



# Annual Report

2018-19

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## Letter to the Premier

31 October 2019

The Hon. Gladys Berejiklian  
Premier of NSW  
Parliament House  
Macquarie Street Sydney NSW 2000

Dear Premier

I am pleased to submit for presentation to Parliament the Infrastructure NSW Annual Report for the financial year ended 30 June 2019.

The report has been prepared in accordance with the Annual Reports (Statutory Bodies) Act 1984, the Public Finance and Audit Act 1983 and the regulations under those Acts.

The financial statements for 2018–19, which form part of the report, have been submitted to and certified by the Auditor-General of New South Wales.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. Draper', with a long horizontal stroke extending to the right.

Simon Draper  
Chief Executive Officer

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# About us

Infrastructure NSW provides specialist advice to the NSW Government on infrastructure investment and prioritisation. We are an independent statutory agency, established under the *Infrastructure NSW Act 2011*.

Infrastructure NSW's core functions include providing independent and strategic advice to ensure infrastructure investment decisions are underpinned by robust assessment and long term planning; monitoring NSW's infrastructure program through independent reviews and expert analysis; recommending infrastructure projects to the NSW Treasurer for funding from the Restart NSW fund; and managing the procurement and delivery of nominated priority projects.

## The Act

Infrastructure NSW was established in July 2011 as a statutory body, under the Infrastructure NSW

Act 2011. The Act tasks Infrastructure NSW with the following functions:

- a) to prepare and submit to the Premier a 20-year State infrastructure strategy
- b) to prepare and submit to the Premier 5-year infrastructure plans and other plans requested by the Premier
- c) to prepare and submit to the Premier sectoral State infrastructure strategy statements
- d) to prepare project implementation plans for major infrastructure projects
- e) to review and evaluate proposed major infrastructure projects by government agencies or the private sector and other proposed infrastructure projects (including recommendations for the role of Infrastructure NSW in the delivery of those projects)
- f) to oversee and monitor the delivery of major infrastructure projects and other infrastructure projects identified in plans adopted by the Premier
- g) to carry out or be responsible for the delivery of a specified major infrastructure project in accordance with an order of the Premier under Part 5
- h) to assess the risks involved in planning, funding, delivering and maintaining infrastructure, and the management of those risks
- i) to provide advice to the Premier on economic or regulatory impediments to the efficient delivery of specific infrastructure projects or infrastructure projects in specific sectors
- j) to provide advice to the Premier on appropriate funding models for infrastructure
- k) to co-ordinate the infrastructure funding submissions of the State and its agencies to the Commonwealth Government and to other bodies
- l) to carry out reviews of completed infrastructure projects at the request of the Premier
- m) to provide advice on any matter relating to infrastructure that the Premier requests.

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# Chairman and CEO overview

Throughout 2018-19, Infrastructure NSW continued to provide independent, expert advice to support the NSW Government's growing infrastructure investment program, with a focus on implementing key recommendations of the 2018 State Infrastructure Strategy. This included finalising a Strategic Options Business Case for the South Creek Sector Review for Government's consideration and continuing work to develop a whole of Government Asset Management Policy.

Infrastructure NSW also continued to provide major project assurance and during the financial year, over 188 new projects with a combined value of \$52 billion were registered with the Investor Assurance program, over 120 assurance reviews were completed and over 350 projects were monitored by Infrastructure NSW and reported to Cabinet.

This critical program of work continues to enable Infrastructure NSW to facilitate constructive solutions to issues raised in assurance reviews, grow capability in the NSW public sector and keep Government abreast of current and emerging issues.

The organisation also celebrated the completion of the new Western Sydney Stadium and the upgrade of the Anzac Memorial in Hyde Park, two important pieces of social infrastructure for the people of NSW.

Work to lead the Construction Leadership Group, which aims to drive reform across government in the development, procurement and delivery of infrastructure projects, also continued throughout the year as did work to implement the nine key outcomes of the Hawkesbury-Nepean Valley Flood Strategy.

On 2 April 2019, Jim Betts was appointed as the new Secretary of the Department of Planning, Industry and Environment. Jim joined Infrastructure NSW as Chief Executive Officer in 2014 and under his leadership, the organisation achieved many successes and cemented its place as an independent, trusted advisor to Government. We would like to thank Jim for his service and dedication over his five-year tenure as CEO.

## **The year ahead**

2019-20 is expected to be a busy year for Infrastructure NSW. Machinery of Government changes saw the Barangaroo Delivery Authority and UrbanGrowth NSW Development Corporation cease to be entities on 1 July 2019, and their functions and assets, rights and liabilities transferred to Infrastructure NSW.

The changes provide a mechanism for assets, rights and liabilities transferred to Infrastructure NSW to be subsequently transferred to the Crown, a public authority, a State-owned Corporation or another person acting on behalf of the Crown. Infrastructure NSW is considering whether some of the projects and functions would be better supported in the long term by being housed within another government agency.

The Projects NSW portfolio has expanded as a result of these changes, with additional projects and programs including the new Sydney Fish Market and completion of the Barangaroo precinct being delivered by Infrastructure NSW. A delegation to deliver the new Museum of Applied Arts and Sciences in Parramatta is also expected.

The Strategy, Planning and Innovation team will continue their focus on providing independent and expert advice to the NSW Government on infrastructure investment, prioritisation and delivery.

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Increased reporting requirements will give the Investor Assurance team greater oversight of the NSW Government's capital program, and a program to build capability in delivery agencies will be rolled out.

The agency will continue to provide expert advice on specific infrastructure initiatives including coordination and oversight on the implementation of Phase One of the Resilient Valley, Resilient Communities - Hawkesbury-Nepean Valley Flood Risk Management Strategy, and completing the South Creek Sector Review.

Corporate Services will also continue to expand and mature to support this growing portfolio, as well as the consolidation of three organisations into one.



Graham Bradley  
Chair



Simon Draper  
CEO

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# Review of 2018-19

Infrastructure NSW had a successful year in 2018-19. Major achievements of the year are outlined below.

## Investor assurance

Infrastructure NSW assures Government's capital infrastructure program. This overview enables us to:

- Facilitate constructive solutions to issues raised in assurance reviews
- Create a shared value chain by developing capability in delivery agencies
- Advise Government and agencies on current and emerging issues
- Provide responsive, reliable and credible advice.

## Infrastructure Investor Assurance Framework

During 2018-19, Infrastructure NSW continued to implement the Infrastructure Investor Assurance Framework (IIAF) in line with the NSW Government's Gateway Policy. The risk-based, tiered approach to investor assurance under the IIAF ensures that the greatest focus is on the most important and complex projects, and at the end of June 2019:

- 48 Tier 1 (high profile, high risk) projects were monitored and reported to Cabinet monthly
- 149 Tier 2 and 158 Tier 3 projects were monitored and reported to Cabinet on a quarterly basis.

In May 2019, Infrastructure NSW commenced reporting on qualifying infrastructure projects with a value of \$500,000 up to under \$10 million. Key registration, reporting and independent Gateway Reviews, Health Check and Deep Dive Review metrics are highlighted in the figure overleaf.

## NSW Assurance Portal

Infrastructure NSW is working with NSW Treasury and Customer Service to deliver a state-wide portal for assurance activities under the NSW Gateway Policy. The focus of this project has been to build a platform that is future proof and can respond to the changing needs and volume of project assurance in NSW. The NSW Assurance Portal will be progressively rolled out over 2019-20.

## Business Case Summaries

Infrastructure NSW prepares and publishes business case summaries for major projects to improve transparency on Government's funding decisions. In 2018-19, Infrastructure NSW published Business Case summaries for the Towards Zero Infrastructure Program and the Telopea Renewal Project.

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## **Business Case Practitioners Toolkit**

Launched in February 2019, the Business Case Toolkit is one of the key capability-building initiatives undertaken by Infrastructure NSW to support NSW government clusters in developing business cases. The Toolkit was created in response to a recognised need from agency practitioners (i.e. those who develop business cases) to simplify the initiation and overall development of business cases for projects. The Toolkit includes the provision of best practice guides and the establishment of a Community of Practice.

## **Movement and Place**

Using insight and learnings from the assurance function, Infrastructure NSW contributed to the development of the NSW Government Movement and Place Framework, which includes a practitioner's guide that incorporates key principles to apply to project planning, and a toolkit which outlines useful methodologies to get better movement and place outcomes.

## **New Gateway Review Workbooks**

Infrastructure NSW collaborated with NSW Government agencies and industry experts to author 11 new Gateway Review Workbooks drawing on experience in undertaking reviews and improving the focus on issues relating to a project or program's lifecycle stage. Infrastructure NSW is currently developing a Gateway Reviewer Training Module to complement the new Gateway Review, Health Check and Deep Dive Workbooks.



## Investor Assurance metrics for 2018-19

### Project Registrations



Capital projects are registered with Infrastructure NSW to determine the level of assurance and reporting applicable. An appropriate project tier is determined based on a project's capital cost and an assessment of qualitative risk criteria, which include: level of government priority; interface complexity; procurement complexity; agency capability; and essential service.

**744**

**\$231B**

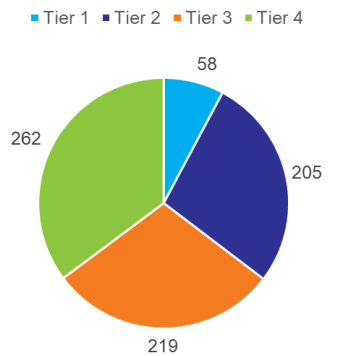
At the end of June 2019 there were 744 projects in various stages of registration with Infrastructure NSW resulting in oversight of projects worth over \$231 billion.

**188**

**\$52B**

188 additional projects were registered since July 2018 with an estimated combined value of \$52 billion.

744 projects were registered with nominated (or initially assessed) project tiers shown below.



### Regular Project Reporting



Regular project reports are presented to Cabinet to provide Government with updates on implementation against time, cost, quality, risks and impediments to project development/delivery. The reports also provide alerts for government attention and/or intervention where required.

**48**

At the end of June 2019, there were **48 Tier 1 (High Profile/High Risk)** projects being monitored and reported by Infrastructure NSW to Cabinet.

**307**

At the end of June 2019, there were **149 Tier 2 and 158 Tier 3** projects being monitored and reported by Infrastructure NSW to Cabinet.

### Assurance Reviews



Since 2015, 443 assurance reviews (270 Tier 1, 137 Tier 2, 27 Tier 3 and 9 Tier 4) have been conducted, with 124 reviews (79 Tier 1, 38 Tier 2, 6 Tier 3 and one Tier 4) conducted during this reporting period. The reviews included both Gateway Reviews as well as Health Checks and Deep Dive Reviews taking place between gates. The review reports are 'Sensitive NSW Cabinet' documents that detail a project's progress, highlight risk and issues and make recommendations to prevent project failure. These reports are routinely provided to Cabinet for scrutiny and action.

Reviews completed up to June 2019

**443**

Reviews completed from 1 July 2018 to 30 June 2019.

**124**

## Strategy, Planning and Innovation

Another core function of Infrastructure NSW is to provide independent and strategic advice to the NSW Government to ensure infrastructure investment decisions are informed by robust assessment, independent assurance and long-term planning. Key initiatives of the Strategy, Planning and Innovation team are outlined below.

### Implementation and monitoring of the 2018 State Infrastructure Strategy

In February 2018, Infrastructure NSW submitted its third State Infrastructure Strategy (SIS), *Building Momentum*, to the Premier setting out its independent advice on the current state of NSW's infrastructure and the needs and priorities over the next 20 years. The NSW Government accepted 113 of the 122 SIS recommendations and released it on 18 March 2018 in coordination with respective land use and transport long term strategies prepared by the Greater Sydney Commission and Transport for NSW.

Over the 20-year horizon of the SIS, 79 recommendations were identified as priorities to address within the short term (0 - 5 years), 21 within the medium (5 -10 years) and longer term (10 – 20+ years). A further 13 recommendations were programs identified for implementation over the 0-10+ years timeframe.

Eight recommendations (outlined below) were also the sole or joint responsibility of Infrastructure NSW (where Infrastructure NSW is assisting the lead agency).

Recommendation 14	Identify and deliver major project procurement reforms
Recommendations 15 and 16	Asset management policy and assurance framework
Recommendation 21	Integrating infrastructure resilience into business cases, capital investment plans and assurance frameworks
Recommendation 30	Smart Cities Strategy and Program Business Case
Recommendation 39	'Lessons Learned' review of social housing delivery models
Recommendation 46	Roadmap to integrated transport network user pricing
Recommendation 93	South Creek Strategic Business Case

Since March 2018, Infrastructure NSW has made significant progress addressing these SIS recommendations. Recommendations are either complete (South Creek, Social housing 'Lessons learned' review), nearing completion (Procurement reforms and Smart Places Strategy), or awaiting Government endorsement. All others with longer-term time horizons are in progress.

Infrastructure NSW also assists the Department of Premier and Cabinet in monitoring progress of the NSW Government responses to the SIS recommendations accepted by government.

The SIS also recommended the NSW Government develop a range of sectoral plans and infrastructure strategies. Infrastructure NSW continues to play a role in the implementation of the SIS by advising NSW Government agencies with the responsibility for developing these strategies. This advisory role ensures that the sectoral plans and strategies reflect contemporary issues in infrastructure and service delivery, and align with the Strategic Directions and recommendations outlined within the SIS.

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## Asset Management

During 2018-19, Infrastructure NSW led the development of the new Asset Management Policy for the NSW Public Sector in response to the Government's acceptance of the SIS recommendation. The success of this work demonstrates a commitment to ensure that a strong asset management framework is in place for NSW to extract maximum benefit from the State's physical asset portfolio and to ensure that infrastructure spending remains sustainable to meet future service requirements of our customers and communities.

Central to the objectives of the policy, is the building of capability across government to address the long term strategic challenges of population growth, climate change, expectations for improved service delivery, and the aging profile of assets.

The Asset Management Policy for the NSW Public Sector will result in:

- An increase of the level of asset management maturity and accountability in line with accepted contemporary industry standards
- An increase in economic and social value of assets through robust, defensible asset planning and through-life support
- A decrease in lifecycle operating costs and increase return on assets through improved asset performance and maintenance practices
- Prospectively identify the optimal asset maintenance regime, which considers criticality and economic outcomes.

### Milestones in 2018-19

The NSW Government endorsed the Asset Management Policy in December 2018. An Asset Management Policy launch event was held 31 January 2019 with State Government Executives where the priority of robust asset management for the State was emphasised. Speakers included Tim Reardon, Secretary of Department Premier and Cabinet; Jim Betts, then CEO of Infrastructure NSW; and, Mike Pratt Secretary of NSW Treasury.

Infrastructure NSW also established a regular NSW Asset Management Community of Practice forum – five sessions were held during 2018-19, with over 90 members from over 30 Government agencies, demonstrating whole-of-government engagement and improving the capability and practice of asset management in NSW Government.

Partnership with industry via the Asset Management Council of Australia to deliver Asset Management Maturity Assessments across NSW Government – the assessments quantify, baseline and benchmark agency maturity against contemporary asset management standards and practices.

In September 2018, the NSW Government Construction Leadership Group endorsed the Strategic Case for Digital Built NSW which advances the development of a digital engineering policy and road map for NSW. Together with the Asset Management Policy, Digital Built NSW will enable a thriving NSW digital economy for the built environment, encouraging growth and competitiveness and facilitating a more effective use of current and future infrastructure assets.

### NSW Government Construction Leadership Group

Infrastructure NSW leads the NSW Government Construction Leadership Group (CLG), which was established in 2018 to drive reform across government in the development, procurement and delivery of infrastructure projects. All of the key NSW Government agencies engaged in the delivery of the large long-term pipeline of infrastructure investment are represented on the CLG.

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This year, the CLG progressed the *NSW Government Action Plan: A ten point commitment to the construction sector*. The Action Plan recognises that the NSW Government can only achieve its infrastructure objectives in partnership with the private sector and takes a longer-term view about the need to drive quality, innovation and cost effectiveness by fostering a thriving and sustainable construction sector in NSW.

### Milestones in 2018-19

An updated NSW Infrastructure pipeline was published in December 2018, providing a transparent view of projects worth \$50 million or more over the next three to five years.

A package of 11 Practice Notes were developed in consultation with the NSW Government CLG, the Victorian CLG and the Australian Constructors Association. They were developed as guidance to equip procurement and delivery personnel with insights into key challenges affecting the industry and covered the following topics:

- Early works packaging – to create opportunities for a broad range of contractors to be involved in smaller, discrete packages at the beginning of major projects.
- Achieving value through bid-cost contribution – to address the high cost of bidding on major construction projects.
- Cash neutrality in the mobilisation phase – to support head contractors and sub-contractors to attain a sustainable cash flow position from project commencement.

Efforts of the CLG also oversaw employment and training hubs underway for 6 major projects, lifting the number of local workers employed, and three new Infrastructure Skills Legacy Program projects established, taking the total to 14 projects creating an employment, skills and diversity legacy.

### Looking forward

The CLG and its member agencies will now focus on:

- Extending commercial principles and practices across all major infrastructure projects
- Standardising contracts for linear, built and small projects
- Developing practical measures to reduce planning and utility-related risks
- Supporting smaller contractors to understand their contractual risks and entitlements
- Monitoring and rewarding high performing contracts
- Driving further roll-out of skills and diversity programs
- Working with industry to develop a culture standard
- Boosting government's workforce capability through the Major Projects Leadership Program.

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## Projects NSW

Projects NSW is a specialist delivery arm of Infrastructure NSW that manages the procurement and delivery of nominated priority projects to ensure world-class infrastructure for NSW. Throughout 2018-19, Infrastructure NSW continued to oversee the procurement and delivery of a number of major infrastructure projects as outlined below.

### Western Sydney Stadium

The new 30,000 seat Western Sydney (Bankwest) Stadium was delivered by Infrastructure NSW on behalf of the NSW Government in March 2019 on time and on budget.

Infrastructure NSW worked closely with design and construction partner Lendlease to deliver the new Stadium which is managed by Venues NSW on behalf of the NSW Government and operated by VenuesLive NSW.

The Stadium, which forms part of the New South Wales Government's plan to improve sporting and entertainment infrastructure across the state, is the first to be delivered as part of the pipeline of stadia improvements.

The Stadium which sits on the old Parramatta Stadium site is located in the geographical 'heart' of Sydney (Parramatta) and caters for a range of sporting and entertainment events providing a flexible arena that can be transformed as needed to ensure a superior experience for players, performers and fans alike.

Major construction commenced in September 2017 and the first event was held in April 2019 to a near sell-out crowd.

### Milestones in 2018-19

- Significant progress on construction was made including commencement of seat installation in mid-October 2018, and turf installation in early March 2019.
- Construction was completed in late March 2019 and on 14 April 2019, 30,000 fans and community members attended a Community Open Day for an exclusive first look at the new stadium.
- The Stadium was officially opened on 22 April 2019 and a sold-out crowd of 30,000 fans packed into the Stadium for Parramatta Eels versus Wests Tigers.

### Anzac Memorial

The Anzac Memorial Centenary Project saw the renewal of the Anzac Memorial at Hyde Park in Sydney. After commencing construction in November 2016, the project was complete and open in late 2018, in time for the Centenary of Armistice Day commemorations.

The project has realised the vision of the original architect, Bruce Dellit, whose plans for the Memorial included a water cascade reaching south through the park to Liverpool Street. As well as delivering the water cascade, the project added new education and interpretation facilities underground so as not to impact the existing Memorial or the public open space in Hyde Park South. This has allowed more education programs, permanent and temporary exhibitions, a major contemporary art commission and space for the Memorial's collection.

Infrastructure NSW oversaw the delivery of the project on behalf of the Anzac Memorial Trustees. The project was jointly funded by the NSW Government, the Federal Government, and supported by the City of Sydney and the NSW Returned and Services League.

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## Milestones in 2018-19

- Construction was complete in October 2018.
- The refurbished memorial was officially opened on 20 October 2018 by His Royal Highness Prince Harry the Duke of Sussex.

## Clarence Correctional Centre

Infrastructure NSW continued to oversee delivery of the Clarence Correctional Centre, a new correctional centre in Lavadia, approximately 12km from Grafton in Northern NSW. When complete, the centre will accommodate 1700 inmates, feature state of the art security and surveillance and focus on rehabilitation to help reduce the rate of reoffending.

The project is being delivered as a public private partnership (PPP), and the private sector is responsible for the design, construction, and once complete, the operation and maintenance of the facility for 20 years. The NSW Government will retain ownership of the facility.

Early works began in July 2017 and major works commenced in March 2018. Construction is on track to be complete in March 2020, allowing for a testing and commissioning phase before the centre is operational in mid-2020.

Infrastructure NSW is also responsible for delivery of important utilities and services including high voltage power, telecommunications, water supply and an upgrade of the local road which will become the main access road to the prison.

## Milestones in 2018-19

- Significant progress on construction was made, with the last of 5,000 precast concrete elements placed in position in May 2019, and testing and commissioning of buildings commencing in July 2019.
- The operator, Serco, commenced their recruitment drive in July 2018 and by August 2019 had recorded over 2,000 Expressions of Interest for employment at the centre.
- Over 13 kilometres of easements for the high voltage power were successfully negotiated with landowners, enabling construction of the high voltage power supply to commence in April 2019. Completion of the power supply remains on track for completion in December 2019.

## Sydney Football Stadium Redevelopment

Infrastructure NSW is overseeing delivery of the Sydney Football Stadium redevelopment on behalf of the NSW Government and the Sydney Cricket and Sports Ground Trust.

The project will replace the previous Sydney Football Stadium in Moore Park with a contemporary, rectangular stadium up to 45,000 seats. The redeveloped venue will improve playing conditions and spectator experience by bringing seating closer to the pitch, and modernising catering, corporate and player facilities. This redevelopment will enable the Sydney Football Stadium to meet contemporary standards and attract and retain quality events to contribute to the NSW economy and community.

Demolition work commenced in March 2019, and is on track to be complete by the end of the year. Start of major construction works are on track to commence in early 2020, subject to stage two planning approval and award of a contract.

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## Milestones in 2018-19

- Ongoing work to progress the design of the new stadium including a Design Competition for the roof, façade and public domain, with the competition winner announced in October 2018.
- Receipt of Stage One planning approval in December 2018, followed by the preparation and submission of the Stage Two State Significant Development Application which was publicly exhibited during June and July 2019.
- In December 2018, a two-stage contract was awarded to Lendlease for the demolition (stage one) and construction (stage two) of the new stadium with the second stage subject to agreement on the stage two works offer in mid-2019.
- Site establishment works commenced in January 2019, followed by the start of demolition work in March 2019.

## Walsh Bay Arts Precinct

The redevelopment of the Walsh Bay Arts Precinct is a priority infrastructure project for the NSW Government. The iconic heritage wharves at Pier 2/3 and Wharf 4/5 will be redeveloped to create a public arts and cultural hub on Sydney's famous waterfront, while preserving its unique heritage.

Infrastructure NSW is overseeing delivery of this project on behalf of Create NSW. After planning approval was received in May 2018, a competitive tender process and ensuing negotiations resulted in award of a staged contract with Richard Crookes Constructions (RCC) for Wharf 4/5.

Work on Wharf 4/5 is now advanced with all major timber and structural steel works nearing completion and fit out underway. Wharf 4/5 is on track for completion in late 2020. Government is expected to decide on design options and costs for Pier 2/3 later this year.

## Milestones in 2018 -19

- Award of Stage 1 Construction works for Wharf 4/5 in October 2018 to Richard Crookes Constructions.
- Completion of Contractor's Designs and demolition works on site.
- Commencement of major construction works on Wharf 4/5 in March 2018.

## Stadium Australia Redevelopment

The NSW Government is redeveloping Stadium Australia into a world-class 70,000-seat rectangular stadium, which will bring 46,000 seats closer to the action than ever before.

Infrastructure NSW was tasked to prepare a Final Business Case for a reconfiguration of the Stadium to make it a permanent rectangle Stadium, bringing seats closer to the field of play as well as upgrading facilities and amenities.

Infrastructure NSW continues to progress the Final Business Case and supporting concept designs for Government's consideration.

## Milestones in 2018-19

- In June 2019, Infrastructure NSW commenced by the planning process and requested the Secretary's Environmental Assessment Requirements from the Department of Planning Infrastructure and Environment.

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- The State Significant Development Application and Environmental Impact Statement (EIS) were completed. During this time, Infrastructure NSW carried out extensive consultation with the community and key stakeholders to inform the EIS. The EIS is expected to be on exhibition in September and October 2019.

### **Sydney Modern Project**

The expansion of the Art Gallery of NSW – the Sydney Modern Project – will enable the display of more of the State’s art collection and host more major exhibitions from around the world. The new building designed by international Pritzker Prize-winning architects SANAA will be linked by an outdoor art garden to the existing and much-loved historical building.

The NSW Government has committed \$244 million to deliver the project and an additional \$100 million has been raised by the Art Gallery of NSW through philanthropy.

Infrastructure NSW assumed responsibility for delivery of the project in September 2018, following the issue of a Project Authorisation Order from the NSW Premier. Infrastructure NSW continues to work in partnership with the Art Gallery of NSW and Create NSW to deliver the project.

### **Milestones in 2018-19**

- A competitive tender process commenced in October 2018 and is ongoing.
- Planning consent for the project was issued by the Department of Planning and Environment in November 2018.



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## Restart NSW

Infrastructure NSW continues to recommend the use of the funds under the *Restart NSW Fund Act 2011* to enable the delivery of infrastructure projects that improve the state's economic growth and productivity. Projects funded from the Restart NSW Fund include NSW Government agency-led infrastructure projects and local and community infrastructure projects delivered by local government, non-government organisations and other entities, most of which have participated in a submission-based application process in targeted funding programs. Thirty per cent of Restart NSW funding is targeted at regional and rural areas (outside the metropolitan areas of Sydney, Newcastle and Wollongong) over the lifetime of the fund.

New infrastructure projects considered for funding are subject to a rigorous selection process. Projects must be supported by a sound Business Case showing the project is financially and economically justified. The key components of the project assessment framework are:

- A strategic assessment to ensure the project aligns with the Restart NSW Fund Act 2011 criteria and NSW government priorities.
- An economic assessment to ensure the project will improve economic growth and productivity (demonstrated by a benefit-cost ratio greater than one).
- Whether the project has successfully completed the appropriate business case development processes, including, where appropriate, relevant assurance review processes.

### Milestones in 2018-19

As at 30 June 2019, funds deposited into the Restart NSW Fund, including investment earnings, reached a total of \$33.3 billion.

As reported in the 2019-20 NSW Budget, \$1.9 billion was committed to projects from the Restart NSW Fund during 2018-19. This includes Infrastructure NSW recommendations for funding to NSW Government agencies as well as the following targeted funding programs for local and community infrastructure projects:

- Growing Local Economies (\$173.2 million)
- Fixing Country Roads (\$139.9 million)
- Fixing Country Rail (\$73.4 million)
- Housing Acceleration Fund (\$57.8 million)
- Resources for Regions (\$26.4 million)
- Regional Growth – Environment and Tourism Fund (\$26.1 million)
- Safe and Secure Water (\$12.4 million)
- NSW Cycling Infrastructure Initiative (\$11.4 million)
- Water Security for Regions (\$8.8 million).

This is in addition to funding allocated to targeted funding programs in previous years.

Infrastructure NSW administers the funding deed process for local and community infrastructure projects on behalf of the Treasurer to ensure projects are delivered on time and on budget.

By the end of 2018-19, there were 641 local and community infrastructure projects with a combined total of \$1.6 billion in Restart NSW funds.

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## Hawkesbury-Nepean Valley Flood Risk Management Strategy

Infrastructure NSW continues to coordinate Phase One of the *Resilient Valley, Resilient Communities - Hawkesbury-Nepean Valley Flood Risk Management Strategy* (the Flood Strategy), which was released by the NSW Government in May 2017. A Climate Change Fund grant of \$58 million is the primary support for the implementation of this phase of work.

The Flood Strategy is a comprehensive long-term plan for the NSW Government, local councils, businesses and the community to manage the risk posed by regional floods in the Hawkesbury-Nepean Valley. It includes detailed planning, environmental assessments and community consultation for creating a 14-metre flood mitigation zone at Warragamba Dam for the temporary storage of flood waters. This would significantly reduce flood risk downstream of Warragamba Dam to lives, homes and communities. It also includes immediate actions to improve responsiveness to flood risk in the Valley.

WaterNSW is preparing a comprehensive Environmental Impact Statement (EIS) and detailed concept designs for the proposal. The EIS is scheduled for exhibition in early 2020. Pending the NSW Government's approval of the Final Business Case, and subject to environmental and planning approvals, it is expected to take around four years to complete construction.

### Milestones in 2018-19

- Roads and Maritime Services installed a new evacuation road signage system- the first of its type in NSW - to direct the Hawkesbury-Nepean Valley community out of the floodplain in the event of a flood.
- A new state-of-the-art flood evacuation model has been developed to assess the effectiveness of infrastructure options to reduce risk to life. The model is currently being validated to inform flood risk planning and scenario testing
- The Bureau of Meteorology has developed new forecasting products to improve the accuracy and timeliness of rainfall and flood forecasting for the valley. The products are currently being tested with the NSW State Emergency Service and WaterNSW to be operational in 2020
- A new Regional Flood Study, the first in more than 20 years, was completed and released to make contemporary flood risk information available to communities and decision makers
- The Taskforce's Options Report released in February 2019, details the four year options assessment underpinning the Flood Strategy
- All relevant NSW Government agencies, organisations, and 500 role-players completed a training exercises, Exercise Deerubbin, to test emergency management arrangements in the event of a major flood in the Hawkesbury-Nepean Valley.
- The Community Resilience Program commenced in 2018 and focuses on engaging young people, and building flood resilience of our most vulnerable individuals and groups including, disability, aged care and early childhood sectors.
- The inaugural Get Ready for Flood Hawkesbury-Nepean Campaign was prepared for delivery from September to November 2019, consistent with the approach taken for storm and fire season preparation and preparedness.

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## South Creek Sector Review

In 2018-19, Infrastructure NSW continued to lead the South Creek Sector Review, a key recommendation of the State Infrastructure Strategy 2018.

The Greater Sydney Region Plan outlines the opportunity for the Western Parkland City (WPC) to develop on a blue/green grid, encouraging an urban form and pattern of development which will deliver enhanced amenity and liveability, urban cooling with increased tree canopy, affordable housing, lower energy demands and significant employment opportunities, with the Aerotropolis as an economic hub.

The purpose of the South Creek Sector Review is to advise the NSW Government about options for major water infrastructure investment and other decisions required to achieve this vision.

A Strategic Options Business Case (SOBC) was finalised in November 2018 for Government's consideration. The SOBC demonstrated that a business-as-usual approach to land use and water cycle management would compromise the WPC outcomes as described in the Greater Sydney Region Plan, and that an integrated land use and water cycle management approach (including a more compact urban form, increased tree canopy and water recycling) would best deliver the Government's WPC vision.

Stage two of the South Creek Sector Review is now underway and is expected to complete by the end of 2019. This stage will inform planning and delivery of the Western Parkland City and includes identifying:

- the Blue/Green Infrastructure Framework to define the South Creek Corridor (the green spine of the WPC) and identify blue/ green grid elements within the WPC
- the resilience of recycled water investments in the WPC to risks and uncertainties
- a regional approach to waterways governance in the WPC
- the most suitable regulatory mechanisms to mitigate urban heat island effect
- a policy to mitigate cumulative impacts of potential changes to the South Creek floodplain
- an organics and biosolids strategy, and
- the scale and scope of investments required and funding options.

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# Governance

## Management and structure

Infrastructure NSW's governance model was established by the *Infrastructure NSW Act 2011* and comprises a Board and Chief Executive Officer.

### The Board

The Board provides general policies and strategic direction for Infrastructure NSW as well as advice to the Premier and CEO of Infrastructure NSW on infrastructure matters. It comprises an independent Chairman and five private sector members with relevant infrastructure sector experience, all appointed by the Premier, and the heads of the Departments of Premier and Cabinet, Planning, Industry and Environment, and the Treasury.

#### Graham Bradley, AM

##### Chairman

Appointed July 2013

Graham Bradley is a professional company director and is currently Non-Executive Chairman of HSBC Bank Australia and EnergyAustralia Holdings. He is also on the Boards of The Hongkong and Shanghai Banking Corporation, Virgin Australia International Holdings, GI Dynamics, Ensemble Limited and Tennis Australia.

Graham was appointed a director of GrainCorp as of 1 March 2017 and then as the non-executive Chairman on 1 May 2017. In April 2017 Graham was appointed as director and chairman of Stilmark Pty Ltd. Graham resigned as director of GI Dynamics on 24 November 2017. Graham also resigned as Chairman of Anglo American Australia Limited, with effect from 30 June 2016 and also as Chairman and Director of Stockland Corporation Limited with effect from 27 October 2016.

Graham was managing director of Perpetual Limited from 1995-2003. Prior to joining Perpetual, Graham was national managing partner of leading national law firm, Blake Dawson (now Ashurst). Before this, Graham was a partner of McKinsey & Company, a leading international firm of management consultants.

Graham was President of the Business Council of Australia from 2009-2011 and Vice President from 2011-2012. He was Deputy President of the Takeovers Panel from 2006-2013. He is a member of the Advisory Council of the Australian School of Business at UNSW and a director of the European Australian Business Council.

Graham also devotes time to a range of non-profit organisations, including the State Library of NSW. Graham was made a member of the Order of Australia in 2009 in recognition of his contribution to business, medical research and the arts.

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## Simon Draper

### Chief Executive Officer, Infrastructure NSW and Former Secretary, Department of Industry

Appointed 17 March 2018 by virtue of his position within the NSW public service and consistent with the Infrastructure NSW Act 2011; re-appointed April 2019.

Simon joined Infrastructure NSW in April 2019 following a year as the Secretary of the NSW Department of Industry. Simon has previously served as the Deputy Secretary, Economic Policy Group, at the Department of Premier and Cabinet and as a Tribunal Member at the Independent Pricing and Regulatory Tribunal.

Simon has extensive senior executive management experience in infrastructure and utility companies. He is a former CEO of Lumo Energy, Chief Executive Officer of Wellington Airport in New Zealand, General Manager Commercial at Integral Energy and Chief Executive Officer of Northern Territory Airports.

Simon has a Bachelor of Economics (Hons) from Sydney University, a Master of Business (Finance) from UTS and has completed the Company Directors Course of the Australian Institute of Company Directors.

## Jim Betts

### Secretary, Department of Planning, Industry and Environment

Appointed April 2019 by virtue of his position within the NSW public service and consistent with the Infrastructure NSW Act 2011.

Jim served on the Board of Infrastructure as the CEO of Infrastructure NSW from June 2013 until 2 April 2019.

Jim was appointed as the Secretary, Department of Planning, Industry and Environment in April 2019. He is responsible for bringing together a new Planning, Industry and Environment Cluster which will drive greater levels of integration and efficiency across key areas such as long-term planning, precincts, infrastructure priorities, open space, the environment, our natural resources – land, water, mining – energy, and growing industries, with an increased emphasis on regional NSW.

This follows almost six years as the Chief Executive Officer for Infrastructure NSW during which he led the development of the 2014 State Infrastructure Strategy Update and the recent 2018 State Infrastructure Strategy, chaired the Infrastructure Investor Assurance Committee, was responsible for the delivery of a number of the state's infrastructure priorities, and coordinated the development of the NSW Government Action Plan: A ten point commitment to the construction sector through his role as Chair of the NSW Government's Construction Leadership Group.

Prior to that, Jim spent five years as the Secretary of the Victorian Department of Transport and four years as Victoria's Director of Public Transport at the Victorian Department of Infrastructure.

## Michael Pratt, AM

### Secretary, NSW Treasury

Appointed 2 August 2017 by virtue of his position within the NSW public service and consistent with the Infrastructure NSW Act 2011.

Michael Pratt AM was appointed as the 27th Secretary of NSW Treasury and NSW Industrial Relations on 1 August 2017. The Treasury Cluster includes NSW Treasury, NSW Treasury

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Corporation, NSW Industrial Relations, NSW Long Service Corporation, icare (Insurance & Care NSW) and SAS Trustee Corporation.

Prior to his role with Treasury, Michael was the NSW Customer Service Commissioner, where he revolutionised the way the Government delivers services - putting the people of NSW at the heart of service delivery. He led major service reform across the NSW Government, chairing the NSW Customer Advisory Board - the responsible governance entity for the delivery of State Government services to the citizens of NSW.

Michael Pratt was honoured as a Member of the Order of Australia (AM) in the Queen's Birthday 2016 Honours List. Michael was recognised as a role model for Australian society for providing significant service to public administration through reforms in customer service and communication and to the finance and banking industry.

Prior to his role as Customer Service Commissioner Michael was CEO of Consumer and SME Banking, North East Asia, with Standard Chartered Bank. He is a former President of the Australian Institute of Banking & Finance and was the inaugural Joint President of Finsia. Michael's previous roles also include senior executive positions as Group Executive of Westpac Business & Consumer Banking, CEO of National Australia Bank in Australia, CEO of Bank of New Zealand and CEO of Bank of Melbourne.

Michael is also Deputy Chancellor of Western Sydney University, Deputy Chair of icare, and a Non-Executive Director of TAL Dai-ichi Life Australia and Credit Union Australia where he chairs their respective risk committees.

## Tim Reardon

### Secretary, NSW Department of Premier and Cabinet

Appointed November 2017 by virtue of his position within the NSW public service and consistent with the Infrastructure NSW Act 2011

Tim Reardon was appointed as the Secretary of the Department of Premier and Cabinet in late 2017. He is responsible for leading the public service in NSW and driving the Government's services, infrastructure and reform priorities.

Prior to his appointment Tim was the Secretary, Transport where he successfully led the Transport Cluster and its 25,000 people on behalf of the NSW community. Tim led the development and delivery of the largest transport infrastructure and services pipeline in a generation, with over \$41bn of capital works over a four year period.

He was also accountable for better integration across transport services, implementing technology and innovation to improve customer service, and driving reforms and long-term planning to make the transport system more customer-focused and efficient. The NSW transport system now delivers far greater service levels for a fast-growing population and economy across the State, and customer satisfaction is at an all-time high.

Tim has 27 years' experience working in both government and the private sector in NSW and internationally. He is a born and bred New South Welshman and lives in Sydney with his wife Lorna and two daughters.

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## Marika Calfas

### Private Sector Member

Appointed November 2018

Marika Calfas is the Chief Executive Officer of NSW Ports, the organisation responsible for managing a \$5 billion infrastructure portfolio comprising Port Botany, Port Kembla and the intermodal terminals at Cooks River and Enfield. Marika has operated in the port sector for over 17 years, across a broad range of portfolio areas including strategy, planning, environment and infrastructure. Previously Marika held senior positions at Sydney Ports Corporation and Sinclair Knight Merz.

Marika was appointed by the Commonwealth Minister for Infrastructure & Transport to the Expert Panel advising the Government Inquiry into the National Freight and Supply Chain Strategy Priorities in 2017. With a strong belief that ports are crucial to our wellbeing and essential for the nation's economy Marika enjoys working in the industry and has a passion to do things well, make improvements and find new opportunities.

Marika is a board member of Ports Australia, Deputy Chair of the Australian Logistics Council, Member of Infrastructure Partnerships Australia National Advisory Board, Member of Wollongong University's SMART Advisory Council and Australia's representative to PIANC's (the International Waterborne Transport Association) International Environmental Commission.

Marika was awarded the 2018 Women's Achievement in Infrastructure Award by Infrastructure Partnerships Australia and the 2018 Judy Raper Award for Leadership in Engineering by the University of NSW. Marika holds an Engineering Degree (Environmental) from UNSW, a Masters of Engineering Management and a Masters of Environmental Law. She is a Chartered Professional Engineer with Engineers Australia.

## Roger Fletcher

### Private Sector Member

Appointed 15 July 2011

Roger Fletcher is Managing Director of Fletcher International Exports, a company that exports sheep meats, wool and grain to more than 95 countries worldwide and farms sheep, wheat and cotton. Roger is also Deputy Chairman of the National Export Lamb, Sheep and Goat Industries Council, board member of the Australian Meat Industry Council and the Australian Processor Council.

## Rod Pearse OAM

### Private Sector Member

Appointed 15 July 2011

Rod is a Board member of O'Connell Street Associates and is also Chairman of the Infrastructure NSW Audit and Risk Committee. Rod was CEO of Boral Limited (2000 to 2009), a Board member of the Business Council of Australia (2003 to 2009), a member of the Westconnex Delivery Authority Board (2013 to 2015) and a member of the COAG Reform Council Expert Panel on Cities (2010 to 2012).

Rod Pearse retired as a member of the Sydney Motorway Corporation Board in September 2018. Rod was awarded an OAM for services to Youth in 2009.

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## Arlene Tansey

### Private Sector Member

Appointed June 2014

Arlene is a Non-Executive Director of Adelaide Brighton Limited, Primary Health Care and Lend Lease Investment Management. She was the Chairman of Urbanise.com Limited until her retirement from both boards effective 14 October 2016. On 31 March 2016, Arlene was announced as a Non-Executive Director (elect) of Aristocrat Leisure Limited. Arlene was appointed Chair of the Audit Committee for Aristocrat in December 2017.

She is a Fellow of the Australian Institute of Company Directors and a member of Chief Executive Women. Her professional experience is as a senior investment banker, commercial banker and finance and securities lawyer.

### Board members that retired during 2018-19

## Carolyn McNally

### Former Secretary, Department of Planning and Environment

Appointed May 2014 and retired April 2019 by virtue of her position within the NSW public service and consistent with the Infrastructure NSW Act 2011.

## Max Moore-Wilton AC

### Private Sector Member

Appointed July 2011 and retired June 2019.

### Board meetings

There were nine board meetings in 2018-19.

BOARD MEMBER	MEETINGS ATTENDED
GRAHAM BRADLEY, AM (CHAIR)	8
ROD PEARSE, OAM	8
ROGER FLETCHER	8
MAX MOORE-WILTON	7
MARIKA CALFAS (APPOINTMENT COMMENCED NOV 2018)	4
JIM BETTS	8
SIMON DRAPER*	8
CAROLYN MCNALLY (RETIRED APR 2019)*	5
ARLENE TANSEY	7
TIM REARDON*	8
MICHAEL PRATT, AM*	6

*\*includes nominee's attendance*



### Audit and Risk Committee

There were five audit and risk committee meetings in 2018-19.

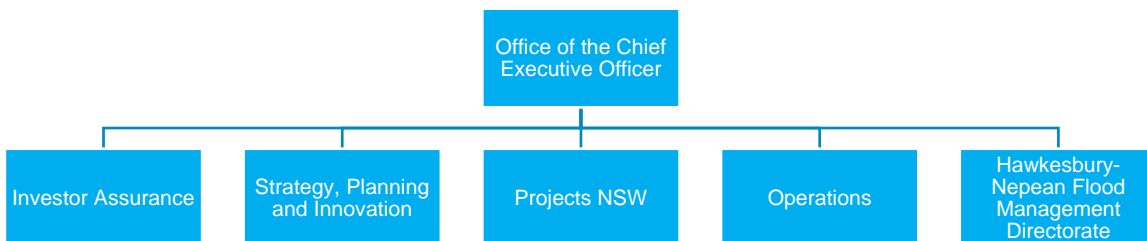
AUDIT AND RISK COMMITTEE MEMBER	MEETINGS ATTENDED
ROD PEARSE OAM (CHAIR)	5
ARLENE TANSEY	5
DI LEESON	5

### Projects NSW Assurance Committee

There were three Projects NSW Assurance Committee meetings in 2018-19.

PROJECTS NSW ASSURANCE COMMITTEE MEMBER	MEETINGS ATTENDED
ROD PEARSE OAM	3
ARLENE TANSEY	3
DENNIS BREWER	3

### Organisational structure



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## Senior management team

Infrastructure NSW has a small team of talented and experienced staff who are working to deliver the functions of the organisation. The senior management team is detailed below.

### Simon Draper

#### Chief Executive Officer

Experience as outlined in the section: Board.

### Amanda Jones

#### Deputy Chief Executive Officer and Chief Operating Officer

Amanda is an Executive with over 30 years' experience in infrastructure planning and delivery including water, energy, transport and IT. Her career as an executive in the utilities sector spans responsibility for corporate governance, capital investment and services, as well as operations, including being CEO of an Energy Retailer.

Highlights range from being responsible for the first 20-year wastewater strategy for Sydney, to providing energy supply for all Sydney 2000 Olympic Games venues, to establishing an energy retail joint venture and meeting customer and profit targets.

Since May 2011 Amanda has been a foundation member of the Infrastructure NSW team, leading the delivery team of First Things First – the 20-year Infrastructure Strategy for NSW released in October 2012. Amanda was also an integral part of the team responsible for State Infrastructure Strategy Update 2014.

Amanda manages the operation of Infrastructure NSW and is responsible for finance, program support for Projects NSW and Restart NSW, as well as governance, including the role of corporate secretary. Amanda represents Infrastructure NSW on a number of key forums.

### Marina Grobbelaar

#### Acting Deputy Chief Executive Officer and Head of Investor Assurance

Marina Grobbelaar is the Deputy CEO and Head of Assurance at Infrastructure NSW. Marina joined the agency in 2017.

With over \$190 billion in infrastructure to deliver in NSW, Marina is leading the Assurance team to ensure major capital projects are delivered in a timely and cost-efficient way through the implementation of the Infrastructure Investor Assurance Framework.

As a senior commercial and financial specialist who has worked in the finance and public administration for 20 years, Marina has expertise in developing, financing, negotiating and executing tailored financing and commercial arrangements for complex procurements across sectors, in Australia and Africa.

Marina has previously held senior roles at NSW Treasury, PricewaterhouseCoopers, HSBC and Coronation Capital in South Africa.

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## Clare Gardiner-Barnes

### Head of Strategy, Planning and Innovation

Clare Gardiner-Barnes is the Head of Strategy, Planning and Innovation at Infrastructure NSW. In her role Clare is responsible for the 20-year State Infrastructure Strategy, development of five year infrastructure plans, provides independent advice to government on strategic infrastructure issues and opportunities.

As a board member of the NSW Telco Authority and Roads Australia, Clare is committed to working with industry and across government to support the adoption of new infrastructure technology. Before taking on infrastructure leadership roles Clare worked in various executive positions in education and was the Chief Executive of the Department of Children and Families in the Northern Territory. Clare is an advocate for women in leadership and workforce flexibility.

## Tom Gellibrand

### Head of Projects NSW

Tom Gellibrand is the Head of Projects NSW. In this role, Tom is responsible for the delivery of High Profile High Risk State Government infrastructure projects.

Prior to joining Infrastructure NSW, Tom was the Acting CEO of Sydney Metro and oversaw the successful delivery of all aspects of the metro program, including projects under construction and in planning.

During a career spanning 25 years, Tom has held senior executive positions in the areas of strategic urban, transport and infrastructure planning. He has also led infrastructure delivery at both the state and local government level. This work has involved the coordination of the private and public sectors in the planning and development of land, the provision of urban services, and the successful delivery of major utility, transport and social infrastructure.

## Maree Abood

### Head of Hawkesbury-Nepean Valley Flood Risk Management Directorate

Maree has extensive experience in public sector water and natural disaster policy, planning and infrastructure delivery of state significant programs and policies in both the Sydney metropolitan and NSW regional areas.

Maree has over 25 years' experience in academic research, education, private and state government sectors. Maree joined Infrastructure NSW in 2014 to head up the Hawkesbury-Nepean Valley Flood Management Taskforce. In 2016, Maree was awarded the 'Premier's Award for Excellence in Public Service' for Building Infrastructure for leading the delivery of the Hawkesbury-Nepean Flood Risk Management Strategy.

Maree is responsible for the oversight and implementation of the whole of government Resilient Valley, Resilient Communities – Hawkesbury- Nepean Valley Flood Risk Management Strategy. Maree represents Infrastructure NSW on a number of water and State Emergency Management Committees.

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## **Risk management and insurance**

Infrastructure NSW has appropriate structures and processes to identify and manage material risks to its strategic and operational objectives.

Under the Model Charter adopted by Infrastructure NSW's Audit and Risk Management Committee, the Committee will ensure Infrastructure NSW operates with appropriate and effective risk management and control frameworks and processes and ensure it has a performance management framework that is linked to organisational objectives and outcomes. The internal audit function of Infrastructure NSW is outsourced to external advisors KPMG.

Infrastructure NSW uses the NSW Treasury Managed Fund for its insurance requirements including workers' compensation, public liability, property and miscellaneous items. During 2018-19 there were no claims made against any of these insurance categories.

## Internal audit and risk management attestation

### Internal Audit and Risk Management Attestation Statement for the 2018-2019 Financial Year for Infrastructure NSW

I, Simon Draper am of the opinion that Infrastructure NSW has internal audit and risk management processes in operation that are compliant with the eight (8) core requirements set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*, specifically:

#### Core Requirements

##### Risk Management Framework

- |     |  |           |
|-----|--|-----------|
| 1.1 | The agency head is ultimately responsible and accountable for risk management in the agency  | Compliant |
| 1.2 | A risk management framework that is appropriate to the agency has been established and maintained and the framework is consistent with AS/NZS ISO 31000:2009 | Compliant |

##### Internal Audit Function

- |     |  |           |
|-----|--|-----------|
| 2.1 | An internal audit function has been established and maintained   | Compliant |
| 2.2 | The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing | Compliant |
| 2.3 | The agency has an Internal Audit Charter that is consistent with the content of the 'model charter'  | Compliant |

##### Audit and Risk Committee

- |     |   |           |
|-----|---|-----------|
| 3.1 | An independent Audit and Risk Committee with appropriate expertise has been established   | Compliant |
| 3.2 | The Audit and Risk Committee is an advisory committee providing assistance to the agency head on the agency's governance processes, risk management and control frameworks, and its external accountability obligations | Compliant |
| 3.3 | The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'   | Compliant |

##### Membership

The chair and members of the Audit and Risk Committee are:

- Independent Chair, Rod Pearse, appointed to the position on 1 June 2014 for an initial 5 year term, extended to the maximum 8 years
- Independent Member 1, Arlene Tansey, appointed to the position on 11 June 2014 for an initial 5 year term, extended to the maximum 8 years
- Independent Member 2, Di Leeson, appointed on 26 April 2016 for an initial 3 year term, extended to 5 years

Simon Draper  
Chief Executive Officer  
Infrastructure NSW

4 October 2019

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## Digital Information Security Policy Attestation

### **Cyber Security Annual Attestation Statement for the 2018-2019 Financial Year for Infrastructure NSW**

I, Simon Draper, am of the opinion that Infrastructure NSW have managed cyber security risks in a manner consistent with the Mandatory Requirements set out in the NSW Government Cyber Security Policy. It is noted that the NSW Cyber Security Policy came into effect from February 1, 2019 and replaced the former NSW Government Digital Information Security Policy.

Risks to the information and systems of Infrastructure NSW have been assessed and are managed.

Governance is in place to manage the cyber-security maturity and initiatives of Infrastructure NSW.

Cyber security incidents, should they occur, are escalated to the NSW GCISO governance forums as required. Infrastructure NSW has developed a response plan for cyber security incidents.

Infrastructure NSW has an Information Security Policy that was in effect for the entire financial year. A maturity assessment against the mandatory requirements of the NSW Cyber Security Policy was undertaken and the results indicated an appropriate level of cyber security maturity for the nature of our business.



Simon Draper

4/9/19.

CEO

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# Financial statements

**Statement by the CEO**

**STATEMENT BY THE CHIEF EXECUTIVE OFFICER**  
**Infrastructure NSW**

Pursuant to section 41C of the *Public Finance and Audit Act 1983*, I state that to the best of my knowledge and belief:

- a) the accompanying Financial Statements exhibit a true and fair view of the financial performance and financial position of Infrastructure NSW as at 30 June 2019, and transactions for the year then ended;
- b) the accompanying financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2015, the Financial Reporting Code for NSW General Government Entities and Treasurer's Directions;
- c) the financial statements and notes have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and other authoritative pronouncements of the Australian Accounting Standards Board;
- d) there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Simon Draper  
Chief Executive Officer  
Infrastructure NSW

25 September 2019



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## Independent Auditors Report



## INDEPENDENT AUDITOR'S REPORT

### Infrastructure NSW

To Members of the New South Wales Parliament

#### Opinion

I have audited the accompanying financial statements of Infrastructure NSW, which comprise the Statement of Comprehensive Income for the year ended 30 June 2019, the Statement of Financial Position as at 30 June 2019, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a Summary of Significant Accounting Policies and other explanatory information of Infrastructure NSW and the consolidated entity. The consolidated entity comprises Infrastructure NSW and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- gives a true and fair view of the financial position of Infrastructure NSW and the consolidated entity as at 30 June 2019, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015

My opinion should be read in conjunction with the rest of this report.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of Infrastructure NSW and the consolidated entity in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

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

## **Other Information**

The Infrastructure NSW's annual report for the year ended 30 June 2019 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Chief Executive Officer of Infrastructure NSW is responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise of the Statement prepared by the Chief Executive Officer.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

## **The Chief Executive Officer's Responsibilities for the Financial Statements**

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Chief Executive Officer determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the ability of Infrastructure NSW and the consolidated entity to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting, unless it is not appropriate to do so.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that Infrastructure NSW or the consolidated entity carried out their activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements

A handwritten signature in black ink, appearing to read 'SML'.

Min Lee  
A/Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

27 September 2019  
SYDNEY



## Financial statements

**Infrastructure NSW**

**Consolidated Financial Statements  
for the year ended 30 June 2019**

Infrastructure NSW

Statement of Comprehensive Income  
for the year ended 30 June 2019

	Notes	Consolidated			INSW		
		Actual	Budget	Actual	Actual	Budget	Actual
		2019	2019	2018	2019	2019	2018
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses excluding losses</b>							
Operating expenses							
Employee related	2(a)	10,143	8,918	8,172	-	-	-
Other operating expenses	2(b)	44,306	36,714	27,488	44,306	36,714	27,488
Depreciation and amortisation	2(c)	212	37	214	212	37	214
Personnel services	2(d)	-	-	-	10,113	8,831	7,734
Other expenses-Projects NSW	2(e)	195,212	303,667	195,878	195,212	303,667	195,878
<b>Total expenses excluding losses</b>		<b>249,873</b>	<b>349,336</b>	<b>231,752</b>	<b>249,844</b>	<b>349,249</b>	<b>231,314</b>
<b>Revenue</b>							
Sale of goods and services	3(a)	207,629	306,243	204,290	207,629	306,243	204,290
Other Income	3(b)	0	4,235	(1)	0	4,235	(1)
Grants and contributions	3(c)	44,959	36,454	32,789	44,959	36,454	32,622
Acceptance by the Crown Entity of employee benefits and other liabilities	3(d)	30	87	271	-	-	-
<b>Total revenue</b>		<b>252,619</b>	<b>347,019</b>	<b>237,349</b>	<b>252,589</b>	<b>346,932</b>	<b>236,911</b>
<b>Gain / (loss) on disposal</b>	4	(4)	-	(34)	(4)	-	(34)
<b>NET RESULT</b>		<b>2,741</b>	<b>(2,317)</b>	<b>5,563</b>	<b>2,741</b>	<b>(2,317)</b>	<b>5,563</b>
<b>Other comprehensive income</b>		-	-	-	-	-	-
<b>Total other comprehensive income</b>		-	-	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>2,741</b>	<b>(2,317)</b>	<b>5,563</b>	<b>2,741</b>	<b>(2,317)</b>	<b>5,563</b>

The accompanying notes form part of these financial statements.

**Infrastructure NSW**  
**Statement of Financial Position**  
**for the year ended 30 June 2019**

	Notes	Consolidated			INSW		
		Actual 2019 \$'000	Budget 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Budget 2019 \$'000	Actual 2018 \$'000
<b>ASSETS</b>							
<b>Current Assets</b>							
Cash and cash equivalents	6	25,153	55,320	41,481	25,153	55,320	41,481
Receivables	7	7,330	4,187	12,105	7,330	4,187	12,105
<b>Total Current Assets</b>		<b>32,483</b>	<b>59,507</b>	<b>53,586</b>	<b>32,483</b>	<b>59,507</b>	<b>53,586</b>
<b>Non-Current Assets</b>							
Plant and equipment	8	256	332	350	256	332	350
Intangible assets	9	14	0	21	14	0	21
<b>Total Non-Current Assets</b>		<b>270</b>	<b>333</b>	<b>371</b>	<b>270</b>	<b>333</b>	<b>371</b>
<b>Total Assets</b>		<b>32,752</b>	<b>59,840</b>	<b>53,957</b>	<b>32,752</b>	<b>59,840</b>	<b>53,957</b>
<b>LIABILITIES</b>							
<b>Current Liabilities</b>							
Payables	10	15,987	31,902	30,082	17,036	32,584	31,015
Provisions	11	1,032	682	914	-	-	-
Unearned Income		1,615	22,257	11,583	1,615	22,257	11,583
<b>Total Current Liabilities</b>		<b>18,634</b>	<b>54,841</b>	<b>42,580</b>	<b>18,651</b>	<b>54,841</b>	<b>42,599</b>
<b>Non-Current Liabilities</b>							
Provisions	11	139	165	141	122	165	122
<b>Total Non-Current Liabilities</b>		<b>139</b>	<b>165</b>	<b>141</b>	<b>122</b>	<b>165</b>	<b>122</b>
<b>Total Liabilities</b>		<b>18,774</b>	<b>55,006</b>	<b>42,720</b>	<b>18,774</b>	<b>55,006</b>	<b>42,721</b>
<b>Net Assets</b>		<b>13,978</b>	<b>4,834</b>	<b>11,237</b>	<b>13,978</b>	<b>4,834</b>	<b>11,237</b>
<b>EQUITY</b>							
Accumulated funds/(deficit)		13,978	4,834	11,237	13,978	4,834	11,237
<b>Total Equity</b>		<b>13,978</b>	<b>4,834</b>	<b>11,237</b>	<b>13,978</b>	<b>4,834</b>	<b>11,237</b>

The accompanying notes form part of these financial statements.



Infrastructure NSW  
Statement of Changes in Equity  
for the year ended 30 June 2019

INSW/Consolidated

	Notes	Accumulated Funds \$'000	Total \$'000
Balance at 1 July 2018		11,237	11,237
<hr/>			
Net result for the year		2,741	2,741
Total comprehensive income for the year		2,741	2,741
<hr/>			
Balance at 30 June 2019		13,978	13,978
Balance at 1 July 2017		5,674	5,674
<hr/>			
Net result for the year		5,563	5,563
Total comprehensive income for the year		5,563	5,563
<hr/>			
Balance at 30 June 2018		11,237	11,237

**Infrastructure NSW**  
**Statement of Cash Flows**  
for the year ended 30 June 2019

	Notes	Consolidated			INSW		
		Actual	Budget	Actual	Actual	Budget	Actual
		2019	2019	2018	2019	2019	2018
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee related		(10,078)	(8,831)	(7,705)	-	-	-
Other operating expenses		(253,530)	(340,887)	(212,963)	(263,610)	(349,718)	(220,501)
<b>Total payments</b>		<b>(263,609)</b>	<b>(349,718)</b>	<b>(220,668)</b>	<b>(263,610)</b>	<b>(349,718)</b>	<b>(220,501)</b>
<b>Receipts</b>							
Sales of goods and services		202,437	306,243	203,877	202,437	306,243	203,877
Grants and contributions		44,959	36,454	32,789	44,959	36,454	32,622
Other income		-	4,735	2,285	-	4,735	2,285
<b>Total receipts</b>		<b>247,396</b>	<b>347,432</b>	<b>238,951</b>	<b>247,396</b>	<b>347,432</b>	<b>238,784</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	15	<b>(16,213)</b>	<b>(2,286)</b>	<b>18,283</b>	<b>(16,213)</b>	<b>(2,286)</b>	<b>18,283</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Purchases of property, plant and equipment		(116)	-	(40)	(116)	-	(40)
Purchases of intangible assets		-	-	-	-	-	-
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(116)</b>	<b>-</b>	<b>(40)</b>	<b>(116)</b>	<b>-</b>	<b>(40)</b>
<b>NET INCREASE/(DECREASE) IN CASH and CASH EQUIVALENTS</b>		<b>(16,328)</b>	<b>(2,286)</b>	<b>18,243</b>	<b>(16,328)</b>	<b>(2,286)</b>	<b>18,243</b>
Opening cash and cash equivalents		41,481	57,606	23,238	41,481	57,606	23,238
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	6	<b>25,153</b>	<b>55,320</b>	<b>41,481</b>	<b>25,153</b>	<b>55,320</b>	<b>41,481</b>

The accompanying notes form part of these financial statements.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**1. Summary of significant accounting policies**

(a) Reporting entity

Infrastructure New South Wales (hereafter referred to as INSW) was established in July 2011 as a statutory authority under the Infrastructure NSW Act 2011. It provides independent advice to help the Government identify and prioritise critical public infrastructure across NSW. INSW is a reporting entity, comprising all the entities under its control, namely INSW Staff Agency (Staff Agency).

The Staff Agency is a public service agency established under the Administrative Arrangements Order 2014 and is pursuant to Part 2 of Schedule 1 of the Government Sector Employment Act 2013 (formerly the Infrastructure Special Officers Group (INSW Division) established under the former Public Sector Employment Management Act. The Staff Agency comprises persons who are employed under the Government Sector Employment Act 2013 to enable INSW to exercise its functions.

In the process of preparing the consolidated financial statements for the economic entity consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated. Infrastructure NSW received an exemption from NSW Treasury to presenting as separate set of statements for the Infrastructure NSW Staff Agency.

INSW is a budget dependent Statutory Authority. INSW is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

These consolidated financial statements for the year ended 30 June 2019 have been authorised for issue by the Chief Executive Officer on 20 September 2019

(b) Basis of preparation

The INSW's financial statements are general purpose financial statements which have been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and Audit Regulation 2015, and
- the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

Plant and equipment are measured at fair value. Other financial statements items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the Financial Statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the entity's presentation and functional currency.

(c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) Insurance

The INSW's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government entities. The expense (premium) is determined by the fund manager based on past claim experience.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**1. Summary of significant accounting policies (continued)**

(e) Accounting for the Goods and Services Tax (GST)

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

- the amount of GST incurred by the INSW as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense, and
- receivables and payables 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 which are recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

(f) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

*(i) Grants and contributions*

Income from grants (other than contribution by owners) is recognised when the entity obtains control over the contribution. The entity is deemed to have assumed control when the grant is received or receivable.

Contributions are recognised at their fair value. Contributions of services are recognised when and only when a fair value of those services can be reliably determined and the services would be purchased if not donated.

*(ii) Sale of goods*

Revenue from the sale of goods is recognised as revenue when INSW transfers the significant risks and rewards of ownership of the goods, usually on delivery of the goods.

*(iii) Rendering of services*

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

*(iv) Unearned Income*

Unearned Income represents the balance remaining at the end of each quarter for income not yet earned for projects being delivered on behalf of other NSW government agencies by the project delivery unit of INSW. INSW issues quarterly claims in advance based on forecast expenditure to these agencies for which the projects are being delivered. INSW draws down against this claim as expenditure is incurred.

\* The Sale of goods and services disclosed in the Statement of Comprehensive Income represents recovery from other NSW government agencies for the following activities undertaken by INSW:

- Projects being delivered on their behalf by the project delivery unit.
- Performing the investor assurance role including resourcing costs of the team and management of gateway reviews
- Strategic assessments where costs and benefits are shared.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**1. Summary of significant accounting policies (continued)**

(g) Property, Plant & Equipment

*(i) Acquisition cost*

Property, plant and equipment acquired are initially recognised at cost and subsequently measured at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent; i.e. the deferred payment amount is effectively discounted over the period of credit.

*(ii) Capitalisation thresholds*

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

*(iii) Restoration cost*

The present value of the expected cost for the restoration or cost of dismantling of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

*(iv) Maintenance*

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement or enhancement of a part or a component of an asset, in which case the costs are capitalised and depreciated.

*(v) Depreciation of property, plant and equipment*

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to INSW.

All material separately identifiable components of assets are depreciated separately over their useful lives.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**1. Summary of significant accounting policies (continued)**

(g) Property, Plant & Equipment (continued)

<b>Depreciation Rates</b>	<b>2019</b>	<b>2018</b>
	<b>% Rate</b>	<b>% Rate</b>
<b>Plant &amp; Equipment</b>		
Office furniture and fittings	14	14
Computer equipment and hardware	33	33
General plant and equipment	25	25
Leasehold improvements	depreciated over the shorter of useful life of an asset or period of the lease	

*(vi) Revaluation of property, plant and equipment*

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP 14-01). This policy adopts fair value in accordance with AASB 13 Fair Value Measurement, AASB 116 Property, Plant and Equipment and AASB 140 Investment Property.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as an approximation of fair value. The entity has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

*(vii) Impairment of property, plant and equipment*

As a not-for-profit entity with no cash generating units, impairment under AASB 136 Impairment of Assets is unlikely to arise. As property, plant and equipment is carried at fair value, impairment can only arise in the rare circumstances where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

INSW assesses, at each reporting date, whether there is an indication that an asset may be impaired. If an indication exists, or when annual impairment testing for an asset is required, the entity estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**1. Summary of significant accounting policies (continued)**

(h) Leases

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of the leased assets, and operating leases under which the lessor does not transfer substantially all the risks and rewards.

Operating lease payments are recognised as an operating expense in the Statement of Comprehensive Income on a straight-line basis over the lease term.

(i) Intangible assets

INSW recognises intangible assets only if it is probable that future economic benefits will flow to INSW and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for INSW's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

INSW's intangible assets are amortised using the straight-line method over a period of four years.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

(j) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in net result.

The entity determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

*(i) Financial assets*

• Receivables

All 'regular way' purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Short-term receivables with no stated interest rate are measured at the original invoice amount unless the effect of discounting is material.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**1. Summary of significant accounting policies (continued)**

(j) Financial instruments (continued)

*Subsequent measurement under AASB 9 (from 1 July 2018)*

The entity holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

*Subsequent measurement under AASB 139 (for comparative period ended 30 June 2018)*

Subsequent measurement is at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

- Impairment of financial assets

*Impairment under AASB 9 (from 1 July 2018)*

The entity recognises an allowance for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit and loss. ECLs are based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate.

For trade receivables, the entity applies a simplified approach in calculating ECLs. The entity recognises a loss allowance based on lifetime ECLs at each reporting date. INSW has determined that as there is no historical credit loss experience and the majority of its receivables are inter-government, it has not recognised any ECLs.

*Impairment under AASB 139 (for comparative period ended 30 June 2018)*

All financial assets are subject to an annual review for impairment. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows have been affected.

For certain categories of financial assets, such as trade receivables, the entity first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. Assets are assessed for impairment on a collective basis if they were assessed not to be impaired individually.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flow, discounted at the effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

Any reversals of impairment losses are reversed through the net result for the year, where there is objective evidence. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.



**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**1. Summary of significant accounting policies (continued)**

(j) Financial instruments (continued)

*(ii) Financial Liabilities*

Financial liabilities are classified as at amortised cost.

- Financial liabilities at amortised cost (including borrowings and trade payables)

Financial liabilities at amortised cost are initially measured at fair value, net of transaction costs. These are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Payables represent liabilities for goods and services provided to the agency and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

*(iii) De-recognition of financial assets and financial liabilities*

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the entity transfers its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:

- where substantially all the risks and rewards have been transferred; or
- where the agency has not transferred substantially all the risks and rewards, if the agency has not retained control.

When the entity has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where the agency has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the agency's continuing involvement in the asset. In that case, the agency also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the agency has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the entity could be required to repay.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

*(iv) Offsetting financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**1. Summary of significant accounting policies (continued)**

(k) Employee benefits and other provisions

Employee benefits are provided to the INSW by the INSW Staff Agency. The INSW recognises personnel services expenses and provisions for these benefits.

(i) Salaries and wages, annual leave and sick leave

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 Employee Benefits (although short-cut methods are permitted). Actuarial advice obtained by Treasury has confirmed that the use of a nominal approach plus the annual leave entitlements accrued while taking annual leave (using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The entity has assessed the actuarial advice based on the entity's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the entity does not expect to settle within 12 months as the entity does not have an unconditional right to defer settlement.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

(ii) Long service leave and superannuation

INSW's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. INSW accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using commonwealth government bond rate at the reporting date.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(iii) Consequence on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**1. Summary of significant accounting policies (continued)**

(l) Other Provisions

Provisions are recognised when: the entity has a present legal or constructive obligation as a result of a past event; it is probable that an out flow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of obligation. When the entity expects some or all of the provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented net of any reimbursement in the Statement of Comprehensive Income.

(m) Equity and reverses

(i) Accumulated Funds

The category 'Accumulated Funds' includes all current and prior period retained funds.

(n) Fair value hierarchy

Fair value hierarchy disclosure under AASB 13 Fair Value Measurement, is not required as INSW's assets are non-specialised short-live assets and measured at depreciated historical cost as a surrogate for fair value.

(o) Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangement Orders) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the financial statements are explained in note 14.

(p) Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**1. Summary of significant accounting policies (continued)**

(q) Changes in accounting policy, including new or revised Australian Accounting Standards

(i) Effective for the first time in 2018-19

INSW has adopted AASB 9 Financial Instruments (AASB 9), which resulted in changes in accounting policies in respect of recognition, classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets. AASB9 also significantly amends other standards dealing with financial instruments such as the revised AASB 7 Financial Instruments: Disclosures (AASB 7R).

INSW applied AASB 9 retrospectively but has not restated the comparative information which is reported under AASB 139 Financial Instruments: Recognition and Measurement (AASB 139). There was no material impact in the application of AASB 9.

(a) Classification and measurement of financial instruments

On 1 July 2018 (the date of initial application of AASB 9), INSW's management has assessed which business models apply to the financial assets held and has classified its financial instruments into the appropriate AASB 9 categories. The main effects resulting from this reclassification are receivables classified as loans and receivables under AASB 139 are now classified and measured at amortised cost.

(b) Impairment

The adoption of AASB 9 has changed INSW's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires INSW to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss. There is no material impact to the reporting entity on adopting the new impairment model

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless NSW Treasury determines otherwise.

The following new Australian Accounting Standards have not been applied and are not yet effective, in accordance with the NSW Treasury mandate (TC 19-04):

- AASB 15, AASB 2014-5, AASB 2015-8 and 2016-3 regarding *Revenue from Contracts with Customers*
- AASB 16 *Leases*
- AASB 17 *Insurance Contracts*
- AASB 1058 *Income of Not-for-profit Entities*
- AASB 1059 *Service Concession Arrangements: Grantors*
- AASB 2016-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not for Profit Entities*
- AASB 2017-1 *Amendments to Australian Accounting Standards – Transfer of investment Property, Annual Improvements*
- AASB 2017-4 *Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments*
- AASB 2017-6 *Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation*
- AASB 2017-7 *Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures*
- AASB 2018-1 *Amendments to Australian Accounting Standards - Annual Improvements 2015-2017 Cycle*
- AASB 2018-2 *Amendments to Australian Accounting Standards - Plan Amendment, Curtailment or Settlement*
- AASB 2018-3 *Amendments to Australian Accounting Standards – Reduced Disclosure Requirements*
- AASB 2018-4 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities*
- AASB 2018-5 *Amendments to Australian Accounting Standards - Deferral of AASB 1059*
- AASB 2018-6 *Amendments to Australian Accounting Standards – Definition of a Business*
- AASB 2018-7 *Amendments to Australian Accounting Standards – Definition of Material*
- AASB 2018-8 *Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities*
- Interpretation 22 *Foreign Currency Transactions and Advance Consideration*
- Interpretation 23 *Uncertainty over Income Tax Treatment*

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**1. Summary of significant accounting policies (continued)**

INSW's assessment of the impact of these new standards and interpretations is set out below.

**AASB 15 Revenue from Contracts with Customers, AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 and AASB 1058 Income of Not-for-Profits**

AASB 15 Revenue from Contracts with Customers (AASB 15) is effective for reporting periods commencing on or after 1 January 2019. AASB 15 establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised when control of goods or services is transferred to the customer at amounts that reflect the consideration to which INSW expects to be entitled in exchange for transferring the goods or services to the customer. Under AASB 118 Revenue (AASB 118), revenue recognition is currently based on when risks and rewards are transferred.

AASB 1058 Income of Not-for-Profits (AASB 1058) is effective for reporting periods commencing on or after 1 January 2019 and will replace most of the existing requirements in AASB 1004 Contributions (AASB 1004). The scope of AASB 1004 is now limited mainly to parliamentary appropriations, administrative arrangements and contributions by owners. Under AASB 1058, INSW will need to determine whether a transaction is consideration received below fair value principally to enable INSW to further its objectives (accounted for under AASB 1058) or a revenue contract with a customer (accounted for under AASB 15).

The standards will result in the identification of separate performance obligations that will change the timing of recognition for some revenues, including revenues relating to sales of goods and services and specific purpose grants and subsidies.

INSW will adopt AASB 15 and AASB 1058 on 1 July 2019 through application of the full retrospective transition approach. Recognition and measurement principles of the new standards will be applied for the current year and comparative year as though AASB 15 and AASB 1058 had always applied.

The impacts to balances resulting from the adoption of AASB 15 and AASB 1058 have been assessed by INSW as not being significant.

**AASB 16 Leases**

*AASB 16 Leases (AASB 16) is effective from reporting periods commencing on or after 1 January 2019.*

For lessees, AASB 16 will result in most leases being recognised on the Statement of Financial Position, as the distinction between operating and finance leases is largely removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised at the commencement of the lease. The only exceptions are short-term and low-value leases. AASB 16 will therefore increase assets and liabilities reported on the Statement of Financial Position. It will also increase depreciation and interest expenses and reduce operating lease rental expenses on the Statement of Comprehensive Income. Expenses recognised in the earlier years of the lease term will be higher as the interest charges will be calculated on a larger lease liability balance. Existing finance leases are not expected to be significantly impacted from the transition to AASB 16.

INSW will adopt AASB 16 on 1 July 2019 through application of the partial retrospective approach, where only the current year is adjusted as though AASB 16 had always applied. Comparative information will not be restated. INSW will also adopt the practical expedient whereby the fair value of the right-of-use asset will be the same as the lease liability at 1 July 2019.

Based on the impact assessments INSW has undertaken on currently available information, INSW will continue to expense its lease costs for its office space at Macquarie St as the commitment expires within 12 months and due to the Machinery of Government changes, INSW will not be extending the lease.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

	2019	Consolidated 2018	2019	INSW 2018
	\$'000	\$'000	\$'000	\$'000
<b>2 Expenses Excluding Losses</b>				
<b>(a) Employee related expenses</b>				
Salaries and wages (including annual leave)	8,945	6,694	-	-
Superannuation - defined contributions plans	636	524	-	-
Long service leave	15	265	-	-
Workers' compensation insurance	25	7	-	-
Payroll tax and fringe benefits tax	515	404	-	-
Redundancy Payments	-	222	-	-
On-Costs - annual leave and long service leave	6	56	-	-
	<b>10,143</b>	<b>8,172</b>	<b>-</b>	<b>-</b>
<b>(b) Other operating expenses</b>				
Auditors remuneration - audit of the financial statements	122	83	122	83
Internal Audit Fees	231	126	231	126
Other Contractors	12,132	9,085	12,132	9,085
Boards and Committees	136	156	136	156
Fees for services rendered	1,229	994	1,229	994
Insurance - public liability	7	(2)	7	(2)
Operating lease rental expense - minimum lease payments	883	795	883	795
Other expenses	332	1,020	332	1,020
Contracted Services - Hawkesbury Nepean Valley Flood Risk Management Strategy**	26,516	13,601	26,516	13,601
Contracted Services - South Creek Corridor Review **	2,717	1,627	2,717	1,627
Maintenance expenses *	1	3	1	3
	<b>44,306</b>	<b>27,488</b>	<b>44,306</b>	<b>27,488</b>
<b>(c) Depreciation and Amortisation expense</b>				
<i>Depreciation</i>				
Plant and Equipment	130	122	130	122
Leasehold Improvements	75	74	75	74
	<b>205</b>	<b>196</b>	<b>205</b>	<b>196</b>
<i>Amortisation</i>				
Intangible	7	18	7	18
	<b>212</b>	<b>214</b>	<b>212</b>	<b>214</b>
<b>Total Depreciation and Amortisation</b>	<b>212</b>	<b>214</b>	<b>212</b>	<b>214</b>
<b>(d) Personnel Services</b>				
Personnel Services	-	-	10,113	7,734
	<b>-</b>	<b>-</b>	<b>10,113</b>	<b>7,734</b>

\* There is no employee related maintenance expenses include in Note 2 (a).

\*\* This includes all expenditure for this workstream.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

	2019	Consolidated	2019	INSW
	\$'000	2018	\$'000	2018
		\$'000		\$'000
<b>2 Expenses Excluding Losses (continued)</b>				
<b>(e) Other Expenses</b>				
	195,212	195,878	195,212	195,878
Projects NSW	<b>195,212</b>	<b>195,878</b>	<b>195,212</b>	<b>195,878</b>

<b>Projects NSW detail by project</b>		<b>2019</b>	<b>2018</b>
		<b>\$'000</b>	<b>\$'000</b>
Sydney International Convention Exhibition and Entertainment Precinct (ICC Sydney)		-	48
New Grafton Correction Centre		6,894	22,504
Walsh Bay Arts Precinct		24,708	4,868
Western Sydney Stadium		128,822	138,550
Anzac Memorial Centenary Project		5,089	23,224
Stadium Australia		1,148	442
Martin Place Siege Memorial		-	1,087
Sydney Football Stadium Redevelopment		27,039	5,141
Sydney Modern Art Gallery		1,513	14
<b>Total</b>		<b>195,212</b>	<b>195,878</b>

The expenses incurred for the Projects NSW are fully reconcilable from other NSW government Agencies for projects being delivered on their behalf by the project delivery unit of Infrastructure NSW

**3 Revenue**

**(a) Sale of goods and services**

Rendering of Services - Projects NSW	195,210	194,791	195,210	194,791
Rendering of Services - Investor Assurance	10,379	8,921	10,379	8,921
Rendering of Services - Others	2,040	578	2,040	578
	<b>207,629</b>	<b>204,290</b>	<b>207,629</b>	<b>204,290</b>

<b>Projects NSW detail by project</b>		<b>2019</b>	<b>2018</b>
		<b>\$'000</b>	<b>\$'000</b>
Sydney International Convention Exhibition and Entertainment Precinct (ICC Sydney)		-	48
New Grafton Correction Centre		6,894	22,504
Walsh Bay Arts Precinct		24,706	4,868
Western Sydney Stadium		128,822	138,550
Anzac Memorial Centenary Project		5,089	23,224
Stadium Australia		1,148	442
Sydney Football Stadium Redevelopment		27,039	5,141
Sydney Modern Art Gallery		1,513	14
<b>Total</b>		<b>195,210</b>	<b>194,791</b>

**(b) Other Income**

	0	(1)	0	(1)
Other Income	<b>0</b>	<b>(1)</b>	<b>0</b>	<b>(1)</b>

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

	Consolidated			INSW
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
<b>3 Revenue (continued)</b>				
<b>(c) Grants and contributions</b>				
Grants received from budget dependant agencies	16,031	13,107	16,031	13,107
Grants from the Climate Change Fund	24,694	15,978	24,694	15,978
Others - Redundancy	-	167	-	-
Grants from the Restart NSW Fund	4,235	2,765	4,235	2,765
Grant for Martin Place Siege Memorial	-	772	-	772
	<b>44,959</b>	<b>32,789</b>	<b>44,959</b>	<b>32,622</b>
<b>(d) Acceptance by the Crown Entity of employee benefits and other liabilities</b>	30	271	-	-
Long service leave	<b>30</b>	<b>271</b>	-	-
<b>4 Gain /Loss On Disposal</b>				
<b>Gain/Loss on disposal of plant and equipment and intangible assets</b>				
Proceeds from disposal	-	-	-	-
Less : Written down value of assets disposed	(4)	(34)	(4)	(34)
Net Gain/Loss on disposal of plant and equipment and intangible assets	<b>(4)</b>	<b>(34)</b>	<b>(4)</b>	<b>(34)</b>

**5 Program group statements for the year ended 30 June 2019**

INSW has two programs groups being :

- Strategy, Planning & Assurance which comprises the following:

- INSW Core operations, Strategy & Planning , Investor Assurance and management of the Restart NSW Fund
- Special projects including the implementation of the Hawkesbury Nepean Flood Management Strategy and the South Creek Corridor Review

- Project Delivery which incorporates those infrastructure projects being delivered on request from the Premier under INSW's Act including through a Project Authorisation Order or Delegation

**Entity's Expenses & Income**

	Project Delivery	Project Delivery	Strategy & Planning and Assurance	Strategy & Planning and Assurance	Total	Total
	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses excluding losses</b>						
Operating expenses						
Employee Related	-	-	10,143	8,172	10,143	8,172
Other Operating Expenses	-	-	44,306	27,488	44,306	27,488
Depreciation and amortisation	-	-	212	214	212	214
Other expenses - Projects NSW	195,212	195,878	(0)	0	195,212	195,878
Total expenses excluding losses	<b>195,212</b>	<b>195,878</b>	<b>54,661</b>	<b>35,874</b>	<b>249,873</b>	<b>231,752</b>
<b>Revenue</b>						
Sale of goods and services	195,211	194,791	12,419	9,499	207,629	204,290
Other revenue	-	-	0	(1)	0	(1)
Grants & contributions	-	772	44,959	32,017	44,959	32,789
CFE Accepted Liabilities	-	-	30	271	30	271
Total Revenue	<b>195,211</b>	<b>195,563</b>	<b>57,408</b>	<b>41,786</b>	<b>252,619</b>	<b>237,349</b>
<b>Gain/ (Loss) on Disposal</b>	-	-	(4)	(34)	(4)	(34)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(2)</b>	<b>(315)</b>	<b>2,743</b>	<b>5,878</b>	<b>2,741</b>	<b>5,563</b>



Infrastructure NSW  
Notes to the Consolidated Financial Statements  
for the year ended 30 June 2019

5 Program group statements (continued)

Entity's Assets & Liabilities

	Project Delivery	Project Delivery	Strategy & Planning and Assurance	Strategy & Planning and Assurance	Total	Total
	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	8,178	27,979	16,974	13,502	25,153	41,481
Receivables	4,094	9,539	3,236	2,566	7,330	12,105
<b>Total Current Assets</b>	<b>12,272</b>	<b>37,518</b>	<b>20,210</b>	<b>16,068</b>	<b>32,483</b>	<b>53,586</b>
<b>Non-Current Assets</b>						
Plant and equipment	-	-	256	350	256	350
Intangible assets	-	-	14	21	14	21
<b>Total Non-Current Assets</b>	<b>-</b>	<b>-</b>	<b>270</b>	<b>371</b>	<b>270</b>	<b>371</b>
<b>Total Assets</b>	<b>12,272</b>	<b>37,518</b>	<b>20,480</b>	<b>16,439</b>	<b>32,752</b>	<b>53,957</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Payables	10,641	25,896	5,346	4,186	15,987	30,082
Provisions	18	39	1,014	875	1,032	914
Prepaid Income	1,615	11,583	(0)	0	1,615	11,583
<b>Total Current Liabilities</b>	<b>12,274</b>	<b>37,518</b>	<b>6,360</b>	<b>5,062</b>	<b>18,634</b>	<b>42,580</b>
<b>Non Current Liabilities</b>						
Provisions	-	-	139	141	139	141
<b>Total Non Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>139</b>	<b>141</b>	<b>139</b>	<b>141</b>
<b>Total Liabilities</b>	<b>12,274</b>	<b>37,518</b>	<b>6,500</b>	<b>5,202</b>	<b>18,774</b>	<b>42,720</b>
<b>Net Assets</b>	<b>(2)</b>	<b>-</b>	<b>13,980</b>	<b>11,237</b>	<b>13,978</b>	<b>11,237</b>

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

	2019 \$'000	Consolidated 2018 \$'000	2019 \$'000	INSW 2018 \$'000
<b>6 Current Assets - Cash And Cash Equivalents</b>				
<b>a) Cash</b>				
Cash at bank and on hand	25,153	41,481	25,153	41,481
	<b>25,153</b>	<b>41,481</b>	<b>25,153</b>	<b>41,481</b>

For the purpose of the statement of cash flows, cash and cash equivalents include cash at bank and cash in hand

Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows as follows:

Cash and cash equivalent assets recognised in the statement of financial position	25,153	41,481	25,153	41,481
<b>Closing cash and cash equivalents (per statement of cash flows)</b>	<b>25,153</b>	<b>41,481</b>	<b>25,153</b>	<b>41,481</b>

Refer Note 16 for details regarding credit risk, liquidity risk, and market risk arising from financial instruments.

**b) Financing facilities available**

A Credit facility of \$0.05m and a transaction negotiation authority of \$1.0m are held with the Government's banker, Westpac Banking Corporation, to facilitate routine transactions.

**7 Current Assets - Receivables**

Sale of goods and services	4,257	2,525	4,257	2,525
less allowance for expected credit loss	-	-	-	-
Other	-	92	-	92
Investor Assurance	1,191	1,387	1,191	1,387
Projects NSW	1,881	8,101	1,881	8,101
	<b>7,330</b>	<b>12,105</b>	<b>7,330</b>	<b>12,105</b>

Sale of goods and services represent invoiced amounts and includes recoveries from other NSW government agencies for projects being delivered on their behalf by either the project delivery unit of Infrastructure NSW and/ or the investor assurance unit. The amounts disclosed in Projects NSW and Investor Assurance represent expenditure incurred by INSW but not yet invoiced. Details regarding credit risk of receivables that are neither past due nor impaired are disclosed in Note 16.

**8 Non-Current Assets - Plant And Equipment**

**Consolidation/ INSW**

	Plant & Equipment \$'000	Leasehold improvements \$'000	Total \$'000
<b>At 1 July 2018 - fair value</b>			
Gross carrying amount	546	842	1,388
Accumulated depreciation and impairment	(352)	(686)	(1,038)
<b>Net carrying amount</b>	<b>194</b>	<b>156</b>	<b>350</b>
<b>At 30 June 2019 - fair value</b>			
Gross carrying amount	639	854	1,493
Accumulated depreciation and impairment	(476)	(762)	(1,237)
<b>Net carrying amount</b>	<b>163</b>	<b>93</b>	<b>256</b>

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**8 Non-Current Assets - Plant And Equipment (continued)**

**Reconciliation**

A reconciliation of the carrying amount of plant and equipment at the beginning and end of the current reporting period is set out below:

	<b>Plant &amp; Equipment</b>	<b>Leasehold improvements</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Year ended 30 June 2019</b>			
Net carrying amount at start of year	194	156	350
Additions	104	12	116
Disposals	(4)	-	(4)
Depreciation expense	(130)	(75)	(205)
<b>Net carrying amount at end of year</b>	<b>163</b>	<b>93</b>	<b>256</b>
<b>At 1 July 2017 - fair value</b>			
Gross carrying amount	605	842	1,447
Accumulated depreciation and impairment	(316)	(613)	(929)
<b>Net carrying amount</b>	<b>289</b>	<b>230</b>	<b>519</b>
<b>At 30 June 2018 - fair value</b>			
Gross carrying amount	546	842	1,388
Accumulated depreciation and impairment	(352)	(686)	(1,038)
<b>Net carrying amount</b>	<b>194</b>	<b>156</b>	<b>350</b>

**Reconciliation**

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the previous reporting periods is set out below:

	<b>Plant &amp; Equipment</b>	<b>Leasehold improvements</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Year ended 30 June 2018</b>			
Net carrying amount at start of year	289	230	519
Additions	40	-	40
Disposals	(12)	-	(12)
Depreciation expense	(122)	(74)	(196)
<b>Net carrying amount at end of year</b>	<b>194</b>	<b>156</b>	<b>350</b>

**9. Intangible Assets - Computer Software**

**Consolidated/ INSW**

	<b>Software (including IT Network design)</b>
	<b>\$'000</b>
<b>At 1 July 2018</b>	
Cost (gross carrying amount)	120
Accumulated amortisation and impairment	(98)
<b>Net carrying amount</b>	<b>21</b>

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**9. Intangible Assets - Computer Software (continued)**

**At 30 June 2019**

Cost (gross carrying amount)	120
Accumulated amortisation and impairment	(106)
<b>Net carrying amount</b>	<b>14</b>

**Year ended 30 June 2019**

Net carrying amount at start of year	21
Additions	-
Disposals	-
Amortisation (recognised in 'depreciation and amortisation')	(7)
<b>Net carrying amount at end of year</b>	<b>14</b>

**Software  
(including IT  
Network  
design)  
\$'000**

**At 1 July 2017**

Cost (gross carrying amount)	186
Accumulated amortisation and impairment	(127)
<b>Net carrying amount</b>	<b>59</b>

**At 30 June 2018**

Cost (gross carrying amount)	120
Accumulated amortisation and impairment	(98)
<b>Net carrying amount</b>	<b>21</b>

**Year ended 30 June 2018**

Net carrying amount at start of year	59
Additions	27
Amortisation (recognised in 'depreciation and amortisation')	(65)
<b>Net carrying amount at end of year</b>	<b>21</b>

**10 Current Liabilities - Payables**

**Payables**

	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>INSW</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Accrued salaries, wages and on costs	206	290	-	-
Creditors	14,002	25,808	13,846	25,681
GST Payable	1,779	3,984	1,779	3,984
Personal Services	-	-	1,411	1,350
	<b>15,987</b>	<b>30,082</b>	<b>17,036</b>	<b>31,015</b>

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed in Note 16

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

	2019 \$'000	Consolidated 2018 \$'000	2019 \$'000	INSW 2018 \$'000
<b>11 Current / Non Current Liabilities - Provisions</b>				
<b>Current</b>				
<b>Employee benefits and related on-costs</b>				
Annual leave	793	666	-	-
Long service leave	126	138	-	-
Payroll tax	113	110	-	-
	<b>1,032</b>	<b>914</b>	<b>-</b>	<b>-</b>
<b>Non-Current</b>				
<i>Employee benefits and related on-costs</i>				
Long service leave	17	19	-	-
	<b>17</b>	<b>19</b>	<b>-</b>	<b>-</b>
<i>Other Provisions</i>				
Restoration Costs	122	122	122	122
	<b>122</b>	<b>122</b>	<b>122</b>	<b>122</b>
	<b>139</b>	<b>141</b>	<b>122</b>	<b>122</b>
<b>Aggregate employee benefits and related on-costs</b>				
Provisions - current	1,032	914	-	-
Provisions - non-current	17	19	-	-
Aggregate employee benefits and related on-costs	206	290	-	-
	<b>1,255</b>	<b>1,223</b>	<b>-</b>	<b>-</b>
<b>12 Commitments For Expenditure</b>				
<b>Operating Lease Commitments</b>				
Future non-cancellable operating lease rentals not provided for and payable:				
Within one year	384	907	384	907
Later than one year and not later than five years	-	386	-	386
<b>Total (including GST)</b>	<b>384</b>	<b>1,293</b>	<b>384</b>	<b>1,293</b>

Total commitments above included input tax credits of \$35k (\$118k for 2018) that are expected to be recovered from the Australian Taxation Office. INSW's current office lease term expires in November 2019. As a result of the Machinery of Government changes taking effect from 1 July 2019, a decision on tenancy post November 2019 is yet to be confirmed at reporting date.

**13 Contingent Assets & Liabilities**

INSW is not aware of any contingent liabilities and/or contingent assets associated with its operations

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**14 Budget Review**

**General Note**

The budget amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget ( e.g. adjustments for transfer of function between entities as a result of Administrative Arrangements Orders, additional budget approvals during the year) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actuals disclosed in the financial statements are explained below.

To assist in the understanding of this note, below is a categorization of INSW functions during the reporting period:

- INSW - Strategy & Planning, management of the Restart NSW Fund and the INSW Corporate function
- Investor Assurance - Management and delivery of the Infrastructure Investor Assurance Framework
- Projects NSW - Procurement and delivery of projects at the request of the Premier under the Infrastructure NSW Act through a Project Authorisation Order or Delegation
- Hawkesbury Nepean Valley Flood Risk Management Strategy - Developing a business case for consideration by NSW Government and implementation of the strategy
- South Creek Corridor Review - Identify strategic options for consideration by the NSW Government for land use and water management in the South Creek catchment to develop the Western Parkland City

**Net result**

The Net Result was higher than budget by \$5m primarily due to:

<b>Workstream</b>	<b>Budget \$000</b>	<b>Actuals \$000</b>	<b>Variance \$'000</b>	<b>Comment</b>
INSW	(1,131)	1,129	(2,260)	Additional funding for Strategy and Planning related reviews/advice which was unspent at the end of the year and will be either utilised in 19-20 and/or transferred to other NSW Government entities where the responsibility for the review/advice has been transferred from INSW.
Investor Assurance		1,918	(1,918)	This variance represents the cumulative balance of unspent funding mainly due to advanced funding for the implementation of the new Investor Assurance Portal. This is funded from other NSW Government entities.
Hawkesbury Nepean Flood Management Strategy		(1,822)	1,822	This variance represents the cumulative balance of unspent funding. This balance will be utilised in 2019-20. Funded from the Climate Change Fund.
Other	(1,186)	1,516	(2,702)	Variance in other categories.
<b>Total</b>	<b>(2,317)</b>	<b>2,741</b>	<b>(5,058)</b>	

The Net Result variance is further explained by the following variance analysis of Expenses and Revenue:

**Expenses**

Expenses is lower than budgeted by \$101.0m primarily due to:

<b>Workstream</b>	<b>Budget \$000</b>	<b>Actuals \$000</b>	<b>Variance \$'000</b>	<b>Comment</b>
INSW	12,999	16,972	(3,973)	Unspent funds in Strategy and Planning related reviews/advice which will be either utilised in 19-20 and/or transferred to other NSW Government entities where the responsibility for the review/advice has been transferred from INSW.
Investor Assurance	4,486	8,462	(3,976)	Variance is a result of un-budgeted items of 'pass-through' costs including for Gateway reviews and the design and implementation of the new Investor Assurance Portal.
Projects NSW	301,757	195,212	106,545	Variance is largely attributable to: the delayed construction of the Walsh Bay Arts Precinct project which had planning delays; completion of the Western Sydney Stadium which reduced the budget managed by INSW and re-directed remaining funds to Venues NSW. The balance has been carried forward/reduced in the budgeted forward estimates.
Hawkesbury Nepean Flood Management Strategy	24,673	26,516	(1,843)	Variance in operating expenses which is largely attributable to a revision of timing in the HNVFMS workstream. The balance has been carried forward in the budget forward estimates.
Other	5,421	2,711	2,710	Variance in other categories.
<b>Total</b>	<b>349,336</b>	<b>249,873</b>	<b>99,463</b>	

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**14 Budget Review (continued)**

**Revenue**

Revenue is lower than budgeted by \$96.0m primarily due to :

<b>Workstream</b>	<b>Budget \$'000</b>	<b>Actuals \$'000</b>	<b>Variance \$'000</b>	<b>Comment</b>
INSW	11,868	18,101	(6,233)	Variance attributable to additional funding during the year for Strategy and Planning related reviews/advice. Funded from special grant allocations through the Department of Premier and Cabinet as well as recoveries from other NSW Government entities.
Investor Assurance	4,486	10,380	(5,894)	Variance is a result of un-budgeted items of 'pass-through' costs which are booked as revenue received including for Gateway reviews and the design and implementation of the new Investor Assurance Portal.
Projects NSW	301,757	195,211	106,546	Variance is largely attributable to: the delayed construction of the Walsh Bay Arts Precinct project which had planning delays; completion of the Western Sydney Stadium which reduced the budget managed by INSW and re-directed remaining funds to Venues NSW. The balance has been carried forward/reduced in the budgeted forward estimates.
Other	28,908	28,927	(19)	Variance in other categories.
<b>Total</b>	<b>347,019</b>	<b>252,619</b>	<b>94,400</b>	

**Receivables and Payables**

Both of the receivable and payable variances are attributable to the volumes of transactions associated with the Projects NSW and Investor Assurance (specifically Gateway Review expenditure which is recovered from other NSW Government entities ) workstreams. Receivables are \$3.1m higher than budgeted and payables are \$15.9m less than budgeted.

**Cash and Prepaid Income**

Cash was \$30.1m less than budgeted whilst unearned income was \$20.6m less than budgeted, both of which were largely attributable to the change in the portfolio and lifecycle of projects in Projects NSW.

**15 Reconciliation of Cash Flows from Operating Activities to Net Result**

	<b>Consolidated</b>		<b>INSW</b>	
	<b>2019 \$'000</b>	<b>2018 \$'000</b>	<b>2019 \$'000</b>	<b>2018 \$'000</b>
Net cash used on operating activities	(16,213)	18,283	(16,214)	18,283
Depreciation and amortisation	(212)	(214)	(212)	(214)
Decrease / (increase) in provisions	(116)	(66)	-	-
Increase / (decrease) in receivables	(5,434)	440	(4,775)	440
Decrease / (increase) in payables	15,347	(12,819)	13,979	(12,885)
Decrease / (increase) in other liabilities	9,373	(27)	9,968	(27)
Net gain / (loss) on sale of plant and equipment and intangible assets	(4)	(34)	(4)	(34)
<b>Net result</b>	<b>2,741</b>	<b>5,563</b>	<b>2,741</b>	<b>5,563</b>

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**16 Financial Instruments**

INSW's principal financial instruments are outlined below. These financial instruments arise directly from INSW's operations or are required to finance INSW's operations. INSW does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

INSW's main risks arising from financial instruments are outlined below, together with the INSW's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Chief Executive Officer has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing risk. Risk management policies are established to identify and analyse the risks faced by the INSW, to set risk limits and controls and to monitor risks and compliance with policies is reviewed by management on a periodic basis.

**(a) Financial instrument categories**

*i. As at 30 June 2019 under AASB 9*

<b>Financial Assets</b>	<b>Note</b>	<b>Category</b>	<b>Carrying Amount</b>
<b>Class:</b>			<b>\$'000</b>
<b>Consolidated</b>			
Cash and cash equivalents	6	N/A	25,153
Receivables <sup>1</sup>	7	Amortised cost	7,330
<b>Financial Liabilities</b>			<b>Carrying Amount</b>
<b>Class:</b>			<b>\$'000</b>
<b>Consolidated</b>			
Payables <sup>2</sup>	10	Financial liabilities measured at amortised cost	15,987
<b>Financial Assets</b>			<b>Carrying Amount</b>
<b>Class</b>			<b>\$'000</b>
<b>INSW</b>			
Cash and cash equivalents	6	N/A	25,153
Receivables <sup>1</sup>	7	Amortised cost	7,330
<b>Financial Liabilities</b>			<b>Carrying Amount</b>
<b>Class</b>			<b>\$'000</b>
<b>INSW</b>			
Payables <sup>2</sup>	10	Financial liabilities measured at amortised cost	17,036

**Notes**

1) Excludes statutory receivables and prepayments (i.e., not within scope of AASB 7)

2) Excludes statutory payables and unearned revenue (not within scope of AASB 7)



**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**16 Financial Instruments (continued)**

**(a) Financial instrument categories (continued)**

(ii) As at 30 June 2018 under AASB 1139 (comparative period)

<b>Financial Assets</b>	<b>Note</b>	<b>Category</b>	<b>Carrying Amount</b>
<b>Class:</b>			<b>\$'000</b>
<b>Consolidated</b>			
Cash and cash equivalents	6	N/A	41,481
Receivables <sup>1</sup>	7	Amortised cost	12,105
<b>Financial Liabilities</b>	<b>Note</b>	<b>Category</b>	<b>Carrying Amount</b>
<b>Class:</b>			<b>\$'000</b>
<b>Consolidated</b>			
Payables <sup>2</sup>	10	Financial liabilities measured at amortised cost	26,098
<b>Financial Assets</b>			<b>Carrying Amount</b>
<b>Class</b>			<b>\$'000</b>
<b>INSW</b>			
Cash and cash equivalents	6	N/A	41,481
Receivables <sup>1</sup>	7	Amortised cost	12,105
<b>Financial Liabilities</b>			<b>Carrying Amount</b>
<b>Class</b>			<b>\$'000</b>
<b>INSW</b>			
Payables <sup>2</sup>	10	Financial liabilities measured at amortised cost	27,031

**Notes**

1. Excludes statutory receivables and prepayments (not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (not within scope of AASB 7).

The entity determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**16 Financial Instruments (continued)**

**(b) Credit risk**

Credit risk arises from the financial assets of INSW, including cash and receivables. No collateral is held by INSW. INSW has not granted any financial guarantees.

Credit risk arises when there is the possibility of INSW's debtors defaulting on their contractual obligations, resulting in a financial loss to INSW. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

INSW considers a financial asset in default when contractual payments for other than inter-government agreements are 90 days past due. However, in certain cases, INSW may also consider a financial asset to be in default when internal or external information indicates that the entity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the entity.

**Cash**

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System.

**Receivables - trade debtors**

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established under the Treasurer's Directions were and are still followed to recover outstanding amounts, including letters of demand under the transitional arrangements to the implementation of the Government Sector Finance Act.

INSW applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors.

Trade debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments for a period of greater than 90 days past due where it relates to a contractual agreement which is other than inter-government.

The loss allowance for trade debtors as at 30 June 2019 and 1 July 2018 (on adoption of AASB 9) was determined as follows:

	30 June 2019					Total
	Current	<30 Days	30-60 Days	61-90 Days	>91 Days	
Expected credit loss rate	-	-	-	-	-	-
Estimated total gross carrying amount at default	297	1,104	266	408	2,182	4,257
Expected credit loss	-	-	-	-	-	-

	1 July 2018					Total
	Current	<30 Days	30-60 Days	61-90 Days	>91 Days	
Expected credit loss rate	-	-	-	-	-	-
Estimated total gross carrying amount at default	2,371	-	89	-	65	2,525
Expected credit loss	-	-	-	-	-	-

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**16 Financial Instruments (continued)**

**(b) Credit risk (continued)**

*Accounting policy for impairment of trade debtors and other financial assets under AASB 139 (comparative period only).*

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that INSW will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30 day terms.

INSW is not exposed to concentrations of credit risk to a single debtor or group of debtors. There are no debtors which are currently past due but not impaired whose terms have been renegotiated.

The only financial assets that are past due or impaired are "sales of goods and services" in the "receivables" category of the statement of financial position.

	Total <sup>1,2</sup>	\$'000		
		Neither past due nor impaired <sup>1,2</sup>	Past due but not impaired <sup>1,2</sup>	Considered impaired <sup>1,2</sup>
	\$'000	\$'000	\$'000	\$'000
<b>Consolidated</b>				
<b>2018</b>				
Current	2,371	2,371	-	-
< 3 months overdue	89		89	-
3 months - 6 months overdue	65		65	-
> 6 months overdue	-		-	-

**Notes**

1. Each column in the table reports 'gross receivables'.
2. The ageing analysis excludes statutory receivables, as these are not within the scope of AASB7 and excludes receivables that are not past due and not impaired. Therefore, the 'total' will not reconcile to the receivables total recognised in the statement of financial position.

**(c) Liquidity risk**

Liquidity risk is the risk that INSW will be unable to meet its payment obligations when they fall due. INSW continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically, unless an existing contract specifies otherwise. For payments to other suppliers, the Head of an Authority (or a person appointed by the Head of an Authority) may automatically pay the supplier simple interest. No interest was paid during the year (2018 Nil).

The table below summarises the maturity profile of INSW's financial liabilities, together with the interest rate exposure.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**16 Financial Instruments (continued)**

**(c) Liquidity risk (continued)**

**Maturity Analysis and interest rate exposure of financial liabilities**

	\$000				
	Nominal Amount	Interest Rate Exposure	Maturity Dates		
		Non-interest bearing	< 1 yr	1-5 yrs	> 5 yrs
<b>Consolidated</b>					
<b>2019</b>					
Payables <sup>1</sup>					
Accrued salaries, wages and on costs	206	206	206	-	-
Creditors	14,002	14,002	14,002	-	-
	14,208	14,208	14,208	-	-
<b>Consolidated</b>					
<b>2018</b>					
Payables <sup>1</sup>					
Accrued salaries, wages and on costs	290	290	290	-	-
Creditors	25,808	25,808	25,808	-	-
	26,098	26,098	26,098	-	-
<b>INSW</b>					
<b>2019</b>					
Payables <sup>1</sup>					
Accrued salaries, wages and on costs	-	-	-	-	-
Creditors	15,257	15,257	15,257	-	-
	15,257	15,257	15,257	-	-
<b>INSW</b>					
<b>2018</b>					
Payables <sup>1</sup>					
Accrued salaries, wages and on costs	-	-	-	-	-
Creditors	27,031	27,031	27,031	-	-
	27,031	27,031	27,031	-	-

Notes

1. The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the entity can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the statement of financial position.

**(d) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. INSW's exposure to market risk is primarily through interest rates on cash and cash equivalents. INSW has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is structural change in the level of interest rate volatility. INSW's exposure to interest rate risk is set out below.

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**16 Financial Instruments (continued)**

**(d) Market risk (continued)**

**Interest rate risk**

Exposure to interest rate risk arises primarily through INSW's interest bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with NSW TCorp. INSW does not account for any fixed rate financial instruments at fair value through profit or loss or as available for sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. INSW's exposure to interest rate risk is set out below.

	<b>Carrying Amount</b>	<b>-1% Profit \$'000</b>	<b>Equity \$'000</b>	<b>+1% Profit \$'000</b>	<b>Equity \$'000</b>
<b>Consolidated</b>					
<b>2019</b>					
<i>Financial Assets</i>					
Cash and cash equivalents	25,153	(252)	(252)	252	252
Receivables <sup>1</sup>	7,330	-	-	-	-
<i>Financial Liabilities</i>					
Payables <sup>2</sup>	14,208	-	-	-	-
<b>2018</b>					
<i>Financial Assets</i>					
Cash and cash equivalents	41,481	(415)	(415)	415	415
Receivables <sup>1</sup>	12,105	-	-	-	-
<i>Financial Liabilities</i>					
Payables <sup>2</sup>	26,098	-	-	-	-
<hr/>					
	<b>Carrying Amount</b>	<b>-1% Profit \$'000</b>	<b>Equity \$'000</b>	<b>+1% Profit \$'000</b>	<b>Equity \$'000</b>
<b>INSW</b>					
<b>2019</b>					
<i>Financial Assets</i>					
Cash and cash equivalents	25,153	(252)	(252)	252	252
Receivables	7,330	-	-	-	-
<i>Financial Liabilities</i>					
Payables	15,257	-	-	-	-
<b>2018</b>					
<i>Financial Assets</i>					
Cash and cash equivalents	41,481	(415)	(415)	415	415
Receivables	12,105	-	-	-	-
<i>Financial Liabilities</i>					
Payables	27,031	-	-	-	-

Notes:

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).

**Infrastructure NSW**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2019**

**16 Financial Instruments (continued)**

**(e) Fair value measurement**

(i) *Fair value compared to carrying amount*

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value, because of the short term nature of many of the financial instruments.

**17 Related Party Disclosures**

In accordance with AASB 124 Related Party Disclosure, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the entity

**a. Compensation of key management personnel**

The entity's key management personnel compensation details for the year ended June 2019 are as follows:

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Employee benefits:</b>		
Short term employee benefits	783	624
Other monetary allowances	-	-
Non-monetary benefits	-	-
Other long-term employee benefits	17	48
Post-employment benefits	-	-
Termination benefits	-	-
<b>Total remuneration</b>	<b>800</b>	<b>672</b>

**b. Transactions with related parties**

During the year, INSW entered into transactions with NSW Government related entities that are controlled, jointly controlled or significantly influenced by NSW Government. These transactions are all at arm's length and in the ordinary course of the business of INSW.

**18 Events after the Reporting Period**

*Transfer of land for Sydney Football Stadium*

On 5 July 2019 there was a transfer of land from the SCG Trust to INSW in relation to the Sydney Football Stadium site that is being redeveloped. This transfer of land changes the accounting treatment of expenses incurred for this project from that date. This will lead to a reclassification for expenses incurred in 2018/19 of \$23.1m as Work in Progress in 2019/20.

*Machinery of Government Changes*

The Administrative Arrangements Orders published on 2 April 2019, outlined that from 1 July 2019, the staff employed in both the Barangaroo Delivery Authority and the Urban Growth NSW Development Corporation were to transfer to the Infrastructure NSW Staff Agency as a result of the abolition of their respective Staff Agency's (the Infrastructure NSW Staff Agency forms part of the consolidated Infrastructure NSW).

In June 2019, The NSW Government introduced a Bill to Parliament which sought to dissolve both the Barangaroo Delivery Authority and the Urban Growth NSW Development Corporation and transfer the rights, liabilities and functions of both entity's to Infrastructure NSW. This bill was passed on the 20th June 2019 and subsequently assented to on 1 July 2019 which operates as the effective date of the legislation.

Infrastructure NSW is still assessing the impact of these Machinery of Government changes as at reporting date.

**End of audited financial statements.**

## Budget Outline\*

	2019-20 Budget \$000
<b>Expenses Excluding Losses</b>	
Operating Expenses -	
Employee Related	50,702
Personnel Services Expenses	...
Other Operating Expenses	248,886
Grants and Subsidies	...
Appropriation Expense	...
Depreciation and Amortisation	1,060
Finance Costs	101
Other Expenses	...
<b>TOTAL EXPENSES EXCLUDING LOSSES</b>	<b>300,748</b>
<b>Revenue</b>	
Appropriation Revenue	...
Cluster Grant Revenue	247,969
Acceptance by Crown Entity of Employee Benefits and Other Liabilities	89
Transfers to the Crown Entity	...
Sales of Goods and Services	266,868
Grants and Contributions	11,827
Investment Revenue	...
Retained Taxes, Fees and Fines	...
Other Revenue	...
<b>Total Revenue</b>	<b>526,754</b>
Gain/(loss) on Disposal of Non Current Assets	...
Other Gains/(Losses)	...
<b>Net Result</b>	<b>226,005</b>

\*The published Budget shown above does not include the full extent of Machinery of Government Changes effective 1 July 2019. Figures above include the transfer of the Staff Agency's from both the Barangaroo Delivery Authority and Urban Growth Development Corporation. The abolition of the Barangaroo Delivery Authority and Urban Growth Development Corporation was passed by Parliament and Assented after the Budget Papers had been published.

# Statutory reporting

## Human resources

Infrastructure NSW has a compact, specialised team that brings together the best of the public and private sectors.

Infrastructure NSW has grown in this reporting period due to an increase in the number of projects under the Restart NSW Fund, an increase in the number of projects being referred to Projects NSW and the inherent need to provide central shared services to support this increase in business activity.

Infrastructure NSW head count at 30 June 2019 was 47 including part time, casual and fixed term employees, seconded full-time employees and excluding full time seconded out employees.

Employees by Category	30 June 2017		30 June 2018		30 June 2019	
	Male	Female	Male	Female	Male	Female
Grade 1-2 or equivalent	0	1	1	2	0	1
Grade 3-4 or equivalent	0	2	1	2	0	1
Grade 5-6 or equivalent	1	0	1	5	2	1
Grade 7-8 or equivalent	0	4	1	3	1	1
Grade 9-10 or equivalent	0	2	0	3	2	1
Grade 11-12 or equivalent	2	3	2	4	3	11
Above Grade 12 or equivalent	10	10	11	17	10	13
<b>Total number of employees*</b>	<b>13</b>	<b>22</b>	<b>17</b>	<b>36</b>	<b>18</b>	<b>29</b>

\* Figures do not include casuals. Part-time employees are counted as 1 FTE

## Executive positions and remuneration

As at the 30 June 2019 the total number of executive positions at Senior Executive Band Level 1 or higher is 27. The CEO expressed satisfaction with the performance of his executive team throughout 2018-19. Infrastructure NSW does not make performance payments.

Senior executive staff	30 June 2018		30 June 2019	
	Number / gender	Average remuneration	Number / gender	Average remuneration
<b>Band 3*</b>	2 male / 4 female	\$478,890	3 male / 3 female	\$489,343
<b>Band 2</b>	6 male / 6 female	\$308,770	4 male / 2 female	\$318,775
<b>Band 1</b>	3 male / 6 female	\$216,397	3 male / 8 female	\$221,542

\*Includes two positions determined by SOORT



In 2017-18, a total of 81 per cent of Infrastructure NSW's employee related expenditure was attributable to Senior Executive Employees. In 2018-19 this percentage was 65% which is reflective of an increase in temporary and/or contracted resources brought in to assist with delivering on Infrastructure NSW's tasks. The impact of the Machinery of Government changes will result in a change in composition of the Senior Executive team for 2019-20 and future years.

## Personnel policies and practices

Infrastructure NSW has adopted and continues to develop the best policies and practices of both public and private sectors in employee management. Senior Executive Service employees of Infrastructure NSW are employed under an employment agreement which determines the significant conditions of employment in concert with the *Government Sector Employment Act NSW 2013*. Each Senior Executive role is assessed in accordance with the GSE Act and Public Service Commission guidelines to establish suitable remuneration.

## Diversity

Below is snap shot of the organisation based on the June 2019 Workforce Profile Diversity Report (rounded to nearest 0.5% (n= 45)).

Item	Female response	Male response
<b>Gender</b>	64%	36%
<b>Aboriginal or Torres Strait Islander identified</b>	0%	0%
<b>Disability identified</b>	0%	0%
<b>Ethnicity identified</b>	80%	20%
<b>Language (ESL identified)</b>	83%	17%

## Multicultural policies and services

Infrastructure NSW supports the principles of multiculturalism, which recognise and value the different linguistic, religious, racial and ethnic backgrounds of the residents of NSW and promote equal rights and responsibilities for all.

When planning community engagement, Infrastructure NSW ensures they are culturally sensitive and inclusive of people from diverse language, cultural and religious backgrounds. Infrastructure NSW also provides communities members access to a free translation and interpretation service for all Infrastructure NSW activities and programs.

Following the Machinery of Government changes taking place on 1 July 2019, Infrastructure NSW will be developing a new Multicultural Plan in line with the *Multicultural NSW Act 2000*, which will be incorporated into the overarching Diversity and Inclusion Strategy for the agency.

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## Industrial relations

There were no industrial disputes lodged and no working time was lost due to industrial disputes during the year.

## Annual report production

The production and printing cost for the 2018–19 Annual Report was nil. A PDF version of the report can be downloaded at [infrastructure.nsw.gov.au](http://infrastructure.nsw.gov.au).

## Privacy

Infrastructure's privacy policy, and information about collection and use of personal information, is published on the organisation's website. Infrastructure NSW's induction program for new employees covers privacy obligations.

Infrastructure NSW's privacy contact officer can be contacted at:

The Privacy Officer  
Infrastructure NSW  
PO Box R220  
Royal Exchange NSW 1225

No internal reviews were conducted by or on behalf of Infrastructure NSW under the *Privacy and Personal Information Protection Act 1998* or the *Health Records and Information Privacy Act 2002* during 2018-19.

## Workplace health and safety

Infrastructure NSW is committed to the health, safety and wellbeing of employees, contractors and the community members we work with.

Infrastructure NSW has a number of corporate work, health and safety initiatives including:

- an internal Work, Health and Safety Committee that reviews all Work, Health and Safety issues
- Trained safety officers including Fire Wardens and First Aid
- A corporate fitness program
- Influenza vaccinations.

Infrastructure NSW has a Work, Health and Safety Framework for the major infrastructure projects it delivers, and works closely with the Principal Contractors to ensure the safety of those on site. Infrastructure NSW regularly undertake system performance audits of its Principal Contractor's Work Health and Safety systems. A summary of audits and lost time injuries per project is below. Infrastructure NSW had no prosecutions under the *Work, Health and Safety Act 2011* in 2018-19.

Project	LTI's	Safety Audits
Anzac Memorial Centenary Project	0	0
Western Sydney Stadium	4	1
Walsh Bay Arts Precinct	1	3
Clarence Correctional Centre	2	3
Clarence Correctional Centre – High voltage power supply	0	1
Sydney Football Stadium	0	1
TOTAL	7	9

## Promotion

Date	Officer	Destination	Purpose
16 - 17 August 2018	Jim Betts	New Zealand	Guest Speaker at the Infrastructure New Zealand Building Nations Symposium 2018.
10 - 18 November 2018	Simon Hunter	Barcelona, Spain Amsterdam, Netherlands	Attend the IPWEA Smart City Expo World Congress Immersion Tour; and Attend the Meshed IoT Integrators Open House at The Things Network Amsterdam.

## Responding to consumers

Infrastructure NSW provided independent advice to Government and does not deliver direct services to the public.

## Payments of accounts

The tables below summarise the account payment performance during 2018-19. During the year, there were no instances where penalty interest was paid and there were no significant events that affected payment performance.

## Accounts due or paid within each quarter

Measure	September	December	March	June
<b>All suppliers</b>				
Number of accounts due for payment	668	852	656	<b>666</b>
Number of accounts paid on time	572	751	557	<b>610</b>
Actual percentage of accounts paid on time (based on number of accounts)	86%	88%	85%	<b>92%</b>
Dollar amount of accounts due for payment (\$)	79,888,777	75,170,548	68,097,788	<b>46,466,414</b>
Dollar amount of accounts paid on time	71,862,351	72,917,965	64,787,152	<b>37,806,343</b>
Actual percentage of accounts paid on time (based on \$)	90%	97%	95%	<b>81%</b>
<b>Small business suppliers</b>				
Number of accounts due for payment	-	2	7	<b>6</b>
Number of accounts paid on time	-	2	7	<b>6</b>
Actual percentage of accounts paid on time (based on number of accounts)	-	100%	100%	<b>100%</b>
Dollar amount of accounts due for payment	-	20,751	91,686	<b>57,048</b>
Dollar amount of accounts paid on time	-	20,751	91,686	<b>57,048</b>
Actual percentage of accounts paid on time (based on \$)	-	100%	100%	<b>100%</b>
Number of payments for interest on overdue accounts	-	-	-	-
Interest paid on overdue accounts	-	-	-	-

## Consultants

Infrastructure NSW was created as a specialist small agency drawing on the best of public and private sector expertise to provide independent advice to Government, as outlined in the Infrastructure NSW Act. As such, Infrastructure NSW engages external support during peaks in workloads as necessary.

This enables specialist subject matter experts to be used economically and efficiently as required. In 2018–19, a number of consultants were engaged to assist on key work streams valued at more than \$50,000, and these are presented in the table below.

<b>Strategy, Planning and Innovation; Investor Assurance; Operations</b>		
<b>Name</b>	<b>Amount (\$)</b>	<b>Description</b>
ARUP AUSTRALIA PTY LTD	388,414	Development of a proof of concepts for piloting Smart Places investments in regional cities to support the Smart Cities program
DELOITTE TOUCHE TOHMATSU	70,960	Development of a Strategic Program Business Case for the Smart Western City Program
ERNST & YOUNG	155,000	Development of the State Water Management Outcomes Plan
FRONTIER ECONOMICS PTY LTD	97,873	Development of guidelines relating to incorporating risk assessments of natural hazards, human-related threats and resilience outcomes in infrastructure investment decisions
GREX	300,000	Advice on Regional ICT infrastructure investment options
GREX	1,277,093	Development of a Strategic Business Case - GIG State
KPMG AUSTRALIA PTY LTD	566,480	Development of a Strategic Business Case and proof of concept for the Smart Regional Wide Area component of the Regional ICT program
KPMG AUSTRALIA PTY LTD	105,926	Development of Business case for investment in the Smart Regional Places program
L.E.K. CONSULTING AUSTRALIA PTY LTD	240,000	Independent analysis of benefits realisation for selected Restart NSW funded projects
PRICEWATERHOUSECOOPERS SECURITIES	480,896	Development of a place based Strategic Business Case based on the Greater Parramatta & Olympic Peninsula area pilot Growth Infrastructure Compact
PROFESSIONAL CONSTRUCTION STRATEGIE	77,200	Development of a Strategic Business Case for a Digital Built NSW (being a key component of the Smart Cities program)
SMEC AUSTRALIA PTY LTD	416,110	Development of a proof of concepts for piloting Smart Places investments in regional cities to support the Smart Cities program

THE TRUSTEE FOR THE LYNNWOOD TRUST	106,500	Technical and expert advice to support the Digital Built NSW program development and assessment
URBANISTA AUSTRALIA PTY LTD	55,500	Provision of analysis and advice on valuation methods and development of strategic assumptions for the Social Housing Infrastructure Strategy.
HKA GLOBAL PTY LTD	76,905	Provision of Consultancy Services to support the drafting of the IIAF Trends & Analysis Performance Report
STRATEGIC INFRASTRUCTURE ADVISORY P	102,550	Support the development and implementation of the INSW Business Case Practitioners Toolkit
Total	4,517,407	

### Hawkesbury-Nepean Valley Flood Management Directorate

Name	Amount (\$)	Description
BUREAU OF METEOROLOGY	1,079,000	Development and operation of a pilot forecast service for extended lead time flood forecasts for the Hawkesbury Nepean Valley
CENTRE FOR INTERNATIONAL ECONOMICS	50,000	Development of a Cost Benefit Analysis for the Environmental Impact Statement and Business Case for Warragamba Dam Raising for flood mitigation
E3BATES	300,053	Emergency Evacuation Specialist Services
FAIRWAY BOULEVARD PTY LTD	90,375	Strategic Advisory
ROADS AND MARITIME SERVICES	1,279,514	Traffic Management and Road Evacuation Improvement Works
SR FLOOD SOLUTIONS PTY LTD	187,960	Flood Specialist Technical Management services
WATER NSW	20,038,789	Detailed concept design for Warragamba Dam raising, environmental assessments (and approvals), and preparing the financial business case to Cabinet
WMA WATER P/L	178,260	Technical advice related to flood modelling services and assessment of climate change impacts on raising the Warragamba Dam
Total	23,203,950	

<b>South Creek Sector Review</b>		
<b>Name</b>	<b>Amount (\$)</b>	<b>Description</b>
AECOM AUSTRALIA PTY LTD	129,949	Advisory services on water cycle management and water sensitive urban design options and cost estimates
AECOM AUSTRALIA PTY LTD	74,885	Preparation of a Biosolids & Organics Strategy
ALLUVIUM CONSULTING AUSTRALIA PTY L	139,703	Advisory services on water sensitive urban design and flood plain management
FRONTIER ECONOMICS PTY LTD	54,634	Advisory services to support the review of regulatory barriers to cost effective water recycling
FRONTIER ECONOMICS PTY LTD	895,299	Advisory services for the Strategic Options Business case for the South Creek Corridor review
FRONTIER ECONOMICS PTY LTD	174,937	Preparation of a waterways governance business case
STEPHEN CLARY	174,082	Expert Advisory for the South Creek Sector review
TYRRELLSTUDIO PTY. LTD.	79,500	Development of a strategic planning framework which identifies and formulates the green spine of the Western Parkland City
Total	1,722,989	
<b>Projects NSW</b>		
<b>Clarence Correctional Centre</b>		
<b>Name</b>	<b>Amount (\$)</b>	<b>Description</b>
CURIO PROJECTS PTY LTD	408,634	Provision of Archaeologist/Heritage Services required to deliver the project
NBRS & PARTNERS PTY LTD	801,597	Design advisory services for the precinct
Total	1,210,231	
<b>Walsh Bay Arts Precinct</b>		
<b>Name</b>	<b>Amount (\$)</b>	<b>Description</b>
ARUP	287,846	Engineering services advisory
ARUP	52,112	Acoustic design services
KING WOOD & MALLESONS	71,708	Legal Advisory Services

TAYLOR THOMSON WHITTING (NSW) PTY L	800,750	Structural engineering services
TONKIN ZULAIKHA GREER PTY LIMITED	482,565	Architectural services
Total	1,694,981	
<b>Anzac Memorial Centenary Project</b>		
<b>Name</b>	<b>Amount (\$)</b>	<b>Description</b>
JOHNSON PILTON WALKER PTY LTD	126,218	Design advisory services
Total	126,218	
<b>Sydney Football Stadium</b>		
<b>Name</b>	<b>Amount (\$)</b>	<b>Description</b>
ARUP	61,540	Groundwater Assessment
ARUP	98,408	Noise & Vibration Impact Assessment
ARUP	148,593	Traffic & Transport Assessment
ASPECT STUDIOS PTY LTD	452,510	Landscape design services
AVER PTY LTD	98,730	Advice on a construction management plan
COX ARCHITECTURE PTY LTD	4,512,137	Architectural services
CURIO PROJECTS PTY LTD	98,073	Heritage & Archaeological services
ETHOS URBAN PTY LTD	203,618	Planning advisory services
PRICEWATERHOUSECOOPERS SECURITIES	233,721	Development advisor services
SJB ARCHITECTS	68,050	Urban Design Advisory Services
King & Wood Mallesons	568,240	Legal advisory services
Total	6,543,618	
<b>Stadium Australia</b>		
<b>Name</b>	<b>Amount (\$)</b>	<b>Description</b>
AURECON AUSTRALASIA PTY LTD	50,004	Building Design Services
COX ARCHITECTURE PTY LTD	341,060	Architectural services
PRICEWATERHOUSECOOPERS SECURITIES	99,953	Development Advisory Services



STEPHEN MORLEY CONSULTING PTY. LIM	130,400	Structural Design Services
Total	621,417	
<b>Sydney Modern Project</b>		
<b>Name</b>	<b>Amount (\$)</b>	<b>Description</b>
KING WOOD & MALLESONS	60,053	Legal Advisory Services
Total	60,053	

### Public interest disclosures

During the year, Infrastructure NSW received no public interest disclosures.

### Government Information (Public Access) Act 2009

The intention of the *Government Information (Public Access) Act 2009* is to make government information more open and readily available to members of the public. Infrastructure NSW complies with this Act.

In 2018-19, Infrastructure NSW received two GIPA Act access application from not for profit organisations/community groups and three from members of the public.

Infrastructure NSW provides the following statistical information about the access applications received which is required by Schedule 2 of the *Government Information (Public Access) Regulation 2009*.

## Number of applications by type of applicant and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn	Members of the public (other)
Media	0	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	1	1	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0	0
Members of the public (other)	1	1	0	0	1	0	0	0	0
Personal information applications	0	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	1	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0	0

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## Legal change

The *Administrative Arrangements (Administrative Changes—Public Service Agencies) Order 2019* was made on 2 April 2019. The Order transferred members of staff of the Barangaroo Delivery Authority and UrbanGrowth NSW Development Corporation to the Infrastructure NSW Staff Agency, effective 1 July 2019.

The State Revenue and Other Legislation Amendment Act 2019 was passed by the NSW Parliament in June 2019, and provisions relevant to Infrastructure NSW commenced on 1 July 2019. Schedules 4 and 5 of this Act abolished the Barangaroo Delivery Authority and UrbanGrowth NSW Development Corporation and provided for the transfer of those agencies assets, rights and liabilities to Infrastructure NSW. It also amended the *Barangaroo Act 2009* and the *Growth Centres (Development Corporations) Act 1974* to provide for Infrastructure NSW to exercise statutory functions under those Acts.

## Judicial Decisions

### **Local Democracy Matters Incorporated; Waverley Council v Infrastructure NSW & Ors [2019] NSWLEC 20**

Local Democracy Matters Incorporated and Waverley Council challenged in separate judicial review proceedings the decision of the Minister for Planning to grant development consent for a concept proposal and Stage 1 demolition of the Sydney Football Stadium at Moore Park. The Court dismissed both proceedings and costs were reserved.

### **Local Democracy Matters Incorporated v Infrastructure NSW & Ors [2019] NSWCA 65**

Local Democracy Matters appealed to the Court of Appeal (Supreme Court of NSW) the decision in the NSW Land and Environment Court mentioned above. The Court of Appeal dismissed Local Democracy Matters' appeal.

### **Local Democracy Matters Incorporated v Infrastructure NSW & Ors (No 2) [2019] NSWCA 118**

The Court of Appeal ordered that Local Democracy Matters pay the Minister for Planning's costs of the appeal to the Court of Appeal.

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## Contact us

For more information or to comment on the Infrastructure NSW Annual Report 2018-19, please contact:

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