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To the Presiding Member South Australian Motor Sport Board

Opinion

I have audited the financial report of the South Australian Motor Sport Board for the financial year ended 30 June 2024.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the South Australian Motor Sport Board as at 30 June 2024, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Disclosures.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2024
- a Statement of Financial Position as at 30 June 2024
- a Statement of Changes in Equity for the year ended 30 June 2024
- a Statement of Cash Flows for the year ended 30 June 2024
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Presiding Member, South Australian Motor Sport Board and the Chief Executive.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the South Australian Motor Sport Board. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Chief Executive and the Members of the South Australian Motor Sport Board for the financial report

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Disclosures, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The members of the South Australian Motor Sport Board are responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 14(3) of the *South Australian Motor Sport Act 1984*, I have audited the financial report of the South Australian Motor Sport Board for the financial year ended 30 June 2024.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the South Australian Motor Sport Board's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive and the Board about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Blaskett
Auditor-General

26 September 2024

OFFICIAL

South Australian Motor Sport Board

Financial Statements

For the year ended 30 June 2024

South Australian Motor Sport Board
Statement of Comprehensive Income
for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Income			
Sales of goods and services	2.1	12 658	11 454
SA Government grants, subsidies and transfers	2.2	26 559	37 966
Other income	2.3	7 707	6 114
Total income		46 924	55 534
Expenses			
Employee related expenses	3.3	2 854	1 771
Supplies and services	4.1	41 903	47 189
Grants and subsidies	4.2	1 915	880
Depreciation	5.1	1 170	382
Other expenses	4.3	52	18
Total expenses		47 894	50 240
Net result		(970)	5 294
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in asset revaluation surplus		17 151	1 671
Total other comprehensive income		17 151	1 671
Total comprehensive result		16 181	6 965

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

South Australian Motor Sport Board
Statement of Financial Position
as at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Current assets			
Cash	6.1	618	9 680
Receivables	6.2	1 023	640
Total current assets		1 641	10 320
Non-current assets			
Receivables	6.2	1	-
Property, plant and equipment	5.1	27 368	7 233
Total non-current assets		27 369	7 233
Total assets		29 010	17 553
Current liabilities			
Payables	7.1	2 295	8 080
Employee related liabilities	3.4	212	162
Contract liabilities	7.2	1 600	702
Provisions	7.3	12	3
Total current liabilities		4 119	8 947
Non-current liabilities			
Employee related liabilities	3.4	164	100
Provisions	7.3	51	11
Total non-current liabilities		215	111
Total liabilities		4 334	9 058
Net assets		24 676	8 495
Equity			
Asset revaluation surplus		18 822	1 671
Retained earnings		5 854	6 824
Total equity		24 676	8 495

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

South Australian Motor Sport Board
Statement of Changes in Equity
for the year ended 30 June 2024

	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 8 September 2022	-	-	-
Net assets received as a result of administrative restructure	-	1 530	1 530
Net result for 2022-23	-	5 294	5 294
Gain on revaluation of assets during 2022-23	1 671	-	1 671
Total comprehensive result for 2022-23	1 671	6 824	8 495
Balance at 30 June 2023	1 671	6 824	8 495
Net result for 2023-24	-	(970)	(970)
Gain on revaluation of assets during 2023-24	17 151	-	17 151
Total comprehensive result for 2023-24	17 151	(970)	16 181
Balance at 30 June 2024	18 822	5 854	24 676

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

South Australian Motor Sport Board
Statement of Cash Flows
for the year ended 30 June 2024

	2024	2023
	Inflows (Outflows)	Inflows (Outflows)
Note	\$'000	\$'000
Cash flows from operating activities		
Cash inflows		
Sales of goods and services	13 841	11 937
SA Government grants, subsidies and transfers	26 559	37 966
Other receipts	4 384	1 079
Cash generated from operating activities	44 784	50 982
Cash outflows		
Employee related payments	(2 691)	(1 583)
Payments for supplies and services	(45 079)	(36 418)
Payments of grants and subsidies	(1 915)	(880)
Other payments	(7)	(14)
Cash used in operating activities	(49 692)	(38 895)
Net cash (used in) / provided by operating activities	(4 908)	12 087
Cash flows from investing activities		
Cash outflows		
Purchase of property, plant and equipment	(4 154)	(4 414)
Cash used in investing activities	(4 154)	(4 414)
Net cash (used in) investing activities	(4 154)	(4 414)
Cash flows from financing activities		
Cash inflows		
Cash transferred as a result of restructuring activities	-	2 007
Cash generated from financing activities	-	2 007
Net cash provided by financing activities	-	2 007
Net (decrease) / increase in cash	(9 062)	9 680
Cash at the beginning of the reporting period	9 680	-
Cash at the end of the reporting period	6.1 618	9 680

The accompanying notes form part of these financial statements.

South Australian Motor Sport Board

Notes to and forming part of the financial statements

for the year ended 30 June 2024

1 About the South Australian Motor Sport Board

The South Australian Motor Sport Board (the Board) is a statutory authority of the state of South Australia, established pursuant to the *South Australian Motor Sport Act 1984* (as enacted by the (*South Australian Motor Sport (Miscellaneous) Amendment Act 2022*) to promote motor sport events in South Australia.

1.1 Basis of preparation

These financial statements are general purpose financial statements prepared in accordance 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*; and
- relevant Australian Accounting Standards applying simplified disclosures.

For the purposes of preparing the financial statements, the Board is a not-for-profit entity.

The financial statements have been prepared for the year ended 30 June 2024 and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

The Board was re-established on 8 September 2022. Comparatives have been prepared for the reporting period 8 September 2022 to 30 June 2023.

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 throughout the notes.

Cash flows are exclusive of Goods and Services Tax (GST). The GST component of cash flows which is recoverable from, or payable to, the Australian Taxation Office (ATO) is classified as part of operating cash flows of the Department of the Premier and Cabinet (DPC), not the Board.

1.2 Objectives

The objectives of the Board include:

- Establishing a motor racing circuit and assuming the management and use of public roads and parklands on a temporary basis.
- Carrying out construction works and alterations including the removal of roads and other related infrastructure associated with motor sport events.
- Carrying on advertising and promotional activities, charging admission fees and selling merchandise associated with motor sport events.

South Australian Motor Sport Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

2. Income

2.1 Sales of goods and services

	2024	2023
	\$'000	\$'000
Ticket sales	6 701	6 298
Corporate sales	4 670	4 434
Other services	1 287	722
Total sales of goods and services	12 658	11 454

All revenue from sales of goods and services is recognised per AASB 15 *Revenue from Contracts with Customers*.

Income from ticket and corporate sales and service provision is recognised in the period when it occurs. Where cash is received for ticket and corporate sales or event entries (in other above) for future events, it is recognised in note 7.2 as contract liabilities.

2.2 SA Government grants, subsidies and transfers

SA Government grants, subsidies and transfers are recognised as income on receipt per AASB 1058 *Income of Not-for-Profit Entities*.

SA Government grants, subsidies and transfers comprised funding of:

- \$22.559 million (2023: \$30.718 million) funding from DPC Administered Items
- \$4 million (2023: \$4 million) from the Major Events Fund
- Nil (2023: \$3.248 million) from South Australian Tourism Commission for promotional activities.

2.3 Other income

	2024	2023
	\$'000	\$'000
Sponsorships	3 342	3 133
In kind revenue	3 256	2 700
General recoveries	966	274
Resources received free of charge - Shared Services SA	66	7
Other income	77	-
Total other income	7 707	6 114

Other income is recognised under a combination of AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* on completion of agreed deliverables and in compliance with all obligations under the agreement.

The Board receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services free of charge from Shared Services SA following Cabinet's approval to cease intra-government charging.

South Australian Motor Sport Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3. Board, committees and employees

3.1 Key management personnel

Key management personnel of the Board include the Premier, Chief Executive, the Presiding Member, the Deputy Presiding Member and the Board members who have responsibility for the strategic direction and management of the Board.

Total compensation paid by the Board for key management personnel was \$598 000 (2023: \$486 000).

The compensation disclosed in this note excludes salaries and other benefits the Premier receives. 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 (via DTF) under section 6 of the *Parliamentary Remuneration Act 1990*.

See DPC's Financial Statements for disclosures of the Premier's remuneration paid and recovered from the Consolidated Account.

Transaction with Key Management Personnel and other related parties

There were no significant related party transactions between any key management personnel and other related parties.

3.2 Board and committee members

Members during the 2024 financial year were:

South Australian Motor Sport Board

Andrew Daniels (Presiding Member)
 Carolyn Mitchell (Deputy Presiding Member)
 Lisa Bishop
 Ish Davies
 Martin Haese
 Anna Hurley
 Michael Masi
 Jamieson McClurg
 Mark Phelps

Finance, Risk and Audit Committee

Lisa Bishop (Chair – part year)
 Mark Phelps (Chair – part year)
 Martin Haese

Board and committee remuneration

The number of members whose remuneration received or receivable falls within the following bands:	2024 Number	2023 Number
\$20 000 - \$39 999	8	8
\$40 000 - \$59 999	1	1
Total number of members	9	9

The total remuneration received or receivable by members was \$278 000 (2023: \$226 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax paid.

South Australian Motor Sport Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.3 Employee related expenses

	2024	2023
	\$'000	\$'000
Salaries and wages	1 903	1 106
Employment on-costs - superannuation	310	199
Board and committee fees	251	204
Annual leave	161	137
Employment on-costs - other	93	66
Long service leave	66	42
Workers compensation	59	14
Skills and experience retention leave	5	2
Other employee related expenses	6	1
Total employee related expenses	2 854	1 771

Employment expenses

The Board's employees are employed under Part 7 of the *Public Sector Act 2009* and the *South Australian Motor Sport Act 1984*.

The superannuation employment on-cost charge represents the Board's contributions to superannuation plans in respect of current services of current employees.

Employee remuneration

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

	2024	2023
	Number	Number
\$ 206 001 - \$ 226 000	1	-
\$ 246 001 - \$ 266 000	-	1
\$ 306 001 - \$ 326 000	1	-
Total number of employees	2	1

The total remuneration received by those employees for the year was \$543 400 (2023: \$260 100).

The table includes all employees whose normal remuneration was equal to or greater than the base executive remuneration level during the period. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits, fringe benefits and any fringe benefits tax paid or payable in respect of those benefits as well as any termination benefits for employees who have left the Board.

South Australian Motor Sport Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.4 Employee related liabilities

	2024	2023
	\$'000	\$'000
Current		
Accrued salaries and wages	-	8
Annual leave	157	119
Long service leave	17	10
Skills and experience retention leave	8	4
Employment on-costs	30	21
Total current employee related liabilities	212	162
Non-current		
Long service leave	149	90
Employment on-costs	15	10
Total non-current employee related liabilities	164	100
Total employee related liabilities	376	262

Employee related liabilities accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee related liabilities are measured at present value and short-term employee related liabilities are measured at nominal amounts.

Long service leave

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.

AASB 119 *Employee Benefits* contains the calculation methodology for the long service leave liability.

The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations, which are 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 discount rate used in measuring the liability is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has increased to 4.25% in 2024 (2023: 4.0%).

The net financial effect of the changes to the actuarial assumption in the current financial year is an increase in the long service leave liability of \$9 000 and employee related expense of \$9 000.

The non-current portion of long service leave reflects the estimate of leave to be taken in greater than 12 months.

South Australian Motor Sport Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.4 Employee related liabilities (continued)

Employment on-costs

Employment on-costs include payroll tax and superannuation contributions that are settled when the respective employee related liabilities that they relate to are discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long-service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

The Board makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the superannuation schemes.

As a result of an actuarial assessment performed by DTF, the portion of long service leave taken as leave has increased to 44.0% (2023 43.0%) and the average factor for the calculation of employer superannuation on-costs has increased to 11.5% (2023: 11.1%). 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 \$1 000 and employee related expense of \$1 000.

4. Expenses

4.1 Supplies and services

	2024	2023
	\$'000	\$'000
Venue and event operations	17 453	17 583
Circuit construction	15 379	20 824
Marketing and public relations	4 077	4 894
Cost of goods sold	2 170	1 785
General administration	981	925
Storage costs	571	529
Corporate support services	431	413
Repairs, maintenance and minor equipment purchases	308	-
Travel costs	267	36
Contractors	161	157
Information technology	61	-
Audit fees	44	43
Total supplies and services	41 903	47 189

Audit fees

Audit fees paid/payable to the Audit Office of South Australia relate to work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Audit Office of South Australia.

4.2 Grants and subsidies

Grants and subsidies expenditure of \$1.915 million (2023: \$0.880 million) includes support for the Adelaide Motorsport Festival and the Adelaide Rally.

4.3 Other expenses

Other expenses include impairment loss on receivables for customers who have entered liquidation.

South Australian Motor Sport Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

5. Non-Financial assets

5.1 Property, plant and equipment

Reconciliation 2023-24	Motorsport infrastructure and equipment \$'000	Work in progress \$'000	Total \$'000
Carrying amount at the beginning of the period	7 233	-	7 233
Acquisitions	-	4 154	4 154
Revaluation increment	17 151	-	17 151
Transfers to/(from) capital works in progress	1 815	(1 815)	-
Depreciation	(1 170)	-	(1 170)
Carrying amount at the end of the period	25 029	2 339	27 368
Gross carrying amount			
Gross carrying amount	25 771	2 339	28 110
Accumulated depreciation	(742)	-	(742)
Carrying amount at the end of the period	25 029	2 339	27 368

Capitalisation, depreciation and useful life

Property, plant and equipment owned by the Board with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed.

Depreciation is calculated on a straight-line basis. Motorsport infrastructure and equipment depreciation is calculated over the remaining estimated useful life of these assets being 2-12 years.

Review of accounting estimates

Assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate on an annual basis. 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 Board revalued its motorsport infrastructure and equipment assets as at 14 February 2024 – see 'Revaluation of Motorsport infrastructure and equipment' below.

The useful lives of the motorsport infrastructure and equipment assets were reassessed as part of this asset revaluation. The estimated impact on depreciation expense from a change in useful lives of these assets was:

- Pre-revaluation asset fair values with changes in useful lives: \$47 000 for the remainder of 2023-24 and \$0.142 million for 2024-25.
- Post-revaluation asset fair values with no change in useful lives: \$0.274 million for the remainder of 2023-24 and \$0.822 million for 2024-25.

Property, plant and equipment owned by the Board

Owned property, plant and equipment is subsequently measured at 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 asset.

South Australian Motor Sport Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

5.1 Property, plant and equipment (continued)

Revaluation of motorsport infrastructure and equipment

Revaluation of motorsport infrastructure and equipment is undertaken on a regular cycle and is revalued at least every six years. However, 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.

A site valuation of motorsport infrastructure and equipment owned by the Board as at 14 February 2024 was performed by Finn Sievwright of PP&E Valuations Pty Ltd.

Fair value of the Board's assets was predominantly determined using depreciated replacement cost given the specialised nature of the assets and there being little available market evidence of comparable assets. For non-specialised assets (i.e. portable buildings and shipping containers) which have an active and liquid market, the market comparison approach was predominantly used.

The valuation approach relies on assumptions made by management, about the useful lives of the assets, to the Board as a key input. The Board regularly reviews these assumptions.

The majority of assets were defined as being valued using Level 3 inputs in accordance with AASB 13 *Fair Value Measurement* with a small number based upon Level 2 inputs. No assets were valued using Level 1 inputs.

6. Financial assets

6.1 Cash

The Board has a non-interest bearing deposit account held with the Treasurer, which must be used in accordance with its approved purpose. Cash is measured at nominal amounts.

6.2 Receivables

	2024	2023
	\$'000	\$'000
Current		
Contractual receivables	308	638
Less impairment loss on contractual receivables	(4)	(4)
Prepayments	719	6
Total current receivables	1 023	640
Non-current		
Other receivables	1	-
Total non-current receivables	1	-
Total receivables	1 024	640

Contractual receivables are normally settled within 30 days after the issue of an invoice. Contractual receivables and prepayments are non-interest bearing. Contractual receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Impairment losses relate to contracts with customers external to SA Government.

South Australian Motor Sport Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

7. Liabilities

7.1 Payables

	2024	2023
	\$'000	\$'000
Current		
Contractual payables	2 251	8 037
Statutory payables	44	43
Total current payables	<u>2 295</u>	<u>8 080</u>
Total payables	<u><u>2 295</u></u>	<u><u>8 080</u></u>

Contractual payables and accruals are raised for all amounts owing but unpaid. Contractual payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Statutory payables do not arise from contracts. Statutory payables include Audit Office of South Australia audit fees. Statutory payables are carried at cost.

7.2 Contract liabilities

2023-24 contract liabilities are for corporate sales received in advance of the 2024 Adelaide 500 \$1.600 million.

2022-23 contract liabilities are for corporate sales received in advance of the 2023 Adelaide 500 \$0.379 million and event entries received in advance of the 2023 World Solar Challenge event \$0.323 million.

Revenue is recognised when the events have occurred, and all service obligations have been achieved per AASB 15 *Revenue from Contracts with Customers*.

7.3 Provisions

All provisions relate to workers compensation.

	2024	2023
	\$'000	\$'000
<i>Reconciliation of workers compensation</i>		
Carrying amount at the beginning of the period	14	-
Additional provisions recognised	49	14
Carrying amount at the end of the period	<u><u>63</u></u>	<u><u>14</u></u>

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2024 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

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

South Australian Motor Sport Board
Notes to and forming part of the financial statements
for the year ended 30 June 2024

8. Outlook

8.1 Unrecognised contractual commitments

Commitments include those operating, capital and outsourcing commitments arising from contractual or statutory sources and are disclosed at their nominal value.

Contractual commitments to acquire property, plant and equipment

Capital expenditure contracted for at the reporting date but not recognised as liabilities in the financial report are payable within one year and relate to motorsport infrastructure and equipment purchases \$0.498 million (2023: \$nil).

Other contractual commitments

Expenditure contracted for at the reporting date but not yet recognised as liabilities in the financial report, are payable as follows:

	2024	2023
	\$'000	\$'000
Within one year	24 987	29 163
Later than one year but not longer than five years	21 844	34 003
Total contractual commitments	46 831	63 166

Contractual commitments relate to contracted expenditure for motorsport events per goods and services agreements.

8.2 Contingent assets and liabilities

Due to a wet weather incident during the 2023 Adelaide 500 an insurance claim may be made by the Board to cover the damages to supplier's assets with a maximum liability of \$68 000. The Board is not aware of any other contingent assets or liabilities as at 30 June 2024.


8.3 Events after the reporting period


There were no events occurring after the end of the reporting period that had a material financial implication on these financial statements.

South Australian Motor Sport Board
Certification of the Financial Statements
for the year ended 30 June 2024

We certify that the:

- financial statements of the South Australian Motor Sport Board:
 - are in accordance with the accounts and records of the South Australian Motor Sport Board;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the South Australian Motor Sport Board at the end of the financial year and the result of its operation and cash flows for the period.
- internal controls employed by the South Australian Motor Sport Board for the period over its financial reporting and its preparation of financial statements have been effective.


Andrew Daniels
Presiding Member
25 September 2024


Mark Warren
Chief Executive
25 September 2024