

# Adelaide Central Market Authority

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2023

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# Adelaide Central Market Authority

## General Purpose Financial Statements for the year ended 30 June 2023

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# Adelaide Central Market Authority

## General Purpose Financial Statements for the year ended 30 June 2023

### Certification of Financial Statements

**We have been authorised by the Adelaide Central Market Authority (the Authority) to certify the financial statements in their final form.**

**In our opinion:**

- the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2023 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Authority's accounting and other records.

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Clare Mockler  
**CITY OF ADELAIDE**  
**CHIEF EXECUTIVE OFFICER**

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Christine Locher  
**ACTING CHAIR**

**Date:**

# Adelaide Central Market Authority

## Statement of Comprehensive Income

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
<b>Income</b>			
User Charges	2a	4,647	4,146
Other Income	2b	128	136
<b>Total Income</b>		<b>4,775</b>	<b>4,282</b>
<b>Expenses</b>			
Materials, Contracts & Other Expenses	3a	4,651	4,425
Depreciation, Amortisation & Impairment	3b	39	3
Finance Costs	3c	2	-
<b>Total Expenses</b>		<b>4,692</b>	<b>4,428</b>
<b>Operating Surplus / (Deficit)</b>		<b>83</b>	<b>(146)</b>
<b>Net Surplus / (Deficit)</b>		<b>83</b>	<b>(146)</b>
<b>Other Comprehensive Income</b>			
Movements in Other Reserves - Parent Contribution		-	146
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>146</b>
<b>Total Comprehensive Income</b>		<b>83</b>	<b>-</b>

# Adelaide Central Market Authority

## Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	2022
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	4a	-	-
Trade & Other Receivables	4b	276	127
Inventories	4c	31	13
Other Current Assets	4d	72	128
<b>Total Current Assets</b>		<b>379</b>	<b>268</b>
<b>Non-Current Assets</b>			
Infrastructure, Property, Plant & Equipment	6	75	114
Other Non-Current Assets	5a	29	100
<b>Total Non-Current Assets</b>		<b>104</b>	<b>214</b>
<b>TOTAL ASSETS</b>		<b>483</b>	<b>482</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	7a	323	368
Borrowings	7b	39	37
<b>Subtotal</b>		<b>362</b>	<b>405</b>
<b>Total Current Liabilities</b>		<b>362</b>	<b>405</b>
<b>Non-Current Liabilities</b>			
Borrowings	7b	38	77
<b>Total Non-Current Liabilities</b>		<b>38</b>	<b>77</b>
<b>TOTAL LIABILITIES</b>		<b>400</b>	<b>482</b>
<b>Net Assets</b>		<b>83</b>	<b>-</b>
<b>EQUITY</b>			
Accumulated Surplus		(712)	(795)
Other Reserves	8a	795	795
<b>Total Equity</b>		<b>83</b>	<b>-</b>

# Adelaide Central Market Authority

## Statement of Changes in Equity for the year ended 30 June 2023

\$ '000	Notes	Accumulated Surplus	Other Reserves	Total Equity
<b>2023</b>				
<b>Balance at the end of previous reporting period</b>		(795)	795	-
<b>Net Surplus / (Deficit) for Year</b>		83	-	<b>83</b>
Other Comprehensive Income				
- Parent Contribution		-	-	-
<b>Other Comprehensive Income</b>	8a	-	-	-
<b>Total Comprehensive Income</b>		<b>83</b>	-	<b>83</b>
Transfers between Reserves		-	-	-
<b>Balance at the end of period</b>		<b>(712)</b>	<b>795</b>	<b>83</b>
<b>2022</b>				
<b>Balance at the end of previous reporting period</b>		(3,069)	3,069	-
<b>Net Surplus / (Deficit) for Year</b>		(146)	-	<b>(146)</b>
Other Comprehensive Income				
- Parent Contribution		-	146	<b>146</b>
<b>Other Comprehensive Income</b>	8a	-	146	<b>146</b>
<b>Total Comprehensive Income</b>		<b>(146)</b>	<b>146</b>	-
Transfers between Reserves		2,420	(2,420)	-
<b>Balance at the end of period</b>		<b>(795)</b>	<b>795</b>	-

# Adelaide Central Market Authority

## Statement of Cash Flows

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
<b>Cash Flows from Operating Activities</b>			
<u>Receipts</u>			
Operating Receipts		4,575	4,512
<u>Payments</u>			
Operating Payments to Suppliers and Employees		(4,536)	(5,238)
<b>Net Cash provided by (or used in) Operating Activities</b>	9b	<b>39</b>	<b>(726)</b>
<b>Cash Flows from Investing Activities</b>			
<u>Receipts</u>			
Nil			
<u>Payments</u>			
Nil			
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>-</b>	<b>-</b>
<b>Cash Flows from Financing Activities</b>			
<u>Receipts</u>			
Nil			
<u>Payments</u>			
Repayment of Lease Liabilities		(39)	(3)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(39)</b>	<b>(3)</b>
<b>Net Increase (Decrease) in Cash Held</b>		<b>-</b>	<b>(729)</b>
plus: <b>Cash &amp; Cash Equivalents at beginning of period</b>		<b>-</b>	<b>729</b>
<b>Cash &amp; Cash Equivalents at end of period</b>	9a	<b>-</b>	<b>-</b>

# Adelaide Central Market Authority

## Notes to and forming part of the Financial Statements for the year ended 30 June 2023

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# Adelaide Central Market Authority

## Notes to and forming part of the Financial Statements for the period ended 30 June 2023

### Note 1. Summary of Significant Accounting Policies

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The principal accounting policies adopted by the Adelaide Central Market Authority (the Authority) in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1 Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared on a going concern basis using the historical cost convention (except as stated below) in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011*.

##### 1.2 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying the Authority's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

##### 1.3 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

#### 2 The Local Government Reporting Entity

The Adelaide Central Market Authority is incorporated under the South Australian *Local*

*Government Act 1999* and has its principal place of business at 44-60 Gouger Street, Adelaide.

The Authority was enacted on 3 May 2012 as a subsidiary of the Corporation of the City of Adelaide with its primary role being to oversee the management and operation of the Adelaide Central Market.

#### 3 Income Recognition

The Authority recognises revenue under *AASB 1058 Income of Not-for-Profit Entities* (AASB 1058) or *AASB 15 Revenue from Contracts with Customers* (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Authority expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when the Authority enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the Authority to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the Authority satisfies its obligations under the transfer.

#### 4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at the Authority's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

### Note 1. Summary of Significant Accounting Policies (continued)

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Most receivables relate to stall holder leases and are secured in part by bank or director's guarantees.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition.

#### 5 Inventories

Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

#### 6 Infrastructure, Property, Plant & Equipment

Effective from 1 July 2021, ACMA is responsible for operating the Market with the market assets and car park operation transferred to the City of Adelaide.

##### 6.1 Initial Recognition

All assets are initially recognised at cost.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred.

The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

##### 6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Authority. Items of property, plant and equipment with a total value less than \$5,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

##### 6.3 Depreciation of Non-Current Assets

Property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of the Authority, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

Major depreciation periods for each class of asset are listed below.

##### *Other Assets*

Right-of-Use Assets	3 years
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##### 6.4 Impairment

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if the Authority were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

#### 7 Payables

##### 7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

##### 7.2 Payments Received in Advance & Deposits

Amounts received from external parties in advance of service delivery, and security deposits held against possible damage to the Authority assets, are

# Adelaide Central Market Authority

## Notes to and forming part of the Financial Statements for the period ended 30 June 2023

### Note 1. Summary of Significant Accounting Policies (continued)

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recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded.

#### 8 Employee Benefits

The Authority does not have any employees. All employees are engaged through the parent entity, the City of Adelaide.

#### 9 Leases

The Authority assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

##### 9.1 The Authority as a lessee

The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### i.) Right-of-Use-Assets

The Authority recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

##### ii.) Lease Liabilities

At the commencement date of the lease, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Authority uses its incremental borrowing rate or the interest rate implicit in the lease.

##### iii.) Short-term leases and leases of low-value assets

The Authority applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (ie, those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

##### iv.) Leases with significantly below-market terms and conditions

In the prior year the Authority commenced a new lease on 8 July 2021 for the Central Market Complex from the Corporation of the City of Adelaide for a period of 20 years. The Authority has elected to apply the exemption available under AASB16 as the lease contains payment terms of \$1 per annum and is treated as a “peppercorn” lease. The lease payments are recognised as an expense on a straight-line basis over the lease term.

##### 9.2 The Authority as a lessor

Leases in which the Authority does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term and is included in revenue in the Statement of Comprehensive Income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

#### 10 GST Implications

In accordance with Interpretation 1031 “Accounting for the Goods & Services Tax”

- Receivables and Creditors include GST receivable and payable.

## Notes to and forming part of the Financial Statements for the period ended 30 June 2023

### Note 1. Summary of Significant Accounting Policies (continued)

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- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

#### **11 New and amended accounting standards and interpretations**

No new or revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) have been adopted in the current period.

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2023. The Authority does not anticipate that new and amended Australian Accounting Standards, and Interpretations, issued but not yet effective at the time of compiling these illustrative statements will apply to the Authority's future reporting periods.

#### **12 Comparative Figures**

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

#### **13 Disclaimer**

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

# Adelaide Central Market Authority

## Notes to and forming part of the Financial Statements for the year ended 30 June 2023

### Note 2. Income

\$ '000	2023	2022
<b>(a). User Charges</b>		
Property Lease	3,804	3,441
Property Recovery	843	705
<b>Total User Charges</b>	<b>4,647</b>	<b>4,146</b>
<b>(b). Other Income</b>		
Merchandise Sales	40	25
General Sales	-	11
Commission	88	100
<b>Total Other Income</b>	<b>128</b>	<b>136</b>

# Adelaide Central Market Authority

## Notes to and forming part of the Financial Statements for the year ended 30 June 2023

### Note 3. Expenses

\$ '000	Notes	2023	2022
<b>(a). Materials, Contracts and Other Expenses</b>			
<b>(i) Prescribed Expenses</b>			
Auditor's Remuneration		9	10
Board Fees		113	103
<b>Subtotal - Prescribed Expenses</b>		<b>122</b>	<b>113</b>
<b>(ii) Other Materials, Contracts and Expenses</b>			
Contractors		1,130	1,040
Energy		598	497
Maintenance		339	335
Legal Expenses		16	14
Levies Paid to Government - including Landscape levy		27	23
Parts, Accessories & Consumables		43	59
Professional Services		114	69
Advertising and Promotion		125	149
Bank Charges and Cash Collection		12	15
Catering		2	12
Cleaning		967	927
Water		111	53
External Plant Hire		7	16
Insurance		52	57
Minor Plant and Equipment		5	4
Printing, Freight and Postage		73	75
Rates and Taxes		38	39
Security		519	567
Subscriptions		8	7
Training and Development		2	6
Waste Services		328	302
Other		13	46
<b>Subtotal - Other Material, Contracts &amp; Expenses</b>		<b>4,529</b>	<b>4,312</b>
<b>Total Materials, Contracts and Other Expenses</b>		<b>4,651</b>	<b>4,425</b>

# Adelaide Central Market Authority

## Notes to and forming part of the Financial Statements for the year ended 30 June 2023

### Note 3. Expenses (continued)

\$ '000	2023	2022
<b>(b). Depreciation, Amortisation and Impairment</b>		
<b>(i) Depreciation and Amortisation</b>		
Right-of-Use Assets	39	3
<b>Subtotal</b>	<b>39</b>	<b>3</b>
<b>Total Depreciation, Amortisation and Impairment</b>	<b>39</b>	<b>3</b>
<b>(c). Finance Costs</b>		
Interest on Leases	2	-
<b>Total Finance Costs</b>	<b>2</b>	<b>-</b>

# Adelaide Central Market Authority

## Notes to and forming part of the Financial Statements for the year ended 30 June 2023

### Note 4. Current Assets

\$ '000	2023	2022
<b>(a). Cash &amp; Cash Equivalent Assets</b>		
Cash on Hand and at Bank	-	-
<b>Total Cash &amp; Cash Equivalent Assets</b>	<b>-</b>	<b>-</b>
<b>(b). Trade &amp; Other Receivables</b>		
Accrued Revenues	120	109
Debtors - General	-	15
GST Recoupment	18	-
Prepayments	-	3
Inter-Entity Debtor	138	-
<b>Subtotal</b>	<b>276</b>	<b>127</b>
<b>Total Trade &amp; Other Receivables</b>	<b>276</b>	<b>127</b>
<b>(c). Inventories</b>		
Trading Stock	31	13
<b>Total Inventories</b>	<b>31</b>	<b>13</b>
<b>(d). Other Current Assets</b>		
Rent Receivable	72	128
<b>Total Other Current Assets</b>	<b>72</b>	<b>128</b>

In 2019-20 the Authority resolved to provide three month's rent relief to its tenants as a consequence of the COVID-19 pandemic. The rent concession has been recognised as a lease modification under AASB 16 Leases, and the revised consideration is recognised over the remaining lease term. The non-current portion of the modification is shown at Note 5. Non-Current Assets (a)(i) Other.

### Note 5. Non-Current Assets

\$ '000	2023	2022
<b>(a). Other Non-Current Assets</b>		
<b>(i) Other</b>		
Rent Receivable	29	100
<b>Total Other</b>	<b>29</b>	<b>100</b>
<b>Total Other Non-Current Assets</b>	<b>29</b>	<b>100</b>



Adelaide Central Market Authority

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2023

Note 6. Infrastructure, Property, Plant & Equipment

	as at 30/6/2022			Asset movements during the reporting period					as at 30/6/2023		
	At Cost	Accumulated Dep'n	Carrying Value	Asset Additions	Depreciation Expense (Note 3c)	Adjustments & Transfers	Projected Related Expenditure (Note 3b)	Tfrs from/(to) "Held for Distribution to Owners" category	At Cost	Accumulated Dep'n	Carrying Value
<b>\$ '000</b>											
Right-of-Use Assets	117	(3)	114	-	(39)	-	-	-	117	(42)	75
Total Infrastructure, Property, Plant & Equipment	117	(3)	114	-	(39)	-	-	-	117	(42)	75
Comparatives	-	-	-	117	(3)	-	-	-	117	(3)	114

# Adelaide Central Market Authority

## Notes to and forming part of the Financial Statements for the year ended 30 June 2023

### Note 7. Liabilities

\$ '000	Notes	2023 Current	2023 Non Current	2022 Current	2022 Non Current
<b>(a). Trade and Other Payables</b>					
Payments Received in Advance		180	-	228	-
Accrued Expenses - Other		22	-	96	-
Inter-Entity Creditor		-	-	42	-
GST Payable		-	-	2	-
Trade Payables		121	-	-	-
<b>Total Trade and Other Payables</b>		<b>323</b>	<b>-</b>	<b>368</b>	<b>-</b>
<b>(b). Borrowings</b>					
Lease Liabilities	12	39	38	37	77
<b>Total Borrowings</b>		<b>39</b>	<b>38</b>	<b>37</b>	<b>77</b>

### Note 8. Reserves

\$ '000	30/6/2022	Tfrs to Reserve	Tfrs from Reserve	Other Movements	30/6/2023
<b>(a). Other Reserves</b>					
City of Adelaide Contribution	795	-	-	-	795
<b>Total Other Reserves</b>	<b>795</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>795</b>
<b>Comparatives</b>	<b>3,069</b>	<b>146</b>	<b>(2,420)</b>	<b>-</b>	<b>795</b>

#### OTHER RESERVES

##### City of Adelaide Contribution

In the prior period an amount of \$146,000 was committed to the Authority as a contribution from the City of Adelaide. The contribution supports the ongoing operations of the Authority to continue as a going concern.

# Adelaide Central Market Authority

## Notes to and forming part of the Financial Statements for the year ended 30 June 2023

### Note 9. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2023	2022
<b>(a). Reconciliation of Cash</b>			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:			
Total Cash & Equivalent Assets		-	-
<b>Balances per Statement of Cash Flows</b>		<b>-</b>	<b>-</b>
<b>(b). Reconciliation of Change in Net Assets to Cash from Operating Activities</b>			
<b>Net Surplus/(Deficit)</b>		<b>83</b>	<b>(146)</b>
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		39	3
		<b>122</b>	<b>(143)</b>
<b>Add (Less): Changes in Net Current Assets</b>			
Net (Increase)/Decrease in Receivables		(149)	165
Net (Increase)/Decrease in Inventories		(18)	18
Net (Increase)/Decrease in Other Current Assets		127	370
Net Increase/(Decrease) in Trade & Other Payables		(43)	(1,136)
<b>Net Cash provided by (or used in) operations</b>		<b>39</b>	<b>(726)</b>
<b>(c). Non-Cash Financing and Investing Activities</b>			
<b>Borrowings</b>			
- Opening Balance		-	10,883
- Net Proceeds from/(Repayment of) Borrowings		-	(10,883)
<b>Closing Balance</b>		<b>-</b>	<b>-</b>
- Leases		77	114
<b>Total Liabilities from Financing Activities</b>		<b>77</b>	<b>114</b>

## Adelaide Central Market Authority

### Notes to and forming part of the Financial Statements for the year ended 30 June 2023

#### Note 10. Financial Instruments

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>2023</b>					
<b><u>Financial Assets</u></b>					
Receivables	277	-	-	277	276
<b>Total Financial Assets</b>	<b>277</b>	<b>-</b>	<b>-</b>	<b>277</b>	<b>276</b>
<b><u>Financial Liabilities</u></b>					
Payables	143	-	-	143	143
Lease Liabilities	40	38	-	78	77
<b>Total Financial Liabilities</b>	<b>183</b>	<b>38</b>	<b>-</b>	<b>221</b>	<b>220</b>

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>2022</b>					
<b><u>Financial Assets</u></b>					
Receivables	126	-	-	126	124
<b>Total Financial Assets</b>	<b>126</b>	<b>-</b>	<b>-</b>	<b>126</b>	<b>124</b>
<b><u>Financial Liabilities</u></b>					
Payables	140	-	-	140	140
Lease Liabilities	39	78	-	117	114
<b>Total Financial Liabilities</b>	<b>179</b>	<b>78</b>	<b>-</b>	<b>257</b>	<b>254</b>

#### **Net Fair Value**

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Authority.

# Adelaide Central Market Authority

## Notes to and forming part of the Financial Statements for the year ended 30 June 2023

### Note 10. Financial Instruments (continued)

\$ '000

#### Risk Exposures

**Credit Risk** represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any impairment. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 4 & 5 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

**Market Risk** is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

**Liquidity Risk** is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. The Authority also has available a range of bank overdraft and standby borrowing facilities that it can access.

**Interest Rate Risk** is the risk that future cash flows will fluctuate because of changes in market interest rates. Cash flow fluctuations are managed through the City of Adelaide.

### Note 11. Uniform Presentation of Finances

\$ '000

2023

2022

The following is a high level summary of both operating and capital investment activities of the Authority prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

Income	4,775	4,282
less Expenses	(4,692)	(4,428)
<b>Operating Surplus / (Deficit)</b>	<b>83</b>	<b>(146)</b>
<b>Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal and Replacement of Existing Assets	-	-
<i>add back</i> Depreciation, Amortisation and Impairment	39	3
<b>Subtotal</b>	<b>39</b>	<b>3</b>
<b>Net Outlays on New and Upgraded Assets</b>		
Nil		
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>122</b>	<b>(143)</b>

# Adelaide Central Market Authority

## Notes to and forming part of the Financial Statements for the year ended 30 June 2023

### Note 12. Leases

\$ '000

#### The Authority as a Lessee

##### Terms and conditions of leases

##### Land & Buildings

The Authority leased the Central Market Complex from the Corporation of the City of Adelaide under a lease which commenced on 8 July 2021 for a period of 20 years. The lease contains payment terms of \$1 per annum and is deemed a "Peppercorn" lease. The lease payments are recognised as an expense in Note 3.

##### Right of use Asset

ACMA has entered into an agreement with Willsmere Pty Ltd in order to occupy a cool room and online shopping retail space until 31 May 2025. The financial implications of this arrangement are disclosed in Right of Use Assets below.

Set out below are the carrying amounts of right-of-use assets recognised within Infrastructure, Property, Plant and Equipment and the movements during the period:

##### Right of use assets

	Buildings \$'000	Total \$'000
<b>2023</b>		
Opening Balance	114	114
Depreciation charge	(39)	(39)
<b>Balance at 30 June 2023</b>	<b>75</b>	<b>75</b>
<b>2022</b>		
Opening Balance	-	-
Additions to right-of-use assets	117	117
Depreciation charge	(3)	(3)
<b>Balance at 30 June 2022</b>	<b>114</b>	<b>114</b>

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

\$ '000	2023	2022
<b>Balance at 1 July</b>	114	4,664
Additions	-	117
Accretion of interest	2	-
Payments	(39)	(3)
Transfer to City of Adelaide	-	(4,664)
<b>Balance at 30 June</b>	<b>77</b>	<b>114</b>

# Adelaide Central Market Authority

## Notes to and forming part of the Financial Statements for the year ended 30 June 2023

### Note 12. Leases (continued)

#### The Authority as a Lessee (continued)

**Classified as:**

Current	39	37
Non Current	38	77

The maturity analysis of lease liabilities is included in Note 10.

The Authority had total cash outflows for leases of \$38,830 in 2022-23 (2022: \$3,214).

The following are the amounts recognised in profit or loss:

Depreciation expense of Right-of-Use Assets	39	3
Interest expense on lease liabilities	2	-
<b>Total amount recognised in profit or loss</b>	<b>41</b>	<b>3</b>

#### The Authority as a Lessor

#### Leases Providing Revenue to the Authority

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\$ '000	2023	2022
<b>Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:</b>		
Not later than one year	4,209	3,918
Later than one year and not later than 5 years	6,827	6,378
Later than 5 years	16	9
	<b>11,052</b>	<b>10,305</b>

### Note 13. Events After the Statement of Financial Position Date

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Events that occur after the reporting date of 30 June 2023, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

The Authority has adopted the date of receipt of the Certification of Financial Statements as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 01/09/23.

The Authority is not aware of any "non adjusting events" that merit disclosure.

# Adelaide Central Market Authority

## Notes to and forming part of the Financial Statements for the year ended 30 June 2023

### Note 14. Related Party Transactions

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\$ '000	2023	2022
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#### Key Management Personnel

##### Transactions with Key Management Personnel

The Key Management Personnel of the Adelaide Central Market Authority include Board members and the General Manager. In all, 7 persons were paid the following total cumulative compensation which have been included within contractors in note 3:

##### The compensation paid to Key Management Personnel comprises:

Short-Term Employee Benefits	279	275
Post-Employment Benefits	19	17
<b>Total</b>	<u>298</u>	<u>292</u>

Amounts paid as direct reimbursement of expenses incurred on behalf of the Adelaide Central Market Authority have not been included above.

##### Receipts from Key Management Personnel comprise:

Adelaide Central Market Authority received the following rent amounts from Board members or Council elected members relating to 3 tenancies:

Stallholder Lease Rentals for properties managed by Adelaide Central Market	100	272
<b>Total</b>	<u>100</u>	<u>272</u>

#### Other Related Party Transactions

ACMA contracts staff from Council with the on-charge totalling \$1,107,190 (2022: \$966,880) for the year.

Council, as the parent entity, has provided an equity contribution of \$146,000 in the prior year to continue to support ACMA on a going concern basis. ACMA generated a profit of \$83,000 in the current year. Distribution will be made to City of Adelaide once sufficient reserves are generated.



# Adelaide Central Market Authority

## General Purpose Financial Statements for the year ended 30 June 2023

### Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Central Market Authority for the year ended 30 June 2023, the Council's Auditor, BDO Audit (SA) Pty Ltd has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

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Clare Mockler  
Chief Executive Officer  
**CITY OF ADELAIDE**

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Christine Locher  
Acting Chair  
**ADELAIDE CENTRAL MARKET AUTHORITY**

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David Powell  
Presiding Member  
**CITY OF ADELAIDE AUDIT COMMITTEE**

**Date:**