



2017-18

Barangaroo Delivery Authority
Annual Report

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Section 1

Project and place

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Letter to the Premier

31 October 2018
The Honourable Gladys Berejiklian MP
Premier of NSW
Level 20
52 Martin Place
SYDNEY NSW 2000

Dear Premier

We have pleasure in providing the Barangaroo Delivery Authority's Annual Report for the year ended 30 June 2018 for submission to the Parliament.

This report has been prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984*, *Barangaroo Delivery Authority Act 2009*, *Public Finance and Audit Act 1983* and the regulations under those Acts.

Yours sincerely



Terry Moran AC
Chair
Barangaroo Delivery Authority



Craig van der Laan
Chief Executive Officer
Barangaroo Delivery Authority



Barangaroo Reserve has quickly become a much-loved part of Sydney Harbour, having attracted in excess of three million visitors since its opening in 2015.

Chair's foreword

It's been another remarkable 12 months for Barangaroo. We no longer need to imagine the impact Barangaroo will have on Sydney and NSW – we can experience it every day.

Barangaroo has established itself as a thriving commercial district that's as much a feature of working life in Sydney as Martin Place and Circular Quay. Barangaroo now teems with workers during the week, giving enormous energy to the precinct, and realising its potential as a major contributor to the NSW economy.

Barangaroo Reserve has quickly become a much-loved part of Sydney Harbour, having attracted in excess of three million visitors since its opening in 2015. It's easy to forget the Reserve is just three years old, such is the way it's been embraced by residents and visitors.

There have been two stunning architectural additions to Barangaroo in the past 12 months. Australia's first cross laminated timber office building, International House Sydney, opened its doors to its major tenant in late 2017. After the opening of Barangaroo House in December 2017, it has become an instant hit on the Barangaroo waterfront with its three levels of bars and dining. Both buildings are exceptional examples of the Authority's commitment to achieving design excellence befitting of its prime waterfront location.

Barangaroo's bold sustainability measures, set from the earliest planning stages of the project, are recognised as world's best-practice and a great success story of the precinct. Barangaroo is

sustainability in action, whether it's the Harbour heat rejection and centralised chilled water plant, rooftop solar panels delivering all power needs to public domain areas or stormwater and rainwater retention and re-use at Barangaroo Reserve. The project is on track to meet its commitment to be carbon neutral, water positive and create zero waste emissions.

During the year, the Authority announced it had chosen a consortium comprising of Grocon, Aqualand and Scentre Group to deliver Central Barangaroo. Being the final piece of the precinct, this project will play a critical role in realising the vision for Barangaroo – completing the transformation of the former container terminal into a vibrant new waterfront precinct for the people of NSW.

Elsewhere on site, construction work for the Sydney Metro station, Crown Sydney Hotel Resort and the remediation projects continues. The balancing of this heavy construction activity with activation and public amenity in the operational parts of the precinct is now a key focus of the Authority.

I would like to acknowledge the Premier, the Hon. Gladys Berejiklian MP, for her strong ongoing support of Barangaroo. I would also like to thank my fellow Board Directors for their work this year and, on their behalf, acknowledge the Authority's Chief Executive Officer, Craig van der Laan, and his team, for another tremendous year.

This Annual Report outlines the Authority's achievements in more detail. I'm delighted to share it with you.

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

Terry Moran AC
Chair
Barangaroo Delivery Authority



Since assuming the responsibility of place manager in 2015 the Authority has embraced the opportunity to activate the public domain and deliver a cultural program that celebrates the rich history of the site.

Chief Executive Officer's report

Barangaroo is a place that demands to be experienced time and again. Whether it's for quiet reflection at Barangaroo Reserve, catching up with friends at one of the dozens of cafes, restaurants and bars in the commercial and dining precinct, or enjoying one of the many cultural events staged at Barangaroo throughout the year, there is always a reason to keep coming back.

Barangaroo Reserve is reintroducing Sydneysiders to the western edge of the Harbour. The Reserve is an incredible legacy of this project and will continue to enthrall visitors for generations to come.

Every season that passes brings dramatic change to the natural elements in the Reserve. Our trees and plants, so meticulously chosen and nurtured, are thriving on site, providing additional shade and wind protection for visitors. It's exciting to think how the Reserve will continue to evolve in the years and decades ahead.

With roughly half of Barangaroo yet to be completed, the Authority's firm focus remains on delivering one of the world's great urban renewal projects. Since assuming the responsibility of place manager in 2015 the Authority has embraced the opportunity to activate the public domain and deliver a cultural program that celebrates the rich history of the site.

Barangaroo is now an integral part of annual civic and cultural events staged in Sydney such as New Year's Eve, Australia Day, the Sydney Festival and Vivid Sydney. Other events held at Barangaroo in the past 12 months have included Sculptures at Barangaroo, Taste Orange, the Italian Food and Wine Festival, Sydney Contemporary artworks and the Legs on the Wall school holiday program.

Over the last 12 months the Authority has further strengthened its focus on Indigenous artists in its cultural events and activations. These events include Sand Song, Sunset20°N, Four Thousand Fish as part of Sydney Festival, Blak Box and the Authority's striking production for Vivid Sydney, The Liminal

Hour. On behalf of the Authority, I thank all the artists who have helped celebrate the precinct's rich Indigenous history, including of course Barangaroo the woman, a Cammeraygal leader of the late 18th century, in whose honour this place is named.

This has been the first full year of operation for the Barangaroo Ferry Wharf, an addition which is dramatically improving access for ferry commuters to Barangaroo and neighbouring parts of the CBD. Along with Wynyard Walk, the bustling scenes at peak hour are a glimpse into the future when Sydney Metro begins services to Barangaroo in 2024. On that front, I'm pleased to report construction of the Barangaroo Metro station is now well underway.

The remediation of the former Millers Point Gasworks is progressing well. The work required to remediate the site is both complex and comprehensive, and has been carried out under the careful supervision of the Authority's expert team. This important work will have an enduring public benefit by ensuring the remaining parts of Barangaroo can be safely returned for public access and enjoyment.

We were delighted during the year to announce a consortium comprising Grocon, Aqualand and Scentre Group had been chosen to deliver the final piece of this wonderful project, Central Barangaroo. As the community and cultural heart of the precinct, Central Barangaroo will complement the natural and built elements that surround it.

I would like to thank the NSW Premier, the Hon. Gladys Berejiklian MP, and the Authority's Board for their continued support and direction. The Authority continues to perform exceptionally well, as it evolves from a project delivery focus to include precinct management. It is my honour to lead such a high-performing and dedicated team on this tremendous journey to deliver what is to be one of Sydney's most exciting destinations.

A handwritten signature in black ink, appearing to read 'Craig van der Laan'.

Craig van der Laan
Chief Executive Officer
Barangaroo Delivery Authority

Highlights in 2017-18

.....
In January 2018 the Barangaroo Delivery Authority announced it had chosen a consortium led by Grocon, joined by Aqualand and Scentre Group, to deliver Central Barangaroo.
.....

More than 3.6 million visitors have enjoyed Barangaroo Reserve since it opened in August 2015.
.....

Total visitation to the precinct is over 4.7 million for 2017-2018 across South and the Reserve combined.
.....

Major events attracted hundreds of thousands of visitors including Blak Markets, Sydney Festival's Four Thousand Fish in Nawi Cove, and Vivid Sydney.
.....

Over 50,000 native bees were introduced to the Reserve, as part of the flora and fauna program to support the reimagined headland. The bees are housed onsite in a sandstone hive.
.....

Bringing delight to the South West corner of the site, Barangaroo House's design is based on a stack of bamboo bowls. The food and beverage destination is operated by the renowned restaurateur Matt Moran and Cory Campbell.
.....

The second Transport for NSW ferry wharf reached completion and is operational.
.....

Almost 5,000 people gained an insight into Barangaroo's cultural and historic significance with a tour or visit with our Visitor Services Guides. Almost 2,000 of these were school students.
.....

Project and place

History of the site

Barangaroo is part of the lands of the Gadigal of the Eora Nation, the Traditional Custodians of the Sydney Central Business District region. Rock engravings close to the site indicate that the area has been inhabited by Aboriginal people for at least 6,000 years.

The site has been through many transformations over the centuries. It was initially developed following the arrival of the First Fleet in 1788, as the early colony's maritime and industrial activities grew. In 1839, the site led one of Australia's first forays as a city of the world, with the establishment of the Millers Point Gasworks. It was here that coal was used to create the gas that supplied the first gas street light network outside Europe.

In 1900, a significant portion of the current site was compulsorily acquired by the NSW Government for expansion of the maritime infrastructure. The natural landscape of sandstone and dense native flora was razed to accommodate a new system of wharves, stores, service roads and hydraulic systems. As part of this project, Hickson Road was created by excavating the sandstone around the foreshore and using the steep topography to service the wharves at two levels.

By the 1960s, containerisation was redefining the international shipping industry. To accommodate the thousands of containers coming through Sydney each day, a large concrete 'apron' was created on reclaimed land adjacent to the headland.

The Barangaroo project – the early days

In 2004, the East Darling Harbour Taskforce was established to oversee master planning for future use of the site. The Sydney Harbour Foreshore Authority (SHFA), a NSW Government statutory authority, acted as taskforce lead and custodian of the project.

In 2005, the site was listed as a State Significant Site under Schedule 3 of *State Environmental Planning Policy (Major Development) 2005*.

Planning developments

SHFA obtained planning approvals for the development of the site under Part 3A of the *Environmental Planning and Assessment Act 1979*, with a Concept Plan application lodged by SHFA with the Department of Planning in October 2006.

A public naming competition for the site was held. The winning entry, 'Barangaroo', honours a Cammeraygal woman who was a key figure in local Aboriginal culture and community at the time of the European settlement. One of Barangaroo's husbands was Bennelong, after whom the site of the Sydney Opera House is named.

In February 2007, the Barangaroo (East Darling Harbour) Concept Plan was approved. This is the statutory master planning instrument for the redevelopment of the site.

Since 2007, there have been several modifications (referred to as 'Mods') to the initial Concept Plan approved by the Department of Planning and Environment. The most recent of these – Mod 8 – was determined by the Planning Assessment Commission on 28 June 2016.

The Authority

Establishment of the Authority

In November 2008, the NSW Government announced its intention to establish a dedicated delivery agency for the project with the enactment of the *Barangaroo Delivery Authority Act 2009* in March 2009, creating the Barangaroo Delivery Authority as a NSW Government agency.

The Minister

The responsible Minister for the Authority is the NSW Premier, the Hon. Gladys Berejiklian MP.

Barangaroo Delivery Authority Board

The Barangaroo Delivery Authority has a Board, the members of which at 30 June 2018 were Terry Moran AC (Chair), Craig van der Laan (Chief Executive Officer), Christine Covington, John Fitzgerald, and Peter Young AM.

Terry Moran AC BA (Hons)

Terry Moran AC was appointed Chairman of the Authority in September 2011. He has had a distinguished career in the public sector, culminating in his appointment as Secretary of the Department of the Prime Minister and Cabinet, the most senior position in the Australian Public Service, where he served from 2008 to 2011. Prior to that he was Secretary of the Department of Premier and Cabinet for the State of Victoria.

Mr Moran is a Chair of the Melbourne Theatre Company and the Centre for Policy Development and is a Director of the Walter and Eliza Hall Institute of Medical Research and the Menzies Foundation.

Mr Moran's initial appointment as Chair in September 2011 was for a period of three years, he was reappointed in September 2014 and again in September 2017.

Craig van der Laan BA, LLB (Hons)

Craig van der Laan was appointed as Acting Chief Executive Officer of the Authority on 25 August 2014 and confirmed as Chief Executive Officer of the Authority on 26 June 2015.

Mr van der Laan is a senior executive and business leader with an extensive international career in the private sector working with large public companies in operational, functional, project leadership and special advisory roles, including the leadership of large and complex M&A transactions, restructurings and special projects.

Prior to joining the Authority, Mr van der Laan was Global Head of Mergers & Acquisitions for the Brambles Group, President of Brambles' CHEP logistics/network business across China, India, Southeast Asia, Australia and New Zealand, as well as being Brambles' Group General Counsel and Group Company Secretary for many years.

Mr van der Laan has also held senior executive and advisory roles with the Westfield Holdings Limited Group, Transurban Group, Leighton Holdings Group, Lendlease Corporation and Foster's Group.

Christine Covington DipLaw, FAICD

Christine Covington was appointed to the Board on 14 July 2014.

Ms Covington is a solicitor of the Supreme Court of NSW with more than 30 years' experience in property, planning and environmental law. She is currently the National Practice Group Leader of the Environment and Planning Group at the law firm Corrs Chambers Westgarth.

Christine has served as a NSW Government appointee to the Central Sydney Planning Committee and has experience in working with local government and community engagement. Christine served on the Board and as the Chair of City West Housing Pty Ltd for seven years. She is currently a member of the NSW Environment Protection Authority Board and sits as Deputy Chair on the Board of the ACT City Renewal Authority.

Her appointment in 2014 was for a five year term.

John Fitzgerald MP Infra (Hons), FAICD, FIPAA (Vic)

John Fitzgerald was appointed to the Board in July 2011. He has extensive experience in infrastructure delivery and until recently was a specialist adviser to KPMG and Interim CEO of Infrastructure Australia, leading the organisation through substantial change following amendment of the agency's enabling Act and the production of the Australian Infrastructure Audit.

Mr Fitzgerald is Chairman of the ACT's Suburban Land Agency, InfraNexus Management Pty Ltd (an IFM subsidiary), Evolution Rail Pty Ltd and Transport Canberra Light Rail. He is also a Director on the Board of the Victorian Funds Management Corporation and was Chair of the NSW Government Steering Committee for the Sydney International Convention, Exhibition and Entertainment Precinct project.

His previous board positions include Director Port of Melbourne and National Advisory Board of Infrastructure Partnerships Australia. Until September 2011, John was a Deputy Secretary, Commercial Division, at the Department of Treasury and Finance where he was responsible for providing strategic commercial, financial and risk management advice to the Victorian Government. He led the development of Victoria's PPP policy at Partnerships Victoria, was a member of the Infrastructure Working Group of the Council of Australian Governments and also chaired its PPP sub-committee.

Mr Fitzgerald was originally appointed to the Board in July 2011 for a period of five years. He was reappointed to the Board in 2016 for a five year term.

The Authority (continued)

Peter Young AM BSc, MBA

Peter Young AM is a Principal for The Adelante Group, and a member of the Garvan Research Foundation Board. Peter is also a Chairman Council member for the Australian Chamber Orchestra, and the Sydney Theatre Company.

Mr Young's previous positions include Chairman of Standard Life Australia and subsequently Aberdeen Standard Investments Australia, Chairman of Barclays Australia, Chairman of Investment Banking at ABN AMRO Australia and New Zealand, and Senior Advisor at the Royal Bank of Scotland (formerly ABN AMRO). He has also served as Chairman of the Queensland Investment Corporation (QIC); Chairman of the Transfield Services Infrastructure Fund; and Chairman of the Board of the Australian Federal Government-owned Export Finance and Insurance Corporation (EFIC). He is a former Non-Executive Director of Fairfax Media, the Sydney Theatre Company, PrimeAg Australia, a Trustee of the NSW Art Gallery, and subsequently a Trustee of the Queensland Art Gallery, and a member of the Board of the Great Barrier Reef Foundation.

Mr Young is a recipient of the Australian Federal Government's Centenary Medal and in 2008 was appointed a Member of the Order of Australia for his services to business and commerce, particularly in the areas of finance and investment, and to cultural and environmental organisations.

His appointment to the Board in March 2014 was for five years.

Board meetings in 2017-18

Seven Board meetings were held in 2017-18 and details of members' attendance is reported below.

	Meetings held while appointed	Meetings attended
Terry Moran AC	7	7
Christine Covington	7	7
John Fitzgerald	7	7
Craig van der Laan	7	7
Peter Young AM	7	6

Board committees and Barangaroo Arts and Cultural Panel

The Board has an Audit and Risk Management Committee and an Arts and Public Program Panel. These bodies are outlined in Section 3: Reporting.

Section 2

The year in review

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Barangaroo South

Background

Originally a 7.5-hectare development area at the southern end of Barangaroo and the first section of the site to be developed, Barangaroo South has quickly emerged as a vibrant addition to the Sydney CBD. With most businesses and occupants now in place Barangaroo South has reinforced Sydney's position as a key financial centre in the Asia-Pacific region.

In April 2008 an expression of interest was released and the tender for the development of Barangaroo South commenced. From the submissions, three bidders were invited to submit detailed proposals by March 2009.

In December 2009, a jury including representatives from the Authority selected Lendlease as the winning developer for Barangaroo South.

Since February 2010, the Authority has administered a Project Delivery Agreement (PDA) with Lendlease, setting out the legal and commercial framework for the development of Barangaroo South. Under the PDA, Lendlease carries out all construction and development activities in Barangaroo South. Working with the Authority, Lendlease is required to deliver public domain areas to the Authority, the first of which was handed over for public access in July 2015.

2017-18 highlights

Significant progress was made during the year in the delivery of Barangaroo South, with substantial buildings and areas of public domain reaching completion.

Public domain

The delivery of the public domain in Barangaroo South consists of two key stages: Stage 1A and Stage 1B. In July 2015 the first portion of the southern public domain, Stage 1A, opened to the public. Since then, progressive stages have been delivered and Stage 1A is now complete. This includes all areas of the public domain to the south of Watermans Quay.

The Stage 1B public domain, which includes Watermans Quay, a pier and the adjacent Watermans Cove, Hickson Park and the foreshore fronting the Crown Resorts' site has been designed and lodged for Development Approval with the Department of Planning and Environment.

The Authority is the declared road authority for the public roads in Barangaroo as well as sections of Hickson Road, Sussex Street and Napoleon Street. Many of the road names within the precinct honour the locale's heritage.

Commercial office buildings: International Towers Sydney

All three commercial towers are complete and substantially occupied. Known as International Towers Sydney (ITS), they were designed by Lord Richard Rogers and Ivan Harbour of Rogers Stirk Harbour + Partners, London.

The three towers collectively provide approximately 300,000 square metres of large floor plate, premium-grade, energy-efficient office space, and can house more than 23,000 office workers and 90 retailers.

Leases within the towers have been entered into by Westpac, KPMG, PWC, Gilbert + Tobin, HSBC, Suncorp, Lendlease, Servcorp, Ferrier Hodgson, Baker McKenzie and Aqualand.

Timber-framed commercial buildings: Daramu House (C1) and International House Sydney (C2)

A smaller commercial building fronting Hickson Road, named International House Sydney, designed by Tzannes Architects, is now complete and is leased to Accenture. This building also includes retail at its ground floor.

In 2018, a second smaller building fronting Hickson Road, named Daramu House, also designed by Tzannes Architects, was lodged for Development Approval with the Department of Planning and Environment, and was approved. This building will also include retail at its ground floor.

Foreshore residential buildings: Anadara and Alexander

The first two residential buildings, Anadara, designed by Richard Francis-Jones of FJMT, and Alexander, designed by Andrew Andersons of PTW Architects, were completed in late 2015 and as at 30 June 2018 are fully occupied. Anadara and Alexander both include ground-floor retail areas.

Retail buildings: Barangaroo House (R1) and R7

Two three-level buildings have been constructed adjacent to the southern boundary of the precinct. One achieved completion in 2017 and is occupied. The second, fronting the foreshore, named Barangaroo House, is also complete and achieved full operational status during the year.

Crown Sydney Hotel Resort

Agreement was reached in 2014–15 between the Authority, Crown Resorts and Lendlease regarding the proposed construction of the Crown Sydney Hotel Resort at Barangaroo South.

This development commenced construction in September 2016 and work is proceeding on program for a target completion in early 2021.

During the reporting period, Crown Resorts' construction teams completed piling works and commenced construction of the basement carpark, podium levels and tower lift cores, implementing the 'top-down' construction method.

Further, the marketing campaign for Crown Sydney Hotel Resort commenced in late 2017, titled 'One Barangaroo' with 66 apartments on offer. In mid-2018 Crown's marketing campaign revised this number to 82 apartments.

Residential towers: One Sydney Harbour

Lendlease lodged a Development Application in 2016 for the next major residential release. To be known as 'One Sydney Harbour', it is designed by the internationally renowned architect and Pritzker Architecture Prize winner, Renzo Piano. Two of the buildings within this development were approved by the Department of Planning and Environment during the year, with the assessment for a third building underway while Lendlease undertakes additional design refinements.

Transport for NSW Ferry Wharves

The construction of two ferry wharves by Transport for NSW, was completed in 2017. Services to one wharf commenced immediately upon completion and the second commenced operation in late 2017.

Barangaroo South (continued)

Remediation

Remediation works continued on the former Millers Point Gasworks land, which was declared contaminated by the Environment Protection Authority (EPA). This work is being delivered by Lendlease and its sub-contractors in compliance with EPA guidelines and the approved Remedial Action Plan for the site. The Remediation program is 25% complete with in excess of 203,000 tonnes of material having now been removed from site and transferred to waste receiving facilities as at 30 June 2018.

Excavation is occurring simultaneously on Hickson Road and the One Sydney Harbour and Crown Sydney Hotel Resort sites, and is forecast to continue until mid-2020.

Hickson Road Upgrade South

In June 2017 upgrade works commenced on Hickson Road between the southern side of the Wynyard Walk Bridge to the northern side of Watermans Quay intersection.

The works are due for completion in stages, in September 2018, and in November 2019 following the completion of Building C2, and will deliver vehicular and pedestrian access, plus cycle paths. The design of the upgrade works is aligned with Barangaroo's public domain areas and the broader City of Sydney.

Barangaroo Reserve

Background

The Reserve connects with the depth of Sydney's history and its native landscape, a place to acknowledge Sydney's traditional owners and celebrate one of the world's oldest living cultures. The Reserve's winding trails, open spaces and seamless connection to the water offers respite from the pace of urban Sydney, a space for contemplation and consideration.

The six hectares of Barangaroo Reserve include a continuous sandstone foreshore, two newly-formed coves, a 10-metre-wide pedestrian and cycle path, 75,000 native plants, a 300-space car park and the Cutaway, a cultural and exhibition space within the headland.

2017-18 highlights

Visitation

Over 3,650,000 visitors have enjoyed Barangaroo Reserve since it opened in August 2015.

New Year's Eve

All 10,175 tickets to the New Year's Eve (NYE) Event at Barangaroo Reserve were sold. When surveyed:

- 93.6% of patrons reported satisfaction with the event, while 82% regarded the event as a 'standout experience';
- 79% of patrons would attend again; and
- 81% of visitors were from Sydney city or suburbs and 26.4% had attended NYE at Barangaroo previously.

Australia Day

Australia Day launched with the WugulOra Ceremony. Yvonne Weldon, Metropolitan Aboriginal Land Council, the Hon. David Hurley AC DSC, the Governor of NSW and the Hon. Gladys Berejiklian, the Premier of NSW, were in attendance with 6,000 visitors celebrating Australia Day at Barangaroo Reserve.

Native bee colony

Over 50,000 native bees were introduced to the Reserve, as part of the flora and fauna program to support the reimagined headland. The bees are housed onsite in a sandstone hive.

For further information about activations at the Reserve please see the Activation and Precinct Management section, p17-18 and the Arts and Culture Section, p21.

Central Barangaroo

Background

The Central Barangaroo development will be positioned between Barangaroo Reserve and the financial and retail hub of Barangaroo South, completing the sweep of experiences across Barangaroo.

More than 50% of Central Barangaroo will be open, public space. The project comprises approximately 5.2 hectares allocated to two development zones – 2.2-hectare B4 Mixed Use zone and the remaining three hectares zoned RE1 Public Recreation.

In November 2013, the Authority announced the master plan vision for Central Barangaroo and its ambition to create a vibrant, mixed-use precinct on the waterfront of Sydney Harbour.

Following the NSW Government's decision in June 2015 to include a Barangaroo Station as part of the Sydney Metro project, the Authority updated the Central Barangaroo master plan. The plan now fully integrates the station into Central Barangaroo, optimising the development outcomes for the site, and leveraging the increased transport capacity provided by connection to the Metro.

In December 2015, the Authority released the Central Barangaroo Request for Development Bids with submissions received in February 2016. Following the detailed evaluation and assessment of bids by the Authority, including review by technical consultants and subject matter experts, the Authority entered into negotiations with a preferred bidder.

2017-18 highlights

Appointment of Central Barangaroo developer

In January 2018 the Authority announced it had chosen a consortium led by Grocon, joined by Aqualand and Scentre Group, to deliver Central Barangaroo.

Grocon is one of Australia's leading private development and construction firms, with extensive experience in delivering complex, landmark projects. The residential component within the consortium is to be funded and developed by Sydney-based Aqualand and the retail centre is to be funded and delivered by Scentre Group, owner and operator of Westfield in Australia and New Zealand. Grocon will lead design and construction across the development.

In June 2018 Grocon announced Oxford Properties as the preferred investment partner for the commercial office component of the Central Barangaroo development. Oxford Properties is one of the world's pre-eminent property investors, with 55 years of experience across North America and Europe, including landmark schemes such as The Leadenhall Building in London and the Hudson Yards project in New York. The Central Barangaroo office investment represents Oxford's entry into the Australian market.

Construction of Barangaroo Metro Station

Transport for NSW has begun construction work at the site of the future Barangaroo Metro Station. Piling to form a retaining wall around the site has been completed in preparation for deep excavation. An acoustic shed at the northern end of the Barangaroo Metro Station site has been completed to help minimise noise and dust during excavation of the temporary access shaft. The access shaft is needed so construction equipment, including tunnel boring machine parts, can be lowered underground.

Sustainability

The NSW Government set a vision for Barangaroo to achieve a carbon neutral outcome and become a Climate Positive precinct. By incorporating this vision from an early stage, the Authority has been able to ensure the delivery of these outcomes throughout the development of the project.

Sustainability Advisers

Flux Consultants P/L continue to provide Environmental Sustainability Advisory Services for the Authority. Flux offers high-quality, and detailed analysis and advice to the Authority on sustainability matters and, where required, provides feedback to developers and other stakeholders on behalf of the Authority.

2017-18 highlights

Climate Positive Work Plans

Climate Positive Work Plans (CPWP) outline how climate positive targets are to be implemented. Key items delivered under the CPWP during 2017-18 include embodied carbon reports, Green Star certifications, and carbon accounts for completed buildings. Lendlease, developer of Stage 1 of the precinct, continues to work towards completion of its obligations under their CPWP, which is required under the development agreement. A draft project specific CPWP has been submitted to the Authority by Crown Resorts for the Crown Sydney Hotel Resort development.

Progress towards a Climate Positive outcome

Initiated and led by cities, C40 is a network comprising 90 of the world's megacities collaboratively committed to addressing climate change. Barangaroo is one of only 19 precincts worldwide that has committed to the C40 Cities Climate Positive Development Program. The Authority supports the developers and tenants of Barangaroo to deliver Climate Positive initiatives through the Climate Positive workplans and lease provisions.

During this period, the Authority worked closely with its development partners to finalise carbon accounting for the operational component of the precinct. The methodology is now compatible with federal National Carbon Offset Standard for Precincts (NCOS). This method and the figures generated will also be used annually across the precinct, and with future developers and tenants to identify carbon offset requirements to deliver a carbon neutral precinct.

Sustainability infrastructure

Sustainability infrastructure operating in the precinct includes:

- Harbour heat rejection and centralised chilled water plant providing chilled water to International Towers Sydney, the residential Anadara and Alexander buildings, and International House Sydney. This infrastructure is sufficient to support all future Stage 1 buildings including the Crown Sydney Hotel Resort and the three new residential towers.
- 803 kW of solar panel systems installed and commissioned on the rooftops of completed buildings, which represents 74% of total planned solar capacity for Stage 1. An additional 278 kW of panels are planned to be installed by the completion of Stage 1B. Energy from these installations delivers all the energy requirements of public domain areas and the Recycled Water Treatment Plant in Stage 1. Additional onsite solar is planned for the Crown Sydney Hotel Resort and Central Barangaroo.
- A completed Recycled Water Treatment Plant delivering recycled water to the Stage 1 buildings. The plant has the capability to export water offsite to other CBD buildings, upon installation of supporting infrastructure.
- Subsurface irrigation, and stormwater and rainwater retention and re-use at Barangaroo Reserve.

Design Excellence

The Authority's ongoing and active commitment to design excellence at Barangaroo continued through the year.

Design Excellence Advisory Panel

The Authority re-established the Design Excellence Advisory Panel with new Terms of Reference and membership. The Panel members are:

- Bob Nation (Barangaroo Delivery Authority Design Excellence Advisor) (Chair)
- Oi Choong (Consulting Partner, Context)
- Keith Cottier (Consultant, Allen Jack + Cottier)
- Karl Fender (Founding Director, Fender Katsalidis)
- Richard Nugent (Associate Director, Conybeare Morrison)
- Alison Page (Zakpage)

2017-18 highlights

Commercial Building: Daramu House (C1)

With the Authority's endorsement, Lendlease appointed Tzannes Associates as the designers of Building C1, the same architects that designed a number of other buildings at Barangaroo, including the award-winning adjacent Commercial Building C2 (International House Sydney). Tzannes Associates is a world renowned practice with demonstrated experience in both urban design and architecture. Alec Tzannes, an eminent Australian architect, is the past National President of the Australia Institute of Architects, past Professor and Dean of UNSW Faculty of the Built Environment and current Emeritus Professor at UNSW.

Building C1 is a seven-storey, timber-framed building consisting of six levels of commercial space and ground-floor retail with the design concept stemming from two key principles. Firstly as a sister form to Building C2 and secondly as a continuation of the Hickson Road built edge consisting of a two-storey base with a five-storey, glazed envelope above emphasising the timber structure behind.

The Development Application was publicly exhibited in November 2017 with Lendlease receiving approval in June 2018.

Commercial Building: International House Sydney (C2)

International House Sydney is Australia's first engineered timber office building. It is a seven-storey, cross-laminated timber building to the east of International Tower 3 on Hickson Road. Designed by Tzannes Architects, the building presents a sophisticated, sleek glass exterior allowing the timber structure to be read through the glazing. Since completion in May 2017 International House Sydney has been the recipient of a number of design awards (see "Awards" p20).

Barangaroo South Public Domain: Hickson Park, Watermans Quay, Watermans Cove and Wulugul Walk

Grant Associates' design for the remaining two hectares of public domain at Barangaroo South, which includes a new harbour cove, a one-hectare public park, an expanded waterfront walkway and a public pier, continues to develop and progress through the statutory planning process. The design includes a series of spaces that offer memorable and distinctive experiences for a wide range of users.

Retail Building: Barangaroo House (R1)

This three-level food and beverage building was the subject of a competitive design process resulting in Colliers/Turner being selected as the architects. The building design is based on a stack of bamboo bowls and brings delight to the South West corner of the Barangaroo site. The food and beverage destination is operated by Matt Moran and Cory Campbell. Construction was completed in late 2017.

Residential Buildings: One Sydney Harbour (R4A, R4B and R5)

Following an international design competition, the renowned firm Renzo Piano Building Workshop was selected as the architects for the One Sydney Harbour residential buildings. The three residential towers have been conceived as 'crystals', elegantly skinned with a highly transparent glass facade. The form and juxtaposition of the associated detailing will create a unique architecture, reflecting the site's setting between the CBD and the Harbour. The development applications for buildings R4A and R4B were approved in September 2017. Building R5, the smallest of the three towers that also includes the Key Worker Housing provision, underwent further design refinement through to June 2018.

Activation and Precinct Management

The open space at Barangaroo provides opportunities for cultural and educational programs, and public activities based around leisure, recreation, the arts and hospitality. Spaces available include the six-hectare Barangaroo Reserve, Wulugul Walk, and plazas within the emerging financial and dining hub at Barangaroo South.

The public domain is managed by the Authority in accordance with the statutory provisions of the Barangaroo Delivery Authority Regulation 2015.

2017-18 highlights

Partnerships

In addition to the existing partnership with Sydney Festival, the Authority established partnerships with Sherman Centre for Culture and Ideas (SCCI), Sydney Writers' Festival (SWF) and Sydney Contemporary. As part of these partnerships, the following programs were presented:

- Green Ladder – an installation in Barangaroo South in collaboration with the Sherman Centre for Culture and Ideas and their Architecture Hub. Vo Trong Nghia's Green Ladder speaks to the sustainability and green architectural practice and introduced a three-year Barangaroo Structures annual architectural pavilion program. This initiative takes its cue from London's Serpentine Gallery's *Architectural Pavilions* and the Sherman Contemporary Art Foundation's *Fugitive Structures Series* (2013-16). Following Green Ladder, the inaugural commissioned collaborative project will be a temporary pavilion located in Barangaroo Reserve. The commissioned architect will be announced in October 2018, within the context of SCCI's inaugural Architecture Hub.
- The partnership with Sydney Writers' Festival focused on a panel discussing *The Gig Economy: Today's Hungry Mile*. The panel discussion was recorded for distribution as a podcast. As Australia's largest literary festival, SWF reaches 116,000 attendances and achieves 500,000 downloads on its podcast channel per annum.
- Sydney Contemporary, Australia's premier contemporary art fair, curated a series of installations and performances throughout Barangaroo South, which included artists Lara Merrett, Jason Phu and Joan Ross.

Children's Programming

Children's programming has been introduced as part of the audience development strategy for Barangaroo. In the inaugural year, there were two specific programs for children in the Cutaway.

Sand Song

Sand Song was an Indigenous Australian contemporary dance and theatre performance, and workshop for children and their families during the October school holidays. The work was created by visual artist and Gammilleroi woman from Dirranbandi, Walbira Murray, director Elena Vereker and produced by Insite Arts. During a 30-minute hands-on workshop, children met the performers, learnt the Brolga dance and painted their dream on a glass dream holder that formed part of the *Sand Song* set.

Creative Planet

Physical theatre company, Legs On The Wall, transformed the Cutaway into a pop-up jungle gym for the April school holidays. *Creative Planet* is a new workshop program for children aged six to 16 years spanning taught techniques of parkour, gymnastics and acrobatics.

The Cutaway and events

The Cutaway within Barangaroo Reserve continued to generate significant interest throughout the year and has been used as a multi-purpose arts, cultural and events venue. The unique design, span and flexibility of the space has attracted a broad range of uses including community events, exhibitions, markets such as the Finders Keepers and One Fine Day, as well as private corporate events and large-scale filming.

Barangaroo Reserve has facilitated a wide range of events within its natural landscape, encompassing sport and recreation, community, arts and culture sectors. Throughout the year the Authority supported 53 events and activations which helped generate revenue to support the operations of the public domain, including:

- Melbourne Cup
- Italian Wine and Food Festival
- Australian Fashion Laureate
- Leukaemia Foundation Light the Night
- Commonwealth Games Queen's Baton Relay
- Bloomberg Square Mile Relay

Vivid Sydney

This year's installation *The Liminal Hour*, featured layers of sound and light that filled Barangaroo with a lush landscape evocative of the Australian bush. The centrepiece of the installation was a magnificent six-meter-high puppet called Marri Dyin, inspired by the cycle of regeneration through fire and water. Marri Dyin's existence sought to recognise the influence and importance of First Nations women, including Barangaroo, who lived in Sydney prior to settlement. The artistic collaboration brought together the talents of Erth Visual & Physical Inc., James Brown, Jacob Nash, and Mandylights. Combining world-class puppetry mechanics, sound and light, the artwork and performance was a spectacular showcase of Australian artistic innovation and creativity.

Activation and Precinct Management (continued)

Indigenous Art Fair

Blak Markets launched NAIDOC activities at Barangaroo with an Indigenous Art Fair.

Key results from the event included:

- Attendance of 9,500 people;
- 63% of remote art centres sold \$10,000-\$20,000 worth of work, with one art centre selling in excess of \$35,000;
- An audience survey was completed by 111 attendees and indicated that 45% of the audience were new visitors to Barangaroo and that 80% would return to Barangaroo; and
- 62% of the audience purchased works.

Gross revenue from the markets totalled \$250,000 for vendors onsite.

Sunset20°N

Sunset20°N was a summer entertainment program presented by the Authority across four weekends (Friday to Sunday) from 2 to 25 February 2018. Sunset20°N took inspiration from Barangaroo, the woman, with a focus on female performers, designers, winemakers and chefs.

As part of the site design, the Authority commissioned Grandmother Tree, an interactive installation work referencing the angophora (Sydney Red Gum). This site-specific conceptual work, created by Yuwaalaraay designer Lucy Simpson in collaboration with Archrival, a non-profit organisation that unites design and architecture, encouraged visitors to view and experience the city in a different light. Grandmother Tree (angophora) and the Grandfather Sun (at sunset) provided a colourful, dramatic invitation to explore Barangaroo's iconic harbour-front setting.

Blak Box

Blak Box was a state-of-the-art surround-sound listening space for audiences to experience contemporary First Nations stories. Developed and curated by Urban Theatre Projects, the work straddled contemporary sound, architecture, temporary public art and creative writing. The 'box' was designed by Kevin O'Brien to create a 'deep listening' experience supporting an immersive exploration of sound.

The title of the work, *Humechochorus* included spoken-word performance of commissioned texts, informal interviews and new music. The work was broken into The Hum which interpreted the imagined history of the Barangaroo Reserve. The Echo focused on the relationship between First Nations people and their waters, and the Chorus, which speculated what the future may be.

Tourism and Education

The Authority's Visitor Services Team; the ambassadors for Barangaroo, continue to strengthen their skills as tour leaders. Visitors are immersed in the history of Sydney Harbour, the importance of the land to Australia's Aboriginal heritage, and its significance to the clans of the Eora that once lived where Sydney now stands.

Visitors taking a tour gain a special insight into the significance of Barangaroo – the place and the woman to the local Aboriginal community and the relationship of Aboriginal people to Country.

In 2017-18, the Visitor Services Guides hosted 283 tours with 4,846 tour participants, including 1,805 school students.

Visitation

The total visitation to the precinct is over 4.7 million for 2017-2018 across South and the Reserve combined.

Public Engagement

The Authority ran a public engagement program throughout the year. The focus was on communication with Greater Sydney events, activation of the public domain and engagement with neighbours, local businesses, partners and stakeholders.

Enhancement of the barangaroo.com website enabled access to all information in one location and to communicate development progress and visitor information.

Public engagement continues to address Barangaroo as a development site and Barangaroo as a place with significant sections open to residents, works and visitors.

The Authority ran a series of media and marketing campaigns across the year promoting visitation and public events such as NAIDOC Week, Blak Markets, New Year's Eve, Sydney Festival, Australia Day and Vivid Sydney. The campaigns generated greater awareness of Barangaroo while attracting both general and event visitation.

Announcements

Major announcements throughout the year included the consortium chosen by the Authority to deliver Central Barangaroo and announcements about community, hallmark and artistic events at Barangaroo.

Digital engagement

Website

Following the launch of the refreshed barangaroo.com website in June 2017, the Authority decommissioned the barangaroo.sydney website on 28 July 2017. Page views for barangaroo.com increased by 22.3% compared to the previous year. This increase was due to enhanced visitor content.

Barangaroo.sydney (decommissioned July 2017)			
	2016-17	July 2017	Increase year-on-year
Sessions	376,322	26,985	-92.8%
Page views	799,119	56,166	-93%
Barangaroo.com			
	2016-17	2017-18	Increase year-on-year
Sessions	328,001	681,345	107.7%
Page views	697,417	1,774,589	154.5%
Combined web traffic			
	2016-17	2017-18	Increase year-on-year
Sessions	704,323	708,330	0.6%
Page views	1,496,536	1,830,755	22.3%

Social media

Follows and *Likes* on media sharing increased on all fronts this year compared with 2016–17.

Platform	30 June 2017	30 June 2018	Increase year-on-year
facebook	21,602 followers	33,022 followers	+ 53%
instagram	6,426 followers	10,140 followers	+ 58%
twitter	4,362 followers	4,693 followers	+8%
linkedin	4,575 followers	5,180 followers	+13%

Electronic newsletters

A total of 24 email campaigns were sent from the Authority's two e-newsletter databases. This year 2,556 new subscribers joined the consumer e-newsletter, bringing the total to 10,174 active consumer subscribers. Meanwhile 121 new subscribers joined the corporate e-newsletter, bringing the total to 4,834 active corporate subscribers.

Public Engagement (continued)

Community engagement

A diverse range of community members and stakeholders participated in briefings and various tours of Barangaroo during the year, reflecting the continued interest in both Barangaroo Reserve and the commercial and dining precinct at Barangaroo South. Participants included the German President, Frank-Walter Steinmeier and senior government representatives from China, Japan, South Korea, Thailand, India and Indonesia, as well as several community groups and students from both international and local education institutions. The Authority also participated in the Association of Southeast Asian Nations (ASEAN) and hosted members of the G20 Infrastructure Working Group.

Stakeholder and community meetings continue to be a focus of the Authority's community engagement strategy. These included 31 topic-focused meetings for both international and national delegations, as living well as a community information session for residents living near the remediation project to provide an overview of current and upcoming work. The Authority also continues to participate in regular meetings hosted by various local community and government stakeholders.

Awards

- Barangaroo Reserve; Landscape Design of the Year Award, The American Architecture Prize 2017 (Architecture Masterprize)
- Barangaroo Reserve; Landscape Architecture – Large Scale Landscape Projects, The American Architecture Prize
- Barangaroo Reserve; Landscape Architecture – Public, The American Architecture Prize
- Barangaroo South; UDIA National President's Award; UDIA's National Awards for Excellence 2018
- Barangaroo South; Mixed-Use Development Award, UDIA NSW Crown Group Awards for Excellence
- Barangaroo South; Sustainability and Environmental Technology Award, UDIA NSW Crown Group Awards for Excellence
- Barangaroo South; Development of the Year; Urban Taskforce Development Excellence Awards
- Barangaroo South; Country's Best Development Award; Property Council of Australia/Rider Levett Bucknall awards
- Barangaroo South; Great new place to live and/or work; Greater Sydney Commission; 2018 Greater Sydney Planning Awards
- International House Sydney; Chicago Athenaeum and the European Centre for Architecture and Design - 2017 International Architecture Award
- International House Sydney; Australian Timber Design Award 2017
 - Grand Prix
 - Excellence Award for Public or Commercial Building
 - Excellence Award for Sustainability
 - Peoples' Choice

Arts and Culture

2017-18 highlights

Sydney Festival

This year's commission entitled *Four Thousand Fish*, reflected the British colonists that hauled 4,000 fish in one day from Sydney Harbour in 1790. Curated by Emily McDaniel, the installation encouraged visitors to participate in a series of rituals that culminated in a symbolic returning of the fish to the Harbour.

Visitors made thousands of fish by freezing harbour water into fish-shaped blocks. These fish were then placed into a giant Nawi sculpture on the water's edge, slowly melting back into the harbour. Each evening a flame onboard the Nawi was lit.

A soundscape of songs and language accompanied the installation. Supervisors were on hand to assist visitors navigate and explore stories about Barangaroo, country and sustainability.

Papillon

A temporary artwork, entitled *Papillon*, was delivered through a partnership between Barangaroo, Urban Art Projects and Sydney artist Nike Savvas. Savvas works across sculpture, installation, kinetic and light-based media. The artwork offered a distinctive entrance statement, enhancing the visitor experience and speaking to the innovative renewal of Barangaroo South.

Section 3

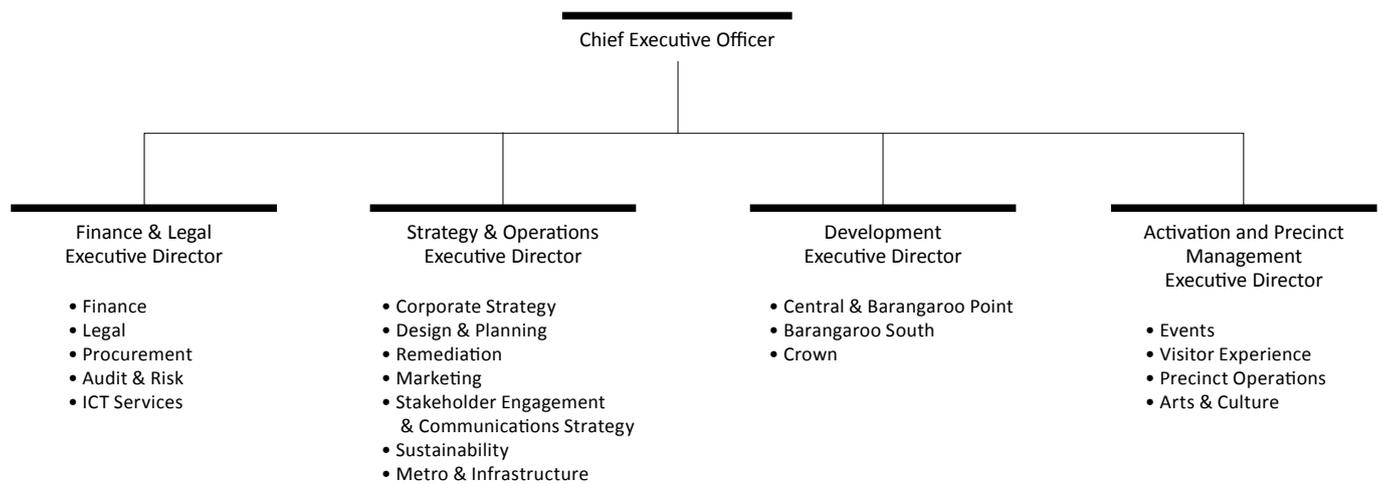
Reporting

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Structure and management

Organisation structure

The Barangaroo Delivery Authority sits within the NSW Department of Premier and Cabinet cluster. The agency's organisation structure at 30 June 2018 is shown below. This structure was designed to align with the NSW Government's Senior Executive design principles as prescribed by the Government Sector Employment Act reforms.



The Authority employs an experienced, multi-disciplinary team of professionals to achieve the Authority's objectives and implement its core functions. These professionals are supported by specialised consultants who work together with Authority employees and partners to deliver and manage the Barangaroo precinct.

Senior management

At 30 June 2018, the senior management of the Authority was:

Craig van der Laan (BA, LLB [Hons])
Chief Executive Officer (see Board biography)

Tim Robertson (BUrbRegPlan)
Executive Director, Strategy and Operations

Stuart Pauly (BEC, CA)
Executive Director, Finance and Legal

Sandra Bender (BA, LLB [Hons])
Executive Director, Activation and Precinct Management

Human resources

At 30 June 2018, the Authority had a total of 59 employees.

Employees by category

Salary scale**	30 June 2016		30 June 2017		30 June 2018	
	Total	Women	Total	Women	Total	Women
Grade 1-2 or equivalent	1	1	1	1	1	1
Grade 3-4 or equivalent	4	2	5	4	4	3
Grade 5-6 or equivalent	4	3	7	5	9	8
Grade 7-8 or equivalent	3	2	3	2	4	3
Grade 9-10 or equivalent	5	2	9	5	13	7
Grade 11-12 or equivalent	8	3	17	6	18	6
Above Grade 12 or equivalent	13	4	17	7	10	4
Total number of employees*	38	15	59	30	59	32

* Figures do not include casuals. Part-time employees are counted as one.

** Salary scale has changed for 2017.

Senior Executives

Senior Executive Band	2016		2017		2018	
	Women	Men	Women	Men	Women	Men
Senior Executive Band 3	0	2	0	1	0	1
Senior Executive Band 2	1	4	1	7	1	3
Senior Executive Band 1	3	3	6	2	3	2

In 2017-18, a total of 45.37% of the Authority's employee-related expenditure was for Senior Executive employees.

Senior Executive Band 3 salaries

The following information on the salaries of Band 3 Senior Executives in 2017-18 is provided in line with statutory reporting requirements.

Craig van der Laan, Chief Executive Officer, Senior Executive Band 3: total remuneration paid, \$593,650.

The Chief Executive Officer's employment contract provides for a discretionary remuneration payment of up to 12% in addition to the base remuneration package. Discretionary remuneration is included above in the year paid.

Human resources (continued)

Workforce Diversity

The Authority's workplace diversity data shows strong representation of women across the organisation, including 40 per cent of those in the Senior Executive bands. The representation of people from Aboriginal and/or Torres Strait Islander descent is well above the NSW benchmark. The proportion of staff whose first language is not English remains below the NSW benchmark but is progressing year on year.

Workforce Diversity Group	NSW Benchmark	2016	2017	2018
Women	50%	43.6%	51.7%	54.2%
Aboriginal and/or Torres Strait Islander People	3.3%	10.9%	9.0%	10.2%
People whose First Language Spoken as a Child was not English	23.2%	11.5%	12.7%	15.3%
People with a Disability	N/A	0.0%	0.0%	0.0%
People with a Disability Requiring Work-Related Adjustment	N/A	0.0%	0.0%	0.0%

Multicultural Policies and Services Program

The Authority has dual roles in relation to promoting the principles of Multicultural NSW as outlined in the *Multicultural NSW Act 2000* and required by *Premier's Memorandum M2012-09*. These roles are:

- as an employer – the Authority must develop and maintain a culture that is supportive of the principles of multiculturalism, diversity and equality for its employees
- as the owner and manager of public domain and websites – the Authority has a responsibility to ensure that all people can both physically and virtually visit and engage with Barangaroo, irrespective of their linguistic, cultural, religious and ancestral background.

In 2017-18, initiatives included:

- Programing for a NAIDOC week event in Barangaroo Reserve.
- The partnership with First Hand Solutions to present Blak Markets at Barangaroo. The Blak Markets is Sydney's leading Indigenous retail experience, with proceeds supporting local community programs.
- Tour facilitation in partnership with the Tribal Warrior Association.
- Staff event during Reconciliation Week with guest speakers from within the Authority and Community.
- Establishment of an internal working group focused on Aboriginal and Torres Strait Islander initiatives.
- Participation in the Barangaroo Careers Day run in partnership with National Aboriginal Sporting Chance Academy (NASCA). The careers day is a joint program facilitated by the Authority and Barangaroo tenants to host students NASCA works with across Sydney and provide insights in the types of employment available at Barangaroo.
- The Barangaroo awareness campaign engaged with culturally and linguistically diverse groups via translated materials and media.
- The Authority supported our horticultural and facilities management partners in the employment and training of an additional three First Nations staff members to work onsite in 2017-18, including training courses at TAFE.

Board committees

Audit and Risk Management Committee

Responsibilities of the Audit and Risk Management Committee include:

- risk management;
- control framework;
- external accountability;
- compliance with applicable laws and regulations;
- internal audit; and
- external audit.

Members of the committee and their terms of appointment are:

John Fitzgerald (see Board biography) – term of appointment as a member was three years from 18 November 2011; appointed Chair for a four-year term from 1 July 2014.

Peter Young AM (see Board biography) – term of appointment was four years from 1 July 2014.

Jon Isaacs has held senior positions across the not-for-profit and public sectors, including Chair of the Sydney Harbour Foreshore Authority and CEO of the Royal Blind Society. Mr Isaacs has chaired audit and risk committees for over 15 years in the private and public sectors and is also a Fellow of the Australian Institute of Company Directors – term of appointment three years from 12 February 2014 and was reappointed for a further three years expiring 11 February 2020.

Member	Meetings held while appointed	Attended
John Fitzgerald (Chair)	5	5
Carolyn Burlew	3	3
Jon Isaacs	5	5
Peter Young AM	5	5

Barangaroo Arts and Public Program Panel

The Barangaroo Arts and Public Program Panel (Panel) responsibilities include:

- providing high quality, expert advice to the Board on the development and delivery of the public art and cultural programs at Barangaroo;
- ensuring public art and cultural programming at Barangaroo aligns with the aims and objectives articulated by the Authority, the City of Sydney and the NSW Government;
- advocating for the integration of high quality art and culture across Barangaroo; and
- ensuring the principles of curatorial and design excellence are upheld.

The Panel met four times during the year and the record of members' attendance is below.

Member	Meetings held while appointed	Attended
Gabrielle Trainor AO (Chair)	3	3
Richard Evans (Chair)	1	1
Craig van der Laan	4	2
Peter Young AM	4	1
Alison Page	4	4
Lisa Havilah	4	2
Leon Paroissien AM	4	3
Stuart Buchanan	4	1
Lee-Ann Buckskin	3	1
Noel Staunton	4	4
Wesley Enoch	4	1

Internal audit and risk management

Internal Audit and Risk Management Attestation Statement for the 2017-18 financial year for the Barangaroo Delivery Authority

I, Craig van der Laan, am of the opinion that the Barangaroo Delivery Authority 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 and 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, John Fitzgerald – start term date: 1 July 2018; finish term date: 30 June 2019
- Independent Member, Peter Young – start term date: 1 July 2018; finish term date: 30 June 2022
- Independent Member, Carolyn Burlew – start term date: 18 December 2009; finish term date: 17 December 2017
- Independent Member, Jon Isaacs – start term date: 12 February 2014; finish term date: 11 February 2020



Craig van der Laan
Chief Executive Officer
31 October 2018



Stuart Pauly
Chief Risk Officer
E: Stuart.Pauly@barangaroo.nsw.gov.au

Risk management and insurance

The Authority has in place appropriate structures and processes to identify and manage material risks to its strategic and operational objectives.

Responsibilities for managing risk are delegated within the Authority and expert support is obtained where needed. The program of risk management is overseen by the Audit and Risk Management Committee (ARMC) of the Authority's Board, which meets five times per year.

Material risks to annual business plans and financial year forecasts are formally identified and reviewed regularly, with material exposures monitored monthly by the Authority's management team.

The Authority's outsourced internal auditors and the NSW Audit Office routinely evaluate and test significant control systems and processes used by the agency. Reports from the outsourced internal auditors and the NSW Audit Office are responded to by management and reported to the ARMC to ensure appropriate governance over internal controls and material risks to the Authority are in place.

The Authority uses probity advisers where appropriate.

The Authority is exposed to risks specific to the commercial arrangements with its appointed commercial development partners, risks related to the operation of the Barangaroo public domain, as well as risks associated with developing the public spaces of Central Barangaroo and the interface with Transport NSW in relation to the construction of the Barangaroo Metro station.

The Authority's role as road authority for parts of Hickson Road and Napoleon Street also involves risks which require management. These risks include managing the obligations of developers and contractors on site; managing public health and safety during development; and managing various stakeholder expectations for the finished development.

Each of the identified material risks to the Authority's strategy and operational objectives is analysed with appropriate management actions undertaken, including documenting and evaluating mitigation plans and assigning responsibilities to ensure risks are well managed to avoid unexpected events.

The Authority carries a comprehensive range of insurance cover through the NSW Treasury Managed Fund.

Other statutory reporting obligations

The Authority has personnel policies in place as required by the NSW Public Service Commission, the NSW Department of Premier and Cabinet and other State and Commonwealth legislative and regulatory regimes.

Staff receive on-going training on the Authority’s Code of Ethics and Conduct for Authority employees.

Work health and safety

Work health and safety continues to be at the forefront of Authority operations. A revised Work Health and Safety (WHS) Management System is currently being implemented to ensure the Authority’s systems, processes and reporting mature in line with its operations.

The Authority has established the WHS Manager role during this reporting period, signifying its commitment to the effective management of safety within our workplace and the precinct.

Work health and safety

BDA Staff Injuries

Year	Injuries
2014-15	0
2015-16	1
2016-17	4
2017-18	2

Industrial relations

No industrial disputes were lodged with the NSW Industrial Relations Commission by the Public Service Association of NSW or other employee bodies in 2017-18. Further, no work time was lost due to industrial disputes.

There were also no exceptional movements in salaries, wages or allowances during the year.

Consumer activities

The Authority provides the following enquiry, complaints and feedback mechanisms for the community:

1. a 24-hour community information line – phone (02) 9255 1700 or 1300 966 480.
2. a dedicated information email address – info@barangaroo.com and community@barangaroo.com
The Authority responded to 309 email enquires during the year.
3. Social media, including Facebook, YouTube, LinkedIn, Instagram and Twitter. All mechanisms are monitored regularly, with enquiries and complaints responded to promptly and, where appropriate, forwarded on to the relevant entity for resolution.

The Authority responded to 78 direct (private) messages on Facebook with queries about events, tours and venue hire, and actively engaged with hundreds of followers over public queries about events such as New Year’s Eve ticket purchases.

Other statutory reporting obligations (continued)

Digital Information Security Policy

Digital Information Security Annual Attestation Statement for the 2017-2018 Financial Year for Barangaroo Delivery Authority

I, Craig van der Laan, am of the opinion that Barangaroo Delivery Authority had an Information Security Management System in place during the 2017-2018 financial year that is consistent with the Core Requirements set out in the *NSW Government Digital Information Security Policy*.

The controls in place to mitigate identified risks to the digital information and digital information systems of Barangaroo Delivery Authority are adequate.

- A. There is no agency under the control of the Barangaroo Delivery Authority which is required to develop an independent ISMS in accordance with the *NSW Government Digital Information Security Policy*.
- B. The Barangaroo Delivery Authority is aligned with *ISO 27001 Information technology - Security techniques - Information security management systems - Requirements* and independently reviewed by Centium Group Pty Ltd.



Craig van der Laan
Chief Executive Officer
27 September 2018

Overseas travel and promotion

There was no overseas travel by BDA staff during the past year.

Resource Efficiency and Sustainability

The Authority submitted a report to the Office of Environment and Heritage in December 2017 under the *NSW Government Resource Efficiency Policy (GREP)* requirements. That policy aims to reduce the NSW Government's operating costs and have the public sector lead by example in increasing resource efficiency.

The Authority continues to demonstrate a commitment to its own sustainability, including energy and water efficiency and reducing the generation of waste. The Authority has developed an internal sustainability strategy that includes ongoing management of GREP reporting requirements.

Resource efficiency and waste minimisation initiatives in place at the Authority's offices during the 2017-18 financial year included:

1. continuation of soft plastics recycling in the office;
2. 100% recycled paper for all A4-sized paper used in all office devices, and all paper used (printer paper and notebooks) is FSC certified or sourced from carbon neutral forests;
3. establishment of the electronic records management system which has consolidated information and introduced systems and workflows that have reduced printing and paper files; and
4. inclusion of sustainability features in the new Authority office space following a move to a single level in the AON building, Kent Street, Sydney. Notably the Authority's energy consumption per staff in its Kent Street office space has reduced by over 40% following the consolidation of all staff on one floor.

The Authority continued to provide operational management for the public domain of Barangaroo, including for Barangaroo Reserve which opened in August 2015, and the Barangaroo South public domain which was handed over by the developers in October 2016. Facilities management contractors Cushman Wakefield collate monthly water and energy consumption data for the Reserve, which is reported annually in the GREP report every December. The contractors also collate monthly waste management data on behalf of the Authority, and are now also collecting event waste data with a view to developing a comprehensive waste management strategy for the public domain. All energy consumption in the Barangaroo South public domain is fully offset by solar (photovoltaic) energy installed on commercial and residential buildings, as per the development agreements and leases.

Captured rainwater is used for irrigating parklands and public domain areas. This water makes up more than 13% of water used in the public domain.

All office and facilities equipment purchased during the 2017-18 financial year complied with GREP procurement standards as set out in the policy.

The Authority purchased all power, including 6% GreenPower, through NSW Government-wide electricity contracts for large and small sites (Contract numbers 777 and 776).

Other statutory reporting obligations (continued)

Disability inclusion plan

The Authority is committed to an inclusive NSW, as envisaged by the whole-of-government NSW Disability Inclusion Plan. There are four focus areas under the whole-of-government NSW Disability Inclusion Plan.

They are:

- Developing positive community attitudes and behaviours;
- Creating liveable communities;
- Supporting access to meaningful employment; and
- Improving access to mainstream services through better systems and processes.

During this reporting period, that being 2015-2018, the Authority has implemented a range of initiatives and made ongoing improvements within its corporate environment and the Barangaroo precinct, some of these include:

- Accessibility improvements within Barangaroo Reserve, including ramped access to the foreshore and accessible toilets in each block;
- Ensuring our development partners adhere to their accessibility contractual obligations;
- Ensuring master planning includes principles of universal design, consultation and accessibility considerations;
- Ensuring the Authority's workplace is accessible for staff, visitors and stakeholders;
- Launch of a new website (<https://www.barangaroo.com/>) that achieves AA compliance as per the Web Content Accessibility Guideline 2.0; and
- Keeping the website's "plan your visit" section updated with comprehensive and accessible information.

Other statutory reporting obligations (continued)

Consultants

The Authority engages consultants for specialised work only where there is no in-house expertise or if additional resources are required.

During the year, the Authority engaged consultants in such specialist areas as landscape design, urban planning, engineering, financial modelling and risk assessment, design evaluation, delivery, planning and sustainability.

Twenty consultants whose fees exceeded \$50,000 were engaged during the year as shown in the table below. These fees totalled \$2,844,173 and include consulting expenditure that was capitalised in the construction of Central Barangaroo.

A further 74 consultants whose fees were valued at up to \$50,000 were engaged during the year to a value of \$1,009,006.

Consultant	Description	Total (\$)
APP Corporation Pty Ltd	Remediation services for ground contamination	98,127
Aspect Oculus Pty Ltd	Technical advice on urban design and public domain for Hickson Road work upgrade	64,200
AusSafe Consulting	Development of BDA safety management system	71,963
Clayton Utz	Legal services for property and commercial advisory	104,567
CONSARA Pty Ltd	Remediation project management services	328,626
Deloitte Touche Tohmatsu	Internal audit services	91,000
Doll Martin Associates Pty Ltd	ISMS attestation project	120,130
Ernst & Young	Financial and analysis advisory services	139,621
Flux Consultants Pty Ltd	Environmental sustainability advisory services	276,860
Futurecity Australia Pty Ltd	Delivery of the Public Art and Cultural Plan	104,954
Hassell Pty Ltd	Landscape architecture for Hickson Road and Nawi Cove	52,225
HVH Group Pty Ltd	Advisory service across precinct operations	95,850
Jacqui Bonner Marketing & Management	Assessment in development of key strategies for cultural art, tourism and marketing program	115,791
Kate Brennan	Place activation and precinct management strategic advisory	162,650
KPMG	Financial and tax advisory services	136,125
Peter Walker And Partners	Landscape design services for Barangaroo public domain	94,293
PricewaterhouseCoopers	Internal audit services	59,964
Tracey Brunstrom & Hammond Pty Ltd	Programming and scheduling services during remediation construction	252,295
TSA Management Pty Ltd	Project management services for remediation	230,980
Warren Smith & Partners	Technical advice for Hickson Road work upgrade	243,952

Other statutory reporting obligations (continued)

Land disposal

The Authority did not dispose of any land during the 2017-18 year.

Funds granted to non-government organisations

The Authority did not grant any funds to non-government community organisations during the year.

Payment of accounts

The table below summarises the Authority's accounts payable performance during the year. A target of 90%, on average, of accounts paid on time was set and this was achieved.

The Authority will continue to drive improvements in this area and monitor its payment processes in the coming financial year to ensure that payment targets are met.

Accounts due or paid within each quarter

Description	Quarter ended 30 Sept 2017 \$'000	Quarter Ended 31 Dec 2017 \$'000	Quarter Ended 31 Mar 2018 \$'000	Quarter Ended 30 Jun 2018 \$'000	Total accounts paid on time \$'000
Percentage of accounts paid on time	91%	98%	65%	66%	90%
Total dollar of accounts paid on time – 0–30 days	40,557	239,950	25,927	26,647	333,081
31–60 days	3,358	3,466	8,628	12,836	28,288
61–90 days	505	1,336	3,079	449	5,369
>90 days	394	335	2,108	425	3,261
Total dollar of accounts paid	44,813	245,087	39,741	40,357	369,999

No Penalty interest was paid to small business creditors for late payment during the year.

Annual Report costs

Production costs for this Annual Report were kept to a minimum with editing and design layout services outsourced as they were not available in-house. Costs amounted to \$2,400.

Other statutory reporting obligations (continued)

Privacy Management Plan

The *Privacy and Personal Information Protection Act 1998* (PPIP Act) aims to protect the privacy of individuals by prohibiting the inappropriate collection, storage, use and disclosure of personal information by NSW public sector agencies.

To comply with the PPIP Act, the Authority has a Privacy Management Plan. This is based on the 12 information protection principles that establish standards for the use of personal information in an appropriate and accountable manner as set out in the Act. The information protection principles apply to all employees, consultants and contractors engaged by the Authority.

No applications for an internal review of conduct were received by or on behalf of the Authority pursuant to Part 5 of the PPIP Act this year.

Access to Government information

The *Government Information (Public Access) Act 2009* (GIPA Act) establishes a proactive framework in relation to the release of government information.

The guiding principle is public interest and it presumes that NSW Government agencies, such as the Authority, will release or disclose information unless there is an overriding public interest against it.

Release of Government information

During the year, the Authority reviewed how it proactively releases information that is in the public interest.

The Authority also directed its employees to continuously review and consider whether information produced or received by the Authority could be released.

As a result, the Authority proactively released the following information during the year:

1. contracts entered into by the Authority;
2. information about the progress of environmental planning applications;
3. details of events and activities at the Barangaroo site;
4. construction and eNews updates;
5. sustainability information;
6. newsletters, fact sheets, media releases and community notifications;
7. images and videos;
8. maps; and
9. corporate brochures.

Number of access applications received

The Authority received one government information access application during the year. This application was not determined as it was invalid.

Number of refused applications

During the year, the Authority did not refuse any formal access applications.

Other statutory reporting obligations (continued)

Statistical information about access applications

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
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not-for-profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	1	0	0

Applications by type of application 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
Personal information applications	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	1	0	0	0	1	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

Other statutory reporting obligations (continued)

Invalid applications

Reason for invalidity	
Application does not comply with formal requirements	1
Application is for excluded information of the agency	0
Application contravenes restraint order	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

Conclusive presumption of overriding public interest against disclosure

	Times consideration used
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

Other public interest considerations against disclosure

	Times when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Timeliness

	Number of applications
Decided within the statutory time frame (20 days plus any extensions)	0
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0

Applications reviewed (by type of review and outcome)

	Decision upheld	Total
Internal review	0	0
Review by Information Commissioner*	0	0
Internal review following recommendation under section 93 of the Act	0	0
Review by Administrative Decisions Tribunal	0	0

Applications (for review by type of applicant)

Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Other statutory reporting obligations (continued)

Public Interest Disclosures

The *Public Interest Disclosures Act 1994* (PID Act) is designed to deal with voluntary disclosures by public officials about serious matters involving public administration. The Authority does not tolerate corrupt conduct, maladministration or waste of public money and is committed to the objectives of the PID Act and the support and protection of staff and contractors who report wrongdoing.

The Authority has published a Public Interest Disclosures Internal Reporting Policy available to its employees on the agency's intranet page.

Statistical information on public interest disclosures

The statistical information about how the Authority met its obligations under the PID Act is set out in the table below.

Public interest disclosures in 2017-18

Number of public officials who made public interest disclosures	0
Number of public interest disclosures received	0
Of the public interest disclosures received, number primarily about:	0
• corrupt conduct	0
• maladministration	0
• serious and substantial waste	0
• government information contravention	0
• local government pecuniary interest contravention	0
Number of public interest disclosures that have been finalised	0

Legislative changes and departures

There were no significant changes in legislation that affected the Authority.

Section 4

Financial Statements

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Barangaroo Delivery Authority**

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Barangaroo Delivery Authority Staff Agency**

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Statement by Members of the Board of Barangaroo Delivery Authority

Barangaroo Delivery Authority

Barangaroo Delivery Authority

Statement by Members of the Board of the Barangaroo Delivery Authority on the adoption of the financial statements for the year ended 30 June 2018

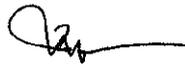
Pursuant to Section 41C (1B) of the *Public Finance and Audit Act 1983* and in accordance with a resolution of the members of the Board of the Barangaroo Delivery Authority, we declare that in our opinion:

1. The accompanying financial statements exhibit a true and fair view of the financial position of the Barangaroo Delivery Authority as at 30 June 2018 and the financial performance for the year then ended; and
2. The financial statements have been prepared in accordance with the Australian Accounting Standards and Interpretations and the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015* and the Treasurer's Directions.

Further, we are not aware of any circumstances that would render any particulars included in the financial statements to be misleading or inaccurate.



Terry Moran
Chairman
Barangaroo Delivery Authority



Craig van der Laan
Chief Executive Officer
Barangaroo Delivery Authority

12 September 2018
Sydney

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

Barangaroo Delivery Authority

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Barangaroo Delivery Authority (the Authority), which comprise the statement of comprehensive income for the year ended 30 June 2018, the statement of financial position as at 30 June 2018, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a statement of significant accounting policies and other explanatory information, of the Authority and the consolidated entity. The consolidated entity comprises the Authority 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:

- give a true and fair view of the financial position of the Authority and the consolidated entity as at 30 June 2018, 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 *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 the Authority 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.

Independent Auditor's Report (continued)

Other Information

Other information comprises the information included in the annual report of the Authority and the consolidated entity for the year ended 30 June 2018, other than the financial statements and my Independent Auditor's Report thereon. The members of the Board of the Authority are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the 'Statement by Members of the Board of the Barangaroo Delivery Authority on the adoption of the financial statements for the year ended 30 June 2018'.

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 Board's Responsibilities for the Financial Statements

The members of the Board are 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 members of the Board determine is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of the Board are responsible for assessing the ability of the Authority 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 except where operations will be dissolved by an Act of Parliament or otherwise cease.

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, and
- 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/ar3.pdf. The description forms part of my auditor's report.

Independent Auditor's Report (continued)

My opinion does *not* provide assurance:

- that the Authority 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.



Weini Liao
Director, Financial Audit Services

13 September 2018
SYDNEY

Statement of comprehensive income

for the year ended 30 June 2018

	Notes	Consolidated			Authority	
		Actual June 2018 \$'000	Budget June 2018 \$'000	Actual June 2017 \$'000	Actual June 2018 \$'000	Actual June 2017 \$'000
Expenses excluding losses						
Operating expenses						
Employee related expenses	2(a)	(10,251)	(12,866)	(11,492)	-	(2,708)
Personnel services expenses	2(a)	-	-	-	(10,251)	(8,784)
Other operating expenses	2(b)	(31,573)	(33,549)	(24,881)	(31,573)	(24,881)
Depreciation	2(c)	(8,318)	(8,828)	(7,582)	(8,318)	(7,582)
Grants and subsidies	2(d)	-	-	(741)	-	(741)
Finance costs	2(e)	(18,314)	(19,064)	(20,873)	(18,314)	(20,873)
Total Expenses Excluding Losses		(68,456)	(74,307)	(65,569)	(68,456)	(65,569)
Revenue						
Investment revenue	3(a)	22,986	17,557	16,145	22,986	16,145
Other revenue	3(c)	10,216	10,404	67,371	10,216	67,371
Total Revenue		33,202	27,961	83,516	33,202	83,516
Gain / (Loss) on disposal	3(b)	127	18,683	39,606	127	39,606
Other gains / (losses)	3(d)	-	-	20,948	-	20,948
NET RESULT	19	(35,127)	(27,663)	78,501	(35,127)	78,501
Other comprehensive income						
<i>Items that will not be reclassified to net result in subsequent periods</i>						
Net increase/(decrease) in property, plant and equipment revaluation		11,523	-	88,114	11,523	88,114
Net increase/(decrease) in revaluation from a change in restoration liability		(14,430)	-	(56,272)	(14,430)	(56,272)
Total items that will not be reclassified to net result in the future		(2,907)	-	31,842	(2,907)	31,842
Total other comprehensive income		(2,907)	-	31,842	(2,907)	31,842
TOTAL COMPREHENSIVE INCOME/(LOSS)		(38,034)	(27,663)	110,343	(38,034)	110,343

The accompanying notes form part of these financial statements.

Statement of financial position

as at 30 June 2018

	Notes	Consolidated			Authority	
		Actual June 2018 \$'000	Budget June 2018 \$'000	Actual June 2017 \$'000	Actual June 2018 \$'000	Actual June 2017 \$'000
ASSETS						
Current Assets						
Cash and cash equivalents	4	45,368	202	696	44,984	352
Receivables	5	7,395	8,345	10,835	7,395	10,835
Other Financial Assets	6	99,500	-	-	99,500	-
Non-current assets held for sale	7	88,882	141,980	71,101	88,882	71,101
Total Current Assets		241,145	150,527	82,632	240,761	82,288
Non-Current Assets						
Receivables	5	400,326	482,810	384,750	400,326	384,750
Property, plant and equipment						
- Land		279,001	240,351	285,258	279,001	285,258
- Plant and equipment		3,423	12,225	459	3,423	459
- Leasehold improvements		224	-	-	224	-
- Infrastructure		305,957	283,597	312,307	305,957	312,307
- Work in progress		30,207	-	11,914	30,207	11,914
Total property, plant and equipment	8	618,812	536,173	609,939	618,812	609,938
Total Non-Current Assets		1,019,138	1,018,983	994,688	1,019,138	994,688
Total Assets		1,260,283	1,169,510	1,077,320	1,259,899	1,076,976
LIABILITIES						
Current Liabilities						
Payables	10	51,538	11,497	23,952	51,868	24,213
Borrowings	11	-	85,474	164,919	-	164,919
Provisions	12	200,561	134,142	153,839	199,496	153,034
Lease receipts in advance	13	178,809	16,528	7,152	178,809	7,152
Other		759	-	400	759	400
Total Current Liabilities		431,668	247,641	350,261	430,932	349,717
Non-Current Liabilities						
Payables	10	-	-	-	381	384
Borrowings	11	372,325	371,159	351,367	372,325	351,367
Provisions	12	37,781	29,560	172,116	37,751	171,931
Lease receipts in advance	13	262,812	415,584	10,761	262,812	10,761
Other		915	-	-	915	-
Total Non-Current Liabilities		673,833	816,303	534,244	674,184	534,443
Total Liabilities		1,105,501	1,063,944	884,505	1,105,117	884,160
Net Assets		154,782	105,566	192,815	154,782	192,816
EQUITY						
Reserves		28,935	35,460	31,842	28,935	31,842
Accumulated funds		125,847	70,106	160,974	125,847	160,974
Total equity		154,782	105,566	192,815	154,782	192,816

The accompanying notes form part of these financial statements.

Statement of changes in equity

for the year ended 30 June 2018

Notes	Consolidated			Authority		
	Accumulated Funds \$'000	Asset Revaluation Surplus \$'000	Total \$'000	Accumulated Funds \$'000	Asset Revaluation Surplus \$'000	Total \$'000
Balance at 1 July 2017	160,974	31,842	192,816	160,974	31,842	192,816
Net result for the year	(35,127)	-	(35,127)	(35,127)	-	(35,127)
Other comprehensive income						
Net increase/(decrease) in property, plant and equipment revaluation	-	11,523	11,523	-	11,523	11,523
Net increase/(decrease) in revaluation from a change in restoration liability	-	(14,430)	(14,430)	-	(14,430)	(14,430)
Total other comprehensive income	-	(2,907)	(2,907)	-	(2,907)	(2,907)
Total comprehensive income for the year	(35,127)	(2,907)	(38,034)	(35,127)	(2,907)	(38,034)
Balance at 30 June 2018	125,847	28,935	154,782	125,847	28,935	154,782
Balance at 1 July 2016	82,473	-	82,473	82,473	-	82,473
Net result for the year	78,501	-	78,501	78,501	-	78,501
Other comprehensive income						
Net increase/(decrease) in property, plant and equipment revaluation	-	88,114	88,114	-	88,114	88,114
Net increase/(decrease) in revaluation from a change in restoration liability	-	(56,272)	(56,272)	-	(56,272)	(56,272)
Total other comprehensive income	-	31,842	31,842	-	31,842	31,842
Total comprehensive income for the year	78,501	31,842	110,343	78,501	31,842	110,343
Balance at 30 June 2017	160,974	31,842	192,816	160,974	31,842	192,816

Statement of cash flows

for the year ended 30 June 2018

	Notes	Consolidated			Authority	
		Actual June 2018 \$'000	Budget June 2018 \$'000	Actual June 2017 \$'000	Actual June 2018 \$'000	Actual June 2017 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee related		(12,448)	(12,503)	(11,897)	(12,448)	(11,897)
Grants and subsidies		-	-	(815)	-	(815)
Finance costs		(14,072)	(12,863)	(14,898)	(14,072)	(14,898)
Other		(141,640)	(209,312)	(63,115)	(141,680)	(63,232)
Total Payments		(168,161)	(234,678)	(90,725)	(168,200)	(90,842)
Receipts						
Interest received		6,790	17,557	158	6,790	158
Recovery of claims		-	-	41,250	-	41,250
Other		449,530	452,452	33,070	449,530	33,070
Total Receipts		456,320	470,009	74,478	456,320	74,478
NET CASH FLOWS FROM OPERATING ACTIVITIES	17	288,159	235,331	(16,247)	288,120	(16,364)
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sale of property, plant and equipment		18	-	-	18	-
Purchases of property, plant and equipment		(43)	(19,584)	(36)	(43)	(36)
Advances made		-	(88,085)	-	-	-
NET CASH FLOWS FROM INVESTING ACTIVITIES		(25)	(107,669)	(36)	(25)	(36)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from borrowings		56,522	(73,258)	54,659	56,522	54,659
Repayment of borrowings		(200,484)	(54,404)	(39,000)	(200,484)	(39,000)
NET CASH FLOWS FROM FINANCING ACTIVITIES		(143,962)	(127,662)	15,659	(143,962)	15,659
NET INCREASE/(DECREASE) IN CASH		144,172	-	(624)	144,132	(740)
Opening cash and cash equivalents		696	202	1,320	352	1,092
CLOSING CASH AND CASH EQUIVALENTS	4	144,868	202	696	144,484	352

The accompanying notes form part of these financial statements.

The Budget statement of cash flows was not reported to parliament in 2017-18 Budget Paper No.3 and instead published online at www.budget.nsw.gov.au

Notes to the financial statements

1. Summary Of Significant Accounting Policies

(a) Reporting entity

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

The Authority was created on 1 April 2009 under the *Barangaroo Delivery Authority Act 2009*. The Authority as a reporting entity comprises the entity under its control, namely: the Barangaroo Delivery Authority Staff Agency.

These financial statements for the year ended 30 June 2018 have been authorised for issue by the Authority's Board on 12 September 2018.

(b) Basis of preparation

The Authority'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 Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983 and Public Finance and Audit Regulation 2015*
- Financial Reporting Directions mandated by the Treasurer.

The financial statements have been prepared on a going concern basis which assumes that repayment of debt will be met, as and when they fall due, without any intention or necessity to liquidate assets or otherwise wind up operations.

Management has determined that the going concern basis is appropriate. This determination has taken into consideration the following factors:

- Barangaroo Delivery Authority is NSW Government owned; and
- Barangaroo Delivery Authority borrowing is guaranteed by the NSW Government.

Set out below is a summary of the significant accounting policies adopted by the Authority.

Non-taxable entity

The Authority is exempt from the National Tax Equivalent Regime and the Tax Equivalent Regime and as such is not required to pay income tax.

Historical cost convention

Property, plant and equipment, assets (or disposal groups) held for sale and financial assets at 'fair value through profit or loss' and available for sale are measured at the lower of carrying amount and the fair value less costs to sell. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Authority's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which they occur and in future periods if the revision affects both current and future periods.

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 (\$'000) and are expressed in Australian currency.

(c) Statement of compliance

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

(d) Principles of consolidation

Controlled entities are all those entities where the Authority is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Intercompany transactions, balances and unrealised gains on transactions between entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those policies applied by the parent entity.

(e) Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's Mandate to not-for-profit general government sector entities.

Notes to the financial statements (continued)

(f) Insurance

The Authority'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. The Authority holds insurance policies covering property, public liability, workers compensation, directors' liability and other contingencies.

(g) 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 Authority as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of an asset's cost of acquisition 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.

(h) Income recognition

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

The Authority recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Authority's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Authority bases its estimates on historical results, taking into consideration the type of customer, the type of transaction, and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

(i) Sale of goods and services

Revenue is recognised when the Authority transfers the significant risks and rewards of ownership of the assets and obtains control of the assets that result from sales.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. Revenue from the rendering of services is recognised when the service is provided and only to the extent that the associated recoverable expenses are recognised.

(ii) Grants and contributions

Contributions and grants are recognised as revenue when the Authority obtains control over the asset comprising the contributions.

(iii) Lease revenue and finance leases

Finance lease revenue is recognised over the lease period to allocate finance income over the lease term on a systematic and rational basis.

On 5 March 2010 the Authority entered into the Stage 1 Project Development Agreement ("PDA") with Lend Lease (Millers Point) and Lend Lease Corporation for the development of Barangaroo South.

On 15 November 2017 the Authority entered into the Central Barangaroo Development Agreement ("CENDA") with Grocon (CB) Developments Pty Limited for the development of Central Barangaroo.

Revenues from the PDA and CENDA relate to development access, development rights and 99 year leases for individual parcels of land. The Authority has determined that the Agreement should be accounted for as a series of finance leases. These are entered into progressively throughout the development rather than a single contract that commences on the execution of the Agreement. At the commencement of the finance lease the land is de-recognised and the associated gain / loss on disposal recognised.

(iv) Investment revenue

Interest revenue is recognised as it accrues using the effective interest method in accordance with AASB 139 Financial Instruments: Recognition and Measurement.

(i) Assets

(i) Acquisitions of property, plant & equipment

The cost method of accounting is used for the initial recording of all acquisitions of property, plant & equipment controlled by the Authority. 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 specific requirements of other Australian Accounting Standards.

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

Notes to the financial statements (continued)

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, that is, the deferred payment amount is effectively discounted over the period of the credit.

(ii) Capitalisation thresholds

Property development costs that give rise to an effective and material increase in the future economic benefit of the property are capitalised.

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

(iii) 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* and AASB 116 *Property and Plant and Equipment*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs. Also refer Note 9 for further information regarding fair value.

The Authority re-values each class of property, plant and equipment between three and five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation was completed in March 2017 and was based on an independent assessment.

Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from carrying value.

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

When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated.

For other assets valued using other valuation techniques, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to asset revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as a loss in the net result, the increment is recognised immediately as a gain in the net result.

Revaluation decrements are recognised immediately as losses in the net result, except that, to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of assets, they are debited directly to the asset revaluation surplus.

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.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

(iv) 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. Since property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material.

The entity assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any 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.

Notes to the financial statements (continued)

Specialised assets held for continuing use of their service capacity are rarely sold and their cost of disposal is typically negligible. Their recoverable amount is expected to be materially the same as fair value, where they are regularly revalued under AASB 13. As a not-for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset. After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in net result and is treated as a revaluation increase. However, to the extent that an impairment loss on the same class of asset was previously recognised in net result, a reversal of that impairment loss is also recognised in net result.

(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 the Authority. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items.

Land is not a depreciable asset.

The following depreciation rates were applied in 2017/18:

Furniture and fittings	10% - 20%
IT equipment	33%
Plant and equipment	10% - 50%
Hold improvements	20%
Intrastructure	1% - 20%
Buildings	2.5% - 10%

(vi) Make good costs

The present value of the estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

(vii) Maintenance

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

(viii) Leased assets

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

Where a non-current asset is acquired by means of a finance lease, at the commencement of the lease term the asset is recognised at its fair value or, if lower, the present value of the minimum lease payments, at the inception of the lease.

The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are recognised as an expense on a straight line basis over the lease term.

(ix) 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 Authority transfers the financial asset:

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

Where the Authority has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Authority's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(x) Non-current assets held for sale

The Authority has certain non-current assets classified as held for sale, where their carrying amount will be recovered principally through a sale transaction not through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and the sale of the asset is expected to be completed within one year from the date of classification. Non-current assets held for sale are measured at the lower of carrying amount and fair value less costs to sell. These assets are not depreciated while they are classified as held for sale.

Notes to the financial statements (continued)

(xi) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for any impairment of receivables. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

(xii) Cash & cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash at bank, cash on hand, short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value, and net of outstanding bank overdraft.

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.

(j) Liabilities

(i) Payables

These amounts represent liabilities for goods and services provided to the Authority and other amounts. Payables are recognised initially at fair value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(ii) Borrowings

Loans are not held for trading or designated at fair value through profit or loss and are recognised at amortised cost using the effective interest rate method. Gains or losses are recognised in the net result for the year on de-recognition.

Borrowings are classified as current liabilities unless the Authority has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(iii) Employee benefits and other provisions

(a) Salaries and wages, annual leave, sick leave and on-costs

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that are due to be settled within 12 months after the period in which the employees render the services are measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

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.

(b) Long service leave

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified NSWTC 15/09) to employees with five or more years of service, using current rates of pay.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to reporting date.

(c) Superannuation

Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(d) Consequential 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.

Notes to the financial statements (continued)

(iv) Other Provisions

Other provisions exist when: the Authority has a present legal or constructive obligation as a result of a past event; it is probable that the Authority will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost. The periodic unwinding of discount shall be recognised in profit or loss as a finance cost as it occurs.

Periodic changes in the restoration provision are accounted for in accordance with the requirements of AASB Interpretation 1 "Changes in Existing Decommissioning, Restoration and Similar Liabilities" and the revaluation model requirements of AASB 116 *Property, Plant and Equipment* for not-for-profit entities. Other increases or decreases in the provision resulting from periodic changes to the estimated timing or amount of future remediation costs, or changes to the discount rate used, alter the revaluation increase or decrease previously recognised on the underlying asset. An increase in the provision is recognised in the Net Result except to the extent that it reverses any Asset Revaluation Reserve balance in respect of the underlying class of assets. A decrease in the provision is credited to the Asset Revaluation Reserve except to the extent that it reverses any previous increase recognised in the Net Result in respect of the underlying class of assets. Any changes to the Asset Revaluation Reserve resulting from these provision increases or decreases are separately identified and disclosed within Other Comprehensive Income.

(k) Fair value hierarchy

A number of the Authority's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When using fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs under AASB 13, the Authority categorises, for disclosure purposes, the valuation techniques as follows:

- Level 1 – quoted prices in active markets for identical assets/liabilities that the Authority can assess at the measurement value.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

The Authority recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Refer Note 9 and Note 18 for further disclosures regarding the fair value measurements of financial and non-financial assets.

(l) Equity and reserves

(i) Revaluation surplus

The revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. This accords with the Authority's policy on the revaluation of physical non-current assets as discussed in note 1 (i)(iii).

(ii) Accumulated funds

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

(m) Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to the Parliament in respect of the reporting period. Major variances between the original budgeted amounts and the actual amounts disclosed in the primary financial statements are explained in Note 19.

(n) Comparative information

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

Notes to the financial statements (continued)

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

(i) Effective for the first time in 2017-18

The accounting policies applied in 2017-18 are consistent with those of the previous financial year. Accounting policies that are effective for the first time in 2017-18 have no implications to the Authority.

(ii) Issued but not effective

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

The following new Australian Accounting Standards have not been applied and are not yet effective:

Australian Accounting Standard	Application date for the Authority Financial Statements	Applicable to the Authority
AASB 9 Financial Instruments	FY 18/19	This Standard is applicable to the Authority. The Authority is impacted by the new expected credit loss model for calculating impairment of debtors. The quantum of the impact is not currently known. The application of the standard may result in additional new disclosures in The Authority's financial statements.
AASB 16 Leases	FY 19/20	This Standard impacts the Authority as it is a lessee of operating leases. The Authority is currently carrying out a financial statement impact assessment. The Authority will be recognising a Right of Use asset and Lease liability. The quantum of the impact is currently being estimated.
AASB 15 Revenue from Contracts with Customers AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-profit AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit entities AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15	FY 19/20	These Standards are applicable to the Authority. However, impact from the application of these Standards is not currently known nor can be reliably estimated.
AASB 1058 Income of Not-for-profit Entities	FY 19/20	This Standard is applicable to the Authority. However, impact from the application of this Standard is not currently known nor can be reliably estimated.
AASB 1059 Service Concession Arrangements: Grantors	FY 19/20	This Standard may be applicable to the Authority. An initial preliminary assessment identifies a possible service concession arrangement (i.e. carpark). However, a detailed assessment of all arrangements is yet to be performed. The impact from the application of this Standard is not currently known nor can be reliably estimated.

Notes to the financial statements (continued)

	Consolidated		Authority	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
2. Expenses Excluding Losses				
(a) Employee related expense				
Salaries and wages (including annual leave)	8,842	7,478	-	-
Superannuation - defined contribution plans	732	655	-	-
Long service leave	51	109	-	-
Workers compensation insurance	22	22	-	-
Payroll tax and fringe benefits	604	520	-	-
Personnel services expenses	-	-	10,251	8,784
	10,251	8,783	10,251	11,492
(b) Other operating expenses				
Administration	4,273	4,072	4,273	4,072
Contractors	1,946	2,708	1,946	2,708
Auditor's remuneration - audit of financial statements	202	161	202	161
Consultants	4,835	2,205	4,835	2,205
Directors' fees	173	134	173	134
Insurance	92	99	92	99
Legal	1,079	1,048	1,079	1,048
Allowance for Doubtful Debts	62	-	62	-
Community and consultation	935	1,363	935	1,363
Precinct management*	16,286	14,356	16,286	14,356
Provision for Climate Positive Fund	1,690	1,443	1,690	1,443
	31,573	27,589	31,573	27,589
* Precinct Management expenses include facilities management, security, utilities and activation costs for public domain infrastructure assets.				
(c) Depreciation expenses				
Property, plant and equipment	544	223	544	223
Leasehold improvements	30	-	30	-
Infrastructure	7,744	7,359	7,744	7,359
	8,318	7,582	8,318	7,582
(d) Grants and subsidies				
Integration works - local council	-	741	-	741
	-	741	-	741
(e) Finance costs				
Interest on borrowing measured at amortised cost	13,509	14,517	13,509	14,517
Unwinding of Discount Rate	4,805	6,356	4,805	6,356
	18,314	20,873	18,314	20,873
3. Other revenue				
(a) Investment revenue				
Interest from cash at bank	6,790	102	6,790	102
Interest from finance leases	16,196	15,987	16,196	15,987
TCorp Hour-Glass Investment Facilities designated at interest on borrowing measured at amortised cost	-	56	-	56
	22,986	16,145	22,986	16,145

Notes to the financial statements (continued)

	Consolidated		Authority	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
3. Other revenue (cont.)				
(b) Gain/(Loss) on Disposal				
Net proceeds from lease of land	184	39,606	184	39,606
Loss on disposal of Property plant and equipment	(57)	-	(57)	-
	127	39,606	127	39,606
(c) Other revenue				
Road permits	35	1,318	35	1,318
Sundry revenue	3,042	18,717	3,042	18,717
Recovery of claims	-	41,250	-	41,250
Estate Levies	7,139	6,086	7,139	6,086
	10,216	67,371	10,216	67,371
Prior year sundry revenue included one-off first time recognition of infrastructure, of which the Authority is deemed to be the road authority.				
(d) Other gains /(losses)				
Prior year provision reversal	-	20,948	-	20,948
	-	20,948	-	20,948

4. Current Assets - Cash and Cash Equivalents

Cash at bank and on hand	22,868	696	22,484	352
Short term deposits with TCorp	22,500	-	22,500	-
	45,368	696	44,984	352

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank, cash on hand and short term deposits with a maturity of three months or less.

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:

	Consolidated		Authority	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Cash and cash equivalents (per Statement of Financial Position)	45,368	696	44,984	352
Other Financial Assets - TCorp term deposits with a maturity of more than 3 months (Note 6)	99,500	-	99,500	-
Cash and cash equivalents (per Statement of Cash Flows)	144,868	696	144,484	352

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 18.

5. Current / Non-Current Assets - Receivables & Prepayments

Current

Sundry debtors		463	1,931	463	1,931
<i>Less: Allowance for impairment *</i>		(62)	-	(62)	-
Goods and services tax recoverable		5,091	2,571	5,091	2,571
Accrued revenue		329	25	329	25
Prepayments		814	75	814	75
Finance lease receivables	15	761	6,233	761	6,233
		7,395	10,835	7,395	10,835

Non Current

Prepayments		6,336	6,994	6,336	6,994
Finance lease receivables	15	393,990	377,756	393,990	377,756
		400,326	384,750	400,326	384,750

* Movement in the allowance for impairment

Balance at 1 July		-	-	-	-
Increase/(decrease) in allowance recognised in net result		62	-	62	-
Balance at 30 June		62	-	62	-

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 18.

Notes to the financial statements (continued)

	Consolidated		Authority	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
6. Current - Other Financial Assets				
TCorp term deposits	99,500	-	99,500	-
	99,500	-	99,500	-

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 18.

7. Non-Current Assets - Held for sale				
Balance at the beginning of the financial year	71,101	84,722	71,101	84,722
Sale of leased land	-	(84,721)	-	(84,721)
Transfer from land	17,781	71,100	17,781	71,100
Balance at the end of the financial year	88,882	71,101	88,882	71,101

Land in respect of Block 7 at Central Barangaroo and Commercial building 1 at Barangaroo South are classified as Non-Current Assets - Held for Sale as they are available for sale and is expected to be sold as leased land over the next 12 months.

	Consolidated		Authority	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
8. Non-Current Assets - Property, plant and equipment				
Land at fair value				
Net carrying amount	279,001	285,258	279,001	285,258
Plant and equipment at fair value				
Gross carrying amount	5,483	2,338	5,483	2,338
Accumulated depreciation	(2,060)	(1,879)	(2,060)	(1,879)
Net carrying amount	3,423	459	3,423	459
Leasehold improvements				
Gross carrying amount	254	-	254	-
Accumulated depreciation	(30)	-	(30)	-
Net carrying amount	224	-	224	-
Infrastructure				
Gross carrying amount	327,792	326,398	327,792	326,398
Accumulated depreciation	(21,835)	(14,091)	(21,835)	(14,091)
Net carrying amount	305,957	312,307	305,957	312,307
Work in progress	30,207	11,914	30,207	11,914
Total property, plant and equipment at fair value	618,812	609,939	618,812	609,939
Gross carrying amount	642,737	625,908	642,737	625,908
Accumulated depreciation	(23,925)	(15,970)	(23,925)	(15,970)
Total property, plant and equipment at fair value	618,812	609,938	618,812	609,938

Notes to the financial statements (continued)

Reconciliation

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the year are set out below.

	Consolidated		Authority	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Land at fair value				
Net carrying amount at 1 July	285,258	265,098	285,258	265,098
Reclassification of assets held for sale	(17,781)	(71,100)	(17,781)	(71,100)
Revaluation increment recorded in asset revaluation surplus	11,523	70,312	11,523	70,312
Revaluation increment recorded in net results	-	20,948	-	20,948
Net carrying amount at 30 June	279,001	285,258	279,001	285,258
Plant and equipment at fair value				
Net carrying amount at 1 July	459	646	459	646
Additions	44	36	44	36
Disposals	(75)	-	(75)	-
Capitalised and transferred from work in progress	3,539	-	3,539	-
Depreciation expense	(544)	(223)	(544)	(223)
Net carrying amount at 30 June	3,423	459	3,423	459
Leasehold improvements				
Additions	254	-	254	-
Depreciation expense	(30)	-	(30)	-
Net carrying amount at 30 June	224	-	224	-
Infrastructure				
Net carrying amount at 1 July	312,307	278,334	312,307	278,334
Revaluation increment recorded in asset revaluation surplus	-	17,802	-	17,802
Revaluation increment recorded in other revenue	-	16,062	-	16,062
Capitalised and transferred from work in progress	1,394	7,468	1,394	7,468
Depreciation expense	(7,744)	(7,359)	(7,744)	(7,359)
Net carrying amount at 30 June	305,957	312,307	305,957	312,307
Work in progress				
Opening balance at 1 July	11,914	8,798	11,914	8,798
Additions	23,226	10,584	23,226	10,584
Capitalised and transferred to fixed assets	(4,933)	(7,468)	(4,933)	(7,468)
Closing balance at 30 June	30,207	11,914	30,207	11,914

Notes to the financial statements (continued)

9. Fair value measurement of non-financial assets

(a) Fair value hierarchy

2018

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total fair value \$'000
Property, plant and equipment (Note 8)				
Land	-	246,792	32,209	279,001
Infrastructure	-	-	305,957	305,957
Leasehold improvements	-	224	-	224
Non-current assets held for sale (Note 7)	-	88,882	-	88,882
	-	335,898	338,166	674,064

There were no transfers between Level 1 or 2 during the period.

2017

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total fair value \$'000
Property, plant and equipment (Note 8)				
Land	-	253,049	32,209	285,258
Infrastructure	-	-	312,307	312,307
Leasehold improvements	-	-	-	-
Non-current assets held for sale (Note 7)	-	71,101	-	71,101
	-	324,150	344,516	668,666

There were no transfers between Level 1 or 2 during the period.

(b) Valuation techniques, inputs and processes

The Authority engages an external, independent and qualified valuer to determine the value of the Barangaroo site.

Class	Valuation technique	Key inputs
Land	Market approach - land is valued on comparable property sales transactions.	<ul style="list-style-type: none"> Comparable property sales values Adjustments for scale of site and infrastructure costs
Infrastructure	Current replacement cost approach.	<ul style="list-style-type: none"> Due to the unique, specialised nature of these assets, a cost approach using current depreciated replacement cost has been applied.
Leasehold improvements	Market approach - leasehold improvements valued at market rate per square meter.	<ul style="list-style-type: none"> * External market rate per square meter based on location
Assets held for sale	Valued at the lower of the carrying amount and fair value less costs to sell.	<ul style="list-style-type: none"> External valuation on proportion of the asset held for sale

Notes to the financial statements (continued)

(c) Reconciliation of Level 3 fair value measurements 2018

	Land \$'000	Infrastructure \$'000	Total Recurring Level 3 Fair value \$'000
Fair value as at 1 July 2017	32,209	312,307	344,516
Additions	-	1,394	1,394
Depreciation expense	-	(7,744)	(7,744)
Fair value as at 30 June 2018	32,209	305,957	338,166

There were no transfers to or from level 3 in the period.

2017

	Land \$'000	Infrastructure \$'000	Total Recurring Level 3 fair value \$'000
Fair value as at 1 July 2016	7,250	278,334	285,584
Revaluation increments/decrements recognised in Net result - included in the line item 'Increase in property, plant and equipment revaluation surplus'	24,959	41,332	66,291
Depreciation expense	-	(7,359)	(7,359)
Fair value as at 30 June 2017	32,209	312,307	344,516

Notes to the financial statements (continued)

	Consolidated		Authority	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
10. Current / Non-Current Liabilities - Payables				
<i>Current</i>				
Creditors	1	445	1	445
Accrued expenses	46,390	17,381	46,390	17,381
Refundable security deposits and bonds	1,008	1,339	1,008	1,339
Interest payable	4,051	4,614	4,051	4,614
Personnel services payable	-	-	418	434
Payable - accrued salaries, wages and on-costs	88	173	-	-
	51,538	23,952	51,868	24,213
<i>Non current</i>				
Personnel services payable	-	-	381	384
	-	-	381	384

Details regarding credit risk, liquidity risk and market risk are disclosed in Note 18.

11. Current / Non-Current Liabilities - Borrowings

Current

TCorp borrowings	-	164,919	-	164,919
	-	164,919	-	164,919

Non current

TCorp borrowings	372,325	351,367	372,325	351,367
	372,325	351,367	372,325	351,367

Changes in liabilities arising from financing activities

	1 July 2017 \$'000	Cash Flows \$'000	30 June 2018 \$'000
TCorp Borrowings	516,287	(143,962)	372,325
Total Liabilities from financing activities	516,287	(143,962)	372,325

The fair value of these unsecured loans as at balance date was \$380 million (2017: \$528 million).

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above borrowings, are disclosed in Note 18.

	Consolidated		Authority	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
12. Current / Non-Current - Provisions				
<i>Current</i>				
<i>Employee benefits and related on-costs</i>				
Annual leave	714	606	-	-
Long service leave	350	199	-	-
<i>Other Provisions</i>				
Provision for Restoration*	198,996	150,993	198,996	150,993
Provision for Climate Positive Fund	500	2,041	500	2,041
	200,561	153,839	199,496	153,034

Notes to the financial statements (continued)

	Consolidated		Authority	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Non current				
Employee benefits and related on-costs				
Long service leave	30	185	-	-
Other Provisions				
Provision for Restoration *	34,267	171,931	34,267	171,931
Provision for Climate Positive Fund	3,231	-	3,231	-
Provision for Make Good	254	-	254	-
	37,781	172,116	37,751	171,931

* The valuation of land is based on a remediated site. As a result any revaluation increase is firstly offset against provision for restoration increases.

Aggregate employee benefits and related on-costs

Provisions - current	1,065	805	-	-
Provisions - non-current	30	185	-	-
Accrued salaries, wages and on-costs (note 10)	88	173	-	-
	1,183	1,163	-	-

In accordance with the NSW Treasury Circular TC15/09 Accounting for Long Service Leave and Annual Leave and AASB 101 Presentation of Financial Statements, all annual leave and unconditional long service leave is presented as a current liability in the statement of financial position. All annual leave classified as a current liability is expected to be settled within 12 months of balance date.

Movements in provisions (other than employee benefits)

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

		Make Good	Restoration	Climate Positive Fund	Total
		\$'000	\$'000	\$'000	\$'000
2018					
Carrying amount at the beginning of the financial year		-	322,924	2,041	324,965
Additional provisions recognised		254	14,430	1,690	16,374
Amounts used		-	(108,896)	-	(108,896)
Increase in provision from unwinding of discount rate	Note 2 (e)	-	4,805	-	4,805
Carrying amount at the end of the financial year		254	233,263	3,731	237,248
2017					
Carrying amount at the beginning of the financial year		-	298,588	598	299,186
Additional provisions recognised		-	56,272	1,443	57,715
Amounts used		-	(38,292)	-	(38,292)
Increase in provision from unwinding of discount rate	Note 2 (e)	-	6,356	-	6,356
Carrying amount at the end of the financial year		-	322,924	2,041	324,965

The Environment Protection Authority (EPA) has declared the footprint of the former Millers Point Gasworks, which remains under a portion of Hickson Road and Barangaroo, as a remediation site. The restoration provision accounts for all requisite investigation and construction works, documentation, specialist studies, regulatory liaison and restoration works. The provision reflects management's judgement and assumptions regarding method, the extent of contamination, costs for remediation works and other conditions. The provision has been increased due to a change in estimated costs following an assessment of future project requirements and the use of actual contract and tendered subcontracted amounts wherever available. The provision has been calculated using the Commonwealth Bond rate of 1.985% at 30 June 2018 (2017: 1.9%). Restoration works are expected to be completed by May 2020.

The Authority has committed to Barangaroo operating as a Carbon Neutral precinct that will be delivered through a carbon reconciliation and offsetting process, using a proportion of the funds generated by the Estate Levy to purchase Renewable Energy Certificates (RECs) and offsets where appropriate. The Authority allocates an amount no greater than \$4.90 per annum of the Estate Levy per m² of GFA for each building which has achieved Practical Completion to Climate Positive Fund provision account.

The Authority intends to utilise the nationally recognised National Carbon Offset Standard (NCOS) certification process to validate carbon neutrality once the standard is introduced.

Notes to the financial statements (continued)

	Consolidated		Authority	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
13. Current / Non-Current Lease receipts in advance				
Current	178,809	7,152	178,809	7,152
Non-current	262,812	10,761	262,812	10,761
Lease receipts in advance include developer contribution received in relation to Central Barangaroo.				
14. Commitments for Expenditure				
(a) Capital Commitments				
Aggregate capital expenditure contracted for at balance date and not provided for:				
Not later than one year	2,813	7,101	2,813	7,101
Later than one year and not later than five years	-	652	-	652
Total (including GST)	2,813	7,753	2,813	7,753
The capital commitments above include GST of \$0.3 million (2017: \$0.7 million) that is expected to be recoverable from the Australian Taxation Office.				
15. Leases				
(a) Operating Lease Commitments				
Future non-cancellable operating lease rentals not provided for and payable:				
Not later than one year	1,400	1,573	1,400	1,573
Later than one year and not later than five years	5,051	6,968	5,051	6,968
Total (including GST)	6,451	8,541	6,451	8,541
The operating lease commitments above include GST of \$0.6 million (2017: \$0.8 million) that is expected to be recoverable from the Australian Taxation Office.				
(b) Finance Lease Receivable				
Not later than one year	761	6,233	761	6,233
Later than one year and not later than five years	474,216	474,178	474,216	474,178
Minimum lease payments receivable	474,977	480,411	474,977	480,411
Less future interest income	(80,226)	(96,422)	(80,226)	(96,422)
Present value of minimum lease payment receivables	394,751	383,989	394,751	383,989
Included in Financial Statements (refer Note 5)				
Current finance lease receivable	761	6,233	761	6,233
Non-current finance lease receivable	393,990	377,756	393,990	377,756
	394,751	383,989	394,751	383,989

Notes to the financial statements (continued)

	Consolidated		Authority	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
16. Contingent Liabilities and Contingent Assets				
There are no known contingent liabilities or assets at balance date.				
17. Reconciliation of Cash Flows from Operating Activities to Net Result				
Reconciliation of cash flows from operating activities to the net result as reported in the statement of comprehensive income				
Net cash from/(used on) operating activities	288,159	(16,247)	288,120	(16,364)
Depreciation	(8,318)	(7,582)	(8,318)	(7,582)
Assets recognised for the first time recorded in net result	-	16,062	-	16,062
Gain on sale of property, plant and equipment	127	39,606	127	39,606
Finance lease interest income	16,196	15,987	16,196	15,987
Decrease/(increase) in receivables	1,374	(21,517)	1,374	(21,517)
Increase/(decrease) in creditors	(9,705)	(2,058)	(9,666)	(1,940)
(Decrease)/increase in provisions	102,296	51,261	102,296	51,261
Increase/(decrease) in unearned income	(425,257)	2,988	(425,257)	2,988
Net Result	(35,127)	78,501	(35,127)	78,501

18. Financial Instruments

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

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

The Board has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Authority, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Audit and Risk Management Committee and internal auditors on a regular basis.

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying amount	Carrying amount
			2018 \$'000	2017 \$'000
Class:				
Cash and cash equivalents	4	N/A	45,368	696
Receivables ¹	5	Loans and receivables (at amortised cost)	395,481	385,946
Other financial assets	6	Loans and receivables	99,500	-
			Carrying amount	Carrying amount
			2018 \$'000	2017 \$'000
Financial Liabilities	Note	Category		
Class:				
Payables ²	10	Financial liabilities measured at amortised cost	50,530	22,613
Borrowings	11	Financial liabilities measured at amortised cost	372,325	516,286

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).

Notes to the financial statements (continued)

(b) Credit risk

Credit risk arises when there is the possibility that the counterparty will default on their contractual obligations, resulting in a financial loss to the Authority. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

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

Credit risk associated with the Authority's financial assets, other than receivables, is managed through the selection of counterparties and the establishment of minimum credit rating standards. Authority deposits held with NSW TCorp are guaranteed by the State.

Cash

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

Receivables - trade debtors

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 the entity 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.

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.

	\$'000		
	Total	Past due but not impaired	Considered Impaired
2018			
< 3 months overdue	11	11	
3 months - 6 months overdue	3	3	
> 6 months overdue	196	133	62
2017			
< 3 months overdue	1,213	1,213	
3 months - 6 months overdue	303	303	
> 6 months overdue	114	114	

Notes

- Each column in the table reports 'gross receivables'.
- The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 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.

Authority Deposits

The Authority has placed funds on deposit with TCorp, which has been rated 'AAA' by Standards and Poor's. These deposits are similar to money market or bank deposits and can be placed 'at call' or for a fixed term. The deposits earn an average interest rate of 1.89% (2017: nil) while over the year the weighted average interest rate was 1.83% (2017: nil) on a weighted average balance during the year of \$130m (2017: nil). None of these assets are past due or impaired.

Notes to the financial statements (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Authority will be unable to meet its payment obligations when they fall due. The Authority continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of loans and other advances.

The Authority has approved funding facilities at balance date with NSW Treasury Corporation of \$735 million (2017: \$595 million). The net fair value of these loans at balance date was \$380 million (2017: \$528 million). The weighted average effective interest rate for the year was 2.70% (2017: 2.82%) for loans.

During the current and prior year, there were no defaults of loans payable. No assets have been pledged as collateral.

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 to be made not later than 30 days from the 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 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. The rate of interest applied during the year was nil (2017: nil).

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

Maturity analysis and interest rate exposure of financial liabilities:

	Weighted Average Effective Interest Rate	Nominal Amount ¹	\$'000 Interest Rate Exposure			Maturity Dates		
			Fixed Interest Rate	Variable Interest Rate	Non- interest Bearing	<1 yr	1-5 yrs	> 5yrs
2018								
Payables	-	50,530	-	-	50,530	50,530	-	-
TCorp borrowings	2.70%	372,325	372,325	-	-	-	372,325	-
		422,855	372,325	-	50,530	50,530	372,325	-
2017								
Payables	-	22,613	-	-	22,613	22,613	-	-
TCorp borrowings	2.82%	516,286	516,286	-	-	164,919	351,367	-
		538,899	516,286	-	22,613	187,532	351,367	-

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 Authority 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.

Notes to the financial statements (continued)

(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. The Authority's exposures to market risk are primarily through interest rate risk on the Authority's borrowings and cash and cash equivalents. The Authority 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 in risk variable has been determined after taking into account the economic environment in which the Authority operates and the time frame for the assessment (i.e. until the end of the next annual reporting period).

The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis as for 2017. The analysis assumes that all other variables remain constant.

(e) Interest rate risk

Exposure to interest rate risk arises primarily through the Authority's interest bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with NSW TCorp. The Authority 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 (based on the RBA interest rate volatility over the last five years). This basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Authority's exposure to interest rate risk is set out below.

	Carrying amount	\$'000			
		-1%		1%	
		Profit	Equity	Profit	Equity
2018					
<i>Financial assets</i>					
Cash and cash equivalents	45,368	(454)	(454)	(454)	(454)
Receivables	-	-	-	-	-
Other financial assets	99,500	(995)	(995)	(995)	(995)
<i>Financial liabilities</i>					
Payables	-	-	-	-	-
2017					
<i>Financial assets</i>					
Cash and cash equivalents	696	(7)	(7)	7	7
Receivables	385,946	-	-	-	-
Other financial assets	-	-	-	-	-
<i>Financial liabilities</i>					
Payables	22,613	-	-	-	-

Notes to the financial statements (continued)

19. Budget review

Net result

The net result for the 2018 financial year was a \$35.1 million deficit against a budget deficit of \$27.7 million.

The unfavourable variance of \$7.5 million was primarily driven by the following:

- Gains on disposal were \$18.6 million below budget due to the deferral of buildings reaching substantial commencement.
- Total revenue was \$5.2 million favourable to budget, mainly from investment revenue which included unbudgeted interest revenue on the receipt of Central Barangaroo Development Rights Fees.
- Total expenses were \$5.9 million favourable to budget mainly due to the timing of certain consultancy expenditure, coupled with a focus by management on operating expenditure savings.

Assets and liabilities

Overall net assets at 30 June 2018 are \$154.8 million, which is \$49.2 million higher than budget.

Total assets are \$90.8 million higher than budget, primarily driven by unplanned short-term deposits held with TCorp.

Total liabilities are \$1,105.5 million which is \$41.6 million above budget. This primarily can be attributed to higher accrual and provisions which includes restoration works on the site, partly offset by lower borrowings as a result of partial repayment of debts.

Cash flows

The actual net cash movement was \$144.7 million favourable to budget. This is mainly attributable to Development Rights Fees received in relation to Central Barangaroo.

20. Related Party Disclosures

The entity's key management personnel compensation are as follows:

	2018 \$'000	2017 \$'000
Short-term employee benefits	1,315	1,248
Post-employment benefits	77	45
Total Remuneration	1,392	1,293

During the year, the entity entered into no transactions on arm's length terms and conditions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

During the year, the entity had debt facilities with the NSW Treasury Corporation. The capital value as at 30 June 2018 was \$372 million.

21. Events after the Reporting Period

On 9 August 2018, the Authority was issued with a NSW Supreme Court Summons and Commercial List Statement from each of Lendlease (Millers Point) Pty Limited and Crown Sydney Property Pty Limited, seeking damages and an injunction in relation to planning proposals for Central Barangaroo. The Authority intends to defend those proceedings.

End of audited financial statements

Statement by Members of the Board of Barangaroo Delivery Authority Staff Agency

Barangaroo Delivery Authority Staff Agency

Barangaroo Delivery Authority Staff Agency

Statement by Members of the Board of Barangaroo Delivery Authority Staff Agency on the adoption of the financial statements for the year ended 30 June 2018

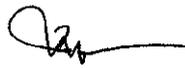
Pursuant to Section 41C (1B) of the *Public Finance and Audit Act 1983* and in accordance with a resolution of the members of the Board of Barangaroo Delivery Authority Staff Agency, we declare that in our opinion:

1. The accompanying financial statements exhibit a true and fair view of the financial position of the Barangaroo Delivery Authority Staff Agency as at 30 June 2018 and the financial performance for the year then ended; and
2. The financial statements have been prepared in accordance with the Australian Accounting Standards and Interpretations and the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015* and the Treasurer's Directions.

Further, we are not aware of any circumstances that would render any particulars included in the financial statements to be misleading or inaccurate.



Terry Moran
Chairman
Barangaroo Delivery Authority



Craig van der Laan
Chief Executive Officer
Barangaroo Delivery Authority

12 September 2018
Sydney

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

Barangaroo Delivery Authority Staff Agency

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Barangaroo Delivery Authority Staff Agency (the Agency), which comprise the statement of comprehensive income for the year ended 30 June 2018, the statement of financial position as at 30 June 2018, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a statement of significant accounting policies and other explanatory information, of the Agency.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Agency as at 30 June 2018, 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 *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 the Agency 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.

Independent Auditor's Report (continued)

Other Information

Other information comprises the information included in the annual report of the Agency for the year ended 30 June 2018, other than the financial statements and my Independent Auditor's Report thereon. The members of the Board of the Agency are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received is the 'Statement by Members of the Board of the Barangaroo Delivery Authority Staff Agency on the adoption of the financial statements for the year ended 30 June 2018'.

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 Board's Responsibilities for the Financial Statements

The members of the Board are 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 members of the Board determine is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of the Board are responsible for assessing the ability of the Agency to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting except where operations will be dissolved by an Act of Parliament or otherwise cease.

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, and
- 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/ar3.pdf. The description forms part of my auditor's report.

Independent Auditor's Report (continued)

My opinion does *not* provide assurance:

- that the Agency carried out their activities effectively, efficiently and economically
- 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.



Weini Liao
Director, Financial Audit Services

13 September 2018
SYDNEY

Statement of comprehensive income

for the year ended 30 June 2018

	Notes	Actual 2018 \$'000	Actual 2017 \$'000
Expenses excluding losses			
Operating expenses			
Employee related expenses	2	(10,251)	(8,784)
TOTAL EXPENSES EXCLUDING LOSSES		(10,251)	(8,784)
Revenue			
Personnel services revenue			
		10,251	8,784
TOTAL REVENUE		10,251	8,784
NET RESULT		-	-
Other comprehensive income			
		-	-
Total other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		-	-

The accompanying notes form part of these financial statements.

Statement of financial position

as at 30 June 2018

	Notes	Actual 2018 \$'000	Actual 2017 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	3	384	345
Receivables	4	799	818
Total Current Assets		1,183	1,163
Total Assets		1,183	1,163
LIABILITIES			
Current Liabilities			
Payables	5	88	173
Provisions	6	1,065	805
Total Current Liabilities		1,153	978
Non-Current Liabilities			
Provisions	6	30	185
Total Non-Current Liabilities		30	185
Total Liabilities		1,183	1,163
Net Assets		-	-
EQUITY			
Accumulated funds		-	-
Total Equity		-	-

The accompanying notes form part of these financial statements.

Statement of changes in equity

for the year ended 30 June 2018

	Accumulated funds
	Notes \$'000
Balance at 1 July 2017	-
Net result for the year	-
Total comprehensive income	-
Transactions with owners in their capacity as owners	-
Balance at 30 June 2018	-
Balance at 1 July 2016	-
Net result for the year	-
Total comprehensive income	-
Transactions with owners in their capacity as owners	-
Balance at 30 June 2017	-

Statement of cash flows

for the year ended 30 June 2018

	Notes	Actual 2018 \$'000	Actual 2017 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee related		(10,417)	(8,530)
Total Payments		(10,417)	(8,530)
Receipts			
Other		10,457	8,647
Total Receipts		10,457	8,647
NET CASH FLOWS FROM OPERATING ACTIVITIES	9	40	117
CASH FLOWS FROM INVESTING ACTIVITIES			
NET CASH FLOWS FROM INVESTING ACTIVITIES		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
NET CASH FLOWS FROM FINANCING ACTIVITIES		-	-
Net increase/(decrease) in cash held		40	117
Opening cash and cash equivalents		345	228
CLOSING CASH AND CASH EQUIVALENTS	3	385	345

The accompanying notes form part of these financial statements.

Notes to the financial statements

Barangaroo Delivery Authority Staff Agency

1. Summary of Significant Accounting Policies

(a) Reporting entity

Barangaroo Delivery Authority Staff Agency (the Agency) is established pursuant to Part 2 of Schedule 1 to the *Government Sector Employment Act 2013*. It is a not-for-profit entity as profit is not its principal objective. It is consolidated as part of the NSW Total State Sector Accounts. It is domiciled in Australia and its principal office is at 201 Kent Street, Sydney, New South Wales 2000.

The Agency's only function is to provide personnel services to Barangaroo Delivery Authority (the Authority).

These financial statements for the year ended 30 June 2018 have been authorised for issue by the Authority's Board on 12 September 2018.

(b) Basis of preparation

The Agency's financial statements are general purpose financial statements which have been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2015*

Set out below is a summary of the significant accounting policies.

Non-taxable entity

The Agency is exempt from the National Tax Equivalent Regime (NTER) and as such is not required to pay income tax.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets and liabilities at fair value.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Agency's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are recognised, or in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

All amounts are rounded to the nearest one thousand dollars (\$'000) and are expressed in Australian currency.

(c) Statement of compliance

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

(d) Income recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue from the rendering of personnel services is recognised when the service is provided and only to the extent that the associated recoverable expenses are recognised.

(e) Assets

(i) Receivables

Receivables are recognised when it is probable that the future cash inflows associated with it will be realised and it has a value that can be measured reliably. It is derecognised when the contractual or other rights to future cash flows from it expire or are transferred.

Receivables are recognised initially at original invoice amount, usually based on transaction cost or face value.

Receivables are subject to annual review for impairment. An allowance for impairment is established when there is objective evidence that the Agency will not be able to collect all amounts due. The amount of the impairment loss is recognised in the Statement of Comprehensive income.

(f) Liabilities

(i) Payables

Payables represent liabilities for goods and services provided to the Agency. Payables include accrued wages, salaries, and related on costs (such as payroll tax, fringe benefits tax and workers' compensation insurance) where there is certainty as to the amount and timing of settlement.

Payables are recognised at fair value, when a present obligation arises under a contract or otherwise. It is derecognised when the obligation expires or is discharged, cancelled or substituted.

(ii) Employee Benefits

(a) Salaries and wages, annual leave, sick leave and on-costs

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that are due to be settled within 12 months after the period in which the employees render the services are measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

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.

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

Notes to the financial statements (continued)

(b) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date in accordance with *AASB 119 Employee Benefits*. This is based on the application of certain factors (specified in NSW TC 15/09) to employees with five or more years of service, using current rates of pay. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to reporting date. A discount rate of 3.5% (2017: 3.5%) was applied for discounting purposes.

(c) Superannuation

Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iii) Other provisions

Provisions are recognised when the Agency has a present obligation as a result of a past event, it is probable that the Agency will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

(i) Effective for the first time in 2017-18

The accounting policies applied in 2017-18 are consistent with those of the previous financial year. Accounting policies that are effective for the first time in 2017-18 have no implications to the Agency.

(ii) Issued but not effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise. The following new Australian Accounting Standards have not been applied and are not yet effective:

Australian Accounting Standard	Application date for the Authority Financial Statements	Applicable to the Authority
AASB 15 Revenue from Contracts with Customers	FY 19/20	These Standards are applicable to the Authority. However, impact from the application of these Standards is not currently known nor can be reliably estimated.
AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-profit		
AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit entities		
AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15		
AASB 1058 Income of Not-for-profit Entities		

Notes to the financial statements (continued)

	Actual 2018 \$'000	Actual 2017 \$'000
2. Expenses Excluding Losses		
Employee related expenses		
Salaries and wages (including annual leave)	8,842	7,801
Superannuation - defined contribution plans	732	332
Long service leave	51	109
Workers compensation insurance	22	22
Payroll tax and fringe benefits	604	520
	10,251	8,784
3. Current Assets - Cash and Cash Equivalents		
Cash at bank and on hand	384	345
	384	345
For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank, cash on hand and short term deposits.		
4. Current Receivables		
Receivable from Barangaroo Delivery Authority	799	818
	799	818
5. Current / Non-Current - Payables		
Payable - accrued salaries, wages and on-costs	88	173
	88	173
6. Current / Non-Current - Provisions		
Annual leave (current)	714	606
Long service leave (current)	350	199
Long service leave (non-current)	30	185
	1,095	990
All annual leave classified as a current liability is expected to be settled within 12 months of balance date.		
Aggregate employee benefits and related on-costs		
Provisions - current	1,065	805
Provisions - non-current	30	185
Accrued salaries, wages and on-costs (note 5)	88	173
	1,183	1,163
7. Commitments for Expenditure		
The Agency has no capital commitments or lease commitments at 30 June 2018 (2017: nil).		

Notes to the financial statements (continued)

	Actual 2018 \$'000	Actual 2017 \$'000
8. Contingent Liabilities and Contingent Assets		
There are no known contingent liabilities or assets at balance date (2017: nil).		
9. Reconciliation of Cash Flows from Operating Activities to Net Result		
Reconciliation of cash flows from operating activities to the net result as reported in the statement of comprehensive income		
Net cash from/(used on) operating activities	40	117
(Decrease)/increase in receivables	(19)	208
(Increase)/decrease in creditors	85	(146)
(Increase)/decrease in provisions	(105)	(179)
Net Result	-	-
10. Related Party Disclosures		
The entity's key management personnel compensation are as follows:		
Short-term employee benefits	1,370	1,248
Post-employment benefits	62	45
Total Remuneration	1,432	1,293

During the year, the entity entered into no transactions on arm's length terms and conditions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

11. Events after reporting date

The Agency has not identified any events or transactions that are material to require adjustments or disclosures in the financial statements.

End of audited financial statements

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Business hours:
8.30am to 5.30pm, Monday to Friday

cover image:
Photo of puppet Marri Dyin for Barangaroo
Delivery Authority's 2018 Vivid Sydney installation,
titled *The Liminal Hour*. Photo: Daniel Boud.