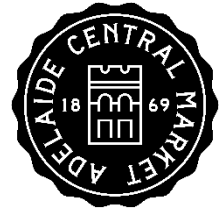


Adelaide Central Market

Quarter 1 Report, 1 July 2024 – 30 September 2024



Executive Summary

Operational highlights for Q1 included events and activations such as the popular Bastille Day and sold-out school holiday program. The month of September focussed on sustainability with the promotion of various initiatives ACMA delivers, including the community partnership with Oz Harvest to rescue food and the recycling of the Market's organic waste to produce compost for the farming industry (99% of the organic waste is diverted from landfill).

The leasing campaign for the Market Expansion commenced with an Expression of Interest process with a robust number of applications received across most retail categories. Discussions with potential tenants will start in October and November.

Tenancy movement included one stall vacating at lease expiry (Standom Smallgoods), followed by fit out works to relocate and expand one stall (Fleurieu Milk) with a new tenant to be welcomed in October. Leasing revenue remains strong, with 100% rental occupancy.

The operating position is \$257K favourable to the YTD budget however this is mainly based on timing of expenditure.

The Market visitation in Q1 of the financial year is traditionally the slowest period of the year (winter) and the fire incident on 31/08 has had an impact on trade. However, traffic has climbed steadily since, boding well for a lift in numbers coming into the end of the calendar year.

Financial Report

\$'000	September YTD			Adopted Annual Budget	Revised Annual Budget
	Actual	Budget	Var		
Income	1,372	1,336	37	5,343	5,343
Expenditure	1,286	1,468	181	6,081	6,081
Net Operating Surplus / (Deficit)	86	(132)	218	(738)	(738)
Expansion Operational Preparedness	16	55	(39)	220	220
Total	70	(187)	257	(958)	(958)

Debtors Summary

Financial Year	Total Arrears	Current	%	30 Days	%	60 Days	%	90+ Days	%
2024/25	\$ 78,400	\$ 47,393	60%	\$ 19,638	25%	\$ 11,369	15%	\$ 0	0%

Debt is contained within 60 days and the percentage of rent paid in advance remains stable.

Leasing

Substantial progress since July, with:

Q1 - Total number of Market stalls is 72 – 100% Occupancy	
Renewals	7
Short term	1
Holdovers	2
Vacancies	0

Risks and Opportunities

- 19 leases will expire in FY24/25 leading to an increased risk in vacancies.
- The construction of Market Square, the decreased capacity in UPark Central Market, 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 but not limited to future renovations of Market Plaza entrances, Gouger St rejuvenation and road closures for major events.

Business Plan & Budget 2024/25 and Strategic Plan Measures

The 2024/25 ACMA Business Plan and Budget includes 93 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 Actions	Delivered/ongoing	On Track	Off track
OUR CUSTOMERS	11	13	0
OUR TRADERS	10	4	0
OUR BUSINESS	24	7	0
OUR COMMUNITY	9	5	0
OUR MARKET	5	5	0
TOTAL	59	34	0

Q1 Highlights

OUR CUSTOMERS

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

- Introduced visitation tracking to the Market Stall (Customer Service Desk): 2,507 products sold and 10,900 customers
- Trading Hours review: commenced process to align trading hours to customer preferences, including gathering and communicating research data to traders. Progressed trader consultation process (facilitated by external consultant 'Further Insights') as per the legal requirements of the Retail Leasing and Commercial Act, including 2 all trader forums. (Trader vote in October 2024)
- Delivery of in Market events and activations Bastille Day, school holiday program, Sustainable September, cooking demonstrations, free kids activities and live music
- 3 high profile National and international TV program filming and featuring the Market

OUR TRADERS

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

- Supported the Photo Co. Adelaide Camera Expo on Sunday 22 September (attended by approx. 550 people)
- Trading Hours review progressed with extensive Trader consultation including all-trader forums, surveys and 1:1 interviews
- Successful pop-up with traditional style Dutch offering in central aisle
- Big clean for Market including all trader facades
- First 'Trader Award for Innovation' delivered

OUR BUSINESS

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

- New property management software - implementation and training
- Appointment of new Administration Coordinator, Tiera Lippiello (existing FTE)
- Live Shooter and Emergency evacuation training for ACMA staff (delivered by CoA, 14/8)

- Tourism Industry Council South Australia awards submission: ACMA named finalist in Cat 8: Retail, Hire and Services

OUR COMMUNITY

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

- Cultural celebrations – NAIDOC Week and Bastille Day
- Partnership showcase with Oz Harvest with in Market photography and video
- Sustainable September promotion: organic waste management to produce compost for the farming industry
- Single use Plastic Ban implementation plus In-Market bins re-skinned to align with ban

OUR MARKET

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

- Pest control new contract
- Replacement of glass canopies at 4x entry points
- Renewal of entry lighting
- Renewal of Asphalt (western roadway)
- Market Expansion:
 - Leasing Strategy and Leasing Campaign strategy completed
 - Leasing EOI process in July and August with Exclusive access to EOI for existing traders
 - Review of Property staff resourcing

Upcoming quarter priorities: 1 October 2024 – 30 December 2024

- Board: 2 external Board Members to be recruited in October/November + Council Member representative to be appointed in December
- Marketing and events delivery:
 - School Holidays program
 - Deliver Seafood + Sound event activation on 25 and 26 October
 - Deliver Christmas program (marketing and operational)
 - Ongoing program of live music and free kids activities
- Trading Hours review: trader vote following consultation to amend weekdays trading hours
- Market Expansion:
 - Leasing conversations with potential tenants
 - Operational Readiness project – research phase to inform budget preparation
 - Fit Out guidelines to be completed
 - Recruitment Senior Property Officer