



Barangaroo



Barangaroo Delivery Authority
2010–2011 Annual report



Table of Contents

New Years Eve at Barangaroo, 2010.
 Front cover image: Barangaroo,
 Approved Concept Plan Modification 4,
 July 2010.

Letter to the Premier	2	Barangaroo Delivery Authority	
Chairman’s Message	2	Financial Statements	42
Chief Executive Officer’s Message	3	Office of the Barangaroo Delivery Authority	
Barangaroo Delivery Authority	5	Financial Statements	66
Transforming Barangaroo	11	Statutory Reporting Obligations	74
Barangaroo, a Cameragal woman of courage	12	Occupational Health and Safety	74
2010-2011: The Year in Review	15	Disability Plans	74
Independent Barangaroo Review	15	Multicultural Policies and Services	
Communication and engagement with		Programme	74
the community	16	Waste	75
Project Development Agreement	20	Consumer Activities	75
Planning Applications	23	Equal Employment Opportunity	76
Construction	24	Personnel Policies	76
Remediation	24	Industrial Relations Policies	76
Infrastructure and Transport	27	Code of Conduct	76
Temporary Cruise Passenger Terminal	27	Promotion	77
Headland Park and public domain	28	Payment of Accounts	77
Sustainability	31	Credit Card Certification	77
Governance	32	Annual Report Costs	77
Management and Structure	32	Consultants	78
Human Resources	35	Privacy and Personal Information	
Design Excellence Review Panel	37	Protection Act	80
Internal Audit and Risk Management	38	Government Information (Public Access)	
Audit and Risk Management	39	Act 2009	81
Auditor General’s Performance Report	40	Statistical Information about access	
		applications	82
		Index	85





Letter to the Premier

The Honourable Barry O'Farrell MP
Premier of NSW
Level 40 Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Premier

We have pleasure in submitting the Barangaroo Delivery Authority's Annual Report for the year ended 30 June 2011.

This 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.

Yours sincerely

Terry Moran
Chairman
Barangaroo Delivery Authority

John Tabart
Chief Executive Officer
Barangaroo Delivery Authority

Chairman's Message

As the newly appointed Chairman of the Board of the Barangaroo Delivery Authority, I am pleased to be able to present the organisation's 2010-2011 Annual Report.

Barangaroo is a rare opportunity. It will help Sydney reinforce its position as a financial hub in the Asia Pacific, create a new, 21st century western face for the CBD and deliver a vast exemplary harbourside park in the heart of a global city.

I would like to acknowledge the commitment to the precinct of my predecessor, Mike Collins, who has been associated with Barangaroo since its inception in 2005.

I look forward to working with my fellow Board members and the Authority's management team to deliver this world leading project which offers enormous benefits to Sydney, NSW and, indeed, Australia.



Terry Moran
Chairman
Barangaroo Delivery Authority

Chief Executive Officer's Message

The \$6 billion Barangaroo project will create a new waterfront precinct for Sydney's CBD where both residents and visitors can enjoy Sydney Harbour from an entirely different and, for many, previously unseen aspect. Barangaroo will be a welcoming place of natural and landscaped beauty where people can walk along the foreshore, picnic, shop, dine, work, learn and live. It represents one of the most significant waterfront renewal precincts anywhere in the world.

The Barangaroo Delivery Authority is responsible for overseeing the transformation of this former 22 hectare container port into a thriving public, residential and commercial CBD precinct.

2010-11 was a period of intense planning, which has laid the foundations for the continuing evolution of Barangaroo. It also saw the start of preliminary construction on both the Headland Park and Barangaroo South.

Other key milestones during 2010-11 included the NSW Government's review of Barangaroo, approval of the updated Concept Plan, completion of the design of the Headland Park, approval to trial a new type of remediation process along with a myriad of communication and consultation activities. Over the coming year, construction will commence in earnest on both the Headland Park and the first commercial tower.

The financial statements show a net deficit for the year of \$20.2 million reflecting the operating costs of the Authority. This result does not recognise substantial revenues received in 2010/11 via the Development Agreement. Revenues including contributions and works in kind from the Development Agreement related to development

access, development rights and 99 year leases for individual works areas will be recognised when the works have substantially commenced. The Authority is forecasting further revenues from the Development Agreement in the 2011-12 financial year based on Lease Lease's timetable for substantial commencement of the first major commercial tower and associated assets.

As we enter this exciting new phase for Barangaroo, the Authority looks forward, with enthusiasm, to engaging closely with our community and stakeholders in the interests of achieving the best outcomes for this major work and for the people of NSW.

Over the coming decade thousands of people will be employed and billions of dollars invested by the private sector in this nationally significant project.



John Tabart
Chief Executive Officer
Barangaroo Delivery Authority





WAGLINS

WAGLINS

Barangaroo Delivery Authority

The Vision

Barangaroo will be a place to inspire innovation for generations to come. It will be climate positive. It will reflect the extraordinary context of Sydney – its harbour, its diverse communities and its globally competitive business leadership. It will be a place designed for play and work alongside living and learning.

The Act

The Barangaroo Delivery Authority was established on 30 March 2009 under the *Barangaroo Delivery Authority Act 2009*.

The objects of the Act are:

- > to encourage the development of Barangaroo as an active, vibrant and sustainable community and as a location for national and global business;
- > to create a high quality commercial and mixed use precinct connected to, and supporting, the economic development of Sydney;
- > to facilitate the establishment of Barangaroo Headland Park and public domain land;
- > to promote the orderly and sustainable development of Barangaroo, balancing social, economic and environmental outcomes; and
- > to create in Barangaroo an opportunity for design excellence outcomes in architecture and public domain design.

The Authority has the following functions under the Act:

- > to promote, procure, facilitate and manage the orderly and economic development and use of Barangaroo, including the provision and management of infrastructure;

- > to promote, procure, organise, manage, undertake, secure, provide and conduct cultural, educational, residential, commercial, transport, tourist and recreational activities and facilities at Barangaroo;
- > to develop and manage the Barangaroo Headland Park and public domain so as to encourage its use by the public, and to regulate the use of those areas;
- > to facilitate and provide for appropriate commercial activities within the Barangaroo Headland Park and public domain that are consistent with the provision of cultural, educational and recreational activities, and the use and enjoyment of those areas by the public;
- > to promote development within Barangaroo that accords with best practice environmental and town planning standards, is environmentally sustainable and applies innovative environmental building and public domain design;
- > to liaise with Government agencies with respect to the coordination and provision of infrastructure associated with Barangaroo; and
- > to undertake the delivery of infrastructure associated with Barangaroo or that relates to the principal functions of the Authority.

Objectives of the Barangaroo Delivery Authority

The Authority's objectives for Barangaroo are to:

- > Be a precinct that will be studied for generations to come as a world benchmark for its bold and inspiring design, architecture and public domain, awarded for its authenticity, integration and diversity.
- > Re-establish a dynamic place for all of Sydney's people which is integrated, connected, secure – defined by its waterfront and CBD location.
- > Operate as an exemplar of the next generation in sustainable development by being climate positive. Barangaroo will uphold community wellbeing including health and fitness, and will value what matters to people and the planet.
- > Be financially viable with continuing profitability, maximising public returns and value to the people and businesses of Sydney.
- > Add a new dimension to Australia's financial capital by integrating mixed-use commercial, residential, retail, educational, civic, cultural and entertainment activities into an extended financial hub.



Barangaroo site, September 2009.



Barangaroo Delivery Authority Board

Terry Moran AO – Chairman

Terry Moran has had a diverse public service career working with successive Australian Federal and State Governments in public policy and public sector management.

His early career as a CEO focussed on building Australia's education and technical skills capacity. In 2000 he was appointed Secretary of the Department of Premier and Cabinet in Victoria.

Terry was Secretary of the Department of Prime Minister and Cabinet from March 2008 to September 2011, overseeing further development and implementation of the national reform agenda, particularly through social policy. He was also responsible for overseeing work on national security and international policy, environment, industry and economic policy, and coordination of government administration, including Cabinet support. He also played a lead role in driving reforms to the Australian Public Service.

Appointed in September 2011 for a period of three years.

Brendan Crotty

Brendan Crotty is Chairman of the Western Sydney Parklands Trust. He has formal qualifications in surveying, town planning and business administration. He is a fellow of the Australian Property Institute; the Australian Institute of Company Directors; and the Royal Institute of Chartered Surveyors. He is also a director of Brickworks Ltd; Australand Funds; GPT Group; Denhold Pty Ltd; and Chairman of RPS AAP Pty Ltd. Brendan is the former Managing Director of Australand Property Group and formerly a director of Trafalgar Corporate Ltd (2006-2009).

Appointed in March 2009 for a period of three years.

Gabrielle Trainor

Gabrielle Trainor is a Partner of John Connolly and Partners and a former board member of the Sydney Harbour Foreshore Authority (to 2010). She is a board member of the Victorian Urban Development Authority (Vic Urban) and the Sydney Symphony Orchestra. She is also a director of Cape York Partnerships and the Greater Western Sydney Giants AFL club, and an Hon. Associate of the Graduate School of Government, Sydney University. Gabrielle is a former board member of Docklands Authority and former Chair of the Docklands Place Management and Municipal Committee; former Chair of Best Western Australia; and a number of other government, private, public and community organisations.

Appointed in March 2009 for a period of three years.

John Fitzgerald

John Fitzgerald is a Specialist Advisor on the infrastructure and government sectors at KPMG. Formerly, John was Deputy Secretary at the Victorian Department of Treasury and Finance, responsible for commercial, financial and risk management advice to the Government, including a focus on infrastructure, PPPs and the State's balance sheet. Prior to this he held senior management positions with PricewaterhouseCoopers, AIDC, Deutsche Bank and the Commonwealth Bank. John has 30 years of commercial and financial experience in infrastructure, project finance, property finance, securitisation and debt capital markets. He has a Master of Public Infrastructure (Research) degree from the University of Melbourne.

Appointed in July 2011 for a period of five years.

Kerry Clare

Kerry Clare is the Board nominee of the City of Sydney.

She is a founding director of Clare Design (1979-present), and is a member of the City of Sydney Design Advisory Panel, providing advice on public and private developments to maintain high standards of urban design. She also serves on the Design Review Panel (SEPP 65) for Randwick and Waverley Councils. Career highlights include: RAI A Gold Medal 2010; 33 State + National RAI A awards for Architecture, RAI A National Councillor (2000-2002); Design Director NSW Government Architects Office (1998-2000); founding director of Architectus Sydney (2000-2010); Northern Territory Government Urban Design Advisory Panel (2009-2010); Adjunct Professor University of Sydney (1998-2005); and Professor University of Newcastle (2011-present).

Appointed in September 2011 for a period of three years.

Richard Timbs

Richard Timbs is NSW Treasury's representative on the Board. His role at NSW Treasury is Deputy Secretary, Commercial Management, responsible for commercial and business related activities. Prior to joining NSW Treasury in 2009, Richard worked at Macquarie Bank for 15 years. From 1997 to 2008, he was a member of Macquarie's Global Infrastructure Division where he gained broad transactional and major project and asset experience.

Appointed in August 2009.

John Tabart

John Tabart is CEO of the Barangaroo Delivery Authority. He has an extensive international commercial and residential property development and investment background as a CEO including

10 years at the helm of VicUrban, which also delivered the public/private Melbourne Docklands development. He is also a Fellow of the Australian Institute of Company Directors; Institute of Engineers Australia; and Australian Institute of Public Administration. John holds a Bachelor of Engineering (University of Tasmania).

Appointed in March 2009.

Clover Moore

Clover Moore MP has been the Lord Mayor of Sydney since 2004 and member for the state electorate of Sydney since 1988. The appointment of the Lord Mayor to the Board reflected the key location of Barangaroo within the Sydney CBD.

Appointed in March 2009. Resigned in September 2010 as the member of the Board nominated by the City of Sydney.

Peter Holmes à Court

Peter Holmes à Court is a businessman and joint owner of the South Sydney Rabbitohs. He is Chairman of White Bull Holdings, a private investment company; and ISFM, a specialist sports industry consultancy; former CEO of the Australian Agricultural Company; and a former Director of Queensland Rail. He was also the Founding Chairman of the Greater Sydney Partnership. He left the Board in May 2011.

Michael Collins, Chairman (Chairman 2009-2011)

Michael Collins is the Managing Director of Michael Collins & Associates, a property advisory company based in the Sydney CBD. He has been involved in property economics, real estate valuation, property consultancy and asset management for over 35 years. Michael is the former Chairman of the Sydney

Harbour Foreshore Authority (to 2010); a board member of the Redfern Waterloo Authority and Australian Technology Park Precinct Management Ltd; and Chairman NSW Land & Housing Supply Coordination Task Force.

Appointed in March 2009. He left the Board in August 2011.

Board Meetings held 2010-2011

Board Member	Meetings Held	Meetings Attended
Michael Collins (Chair)	13	13
Brendan Crotty	13	11
Peter Holmes à Court (Until 18 May 2011)	12	5 ¹
Clover Moore (Until 22 September 2010)	3	1
Richard Timbs	13	11
Gabrielle Trainor	13	11
John Tabart (CEO)	13	13
Monica Barone ²	–	2

1 For three meetings Mr. Holmes à Court had leave of absence from the Minister.

2 At one meeting Ms Barone was the alternate for Ms Moore the full meeting and on one occasion she was the alternate for the part of the meeting not attended by Ms Moore.



(L-R), Gabrielle Trainor, John Fitzgerald, Terry Moran, John Tabart, Kerry Clare, Brendan Crotty, (Richard Timbs absent).



Barangaroo site, April 2010.

Transforming Barangaroo

About Barangaroo

Barangaroo represents an extraordinary opportunity for urban waterfront renewal, which is rarely available to global cities.

On the western edge of Sydney's CBD, this 22 hectare former container port is being transformed into a vital new extension of the city.

When complete, the \$6 billion project will include a new Headland Park, popular public waterfront walks and parks, shops, cafes and restaurants, commercial office towers and apartments, all serviced by new and extended transport systems.

Barangaroo will be a welcoming place for the whole community. It will give locals, residents and visitors a dynamic, new opportunity to enjoy Sydney Harbour. More than half of Barangaroo will be public open space including the new park and a foreshore walk running the length of the site.

Inspired by the original landforms, the entire Barangaroo headland will be replenished with native bushland and edged by rocky sandstone ledges and tidal pools.

Home to public cultural facilities and new transport links, Barangaroo will be rich with learning, recreational, tourism and retail opportunities.

Barangaroo promises to reinvigorate Sydney's standing as a vibrant financial hub in the Asia Pacific.

Barangaroo will feature state-of-the-art office spaces for global financial services companies. When complete, it will accommodate over 23,000 workers and residents, in addition to hosting an estimated 33,000 visitors a day or 12 million visitors a year.

During its development, Barangaroo is expected to support 3,000 onsite construction jobs. Importantly, it will provide employment and training opportunities through a green skilling and labour programme for indigenous workers, the long-term unemployed and young people.

It will showcase Sydney as a world leader in sustainability. Sustainable designs and initiatives are fundamental to the vision and philosophy of this new precinct – environmentally, socially and economically.

Barangaroo's goal is to be the first precinct of its size in the world and certainly the first CBD precinct in Australia, to be climate positive. As Australia's first carbon neutral community, Barangaroo will set a new standard in sustainability. It will preserve precious water resources, treat waste as a resource, be ultra energy efficient and consider the needs of the next generation.

Barangaroo will include cutting edge infrastructure such as decentralised water recycling, district harbour cooling, trigeneration and renewable energy generation, which will service the district and also the wider CBD.

The creation of a new precinct within a global city can only be achieved in partnership with local, state and federal governments, industry and the community.

The Barangaroo Delivery Authority is committed to working and consulting with a broad range of stakeholders and the community to achieve an outstanding addition to Sydney.



Barangaroo, a Cameragal woman of courage

The name for Sydney's newest waterfront precinct, formerly called East Darling Harbour, was selected by a public competition held in 2006.

Barangaroo was chosen because it reflected the Aboriginal history of Sydney and provided a fitting symmetry to Bennelong Point, its 'twin' peninsula to the east, on which the Sydney Opera House stands. As the late eighteenth century accounts tell us, Barangaroo was a Cameragal woman, the beautiful and headstrong companion of Bennelong.

Early records of the Sydney colony describe Barangaroo's strength of character. She had firm beliefs and was not easily swayed, with an early diarist commenting on her 'fierce and un-submissive character.'

She was linked to Bennelong, who had recently lost a wife, but spoke of Barangaroo often.

In September 1790, at a meeting between soldiers and a group of Aborigines including Colbee, Abanoo and Bennelong, Barangaroo was presented to the British party and encouraged to eat and drink their offerings, which she refused.

On one occasion she refused to go to Sydney Cove to visit the Governor with Bennelong and despite her opposition, Bennelong went anyway. In a fit of rage Barangaroo broke one of his fishing spears.

In another incident, a convict was being flogged for stealing the local Aborigines' hunting and fishing gear. Barangaroo threatened the flogger with a large stick. Barangaroo was known to accept food and fishing gear from the Europeans but refused to wear European clothes or drink their wine.

She was also one of only a few women that had a pierced septum. She would visit the colony 'dressed up' with a bone through her nose and painted with white clay.

By October 1790, Bennelong, Barangaroo and several others, including Colbee, were visiting the settlement daily, Barangaroo apparently overcoming her mistrust of the British colonisers.

The esteem Governor Arthur Phillip held for Bennelong resulted in the construction of a brick hut, at a place of Bennelong's choosing, on the eastern shore of the cove (Bennelong Point). Bennelong, Barangaroo and two children lived there and were regularly visited by other Aboriginal people.

In May 1791, Bennelong had volunteered with Colbee to accompany a party of soldiers to the Nepean River however Barangaroo, who was pregnant, would not allow Bennelong to go. Barangaroo was well and walking around after the delivery of her baby girl, Dillbong, in August 1791 despite being severely beaten by Bennelong just prior to giving birth. It appears that a short time later she suffered an injury or illness and died.

While there are a number of early paintings and drawings depicting Aboriginal women, there are no known specific images of Barangaroo.

Part of the harbour of Port Jackson and the country between Sydney and the Blue Mountains, New South Wales/drawn by Major Taylor, 48 Regiment, engraved by R Havell & Son. Circa 1820. National Library of Australia. (This image shows Millers Point with the two windmills and part of what was then known as Cockle Bay, and is the area where Barangaroo stands today.)





HEADLAND PARK

BARANGAROO CENTRAL
(INDICATIVE ONLY)

2010-2011 The Year in Review

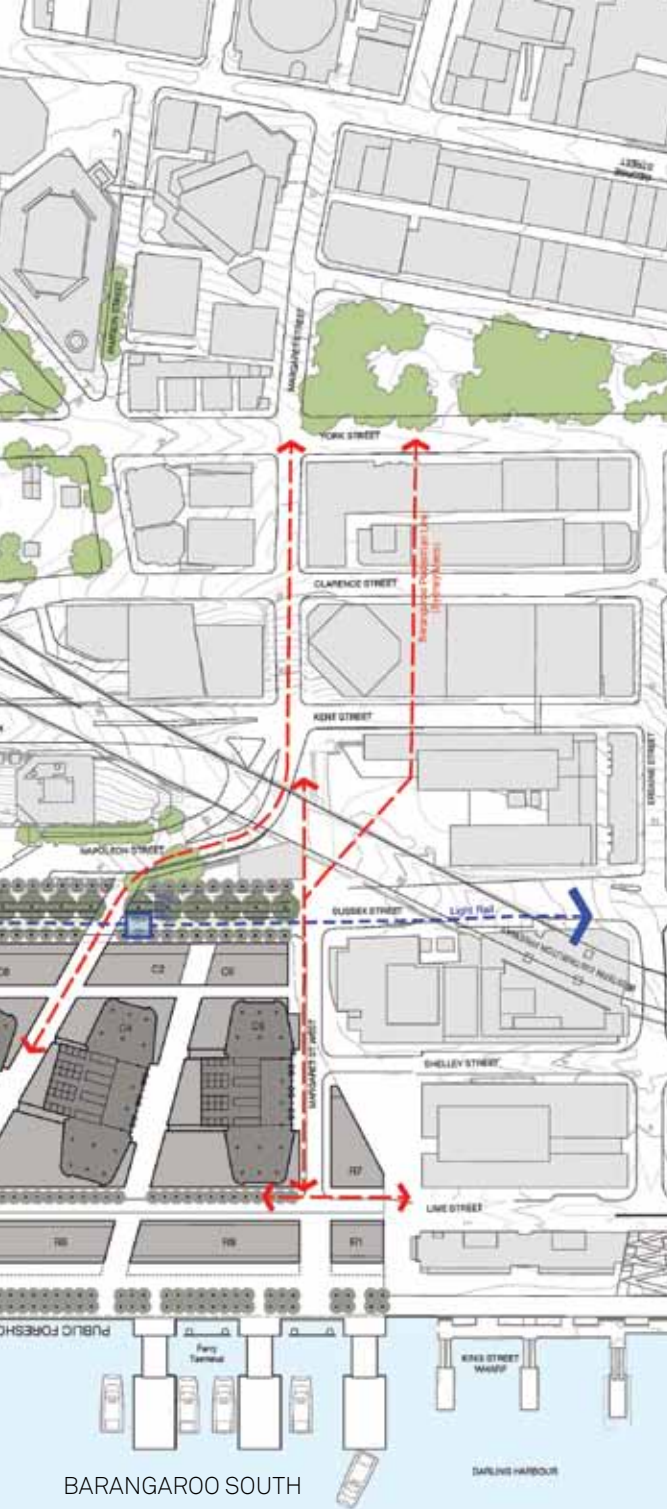
2010-2011 was a year of major activity for the Barangaroo Delivery Authority.

Independent Barangaroo Review

A review of Barangaroo was announced by the Minister for Planning and Infrastructure, Brad Hazzard, on 12 May 2011. Jointly chaired by two of Victoria's most experienced strategic design experts, Meredith Sussex and Shelley Penn, the review looked into compliance with the planning approval processes (and decision making in relation to such processes) relevant to:

1. the Concept Plan approval MP06_0162 (Modification 4) including in relation to land use mix, scale/density and relationship to the Sydney Central Business District;
2. the adequacy of planned transport arrangements to meet the demand generated by the site at full development;
3. the proposed Headland Park; and
4. the relocation of the Cruise Passenger Terminal to White Bay.

After taking public submissions, the review was completed and publicly released in August 2011.



Barangaroo Outline Plan, July 2011,
based on Modification 4 to the
Concept Plan.

Key milestones

Community Events

- > **10 July 2010** Headland Park Design Open Day was held on site to showcase designs and seek community comment and feedback.
- > **1 September 2010** a Cultural Community Forum was held at the Sydney Opera House to gather ideas for the cultural activation of Barangaroo.
- > **13 October 2010** Authority hosted a Housing and Education Forum with stakeholders invited to the consultation session.
- > **31 October 2010** Barangaroo foreshore was part of the annual Seven Bridges Walk.
- > **16 November 2010** Authority held a Community Information Session on remediation trials, the Headland Park and the first commercial building.
- > **7 December 2010** Authority held a Community Information Session providing information on design of Barangaroo's public spaces.
- > **31 December 2010** Barangaroo was a viewing area for the New Years Eve Fireworks.
- > **3 May 2011** Barangaroo hosted the inaugural NSW Cancer Council's City Mile Dash.
- > **7 June 2011** Authority hosted two Community Information sessions providing construction updates on SISCO and the Headland Park.

Information provision

- > Distributed 7 community newsletters (28 July, 19 October, 21 January, 25 February, 13 May, 1 June and 8 June).
- > **12 August 2010** Outcomes Report of Headland Park Design Open Day published.
- > **1 September 2010** the Barangaroo Delivery Authority launched an online cultural consultation programme on its website.
- > **21 October 2010** Authority released consultation research on Barangaroo.

Our commitment to communication and engagement with the community

The Authority is committed to openness, transparency and broad engagement. We will continue to engage with the community including stakeholders, interest groups and our neighbours. In the 2010-2011 financial year, the Authority engaged with approximately 15,000 people in person or online, bringing the total figure to 30,000 people in the precinct's evolution.

Although most of the consultation on the Concept Plan amendment occurred in the previous financial year, the Authority and Lend Lease attended a range of community meetings in July and August 2010, prior to the lodgement of the amendment in August 2010.

In a significant year of planning applications, the Authority attended a range of community meetings and hosted a number of community information sessions to explain the design and encourage community input to the planning process. In addition to preparing information sheets and display panels for the planning applications, the Authority hosted two community information evenings to outline the planning applications and how community members could make a submission to the Department of Planning.

Over a dozen community updates were published online and via letterbox drop to over 20,000 surrounding households, to communicate planning applications and early construction works.

A number of significant consultation events were undertaken including: an open day on the site of the new Headland Park; a forum to discuss cultural opportunities in Barangaroo at the Sydney Opera House; and a Housing and Education forum for key stakeholders.

The online forum was also expanded with cultural discussion opened for comments in August 2010. The forum prompted active discussions amongst participants about the merits and issues relating to suggestions for cultural and community facilities at Barangaroo.

The Authority has also worked with a range of community groups to hold events on site including: as a vantage point for the 2010 New Year's Eve fireworks; part of the annual Seven Bridges Walk; and hosting the inaugural City Mile Dash organised by the NSW Cancer Council.

The Authority also undertook significant research in September 2010, with 8 focus groups and a survey of 2000 people. This research showed 79% of Sydneysiders believed Barangaroo was a positive step for the city, with 87% seeing Barangaroo as a new place to experience Sydney Harbour.

Indigenous consultation was also a key focus, with the Authority engaging Aden Ridgeway of Cox Inall Ridgeway to lead consultation with indigenous leaders and communities for the planning and delivery of Barangaroo.

Welcome to Barangaroo





Education Programmes

The Barangaroo Delivery Authority supports the Observatory Hill Environmental Education Centre which provides educational programmes to public schools across the state.

The Centre is part of the NSW Department of Education and provides programmes with a focus on the urban/built environment with a sustainability perspective. Barangaroo is used as a case study in two of these programmes.

The support includes *Waterfront Workout* which is a Year 10 geography programme where students are introduced to the study area through a series of pre-visit tasks aimed at giving students an insight into the transformation, over time, of the foreshore zones between Darling Harbour and Circular Quay (including Barangaroo). Through the completion of these tasks before the fieldwork visit, students gain an understanding of the spatial and ecological dimensions of a range of issues related to managing a natural asset against the backdrop of a thriving metropolis.

dEsign IT is a Year 11 programme focussing on exhibition design (virtual), in an authentic learning environment which demonstrates the relationships between technology, the individual, society and the environment.


The Authority provides financial support of \$5,000 which assists with transporting students to Barangaroo, as well as in-kind support in the use of the office space and speakers from the Authority.

Since this support commenced at the beginning of 2011, approximately 618 students from nine schools have been involved in these programmes during terms one and two.

The Barangaroo Delivery Authority has also supported University of NSW Interior Architecture students whose final year project centres on the visions for the proposed cultural facility within the Headland Park.

The Authority has been supporting the project through the provision of information and briefings.





Project Development Agreement

The Project Development Agreement, the contract between the NSW Government and Lend Lease, was publicly released under the Government Information (Public Access) Act in August 2010. This was significant as it was one of the first major government contracts to be released under the new Act.

The Agreement allows Lend Lease to develop leasehold buildings on Barangaroo South, with all commercial, retail and residential buildings on Barangaroo South subject to 99 year leases. The public domain within Barangaroo South will be retained in public ownership for the benefit of the people of New South Wales. The Agreement also guarantees that the land title to Barangaroo South always remains in public ownership.

The Agreement details payments by Lend Lease which will fund the Government's delivery of the new Headland Park, relocation of the Cruise Passenger Terminal, the remediation of the historical site contamination and pedestrian connections to Wynyard.

The Authority is responsible for managing this Agreement and delivery of the public domain and infrastructure including transport connections adjoining Barangaroo. The Agreement enshrines key public expectations in the transformation of Barangaroo including the delivery of a world class public domain, international benchmark sustainability targets, an outstanding financial outcome, and the retention of land ownership by the public.

In November 2010, the Authority also released further financial information in relation to the Project Development Agreement. The Board resolved to provide as much information to the community as possible to help them understand the value of the Agreement, whilst protecting commercial sensitivity and confidentiality under the Government Information (Public Access) Act.

This led to the release of previously published costs and obligations and cost estimates in one document which included: land acquisition of the Barangaroo site (refinancing of the loan for the transfer to the Authority); Headland Park construction; contribution to the Wynyard Pedestrian Tunnel; site remediation; and relocation of the Cruise Passenger Terminal.

It also outlined that consideration for the development rights granted to Lend Lease for Barangaroo South includes guaranteed fixed payments, potential value share payments and the provision of substantial public domain works including the waterfront plaza infrastructure and Southern Cove, land development (streets, roads, and footpaths in Barangaroo South) and certain Stage 2 infrastructure.

The Agreement requires Lend Lease to contribute both cash and non cash (public works). The total of all fixed payments from Lend Lease will be sufficient to fund the obligations and commitments. All fixed payments will be received by 2018.





Planning Applications

The 2010-11 financial year was significant for the preparation, refinement, lodgement and approval of planning applications for Barangaroo.

The Concept Plan for Barangaroo, which is the overarching planning document for the site, was refined by Lend Lease as the developers of Barangaroo South.

Lend Lease's proposal, which won the company the right to develop Barangaroo South, included elements which sat outside the existing approved Barangaroo Concept Plan.

In developing the proposed modification to the Concept Plan, the Authority required Lend Lease to improve important elements of their proposal including design and sustainability, remediation and communications.

After addressing a number of the issues raised by the Authority, to ensure better outcomes for design and sustainability, remediation and communications, and seven months of consultation on the proposed design, Lend Lease released its Revised Refined Proposal in June 2010.

Lend Lease lodged its Concept Plan Amendment Application with the Department of Planning in August 2010.

The Application was publicly exhibited by the Department of Planning from 11 August 2010 to 10 September 2010. It was approved by the Minister for Planning in December 2010.

The Project Application for the first of three commercial towers (known as C4) was lodged by Lend Lease in October 2010, following extensive design development in conjunction with the Authority and Design Excellence Review Panel. Following a public exhibition period from November to December 2010, the Application was approved in March 2011.

An Application for remediation trials of the former Millers Point Gasworks was lodged by Lend Lease on behalf of the Authority in November 2010. Placed on public exhibition from November to December 2010, the remediation trials, known as SISCO (Surfactant-Enhanced In Situ Chemical Oxidation) enables the remediation of certain contamination where it lies (in-situ), beneath the ground, rather than the traditional excavation method. This Application was approved in March 2011.

The Main Works Application for the Headland Park was also lodged and went on public exhibition from July to August 2010. This Application for the detailed design of the Park was approved in March 2011.

Key milestones

- > **July 2010** Lend Lease lodged Environmental Assessment to amend the Concept Plan (MOD 4) with the Department of Planning.
- > **August to September 2010** application to amend Concept Plan on public exhibition.
- > **August 2010** Authority released Project Development Agreement with Lend Lease.
- > **November to December 2010** planning application for the first commercial tower (C4) on public exhibition.
- > **November to December 2010** application to modify the existing approval for bulk excavation and basement carparking on public exhibition.
- > **December 2010** amendment to the Concept Plan (MOD 4) approved.
- > **March 2011** first of three commercial tower buildings approved.
- > **March 2011** modification to existing approval of bulk excavation and basement carparking approved.

Design evolution.

Top Image – Lend Lease winning bid proposal December 2009.

Bottom Image – Lend Lease, Concept Plan Modification 4, approved December 2010.





Construction

Barangaroo South

2010-11 saw the commencement of preliminary investigation and construction work at Barangaroo to prepare the site for major construction.

Lend Lease established their site and demolished existing buildings on-site, including the Wharf 8 building, office building, gatehouses 5 and 8 and Sydney Ports Corporation building.

Stormwater and sewerage services were also diverted, including the decommissioning of substation 6 and 7 and temporary power supply works.

Lend Lease also conducted geotechnical testing across the site and commenced archaeological investigations on the southern portion of the site where the basement carpark is planned.

Headland Park

Similarly, at the northern end, site investigations, geotechnical testing and sewer diversion works occurred from November to February 2011.

In March 2011, the Authority let the contract for the Early Works on the Headland Park to global construction and engineering company Laing O'Rourke Australia. Early works include the erection of a perimeter fence, removal of asphalt and soil, archaeological pits, establishment of site offices and the removal of light towers from the site. From June 2011, Laing O'Rourke constructed the 'sandstone prototype', a large earth mound layered with sandstone to test techniques for shaping the sandstone to create the naturalistic foreshore for the Park.

Remediation

In May 2009, the site of the former Millers Point Gasworks, which is approximately two-hectares of the 22 hectare Barangaroo development area and part of Hickson Road, was declared a remediation site under the Contaminated Land Management Act 1997.

Remediation of the former Millers Point Gasworks site will be undertaken to best practice standards and in accordance with guidelines set by the Office of Environment and Heritage for the development and remediation of former industrial sites.

The first stage of the remediation of the former Millers Point Gasworks site begins with trials of a remediation method that treats the contamination where it lies underground. This method is called SISCO – Surfactant-Enhanced In-Situ Chemical Oxidation. The trials received planning approval in March 2011.

Other small areas of known and potential contamination on the Barangaroo site will be remediated progressively, as part of industry best practice construction procedures, during construction of Barangaroo South and the Headland Park.





Infrastructure and Transport

Transport infrastructure and services are vital to the success of Barangaroo. The focus of 2010-11 has been to implement the Barangaroo Transport Management Accessibility Plan (TMAP) developed in 2008 and ensure its ongoing coordination with the development of Barangaroo and broader transport policies and priorities.

In December 2010 an important milestone was reached on the Barangaroo Pedestrian Link project with the Authority leading a successful presentation to the Treasury Gateway Business Case review of the project.

In February 2011, the Authority and Transport for NSW collaborated to convert the Barangaroo Pedestrian Link into a delivery project. A full project team with Transport for NSW was mobilised and a plan developed which will enable the opening of the link by mid 2015.

The Authority continues to have an active role on this project, now called Wynyard Walk, sitting on its Project Control Group and Executive Steering Group to ensure seamless integration with Barangaroo on both an urban and transport planning level.

Throughout 2010 the Authority chaired a Transport and Access Working Group for Barangaroo to engage with key private and public stakeholders in relation to transport planning. The Authority also sat on an intergovernmental Steering Committee to study the feasibility of a CBD light rail extension. Agreements were made with NSW Maritime to underpin the future planning of a new ferry wharf at Barangaroo and further traffic and pedestrian planning activities were undertaken with Transport for NSW to support development of the masterplan.

Cruise ship in port at Barangaroo,
October 2010.

Temporary Cruise Passenger Terminal

Barangaroo Central is home to a temporary cruise passenger terminal while a new terminal is constructed at White Bay

The temporary terminal replaces the Darling Harbour Wharf 8 Cruise Passenger Terminal which was closed in June 2010 ahead of its demolition as preliminary work commenced on Barangaroo South.

It is expected the terminal will be relocated to White Bay by the end of 2012 to ensure the construction programme for the Barangaroo Headland Park can be delivered.

Barangaroo hosted visits from cruise ships throughout 2010-2011.





Key milestones

- > **10 July 2010** Headland Park Design Open Day held on site to showcase the designs for Headland Park and seek community comment and feedback.
- > **July to August 2010** Headland Park Early Works planning application on public exhibition.
- > **November 2010** planning approval granted for Headland Park Early Works.
- > **November to December 2010** Headland Park Main Works planning application on public exhibition.
- > **November 2010** Community information session held on Headland Park Main Works planning application.
- > **March 2011** planning approval granted for Headland Park and Main Works.
- > **March 2011** Authority awarded Early Works contract to global construction and engineering company Laing O'Rourke.
- > **March 2011** preliminary construction works on park commenced.
- > **June 2011** two neighbour construction information sessions held.
- > **June 2011** foreshore prototype constructed on site.
- > **July 2011** design of the Headland Park was progressed to prepare for the Main Works tender release later in 2011.

World class design for a new waterfront park and public domain

Covering approximately six hectares at the northern tip of Barangaroo, the Headland Park will be a spectacular place for everyone to enjoy. It will be a nationally significant and exemplary public space which recognises Australia's indigenous history.

The Park will reflect the essence of the natural landforms of Sydney Harbour and honour the communities who lived on those headlands prior to European settlement.

During 2010-11 one of the world's leading landscape architects Peter Walker, in collaboration with the Australian firm, Johnson Pilton Walker, has been developing the design of the Park.

Their design features the area's pre-1836 rugged sandstone topography, planted with native vegetation such as large Angophora and Port Jackson fig trees.

It includes cycleways and walking paths which will bring people right down to the water's edge where they can touch the harbour in sandstone rock pools.

In addition to picnic areas, walking paths and tidal pools, the Headland Park will feature a new cultural centre built within the headland, with an expected floor area of between 10,000 and 20,000sqm.

People will be able to walk and cycle around the foreshore, which will include a large new cove cut into the current disused wharf.

The Headland Park will be created from the materials excavated and in some cases, remediated, from the basements in Barangaroo South, and the Northern Cove. This approach is in line with best practice standards in sustainable development.

In 2010-2011 planning applications for both the Early Works and Main Works were publicly exhibited and approved.

The Early Works construction contract was won by global construction and engineering company Laing O'Rourke who commenced preliminary construction works on the Park in 2010-2011.

The Park is funded through payments from the developers of Barangaroo South.

The Headland Park will be completed in 2015.





Sustainability

Barangaroo will set new world benchmarks in sustainability to inspire innovation for generations to come.

The goal is to be the first precinct of its size in the world and certainly the first CBD precinct in Australia, to be climate positive.

To meet this goal Barangaroo will be:

- > water positive – with more water recycled and exported from the site than water used;
- > zero waste – through prevention, minimisation, recycling and reuse;
- > carbon neutral – by generating more new renewable energy than total net greenhouse gas emissions; and
- > socially sustainable – through learning development programmes, effective community infrastructure and a commitment to cultural and public arts facilities.

Barangaroo aims to help people to live happy and healthy lives within a fair share of the earth's resources. This focus on community wellbeing provides the opportunity to move beyond sustainable buildings to sustainable precincts and sustainable lifestyles.

The objectives for the sustainable design and delivery of Barangaroo are to:

- > provide next generation infrastructure of a scale that allows for an innovative precinct-wide network to support the twin challenges of reduced potable water demand and reduction in greenhouse gas emissions;
- > provide a place to live and work, by seeking to be a liveable neighbourhood and lively work environment. Over time, Barangaroo's range of cultural, educational and recreational amenities and programmes will ensure its position as a great destination for Sydneysiders and visitors to the city;
- > provide a comprehensive remediation outcome for Barangaroo and in doing so, become a benchmark for the reuse of degraded post industrial landscapes;
- > work with government agencies, private sector and community to provide timely and coordinated delivery of social and community infrastructure and programmes.

Barangaroo is a member of two major global initiatives:

- > Clinton Climate Initiative; and
- > UN Global Compact.

Key milestones

- > **August 2010** Barangaroo's Public Art Strategy prepared for planning applications.
- > **August 2010** Barangaroo Community Plan completed, outlining the community development strategy at Barangaroo.
- > **August 2010** Outline of the One Planet Action Plan produced for the Headland Park Project Application.
- > **September 2010** the Authority submitted its first annual Communication on Progress (CoP) Report to the United Nations Global Compact.
- > **October 2010** Green Star Communities rating tool development commenced.
- > **October 2010** Headland Park One Planet Action Plan.
- > **February 2011** First Climate Positive Workplan submitted by Lend Lease for Barangaroo South.
- > **February 2011** First One Planet Action Plan submitted by Lend Lease for Barangaroo South.
- > **February 2011** The Authority began supporting the Observatory Hill Education Centre to deliver education based initiatives including the *dEsign IT* and Waterfront Workout programmes.
- > **March 2011** Barangaroo off-site Renewable Energy Strategy submitted by Lend Lease.
- > **May 2011** Barangaroo Community Development Strategy Stage 1 completed.
- > **June 2011** Authority presented at and hosted training for the United Nations Global Compact Australian Network.



Governance

Management and Structure

The Executive Team of the Barangaroo Delivery Authority comprises the Chief Executive Officer and six Directors, incorporating the key divisions of Development Barangaroo South, Headland Park, Property Development, Community and Communications, Legal and Finance.

The Authority employs a team of talented and experienced staff who are working to deliver a world class precinct for the people of Sydney and Australia.

Todd Murphy
Development Director
Development Barangaroo South
(B.Arch(Hons) M.Urb.Des)

Responsibilities include:

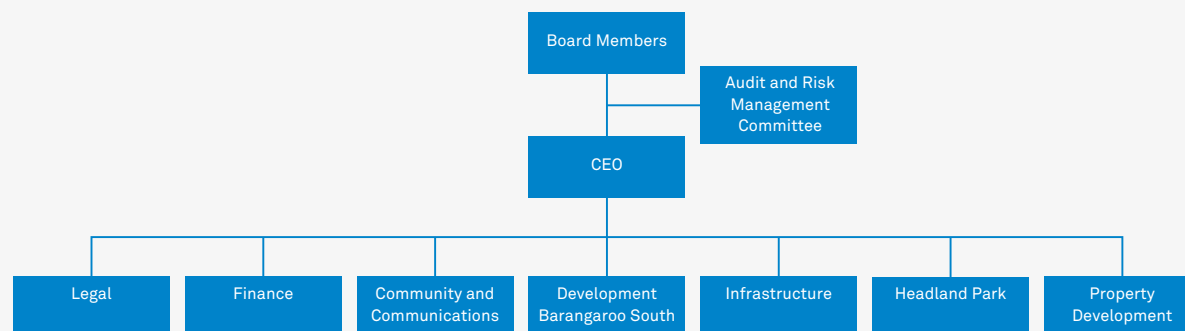
- > Barangaroo South Project Development Agreement with Lend Lease
- > Remediation of land and management of contracts
- > Transport coordination
- > Sustainability initiatives
- > Cruise Passenger Terminal relocation

Meaghan Walsh
General Counsel
(BA LLB)

Responsibilities include:

- > Managing the Authority's internal and external legal requirements
- > Legal management of contracts, applications, consents and general commercial requirements
- > Compliance
- > Litigation management
- > Board Counsel

Barangaroo Delivery Authority
Organisation Chart 2011





(L-R), Scott Maclean,
Meaghan Walsh, Todd Murphy,
Peter Roberts, Phil Paris.



David McCracken
Development Director
Property Development
(B App Sc – BE)

Responsibilities include:

- > Management of strategic partnerships with government and private sector
- > Development of cultural, education and housing presence
- > City connections from Barangaroo

Scott Maclean
Director Marketing and Communications
Community and Communications
(BA (Comms Mgmt))

Responsibilities include:

- > Community consultation and engagement
- > Communication and media liaison
- > Government relations
- > Positioning and branding

Phil Paris
Development Director
Headland Park
(B Bldg (Construction & Economics))

Responsibilities include:

- > Design and development of Headland Park
- > Management of external contracts for the design and delivery of the Park
- > Cultural space within the Park

Peter Roberts
Chief Financial Officer
Finance
(B.Fin.Admin, FCA, IACD, Finsia)

Responsibilities include:

- > Statutory and government reporting
- > Budgets and forecasts
- > Revenue, cost management and debt management
- > Financial statements

Infrastructure (Position Vacant)

Responsibilities include:

- > Remediation of land
- > Cruise Passenger Terminal relocation
- > Public Works Agreements

Human Resources

In the 2010/2011 financial year, the Authority employed 5 Senior Executives (SES).

Position	Number Held	Females
SES Level 7	1	0
SES Level 4	4	1

The following information is provided as per statutory reporting requirements in relation to senior executives greater than level 5.

John Tabart, Chief Executive Officer, SES Level 7. Qualifications can be found on page 9. Mr Tabart's total remuneration package is \$395,000 per annum. A performance bonus was not paid and Mr Tabart met the performance criteria outlined in his performance agreement.

Staff

As at June 2011, the Authority had a headcount of 21, a decrease from June 2010

Position Grade	June 2010	June 2011
SES Level 7	1	1
SES Level 4	2	4
Senior Officer 3	5	4
Senior Officer 2	3	4
Clerk Grade 12	1	2
Clerk Grade 11	1	0
Clerk Grade 10	3	3
Clerk Grade 7	1	1
Clerk Grade 6	0	1
Clerk Grade 3	1	0
Clerk Grade 2	3	1
Admin Officer – Level 5	1	0



Barangaroo staff at work



(L-R), Paul Keating, Angelo Candalepas, Chris Johnson, Oi Choong, James Weirick (Bridget Smyth absent).

Design Excellence Review Panel

The Design Excellence Review Panel are experts in the fields of architecture, landscape and culture appointed to provide informed urban design and public domain advice.

In a significant year of design development, the Design Excellence Review Panel played a major role in ensuring the best in design can be achieved for Barangaroo. The Panel met on 12 occasions between 1 July 2010 and 30 June 2011 to undertake reviews and provide advice on a range of design issues.

Concept Plan

The Panel reviewed the design of the Barangaroo South masterplan prior to the submission of the Concept Plan Amendment (Mod4) by Lend Lease. This was a significant milestone in the design excellence of Barangaroo.

Barangaroo South

The Panel participated in a Board Workshop on the Barangaroo South design with the Authority Board, management and design advisors.

The Panel endorsed esteemed lead architect Lord Rogers design vision of a family of three towers for Barangaroo South, as a strong statement and the opportunity for Sydney to renew its global standing through world class buildings at Barangaroo.

They also conducted a detailed review of the first commercial tower (building C4) prior to the submission of the Project Application by Lend Lease.

Headland Park

The Panel worked in conjunction with Peter Walker to refine the design for the Headland Park, and ensure the world class design of this unique park in the Sydney CBD. This involved reviewing the

design prior to the submission of the planning application, reviewing the entries to the proposed cultural facility and ensuring the Park has strong connections in the precinct and with the CBD.

The other key considerations of the Panel included:

- > the design of Barangaroo South public domain;
- > the Barangaroo South Design Excellence Strategy;
- > the development options being considered for Barangaroo Central;
- > discussion with Lord Rogers on the commercial office tower design; and
- > discussion with Peter Walker on the Headland Park and Public Domain design.

The panel was appointed in June 2009, and the members are listed below.

The Hon Paul Keating, Chairman

Elected to the Australian Parliament in 1969 as Member for Blaxland, Mr Keating became the youngest Federal Minister in the Whitlam Cabinet of 1975. In 1983, Mr Keating became Treasurer, and from 1991 until 1996, Mr Keating served as Prime Minister of Australia. Mr Keating has had a lifelong academic interest in architecture and urban design.

Resigned May 2011

Chris Johnson (Deputy Chair)

Chris Johnson is a former NSW Government Architect, former Chair of the Sydney Olympic Park Design Review Panel and the Sydney Harbour Design Review Panel. He is past President of the Royal Australian Institute of Architects (NSW Chapter), and has been a member of the Central Sydney Planning Committee, Heritage Council of NSW, and the NSW Architects Registration Board.

Bridget Smyth

Ms Smyth is currently Director Design at the City of Sydney. Previously the Director of Urban Design at the Olympic Coordination Authority, Ms Smyth has been on the Board of Object, the 2006 and 2007 Capital Infrastructure Committee Arts NSW and the Australian Institute of Architects Venice Biennale Committee (2005-2009).

Oi Choong

Oi Choong has over 30 years experience as a landscape architect in the public and private sectors. Ms Choong has been actively involved in the landscape transformation of Centennial Parklands, Sydney Olympic Park, The Rocks and Walsh Bay.

Professor James Weirick

Prior to his position of Professor of Landscape Architecture at the University of NSW, Professor Weirick held the position of Head of Landscape Architecture at RMIT University. A graduate of the MLA Programme at Harvard University, Professor Weirick now teaches urban landscape design.

Angelo Candalepas

Angelo Candalepas runs a practice of 20 people in Sydney and has been Adjunct Professor of Architecture at the University of New South Wales since 2004.

Leo Schofield

Leo Schofield was Director of the Sydney Festival, Artistic Director of the Sydney 2000 Olympic Arts Festival and the Sydney 2000 Paralympics Arts Festival. Mr Schofield also served as Artistic Director of Sydney's New Year's Eve celebrations from 2002-2004.

Resigned 22 June 2011

Internal Audit and Risk Management

Internal Audit and Risk Management Statement for the 2010-2011 Financial Year for the Barangaroo Delivery Authority.

I, John Tabart, am of the opinion that the Barangaroo Delivery Authority has internal audit and risk management processes in place that are, excluding the exceptions described below, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 Internal Audit and Risk Management Policy.

I, John Tabart, am of the opinion that the internal audit and risk management processes for Barangaroo Delivery Authority depart from the following core requirements set out in Treasury Circular NSW TC 09/08 and that (a) the circumstances giving rise to these departures were referred to the Portfolio Minister (the Premier) by the deadline of 31 December 2010 and (b) the Barangaroo Delivery Authority has implemented [or is implementing] the following practicable alternative measures that will achieve a level of assurance equivalent to the requirement and which received the Premier's agreement on 18 December 2010.

Departure	Reason for Departure and Description of Practicable Alternative Measures Implemented
<ul style="list-style-type: none"> - Core Requirement 3 <i>Clause 3.2.4 provides that the Chair of the Audit and Risk Management Committee must be appointed for a period of at least 3 years.</i> 	<ul style="list-style-type: none"> - The Board of the Barangaroo Delivery Authority appointed all members of the Committee for an initial term of 2 years from 18 December 2009. - The provision of a longer tenure for the Chairman, and the staggering of tenure of members will be addressed later this year in conjunction with reappointment of the Chairman and the 2 independent members whose term expire in December.

These processes, including the practicable alternative measures being implemented, provide a level of assurance that will enable the senior management of Barangaroo Delivery Authority to understand, manage and satisfactorily control risk exposures.

I, John Tabart, am of the opinion that the Audit and Risk Management Committee for the Barangaroo Delivery Authority 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 Management Committee are:

- > Brendan Crotty, independent Chair (term of appointment two years from 18 December 2009)
- > Carolyn Burlew, independent Member 1 (term of appointment two years from 18 December 2009)
- > Allan Cook, independent Member 2 (term of appointment two years from 18 December 2009)
- > Gabrielle Trainor, independent Member 3 (term of appointment two years from 18 May 2010)

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

The Office of the Barangaroo Delivery Authority.



John Tabart
Chief Executive Officer

Audit and Risk Management Committee

The Committee's responsibilities include the following.

- > Risk management
- > Control framework
- > External accountability
- > Compliance with applicable laws and regulations
- > Internal audit
- > External audit

The Members of the Committee appointed by the Board were:

Brendan Crotty (Chair)

See biography on page 8.

Ms Gabrielle Trainor LLB FAICD

See Biography on page 8.

Allan Cook

Allan Cook is from A.D. Cook & Associates (COMFAS Pty Ltd). Chair of the Audit Committee for NSW Health (Health Support Services), Chair of the Audit and Risk Management Committee of NSW Health (Statutory Health Corporations), member of the committees for the Public Transport Ticketing Corporation (PTTC) and NSW Fire Brigades.

Allan is a Certified Practising Accountant (Fellow).

Carolyn Burlew

Carolyn is Chair of the Department of Education and Communities Audit and Risk Committee, member of the committees of the NSW Treasury, Department of Finance and Services and the NSW Ombudsman. Carolyn is also a Board member for the South West Sydney Local Health District.

Carolyn is a Fellow of the Institute of Company Directors, has a Master of Public Administration (University of Queensland), and Bachelor of Arts and Diploma of Applied Sciences (University of Qld). She is also a qualified registered nurse and registered midwifery nurse.

On 28 July 2009, the Board of the Barangaroo Delivery Authority approved the Charter for the Audit and Risk Management Committee, along with the Committee's structure. Members qualified for appointment under Treasury Policy TPP 05/09 were subsequently appointed by the Board and the Committee held its first meeting on 18 December 2009.

Membership of the Committee	Meetings Held	Meetings Attended
Mr Brendan Crotty (Chair)	5	5
Carolyn Burlew	5	5
Allan Cook	5	4
Ms Gabrielle Trainor	5	3



Auditor General's Performance Report

During 2010-11, the Barangaroo Delivery Authority, was subject to an Auditor General's Performance Audit into Government Expenditure and Transport Planning in relation to implementing Barangaroo.

The Authority was advised of the Performance Audit in August 2010, and provided detailed information over 10 months. The Audit examined two key issues that will contribute to Barangaroo's success: expenditure on the precinct's public domain being at no cost to government; and transport planning solutions for moving the significant number of additional CBD commuters.

The Report, published in June 2011, confirmed the robustness and rigor of the planning and financial forecasting, *"the audit concludes that there has been extensive planning in support of the government financial forecast and transport solutions for Barangaroo."*

The Report stated that *"the December 2009 government budget forecast for the Barangaroo precinct included estimates of key revenue and expenditure items over the life of the project and was well documented. This provided a sound framework for the financial forecast."*

The Report noted the inherent difficulties associated with forecasting ahead 15 years, including the complexities of estimation of revenue flows, potential variations to the Agreement and to costs of constructing the public domain and Barangaroo Central. However, the Report also found that the conservative approach adopted in the compilation of the forecast and the inclusion of an unallocated contingency reserve, produced a balanced budget being in line with government policy and that there would be no net cost to government.

The Report acknowledged the cooperation and assistance provided by the Barangaroo Delivery Authority, the Department of Transport, NSW Treasury and the Department of Planning.

The Report's key recommendations and Authority's formal responses (in italics) can be found below.

1. Enhance monitoring and reporting of the financial forecast and actively manage costs.

As the project enters its construction stage, the Authority should improve its systems to enhance the rigour and monitoring of the project's financial forecast to ensure value for money and a potential surplus for government. This should include a rolling update of the financial forecast and more regular reporting to Treasury.

The Authority rigorously reviews and monitors all actual and forecast project revenue and expenditures on a monthly basis. The Authority will continue to work to improve its systems to enhance its existing monitoring and reporting of financial forecasts, including rolling updates of the financial forecasts as necessary.

2. Disclosure of financial forecast figures

The Authority should continue to ensure ongoing disclosure of financial information currently withheld for commercial reasons. This will enable the Authority to continue to comply with the provisions of the *Government Information (Public Access) Act 2009*.

The Authority is committed to and continues to provide the community with maximum disclosure whilst maintaining our obligations to protect the most commercially sensitive and confidential information. This is carried out in accordance with the Government Information (Public Access) Act 2009.

3. Greater consistency for project contingencies

NSW Treasury should consider the wider application across the public sector of the P90 approach to calculating the cost of major and high risk construction projects. The P90 allowance is included in the project base cost and provides a 90 per cent chance that the forecast project cost will not be exceeded. In the case of these projects, a contingency can be added for uncertainties in the design, planning and delivery stages, which is revised during the procurement process.

The Authority has and will continue to adopt the NSW Treasury methodology using a P90 contingency for major project business cases for NSW Treasury as carried out for Headland Park and the Cruise Passenger Terminal.

4. Focus on implementing planned transport initiatives

Coordinated action is required to ensure that transport plans are put in place in time to meet the needs of Barangaroo commuters. The Department of Transport needs to provide full and frank advice to Government on the implications of any delay or change of any plan.

Barangaroo has the opportunity to become the key multi modal public transport interchange (rail, ferry, pedestrian, light rail and bus) in the western CBD corridor. The Department of Transport and the Authority will need to work closely to ensure timely provision of these transport initiatives. The Authority has and must continue with the Department of Transport to have regular high level planning and implementation meetings.

5. Full advice on the impact of changing transport priorities

The Department of Transport's advice on how changing transport priorities may affect Barangaroo should include an assessment of options in terms of risks and consequences, including potential financial and economic impacts of decisions.

The Barangaroo public transport requirements are essential to ensure safe and efficient access to Barangaroo and the western CBD financial precinct. It is critical that the successful implementation of these requirements is achieved on schedule and to the set standards to remove any risk of significant financial and economic impacts.

Barangaroo Delivery Authority Financial Statements

Barangaroo Delivery Authority

Statement by Members of the Board of Barangaroo Delivery Authority on the adoption of the financial statements for the year ended 30 June 2011

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

1. The accompanying financial statements exhibit a true and fair view of the financial position of Barangaroo Delivery Authority as at 30 June 2011; and
2. The financial statements have been prepared in accordance with the Australian Accounting Standards and Interpretations and the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010* and the Treasurer's Directions.

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



Terry Moran
Chairman

Barangaroo Delivery Authority



John Tabart
Chief Executive Officer

Barangaroo Delivery Authority

25 October 2011
Sydney



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Barangaroo Delivery Authority

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Barangaroo Delivery Authority (the Authority), which comprises the statement of financial position as at 30 June 2011, 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 the Authority and the consolidated entity. The consolidated entity comprises the Authority and the entities it controlled at the year's end or from time to time during the financial year.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Authority and the consolidated entity as at 30 June 2011, and of their financial performance 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.

Board's Responsibility for the Financial Statements

The members of the Board are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the members of the Board determine is necessary to enable the preparation of the financial statements 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 controls relevant to the entity's preparation and fair presentation of the financial statements 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the Board, 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 Authority or consolidated entity
- that they have carried out their activities effectively, efficiently and economically
- about the effectiveness of 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 any 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 role by the possibility of losing clients or income.

James Sugumar
Director, Financial Audit Services

25 October 2011
SYDNEY

Statement of Comprehensive Income

for the year ended 30 June 2011

Start of Audited Financial Statements

	Notes	Consolidated		Authority	
		30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
Income					
Other income	3	2,456	172	2,456	172
Total income		2,456	172	2,456	172
Expenses					
Personnel services expense	4	-	-	(3,207)	(2,449)
Employee related expense	4	(3,207)	(2,449)	-	-
Depreciation and amortisation expense	4	(376)	(25)	(376)	(25)
Finance costs	4	(6,302)	(9,133)	(6,302)	(9,133)
Other expenses	4	(12,748)	(30,338)	(12,748)	(30,338)
Total expenses		(22,633)	(41,945)	(22,633)	(41,945)
(Deficit)/surplus for the year		(20,177)	(41,773)	(20,177)	(41,773)
Other comprehensive income					
Asset revaluation		-	20,000	-	20,000
Other comprehensive income for the year		-	20,000	-	20,000
Total comprehensive income for the year		(20,177)	(21,773)	(20,177)	(21,773)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

as at 30 June 2011

	Notes	Consolidated		Authority	
		2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Assets					
Current Assets					
Cash and cash equivalents	5	10,341	206	10,341	206
Other receivables	6	3,959	415	3,959	415
Non current assets held for sale	7	94,408	-	94,408	-
Total Current Assets		108,708	621	108,708	621
Non Current Assets					
Property, plant and equipment	8	340,173	414,346	340,173	414,346
Total Non Current Assets		340,173	414,346	340,173	414,346
Total Assets		448,881	414,967	448,881	414,967
Liabilities					
Current Liabilities					
Trade and other payables	9	12,704	8,475	12,946	8,625
Borrowings	10	-	33,005	-	33,005
Provisions	11	49,502	26,962	49,260	26,812
Total Current Liabilities		62,206	68,442	62,206	68,442
Non Current Liabilities					
Trade and other payables	9	156	-	211	44
Borrowings	10	76,000	76,000	76,000	76,000
Provisions	11	115,273	145,102	115,218	145,058
Other liabilities	12	103,000	13,000	103,000	13,000
Total Non Current Liabilities		294,429	234,102	294,429	234,102
Total Liabilities		356,635	302,544	356,635	302,544
Net Assets		92,246	112,423	92,246	112,423
Equity					
Asset revaluation reserve		20,000	20,000	20,000	20,000
Accumulated funds		72,246	92,423	72,246	92,423
Total Equity		92,246	112,423	92,246	112,423

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the year ended 30 June 2011

Consolidated

Authority

	Notes	Accumulated Funds	Asset Revaluation Surplus	Total	Accumulated Funds	Asset Revaluation Surplus	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2010		92,423	20,000	112,423	92,423	20,000	112,423
Deficit for the year		(20,177)	-	(20,177)	(20,177)	-	(20,177)
Other comprehensive income							
Asset revaluation		-	-	-	-	-	-
Total other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the year		(20,177)	-	(20,177)	(20,177)	-	(20,177)
Transactions with owners in their capacity as owners		-	-	-	-	-	-
Balance at 30 June 2011		72,246	20,000	92,246	72,246	20,000	92,246
Balance at 1 July 2009		134,196	-	134,196	134,196	-	134,196
Deficit for the year		(41,773)	-	(41,773)	(41,773)	-	(41,773)
Other comprehensive income							
Asset revaluation		-	20,000	20,000	-	20,000	20,000
Total other comprehensive income		-	20,000	20,000	-	20,000	20,000
Total comprehensive income for the year		(41,773)	20,000	(21,773)	(41,773)	20,000	(21,773)
Transactions with owners in their capacity as owners		-	-	-	-	-	-
Balance at 30 June 2010		92,423	20,000	112,423	92,423	20,000	112,423

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

for the year ended 30 June 2011

	Notes	Consolidated		Authority	
		30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
Cash flows from operating activities					
Receipts from customers		99,853	13,075	99,853	13,075
Payments to suppliers and employees		(28,883)	(11,998)	(28,883)	(11,998)
Interest received		275	45	275	45
Interest paid		(6,417)	(7,438)	(6,417)	(7,438)
Net cash flows from operating activities	15 (b)	64,828	(6,316)	64,828	(6,316)
Cash flows from investing activities					
Payments for property, plant and equipment		(21,784)	(4,343)	(21,784)	(4,343)
Proceeds on sale of property, plant and equipment		75	-	75	-
Net cash flows from investing activities		(21,709)	(4,343)	(21,709)	(4,343)
Cash flows from financing activities					
Proceeds from borrowings		34,000	127,505	34,000	127,505
Repayment of borrowings		(67,005)	(118,688)	(67,005)	(118,688)
Security deposits and bonds		21	(618)	21	(618)
Net cash flows from financing activities		(32,984)	8,199	(32,984)	8,199
Net increase/(decrease) in cash and cash equivalents		10,135	(2,460)	10,135	(2,460)
Cash and cash equivalents at the beginning of the year		206	2,666	206	2,666
Cash and cash equivalents at the end of the year	15 (a)	10,341	206	10,341	206

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

Barangaroo Delivery Authority

1. Reporting Entity

The Barangaroo Delivery Authority (the Authority), as a reporting entity was created on 1 April 2009 under the *Barangaroo Delivery Authority Act 2009*.

The Authority comprises the following entity it controlled during the year and at balance date:

- > Office of the Barangaroo Delivery Authority (the Office)

The Authority has assessed its profit status for the financial year ended 30 June 2011 and continued its status as not-for-profit for financial reporting purposes.

The consolidated financial statements for the year ended 30 June 2011 were authorised for issue by the Authority's Board on 18 October 2011.

2. Summary Of Significant Accounting Policies

a) Basis of preparation

The Authority's general purpose financial statements have been prepared in accordance with:

- > Australian Accounting Standards and Australian Accounting Interpretations; and
- > *Public Finance and Audit Act 1983*.

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

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

- > Barangaroo Delivery Authority is NSW Government owned;
- > Barangaroo Delivery Authority borrowing is guaranteed by the NSW Government;
- > NSW Treasury, on behalf of the NSW Government, has issued a letter of financial support to Barangaroo Delivery Authority to ensure the on-going financial viability of the Authority.

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

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment.

Critical accounting judgements and key sources of estimation uncertainty

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

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

b) Statement of compliance

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

c) Principles of consolidation

Controlled entities are all those entities over which the Authority has the power to govern the financial and operating policies so as to obtain benefits from its activities.

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

d) Revenue recognition

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

Revenue is recognised for the major business activities as follows:

(i) Sale of goods and services

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

(ii) Grants and contributions

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

(iii) Interest revenue

Interest revenue is recognised on an accrual basis using the effective interest method.

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

e) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' service up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long-term employee benefit obligations

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the discount method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to reporting date. The government bond rate of 5.21% (5.1% 2010) was applied for discounting purposes.

(iii) Superannuation

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

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

f) Provisions

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

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

g) Insurance

The Authority holds insurance policies covering property, public liability, workers compensation, directors' liability and other contingencies. These insurance covers are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The premium is determined by the Fund Manager based on past claim experience and the insurance coverage is reviewed periodically to ensure that it is adequate.

h) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable or payable to, the Australian Taxation Office is included with other receivables or payables in the balance sheet.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

Cash flows are included in the cash flow statement 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.

i) Acquisitions of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Authority. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition. Fair value means the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where settlement of any part of cash consideration is deferred, its cost is the cash price equivalent, that is, the deferred payment amount is effectively discounted at an asset-specific rate.

j) Capitalisation thresholds

The Authority's policy is to capitalise all costs incurred in property development.

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

k) Revaluation of physical non current assets

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 07-1). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment*.

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.

Land and buildings, including open spaces and roads, are revalued at least every three years or with sufficient regularity to ensure that the carrying amount of each asset does not differ materially from its fair value at reporting date. The latest revaluation was completed on 31 March 2009 and was based on an independent assessment.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

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

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus/deficit, the increment is recognised immediately as revenue in the surplus/deficit.

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

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

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

l) Property, plant and equipment

Land and buildings are measured at fair value less depreciation recognised after the date of revaluation. Plant and equipment is stated at historical cost less accumulated depreciation.

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

Land is not a depreciable asset.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

The following depreciation rates were applied in 2010/11:

Furniture and fittings	10% - 39% (10% - 20% 2010)
IT equipment	33% (33% 2010)
Plant and equipment	10% - 50% (10% - 50% 2010)

n) Leases

Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

(i) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Authority as lessee are classified as operating leases. Payments made under operating leases, net of any incentives received from the lessor, are charged to the income statement on a straight-line basis over the period of the lease.

(ii) Lease incentives

Lease incentives include upfront cash payments to the lessee or the reimbursement or assumption by

the Authority, as the lessor, of costs of the lessee (such as relocation costs, leasehold improvements, fit-out contributions and costs associated with a pre-existing lease commitment). Alternatively, the initial period of the lease term may be agreed to be rent-free or at a reduced rent, and shall be recognised, in accordance with the Australian Accounting Interpretations.

o) Non current assets held for sale

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

p) Cash and cash equivalent

Cash and cash equivalent includes cash on hand, short term deposit with original maturities of three months or less and investment in NSW Treasury Corporation's (TCorp) Hourglass Facility Trust.

For cash flow statement presentation, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

q) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost

using the effective interest method, less provisions for impairment. Trade receivables are generally due for settlement within 30 days.

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

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

r) Trade and other payables

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

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.

s) Borrowings

Borrowings are initially recognised at fair value, net of transactions costs. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement, over the period of the borrowings, using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

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

t) 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.

u) Equity and reserves

(i) Asset revaluation reserves

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. This accords with the Authority's policy on the revaluation of physical non-current assets as discussed in note 2(k).

(ii) Accumulated funds

The category of accumulated funds includes all current and prior period retained funds.

v) New Australian Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 30 June 2011 reporting period. The Authority did not early adopt any of these Accounting Standards and Interpretations that are not yet effective:

- > AASB 7 *Financial Instruments: Disclosures* (1 January 2011);
- > AASB 9 *Financial Instruments* (1 January 2013);
- > AASB 101 *Presentation of Financial Statements* (1 January 2011);
- > AASB 107 *Statement of Cash Flows* (1 January 2011);
- > AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* (1 January 2011);
- > AASB 110 *Events after the Reporting Period* (1 January 2011);
- > AASB 118 *Revenue* (1 January 2011);
- > AASB 119 *Employee Benefits* (1 January 2011);
- > AASB 132 *Financial Instruments: Presentation* (1 January 2011);
- > AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* (1 January 2011);
- > AASB 139 *Financial Instruments: Recognition and Measurement* (1 January 2011);
- > AASB 140 *Investment Property* (1 January 2011);
- > AASB 1031 *Materiality* (1 January 2011);
- > AASB 1053 *Application of Tiers of Australian Accounting Standards* (1 July 2013);

- > AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9* (1 January 2013);
- > AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* (1 July 2013);
- > AASB 2010-6 *Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets* (1 July 2011);
- > AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9* (1 January 2013);
- > AASB 2009-12 *Amendments to Australian Accounting Standards* (1 January 2011);
- > AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* (1 January 2011);
- > AASB 2010-5 *Amendments to Australian Accounting Standards* (1 January 2011); and
- > AASB 1054 *'Australian Additional Disclosures'* (1 July 2011).

The impact of these new Standards and Interpretations in future periods on the financial statements are still being assessed, and not known at the date of the financial statements.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

	Consolidated		Authority	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
3. Other revenue				
Interest income (refer note 3 (a))	275	45	275	45
Other developer contributions	2,117	-	2,117	-
Site revenue	64	127	64	127
	2,456	172	2,456	172
(a) Interest income is made up as below:				
Interest from cash at bank	159	45	159	45
Interest from NSW Treasury Corporation cash facility	116	-	116	-
	275	45	275	45
4. Expenses				
Employee related expense:				
Salaries and wages (including recreation leave)	2,696	2,087	-	-
Superannuation – defined contribution plans	258	181	-	-
Long service leave	24	21	-	-
Payroll tax	229	160	-	-
Personnel services expenses	-	-	3,207	2,449
	3,207	2,449	3,207	2,449
Depreciation and amortisation expense:				
Depreciation of property, plant and equipment	376	25	376	25
	376	25	376	25
Finance costs:				
Interest on borrowing not at fair value through profit or loss	6,302	9,133	6,302	9,133

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

	Consolidated		Authority	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
4. Expenses (continued)				
Other expenses:				
Administration	3,034	2,570	3,034	2,570
Auditor's remuneration – audit of financial statements	97	83	97	83
Consultants	3,717	2,921	3,717	2,921
Directors' fees	168	169	168	169
Grants	1,760	-	1,760	-
Insurance	20	26	20	26
Legal	2,765	2,937	2,765	2,937
Marketing and advertising	675	820	675	820
Property development expense	-	20,000	-	20,000
Repairs and maintenance	512	812	512	812
	12,748	30,338	12,748	30,338
5. Cash and cash equivalents				
Cash at bank and on hand	725	206	725	206
NSW Treasury Corporation – Hour Glass short term cash facility	9,616	-	9,616	-
	10,341	206	10,341	206
6. Other receivables				
Current				
Sundry debtors	16	1	16	1
Goods and services tax recoverable	1,628	237	1,628	237
Prepayments and accrued revenue	2,315	177	2,315	177
	3,959	415	3,959	415
No receivables are past due				

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

	Consolidated		Authority	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
7. Non current assets held for sale				
Balance at the beginning of the financial year	-	-	-	-
Transfer from land and buildings	94,408	-	94,408	-
Balance at the end of the financial year	94,408	-	94,408	-
8. Property, plant and equipment				
(a) Land and buildings				
At gross value	315,592	410,000	315,592	410,000
Accumulated depreciation	-	-	-	-
Carrying amount at fair value	315,592	410,000	315,592	410,000
Plant and equipment				
At gross value	1,877	422	1,877	422
Accumulated depreciation	(400)	(28)	(400)	(28)
Carrying amount at fair value	1,477	394	1,477	394
Work in progress	23,104	3,952	23,104	3,952
Total property, plant and equipment	340,173	414,346	340,173	414,346
At gross value	340,573	414,374	340,573	414,374
Accumulated depreciation and amortisation	(400)	(28)	(400)	(28)
Total property, plant and equipment	340,173	414,346	340,173	414,346

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

	Consolidated		Authority	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
8. Property, plant and equipment (continued)				
(b) Reconciliations				
Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the year are set out below.				
Land and buildings				
Carrying amount at 1 July	410,000	410,000	410,000	410,000
Additions	-	-	-	-
Transfer to assets held for sale	(94,408)	-	(94,408)	-
Depreciation expense	-	-	-	-
Carrying amount at 30 June	315,592	410,000	315,592	410,000
Plant and equipment				
Carrying amount at 1 July	394	28	394	28
Additions	1,534	391	1,534	391
Disposals	(75)	-	(75)	-
Depreciation expense	(376)	(25)	(376)	(25)
Carrying amount at 30 June	1,477	394	1,477	394
Work in progress				
Opening balance at 1 July	3,952	-	3,952	-
Additions	20,250	3,952	20,250	3,952
Capitalised and transferred to fixed assets	-	-	-	-
Expensed	(1,098)	-	(1,098)	-
Closing balance at 30 June	23,104	3,952	23,104	3,952
Total property, plant and equipment	340,173	414,346	340,173	414,346

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

	Consolidated		Authority	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
9. Trade and other payables				
<i>Current</i>				
Trade creditors	1,135	1,225	1,135	1,225
Accruals	9,693	5,495	9,693	5,495
Refundable security deposits and bonds	21	-	21	-
Interest payable	1,579	1,694	1,579	1,694
Lease incentive	170	-	170	-
Payable – annual leave	-	-	242	150
Payable – accrued salaries, wages and on-costs	106	61	106	61
	12,704	8,475	12,946	8,625
<i>Non current</i>				
Lease incentive	156	-	156	-
Payable – long service leave	-	-	55	44
	156	-	211	44

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

	Consolidated		Authority	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
10. Borrowings				
<i>Current</i>				
Loans from NSW Treasury Corporation (unsecured)	-	33,005	-	33,005
	-	33,005	-	33,005
<i>Non current</i>				
Loans from NSW Treasury Corporation (unsecured)	76,000	76,000	76,000	76,000
	76,000	76,000	76,000	76,000
As at 30 June 2010 the maturity profile of borrowings was:				
Not later than one year (current liabilities)	-	33,005	-	33,005
Later than 1 year but not later than 5 years	51,000	25,000	51,000	25,000
Later than 5 years	25,000	51,000	25,000	51,000
	76,000	109,005	76,000	109,005

The Authority as at 30 June 2011 has a total \$167 million (2010: \$137 million) debt facility with NSW Treasury Corporation.

The net fair value of these loans at balance date was \$79 million (2010: \$113 million). The weighted average effective interest rate for the year was 5.22% (2010: 4.32%)

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

	Consolidated		Authority	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
11. Provisions				
<i>Current</i>				
Annual leave	242	150	-	-
Provision for property development expenses	49,260	26,812	49,260	26,812
	49,502	26,962	49,260	26,812
<i>Non current</i>				
Long service leave	55	44	-	-
Provision for property development expenses	115,218	145,058	115,218	145,058
	115,273	145,102	115,218	145,058
Movements in provisions (other than employee benefits)				
Movements in each class of provision during the year, other than employee benefits, are set out below:				
Carrying amount at the beginning of the financial year	171,870	174,594	171,870	174,594
Additional provisions recognised	-	20,000	-	20,000
Amount used	(7,392)	(2,677)	(7,392)	(2,677)
Unused amount reversed	-	(20,047)	-	(20,047)
Carrying amount at the end of the financial year	164,478	171,870	164,478	171,870
Aggregate employee benefits and related on-costs				
<i>Short-term</i>				
Annual leave	242	150	-	-
	242	150	-	-
<i>Long-term</i>				
Long service leave	55	44	-	-
	55	44	-	-
Total	297	194	-	-

In accordance with the NSW Treasury Circular TC11/06 *Accounting for Long Service Leave and Annual Leave* and AASB 101 *Presentation of Financial Statements*, all annual leave and unconditional long service leave is presented as a current liability in the statement of financial position.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

	Consolidated		Authority	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
12. Other liabilities				
<i>Non current</i>				
Revenue in advance	103,000	13,000	103,000	13,000
	103,000	13,000	103,000	13,000
<p>On 5 March 2010 the Authority entered into the Stage 1 Project Development Agreement (Agreement) with Lend Lease Corporation for the development of Barangaroo South. Upon execution of the Agreement, Lend Lease paid the Authority \$13 million being the first instalment for the rights granted under the Agreement. A second instalment of \$90 million was received on 31 March 2011. This amount of \$103 million will be recognised as revenue when lease agreements are formalised and accounted as finance leases.</p>				
13. Commitments				
(a) Capital commitments				
Capital commitments contracted for at the reporting date, but not recognised in the financial statements, are payable as follows:				
Not later than one year	36,562	7,180	36,562	7,180
Later than one year and not later than five years	3,727	-	3,727	-
Later than five years	-	-	-	-
Total including GST	40,289	7,180	40,289	7,180
The capital commitments above include GST of \$3.7 million (contingent asset), expected to be recoverable from the Australian Taxation Office				
(b) Other expenditure commitments				
Other expenditure commitments contracted for at the reporting date, but not recognised in the financial statements, are payable as follows:				
Not later than one year	4,298	2,584	4,298	2,584
Later than one year and not later than five years	1,003	-	1,003	-
Later than five years	-	-	-	-
Total including GST	5,301	2,584	5,301	2,584
The operational commitments above include GST of \$0.8 million (contingent asset), expected to be recoverable from the Australian Taxation Office				
(c) Operating lease payable commitments				
Non-cancellable operating lease payments not recognised in the financial statements are as follows:				
Not later than one year	511	470	511	470
Later than one year and not later than five years	491	959	491	959
Later than five years	-	-	-	-
Total including GST	1,002	1,429	1,002	1,429

Operating leases relate to property and motor vehicles. These leases have an average life of three years with an option to renew.

The operating lease commitments above include input tax credits of \$0.1 million (contingent asset) that are expected to be recoverable from the Australian Tax Office.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

	Consolidated		Authority	
	30 June 2011 \$'000	30 June 2010 \$'000	30 June 2011 \$'000	30 June 2010 \$'000
14. Contingencies				
(a) Contingent assets				
Contingent assets exist in relation to GST on expenditure commitments and lease payments as disclosed in note 13. There are no known contingent assets at balance date (2010: nil).				
(b) Contingent liabilities				
There are no known contingent liabilities at balance date (2010: nil).				
15. Notes to the Statement of Cash Flows				
(a) Reconciliation of cash				
For the purposes of the statement of cash flows, cash includes cash on hand and in banks. Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:				
Cash at bank and on hand	725	206	725	206
Investments (NSW Treasury Corporation)	9,616	-	9,616	-
	10,341	206	10,341	206
(b) Reconciliation of deficit to net cash flows from operating activities				
Deficit for the year	(20,177)	(41,773)	(20,177)	(41,773)
Non-cash flows in operating deficit:				
Depreciation and amortisation	376	25	376	25
Gain on revaluation of land	-	20,000	-	20,000
Works in progress expensed	1,098	-	1,098	-
Change in operating assets and liabilities				
(Increase)/decrease in receivables	(3,545)	(228)	(3,545)	(228)
Increase/(decrease) in creditors	4,364	5,277	4,364	5,277
(Decrease)/increase in provisions	(7,288)	(2,617)	(7,288)	(2,617)
Increase/(decrease) in unearned income	90,000	13,000	90,000	13,000
Net cash flows from operating activities	64,828	(6,316)	64,828	(6,316)

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

16. Financial instruments

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

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

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

(a) Financial instrument categories

	Notes	Category	Carrying Amount	
			2011 \$'000	2010 \$'000
Financial Assets				
Class:				
Cash and cash equivalents	5	N/A	10,341	206
Receivables	6	Loans and receivables at amortised cost	3,959	415
Financial Liabilities				
Class:				
Payables	9	Financial liabilities measured at amortised cost	12,860	8,475
Interest-bearing loans and borrowing	10	Financial liabilities measured at amortised cost	76,000	109,005

(b) Credit risk

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

Credit risk associated with the Authority's financial assets, other than receivables, is managed through the selection of counterparties.

Cash

Cash comprises cash on hand, bank balances with major banks and investments with NSW Treasury Corporation's Hour-Glass facilities.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

16. Financial instruments (continued)

(c) Liquidity risk

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

The Authority has approved funding facilities of \$322 million, of which \$155 million is subject to NSW Government review and approval of the scope, timing, risk and value for money of major projects.

The approved drawdown limit as at 30 June 2011 with NSW Treasury Corporation is \$167 million (2010: \$137 million). The net fair value of these loans at balance date was \$79 million (2010: \$112 million). The weighted average effective interest rate for the year was 5.22% (2010: 4.32%) for loans.

During the current year, there were no defaults or breaches on any loans payable. No assets have been pledged as collateral. The Authority's exposure to liquidity risk is deemed insignificant based on current assessment of risk.

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 Treasurer's Direction 219.01. 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.

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

Maturity analysis and interest rate exposure of financial liabilities:

	Interest Rate Exposure					Maturity Dates		
	Weighted Average Effective Interest Rate	Nominal Amount \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non-interest Bearing \$'000	< 1 yr \$'000	1-5 yrs \$'000	> 5 yrs \$'000
2011								
<i>Payables:</i>								
Trade and sundry creditors	-	12,860	-	-	12,860	12,704	156	-
<i>Borrowings:</i>								
TCorp borrowings	5.22%	76,000	76,000	-	-	-	51,000	25,000
		88,860	76,000	-	12,860	12,704	51,156	25,000
2010								
<i>Payables:</i>								
Trade and sundry creditors	-	8,475	-	-	8,475	8,475	-	-
<i>Borrowings:</i>								
TCorp borrowings	4.32%	109,005	96,005	13,000	-	33,005	25,000	51,000
		117,480	96,005	13,000	8,475	41,480	25,000	51,000

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

16. Financial instruments (continued)

(d) Market risk

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

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Authority operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the balance sheet date.

Interest rate risk

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

(e) Fair Value

The Authority's financial instruments are recognised at cost. The Authority has not identified any financial instruments whose fair value differs materially from the carrying amount.

		-1%		1%	
	Carrying amount \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2011					
<i>Financial assets</i>					
Cash and cash equivalents	10,341	103	103	(103)	(103)
Receivables	3,959	-	-	-	-
<i>Financial liabilities</i>					
Payables	12,860	-	-	-	-
Borrowings	76,000	760	760	(760)	(760)
2010					
<i>Financial assets</i>					
Cash and cash equivalents	206	(2)	(2)	2	2
Receivables	415	-	-	-	-
<i>Financial liabilities</i>					
Payables	8,475	-	-	-	-
Borrowings	109,005	1,090	1,090	(1,090)	1,090

17. Events after reporting date

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

End of Audited Financial Statements

**Office of the
Barangaroo Delivery Authority
Financial Statements**

Office of the Barangaroo Delivery Authority

Statement by Members of the Board of Office of the Barangaroo Delivery Authority on the adoption of the financial statements for the year ended 30 June 2011

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

1. The accompanying financial statements exhibit a true and fair view of the financial position of Barangaroo Delivery Authority as at 30 June 2011; and
2. The financial statements have been prepared in accordance with the Australian Accounting Standards and Interpretations and the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010* and the Treasurer's Directions.

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



Terry Moran
Chairman

Barangaroo Delivery Authority



John Tabart
Chief Executive Officer

Barangaroo Delivery Authority

25 October 2011
Sydney



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT
Office of Barangaroo Delivery Authority

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Office of Barangaroo Delivery Authority (the Office), which comprises the statement of financial position as at 30 June 2011, 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 Office as at 30 June 2011, and of its financial performance 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 Board's Responsibility for the Financial Statements

The members of the Board are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act and for such internal control as the members determine is necessary to enable the preparation of the financial statements 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 controls relevant to the entity's preparation and fair presentation of the financial statements 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the Board, as well as evaluating the overall presentation of the financial statements.

I believe that 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 Office
- 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 any 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 role by the possibility of losing clients or income.

James Sugumar
Director, Financial Audit Services

25 October 2011
SYDNEY

Statement of Comprehensive Income

for the year ended 30 June 2011

Start of Audited Financial Statements

	Notes	30 June 2011 \$'000	30 June 2010 \$'000
Revenue			
Personnel services revenue		(3,207)	(2,449)
Total revenue		(3,207)	(2,449)
Expenses			
Employee related expenses	3	3,207	2,449
Total expenses		3,207	2,449
Surplus/(deficit) for the year		-	-
Other comprehensive income		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		-	-

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

as at 30 June 2011

	Notes	2011 \$'000	2010 \$'000
Assets			
Current Assets			
Receivables	4	348	211
Total Current Assets		348	211
Non Current Assets			
Receivables	4	55	44
Total Non Current Assets		55	44
Total Assets		403	255
Liabilities			
Current Liabilities			
Payables	5	106	61
Provisions	6	242	150
Total Current Liabilities		348	211
Non Current Liabilities			
Provisions	6	55	44
Total Non Current Liabilities		55	44
Total Liabilities		403	255
Net Assets		-	-
Equity			
Accumulated funds		-	-
Total Equity		-	-

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity for the year ended 30 June 2011	Notes	Accumulated Funds \$'000
Balance at 1 July 2010		-
Surplus/(deficit) for the period		-
Total comprehensive income		-
Transactions with owners in their capacity as owners		-
Balance at 30 June 2011		-
Balance at 1 July 2009		-
Surplus/(deficit) for the period		-
Total comprehensive income		-
Transactions with owners in their capacity as owners		-
Balance at 30 June 2010		-

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows for the year ended 30 June 2011	Notes	30 June 2011 \$'000	30 June 2010 \$'000
Cash flows from operating activities			
Receipts from customers		-	-
Payments to suppliers and employees		-	-
Net cash flows from operating activities		-	-
Cash flows from investing activities			
Net cash flows from investing activities		-	-
Cash flows from financing activities			
Net cash flows from financing activities		-	-
Net increase/(decrease) in cash held		-	-
Cash at the beginning of the year		-	-
Cash at the end of the year		-	-

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

Office of the Barangaroo Delivery Authority

1. Reporting Entity

Office of the Barangaroo Delivery Authority (the Office) is a Division of the Government Service, established pursuant to Part 1 of Schedule 1 to the *Public Sector Employment Legislation Amendment Act 2006*. It is a not-for-profit entity as profit is not its principal objective. It is consolidated as part of the NSW Total State Sector Accounts. It is domiciled in Australia and its principal office is at 201 Kent Street, Sydney, New South Wales 2000.

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

These financial statements for the year ended 30 June 2011 were authorised for issue by the Barangaroo Authority's Board on 18 October 2011.

Barangaroo Delivery Authority Act 2009 established the Authority on 1 April 2009.

2. Summary Of Significant Accounting Policies

a) Basis of preparation

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

- > Australian Accounting Standards and Australian Accounting Interpretations; and
- > *Public Finance and Audit Act 1983*.

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

Historical cost convention

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

Critical accounting judgements and key sources of estimation uncertainty

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

The financial statements are presented in Australian Dollars rounded to the nearest thousand.

b) Revenue recognition

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

c) Receivables

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

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

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

d) Payables

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

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

e) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' service up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long-term employee benefits obligations

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the discount method.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

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

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to reporting date. The government bond rate of 5.21% (5.1% 2010) was applied for discounting purposes.

(iii) Superannuation

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

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

f) Provisions

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

Provisions are measured at the present value of management's best estimate of the expenditure

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

g) New Australian Accounting Standards and interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 30 June 2011 reporting period. The Authority did not early adopt any of these Accounting Standards and Interpretations that are not yet effective:

- > AASB 7 *Financial Instruments: Disclosures* (1 January 2011);
- > AASB 9 *Financial Instruments* (1 January 2013);
- > AASB 101 *Presentation of Financial Statements* (1 January 2011);
- > AASB 107 *Statement of Cash Flows* (1 January 2011);
- > AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* (1 January 2011);
- > AASB 110 *Events after the Reporting Period* (1 January 2011);
- > AASB 118 *Revenue* (1 January 2011);
- > AASB 119 *Employee Benefits* (1 January 2011);
- > AASB 132 *Financial Instruments: Presentation* (1 January 2011);
- > AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* (1 January 2011);
- > AASB 139 *Financial Instruments: Recognition and Measurement* (1 January 2011);
- > AASB 140 *Investment Property* (1 January 2011);
- > AASB 1031 *Materiality* (1 January 2011);


- > AASB 1053 *Application of Tiers of Australian Accounting Standards* (1 July 2013);
- > AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9* (1 January 2013);
- > AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* (1 July 2013);
- > AASB 2010-6 *Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets* (1 July 2011)
- > AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9* (1 January 2013)
- > AASB 2009-12 *Amendments to Australian Accounting Standards* (1 January 2011);
- > AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* (1 January 2011)
- > AASB 2010-5 *Amendments to Australian Accounting Standards* (1 January 2011); and
- > AASB 1054 *'Australian Additional Disclosures'* (1 July 2011).

The impact of these new Standards and Interpretations in future periods on the financial statements are still being assessed, and not known at the date of the financial statements.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2011

	30 June 2011 \$'000	30 June 2010 \$'000		30 June 2011 \$'000	30 June 2010 \$'000
3. Expenses			Non Current		
Employee related expenses			Long service leave	55	44
Salaries and wages (including recreation leave)	2,696	2,087		55	44
Superannuation – defined contribution plans	258	181	Aggregate employee benefits and related on-costs		
Long service leave	24	21	Short-term		
Payroll tax	229	160	Annual leave	242	150
Total employee related expenses	3,207	2,449		242	150
4. Receivables			Long-term		
Current			Long service leave	55	44
Annual leave	242	150		55	44
Accrued salaries, wages and on-costs	106	61	Total	297	194
	348	211	7. Commitments		
Non Current			The Office has no capital or lease commitments at 30 June 2011 (2010:nil).		
Long service leave	55	44	8. Contingencies		
	55	44	The Office is not aware of any contingent assets or liabilities at 30 June 2011 (2010:nil).		
5. Payables			9. Events after reporting date		
Accrued salaries, wages and on-costs	106	61	The Office has not identified any events or transactions that are material to require adjustments or disclosures in the financial statements.		
	106	61			
6. Provisions			End of Audited Financial Statements		
Current					
Annual leave	242	150			
	242	150			



Statutory Reporting Obligations

Occupational Health and Safety (OH&S)

The Barangaroo Delivery Authority has achieved a proactive and positive approach towards the management of the Environmental Health and Safety (EH&S) of all employees, contactors and visitors to its properties, sites, or activities under the Authority's control.

The Authority has established an OH&S policy that strives for a zero harm target across all business units. The objectives of the policy are:

- > to have a zero target of incidence of injuries/ illness and minimal incidents within in the workplace;
- > to identify and manage hazards and risks within the properties, sites, or activities under the authorities control;
- > to evaluate the effectiveness of the EH&S management system to ensure ongoing continuous improvement; and
- > to comply and exceed with all applicable Occupational Health and Safety and Environmental Legislation.

During the 10/11 financial year, all hazards and incidents identified for EHS were treated to acceptable levels.

Disability Plans

The Authority and its development partner for Barangaroo South, Lend Lease, are committed to ensuring that accessibility is a key consideration for Barangaroo.

Accessibility is a part of all planning for Barangaroo and universal access has been considered as part of the design to date.

In relation to Barangaroo South, each planning application for each building contains an Access Report that addresses specific items relating to the building such as ingress and egress, paths of travel, amenities, facilities and site issues such as lighting and signage.

The Headland Park has also considered access requirements and the design team includes an Access Consultant who has provided advice throughout the design concept, design development and detailed design phases.

Barangaroo Central will also consider access requirements as part of its concept, design and detailed design development.

Additionally the Public Domain Design Manual includes eight Overarching Urban Design Principles including; Sustainability, Innovation, Amenity, Permeability, Legibility, Robustness, Richness and Quality.

Amenity specifically addresses universal access and includes the following:

"The public domain at Barangaroo will be designed to be safe and accessible for people who use the public domain. The public domain will take into account the principles of Crime Prevention through Environmental Design (CPTED) and will consider universal access requirements."

The goal is to ensure Barangaroo is a socially inclusive, sustainable and enjoyable part of Sydney for both residents and visitors.

Multicultural Policies and Services Programme

The Barangaroo Delivery Authority values its culturally diverse community and is committed to providing a high quality place for everyone where it is encouraged for people to visit both onsite and online on a regular basis.

This commitment extends equally to meeting the obligations of the Community Relations Commission and Principles of Multiculturalism Act 2000 State and Commonwealth anti-discrimination legislation. The development and intended implementation of the Multicultural Policies and Services Plan is a demonstration of that commitment.

This Plan will include how the Barangaroo Delivery Authority will meet the four principles of Multiculturalism referred to in the Community Relations Commission and Principles of Multiculturalism Act 2000.

These four principles are:

1. All individuals in New South Wales should have the greatest possible opportunity to contribute to, and participate in, all aspects of public life in which they may legally participate.
2. All individuals and institutions should respect and make provision for the culture, language and religion of others within an Australian legal and institutional framework where English is the common language.
3. All individuals should have the greatest possible opportunity to make use of and participate in relevant activities and programmes provided or administered by the Government of New South Wales.
4. All institutions of New South Wales should recognise the linguistic and cultural assets in the population of New South Wales as a valuable resource and promote this resource to maximise the development of the State.

These principles confirm the right of individuals who work in and visit Barangaroo to:

- > fully contribute and participate in the life of Barangaroo;
- > respect the culture, language and religions of others (within a legal and constitutional framework where English is the common language);
- > have the access to government services; and
- > have the linguistic and cultural assets in New South Wales recognised and promoted.

As a small and recent agency, the Barangaroo's Multicultural Policies and Services Plan is still under development. When completed it will provide an overview of strategies and priorities for both staff and visitors of Barangaroo.

Waste

The Authority is committed to sustainability including waste reduction and the minimisation of energy use.

The Authority's ongoing commitment was demonstrated in the fit-out of the office as part of its relocation from Foreshore House on Harrington Street to its new office on level 21 at 201 Kent Street. The Authority was able to source redundant and recycled furniture items that included workstations, meeting room tables and chairs, task chairs, storage units and elements obtained from the Barangaroo site such as feature lighting above the reception and the timber viewing platform. The Authority ensured that the design of the fit-out included elements to reduce the use of energy such as sensor lighting, meeting rooms with individual air conditioning units, waterless urinals and an emphasis on reducing the need for mechanical and electronic components (e.g. no electric blinds and no automatic doors).

The Authority actively encourages staff to minimise daily waste by providing recycling facilities for paper, plastic, glass and aluminium. In early 2011 the Authority undertook a series of staff challenges in order to reinforce the sustainability message including challenges such as no printing for three days.

Consumer Activities

During 2010-11 the Authority commenced operation of a community construction information phone line to manage enquiries and complaints relating to the construction programme.

The 1300 phone line operates during business hours and all calls are logged in a database to ensure effective and timely responses.

The phone line commenced operation late in the financial year and to June 30 received minimal calls.

The Authority also offers an "info@barangaroo" email address for any online enquiries.

Equal Employment Opportunity

The Authority is committed equal employment opportunity (EEO) through a range of initiatives including the continual review of policies to ensure that equity issues are included. Equity principles also continue to be promoted through the Authority's Code of Conduct induction sessions for new employees.

Trends in the representation of EEO groups among Authority employees are shown in the table below.

Personnel Policies

Personnel, including all policies, is currently outsourced to the Sydney Harbour Foreshore Authority, in accordance with our Shared Corporate Services Agreement, 2010.

Industrial Relations Policies

There were no industrial disputes lodged by the NSW Public Service Association with the Industrial Relations Commission of NSW. There was no working time lost due to industrial disputes during the year. There were no exceptional movements in wages, salaries or allowances, except for increases awarded across the public sector by the Industrial Relations Commission of NSW.

Code of Conduct

The Barangaroo Delivery Authority's Code of Conduct embodies the public sector values of integrity, diligence, economy, efficiency and accountability. The code incorporates the principles of ethical or responsible decision making and respect for the law, government and community. The code also offers guidance in situations where a person may be unsure of the appropriate course of action. Matters dealt with in the code include conflicts of interest, copyright and licenses, internal information and information on clients, secondary employment, political participation, corrupt conduct and reporting breaches of the code.

Trends in the representation of EEO Groups
Percentage of total staff

EEO Group	Benchmark/ Target	2009	2010	2011
Women	50.0%	50.0%	55.6%	47.6%
Aboriginal people and Torres Strait Islanders	2.6%	0.0%	0.0%	0.0%
People whose first language was not English	19.0%	0.0%	0.0%	0.0%
People with a disability	N/A	0.0%	0.0%	0.0%
People with a disability requiring work-related adjustment	1.5%	0.0%	0.0%	0.0%

Promotion

The Authority participated in the Shanghai World Expo on behalf of the NSW Government. The goal was to position Sydney and Barangaroo as a world leader, particularly in the areas of financial services, design and sustainability and drive businesses in the Chinese market to consider Barangaroo as a possible headquarters for their business.

Name	Destination	Period of travel	Purpose
John Tabart, Chief Executive Officer	Shanghai	11 to 15 July 2010	To attend NSW Week as part of Shanghai World Expo
Mike Collins, Chairman	Shanghai	11 to 15 July 2010	To attend NSW Week as part of Shanghai World Expo
Peter Holmes á Court, Board Member	Shanghai	11 to 15 July 2010	To attend NSW Week as part of Shanghai World Expo
Natalie Soltyszewski, Communications Manager	Shanghai	11 to 15 July 2010	To attend NSW Week as part of Shanghai World Expo

Payment of Accounts

The table below summarises the Authority's account performance during 2010-11. A target of 90% of accounts paid on time was set. The Authority will continue to monitor its payment processes in the coming financial year to ensure our payment target is met.

Interest was not paid by the Authority to any creditors during the financial year.

Description	Quarter Ended 30/09/2010 \$000	Quarter Ended 31/12/2010 \$000	Quarter Ended 31/03/2011 \$000	Quarter Ended 30/06/2011 \$000	Total
Percentage of accounts paid on time	75%	66%	56%	93%	87%
Total dollar of accounts paid on time	8,448	7,419	5,679	98,286	119,832
Total dollar of accounts paid	11,288	11,315	10,210	105,672	138,486

Credit Card Certification

In accordance with Treasurer's Direction 205.01, it is certified that credit card usage by Barangaroo Delivery Authority officers has been in accordance with the appropriate government policies, Premier's Memoranda and Treasurer's Directions, and meets best practice guidelines issued by Treasury.

The Authority currently has one credit card on issue with a limit of \$5,000.

Annual Report Costs

The production and printing of the 2010/2011 Annual Report was \$23,864.

A pdf version of the report is available for downloading at www.barangaroo.com.

Consultants

The Authority engages consultants for specialised work only where there is no in-house expertise or additional resources are required. The Authority used consultants in specialist areas such as landscape design, urban planning, engineering, financial modelling and risk assessment, design evaluation, delivery, planning and sustainability.

Forty one consultants whose fees were more than \$50,000 were engaged during the year, as shown in the table to the right. These fees totalled \$16,879,872.23 and include consulting expenditure that has been capitalised in the construction of Headland Park.

Forty nine consultants whose fees were up to \$50,000 were also engaged, with fees totalling \$850,474.

Name	Description	Total
12:20	Hoarding design development	\$130,330.00
Altus Group Cost Management	Quantity surveyor	\$308,058.00
Arterra Design Pty Ltd	3D modelling	\$76,100.00
ARUP Pty Ltd	Pedestrian modelling	\$93,920.00
Australia Online Research Pty Ltd	Community research	\$67,400.00
Brand Council Pty Ltd	Brand architecture and positioning of site	\$119,091.82
Chris Johnson Special Projects	Design consulting services	\$109,300.00
Conybeare Morrison Int Pty Ltd	Urban planning and heritage consulting	\$103,259.99
Deloitte	Population benchmarking and risk assurance	\$270,799.37
Design Communication Associates	Project management, brand architecture and positioning	\$157,133.73
Douglas Partners Pty Ltd	Geotechnical engineering	\$669,471.76
Elton Consulting	Community engagement	\$135,941.58
Emery Studio	Signage, wayfinding and design	\$231,314.38
Environ Australia Pty Ltd	Site auditor	\$68,332.95
Evans & Peck Pty Ltd	Project management	\$1,026,285.07
Gehl Architects	Place making and people landscape	\$123,429.80
Halcrow Pacific Pty Ltd	Transport and traffic consultancy	\$96,283.52
Hincks And Associates Pty Ltd	Risk management and economic consultancy	\$129,590.00
Hyder Consulting Pty Ltd	Marine engineering	\$420,510.00
Infrasol Group Pty Ltd	Delivery advisory services	\$1,297,857.50
JBS Environmental Pty Ltd	Remediation advice	\$635,937.33
Johnson Pilton Walker	Landscape architecture and architecture services	\$2,384,957.39
Kathy Jones & Associates Pty Ltd	Community consultation and communications services	\$372,822.87
KPMG	Financial modelling and risk assessment	\$552,251.70
MG Planning Pty Ltd	Planning services	\$143,946.14
Napier and Blakeley Pty Ltd	Property condition survey reporting	\$137,105.00

Name	Description	Total
O'Connor Marsden & Associates	Probity advisors	\$136,475.00
Perception Partners	Communications support	\$61,539.80
Peter Walker And Partners	Landscape architecture	\$2,876,779.89
Philip Chun Associates	Building Code of Australia consultant and Fire Engineering	\$89,230.00
Procure Group Pty Ltd	Procurement governance advisory	\$60,445.00
Review Partners Pty Ltd	Community research	\$78,300.00
Robert Bird Group Pty Ltd	Civil and structural engineering services	\$738,111.50
Ryall Environmental Pty Ltd	Remediation advice	\$102,225.75
Rygate & Co Pty Ltd	Surveying services	\$50,810.00
Sydney Environmental & Soil	Soil advisory	\$50,676.00
Thomas Wilkinson	Strategic advisory	\$56,229.56
URS Australia Pty Ltd	Environmental advisory	\$223,174.90
Warren Smith & Partners	Hydraulic, fire and civil engineering services	\$610,700.00
Webb Australia Group (NSW)	Electrical and mechanical engineering	\$767,931.50
WSPLincolne Scott Pty Ltd	Infrastructure and environmental sustainability	\$265,339.78
		\$16,879,872.23





Privacy and Personal Information Protection Act 1998 (PIIP Act)

The PIIP Act aims to protect the privacy of individuals from inappropriate collection, storage, use and disclosure of personal information by NSW public sector agencies.

Section 33(3) of the PIIP Act requires the Authority to provide a statement of action taken in complying with the requirements of the PIIP Act. To respond to the PIIP Act the Authority has developed a Privacy Management Plan.

The Authority's statement of actions in complying with the requirements of the PIIP Act is outlined in the Privacy Management Plan which is available on the Authority's internet site.

The Privacy Management Plan is based on the 12 information protection principles that establish standards for using personal information in an open and accountable manner. The information protection principles apply to all employees, consultants and contractors engaged by the Authority.

The Authority is also required to supply statistical details of any review conducted by or on behalf of the Authority under Part 5 of the PIIP Act and reports that no applications for an internal review of conduct under Part 5 of the PIIP Act were received by or on behalf of the Authority during the 2010/2011 financial year.

During the 2010/2011 financial year, the Authority accidentally disclosed personal information in the form of email addresses to recipients of email correspondence from the Authority. Whilst the Authority did not receive any applications for an internal review of that incident it did receive some complaints and the Authority conducted an internal investigation into the incident and informed the Acting Privacy Commissioner of the incident and the actions to be undertaken by the Authority to rectify the situation. The Acting Privacy Commissioner confirmed that the remedial actions to be undertaken by the Authority were appropriate and sufficient in the circumstances. The Authority has changed its procedures to prevent a similar incident occurring again and updated all employees of their obligations in relation to the collection, use and disclosure of personal information.

The Authority's Privacy Officer will continue to review the Authority's Privacy Management Plan at regular intervals including whenever a privacy code or direction of the Privacy Commissioner (or the expiration of any such code or direction) is issued which modifies the application of the information protection principles to the Authority's operations.

John Tabart
Chief Executive Officer

Government Information (Public Access) Act 2009 (GIPA ACT)

During the 2010/2011 financial year, the Authority reviewed information which could be made publicly available, free of charge, where there is no overriding public interest against public disclosure of the information. As a result of that proactive review, the Authority has made available on its website the following information:

- > the progress of environmental planning applications;
- > reports of research likely to be of interest to the public;
- > details of events and activities on the site;
- > other reports and publications likely to be of interest to the public;
- > the Authority's prior Annual Reports;

- > the Authority's current policy documents;
- > the Authority's Publication Guide; and
- > details of significant government contracts and tenders entered into by the Authority.

The Authority is continuing to review its programme for the release of information proactively at intervals of not more than 12 months.

During the 2010/2011 financial year:

- > three formal GIPA Act access applications for information (including withdrawn applications but not including invalid applications);
- > one invalid formal GIPA Act application for information;
- > nil informal GIPA Act access applications for information (including withdrawn applications but not including invalid applications); and
- > nil applications for an internal review of a determined application for information, were processed by the Authority.

Of the applications processed by the Authority, one formal application for information was refused in full because that application was for the disclosure of information referred to in Schedule 1 of the GIPA Act (Information for which there is a conclusive presumption of overriding public interest against disclosure). The presumed overriding public interest against disclosure of the information sought was on the grounds of legal professional privilege.

Statistical information about the access applications received by the Authority which is required by Clause 7 of the *Government Information (Public Access) Regulation 2009* to be included in the Authority's annual report is located in the tables on pages 82-83.

Statistical information about access applications

Table A: 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
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	1	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not-for-profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	2	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0

Table B: Number of applications by type of application and outcome

Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	1	2	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

* A *personal information application* is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	1
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	1
Invalid applications that subsequently became valid applications	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act

	Number of times consideration used
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	1
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	1
Business interests of agencies and other persons	1
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timelines

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	3
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	3

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	1	1
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
Total	0	0	0

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)

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

Partners, advisors and associates of the Authority

12:20

2birds Design Group Pty Ltd
Acoustic Logic Consultancy Pty Ltd
AECOM Australia Pty Ltd
Allen Jack + Cottier
Altus Group Cost Management
Applied Economics Pty Ltd
Arterra Design Pty Ltd
ARUP Pty Ltd
Austral Archaeology Pty Ltd
Australia Online Research Pty Ltd
Bioregional Consulting
Brand Council Pty Ltd
Building Services Engineers
Business Performance Group
Cherio Civil Works
Chesterton International
Chris Johnson Special Projects
City of Sydney
Clayton Utz
Committee for Economic Development of Australia
Context Landscape Design Pty Ltd
Conybeare Morrison Int Pty Ltd
Cox Architecture Pty Ltd
Cox Inall Ridgeway
Deloitte
Design Communication Associates
Douglas Partners Pty Ltd
Elton Consulting
Emery Studio
Environ Australia Pty Ltd
Evans & Peck Pty Ltd
Everything Infrastructure
Fender Katsalidis
Freehills
Gehl Architects

Global Compact Network Australia
Green Building Council of Australia (NSW)
Halcrow Pacific Pty Ltd
Hassell
Hincks And Associates Pty Ltd
Housing NSW
Hyder Consulting Pty Ltd
Hydrographic & Cadastral Survey Pty Ltd
IAB Services
Infrastructure Partnerships Australia
JBS Environmental Pty Ltd
Johnson Pilton Walker
Justin Peter Conway
Kathy Jones & Associates Pty Ltd
Killard Excavation Pty Ltd
KPMG
Lend Lease
MBMpl Pty Ltd
MG Planning Pty Ltd
Midson Management Pty Ltd
Millers Point Resident Action Group
Morris Goding Accessibility Consulting
Napier and Blakeley Pty Ltd
Norcue Pty Limited
Norman Disney & Young
NSW Business Chamber
NSW Crown Solicitor's Office
NSW Department of Education & Training
NSW Department of Planning & Infrastructure
NSW Department of Premier & Cabinet
NSW Film and Television Office
Fire & Rescue NSW
NSW Maritime
NSW Treasury
O'Connor Marsden & Associates
Pages Hire Centre (NSW) Pty Ltd

Perception Partners
Peter Emmett
Peter Walker And Partners
Philip Chun Associates
Place Leaders Association
Porter Models Pty Ltd
Powell & Associates Pty Ltd
Procure Group Pty Ltd
Property Council of Australia
Railcorp
Red Wren
Reliance Risk Pty Limited
Review Partners Pty Ltd
Roads & Traffic Authority
Robert Bird Group Pty Ltd
Ryall Environmental Pty Ltd
Rygate & Co Pty Ltd
Safetyworks Group Pty Ltd
Shreeji Consultant Pty Ltd
State Property Authority
State Transit Authority NSW
Studio Schelp
Sydney Buses
Sydney Environmental & Soil
Sydney Ferries
Sydney Harbour Foreshore Authority
Sydney Ports Corporation
The Hornery Institute
Thomas Wilkinson
NSW Department of Transport
TTF Australia
Turner Townsend Pty Ltd
Urban Development Institute of Australia
Urbis Pty Ltd
URS Australia Pty Ltd

Index

Vinsi Partners			
VIPAC Engineers & Scientists			
Warren Smith & Partners			
Waterfield Consulting Pty Ltd			
Webb Australia Group (NSW)			
Windtech Consultants Pty Ltd			
Wise Technology Management			
Woods Bagot Pty Ltd			
WSPLincolne Scott Pty Ltd			
WT Partnership			
About Barangaroo	11	Laing O'Rourke	28
Access applications statistical information	82-83	Lend Lease	20, 23
Act	5	Management and Structure	32
Annual Report Costs	77	Millers Point Gasworks	24
Audit and Risk Management Committee	39	Multicultural Policies	74
Auditor General's Performance Report	40	Objectives	6
Auditor's Report Financial Statements	44, 68	Occupational Health and Safety	74
Barangaroo review	15	Organisation chart	32
Barangaroo South	20, 23, 24	Overseas Travel	77
Barangaroo, who she was	12	Payment of Accounts	77
Board	8	Personnel Policies	76
Board meetings	9	Peter Walker	28
Business hours	Back Cover	Planning applications	23
Chairman's message	2	Privacy and Personal Information Protection Act 1998	80
Chief Executive Officer's message	3	Project Development Agreement	20
Code of Conduct	76	Public Domain	28
Concept Plan	23, 37	Remediation	24
Construction	24	Review	15
Consultants	78-79	Risk Management	38-39
Consumer Activities	75	Senior Executive	32-35
Credit Card Certification	77	SISCO	23, 24
Design Excellence Review Panel	37	Staff	34
Disability Plans	74	Sustainability	31
Education	19	Temporary Cruise Passenger Terminal	27
Employee numbers	34	Transport	27
Engagement	16	Vision	5
Equal Employment Opportunity	75	Waste	75
Events	16	Wynyard Walk	27
Financial Statements	42-73	Year in Review	15
Governance	32		
Government Information (Public Access) Act 2009	81		
Headland Park	23, 24, 28, 37		
Human Resources	34		
Industrial Relations Policies	76		
Internal Audit and Risk Management	38		
Key milestones	16, 23, 28, 31		



Barangaroo Delivery Authority
Level 21, AON/Maritime Trade Towers
201 Kent Street
Sydney NSW 2000 Australia
T +61 2 9255 1700
www.barangaroo.com

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



[twitter/Barangaroo](https://twitter.com/Barangaroo)



[Facebook/barangaroosydney](https://www.facebook.com/barangaroosydney)



[Flickr/Barangaroo](https://www.flickr.com/photos/barangaroo/)



[YouTube/Barangaroosydney](https://www.youtube.com/channel/UC...)

