

Adelaide Central Market Authority

Quarter 3 Review: 1 January 2026 – 31 March 2026



Executive Summary

Leasing revenue and financial performance

Leasing revenue remained strong in Q3, with minimal rent arrears and occupancy at 98.7%. Nine lease renewals have been secured of the 14 targeted for FY25/26. Full Circle Spirits signed a lease for Stall 55 and 2 pop-ups were secured for Stall 34-36 following the completion of its redevelopment, and the Federal Hall fit out is underway and expected to be completed later in 2026.

The operating position for the period ending 31 March 2026 is \$0.801 million favourable to the YTD budget for the same period. This is a timing variance driven by \$0.397 million from the existing Market and \$0.404 million from the Market Expansion project.

The proposed Q3 Operating budget is an operating deficit of \$1.576 million, an increase of \$0.080 million compared to the Q2 Budget of an operating deficit of \$1.496 million. The proposed Q3 budget consists of (\$0.037) million for the existing Market, and \$1.539 million for the Market Expansion. The proposed increase reflects the Market Expansion Technical Services & Site Management project of \$0.080 million, as well as minor zero bottom line adjustments.

The proposed Q3 Capital New and Upgrade program is proposed to increase by \$2.223 million from \$1.214 million to \$3.447 million. Projects have been included within Q3 to ensure procurement can commence ahead of the 2026/27 Financial Year. Any underspends will be carried forward into 2026/27 to ensure projects are delivered.

In terms of risks for the expansion leasing program, the geopolitical instability and energy crisis are contributing to rising operating and fit out costs and a more cautious consumer environment, affecting prospective tenant confidence and decision-making timelines. ACMA is actively managing this through targeted leasing activity and close engagement with prospective tenants.

Market visitation

Market visitation was steady (-1% against last year and -1% against Q2) and supported by strong community events including Sauce Day and Lunar New Year celebrations with visual displays and lion dancers in Market. Eighteen schools visited the Market during Q3, with 919 students participating in educational programs. The Producer in Residence stall maintained 100% occupancy throughout the quarter, with ongoing engagement from new and emerging food businesses.

Marketing and events

Q3 marketing activity focused on building brand awareness and driving visitation through a strong events calendar and media opportunities. Sauce Day delivered trader profiling across media channels and In-Market Fringe previews extended the Market's cultural presence. The Easter campaign was developed, and the Digital Strategy was started this quarter, providing an internal reference guide for consistent digital engagement. ACMA procured and appointed a new Creative Media agency (SAUCE. The Creative Agency) and a new PR and Media agency (CALLIE PR).

Operations

The Minister for Small Business supported a request for a singular exemption from the *Retail and Commercial Leases Act* to enable a change of trading hours upon the opening of the Market Expansion, which marks a significant milestone towards adapting to customers' expectations.

The Trader Sustainability Program's online learning module was launched in Q3. A new Trader Representative Committee (TRC) was elected and terms of reference reviewed, with a bi-annual meeting with the ACMA Board. A rare and serious workplace incident that occurred at Marino Meat deeply affected the Trader community with ACMA offering counselling for support.

ACMA Resourcing continued to grow in preparation for the opening, with the appointment of the Marketing & Communications Manager and Marketing Executive covering for parental leave, two casual Customer Experience Officers, and the Leasing Coordinator transitioning to a full-time role.

Market Expansion

Leasing activity for the Market Expansion continues to progress with 24 accepted offers across key sites. The Retail Design Manager and Tenancy Coordinator are now actively working with future tenants towards their fit outs. Operational preparedness continues at pace, with ACMA working with CoA and ARUP to organise and track critical operational requirements for day 1 (opening). The Place Activation Strategy was endorsed by the Board in January and placemaking preparedness continues, including the completion of Christmas decoration concepts, detailed design and tender documentation for the PA system, and concept design for wayfinding. An EOI for the Market Expansion Arts and Culture program received strong interest, with eight mural proposals advancing to the concept stage. Development Approval was granted for the Market Facade signage, a significant step toward increased brand visibility.

Financial Report

The below table represents the Operating Position by activity:

\$'000	March 2026 YTD			Q2 Budget	Proposed Q3 Budget	Variance
	Actual	Budget	Variance			
Existing Marketing Operations						
Income	4243	4279	(36)	5,695	5,635	(61)
Expenditure	(3,836)	(4,269)	433	(5,732)	(5,671)	61
Total Existing Marketing Operations	407	10	397	(37)	(37)	0
Market Expansion						
Income			-		-	-
Expenditure	(577)	(981)	404	(1,459)	(1,539)	(80)
Total Marketing Expansion	(577)	(981)	404	(1,459)	(1,539)	(80)
Net Operating Surplus / (Deficit)	(170)	(971)	801	(1,496)	(1,576)	(80)

The below table represents the Operating Position by the nature of the income and expenditure:

\$'000	March 2026 YTD			Q2 Budget	Proposed Q3 Budget	Variance
	Actual	Budget	Variance			
Income						
Fees and Charges	4,207	4,205	2	5,600	5,539	(61)
Grants, Subsidiaries & Contributions	10	40	(30)	50	50	-
Other Revenue	26	34	(8)	45	45	-
Total Income	4,243	4,279	(36)	5,695	5,634	(61)
Expenditure						
Salaries and Wages	(1,193)	(1,295)	102	(1,776)	(1,776)	-
Materials, Contracts & Other Expenses	(3,186)	(3,921)	735	(5,370)	(5,389)	(19)
Depreciation	(31)	(31)	-	(42)	(42)	-
Finance	(3)	(2)	-	(3)	(3)	-
Total Expenditure	(4,413)	(5,249)	837	(7,191)	(7,210)	(19)
Net Operating Surplus / (Deficit)	(170)	(971)	801	(1,496)	(1,576)	(80)

The following table represents the New and Upgrade Capital Projects. There are a number of new projects included within the 2025/26 Q3 Capital Program to ensure procurement can commence ahead of the 2026/27 Financial Year. Any underspends will be carried forward into 2026/27 to ensure projects are delivered.

Recommendation 1 - Item 7.1 - Attachment B

Project	Plan Deliver by	Expenditure (\$'000)						Variance	Stage
		Q2			Q3				
		Project	Overhead	Total	Project	Overhead	Total		
Federal Hall Trade Waste and Water Connections^	Jun-25	6	1	7	6	1	7	0	Practical Completion
Christmas Decorations – One Market	Nov-26	175	6	181	350	9	359	(178)	Build/Construct
Market Expansion Capital Works – Ground Floor	Jun-27	1,000	26	1,026	1,000	41	1,041	(15)	Build/Construct
ACMA new backup generator	2026/27	0	0	0	450	0	450	(450)	Plan/Design
Market Expansion Placemaking – Ground Floor	2026/27	0	0	0	1,065	0	1,065	(1,065)	Plan/Design
Market Expansion Capital Works – operational readiness	2026/27	0	0	0	300	0	300	(300)	Plan/Design
ACMA additional trader storage	2026/27	0	0	0	225	0	225	(225)	Plan/Design
		1,181	33	1,214	3,396	51	3,447	(2,233)	

Debtors Summary

Financial Year	Total Arrears	Current	%	30 Days	%	60 Days	%	90+ Days	%
2025/26	\$ 16,408	\$ 11,698	71%	\$ 1,238	8%	\$ 79	0%	\$ 3,393	21%
2024/25	\$ 38,584	\$ 26,714	69%	\$ 2,898	8%	\$ 4,974	13%	\$ 3,998	10%
2023/24	\$ 46,767	\$ 34,380	74%	\$ 11,169	24%	\$ 1,796	4%	-\$ 578	-1%
2022/23	\$ 9,048	\$ 6,693	74%	\$ 2,990	33%	\$ -	0%	-\$ 635	-7%

Note the minimal arrears. Percentage of rent paid in advance remains stable.

Leasing

Q3 - The total number of Market stalls is 98.7% Occupancy	
Renewals	9 (out of 14 lease expiries in FY25/26)
Holdovers	1
New lease	1 - Stall 55
Vacancy	Stall 34 -36 structure renewal completed in March. EOI + Pop ups in Q3 Let Them Eat - sudden bankruptcy across 3 businesses (Liquidator appointed 31/3/2026)

Risks and Opportunities

- Geopolitical instability and energy crisis, leading to increase to cost of doing business, potential decrease in customer visitation & spend
- Leasing targets in Market Expansion: Cost of fit-out + rent levels, all compounded by prospective tenants' uncertainty around lease commitments in geopolitical instability and energy crisis
- Operational Preparedness for Market Expansion.
- Timing Gouger St upgrade and risk of congestion within Market Square precinct during fit out period. A fortnightly working group with CoA and Multiplex has been initiated to mitigate risks.

Business Plan & Budget 2025/26 and Strategic Plan Measures

The 2025/26 ACMA Business Plan and Budget includes 112 priority actions, an increase from Quarter 1 following a *Strategic Plan Pulse Check* review by the ACMA Board in October 2025. These actions span across the five strategic pillars of the ACMA Strategic Plan 2023/28: Our Customers, Our Traders, Our Business, Our Community and Our Market. At the end of Q3, tracking of progress is as follows:

Summary of 112 actions	Complete/ Ongoing/ In Progress	To be monitored/ Deferred	Off track/ At Risk
OUR CUSTOMERS	26	1	0
OUR TRADERS	16	1	0
OUR BUSINESS	37	0	0
OUR COMMUNITY	16	0	0
OUR MARKET	15	0	0
TOTAL	110	2	0

Upcoming quarter strategic priorities: 1 April 2026 - 30 June 2026

OUR CUSTOMERS

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

- Deliver events and activations:
 - Easter campaign
 - School holiday program
 - Tasting Australia Associated event program.
- Tourism advertising & partnerships (awareness during key tourism period, including Gather Round, Australian Tourism Exchange).
- Ongoing program of live music and free kid's activities.

OUR TRADERS

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

- GISA Grant next steps: continuation of online training modules and one-on-one consulting (due for completion in June 2027).
- Stall 34/36 redevelopment and fit out.
- Stall 55 fit out.

OUR BUSINESS

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

- Operational and leasing:
 - EOI for Stall 34-36.
 - Federal Hall fitout progressing
- Recruitment of Marketing & Content Coordinator and Facilities Officer (to commence employment in Q1 2026/27)

OUR COMMUNITY

We will make a valuable contribution to the economic, social and cultural wellbeing of our precinct and community.

- Development of annual community plan (incorporating district strategy)
- Deliver National Reconciliation Week program

OUR MARKET

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

- Integrated Communication and PR Strategy for Market Expansion and existing Market.
- Appointment of additional leasing agents to support progress
- Continue to issue execution lease documentation to secured tenants.
- Continuation of Placemaking Project and operational preparedness, including wayfinding, casual leasing furniture, people counters, PA System, play equipment, storage, shade and greening, and Public Bin Housing Upgrade Project underway.
- Award contract for Site Manager and Services Engineer (53 fit outs).
- Progress ORAT for essential operations requirements with ARUP consultant, CoA and Market Square including progress site readiness, (waste, loading dock, Building Management System with CoA/ICD.)
- Tenancy coordination and Retail Design management progressing for fit- outs.
- Facade Signage manufacture.
- Public Art project, concept design phase for up to four murals.