Tourism Strategy 2030, which commenced development in 2021-22.</p>



<p>Work with Tourism Research Australia to ensure that timely and accurate data is available to industry and government.</p>	<p>The SATC continued to work with Tourism Research Australia to provide the latest domestic visitor numbers for South Australia, including monthly data to assist in analysing the impact of COVID. These monthly reports were regularly published by the SATC as well as regular quarterly and annual reporting. In addition, the standard reporting of the State Tourism Satellite Accounts, the Regional Tourism Satellite Accounts, the State of the Industry Report, and the Tourism Investment Monitor were reported.</p>
<p>Provide insight about the state of the industry and the key areas of impact, including changing consumer behaviours in international, interstate and intrastate differences, driving both internal SATC decision making, state government and industry planning.</p>	<p>The SATC worked with Tourism Australia through the Consumer Demand Project, the Tourism Travel Sentiment Tracker for both international and domestic markets and the Future of Demand project.</p> <p>The SATC also undertook the Regional Perceptions Study to understand the perceptions, motivators, and barriers towards visiting South Australia's 11 regions. The report provides recommendations for each region to better understand their markets, perceptions of their offerings, any product gaps perceived by consumers and how-to best market regions as part of the overall destination marketing. Workshops were held with all 11 Regional Tourism Organisations to promote this research.</p> <p>The SATC continues to monitor consumer behaviours through research consultant BDA Marketing Planning and their Blue North Omnibus Survey, including a direct engagement with the SATC Board during the Annual Operational Planning phase.</p>
<p>Continually monitor and review the impacts of COVID-19 to ensure that priorities of the SATC, government and industry are optimised to drive recovery.</p>	<p>The SATC continued to monitor performance through the COVID Impact Model, developed by the SATC to track monthly performance against pre-COVID levels. The Model has been used to anticipate the likely impacts of travel restrictions and the response of different market segments. The model provides forecasted targets across all origin markets and is highly valuable for understanding the likely impacts of COVID.</p> <p>The latest results for the year end June 2022 saw expenditure recover to \$6.2 billion ahead of the target of \$6.1 billion. The Model predicts the visitor economy to recover to pre COVID levels by December 2023.</p>

<b>PRIORITY 7: ORGANISATIONAL EFFECTIVENESS</b>	
<b>Priority</b>	<b>Action Taken</b>
Adapt to rapid budget changes and uncertainty around tourism marketing and events due to COVID-19.	<p>The SATC continued to allocate budgets in response to changes and uncertainty relating to travel restrictions and border closures due to COVID, and to fund opportunities as conditions changed.</p> <p>For example, budget was reappropriated from the Santos Tour Down Under budget when it became clear that an international event was not possible and diverted to domestic marketing opportunities, including the Great State Voucher program rounds 5 and 6, and the Working Holiday Maker campaign as international borders opened.</p>
Maintain and grow available SATC budget.	<p>In 2021-22, an additional \$9.8 million was provided to deliver rounds 7 and 8 of the Great State Voucher program, building on the success of the earlier rounds.</p> <p>During 2021-22, preparations for the 2022-23 State Budget resulted in an allocation of \$45 million in domestic and international tourism marketing spend across four years, including a new \$2 million nature-based tourism grant program, and \$1.6 million to fund the TiCSA to boost capability across the industry and encourage more young people to consider tourism as a career.</p>
Continue to provide a COVID-safe workplace.	The SATC has continued to provide a safe working environment while being agile to the changing complexities of the COVID workplace measures. These measures included review and implementation of the SATC's WHS COVID-19 Policy and vaccination requirements, provision of Rapid Antigen Tests for staff travelling and maintenance of the contact tracing and positive case register. Ongoing employee health and wellbeing programs have been provided to assist staff with strategies and tools to support their mental health as well as technology to enable individuals to work remotely.
Implement new human resources systems, including recruitment, performance management and learning and development.	The SATC has been a lead agency in the implementation of the across government My Career Project for the new Human Resources System. It will provide a Learning Management System and Performance Management tool in the first instance followed by a recruitment and onboarding platform to further enhance the employee experience.
Build organisational capability and ensure appropriate workforce planning to adequately resource SATC projects. Support employee engagement, health, and wellbeing through identification and delivery of culture and values initiatives.	<p>The SATC employee engagement survey 2021-22 showed a high level of employee engagement and an alignment with core values, providing an objective assessment of the cultural environment. As a result of the survey action items, a range of professional development and learning opportunities have been provided to SATC staff from wellbeing focused programs such as Growth Mindset to leadership courses enhancing current and emerging leader's skillsets and providing an opportunity for growth and succession planning. A focus on communication has resulted in the introduction of the Senior Manager Team Meetings bringing together the leadership group in a collaborative forum.</p> <p>The SATC launched its first Reflect - Reconciliation Action Plan (RAP) in October 2021. The RAP supports the agency's employee and tourism strategy with a set of key milestone deliverables which contribute towards the</p>



	five dimensions of reconciliation, race relations, equality and equity, institutional integrity, unity, and historical acceptance.
Adoption of new technologies to deliver organisational objectives and projects.	Several new projects to enhance existing technologies or to update and improve business processes have been carried out across the 2021-22 year including improved CRM functionality for events, ticketing, and grant applications. New service request systems, security platforms and improved cyber security resilience tools and training have also been delivered.
Comply with the South Australian Government cyber security requirements, namely South Australian Protective Security Framework and the South Australian Cyber Security Framework.	The SATC has increased organisational cyber security maturity in accordance with the South Australian Government cyber security requirements, namely South Australian Protective Security Framework and the South Australian Cyber Security Framework. This has been achieved through partnerships with external agencies to continuously assess and improve upon the requirements and guidelines contained within these frameworks.
Implement the South Australian Government's procurement reform (South Australian Productivity Commission) including a new Procurement Framework and reporting system.	The state adopted most of the recommendations put forward by the South Australian Productivity Commission regarding procurement. As a result, the <i>State Procurement Act 2004</i> was repealed and replaced by Treasurer's Instruction 18 – Procurement (TI 18). The SATC has implemented a new procurement framework to reflect TI 18 and is reporting through the SA Procurement Activity Reporting System as required by TI 18.
Provide contract management training based on the outcomes of the South Australian Government procurement reform.	Procurement Services SA provides regular contract management training. The vast majority of SATC contract managers have now completed at least one contract management course, and new employees are offered training on an as needed basis.