

year **in**
review

Infrastructure NSW
Annual Report 2013–14

30 October 2014

The Hon. Mike Baird MP
Premier of NSW
Level 40, Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

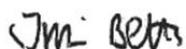
Dear Premier

I have pleasure in submitting the Infrastructure NSW Annual Report for the year ended 30 June 2014, for presentation to Parliament.

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

The financial statements for 2013–14, which form part of this annual report, have been submitted to and certified by the Auditor-General of New South Wales.

Yours sincerely



Jim Betts
Chief Executive Officer

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Chairman and CEO's report

The 2013–14 financial year saw continued focus on prioritising major infrastructure projects with positive returns to grow the NSW economy. The delivery of our second Five Year State Infrastructure Plan to 2018–19 was against a background of considerable change in the nation's economic circumstances. This included slower than expected global growth alongside a decline in both mining investment and in Australia's terms of trade. Given this context, our other priority in 2013–14 was to advise the NSW State Government on how to deliver major infrastructure projects to achieve best value.

The Five Year State Infrastructure Plan embeds a list of infrastructure priorities in the budget forward estimates within the context of the NSW Government 20 year State Infrastructure Strategy published in December 2012.

Infrastructure NSW is playing a key part in the NSW Government framework for the successful delivery of major infrastructure, the components of which reflect our legislated functions: long term strategic planning focused on economic growth and productivity; project prioritisation ensuring value for money; oversight of the Restart NSW Fund; and assurance of cost effective and timely project delivery.

Major projects such as the SouthWest Rail Link, WestConnex, North West Rail Link, the CBD Light Rail, Darling Harbour Live, the Northern Beaches Hospital and (prospectively) the NorthConnex project, carry a combined capital value in excess of \$26 billion. All of these major projects are either in the procurement or delivery phase and (with the exception of the later stages of WestConnex) will be substantially completed during the period covered by the Plan to 2018–19.

During 2013–14 Infrastructure NSW has played a key role by:

- Independently advising the Government on investment priorities.
- Driving key infrastructure projects in partnership with the private sector.
- Managing the State's engagement with the Commonwealth government to secure project funding; key outcomes include funding for WestConnex, NorthConnex and the Western

Sydney roads to support Sydney's second airport at Badgerys Creek.

- Recommending \$6.7 billion to date from the Restart NSW Fund (in committed and reserved funds) for infrastructure projects including managing five specific regional programs: Resources for Regions; Bridges for the Bush; the Cobborra Transition Fund; the Illawarra Infrastructure Fund and Water Security for Regions.
- Implementing a three step project assessment process to ensure that projects recommended for inclusion in the State Budget or for Restart funding are aligned with strategic priorities, can demonstrate an economic benefit and have completed the relevant 'Gateway' assurance reviews.
- Reporting to Cabinet on the delivery of more than 50 major projects (each over \$100 million in value).
- Collaborated with Treasury and other agencies to commence a Capital Performance Review to ensure that every dollar spent in the forward capital program is value for money for NSW.
- Continued to deliver against all key milestones for the \$2.5 billion redevelopment of Darling Harbour in partnership with Darling Harbour Live.
- Delivered the interim exhibition facility, Sydney Exhibition Centre @ Glebe Island, on time for the Reed Gift Fair in February 2014.

Having achieved progress on many fronts in a relatively short period of time, Infrastructure NSW is increasing its focus on activities that assist agencies in evaluating the costs and benefits of major projects and refining and improving project proposals and delivery.

Our emphasis is on maximising the value delivered to the community from the government's investments, including through existing activities such as independent project assessment, conducting sectoral and regional reviews as required, and participating in 'gateway' reviews and project assurance for strategic projects.

Infrastructure NSW will continue to work collaboratively across government to ensure that effective management processes are embedded into the way infrastructure is planned, structured and delivered in this State. For example, in 2013 Infrastructure NSW worked with NSW Treasury to improve the management of contingency for major projects. A number of improvements were identified which are currently being implemented. The result will be greater transparency and earlier release of contingency funds for reallocation to other projects, improving risk management and value for money.

Infrastructure NSW is committed to continuing partnerships with the private sector that maximise the opportunity for innovation and value. This approach is part of the NSW Government's overall commitment to rebuilding the confidence of the private sector in doing business in this State. The progress of the Darling Harbour Live project and the private sector's willingness to partner with government is a testament to the increased confidence.

Looking ahead to 2014–15 Infrastructure NSW is focused on:

- A revised State Infrastructure Strategy following the Premier's request for advice on the highest priority projects to be funded by unlocking the value held in electricity distribution networks, a strategy recommended by Infrastructure NSW in *First Things First*.
- Developing options to mitigate flood risks in the Hawkesbury-Nepean Valley.
- Overseeing the progress of the Darling Harbour Live project during its construction delivery phase.
- Further embedding improvements to ensure cost effective project assessment, selection and delivery across government agencies arising from Infrastructure NSW's reviews over the past 12-24 months.
- Working with Urban Growth on its plans to drive urban renewal in key growth centres.
- Working with the newly reformed Infrastructure Australia to ensure effective coordination of federal

and state priorities and approaches to infrastructure planning.

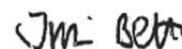
We would like to acknowledge the contribution and support of the Infrastructure NSW Board to the work of the agency. At the end of the 2013–14 financial year we saw two of our distinguished private sector Board Members, Carolyn Kay and David Gonski, depart. We are very grateful to both Carolyn and David as foundation Members who contributed enormously to the delivery of *First Things First* and the successful procurement phase of Darling Harbour Live. We have also welcomed two new private sector Members, appointed by the Premier, in Arlene Tansey and Dieter Adamsas, who equally bring impressive skills and expertise to our Board.

Infrastructure NSW's small but effective team deserves great credit for its hard work and commitment over the past 12 months, which has been crucial to the agency's success.

It is also important to acknowledge the work of colleagues in other agencies who have contributed their time and expertise in assisting Infrastructure NSW. We look forward to partnering with our public and private sector colleagues over the coming year.



Graham Bradley
Chairman



Jim Betts
Chief Executive Officer

Infrastructure NSW at a glance

Our role

The role of Infrastructure NSW is to provide independent advice to assist the NSW Government in identifying and prioritising the delivery of critical public infrastructure across NSW for economic and social wellbeing.

Our role also includes ensuring decisions about infrastructure projects are informed by expert analysis and advice.

The Act

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

The Act tasks Infrastructure NSW with 14 functions including:

- preparation and submission to the Premier of a 20 year State Infrastructure Strategy
- preparation and submission to the Premier of five year infrastructure plans and other plans as requested by the Premier
- preparation of sectoral State infrastructure strategy statements
- review and evaluation of proposed major infrastructure projects by Government agencies or the private sector
- advice on infrastructure planning and delivery assessment, economic or regulatory impediments and funding models
- coordination of infrastructure submissions by NSW to the Commonwealth Government
- responsibility for the delivery of a specific major infrastructure project.

Review of 2013-14

Infrastructure NSW had a successful 2013–14. Major achievements during the year are outlined in this section. One of the highlights was the progress made on transforming a 20-hectare site at Darling Harbour into a world class events precinct.

Darling Harbour's transformation

The NSW Government's redevelopment of a 20-hectare precinct at Darling Harbour, which will include Sydney's new convention, exhibition and entertainment hub, reached a number of milestones during the year.

The project includes:

- the \$1.1 billion International Convention Centre Sydney (ICC Sydney)
- an adjacent luxury hotel
- an urban neighbourhood (called Darling Square) comprising apartments, commercial offices, retail, restaurants and cafes, and a public car park
- student accommodation
- revitalised public spaces and new pedestrian connections to make Darling Harbour easier to reach.

The project is the biggest and most exciting transformation of Darling Harbour in more than 25 years and is part of the precinct's continuous evolution. It will build on the success of Darling Harbour and create one of the world's best areas to live, meet and be entertained.

The redevelopment will deliver an estimated \$200 million in economic benefit each year and across the 20-hectare redevelopment, create about 3,700 jobs during construction, and a further 4,000 jobs on completion.

Infrastructure NSW is the agency responsible for managing delivery of the project, having been tasked by the NSW Premier with this role in September 2011 under Sections 30 and 32 of the *Infrastructure NSW Act 2011*.

Background

The former convention, exhibition and entertainment facilities at Darling Harbour served Sydney well since the 1980s and were the backbone of growth in the major events industry. However, Sydney needed to respond to the substantial improvement in the standard of equivalent facilities in Australia and Asia-Pacific if the city is to realise its full potential in the domestic, regional and international convention and exhibition markets.

A world class events precinct is a key part of reinforcing Sydney's status as Australia's global city. Events contribute substantial direct and indirect economic benefits to Sydney. A vibrant precinct will also contribute to a 'living city' to be enjoyed by residents and visitors alike.

At the same time, the project provides an unparalleled opportunity to revitalise the 20-hectare precinct that runs north-south from Haymarket through to Cockle Bay, and east-west from the CBD to Ultimo. The precinct is the main link between key elements of the city, such as Chinatown, the University of Technology Sydney and Ultimo TAFE, and Pyrmont and Ultimo. It is a catalyst for improving public pathways and spaces, better connecting Darling Harbour with its surrounds and revitalising the precinct with dining, shopping and commercial opportunities.

Milestones in 2013-14

During the reporting period, the project has moved both quickly and carefully, underscoring the Government's commitment to the development. Milestones were:

- Infrastructure NSW finalised the financial arrangements with Darling Harbour Live for the Public Private Partnership component of the project—the new convention, exhibition and entertainment venues, and associated public domain upgrades. Darling Harbour Live is a consortium comprising Lend Lease, Capella Capital, AEG Ogden, Spotless and Hostplus. (Two separate agreements with Lend Lease for the new premium hotel and the urban neighbourhood are expected to reach financial close in late 2014.)
- Planning approval was granted for three stages of the project—for the convention, exhibition and entertainment precinct, the first stage of the Darling Square urban development, and the hotel.
- Early site works for the new world class major events venues commenced in December 2013 following closure of the former buildings. To accommodate the busy Christmas and summer period in Darling Harbour, hoardings were installed in February 2014 at which time works to remove and recycle the former buildings began. By mid-2014, demolition was complete and construction was underway.

Sydney Exhibition Centre @ Glebe Island

Sydney Exhibition Centre @ Glebe Island opened in February 2014 for its first event and has attracted great feedback from event organisers, visitors and the industry. Its opening followed extensive

engagement between the NSW Government and the industry in the six months prior to ensure the needs of exhibition organisers were addressed. Construction of the venue had commenced in June 2013 and it was completed in time for the start of the 2014 exhibition season.

Infrastructure NSW delivered the venue on behalf of the NSW Government so Sydney's exhibitions and trade shows can continue to thrive while the International Convention Centre Sydney is built at Darling Harbour. It will protect exhibition industry's important economic contribution of around \$100 million per year to NSW during the transformation.

Five Year State Infrastructure Plan 2014–15 to 2018–19

Following the NSW Government's adoption of the 20-year State Infrastructure Strategy in December 2012, Infrastructure NSW has delivered its second Five Year State Infrastructure Plan, as required under the Act. Infrastructure NSW delivered this Plan to the Premier in April 2014 and it was published in the NSW Government *Infrastructure Statement 2014-15 Budget Paper No. 4*.

In developing the Plan, Infrastructure NSW is required to identify specific major infrastructure projects and reforms to be undertaken as a priority in the five years from 2014–15 to 2018–19, having regard to the 20-year State Infrastructure Strategy adopted by the Premier.

The Plan is designed to:

- ensure that the highest priority projects and investments are funded
- introduce further discipline and an emphasis on value for money in infrastructure planning, funding and delivery
- provide the community and industry with a more detailed picture of the major infrastructure project pipeline, which contributes to increased innovation, competition and efficiency in delivering projects.

The Plan includes major projects currently underway like the South West Rail Link, North West Rail Link, WestConnex and the Northern Beaches Hospital, as well as projects assessed for budget approval which will begin within the next five years, like an initial \$1.4 billion (of a \$3.5 billion package) of Western Sydney roads to support Sydney's second airport at Badgerys Creek.

Infrastructure NSW is tasked with an annual review of the Five Year State Infrastructure Plan, to align with each NSW Budget. The full Infrastructure Statement is available on the NSW Treasury website.

With record levels of capital expenditure forecast to be \$61.5 billion to 2017–18 Infrastructure NSW has identified areas for improvement. Some of the opportunities being worked on include:

- Improved capital utilisation and project selection by developing a framework to optimise capital portfolios at both an agency and aggregated state budget level. Data support for capital investment decisions will ensure the highest priority investments are made, balancing (sometimes competing) outcomes including customer service, return on investment, safety and environment.
- Adoption of consistent approaches to project governance across the whole project cycle from asset performance and strategic planning to post implementation review.
- Consistent approach to the preparation of cost benefit assessments for capital projects to ensure that business cases are underpinned by rigorous analysis.
- Consistent implementation of Gateway reviews for all major projects.
- Consistent approach to project management contingencies to eliminate overly conservative allocations and release funds to additional projects to strengthen planning and business case development, and so reduce risks.

Major projects assurance monitoring and reporting

Monitoring and reporting of major projects is an important function to assist the NSW Government in ensuring that infrastructure projects are affordable, deliverable and provide value for money. During the year, Infrastructure NSW reviewed and evaluated infrastructure projects with a capital investment value of more than \$100 million. The Major Projects Assurance Framework is divided into two key areas:

Gateway reviews – a series of structured reviews that examine projects at critical decision points in the project lifecycle. The reviews provide independent advice about the robustness of the project and identify any issues that may need to be addressed.

Monitoring and reporting – a process for assessing infrastructure project delivery against time, cost, quality and impediments to service delivery. The aim is to improve management of risk and achieve more timely decision-making for corrective actions if required.

In line with the Framework, Infrastructure NSW has reported on 57 major projects during the year.

Restart NSW

Infrastructure NSW is responsible for assessing and making recommendations to the NSW Government for use of Restart NSW funds. Restart NSW was established by the NSW Government in June 2011 to finance a range of high priority future infrastructure projects in NSW.

The purpose of the Restart NSW Fund is to improve economic growth and productivity in the State by investing in major projects that will improve public transport, roads and the competitiveness of the State, as well as local infrastructure in regional areas that are affected by mining operations, health facilities, and workplaces for frontline government staff.

The Restart NSW Fund receives money from asset sales, Waratah Bonds, interest income and windfall tax revenue. By the end of 2013–14, \$6.7 billion has been deposited in the Restart NSW Fund. Use of these funds is focused on accelerating delivery of priority projects identified by Infrastructure NSW in the State Infrastructure Strategy.

These include:

- \$5 million for the Hawkesbury-Nepean Valley Flood Management Taskforce works program
- \$28 million for the Bells Line Road Improvement program
- \$100 million for the Illawarra region
- \$130 million for easing Sydney's congestion (Pinch Points)
- \$135 million for the Bridges for the Bush program
- \$170 million for the Princes Highway upgrade
- \$217 million for the Resources for Regions program
- \$366 million for Water Security for Regions program
- \$400 million for the revitalisation of Newcastle's CBD and Light Rail project
- Up to \$400 million for NorthConnex, M1 to M2 motorway connection
- \$403 million for the Pacific Highway upgrade
- \$1.8 billion invested in the WestConnex motorway scheme and \$87 million for enabling works at Port Botany and Sydney Airport.

Thirty per cent of Restart's investment portfolio is directed to Regional NSW projects (outside Newcastle, Sydney and Wollongong). This includes the allocation of three per cent to the Resources for Regions program for mining affected communities.

Infrastructure NSW has implemented an enhanced investment review of the business cases and gateway assurance processes to support the development recommendations for these and all future Restart investments.

Governance

Management and structure

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

The Board

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

Graham Bradley AM – Chairman

BA, LLB (Hons 1) (Syd), LLM (Harvard), FAICD

Appointed 4 July 2013 for a period of four years.

Graham Bradley is a professional company director and is currently Non-Executive Chairman of HSBC Bank Australia, Stockland Corporation and EnergyAustralia Holdings. He also on the Boards of The Hongkong and Shanghai Banking Corporation, Virgin Australia International Holdings, Po Valley Energy, GI Dynamics, Inc and Anglo American Australia.

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

Graham was President of the Business Council of Australia from 2009-2011 and Vice President from 2011-2012. He was Deputy President of the Takeovers Panel from 2006-2013. He is a member of the Advisory Council of the Australian School of Business at UNSW and a director of the European Australian Business Council. Graham also devotes time to a range of non-profit organisations, including the State Library of NSW as a Council member since 2006.

Graham was made a member of the Order of Australia in 2009 in recognition of his contribution to business, medical research and the arts.

Jim Betts – Chief Executive Officer

BA, MSc

Appointed 29 June 2013.

Mr Betts has been appointed as CEO of Infrastructure NSW following five years as the Secretary of the Victorian Department of Transport and four years as the

Director of Public Transport at the Victorian Department of Infrastructure. Key personal achievements during this time include the delivery of the \$38 billion Victorian Transport Plan, the overhaul of Victoria's legislative framework to integrate the planning of transport and land use, and overseeing construction of the \$4.3 billion Regional Rail Link project. Jim's 25 years' experience spans strategic transport planning, infrastructure delivery, and transformational structural reform, including privatisation, private finance and regulatory reform, and also includes senior roles in the United Kingdom Government.

Roger Fletcher – Private Sector Member

Appointed 15 July 2011 for a period of four years.

Mr Fletcher is Managing Director of Fletcher International Exports, a company that exports meat and lamb to more than 95 countries worldwide. He is also Chairman of the National Export Lamb, Sheep and Goat Industries Council, Director of the Australian Meat Industry Council and an active member of Australian Wool Innovation.

Max Moore-Wilton AC – Private Sector Member BEC

Appointed 15 July 2011 for a period of four years.

Mr Moore-Wilton, a non-executive director, was appointed as Chairman of Sydney Airport Holdings Limited, formerly called MAp Airports Limited, in April 2006. He is Chairman of Sydney Airport Corporation Limited. Prior to this appointment he was Executive Chairman of Sydney Airport Corporation from 2002 and is past President of the Airport Council International (ACI) World Governing Board.

Mr Moore-Wilton is Chairman of Southern Cross Austereo Media Group (Previously Macquarie Media Group) (appointed 2007). From 1996 Mr Moore-Wilton was Secretary to the Department of Prime Minister and Cabinet where he oversaw fundamental reform of the Commonwealth Public Service. He was appointed a Companion in the General Division of the Order of Australia in the Australia Day Honours List 2001.

Rod Pearse OAM – Private Sector Member BCom (Hons) UNSW, MBA (Hons) Harvard

Appointed 15 July 2011 for a period of four years.

Mr Pearse is Chairman Fife Capital Funds Limited (RE for Australian Industrial REIT). He is also a Director of O'Connell Street Associates; the SMART Infrastructure Facility Advisory Council, University of Wollongong; the Australia School of Business Advisory Council; the Juvenile Diabetes Research Foundation Advisory Board; and Chairman of Outward Bound Australia. Mr Pearse was CEO of Boral Limited (2000 to 2009), a Board Member of the Business Council of Australia (2003/2009), Chairman of the BCA's Sustainable Growth Task Force; and a member of the COAG Reform

Council Expert Advisory Panel on Cities (2010/2012).
He was awarded an OAM for Services to Youth in 2009.

**Philip Gaetjens – Secretary, NSW Treasury
BA(Hons), GradDip ProfAcc**

Appointed 15 August 2011 by virtue of his position within the NSW public service and consistent with the *Infrastructure NSW Act 2011*.

Mr Gaetjens is Secretary to the NSW Treasury and previously Secretary of the GST Distribution Review in the Australian Treasury. He also established and headed the APEC Policy Support Unit which provides analytical and research capability in support of APEC's work on economic, trade and investment issues. Between March 1997 and December 2007 he was Chief of Staff in the Office of the Australian Treasurer, the Hon Peter Costello MP. He has also held senior positions in the South Australian Department of Treasury and Finance and the Department of the Prime Minister and Cabinet.

Mark Paterson AO – Director General, Department of Trade and Investment, Regional Infrastructure and Services

BBus, FAICD, FAIM, FRMIA

Appointed 1 July 2011 by virtue of his position within the NSW public service and consistent with the *Infrastructure NSW Act 2011*.

Mr Paterson is Director General of the NSW Department of Trade and Investment, Regional Infrastructure and Services. Previously Mr Paterson held roles as Secretary and Chief Executive of the Commonwealth Department of Innovation, Industry, Science and Research; Secretary of the former Department of Industry, Tourism and Resources and Chief Executive of the Australian Chamber of Commerce and Industry. Mark has held a wide range of Directorships and was appointed an Officer of the Order of Australia in 2007.

Former Board members who served during the 2013–14 year

**David Gonski AC – Private Sector Member
B Com, LLB (UNSW), FAICD, FCPA**

Appointed 15 July 2011 for a period of four years and resigned on 31 May 2014.

Mr Gonski is Chairman of Investec Bank (Australia) Limited (the Australian subsidiary of Investec Bank PLC), the Guardians of the Future Fund, Coca-Cola Amatil Limited and Ingeus Ltd. David is also Chancellor of the University of New South Wales, Chairman of the National E Health Transition Authority Ltd, the UNSW Foundation Ltd, Swiss Re Life & Health Australia Ltd and the Sydney Theatre Company. He was previously a member of the Takeovers Panel, President of the Art Gallery of New South Wales, Director of ANZ Bank Ltd, Singapore Airlines Limited, and the Westfield Group, Chairman of ASX Ltd, the Australian Council for the Arts and the Board of Trustees of Sydney Grammar School.

**Carolyn Kay – Private Sector Member
BA (Melb), LLB (Melb), GDM (AGSM), FAICD**

Appointed 15 July 2011 for a period of four years and resigned on 31 May 2014.

Ms Kay is a Director of Allens Arthur Robinson, Brambles, Commonwealth Bank of Australia, John Swire & Sons Pty Ltd and The Sydney Institute. Carolyn has worked in London, New York and Australia both as a lawyer and a banker for organisations including Morgan Stanley, JP Morgan and Linklaters & Paines. Ms Kay was awarded

a Centenary Medal for service to Australia in business leadership. She is a Fellow of the Australian Institute of Company Directors and a Member of Chief Executive Women.

**Chris Eccles – Director General, Department of Premier and Cabinet
BA, LLB**

Appointed 1 July 2011 by virtue of his position within the NSW public service and consistent with the *Infrastructure NSW Act 2011*. His membership of the Board ceased when he resigned from this position on 26 June 2014.

In April 2011 Mr Eccles was appointed Director General of NSW Department of Premier and Cabinet (DPC). He was the Chief Executive of the South Australian Department of Premier and Cabinet (February 2009–March 2011) before joining NSW DPC. In 2007 Mr Eccles was appointed Deputy Secretary, Sector Improvement Group and later Deputy Secretary, National Reform and Climate Change Group for the Victorian Department of Premier and Cabinet. He has worked in a variety of government and private sector senior management positions. He has held leadership roles with the ACT Chief Minister's Department and the Australian National Training Authority.

**Sam Haddad – Director General, Director of Planning and Infrastructure
FVIPA, MAICD**

Appointed 1 July 2011 by virtue of his position within the NSW public service and consistent with the *Infrastructure NSW Act 2011*. His membership of the Board ceased when he resigned from this position on 23 April 2014.

Mr Haddad was formerly the Director General of Planning and Infrastructure and had held the role since 2005. He previously held several senior and executive positions with the NSW Department of Planning and its predecessors. Mr Haddad had extensive experience in administering and leading the State's planning system. He had led and implemented significant policy, legislative, organisational and operational reforms. He had also worked in the private sector in project management and infrastructure development.

Board meetings

There were 12 Board meetings in 2013–14.

Board member	Representation	Meetings attended
Graham Bradley	Chairman	12
Jim Betts	Chief Executive Officer	12
Roger Fletcher	Private Sector	11
David Gonski ¹	Private Sector	9
Carolyn Kay ²	Private Sector	9
Max Moore-Wilton	Private Sector	12
Rod Pearse	Private Sector	11
Chris Eccles ³	Secretary, Department of Premier and Cabinet	11
Sam Haddad ⁴	Secretary, Department of Planning and Infrastructure	8
Philip Gaetjens	Secretary, of the Treasury	12
Mark Paterson	Secretary, Department of Trade and Investment, Regional Infrastructure and Services	11

1. Mr Gonski resigned effective 31 May 2014.
2. Ms Kay resigned effective 31 May 2014.
3. Mr Eccles resigned effective 26 June 2014.
4. Mr Haddad resigned effective 23 April 2014.

Audit and risk committee meetings

There were four audit and risk committee meetings in 2013–14.

Committee member	Representation	Meetings attended
Carolyn Kay	Chair	4
Rod Pearse	Member	4
Christopher Swann	Member	1

Organisation structure



Our senior management team

Infrastructure NSW has a small team of talented and experienced staff who are working to deliver the functions of the organisation.

Jim Betts
BA, MSc
Chief Executive Officer and Coordinator General

Amanda Jones
BSocSc, GAICD
Chief Operating Officer

Christopher Swann
BA (Hons) History, Chartered Accountant
Executive Director, Investment and Reform

Erin Flaherty
BA, B Juris, LL.M, GradDip ACG, MAICD, ACSA, ACIS
Executive Director, CBD

Jennifer Davis
BFAAdmin, CPA, GAICD
Executive Director, Strategic Planning

Oliver Steele
MA, PGD (Econ)
Executive Director, Economics and Planning

Ross Parker
BEng (Civ), MBA
Executive Director, Performance Management

Dominique Wolfe
BSc, GradCertPR
Director, Corporate Affairs

Sydney International Convention, Exhibition and Entertainment Precinct Delivery Team

David Riches
BSc, B Arch, Grad Dip App Fin, FFin, FAIM
Project Director

Michael Watts
BEng (Elec)
Deputy Project Director

Tom Ussia
BEng Hons (Civil)
Development Director

Tom Kennedy
BEnvMgmt, LLB, MPlan
Development Director

Ross Horlyck
BEng (Mech) Hons, GradDipCompSc, GDM
Operations Director

Risk management and insurance

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

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

Infrastructure NSW utilises the NSW Treasury Managed Fund for its insurance requirements including workers' compensation, public liability, property and miscellaneous items.

During 2013–14 there were no claims made against any of these insurance categories

Internal audit and risk management attestation

Internal Audit and Risk Management Attestation for the 2013-2014 Financial Year for Infrastructure NSW

I, Jim Betts, am of the opinion that Infrastructure NSW has internal audit and risk management processes in operation that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 *Internal Audit and Risk Management Policy*. These processes provide a level of assurance that enables the senior management of Infrastructure NSW to understand, manage and satisfactorily control risk exposures.

I, Jim Betts, am of the opinion that the Audit and Risk Committee of Infrastructure NSW is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08. The Chair and Members of the Audit and Risk Committee are:

- Independent Chair, Carolyn Kay, appointed on 7 May 2013 for a term consistent with her tenure on the Board of Infrastructure NSW from which Carolyn resigned effective 31 May 2014.
- Independent Member 1, Rod Pearse, appointed on 7 May 2013 for a term consistent with his tenure on the Board of Infrastructure NSW.
- Non-independent Member 1, Chris Swann, appointed on 7 May 2013 for a three year term.

I, Jim Betts, declare that this Internal Audit and Risk Management Attestation is made on behalf of the following controlled entities (or subsidiaries):

- INSW Staff Agency (formerly the Infrastructure NSW Division)



Jim Betts
Chief Executive Officer, Infrastructure NSW



Digital information security attestation

Digital Information Security Annual Attestation Statement for the 2013-14 Financial Year for Infrastructure NSW

I, Jim Betts, am of the opinion that Infrastructure NSW had an Information Security Management System in place during the financial year being reported on consistent with the Core Requirements set out in the *Digital Information Security Policy for the NSW Public Sector*.

I, Jim Betts, am of the opinion that the security controls in place to mitigate identified risks to the digital information and digital information systems of Infrastructure NSW are adequate for the foreseeable future.

I, Jim Betts, am of the opinion that, where necessary in accordance with the Digital Information Security Policy for the NSW Public Sector, certified compliance with AS/NZS ISO/IEC 27001 Information technology - Security techniques - Information security management systems - Requirements had been maintained by all or part of Infrastructure NSW and all or part of any Public Sector Agencies under its control.



Jim Betts
Chief Executive Officer
Infrastructure NSW

18th September 2014

Financial statements

Infrastructure NSW

Statement by the Chief Executive Officer

STATEMENT BY THE CHIEF EXECUTIVE OFFICER Infrastructure NSW

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

- a) the accompanying Financial Statements exhibit a true and fair view of the financial performance and financial position of Infrastructure NSW as at 30 June 2014, and transactions for the year then ended;
- b) the accompanying financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2010, the Financial Reporting Code for NSW General Government Entities and Treasurer's Directions;
- c) the financial statements and notes have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and other authoritative pronouncements of the Australian Accounting Standards Board;
- d) there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Jim Betts
Chief Executive Officer
Infrastructure NSW

17 September 2014

Independent Auditor's report



INDEPENDENT AUDITOR'S REPORT

Infrastructure NSW and Controlled Entity

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Infrastructure NSW and its controlled entity, which comprise the statement of financial position as at 30 June 2014, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows, for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of Infrastructure NSW and the consolidated entity. The consolidated entity comprises Infrastructure NSW and the entities it controlled at the year's end or from time to time during the financial year.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of Infrastructure NSW and the consolidated entity as at 30 June 2014, 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* (the PF&A Act) and the Public Finance and Audit Regulation 2010

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

The Chief Executive Officer's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Chief Executive Officer, as well as evaluating the overall presentation of the financial statements.

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

My opinion does *not* provide assurance;

- about the future viability of Infrastructure NSW or consolidated entity
- that they have carried out their activities effectively, efficiently and economically
- about the effectiveness of internal control
- 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, that may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence 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 but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



David Nolan
Director, Financial Audit Services

17 September 2014
SYDNEY

Infrastructure NSW

Financial Statements
for the year ended 30 June 2014

Infrastructure NSW
Statement of comprehensive income
for the year ended 30 June 2014

	Notes	Consolidated			INSW		
		Actual 2014 \$'000	Budget 2014 \$'000	Actual 2013 \$'000	Actual 2014 \$'000	Budget 2014 \$'000	Actual 2013 \$'000
Expenses excluding losses							
Operating expenses							
Employee related	2(a)	3,601	4,159	3,462	-	-	-
Other operating expenses	2(b)	4,281	5,806	4,863	4,281	5,806	4,863
Depreciation and amortisation expenses	2(c)	222	237	221	222	237	221
Personnel services	2(d)	-	-	-	3,519	4,159	3,378
Other expenses	2(e)	49,785	23,570	18,541	49,785	23,570	18,541
Total Expenses excluding losses		57,889	33,772	27,087	57,807	33,772	27,003
Revenue							
Sale of goods and services	3(a)	49,785	23,570	18,541	49,785	23,570	18,541
Investment revenue	3(b)	61	-	21	61	-	21
Grants and contributions	3(c)	8,524	10,202	8,818	8,524	10,202	8,818
Acceptance by the Crown Entity of employee benefits and other liabilities	3(d)	82	-	84	-	-	-
Total Revenue		58,452	33,772	27,464	58,370	33,772	27,380
Gain / (loss) on disposal	4	(1)	-	(2)	(1)	-	(2)
Net Result		562	-	375	562	-	375
Other comprehensive income							
Total other comprehensive income		-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME		562	-	375	562	-	375

The accompanying notes form part of these financial statements.

Infrastructure NSW
Statement of financial position
as at 30 June 2014

	Notes	Consolidated			INSW		
		Actual 2014 \$'000	Budget 2014 \$'000	Actual 2013 \$'000	Actual 2014 \$'000	Budget 2014 \$'000	Actual 2013 \$'000
ASSETS							
Current Assets							
Cash and cash equivalents	6	664	3,120	959	664	3,120	959
Receivables	7	3,589	1,812	2,635	3,589	1,812	2,635
Total Current Assets		4,253	4,932	3,594	4,253	4,932	3,594
Non-Current Assets							
Plant and equipment	8	381	316	548	381	316	548
Intangible assets	9	19	34	50	19	34	50
Total Non-Current Assets		400	350	598	400	350	598
Total Assets		4,653	5,282	4,192	4,653	5,282	4,192
LIABILITIES							
Current Liabilities							
Payables	10	1,780	3,110	1,772	2,057	3,110	2,011
Provisions	11	274	280	237	-	280	-
Other	12	156	-	156	156	-	156
Total Current Liabilities		2,210	3,390	2,165	2,213	3,390	2,167
Non-Current Liabilities							
Provisions	11	101	464	91	98	464	89
Other	12	65	-	221	65	-	221
Total Non-Current Liabilities		166	464	312	163	464	310
Total Liabilities		2,376	3,854	2,477	2,376	3,854	2,477
Net Assets		2,277	1,428	1,715	2,277	1,428	1,715
EQUITY							
Accumulated funds		2,277	1,428	1,715	2,277	1,428	1,715
Total Equity		2,277	1,428	1,715	2,277	1,428	1,715

The accompanying notes form part of these financial statements.

Infrastructure NSW
Statements of changes in equity
for the year ended 30 June 2014

Consolidated / INSW	Accumulated Funds \$'000	Total \$'000
Balance at 1 July 2013	1,715	1,715
Net result for the year	<u>562</u>	<u>562</u>
Total comprehensive income for the year	562	562
Balance at 30 June 2014	<u>2,277</u>	<u>2,277</u>

Consolidated / INSW

Balance at 1 July 2012	1,340	1,340
Net result for the year	<u>375</u>	<u>375</u>
Total comprehensive income for the year	375	375
Balance at 30 June 2013	<u>1,715</u>	<u>1,715</u>

Infrastructure NSW
Statement of cash flows
for the year ended 30 June 2014

	Consolidated			INSW		
	Actual 2014 \$'000	Budget 2014 \$'000	Actual 2013 \$'000	Actual 2014 \$'000	Budget 2014 \$'000	Actual 2013 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee related	(3,515)	(4,192)	(3,238)	-	-	-
Other	(59,802)	(29,376)	(27,774)	(63,317)	(33,568)	(31,012)
Total Payments	(63,317)	(33,568)	(31,012)	(63,317)	(33,568)	(31,012)
Receipts						
Sale of goods and services	54,477	23,570	20,462	54,477	23,570	20,462
Interest received	40	-	96	40	-	96
Grants and contributions	8,524	10,202	8,818	8,524	10,202	8,818
Total Receipts	63,041	33,772	29,376	63,041	33,772	29,376
NET CASH FLOWS FROM OPERATING ACTIVITIES	(276)	204	(1,636)	(276)	204	(1,636)
	16					
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of plant and equipment	(19)	-	(11)	(19)	-	(11)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(19)	-	(11)	(19)	-	(11)
NET INCREASE / (DECREASE) IN CASH	(295)	204	(1,647)	(295)	204	(1,647)
Opening cash and cash equivalents	959	2,916	2,606	959	2,916	2,606
CLOSING CASH AND CASH EQUIVALENTS	664	3,120	959	664	3,120	959
	6					

The accompanying notes form part of these statements.

1 Summary of Significant Accounting Policies

(a) Reporting entity

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

The Staff Agency is a public service agency established under the Administrative Arrangements Order 2014 and is pursuant to Part 2 of Schedule 1 of the Government Sector Employment Act 2013 (formerly the Infrastructure Special Officers Group (INSW Division) established under the former Public Sector Employment Management Act 2002). The Staff Agency comprises persons who are employed under the Government Sector Employment Act 2013 to enable INSW to exercise its functions.

In the process of preparing the consolidated financial statements for the economic entity consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

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

These consolidated financial statements for the year ended 30 June 2014 have been authorised for issue by the Chief Executive Officer and Audit and Risk Committee on 17 September 2014.

(b) Basis of preparation

INSW'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 2010 and*
- the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

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

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

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of compliance

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

(d) Insurance

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

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

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

- the amount of GST incurred by INSW as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the statement of cash flow on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

1 Summary of Significant Accounting Policies (cont'd)

(f) Income recognition

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

(i) Grants revenue

Grants are generally recognised as income when INSW obtains control over the assets and grants are normally obtained upon the receipt of cash.

(ii) Sale of goods*

Revenue from the sale of goods is recognised as revenue when INSW transfers the significant risks and rewards of ownership of the assets.

(iii) Rendering of services*

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

(iv) Investment revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

* The Sale of goods and services disclosed in the Statement of Comprehensive Income represents reimbursement from the Sydney Harbour Foreshore Authority for expenditure incurred on the SICEEP Project. The expenditure incurred at reporting date is shown as Other Expenses in the Statement of Comprehensive Income and is offset by the amount shown as Sale of goods and services.

(g) Assets

(i) Acquisitions of assets

Assets acquired are initially recognised at cost. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

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

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

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent; i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

(ii) Capitalisation thresholds

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

(iii) Revaluation of property, plant and equipment

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

1 Summary of Significant Accounting Policies (cont'd)

(g) Assets (cont'd)

(iii) Revaluation of property, plant and equipment (cont'd)

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

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

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

(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. As property, plant and equipment is carried at fair value, impairment can only arise in the rare circumstances where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

(v) Depreciation of property, plant and equipment

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

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

Depreciation Rates	2014 % Rate
Intangible Asset	
Computer software	25
Plant & Equipment	
Office furniture and fittings	14
Computer equipment and hardware	25
General plant and equipment	25
Leasehold improvements	depreciated over the period of the lease

(vi) Restoration costs

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 a component of an asset, in which case the costs are capitalised and depreciated.

1 Summary of Significant Accounting Policies (cont'd)

(g) Assets (cont'd)

(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 effectively retains all such risks and benefits.

Operating lease payments are charged to the statement of comprehensive income in the periods in which they are incurred.

(ix) Intangible assets

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

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

The useful lives of intangible assets are assessed to be finite.

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

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

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

(x) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables.

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

(h) Liabilities

(i) Payables

These amounts represent liabilities for goods and services provided to INSW and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face 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) Employee benefits

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

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

1 Summary of Significant Accounting Policies (cont'd)

(h) Liabilities (cont'd)

(ii) Employee benefits (cont'd)

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

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 and superannuation

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

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 14/04) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

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

(c) 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.

(iii) Other Provisions

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

(i) Fair value hierarchy

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

(j) Equity and reserves

(i) Accumulated Funds

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

(k) Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period, as adjusted for section 24 of the PFAA where there has been a transfer of functions between departments. Other amendments made to the budget are not reflected in the budgeted amounts.

1 Summary of Significant Accounting Policies (cont'd)

(l) Comparative information

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

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

(i) Effective for the first time in 2013-14

The accounting policies applied in 2013-14 are consistent with those of the previous financial year except AASB 13 *Fair Value Measurement* and AASB 119 *Employee Benefits* that have been applied for the first time in 2013-14. The INSW anticipates that the adoption of these Standards in the period of initial application will have no material impact on the financial statements.

(ii) Issued but not yet 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 (NSW TC 14/03).

- AASB 9, AASB 2010 7 and AASB 2012 6 regarding financial instruments
- AASB 1031 Materiality
- AASB 1055 and AASB 2013 1 regarding budgetary reporting
- AASB 2013 8 regarding Australian Implementation Guidance for Not for Profit Entities – Control and Structured Entities
- AASB 2013 9 regarding the Conceptual Framework, Materiality and Financial Instruments (Parts B and C)

2 Expenses Excluding Losses

	Consolidated		INSW	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
(a) Employee related expenses				
Salaries and wages (including annual leave)	3,116	3,003	-	-
Superannuation - defined benefit plans	-	14	-	-
Superannuation - defined contribution plans	183	160	-	-
Long service leave	81	69	-	-
Workers compensation insurance	11	27	-	-
Payroll tax and fringe benefit tax	171	164	-	-
On-costs- annual leave and long service leave	39	25	-	-
	3,601	3,462	-	-

3 Revenue

	Consolidated		INSW	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
(a) Sale of goods and services				
Rendering of services - Sydney International Convention, Exhibition and Entertainment Precinct (SICEEP) recoveries	<u>49,785</u>	18,541	<u>49,785</u>	18,541
	49,785	18,541	49,785	18,541
(b) Investment revenue				
Interest revenue from financial assets not at fair value through profit or loss	<u>61</u>	21	<u>61</u>	21
	61	21	61	21
(c) Grants and contributions				
Grants received from budget dependant agencies	<u>8,524</u>	8,818	<u>8,524</u>	8,818
	8,524	8,818	8,524	8,818
(d) Acceptance by the Crown Entity of employee benefit				
Superannuation - defined benefit	-	14	-	-
Long Service Leave	81	69	-	-
Payroll tax	<u>1</u>	1	<u>-</u>	-
	82	84	-	-

4 Gain / (Loss) on Disposal

	Consolidated		INSW	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Gain / (loss) on disposal of plant and equipment				
Proceeds from disposal	-	-	-	-
Less: Written down value of assets disposed	<u>(1)</u>	(2)	<u>(1)</u>	(2)
Net gain / (loss) on disposal of plant and equipment	(1)	(2)	(1)	(2)

5 Service Group of the Entity

Service Group 1- Invest in critical Infrastructure

Purpose:

The service group covers improving the identification and delivery of critical infrastructure across the State and advises the Government on economic and regulatory impediments to infrastructure delivery and funding approaches.

6 Current Assets - Cash and Cash Equivalents

	Consolidated		INSW	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Cash at bank and on hand	664	959	664	959
	664	959	664	959

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank and cash on hand.

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

	Consolidated		INSW	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Cash and cash equivalents (per statement of financial position)	664	959	664	959
Closing cash and cash equivalents (per statements of cash flows)	664	959	664	959

Refer Note 17 for details regarding credit risk, liquidity risk, and market risk arising from financial instruments.

7 Current Assets - Receivables

	Consolidated		INSW	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Sale of goods and services	2,017	94	2,017	94
Goods and Services Tax (GST)	76	185	76	185
Other	55	-	55	-
Interest receivable	24	3	24	3
Sydney International Convention, Exhibition and Entertainment Precinct (SICEEP)	1,417	2,353	1,417	2,353
	3,589	2,635	3,589	2,635

N.B. Sale of goods and services represents invoiced amounts and includes recovery from Sydney Harbour Foreshore Authority for the SICEEP Project. The amount disclosed as SICEEP represents expenditure incurred by INSW but not yet invoiced to SHFA for the SICEEP Project.

8 Non-Current Assets - Plant and Equipment

Consolidated / INSW	Plant and Equipment \$'000	Leasehold Improvement \$'000	Total \$'000
At 1 July 2013 - fair value			
Gross carrying amount	334	532	866
Accumulated depreciation	(90)	(228)	(318)
Net carrying amount	<u>244</u>	<u>304</u>	<u>548</u>
At 30 June 2014 - fair value			
Gross carrying amount	352	541	893
Accumulated depreciation	(151)	(361)	(512)
Net carrying amount	<u>201</u>	<u>180</u>	<u>381</u>

Reconciliation

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

Year ended 30 June 2014	Plant and Equipment \$'000	Leasehold Improvement \$'000	Total \$'000
Net carrying amount at start of year	244	304	548
Additions	19	9	28
Disposals	(1)	-	(1)
Depreciation expense	(58)	(133)	(191)
Other - SICEEP	(3)	-	(3)
Net carrying amount at end of year	<u>201</u>	<u>180</u>	<u>381</u>

Consolidated / INSW	Plant and Equipment	Leasehold Improvement	Total
At 1 July 2012 - fair value			
Gross carrying amount	327	527	854
Accumulated depreciation	(31)	(95)	(126)
Net carrying amount	<u>296</u>	<u>432</u>	<u>728</u>
At 30 June 2013 - fair value			
Gross carrying amount	334	532	866
Accumulated depreciation	(90)	(228)	(318)
Net carrying amount	<u>244</u>	<u>304</u>	<u>548</u>

Reconciliation

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

Year ended 30 June 2013	Plant and Equipment	Leasehold Improvement	Total
Net carrying amount at start of year	296	432	728
Additions	11	4	15
Disposals	(4)	-	(4)
Depreciation expense	(58)	(132)	(190)
Writeback on disposals	2	-	2
Other - SICEEP	(3)	-	(3)
Net carrying amount at end of year	<u>244</u>	<u>304</u>	<u>548</u>

9 Intangible Assets

	Software (including IT Network design) \$'000
Consolidated / INSW	
At 1 July 2013	
Cost (gross carrying amount)	94
Accumulated amortisation and impairment	<u>(44)</u>
Net carrying amount	<u>50</u>
At 30 June 2014	
Cost (gross carrying amount)	94
Accumulated amortisation and impairment	<u>(75)</u>
Net carrying amount	<u>19</u>
Year ended 30 June 2014	
Net carrying amount at start of year	50
Amortisation (recognised in 'depreciation and amortisation')	<u>(31)</u>
Net carrying amount at end of year	<u>19</u>
At 1 July 2012	
Cost (gross carrying amount)	94
Accumulated amortisation and impairment	<u>(13)</u>
Net carrying amount	<u>81</u>
At 30 June 2013	
Cost (gross carrying amount)	94
Accumulated amortisation and impairment	<u>(44)</u>
Net carrying amount	<u>50</u>
Year ended 30 June 2013	
Net carrying amount at start of year	81
Additions	-
Amortisation (recognised in 'depreciation and amortisation')	<u>(31)</u>
Net carrying amount at end of year	<u>50</u>

10 Current Liabilities - Payables

	Consolidated		INSW	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Accrued salaries, wages and on-costs	22	12	-	-
Creditors	1,758	1,760	1,616	1,574
Personnel services	-	-	441	437
	<u>1,780</u>	<u>1,772</u>	<u>2,057</u>	<u>2,011</u>

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed in Note 17.

11 Current /Non-Current Liabilities - Provisions

	Consolidated		INSW	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Current				
Employee benefits and related on-costs				
Annual leave	204	202	-	-
Long service leave	36	19	-	-
Payroll tax	34	16	-	-
Total provisions	274	237	-	-

	Consolidated		INSW	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Non-current				
Employee benefits and related on-costs				
Long service leave	3	2	-	-
	3	2	-	-

	Consolidated		INSW	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Non-current				
Other provisions				
Restoration costs	98	89	98	89
	98	89	98	89
Total provisions	101	91	98	89

	Consolidated		INSW	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Aggregate employee benefits and related on-costs				
Provisions - current	274	237	-	-
Provisions - non-current	3	2	-	-
Accrued salaries, wages and on-costs (Note 10)	22	12	-	-
	299	251	-	-

It is expected that all the employee leave entitlements are expected to be paid within twelve months from the reporting period.

Movements in provisions (other than employee benefits)

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

	Restoration Costs \$'000
Consolidated / INSW	
2014	
Carrying amount at the beginning of financial year	89
Additional provisions recognised	9
Carrying amount at end of financial year	98

12 Current / Non-Current Liabilities - Other

	Consolidated		INSW	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Current				
Lease incentive	<u>156</u>	156	<u>156</u>	156
	156	156	156	156

	Consolidated		INSW	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Non-Current				
Lease incentive	<u>65</u>	221	<u>65</u>	221
	65	221	65	221

13 Commitments for Expenditure

	Consolidated		INSW	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Operating Lease Commitments				
Future non-cancellable operating lease rentals not provided for and payable				
Not later than one year	<u>996</u>	955	<u>996</u>	955
Later than one year and not later than five years	<u>424</u>	1,415	<u>424</u>	1,415
Total (including GST)	1,420	2,370	1,420	2,370

The total commitments above includes input tax credits of \$ 129,053 (\$215,392 for 2013) that are expected to be recoverable from the Australian Taxation Office.

14 Contingent Liabilities and Contingent Assets

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

15 Budget Review

Net result

The actual net result was higher than the budget by \$562K primarily due to underspend in contracted service expenses. This result takes into account the \$1,678k returned back to the Department of Premier and Cabinet Cluster. The 2014 actual expenditure and revenue were higher than Budget, reflecting revised increase to the Sydney International Convention, Exhibition and Entertainment Precinct (SICEEP) Project.

Assets and liabilities

Total Assets were \$629k lower than budgeted primarily due to a reduction in cash balance

Total Liabilities were \$1,478k lower than the budget due primarily to a revised reduction in payables

Cash flows

Actual Cash flows from operating activities were less than the budget by \$480K primarily due to reduction of grants and contribution and the timing of payments to creditors.

16 Reconciliation of Cash Flows from Operating Activities to Net Result

	Consolidated		INSW	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Net cash used on operating activities	(276)	(1,636)	(276)	(1,636)
Depreciation and amortisation	(222)	(221)	(222)	(221)
Decrease / (increase) in provisions	(38)	(81)	-	-
Increase / (decrease) in receivables and prepayments	954	822	954	822
Decrease / (increase) in creditors	(8)	1,338	(46)	1,257
Decrease / (increase) in other liabilities	156	157	156	157
Net gain / (loss) on sale of plant and equipment	(1)	(2)	(1)	(2)
Other	(3)	(2)	(3)	(2)
Net result	562	375	562	375

17 Financial Instruments

INSW's principal financial instruments are outlined below. These financial instruments arise directly from INSW's operations or are required to finance INSW's operations.

INSW's principal financial instruments are cash deposits held within the NSW Treasury Banking System, short term receivables and payables. These instruments expose INSW primarily to interest rate risk on cash balances held within the NSW Treasury Banking System and credit risk on short term receivables. INSW does not enter into or trade financial instruments for speculative purposes and does not use financial derivatives.

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

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount 2014 \$'000	Carrying Amount 2013 \$'000
Class:				
Consolidated				
Cash and cash equivalents	6	N/A	664	959
Receivables ¹	7	Receivables (at amortised cost)	3,513	2,450
Financial Liabilities	Note	Category	Carrying Amount 2014 \$'000	Carrying Amount 2013 \$'000
Class:				
Consolidated				
Payables ²	10	Financial liabilities measured at amortised cost	1,780	1,772

17 Financial Instruments (cont'd)

Financial Assets	Note	Category	Carrying Amount 2014 \$'000	Carrying Amount 2013 \$'000
Class:				
INSW				
Cash and cash equivalents	6	N/A	664	959
Receivables ¹	7	Loans and receivables (at amortised cost)	3,513	2,450
Financial Liabilities	Note	Category	Carrying Amount 2014 \$'000	Carrying Amount 2013 \$'000
Class:				
INSW				
Payables ²	10	Financial liabilities measured at amortised cost	1,616	1,574

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).

(b) Credit Risk

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

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

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

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

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

17 Financial Instruments (cont'd)

	Total ^{1,2}	\$'000 Past due but not impaired ^{1,2}	Considered impaired ^{1,2}
Consolidated 2014			
< 3 months overdue	53	53	-
3 months – 6 months overdue	-	-	-
> 6 months overdue	-	-	-
Consolidated 2013			
< 3 months overdue	-	-	-
3 months – 6 months overdue	-	-	-
> 6 months overdue	-	-	-

Notes :

1. Each column in the table reports "gross receivables".
2. The ageing analysis excludes statutory receivables, as these are not within the scope of 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.

(c) Liquidity risk

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

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Head of an authority (or a person appointed by the Head of an authority) may automatically pay the supplier simple interest. No interest was paid during the year (2013 Nil).

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

17 Financial Instruments (cont'd)

Maturity Analysis and interest rate exposure of financial liabilities

	\$'000				
	Nominal Amount ¹	Interest Rate Exposure	Maturity Dates		
		Non-interest bearing	< 1 yr	1-5 yrs	> 5 yrs
Consolidated 2014					
<i>Payables:</i>					
Accrued salaries, wages and on-costs	22	22	22	-	-
Creditors	1,758	1,758	1,758	-	-
	1,780	1,780	1,780	-	-

	\$'000				
	Nominal Amount ¹	Interest Rate Exposure	Maturity Dates		
		Non-interest bearing	< 1 yr	1-5 yrs	> 5 yrs
Consolidated 2013					
<i>Payables:</i>					
Accrued salaries, wages and on-costs	12	12	12	-	-
Creditors	1,760	1,760	1,760	-	-
	1,772	1,772	1,772	-	-

	\$'000				
	Nominal Amount ¹	Interest Rate Exposure	Maturity Dates		
		Non-interest bearing	< 1 yr	1-5 yrs	> 5 yrs
INSW 2014					
<i>Payables:</i>					
Creditors	1,616	1,616	1,616	-	-
	1,616	1,616	1,616	-	-

	\$'000				
	Nominal Amount ¹	Interest Rate Exposure	Maturity Dates		
		Non-interest bearing	< 1 yr	1-5 yrs	> 5 yrs
INSW 2013					
<i>Payables:</i>					
Creditors	1,574	1,574	1,574	-	-
	1,574	1,574	1,574	-	-

Note:

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

(d) Market risk

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

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

17 Financial Instruments (cont'd)

Interest rate risk

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

Consolidated	Carrying	-1%	Equity	+1%	Equity
2014	Amount	Profit	\$'000	Profit	\$'000
<i>Financial assets</i>					
Cash and cash equivalents	664	(7)	(7)	7	7
Receivables	3,513	-	-	-	-
<i>Financial liabilities</i>					
Payables	1,780	-	-	-	-
Total	5,957	(7)	(7)	7	7

2013					
<i>Financial assets</i>					
Cash and cash equivalents	959	(10)	(10)	10	10
Receivables	2,450	-	-	-	-
<i>Financial liabilities</i>					
Payables	1,772	-	-	-	-
Total	5,181	(10)	(10)	10	10

INSW	Carrying	-1%	Equity	+1%	Equity
2014	Amount	Profit	\$'000	Profit	\$'000
<i>Financial assets</i>					
Cash and cash equivalents	664	(7)	(7)	7	7
Receivables	3,513	-	-	-	-
<i>Financial liabilities</i>					
Payables	1,616	-	-	-	-
Total	5,793	(7)	(7)	7	7

2013					
<i>Financial assets</i>					
Cash and cash equivalents	959	(10)	(10)	10	10
Receivables	2,450	-	-	-	-
<i>Financial liabilities</i>					
Payables	1,574	-	-	-	-
Total	4,983	(10)	(10)	10	10

17 Financial Instruments (cont'd)

(e) Fair value measurement

(i) Fair value compared to carrying amount

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

18 Events after the Reporting Period

There are no events subsequent to balance date which affect the financial statements.

End of audited financial statements.

Financial statements

Infrastructure NSW Staff Agency

Statement by the Chief Executive Officer

**STATEMENT BY THE CHIEF EXECUTIVE OFFICER
On behalf of the Infrastructure NSW Staff Agency**

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

- a) the accompanying Financial Statements exhibit a true and fair view of the financial performance and financial position of the Infrastructure NSW Staff Agency as at 30 June 2014, and transactions for the year then ended;
- b) the accompanying financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2010, the Financial Reporting Code for NSW General Government Entities and Treasurer's Directions;
- c) the financial statements and notes have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and other authoritative pronouncements of the Australian Accounting Standards Board;
- d) there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Jim Betts
Chief Executive Officer
Infrastructure NSW

17 September 2014

Independent Auditor's report



INDEPENDENT AUDITOR'S REPORT

Infrastructure NSW Staff Agency

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Infrastructure NSW Staff Agency (the Agency), which comprise the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows, for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Agency as at 30 June 2014, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010

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

The Chief Executive Officer's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Chief Executive Officer, as well as evaluating the overall presentation of the financial statements.

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

My opinion does *not* provide assurance:

- about the future viability of the Agency
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information which may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence 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, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



David Nolan
Director, Financial Audit Services

17 September 2014
SYDNEY

Infrastructure NSW Staff Agency

Financial Statements for the year ended 30 June 2014

**Infrastructure NSW Staff Agency
Statement of comprehensive income
for the year ended 30 June 2014**

	Notes	Actual 2014 \$'000	Actual 2013 \$'000
Expenses excluding losses			
Operating expenses			
Employee related expenses	2	<u>3,601</u>	3,462
Total Expenses excluding losses		<u>3,601</u>	3,462
Revenue			
Personnel services	3(a)	3,519	3,378
Acceptance by the Crown Entity of employee benefit and other liabilities	3(b)	<u>82</u>	84
Total Revenue		<u>3,601</u>	3,462
Net result		<u>-</u>	-
Other comprehensive income			
Total other comprehensive income		<u>-</u>	-
TOTAL COMPREHENSIVE INCOME		<u>-</u>	-

The accompanying notes form part of these financial statements.

Infrastructure NSW Staff Agency
Statement of financial position
as at 30 June 2014

	Notes	Actual 2014 \$'000	Actual 2013 \$'000
ASSETS			
Current Assets			
Receivables	4	441	437
Total Current Assets		<u>441</u>	<u>437</u>
Total Assets		<u>441</u>	<u>437</u>
LIABILITIES			
Current Liabilities			
Payables	5	164	198
Provisions	6	274	237
Total Current Liabilities		<u>438</u>	<u>435</u>
Non-Current Liabilities			
Provisions	6	3	2
Total Non-Current Liabilities		<u>3</u>	<u>2</u>
Total Liabilities		<u>441</u>	<u>437</u>
Net Assets		<u>-</u>	<u>-</u>
EQUITY			
Accumulated funds		<u>-</u>	<u>-</u>
Total Equity		<u>-</u>	<u>-</u>

The accompanying notes form part of these financial statements.

**Infrastructure NSW Staff Agency
Statement of changes in equity
for the year ended 30 June 2014**

	Accumulated Funds \$'000	Total \$'000
Balance at 1 July 2013	-	-
Net result for the year	-	-
Total comprehensive income for the year	-	-
Balance at 30 June 2014	-	-

	Accumulated Funds \$'000	Total \$'000
Balance at 1 July 2012	-	-
Net result for the year	-	-
Total comprehensive income for the year	-	-
Balance at 30 June 2013	-	-

**Infrastructure NSW Staff Agency
Statement of cash flows
for the year ended 30 June 2014**

	Actual 2014 \$'000	Actual 2013 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments		
Employee related	-	-
Total Payments	-	-
Receipts		
Personnel services	-	-
Total Receipts	-	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	-	-
NET INCREASE/ (DECREASE) IN CASH	-	-
Opening cash and cash equivalents	-	-
CLOSING CASH AND CASH EQUIVALENTS	-	-

The accompanying notes form part of these financial statements.

1 Summary of Significant Accounting Policies

(a) Reporting entity

The Infrastructure NSW Staff Agency, hereafter referred to as (Staff Agency) is a public service agency established under the Administrative Arrangements Order 2014 and is pursuant to Part 2 of Schedule 1 of the Government Sector Employment Act 2013 (formerly the Infrastructure Special Officers Group (INSW Division) established under the former Public Sector Employment Management Act 2002). The Staff Agency comprises persons who are employed under the Government Sector Employment Act 2013 to enable INSW to exercise its functions. It is domiciled in Australia and its principal office is at Level 15, Macquarie House, 167 Macquarie Street, Sydney 2000.

The Staff Agency's objective is to provide personnel services to Infrastructure NSW.

These financial statements for the year ended 30 June 2014 have been authorised for issue by the, Chief Executive Officer and Audit and Risk Committee on 17 September 2014.

(b) Basis of preparation

The Staff 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 2010* and
- the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

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

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of compliance

The Staff Agency's financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable.

Income 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) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are recognised in the surplus / (deficit) for the year when impaired, derecognised or through the amortisation process.

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

(f) Liabilities

(i) Payables

These amounts represent liabilities for goods and services provided to the Staff Agency and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face 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.

1 Summary of Significant Accounting Policies (cont'd)

(f) Liabilities (cont'd)

(ii) Employee benefits and other provisions

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

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

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted). Actuarial advice obtained by Treasury has confirmed that the use of a nominal approach plus the annual leave on annual leave liability (using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The entity has assessed the actuarial advice based on the entity's circumstances and has determined that the effect of discounting is immaterial to annual leave.

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 and superannuation

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

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 14/04) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

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

(c) 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.

(g) Comparative information

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

1 Summary of Significant Accounting Policies (cont'd)

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

(i) Effective for the first time in 2013-14

The accounting policies applied in 2013-14 are consistent with those of the previous financial year except AASB 13 *Fair Value Measurement* and AASB 119 *Employee Benefits* that have been applied for the first time in 2013-14. The Staff Agency anticipates that the adoption of these Standards in the period of initial application will have no material impact on the financial statements.

(ii) Issued but not yet 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 (NSW TC 14/03).

- AASB 9, AASB 2010 7 and AASB 2012 6 regarding financial instruments
- AASB 1031 Materiality
- AASB 1055 and AASB 2013 1 regarding budgetary reporting
- AASB 2013 8 regarding Australian Implementation Guidance for Not for Profit Entities
 - Control and Structured Entities
- AASB 2013 9 regarding the Conceptual Framework, Materiality and Financial Instruments (Parts B and C)

2 Expenses Excluding Losses

	2014 \$'000	2013 \$'000
Employee related expenses		
Salaries and wages (including annual leave)	3,116	3,003
Superannuation - defined benefit plans	-	14
Superannuation - defined contribution plans	183	160
Long service leave	81	69
Workers compensation insurance	11	27
Payroll tax and fringe benefit tax	171	164
On costs - annual leave and long service leave	39	25
	3,601	3,462

3 Revenue

	2014 \$'000	2013 \$'000
(a) Personnel services		
Personnel services	3,519	3,378
(b) Acceptance by the Crown Entity of employee benefit		
Superannuation	-	14
Long Service Leave	81	69
Payroll tax	1	1
	82	84

4 Current Assets - Receivables

	2014 \$'000	2013 \$'000
Personnel services	441	437
	<u>441</u>	<u>437</u>

5 Current Liabilities - Payable

	2014 \$'000	2013 \$'000
Accrued salaries, wages and on-costs	22	12
Creditors	142	186
	<u>164</u>	<u>198</u>

6 Current / Non-Current Liabilities - Provisions

	2014 \$'000	2013 \$'000
Current		
Employee benefits and related on-costs		
Annual leave	204	202
Long service leave	36	19
Payroll tax	34	16
Total provisions	<u>274</u>	<u>237</u>
Non-current		
Employee benefits and related on-costs		
Long service leave	3	2
Total provisions	<u>3</u>	<u>2</u>
Aggregate employee benefits and related on-costs		
Provisions - current	274	237
Provisions - non-current	3	2
Accrued salaries, wages and on-costs (Note 5)	22	12
	<u>299</u>	<u>251</u>

It is expected that all the employee leave entitlements are expected to be paid within twelve months from the reporting period.

7 Contingent Liabilities and Contingent Assets

The Staff Agency is not aware of any contingent liabilities and/or contingent assets associated with its operations.

8 Reconciliation of Cash Flows from Operating Activities to Net Result

	2014 \$'000	2013 \$'000
Net cash used on operating activities	-	-
Decrease / (increase) in provisions	(38)	(81)
Increase / (decrease) in prepayments and other assets	4	140
Decrease / (increases) in creditors	34	(59)
Net result	-	-

9 Financial Instruments

The Staff Agency's principal financial instruments are short term receivables and payables. These instruments expose the Staff Agency primarily to credit risk on short term receivables. The Staff Agency does not enter into or trade financial instruments for speculative purposes and does not use financial derivatives.

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

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount 2014 \$'000	Carrying Amount 2013 \$'000
Class:			2014	2013
Cash and cash equivalents	4	N/A	-	-
Receivables ¹		Loans and receivables (at amortised cost)	441	437
Financial Liabilities	Note	Category	Carrying Amount 2014 \$'000	Carrying Amount 2013 \$'000
Class:			2014	2013
Payables ²	5	Financial liabilities measured at amortised cost	164	198

Notes:

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB7).

(b) Credit Risk

Credit risk arises from the financial assets of the Staff Agency, which are receivables. No collateral is held by the Staff Agency. The Staff Agency has not granted any financial guarantees.

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

Receivables - trade debtors

All trade debtors are recognised as amounts receivable at balance date. The balance owing represents monies due from Infrastructure NSW. Sales are made to them on 14 day terms.

No financial assets are past due or impaired.

9 Financial Instruments (cont'd)

(c) Liquidity risk

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

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Head of an authority (or a person appointed by the Head of an authority) may automatically pay the supplier simple interest. No Interest was paid during the year (2013 nil).

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

Maturity Analysis and interest rate exposure of financial liabilities

	Nominal Amount ¹	Interest Rate Exposure		Maturity Dates		
		Non-interest bearing		\$'000		
				< 1 yr	1-5 yrs	> 5 yrs
2014						
<i>Payables:</i>						
Accrued salaries, wages and on-costs	22	22	22	-	-	-
Creditors	142	142	142	-	-	-
	<u>164</u>	<u>164</u>	<u>164</u>	<u>-</u>	<u>-</u>	<u>-</u>
2013						
<i>Payables:</i>						
Accrued salaries, wages and on-costs	12	12	12	-	-	-
Creditors	186	186	186	-	-	-
	<u>198</u>	<u>198</u>	<u>198</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note:

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

(d) Market risk

The Staff Agency has no exposure to foreign currency risk and does not enter into commodity contracts.

(e) Fair value measurement

(i) Fair value compared to carrying amount

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value.

10 Events after the Reporting Period

There are no events subsequent to balance date which affect the financial statements.

End of audited financial statements.

Outline budget for 2014–15

Operating statement

	2014-15 Budget \$000
Expenses Excluding Losses	
Operating Expenses -	
Employee related	4,159
Other operating expenses ^(a)	33,091
Depreciation and amortisation	236
TOTAL EXPENSES EXCLUDING LOSSES	37,486
Revenue	
Sales of goods and services	21,766
Investment revenue	...
Grants and contributions	15,152
Acceptance by Crown Entity of employee benefits and other liabilities	68
Total Revenue	36,986
Gain/(loss) on disposal of non current assets	...
Net Result ^(a)	(500)

^(a) The Net Result is representative of \$500k underspend that will be carried forward from 2013-14.

Statutory reporting obligations

Human resources

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

The CEO and Coordinator General, Jim Betts, commenced at Infrastructure NSW on 29 June 2013. Supporting the CEO are 17 other roles. All Non Senior Executive Service Staff have transitioned employment in accordance to the new GSE Act, as of 24 February 2014.

A High Level Implementation plan has been put in place for Senior Executive Staff in line with the recommendations of the new legislation.

Infrastructure NSW will remain an organisation of less than 20 staff and will not grow significantly over time, unless additional projects are assigned to the agency.

Infrastructure NSW also employs contracted services for short term engagements as required to fulfil its functions.

Executive remuneration and performance

The total number of executive positions at equivalent to SES Level 1 or higher (bands 1 to 4) is twelve. The number of female executives is four.

The CEO expressed satisfaction with the performance of his executive team throughout 2013–14. Infrastructure NSW does not make performance payments.

Senior Executive Staff	Number / gender	Average remuneration
Band 4	3 male	\$490,827
Band 3	2 male / 2 female	\$353,089
Band 2	1 male / 1 female	\$297,360
Band 1	3 male / 1 female	\$218,176

Personnel policies and practices

Infrastructure NSW has adopted the best policies and practices of both the public and private sector in employee management. Employees of Infrastructure NSW are employed under an employment agreement which determines the significant conditions of employment. The employment agreement was developed specifically for Infrastructure NSW in line with SES guidelines for non-public service divisions. Each role is assessed to establish suitable remuneration and performance standards set. There has been a significant focus on performance.

Industrial relations

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

Waste

Infrastructure NSW is committed to reducing waste and minimising energy use in line with the principles in the Government's Waste Reduction and Purchasing Policy.

Infrastructure NSW reduces its generation of waste paper by using electronic communication methods, including making published reports and papers available on Infrastructure NSW's website. Our records management system accommodates full electronic document management and greatly reduces the volume of paper-based records. The generation of waste paper is further reduced by double-sided printing and copying, which is encouraged across the organisation.

Infrastructure NSW practices resource recovery by returning all used toner cartridges from printers and copiers for recycling, and collecting paper waste with strategically placed bins for recycling by a contracted service provider. Infrastructure NSW purchases recycled content products where it is feasible and cost effective.

Annual report production

The production and printing cost for the 2013–14 Annual Report was nil. A PDF version of the report is available for downloading at www.insw.com.

Promotion

No overseas visits were undertaken by Infrastructure NSW employees for the purpose of promoting the agency.

Responding to consumers

Infrastructure NSW is a small agency that does not deliver direct services to the public.

Credit card certification

In accordance with Treasurer's Directions, it is certified that credit card usage by Infrastructure NSW officers conforms with the appropriate government policies, Premier's Memoranda and Treasurer's Directions. Infrastructure NSW currently has three credit cards on issue with a total limit of \$20,000.

Payment of accounts

The tables below summarise the account payment performance during 2013-14. During the year, there were no instances where penalty interest was paid and there were no significant events that affected payment performance.

Aged Analysis at the end of each quarter

Quarter	Current (i.e. within due date)	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	More than 90 days overdue
	\$	\$	\$	\$	\$
All Suppliers					
September	419,418	0	0	0	0
December	4,553,300	0	242	0	0
March	720,244	0	408	0	10,333
June	49,978	0	0	0	0

Accounts due or paid within each quarter

Measure	Sept	Dec	March	June
All Suppliers				
Number of accounts due for payment	254	246	189	244
Number of accounts paid on time	252	245	186	233
Actual percentage of accounts paid on time (based on number of accounts)	99%	99%	98%	96%
Dollar amount of accounts due for payment	5,833,494	25,632,754	59,459,547	75,906,854
Dollar amount of accounts paid on time	5,833,387	25,632,668	59,452,031	75,746,573
Actual percentage of accounts paid on time (based on \$)	99%	99%	99%	99%
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts	0	0	0	0
Small Business Suppliers				
Number of accounts due for payment	0	0	0	0
Number of accounts paid on time	0	0	0	0
Actual percentage of accounts paid on time (based on number of accounts)	0.00%	0.00%	0.00%	0.00%
Dollar amount of accounts due for payment	0	0	0	0
Dollar amount of accounts paid on time	0	0	0	0
Actual percentage of accounts paid on time (based on \$)	0.00%	0.00%	0.00%	0.00%
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts	0	0	0	0

Consultants

Infrastructure NSW was created as a specialist small agency drawing on the best of public and private sector expertise to provide independent advice to Government, as outlined in the Infrastructure NSW Act. As such, Infrastructure NSW engages external support during peaks in workloads as necessary. This enables specialist subject matter experts to be used economically and efficiently as required.

In 2013–14, Infrastructure NSW did not engage any consultants. A number of contracted service providers

were engaged to assist on key work streams valued at more than \$50,000.

NB. As outlined in the Premier's Department Guidelines for the Engagement and Use of Consultants, a consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision-making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.

Table 1. Contracted services – Key projects

Name	Amount (\$)	Description
Molino Stewart	517,402	Assisted with options analysis on Warragamba Dam Flood Mitigation
Evans & Peck	286,957	Assisted with reviews on Capital Performance and Major Projects contingency. Also assisted with establishing the Program Framework for Restart NSW programs
Ernst & Young	275,000	Assisted with the development of Leading Practice Guidelines on Contingency Management
Elton Consulting	191,262	Assisted with communications support on Restart NSW programs
O'Connor Marsden & Associates	154,861	Assisted with implementation of an Information Security Management System that complies with the new NSW Government Digital Information Security Policy. Also assisted with probity services on the Restart NSW programs
Jacobs Group (Australia)	63,583	Assisted with peer review on the Warragamba Dam Flood Mitigation
TOTAL	1,489,065	

Public interest disclosures

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

Government Information (Public Access) Act 2009

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

In 2013–14, Infrastructure NSW received two GIPA Act access applications from the media and one from a private sector business.

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

Number of applications by type of applicant and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn	Members of the public (other)
Media	2	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0	0
Private sector business	1	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0	0
Personal information applications	0	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0	0

Contact us

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