

Adelaide Central Market

Quarter 4 Report, 1 April 2024 – 30 June 2024



Executive Summary

The Adelaide Central Market Authority has reached EOFY with 100% of actions and measures set out in the 2023/24 business plan either completed, ongoing or on track. Highlights for Q4 include events and activations such as Winter Weekends and two successful 'popup' offers, as well as the endorsement by the ACMA Board of the inaugural Sustainability Plan 24/27 and the annual Community Engagement Plan. All contribute to attracting visitors, supporting local economy and strengthening community and cultural ties to the City. After months of research and Board discussions, the Leasing Strategy and campaign plan were also completed, a significant milestone and achievement within ACMA's existing internal resources.

ACMA's Financial performance was strong: the preliminary end of year result is a surplus of \$84K vs \$395K deficit in the original budget. The operating position is \$73K favourable to the reforecast budget (pending audit), and \$468K favourable to original budget. This was driven by additional leasing income, retaining 100% rental occupancy, and achieving minimal debt.

The Market visitation in Q4 continued to be steady but below 2023 amid ongoing cost-of-living pressures, muted retail results Australia wide and impact of local development works. It will be unlikely to see any visitation growth in FY24/25.

Financial Report

Preliminary results Operating budget, Q4 2023/24 are provided in the table below

\$000's	Actual*	Q3 Budget	Variance
Income	5,476	5,422	54
Expenditure	5,395	5,410	15
Net Operating Surplus/(Deficit)	81	12	69

* The 2023/24 results are preliminary and subject to the finalisation through Financial Statement preparation and external audit. The final audited position will be presented to Audit and Risk Committee in September 2024.

Debtors Summary

Financial Year	Total Arrears	Current	%	30 Days	%	60 Days	%	90+ Days	%
2023/24	\$ 47,206	\$ 41,533	88%	\$ 6,456	14%	\$ -	0%	-\$ 782	-2%

Debt remains minimal and contained within 30 days.

Risks and Opportunities

- 28% of leases will expire in FY24/25 leading an increased risk in vacancies.
- The construction of Market Square, the decreased capacity in the Central Market car park, as well as economic conditions and cost of living pressures may impact on potential spend in Market.
- Access to the Market may be affected further by compounding pressures in the precinct, depending on timing: future renovations of Market Plaza entrances, Gouger St rejuvenation, road closures for major events, etc.

Business Plan & Budget 2023/24 and Strategic Plan Measures

The 2023/24 ACMA Business Plan and Budget includes 44 priority actions across the five strategic pillars of the ACMA Strategic Plan 2023/28: Our Customers, Our Traders, Our Business, Our Community and Our Market.

Summary Strategic actions	Delivered/ongoing	On Track	Off track
OUR CUSTOMERS	10	0	0
OUR TRADERS	4	0	0
OUR BUSINESS	17	0	0
OUR COMMUNITY	5	0	0
OUR MARKET	7	1	0
TOTAL	43	1	0

The 'One Market' Retail and Fit Out Guidelines was procured in Q3 and will be delivered by the end of Q1 FY24/25, but this will not cause any delay to the start of lease negotiations.

Q4 Highlights

OUR CUSTOMERS

We will keep customer experiences at the heart of all decisions, every day.

- Community Consultation for Market Carts, resulting in an advertising campaign to increase awareness of existing Carts for hire and sale.
- Winter Weekends in June
- Nearly 10,000 face to face enquiries managed by Customer Service Desk

OUR TRADERS

We will work with our traders to support them in the delivery of an exceptional shopping experience.

- Security gates enabling traders' events outside of core trading hours
- Supported inaugural Adelaide Wine Festival on Sunday 23/06 (over 1K attendance)
- History Festival
- Successful pop-ups with traditional style Dutch winter offering in central aisle, and SACWA scone stand.

OUR BUSINESS

We will take a responsible and sustainable approach to our business in pursuing positive long-term financial results.

- New property management software procured
- POS hardware implemented (customer service desk)

OUR COMMUNITY

We will take a responsible and sustainable approach to our business in pursuing positive long-term financial results.

- ACMA first Sustainability Strategy 2024/27 completed
- Community Engagement Plan 2024/25 completed with focus on district collaboration
- National Reconciliation week celebrations in Market

OUR MARKET

We will deliver infrastructure and programs that address the current and emerging needs for our customers and traders.

- Transition to NBN completed
- Southeastern entry refurbished
- Market Expansion:
 - Leasing Strategy and Leasing Campaign strategy completed.
 - Fit Out guidelines procured to Wood Bagots
 - Marketing/leasing collateral (Leasing brochure, EOI platform, animation etc.) finalised ready for EOI launch in July 2024
 - Exclusive access to EOI for existing traders

Upcoming quarter ACMA: 1 July 2024 – 30 September 2024

- Marketing and events delivery:
 - Bastille Day
 - School Holidays program
 - Sustainable September
- Trading Hours review: trader consultation
- Single Use plastics ban transition by 01 September 2024
- Market Expansion:
 - Leasing campaign launch + EOI in progress
 - Shortlisting from September
 - Operational Preparedness project starts
 - Fit Out guidelines to be completed
 - Leasing and project advisory services procurement
 - Recruitment Leasing Manager