



**Government
of South Australia**

STATE OPERA OF SOUTH AUSTRALIA

2023-24 Annual Report

STATE OPERA OF SOUTH AUSTRALIA

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To:

The Hon Andrea Michaels MP
Minister for Arts

This annual report will be presented to Parliament to meet the statutory reporting requirements of *State Opera of South Australia Act 1976* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the State Opera of South Australia by:

Ashley Ross Miller

Chair

Date 30 Sept 2024 Signature

A handwritten signature in black ink, appearing to read 'Ashley', followed by a long horizontal line.

From the Executive Director

The 2023-24 financial year for State Opera of South Australia (State Opera) was one of significant success both on and off the stage with three spectacular seasons in Her Majesty's Theatre, the first dedicated schools' opera in over a decade and the introduction of a number of new projects aimed at building new audiences.

After a robust international recruitment process, in September 2023, State Opera announced the appointment of internationally acclaimed conductor, Dane Lam, to the role of Artistic Director. Dane has conducted all of Australia's major orchestras and has significant experience conducting opera in Australia and abroad. Dane's appointment sees him leading the creative program, including selecting and casting our three mainstage operas and the significant events planned in the lead up to State Opera's 50th year in 2026.

State Opera's application to continue as a funded organisation in the National Performing Arts Partnership Framework, which included a new Strategic Plan for 2025 to 2028, was successful.

The financial year commenced with Verdi's grand opera, *Macbeth*, presented in Her Majesty's Theatre in September 2023. This co-production with West Australian Opera was delayed during the COVID-19 pandemic, hence the creative team were delighted to see it presented. A critical success, this *Macbeth* was directed by Stuart Maunder and was seen as his swan song after four years of his skillful artistic direction at State Opera.

The November 2023 season of *The Marriage of Figaro* featured an all-South Australian creative team and marked State Opera's return to building mainstage works locally. The contemporary take on the Da Ponte play and Mozart score proved popular with both audience members and critics alike. While box office sales were below initial projections, the productions' success in engaging audiences and receiving positive critical feedback highlights the strong local talent and the growing interest in innovative performances.

The 2024 mainstage calendar year commenced with Leonard Bernstein's operetta, *Candide*, in a co-production with State Theatre Company South Australia (State Theatre). This semi-staged work saw principal artists from Adelaide and across Australia on Her Majesty's stage, joined by a large chorus, consisting of State Opera singers and Elder Conservatorium students, and the Adelaide Symphony Orchestra. Mitchell Butel, from State Theatre, directed this joyous night in the theatre with State Opera's Head of Music expertly taking the conductor's platform. This operetta proved popular with seasoned opera goers and musical theatre fans alike and met its box office budget.

In addition to mainstage offerings, State Opera toured *The Frog Prince*, an opera written specifically for primary school aged students, to schools in greater Adelaide and across the Limestone Coast. Similarly, in pursuit of expanding educational offerings, State Opera delivered Masterclasses, in the Netley studio, supported by

the Friends of State Opera, thereby providing important tutelage for emerging singers and the audience alike.

The Ukaria recital series continues to grow in popularity with all three iterations across this financial year exceeding box office budgets and receiving exemplary feedback from the audiences.

Four State Opera singers took to the stage in Elder Park again for the Sealink Carols by Candlelight, and numerous corporate events featured State Opera singers across the year, including the launch of the new Wolfe Blass Event Centre at Morphettville and the Bang and Olufsen product launch in their showroom.

A new partnership with the Duxton Group saw the launch of Opera in The Pub. Young artists, Jessica Mills and Joshua Van Konkelenberg, provided an afternoon of well-known opera hits, in two inner city pubs across Adelaide during this financial year, delighting audiences with beautiful music whilst they relaxed over drinks on a Sunday afternoon.

State Opera's investment in the business development and fundraising team and subsequent pipeline of potential supporters show a positive return in the 2023-24 financial year. The annual appeal returned doubled initial expectations and through persistent communications and networking, the Hackett Foundation returned to State Opera with marked donations towards the Company's education programs, Aurizon joined as a new supporter, as did SA Power Networks.

I reflect on the past year with pride and enthusiasm for what's to come. State Opera will continue to celebrate the quality of its work and the high standard of artists on stage, whether it be at Her Majesty's Theatre, an outdoor event, or in the local pub. My sincere thanks to all artists, crew, core staff, management, the board of State Opera, and supporters and audiences of the Company for another year of success in *"more opera - more people - memorable experiences"*.

Toi toi toi...



Mark Taylor

Executive Director

State Opera of South Australia

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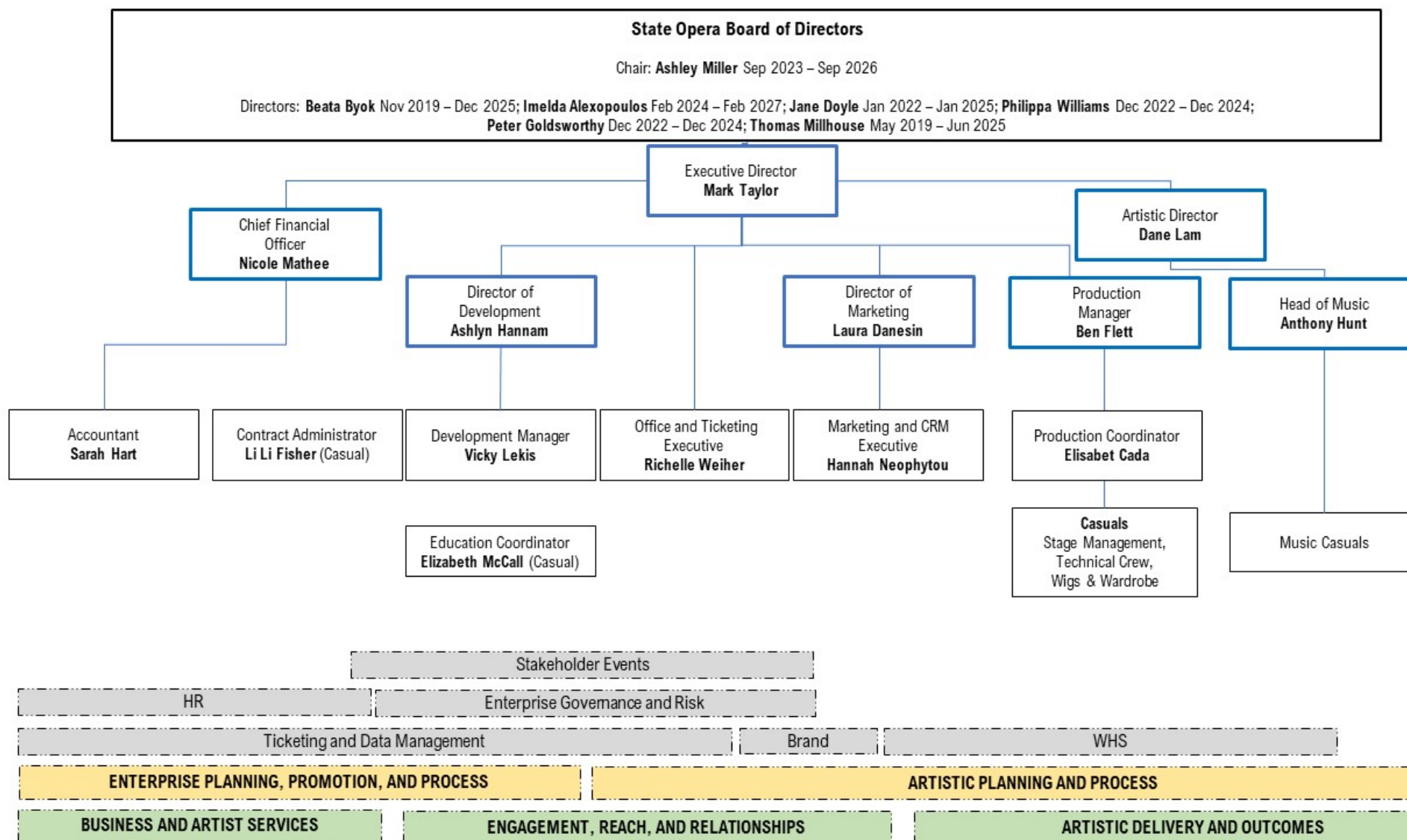
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Overview: about the agency

Our strategic focus

Our Purpose	Our purpose is to share stories worth telling with people in South Australia and beyond through the unique artform of opera.
Our Vision	More opera, More people, Memorable experiences
Mission	By creating, presenting, and promoting thoughtful, relevant, and artistically excellent opera and providing regular opportunities for audiences to experience locally made, live and digital, performances across our state and beyond, State Opera South Australia will be an exceptional cultural service to the state of South Australia
Our Values	Craftsmanship – the quality of the process reflects the outcome Integrity – in programming, with colleagues, and across the industry Nimbleness – stay aware of our surroundings and be agile when required Distinctiveness – hold onto our individuality and our risk appetite Respect – for artists, audiences, and supporters
Our functions, objectives and deliverables	Support the development of great art Creating pathways for artists and the sector Engage with audiences Contribute to a vibrant culture

Our organisational structure



Changes to the agency

During 2023-24, other than minor redistribution of duties, titles and/or reporting lines, there were no changes to State Opera of South Australia's structure and objectives as a result of internal reviews or machinery of government changes.

Our Minister

The Hon Andrea Michaels MP is the Minister for Arts.

Our Executive team



Mark Taylor is the Executive Director, responsible for the overall strategy and operations of the State Opera of South Australia (State Opera), particularly in the areas of stakeholder engagement, government matters and human resources.



Dane Lam is the Artistic Director, responsible for the artistic curation of an annual program for State Opera.

Legislation administered by the agency

State Opera of South Australia Act 1976

The agency's performance

Performance at a glance

State Opera recorded a surplus in 2023-24 of \$1.1m after receiving unexpected bequests of \$465k, recovery of workers compensation provision of \$140k and redemption claim of \$100k, greater than planned investment income of \$115k, with the balance due to timing of actioning spend and revenue recorded in accordance with accounting standards.

The two-year strategic plan for 2023-2024 summarises a period of reflection and consolidation with a clear focus on setting up the company for the future, including its 50th anniversary in 2026. The financial results achieved demonstrates the success of the plan.

State Opera's commitment to the guiding principles and organisational behaviours is embedded in the results:

✓ **Strategic intent**

- o the art, by offering six masterclasses through-out the year and performing on stage for ticketed performances 40 times, with a further 35 performances at special events or alternate offerings;
- o the talent, through 306 engagements with artists, creatives, technicians, stage managers, musicians, business support and more
- o the audience, by attracting younger audiences to the theatre via the under-30-ticket offering as well as taking the performances to students through the school-based offering.

✓ **Financial disciplines** – net production subsidies were contained within 2% of budget / net development revenue (excluding bequests) achieved within 1% of budget, with a focus on corporate partnerships (> 20% increase).

✓ **Brand and Market presence** – confirmed by reviews:

On Your Marcus [review](#) – Opera in the Pub

"It's a fantastic way to introduce opera to new audiences, as well as to enjoy it in a different, more relaxed context.... does it get any better?... yes, it certainly does.... The show ticket is FREE!... In summary... It's a delightful fusion of culture, community, and casual charm that promises to leave you enchanted.... FIVE DAZZLING STARS from me."

Feedback from patrons (H Macindoe and P Elliott) – Marriage of Figaro

"We enjoyed it enormously & we left the theatre thinking it was a better world."

The Board of State Opera represent the Company's values in their governance with the following confirming their commitment:

Board Member	Director Meetings		Risk and Performance Committee	
	Attended	Held*	Attended	Held*
Ashley Miller (Chair)	6	7	-	-
Elizabeth Olsson (retired-Chair)	1	1	1	1
Beata Byok	7	8	4	5
Imelda Alexopoulos	7	8	4	5
Jane Doyle	7	8	-	-
Peter Goldsworthy	7	8	-	-
Philippa Williams	7	8	5	5
Polly Tembel	5	7	-	-
Thomas Millhouse	7	8	5	5

* Reflects the number of meetings held during the time the Director held office during the year.

Agency specific objectives and performance

As a national performing arts company, State Opera's key goals and objectives below are specified on a calendar year basis to align with an artistic season.

Mechanism	Measure	Calendar Year 2023 Target	Actual Results
Priority 1: Address diversity areas outlined in the Partnership Framework, with particular reference to artists, key creatives, programming & audiences.			
Create and honour the first Diversity and Inclusion Policy and Action Plan for State Opera.	100% of annual Action Plan items addressed each year.	All actions in the Action Plan delivered.	89% of actions delivered. Actions not met relate to moving to a new home - expect to occur in late 2025.

State Opera ARTIST selection and employment - State Opera employs artists based on quality and fit-for-role without bias to individual background.	100% of employed artists and Academy participant emerging artists will be aggregated to measure at least 5% artists from CALD backgrounds.	At least 10% of all singers employed are from CALD backgrounds.	Exceeded target 18.81% of singers across the year from CALD backgrounds
State Opera KEY CREATIVES selection and employment - State Opera looks to diverse makers and storytellers for their perspective.	1. At least two productions per annum feature at least one female creative. 2. At least one production per annum features a creative from either a CALD or First Nations background.	At least three productions include at least one key creative from the identified groups.	Exceeded target All three mainstage productions plus the school's production of <i>Frog Prince</i> included key creatives from identified groups, with eight females in key creative roles across the season
State Opera has a diverse AUDIENCE.	At least 100 school students per annum see an opera.	At least 100 tickets for young audiences.	Exceeded target 326 school students given free access to see the final dress rehearsal of <i>Macbeth</i> and 121 Highschool, Tafe and University students for the <i>Marriage of Figaro</i>
Priority 2: Commission, develop and present new Australian works that reflect contemporary Australia, within the context of a balanced artistic program.			
State Opera COMMISSIONS new Australian work	Commission, or partner in a new commission, of at least one new Australian work every two years.	At least one new Australian work.	Target met. <i>When the Rain Stops Falling</i> remains under development. A new short cabaret work was created for the Penola Arts Festival.

State Opera DEVELOPS new Australian work	Develop, and manage development workshops, of at least one new Australian work per annum.	N/A*	N/A*
State Opera PRESENTS <i>new</i> Australian work	Present at least one new Australian work per annum.	N/A*	N/A*
State Opera SUPPORTS Australian work	At least 30% of the annual performance program is Australian work (new and extant).	At least one Australian works presented and/or where the presentation is supported by State Opera.	100% achieved. <i>Marriage of Figaro</i> was a new Australian production with an all-South Australian creative team.
State Opera will create and manage the new DIGITAL LIBRARY OF AUSTRALIAN OPERA	At least three full production videos of Australian operas plus supporting material (incl. images, program notes, interviews, historic information, etc.) added to the library per annum.	At least three productions added to Digital Library per annum.	Not met as no new additions to the Digital Library.
Priority 3: Build capacity in the South Australian sector. Collaborate with Partnership organisations and those outside the Framework. Demonstrate leadership on sector specific concerns.			
State Opera champions the employment of South Australian opera singers (CAPACITY BUILDING and SECTOR SPECIFIC ISSUE)	At least 50% of singers employed per annum in mainstage productions are South Australian.	At least 50%	Exceeded target 134 of 156 singers based in South Australia (85.89%)

State Opera partners with South Australian arts companies on new projects (PARTNERSHIPS)	At least one project per annum in partnership.	At least two	Exceeded target Two productions in partnership
State Opera delivers significant engagement / employment of South Australian musicians (CAPACITY BUILDING)	1. At least three productions per annum with the Adelaide Symphony Orchestra 2. At least two productions per annum with South Australian freelance musicians.	At least three productions with ASO; at least two productions with freelance musicians.	Exceeded target. Four mainstage productions with the ASO Two additional productions presented with freelance musicians
Priority 4: Present work that increases access and broadens audiences through specialist repertoire.			
Proactively offer product that will attract NEW AUDIENCES	At least 20% new ticket buyers (new audiences) to a State Opera production per annum.	At least 30%	Target met
Embed Australian repertoire within the annual program offering (SPECIALIST REPERTOIRE)	Present at least two Australian operatic works per annum	N/A*	N/A*
Create and deliver unique product that is appealing to intra- and inter-state tourists (BROADEN AUDIENCE)	At least one occasion / opportunity per annum designed specifically for intra and/or interstate travellers.	N/A*	N/A*
Program works outside the repertoire canon (SPECIALIST REPERTOIRE)	Program at least one opera per annum which has not been seen for ten years or more in Australia.	N/A*	N/A*

Priority 5: Develop pathways for Australian opera singers to build sustainable careers.			
Annual National Summer Opera Academy for pre-professional emerging artist training program (PATHWAYS)	At least 20% growth in applications per annum demonstrating improvement in training and work opportunities.	At least 60 applicants per annum; at least 12 accepted into program.	Target met with revised program offered (Young Artist Program and Masterclasses)
Prioritise employment of Australian singers across all program areas (SUSTAINABLE CAREERS)	At least 20 different individual Australian singers employed per annum, and at least 80% of total cohort of employed singers per annum are Australian.	At least 20 individual Australian singers and at least 80% of overall singers employed by State Opera per annum are Australian.	Exceeded target

* changed to reflect resources and funds required to properly support targets

Corporate performance summary

Critical strategies for State Opera, include broadening audiences, diversifying income sources and strengthening reserves for longevity of the Company for investment in future productions and causes. The following depicts summaries of outcomes:



33 performances

10 SA Regional Schools,
and
18 Adelaide Metro Schools



5,611

Students attended
opera at school as
part of the curriculum



13,756

Mainstage
Audience
attendees



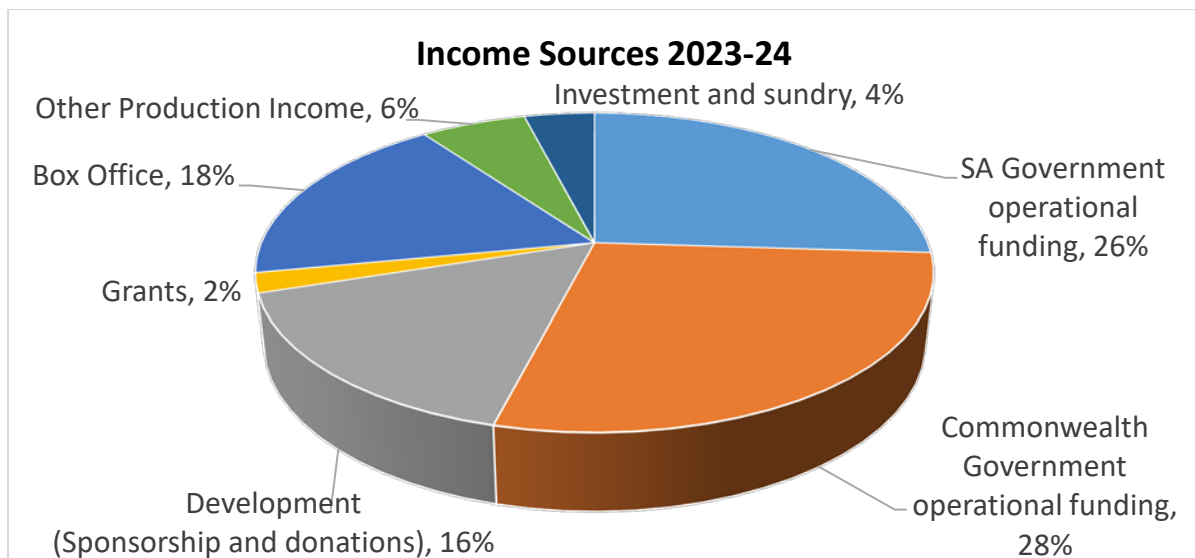
37%

Unique
Ticket buyers



12%

Under 30's
Ticket buyers



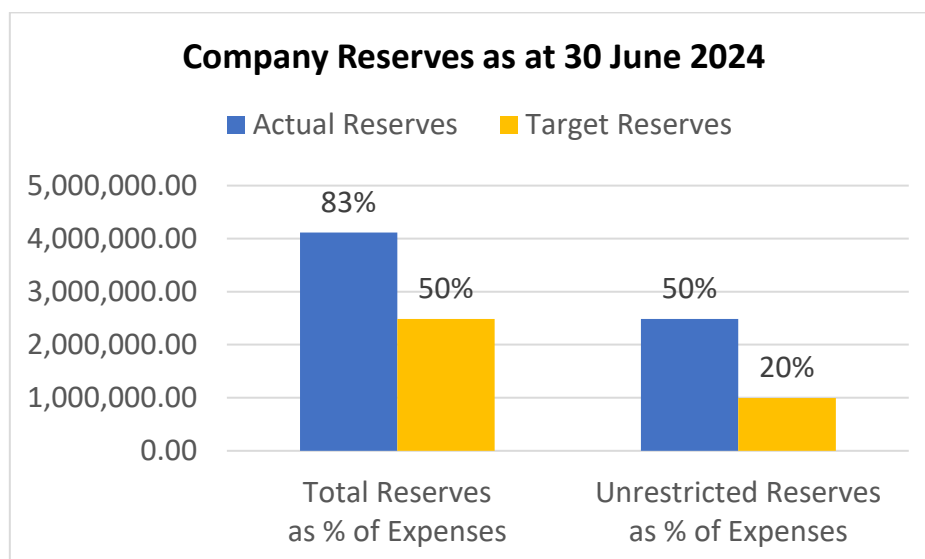
Note: 54% of income is sourced from government operational funding, compared to last year's 50%. This mainly relates to a good faith contribution for costs previously funded from company reserves.

Company reserves are broken down into two main categories:

1. Restricted reserves – have specific criteria for use
2. Unrestricted reserves – are general accumulated funds for the opera

As a National Performing Arts Company, the agreement with funding partners includes the requirement to hold at least 20% of expenses in Unrestricted Reserves. As at 30 June 2024, the Company has far exceeded this target by holding 50% of 2023-24 expenses in Unrestricted Reserves.

The budgeted expenses for 2024-25 are planned with a 14% increase on the 2024 financial year (FY24), so the Unrestricted Reserves as a percentage of FY25 expenses is 44%.



Employment opportunity programs

Program name	Performance
Secondary & Tertiary Work Experience and Internship	State Opera offers hands-on experience for students, providing exceptional firsthand opportunities to learn about the performing arts and an arts management career. Work experience is offered for a week at a time, while internships are between one and three months. In 2023-24, State Opera welcomed two intern placements and two work experience students.
Emerging Artists and Creatives	State Opera supported 13 emerging professionals including; ten artists (progressing to mainstage roles), one creative (moving from artist role to directing), and one production team members (wardrobe). Experiences ranged from shadowing established professionals, workplace training, working/performing on recitals, regional touring and mainstage productions.

Agency performance management and development systems

Performance management and development system	Performance
Biannual Performance Management and Development (PM&D) Sessions with all full-time, part-time, and casual team members	100% of applicable full- and part-time team members completed at least one formal documented PM&D review where their employment term exceeded 12 months. Casual team members are reviewed informally on an as-needs basis. A modified formal PM&D process for casuals is being considered.
Annual Board review of Director KPIs	The Executive Director was formally reviewed by the board in August 2023, while the Artistic Director has had informal reviews as the term only started in September 2023. The Board have not completed a formal review in 2023-24.

Work health, safety and return to work programs

Program name	Performance
DPC Connect	State Opera's core team has a mandatory training plan within the DPC Connect online training platform. There is a significant focus on Work Health Safety (WHS), including an ergonomics checklist for all workstations, and comprehensive training on Diversity & Inclusion. State Opera has achieved an average of 90% completion rate of the mandatory training.
Managing Safety and Wellbeing in the Workplace	Monthly well-being email, as provided by the Department of the Premier and Cabinet (DPC), is sent to State Opera's core team. 100% completion. All employees, and approved family members, have access to the Employee Assistance Program (EAP), as provided through Converge International, with the first three sessions paid for by State Opera. The program provides confidential, and solutions-oriented counselling services to support individuals through a variety of short-term personal or work issues. State Opera has appointed three mental health first aid officers, who have all been certified via the appropriate training courses, for on the ground, immediate support to all persons working with the organisation, either as employees or contractors.
Fire Warden training and evacuations	Selected team members are provided Emergency Response Training and Fire Warden Training, including use and operation of fire extinguishers and response to emergencies, delivered by Bob May Workplace Emergency Training. This is mandatory for the appointed representatives with 100% completion recorded.
Self-audit program	Safe Operating Procedures are regularly reviewed and updated as required. Regular meetings are held between DPC WHS professionals and State Opera's WHS team, to discuss the progress of WHS audits, compliance matters, and potential workplace improvements. With the support of the Risk and Performance board sub-committee, State Opera's WHS focus is on improving Corrective Actions Register and Risk Register.

Workplace injury claims	Current year 2023-24	Past year 2022-23	% Change (+ / -)
Total new workplace injury claims	1	1	0%
Fatalities	0	0	0%
Seriously injured workers*	0	0	0%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	0	0%

*number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)

Work health and safety regulations	Current year 2023-24	Past year 2022-23	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	0	0	0%
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	0	0	0%

Return to work costs**	Current year 2023-24	Past year 2022-23	% Change (+ / -)
Total gross workers compensation expenditure (\$)	\$0	\$7,524	-100%
Income support payments – gross (\$)	\$0	\$0	0%

**before third party recovery

Data for previous years is available at: [State Opera South Australia WHS Reporting - Dataset - data.sa.gov.au](#)

Executive employment in the agency

Executive classification	Number of executives
Executive Director / CEO	1
Artistic Director	1

Data for previous years is available at: [State Opera South Australia Executive Employment - Dataset - data.sa.gov.au](https://data.sa.gov.au/dataset/state-opera-south-australia-executive-employment)

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

Financial performance

Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2023-2024 are attached to this report.

Statement of Comprehensive Income	2023-24 Budget \$000s	2023-24 Actual \$000s	Variation \$000s	2022-23 Actual \$000s
Total Income	5,382	6,202	820	6,329
Total Expenses	5,227	4,974	253	5,449
Net Result	155	1,228	1,073	880
Total Comprehensive Result	63	1,145	1,082	794

Statement of Financial Position	2023-24 Budget \$000s	2023-24 Actual \$000s	Variation \$000s	2022-23 Actual \$000s
Current assets	3,762	5,155	1,393	3,766
Non-current assets	783	700	(83)	756
Total assets	4,545	5,855	1,310	4,522
Current liabilities	1,366	1,630	(264)	1,441
Non-current liabilities	143	107	36	108
Total liabilities	1,509	1,737	228	1,549
Net assets	3,036	4,118	1,082	2,973
Equity	3,036	4,118	1,082	2,973

Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Consultancies with a contract value below \$10,000 each

Consultancies	Purpose	\$ Actual payment
Below \$10,000 each	Nil	\$ Nil

Consultancies with a contract value above \$10,000 each

Consultancies	Purpose	\$ Actual payment
Above \$10,000 each	Nil	\$ Nil

Data for previous years is available at: [State Opera South Australia Consultants Reporting - Dataset - data.sa.gov.au](https://data.sa.gov.au/dataset/state-opera-south-australia-consultants-reporting)

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

Contractors disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

Contractors with a contract value

Contractors	Purpose	\$ Actual payment
below \$10,000 each – combined	Various	\$119,344
above \$10,000 each – combined	Singing, conducting, set/lighting/costume/ sound designing, directing, and workshop facilitation	\$679,241
	Total	\$798,585

Contractor fees for performing artists, are commercial-in-confidence. Therefore, individual contractor names and fee values are not individually outlined within this report.

Data for previous years is available at: [State Opera South Australia Contractors - Dataset - data.sa.gov.au](https://data.sa.gov.au/dataset/state-opera-south-australia-contractors)

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts](#).

The website also provides details of [across government contracts](#).

Risk management

Risk and audit at a glance

The Risk and Performance Committee (R&P Committee), a sub-committee of the Board of State Opera, continues to meet regularly to assess whole-of-organisational risks, opportunities which require financial authority, and future strategies where an oversight of performance, human resources and WHS may be important. Key priorities for this group include the effective oversight of policies and procedures, management controls, risk management matrices and independent assurance. The Committee has an essential role in overseeing these activities and monitoring changes in the industry and community in which our organisation operates.

The operating principles of the R&P Committee include State Opera of South Australia (State Opera) aligning to the following actions:

- Strive for excellence, prioritising the community it serves.
 - The Executive Team is responsible for effective management of State Opera, which involves ensuring the principles and objects of the *Public Sector Act 2009* and the Code of Ethics are advanced and observed in the management and day-to-day operations of the agency, including agency culture; and
 - The Executive Director, Artistic Director and Chief Financial Officer have a duty to manage risk as a key mechanism for ensuring good performance in delivering the agency's strategic objectives.
- Establish and monitors governance standard, including:
 - That the Executive Director and Chief Financial Officer must establish and maintain effective policies, procedures and systems for the identification, assessment, monitoring, management and annual review of financial risks; and
 - That broader drivers of risk need to be considered, namely performance, people and culture, and reputation; and
 - That policies for risk and finance are first scrutinised by the R&P Committee before progressing to the full Board for approval.

Fraud detected in the agency

Category/nature of fraud	Number of instances
Nil	Nil

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

Strategies implemented to control and prevent fraud

No material new formal strategies were implemented to control and prevent fraud during 2023-2024.

State Opera has a *Fraud and Corruption Prevention Policy and Strategy* in place with an appropriate level of control established to ensure probity, safeguarding of money, stores and property and maintaining accurate and consistent accounting records. State Opera's internal controls and procedures are continuously reviewed, improved and assessed for effectiveness by the Chief Financial Officer, Executive Director and the R&P Committee. These are supported by the following related controls:

Policies/frameworks

- Delegations of Authority
- Discretionary Expenditure
- Entertainment Policy
- Credit Card Use
- Privacy Statement
- Data Collection, Storage & Privacy Policy
- Procurement Policy Framework

Processes

- Oversight by the R&P Committee, governed by its Terms of Reference
- Approval of invoices and electronic payments
- Maintaining and reporting financial records and results
- Cash handling, banking and holding cash onsite
- Charity and Community Requests
- Complimentary Tickets

South Australian state government policies/instructions

- Code of Ethics
- *Public Interest Disclosure Act 2018*

Data for previous years is available at: [State Opera South Australia Fraud Detected - Dataset - data.sa.gov.au](https://data.sa.gov.au/dataset/state-opera-south-australia-fraud-detected)

Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

Nil

Data for previous years is available at: [State Opera South Australia Public Interest Disclosure - Dataset - data.sa.gov.au](https://data.sa.gov.au/dataset/state-opera-south-australia-public-interest-disclosure)

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

Reporting required under any other act or regulation

Act or Regulation	Requirement
Nil	Nil

Public complaints

Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2023-24
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	0
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	0
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	0
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	0
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0

Complaint categories	Sub-categories	Example	Number of Complaints 2023-24
Service quality	Information	Incorrect, incomplete, out-dated or inadequate information; not fit for purpose	1
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	0
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	0
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	0
		Total	1

Additional Metrics	Total
Number of positive feedback comments	5
Number of negative feedback comments	1
Total number of feedback comments	6
% complaints resolved within policy timeframes	100%

Data for previous years is available at: [State Opera South Australia Public Complaints - Dataset - data.sa.gov.au](https://data.sa.gov.au/dataset/state-opera-south-australia-public-complaints)

Service Improvements

In line with PC039- *Complaint Management in the South Australian Public Sector*, State Opera continues to develop, improve, review and monitor the performance of the State Opera's Complaint Management System, including platforms used for the collection and tracking of feedback and complaints. Further enhancements will occur as the need is identified.

Less complaints were received this year compared with last year mostly due to programming and locations.

Based on continued pressures within the performing arts industry nationally and South Australian ticket sales, State Opera management have committed to engaging experts to provide insights on current industry trends.

Compliance Statement

State Opera of South Australia is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y
State Opera of South Australia has communicated the content of PC 039 and the agency's related complaints policies and procedures to employees.	Y

Appendix: Audited financial statements 2023-24

INDEPENDENT AUDITOR'S REPORT



Government of South Australia

Audit Office of South Australia

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200 Victoria Square
Adelaide SA 5000
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**To the Chair, Board of Management
State Opera of South Australia**

Opinion

I have audited the financial report of State Opera of South Australia 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 State Opera of South Australia 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 Executive Director, Chair Board of Management and the Chief Financial Officer.

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 State Opera of South Australia. 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 Executive Director and the Board of Management for the financial report

The Executive Director 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 Executive Director 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 Executive Director 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 Board of Management is 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* section 18(3) of the *State Opera of South Australia Act 1976*, I have audited the financial report of State Opera of South Australia 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 State Opera of South Australia's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Director
- conclude on the appropriateness of the Executive Director'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.

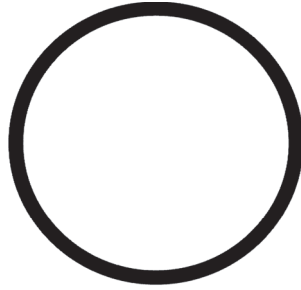
I communicate with the Executive Director and the Chair, Board of Management about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Daniel O'Donohue
Assistant Auditor-General (Financial Audit)

22 September 2024

OFFICIAL



STATE OPERA
SOUTH AUSTRALIA

ABN 31 382 679 566

STATE OPERA OF SOUTH AUSTRALIA

**Financial Statements
for the year ended
30 June 2024**

OFFICIAL

STATE OPERA OF SOUTH AUSTRALIA
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OFFICIAL

STATE OPERA OF SOUTH AUSTRALIA
CERTIFICATION OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2024

We certify that the financial statements for the State Opera of South Australia :

- are in accordance with the accounts and records of the Company;
- comply with relevant Treasurer's Instructions issued,
- comply with relevant accounting standards; and
- present a true and fair view of the financial position of the Company at the end of the financial year and the result of its operations and cash flows for the financial year.

We certify that the internal controls employed by the State Opera of South Australia for the financial year over its financial reporting and its preparation of financial statements have been effective.

Date 12 September 2024



Mark Taylor
Executive Director



Ashley Miller
Chair Board of Management



Nicole Mathee CA
Chief Financial Officer

STATE OPERA OF SOUTH AUSTRALIA

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Income			
Revenues from SA Government	2.1	1,632	1,531
Commonwealth-sourced grants and funding	2.2	1,708	2,370
SA Government grants, subsidies and transfers	2.3	110	162
Sales of goods and services	2.4	1,538	1,800
Interest and dividends	2.5	164	101
Net changes in fair value of investments (FVTPL)		19	19
Resources received free of charge	2.6	5	5
Other income	2.7	1,026	341
Total income		6,202	6,329
Expenses			
Employee related expenses	3.3	2,125	2,208
Supplies and services	4.1	2,825	3,205
Depreciation and amortisation	4.2	24	35
Other expenses	4.3	-	1
Total expenses		4,974	5,449
Net result from operations		1,228	880
Share of results of associates	4.4	(83)	(86)
Net result for the period		1,145	794
Total comprehensive result		1,145	794

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

STATE OPERA OF SOUTH AUSTRALIA

STATEMENT OF FINANCIAL POSITION

as at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Current assets			
Cash and cash equivalents	6.2	4,715	3,250
Receivables	6.3	440	516
Total current assets		5,155	3,766
Non-current assets			
Other financial assets	6.4	469	451
Investments in associates	6.5	46	129
Property, plant and equipment	5.1	30	51
Intangible assets	5.2	60	61
Receivables	6.3	95	64
Total non-current assets		700	756
Total assets		5,855	4,522
Current liabilities			
Payables	7.2	231	180
Contract liabilities	7.3	1,269	1,143
Employee related liabilities	3.4	123	88
Provisions	7.4	7	30
Total current liabilities		1,630	1,441
Non-current liabilities			
Employee related liabilities	3.4	77	10
Provisions	7.4	30	98
Total non-current liabilities		107	108
Total liabilities		1,737	1,549
Net Assets		4,118	2,973
Equity			
Reserves	8.1	1,629	1,675
Retained earnings	8.1	2,489	1,298
Total Equity		4,118	2,973

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

STATE OPERA OF SOUTH AUSTRALIA

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

	Reserves Incentive Scheme Funds Reserve	Trust Funds Reserves	Future Productions Reserve	Significant Bequests Reserve	Accumulated Surplus	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2022	313	1,050	-	276	540	2,179
Total comprehensive result for 2022-23	-	-	-	-	794	794
Transfer between equity components	9	27	-	-	(36)	-
Balance at 30 June 2023	322	1,077	-	276	1,298	2,973
Total comprehensive result for 2023-24	-	-	-	-	1,145	1,145
Transfer between equity components	(322)	(188)	-	464	46	-
Balance at 30 June 2024	-	889	-	740	2,489	4,118

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

STATE OPERA OF SOUTH AUSTRALIA

STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

	Note No.	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Cash inflows			
Revenues from SA Government		1,632	1,531
Commonwealth-sourced grants and funding		2,007	1,879
SA Government grants, subsidies and transfers		20	178
Box office and production		1,581	1,816
Sponsorship and donations		910	345
Interest received		144	80
Dividends received		20	21
GST recovered from the ATO	8.2	(24)	35
Other receipts		128	17
Cash generated from operations		6,418	5,902
Cash outflows			
Employee related payments		(2,102)	(2,208)
Payments for supplies and services		(2,849)	(3,363)
Cash used in operations		(4,951)	(5,571)
Net cash provided by/(used in) operating activities		1,467	331
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		(2)	(7)
Cash used in investing activities		(2)	(7)
Net cash provided by/(used in) investing activities		(2)	(7)
Net increase/(decrease) in cash and cash equivalents			
		1,465	324
Cash and cash equivalents at the beginning of the period		3,250	2,926
Cash and cash equivalents at the end of the period	6.2	4,715	3,250

The accompanying notes form part of these financial statements.

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024**1 About the State Opera of South Australia**

State Opera of South Australia (the Company) is a not-for-profit entity in the State of South Australia. The Company is a statutory authority established pursuant to the *State Opera of South Australia Act 1976* and acts on behalf of the Crown.

The Company does not control any other entity and has no interests in unconsolidated structured entities. The financial statements and accompanying notes include all the controlled activities of the Company.

1.1 Basis of preparation

The financial statements are general purpose financial statements prepared in compliance 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 with reduced disclosure requirements.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities are recoverable from, or payable to, the ATO are classified as operating cash flows.

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.

1.2 Objectives

The objective of the Company is to serve the Government and the people of South Australia by achieving excellence in the provision of operatic productions to the general public. The Company's main objectives are to:

- Present, produce, manage and conduct theatrical and operatic performances of any kind as may in its opinion tend to promote the art of the opera and related theatrical arts;
- Promote the training of all persons concerned in the production, presentation or performance of operatic or other related theatrical presentations;
- Assist financially or otherwise in the presentation, production, management or conduct of any theatrical or operatic production in this State;
- Promote public interest and participation in the art of the opera and related theatrical arts;
- Promote or commission the scoring and writing of operas and other theatrical works for operatic or theatrical performance; and
- Establish and conduct schools, courses, lectures, seminars and discussions on the art of the opera and related theatrical arts.

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024**2 Income**

The Company is jointly funded through the Multi-Partite Funding Agreement with the SA Government (Arts South Australia) and the Australian Federal Government (Creative Australia). In addition, the Company raises income from its performances, sponsorship, donations and investments.

Where there is an enforceable agreement with sufficiently specific performance obligations, revenue is recognised under AASB 15 which requires recognition when control of a promised good or service is passed to the customer at an amount which reflects the expected consideration.

AASB 1058 establishes principles for not-for-profit entities that apply to revenue streams which are either not enforceable or do not have sufficiently specific performance obligations to fall within AASB 15. AASB 1058 also applies to:

- a) transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not-for-profit entity to further its objectives; and
- b) the receipt of volunteer services.

If the consideration provided to acquire an asset, including cash, is significantly less than the fair value of that asset, or if no consideration was provided, and the difference is principally to enable the entity to further its objectives, such a transaction is within the scope of AASB 1058.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed are net of goods and services tax (GST).

2.1 Revenues from SA Government

	2024	2023
	\$'000	\$'000
Revenues from SA Government	1,632	1,531
Total Revenues from SA Government	1,632	1,531

Total revenues from SA Government consist of \$1,632k (\$1,531k) allocated to the Company, is for operational funding.

Accounted for under AASB 1058

The revenue received from the State Government of South Australia, through Arts SA, is allocated and paid within a financial year and recognised upon receipt.

2.2 Commonwealth-sourced grants and funding

	2024	2023
	\$'000	\$'000
Recurrent Grant	1,708	1,655
2022-23 Grants	-	715
Total Commonwealth-sourced grants and funding	1,708	2,370

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024**Accounted for under AASB 15**

Commonwealth funding is generally received from Creative Australia in the same calendar year that the funding is intended to relate to under the terms of the agreement. The funding bodies have the right to request unspent funds to be returned until such time as they are spent in accordance with the agreement. Where funding payments are received in advance, a financial liability will be recognised, representing the Company's contractual obligation to deliver cash in the event the funding bodies request it. The financial liability is derecognised and revenue is recognised as the funds are subsequently spent. The artistic program delivered by the Company is evenly spread throughout the season and funding is recognised in alignment with the delivery of the program.

2.3 SA Government grants, subsidies and transfers

	2024 \$'000	2023 \$'000
Grant for Frog Prince School Tour	30	-
Grant for Young Artist Program	80	-
2022-23 Grants	-	162
Total SA Government grants, subsidies and transfers	110	162

Accounted for under AASB 15

Grant revenue is allocated to each specific performance obligation in an amount that depicts the amount of consideration to which the entity expects to be entitled in exchange for completing each specific performance, program or activity.

Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

2.4 Sales of goods and services

	2024 \$'000	2023 \$'000
Ukaria: After Shakespeare Recital	10	-
Macbeth	402	-
Ukaria: After Rachmaninov Recital	11	-
Marriage of Figaro	470	-
Ukaria: After Mozart Recital	20	-
Adelaide Festival - The Nightingale	240	-
Candide	310	-
Schools: Frog Prince	51	-
Ukaria: American Dreams Recital	11	-
Young Artist Program	2	-
Opening Night Circle	11	-
2022-23 Productions	-	1,800
Total Sales of goods and services	1,538	1,800

Accounted for under AASB 15

The Company fulfils its performance obligation in relation to sales of goods and services at the point in time that the relevant production is performed. The transaction price is equal to the ticket sale price and is allocated entirely to the single performance obligation of completing the production. In most cases the ticket price is paid by the customer at the time of purchase.

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024**2.5 Interest and dividends**

	2024 \$'000	2023 \$'000
Investment with SAFA	139	73
Cash and cash equivalents	5	7
Dividends	20	21
Total Interest and dividends	164	101

2.6 Resources received free of charge

	2024 \$'000	2023 \$'000
Services received free of charge – Shared Services SA	5	5
Total Resources received free of charge	5	5

Resources received free of charge were subsequently expensed as supplies and services in Note 4.1, at fair value when consumed/used.

2.7 Other income

	2024 \$'000	2023 \$'000
Sponsorship	107	89
Donations and Bequests	750	235
Foundations	50	-
Hire/disposal of production elements	48	-
Sundry income	71	17
Total Other income	1,026	341

Accounted for under AASB 15 - Sponsorship

Typically, sponsorship agreements require the Company to provide specific benefits to the sponsor, such as the provision of concert tickets or acknowledgement of the sponsor in season materials, over a specified time period. This will be allocated to each specific performance obligation in an amount that depicts the amount of consideration to which the entity expects to be entitled in exchange for completing each specific performance, program or activity. The transaction price is considered to be the value of the sponsorship as specified in the agreement.

Accounted for under AASB 15 - Foundations

Foundation revenue is received from the James and Diana Ramsay Foundation and relates to expenditure incurred for specific agreed program deliverables. The revenue is recognised as income over the periods necessary to match the foundation revenue to the costs for which they are compensating.

Accounted for under AASB 1058 - Donations/Bequests

Revenue from donations are generally recognised under AASB 1058 as cash payments or assets are received. An exception to this is where the Group receives a restricted legacy which is enforceable and sufficiently specific. In these cases, revenue is recognised under AASB 15 as the conditions are satisfied.

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024**3 Board, committees and employees****3.1 Key management personnel**

Key management personnel of the Company include the Minister, the Executive Director, the Artistic Director, the Chief Financial Officer and the Board. Total compensation for key management personnel was \$375k in 2023-24 and \$459k in 2022-23.

The compensation disclosed in this note excludes salaries and other benefits the Minister receives. The Minister'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 the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*."

Transactions with key management personnel and other related parties

Other than the remuneration paid in 2023-24, there were no other transactions with key management personnel and other related parties during the year.

3.2 Board and committee members

Members during the 2024 financial year were:

The State Opera of South Australia Board

Professor Ashley Miller (Chair - appointed Sep 2023)

Master Elizabeth Olsson (Chair - departed Aug 2023)

Dr Beata Byok

Dr Peter Goldsworthy

Ms Philippa Williams

Ms Imelda Alexopoulos

Dr Thomas Millhouse

Mrs Polly Tembel (departed Jun 2024)

Mrs Jane Doyle

Risk and Performance Committee

Dr Thomas Millhouse (Chair)

Dr Beata Byok

Ms Imelda Alexopoulos

Ms Philippa Williams

Board and committee remuneration

The board and committee members stated they would not accept a stipend for sitting on the Company's board.

3.3 Employee related expenses

	2024 \$'000	2023 \$'000
Salaries and wages	1,831	1,911
Long service leave	67	(4)
Annual leave	42	(34)
Employment on-costs - superannuation	204	195
Employment on-costs - other	65	74
Workers compensation	(91)	34
Other employee related expenses	7	32
Total Employee related expenses	2,125	2,208

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024**Employment on-costs - superannuation**

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

Employment on-costs - other

The other employment on-cost charge represents the Company's payroll tax expense.

Workers compensation

As the Crown is self-insured, the liability for workers compensation is borne by the Company, as an instrumentality of the Crown. The provision is based on an actuarial assessment performed by the scheme actuary, Finity Consulting (PricewaterhouseCoopers (PwC) in prior year), with apportionment modelled on factors such as claims experience, comparative size, and risk factors.

Executive remuneration

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

\$160 001 to \$186 000

Total

2024 No.	2023 No.
1	1
1	1

The total remuneration received by those employees for the year was \$185k in 2023-24 and \$181k in 2022-23.

The table includes all employees whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and 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 Company.

3.4 Employee related liabilities**Current**

Accrued salaries and wages

Annual leave

Employment on-costs

Total Current Employee related liabilities

Non-current

Long service leave

Employment on-costs

Total Non-current Employee related liabilities

Total Employee related liabilities

2024 \$'000	2023 \$'000
40	49
63	28
20	11
123	88
64	9
13	1
77	10
200	98

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024

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.

Salaries and wages, annual leave, and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all special leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

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. The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations in 2024 (external consultant in Public Practice in 2023), which are based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of services.

The discount rate is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has increased from 2023 (4.0%) to 2024 (4.25%). This increase in the bond yield, which is used as the rate to discount future long service leave cash flows, results in an immaterial increase in the reported long service leave liability.

The current portion of employee related liabilities reflects the amount for which the company does not have right to defer settlement for at least 12 months after reporting date. The Company has no current unconditional portion of long service leave provision as it relates to an unconditional legal entitlement to payment arising after 10 years of service.

Employment on-costs

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to are discharged. These on-costs primarily relate to the balance of leave owing to employees.

The Company contributes 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 South Australian Superannuation Board or other superannuation schemes.

The average factor for the calculation of employer superannuation cost on-costs has changed from the 2023 rate of 11.1% to 11.5%. These rates are used in the employment on-costs calculation. The net financial effect of the changes in the current financial year is immaterial.

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024**4 Expenses**

Employee related expenses are disclosed in note 3.3.

4.1 Supplies and services

	2024 \$'000	2023 \$'000
Accommodation	247	236
Advertising and marketing	205	235
Consultants	-	52
Contractors - performers, creatives, technical	799	702
General administration and consumables	195	191
Information technology expenses	57	61
Minor works, maintenance and equipment	12	7
Production expense	645	736
Telecommunications	12	12
Travel	159	226
Venue hire and expenses	494	747
Total Supplies and services	2,825	3,205

Accommodation

The Company's accommodation is provided by the Department for Infrastructure and Transport, under Memoranda of Administrative Arrangement (MoAA), issued in accordance with Government-wide accommodation policies. These MoAA do not meet the definition of lease set out in AASB 16.

Consultants

The number of consultancies and the dollar amount paid/payable (included in supplies and services expense) to consultants that fell within the following bands:

	No	2024 \$'000	No	2023 \$'000
Below \$10 000	-	-	1	4
\$10 000 or above	-	-	2	48
Total	-	-	3	52

General administration and consumables

Audit fees paid / payable to the Auditor-General's Department relating to work performed under the Public Finance and Audit Act 1987 were \$27k (\$27k). No other services were provided by the Auditor General's Department.

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024**4.2 Depreciation and amortisation**

	2024 \$'000	2023 \$'000
Production equipment	7	8
Furniture and equipment	2	2
Computer equipment	14	14
Intangible assets	1	11
Total Depreciation and amortisation	24	35

All non-current assets not held for sale with a limited useful life are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

The Company assessed the Australian Opera Digital Library (AODL), an intangible asset created in 2021-22, as having an indefinite useful life, and has therefore not been amortised. Its useful life will be reviewed each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. If they do not, the change in the useful life assessment from indefinite to finite will be accounted for as a change in an accounting estimate.

Useful life

Depreciation and amortisation are calculated on a straight-line basis. Property, plant and equipment and intangible assets depreciation and amortisation are calculated over the estimated useful life as follows:

Class of asset	Useful life (years)
Production equipment	5-20
Furniture and equipment	5-10
Computer equipment	3
Intangible assets	5

Depreciation and amortisation methods are reviewed annually.

Review of accounting estimates

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected 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.

4.3 Other expenses

	2024 \$'000	2023 \$'000
Property, plant and equipment write-offs	-	1
Total Other expenses	-	1

4.4 Share of results of associates

	2024 \$'000	2023 \$'000
Share of The Opera Conference losses	83	86
Total Share of results of associates	83	86

The loss represents the Company's 20% interest in The Opera Conference Partnership. For further information refer to Note 6.5 Investments in associates.

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024**5 Non-financial assets**

The Company holds sufficient assets to deliver and administer its program of performances.

5.1 Property, plant and equipment

Property, plant and equipment comprises tangible assets owned and right-of-use (leased) assets. The assets presented below do not meet the definition of investment property.

	Production equipment \$'000	Furniture and equipment \$'000	Computer equipment \$'000	Total \$'000
Gross carrying amount	220	50	118	388
Accumulated depreciation	(199)	(45)	(114)	(358)
Carrying amount	21	5	4	30

Reconciliation 2023-24

Carrying amount at the beginning of year	28	7	16	51
Additions	-	-	2	2
Depreciation expense	(7)	(2)	(14)	(23)
Carrying amount at the end of the year	21	5	4	30

Plant and equipment with a value equal to, or in excess of, \$1k is capitalised, otherwise it is expensed. Plant and equipment owned by the Company is recorded at fair value.

There are no indicators of impairment at 30 June 2024.

5.2 Intangible assets

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

The acquisition of, or internal development of, software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$5k.

The carrying value of the Australian Opera Digital Library (AODL), an intangible asset created in 2021-22, is \$60k and is included in the total intangible assets. The company has assessed the AODL as having an indefinite useful life due to its intrinsic value not being lost over time as a piece of operatic history and educational resource, and has therefore not been amortised. Its useful life will be reviewed each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. If they do not, the change in the useful life assessment from indefinite to finite will be accounted for as a change in an accounting estimate.

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024

	Purchased computer software \$'000	Australian Opera Digital Library \$'000	Total \$'000
Gross carrying amount	51	60	111
Accumulated amortisation	(51)	-	(51)
Carrying amount	-	60	60
Reconciliation 2023-24			
Carrying amount at the beginning of year	1	60	61
Amortisation expense	(1)	-	(1)
Carrying amount at the end of the year	-	60	60

6 Financial assets**6.1 Categorisation of financial assets**

	2024 Carrying amount \$'000	2023 Carrying amount \$'000
Financial assets		
Cash and equivalents		
Cash and cash equivalents	4,715	3,250
Financial assets at amortised cost		
Receivables	231	162
Other financial assets	469	451
Total Financial assets	5,415	3,863

Receivables as disclosed in this note does not include statutory amounts as these are not financial instruments.

6.2 Cash and cash equivalents

	2024 \$'000	2023 \$'000
Short term deposits	4,687	3,192
Cash at bank	28	58
Total Cash and cash equivalents	4,715	3,250

Short-term deposits are made for varying periods of between one day and three months. The deposits are lodged with the South Australian Government Financing Authority (SAFA) and private sector financial institutions and earn interest at the respective short-term deposit rates. As at the reporting dates, all deposits were held with SAFA.

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024

6.3 Receivables

	2024	2023
	\$'000	\$'000
Current		
Contractual receivables		
From non-government entities	28	29
Total Contractual receivables	28	29
Prepayments	209	354
Accrued revenues	203	133
Total Current Receivables	440	516
Non-current		
Prepayments	95	64
Total Non-current Receivables	95	64
Total Receivables	535	580

Contractual receivables arise in the normal course of selling goods and services to other government agencies and to the public. Contractual receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Prepayments for production elements are recognised upon the receipt of invoices for the delivery of goods or services and held as such until the date of staging the production, at which time it is expensed in full. All other non-production related prepayments are recognised as invoiced for the period in advance, and the expense is recognised over the amortised period it relates to.

There are no Statutory Receivables at the reporting dates.

Allowance for impairment loss on receivables

Due to the minimal level of receivables held, from non-government entities, and timely basis in which they are settled, it has been determined that there is no impairment of receivables. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

6.4 Other financial assets

	2024	2023
	\$'000	\$'000
Non-current		
Shares and units held in listed entities	469	451
Total Non-current Other financial assets	469	451

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024

6.5 Investments in associates

	2024 \$'000	2023 \$'000
Non-current		
Investments in associates	46	129
Total Non-current investments	46	129

Investments in associates

Under the Multi-Partite Funding Agreement with Creative Australia, the Company is awarded additional funding to be invested in an arrangement with Opera Australia, Opera Queensland and Western Australian Opera (known as The Opera Conference) to contribute towards local artist development. This funding is treated as partners' capital in the partnership financial statements and the losses are allocated to each partner.

The Company has a 20% financial interest in The Opera Conference Partnership and is considered to have significant influence over its operations.

In accordance with AASB 128, this investment has been accounted for using the equity method and has been tested for indications of impairment at the reporting date.

The audited financial statements of The Opera Conference Partnership have been relied upon to account for this investment in associates. Due to the impacts of COVID-19, the partnership ceased the majority of operations and therefore have no significant transaction or events to record.

Summarised financial information for The Opera Conference is set out below:

	2024 \$'000	2023 \$'000
Cash and cash equivalents	638	653
Receivables	41	42
Total assets	679	695
Payables ^a	450	50
Total net assets	229	645
Equity partner share (20%)	46	129
Cash contribution (between partnership and company reporting dates)	-	-
Investment in associate	46	129

a Includes \$298k payable to Opera Australia and \$148k payable to Opera Queensland in 2023-24.

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024**7 Liabilities**

Employee related liabilities are disclosed in note 3.4.

7.1 Categorisation of financial liabilities**Financial liabilities****Financial liabilities at amortised cost**

Payables

Total Financial liabilities

2024	2023
Carrying amount	Carrying amount
\$'000	\$'000
35	25
35	25

Payables as disclosed in this note does not include statutory amounts as these are not financial instruments.

7.2 Payables**Current****Contractual Payables**

Trade payables

Credit cards payable

Accrued expenses

Total Contractual Payables**Statutory Payables**

Accrued expenses

GST payable

PAYG payable

Total Statutory Payables**Total Current Payables**

2024	2023
\$'000	\$'000
15	14
20	11
17	25
52	50
49	30
93	75
37	25
179	130
231	180

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 include accrued expenses for audit fees payable to the Auditor-General's Department relating to work performed under the Public Finance and Audit Act 1987. This is in addition to employee related payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go Withholding and ReturnToWorkSA levies, and the net amount of GST payable to the ATO. Statutory payables are carried at cost.

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024

7.3 Contract liabilities

	2024 \$'000	2023 \$'000
Current		
Advance box office	220	147
Advance sponsorship	28	38
Advance grants	999	947
Advance others	22	11
Total Current Contract liabilities	1,269	1,143

Box office income of \$220k (\$147k) was deferred until the future periods in which the productions occur.

Sponsorship income of \$28k (\$38k) was deferred until the following financial year to the period of the production per the sponsorship agreement.

Grant income of \$999k (\$947k) received at the end of 2023-24, from Creative Australia and Arts SA, was deferred to support the Company's future programs.

Other unearned income of \$22k at the end of 2023-24 includes membership services to be provided to Opening Night Circle subscribers.

7.4 Provisions

	Workers Compensation 2024 \$'000	Other 2024 \$'000	Total 2024 \$'000
Carrying amount at the beginning of the period	128	-	128
Additions	7	-	7
Remeasurement	(100)	2	(98)
Carrying amount at the end of the period	35	2	37

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. Refer to Note 3.3 for further explanation regarding the current year provision.

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

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024

8 Other disclosures

8.1 Equity

Equity consists of accumulated surpluses from the ordinary business operations of the Company and restricted reserves.

Future productions reserve

The Company's Reserves and Investment Policy, allows for surpluses over and above the required minimum unrestricted reserves to be ringfenced in the future productions reserve. Unrestricted reserves are to be maintained at a 20% of expenditure minimum in accordance with the Multi-Partite Funding Agreement with the SA Government (Arts South Australia) and the Australian Federal Government (Creative Australia).

These funds can be allocated at the end of each financial year, based on the greater of actual expenses in the current year and budgeted expenses for the year ahead, and are to be used on the commissioning, creation and/or delivery of an operatic production in subsequent years, rather than for general use.

Significant bequests reserve

In line with the Company's bequest management policy, the Significant Bequests Reserve ringfences unrestricted receipts in excess of \$10,000 for asset investment purposes.

Subject to specific board approval, the use of bequest monies may include but not be limited to such purposes as; the development and creation of the operatic artform, the development and delivery of State Opera programming, staff and artist fees, acquisition or maintenance of assets including property, infrastructure, equipment, technology and building improvements.

Reserves Incentive Scheme funds reserve

The Company entered into an agreement, known as the *Reserves Incentive Scheme Funding Agreement*, with Creative Australia and Arts SA during 2009-10. The Scheme was designed to encourage and assist the Major Performing Arts companies to strengthen their Statement of Financial Position by building reserves to a level that is sufficient to underpin their financial health.

The funds received under the Agreement were placed in escrow and were released into unrestricted reserves on 31 March 2024 by joint instruction from Creative Australia and Arts SA.

Trust funds reserve

Diana Ramsay Fund and the Thora and Frank Pearce Opera Foundation reflect Trust funds held and controlled by the Company.

Trust funds

The State Opera of South Australia holds funds in a trustee capacity. These funds are included in the financial statements as cash and investments as they are effectively controlled by the Company.

The State Opera administers the *Thora and Frank Pearce Opera Foundation*, established in August 1999, and the *Diana Ramsay Fund*, established in November 2001. The Foundation and the Fund are both financed by public donations. All funds are to be used exclusively for cultural purposes associated with opera.

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024

	2024 \$'000	2023 \$'000
<i>Thora and Frank Pearce Opera Foundation</i>		
Balance at the beginning of year	210	205
Interest revenue	-	5
Distribution for staging opera	(210)	-
Total Thora and Frank Pearce Opera Foundation	-	210
 <i>Represented by:</i>		
Cash and cash equivalents	-	210
Total Thora and Frank Pearce Opera Foundation	-	210
 <i>Diana Ramsay Fund</i>		
Balance at the beginning of year	867	845
Dividend income	20	21
Interest revenue	18	13
Distribution for surtitles/training young singers	(35)	(31)
Changes in market value of investments	19	19
Total Diana Ramsay Fund	889	867
 <i>Represented by:</i>		
Cash and cash equivalents	420	416
Other financial assets	469	451
Total Diana Ramsay Fund	889	867
 Total Trust funds	889	1,077

8.2 Cash flow

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

STATE OPERA OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 June 2024

9 Outlook

9.1 Unrecognised commitments

Commitments include operating, capital and outsourcing arrangements arising from contractual sources and are disclosed at their nominal value and inclusive of non-recoverable GST.

Expenditure commitments

	2024 \$'000	2023 \$'000
Within one year	238	231
Later than one year but not longer than five years	245	-
Total unrecognised Expenditure commitments	483	231

The Company's expenditure commitments are for agreements for:

- Memoranda of administrative arrangements with the Department for Infrastructure and Transport for accommodation at the Netley Opera Studio, which is used primarily as the business centre and rehearsal studio, as well as occasional performances and storage. This lease was renewed for a further 2 years and terminates on 11 June 2026.

Production related commitments

	2024 \$'000	2023 \$'000
Within one year	527	550
Later than one year but not longer than five years	-	21
Total unrecognised Production related commitments	527	571

The Company, by the nature of its operations, has entered into contracts with artists for performances scheduled to take place subsequent to the year end. The terms and conditions of the contracts may also place a liability on the Company to pay some or all of these amounts should the artist not be engaged, hired scenery, or costumes not used.

These commitments have been made on the basis that ongoing funding will continue from the State and Federal Governments at an appropriate level.

9.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

The Company is not aware of any contingent assets or contingent liabilities.

9.3 Events after the reporting period

There has not arisen in the interval between the end of the financial year and the date of this report, any other item, transaction or event of a material and unusual nature likely, in the opinion of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.