



# Harbour Trust

## ANNUAL REPORT 2019-2020

Harbour Trust



Australian Government  
Sydney Harbour Federation Trust

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**Australian Government**  
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## LETTER FROM CHAIR TO MINISTER

14 September 2020

The Hon. Sussan Ley MP  
Minister for the Environment  
Parliament House  
Canberra ACT 2600

Dear Minister,

I present this report on the operations of the Sydney Harbour Federation Trust for the financial year ending 30 June 2020. It was approved at the Harbour Trust Meeting of the Members of the Trust on 14 September 2020.

The report complies with the provisions of section 70 of the *Sydney Harbour Federation Trust Act 2001* and section 46 of the *Public Governance, Performance and Accountability Act 2013*.

Yours sincerely,

**Mr Joseph Carrozzi**  
**Chair**

Cover, clockwise from top left:  
*Fleet Workshop courtyard, Sub Base Platypus, photography by Ben Guthrie, The Guthrie Project; Convict Precinct, Cockatoo Island; North Head Sanctuary, photography by Mark Merton; Education Tour, Cockatoo Island; Bondi to Manly Walk, Chowder Bay, Headland Park; A First Nations Experience: Featuring Bow + Arrow, Sunset Sessions, Cockatoo Island, 2019.*



## ACKNOWLEDGEMENT OF COUNTRY

The Harbour Trust acknowledges the lands and waters of Sydney Harbour as part of the greater Sydney Basin.

Today, the Homelands of the Borogegal, Birrabirragal, Cammeraygal, Gadigal, Gayamagal, Wallumedegal and Wangal Peoples host Harbour Trust sites.

### THESE SITES INCLUDE:

#### HEADLAND PARK

Homeland of the Borogegal People

#### COCKATOO ISLAND / WAREAMAH

Connecting to the waterways and Homelands of the Wallumedegal, Wangal, Cammeraygal and Gadigal Peoples

#### NORTH HEAD SANCTUARY

Homeland of the Gayamagal People

#### SUB BASE PLATYPUS

Homeland of the Cammeraygal People

#### WOOLWICH DOCK AND PARKLANDS

Homeland of the Wallumedegal People

#### MACQUARIE LIGHTSTATION

Homeland of the Birrabirragal People

#### MARINE BIOLOGICAL STATION

Homeland of the Birrabirragal People

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## CHAIR'S FOREWORD

This year has been one of great significance for the Harbour Trust.

The COVID-19 pandemic has had far reaching impacts for our community, and with it, the Harbour Trust. Our focus was to ensure we supported our community during this time of disruption and change. An important part of that was ensuring our wonderful parklands remained accessible to the local and wider community, playing a role in providing refuge and respite.

I am very pleased that, with the support of the Australian Government, the Harbour Trust was able to provide much needed support to our tenants most significantly impacted by the restrictions.

I am also thankful for how Harbour Trust staff have responded to the challenges of COVID restrictions — not only in keeping our parklands accessible and safe, but through innovating with new online experiences, education and programs, to connect with and reach out to members of our community.

As we were dealing with the COVID-19 impacts, the report of the Independent Review of the Harbour Trust was handed down. As a result of the Government's consideration of its recommendations, the Harbour Trust will now become permanent custodians of our significant Harbour site places, ceasing to be a transitional entity, for the benefit of present and future generations of Australians.

I am grateful to all those in our community, including our wonderful volunteers, local community members and tenants, who participated in the Independent Review by providing submissions or participating in consultation sessions. The community's passion for our iconic harbourside places, commitment to the vision of the Harbour Trust and respect for our work over the last 20 years, delivered in partnership with the community was powerfully articulated.

My colleagues, the Members of the Trust are delighted that the Government is ambitious for our two key sites for which work remains outstanding — Cockatoo Island and North Head Sanctuary — and recognises the importance of moving the Harbour Trust to a more sustainable financial position. Both these sites are of significance for First Nations people and the Harbour Trust has an important responsibility in continuing these connections.

The Harbour Trust is looking forward to working with Government on these areas in 2020-21.

The Members of the Trust recognise that we should continue to assess possibilities to access private investment and revenue through the leasing and adaptive reuse of our buildings, recognising that this model sustains the operations of the Harbour Trust and gives life to our places, consistent with our legislation, plans and policies. At times, the question of priorities and the appropriate use of our sites is subject to community debate and discussion. This is welcome, valuable and important.

My thanks to my fellow Members of the Trust who continue to work with dedication and passion. This year, we welcomed Michael Rose to the Harbour Trust. Michael brings extensive board experience, and knowledge and experience in urban and cultural policy and delivery. I would like to extend my thanks to Deputy Chair Jean Hay for her role in chairing the Tenant Selection Committee and Garth Callender for his role attending the Portfolio Audit Committee. Jean and Garth have been reappointed through to June 2021, ensuring stability and consistency during this period of change.

Over the year, the Hon. Sussan Ley, MP, Minister for the Environment has spent considerable time with the independent reviewers and community, as well as visiting our sites, and provided significant support to our work. Particularly, the support received in the release of the Markham Close funds required for solvency and tenant support during the COVID-19 period and to enable much needed urgent backlog repairs and maintenance work identified by the Independent Review.

In addition, I would like to thank leaders within the Department Matt Cahill, Deputy Secretary, and the independent reviewers, Carolyn McNally and Erin Flaherty for their open dialogue and insights, and to the Independent Review team, led by Travis Bover, Assistant Secretary.

Of course, the Harbour Trust is more than its sites, its essence is the people who bring their passion to their work. I'd like to thank the dedicated team at the Harbour Trust who continue to work with great commitment, skills and optimism, and to the many volunteers who commit their time to the Harbour Trust and the wider community.



**Joseph Carrozzi**  
**Chair**



## EXECUTIVE DIRECTOR'S SUMMARY

I am pleased to present the Harbour Trust's 2019-20 Annual Report.

This year, our nation faced far reaching unprecedented challenges with the COVID-19 pandemic, following terrible bushfires and extreme weather conditions. These events have changed us all.

I am proud of the work of the Harbour Trust in responding with agility, imagination and compassion to the significant challenges of this year. Guided always by our values, we have ensured during this difficult time that we have focused on providing support and opportunities to our community.

Through the COVID-19 restrictions, we have ensured that our parklands remained safe and open, places of recovery and repose during the early days of the COVID-19 restrictions. We moved our education and public programs online, launching *DigiTalks* — a series of live webinars and *DigiTales* — a series of historic stories, for a broader community to connect with each other and learn more about our sites.

As an entity that relies upon revenue from our tenants, holiday accommodation, events and programming to sustain our operations, the introduction of restrictions to keep our community safe had a significant impact across our organisation.

With the support of the Australian Government, the Harbour Trust was able to provide support to our commercial, not for profit and residential tenants most significantly impacted by the COVID-19 restrictions. In addition, we were able to provide some new support for social service providers to assist women and families.

We continue to monitor the situation very closely recognising that changes in our public health environment will have ongoing impacts across our work.

We expect that in the coming year there will be softness in the rental market which will impact our vacancy rate and rental levels, food and beverage business and function centres will continue to face challenges, and our revenue from own source activity will be lower than usual. With this outlook, the Harbour Trust, has instituted various savings strategies to respond to these circumstances.

The Harbour Trust has taken tangible steps in our journey to reconciliation through the implementation of our first *Innovate Reconciliation Action Plan* (RAP). We will continue to build on this work as we move into our second RAP.

Capital and restoration work continued across our sites in 2019-20. Stage 1B Platypus was completed and opened to the public including the introduction of new way finding and interpretation panels, a pop up food and beverage provider Torpedos and an exhibition by Studio A. Conservation work was undertaken on the historic Powerhouse on Cockatoo Island, and, with our restoration volunteers, work on the underground Plotting Room at North Head. The Harbour Trust continued to work closely with adjacent land managers on environmental management and bush fire mitigation strategies.

This year also saw improvements in wayfinding and interpretation across our sites; included in this was First Nations interpretative panels at Cockatoo Island and finalisation of wayfinding for the Bondi to Manly 80km walk. We worked with partners to support a range of activities at our sites to bring new audiences and visitors. The Harbour Trust welcomed back long-standing cultural partner, the Biennale of Sydney for the 22<sup>nd</sup> *Biennale of Sydney: NIRIN*. COVID-19 restrictions resulted in the temporary closure of this event, however, I am pleased that we were able to support the Biennale for its reopening in June. We were also delighted to host *Sail GP* on Cockatoo Island for the 2<sup>nd</sup> year, and welcome First Nation performers and their families to Cockatoo Island as part of our partnership with Sydney Opera House for *Dance Rites*.

The work of the Harbour Trust is varied and extensive. As such, continued efforts this year were focused on ensuring our risk and compliance framework and approach were right.

Throughout this year we worked with our community advisory committees; the General Community Advisory Committee, Sub Base Platypus Advisory Committee and Aboriginal and Torres Strait Island Advisory Committee. I am most grateful for their contribution over the year.

Our magnificent volunteers continue to contribute in many ways to the Harbour Trust — with more than 22,000 hours donated to support our work. While COVID-19 restrictions required the temporary suspension of the program, I am looking forward to the volunteer program returning in full in 2020-21.

My great thanks to my colleagues at the Harbour Trust for their extraordinary work in a year of significant challenge and change. I am very proud to work with skilled and passionate staff, who bring their best to everything they do. I am privileged to work alongside the Harbour Trust Executive Team. My thanks to the Chair, Joseph Carrozzi and Members of the Trust for their leadership and guidance.

Most importantly, this year saw the commitment to making the Harbour Trust an ongoing entity, preserving and protecting iconic Harbour Trust sites in perpetuity.



**Mary Darwell**  
**Executive Director**

# HARBOUR TRUST OVERVIEW

## Our Purpose

Enhanced appreciation and understanding of the natural and cultural values of Sydney for all visitors, through the remediation, conservation and adaptive reuse of, and access to, Harbour Trust lands on Sydney Harbour.

## Vision:

To create and share extraordinary places on Sydney Harbour and amplify their stories.

## Mission:

To bring to life our natural and cultural heritage and provide a lasting legacy for all Australians through conservation, remediation and the adaptive reuse of places in our care.

## Values:

Open, accountable, collaborative, entrepreneurial, creative, act with integrity.

### Objectives

Our objectives, as set out in the *Sydney Harbour Federation Trust Act 2001*, are:

1. To ensure that management of Trust land contributes to enhancing the amenity of the Sydney Harbour region.
2. To protect, conserve, and interpret the environmental and heritage values of Trust land.
3. To maximise public access to Trust land.
4. To establish and manage suitable Trust land as a park on behalf of the Commonwealth as the national government.
5. To co-operate with other Commonwealth bodies that have a connection with any Harbour land in managing that land.
6. To co-operate with New South Wales, affected councils and the community in furthering the above objects.

### Functions

- To hold Trust land for and on behalf of the Commonwealth;
- To undertake community consultation on the management and conservation of Trust land;
- To do the things referred to in section 38A of the *Sydney Harbour Federation Trust Act 2001* (SHFT Act) before plans take effect for an area of Trust land;
- To develop draft plans in respect of Trust land and any other Harbour land in furthering the objects, and performing other functions, of the Trust;
- To rehabilitate, remediate, develop, enhance and manage Trust land, by itself and in co-operation with other institutions or persons, in accordance with the plans;
- To make recommendations to the Minister on plans and the proposed transfer of any Trust land;
- To promote appreciation of Trust land, in particular its environmental and heritage values;
- To provide services and funding to other Commonwealth bodies in furthering the objects, and performing other functions, of the Trust;
- Anything incidental to or conducive to the performance of its other functions.

## Legislation and Minister

The Harbour Trust was established under section 5 of the *Sydney Harbour Federation Trust Act 2001* (SHFT Act), which commenced on 20 September 2001.

The Minister for the Environment is responsible for the Harbour Trust. During the reporting period this role was held by the Hon. Sussan Ley MP.

## Organisational structure

The affairs of the Harbour Trust are managed by an executive team under the leadership of Ms Mary Darwell as the Executive Director. In 2019–20, the organisation continued to operate from its head offices at Georges Heights at Headland Park in Mosman, Sydney.

The Harbour Trust is the sole member of Sydney Harbour Foundation Management Ltd (previously known as the Sydney Harbour Conservancy Ltd) (ACN 141 006 975). See Appendix 4.



## MEMBERS OF THE TRUST

The Harbour Trust is governed by the Members of the Trust, all of whom are non-executive directors appointed by the Minister. The Members of the Trust meet regularly to guide the process of planning and implementing projects on Harbour Trust lands. The Members of the Trust consists of the Chair and seven other members. In accordance with the SHFT Act, two members are recommendations of the NSW Government, one member represents the interest of Indigenous People, and one member is an elected member from an affected council.

## Members of the Trust

### Joseph Carrozzi (Chair)

Joseph is a lawyer and financial advisor with more than 25 years' senior leadership experience in the professional services sector. He is Managing Partner of PwC, Sydney and has advised numerous private sector businesses and governments on infrastructure, tax and policy matters.

A Member of the Trust since 2016, Joseph also plays an active role in the wider community. He is the Chair of the Centenary Institute for Medical Research in Sydney and the Deputy Chair of the NSW Institute of Sport. Joseph also serves on the Boards of Football Federation Australia and Western Sydney University.

*NSW Recommended Member.*

*Appointed April 2016; and appointed as Chair July 2018.*



### Jean Hay AM (Deputy Chair)

A lifelong resident of Manly, Jean has spent her career serving the local community, including as an elected Councillor and later as Mayor.

Following three terms as Mayor of Manly (1999–2004, 2008–2012 and 2012–2016), Jean was appointed Chair of the Implementation Advisory Group for the Northern Beaches Council, and served in that role until August 2017.

Jean is a recipient of the *Centenary Medal* and the *NSW Ministers' Awards for Women in Local Government (Metropolitan Elected Representative)*. For her service to the community, including through local government and community groups, Jean was named a *Member of the Order of Australia*. Jean played a major role in the realisation of Bear Cottage, the only children's hospice in the State. Her contribution to this project resulted in her being bestowed as Benefactor of the Children's Hospital at Westmead.

*Appointed June 2013; appointed as Deputy Chair August 2014 and April 2017; reappointed July 2020 to 30 June 2021.*



### Garth Callender

Garth served with distinction in combat, intelligence, training and strategic roles through a 20-plus year military career, where he received numerous commendations. He went on to lead the NSW Veterans Employment Program, and under his leadership, the program employed over 500 veterans — exceeding its target by 162 per cent, 18 months ahead of schedule.

He is now a sought after non-executive director and management consultant. He leads Trebuchet Pivot, a consultancy firm specialising in preparing and guiding business leadership teams through turbulence and crises. In this role, he works with boards and executive teams across government and industry.

Garth holds a Master of Business Administration and remains an active part-time member of the Australian Army at the rank of Lieutenant Colonel and is a leader in the veterans community.

*Appointed April 2017; reappointed July 2020 to 30 June 2021.*



### Josephine Cashman

Josephine is a Warrimay entrepreneur from NSW. She is the founder, Executive Director and Managing Director of Big River Consulting Pty Ltd, Big River Impact Investments Pty Ltd and the Big River Impact Foundation Ltd. Josephine is a lawyer, businesswoman, orator and media commentator with more than two decades of experience working on rapid business and socioeconomic growth for Australia's Indigenous communities.

Josephine was an inaugural member of the Prime Minister's Indigenous Advisory Council and served as the Chair of its Safe Communities Committee until 2017. In recognition of her notable expertise, Josephine was selected as a *Friend of the Commonwealth Treasury*. Josephine worked for a decade as a lawyer in Australian courts, and has undertaken consultancy and voluntary roles for a variety of private, public and non-profit organisations. Additionally, Josephine was an invited speaker at a special session of the United Nations Human Rights Council addressing violence against Indigenous women and girls.

*Representing the interests of Indigenous people.*

*Appointed June 2015; and reappointed July 2018.*



### Sandra Hook

Sandra has a track record in driving customer-centric business transformation and transitioning traditional organisations in rapidly evolving environments. She has extensive operational, digital, financial management and strategic experience built over 25 years as a CEO and in senior executive roles for some of Australia's largest media companies. These include News Limited, Foxtel, Federal Publishing Company, Murdoch Magazines and Fairfax.

Since 2000, Sandra has also served as a non-executive director on listed, public and private companies and government bodies. Sandra is currently non-executive director of technology companies RXP Services Ltd, MedAdvisor Ltd, IVE Group Ltd, the Sydney Fish Market, Redhill Education and Fight Food Waste CRC. She is a Director of the Sydney Harbour Foundation Management Ltd.

*Appointed December 2011; and reappointed December 2012, June 2013, April 2016 and April 2019.*



### Jessica Keen

A 20-year veteran of the tourism industry, Jessica holds a Bachelor of Arts in Tourism Management from the University of Technology, Sydney as well as a Diploma in Social Studies from Oxford University.

Jessica's career includes roles in private and public sector tourism organisations, both here and abroad, including Tourism Australia. During her time at the Australian Tourist Commission/Tourism Australia, Jessica worked as Business Tourism Marketing Assistant, Dreamtime Coordinator, Marketing Development Executive (Western Hemisphere) and Project Manager Segment Development — Food and Wine.

Most recently, Jessica has been working as National Industry Development and Capability Manager with the Australian Tourism Export Council. Jessica was elected to North Sydney Council in 2017.

*Representing an affected council.*

*Appointed July 2018.*





**Tim James**

Tim is a strategic advisory leader who has held leadership roles in industry, government and professional services. A lawyer with qualifications in business, law and finance (including an MBA), he currently serves as Executive General Manager at the Menzies Research Centre. Tim was earlier the CEO of the national pharmaceutical industry body Medicines Australia and held leadership roles at Pfizer and Johnson & Johnson.

Tim's experience in government encompasses more than three years as a Minister's Chief of Staff in NSW and six years in the Howard Government, including in the Prime Minister's Office. In a community context, Tim is a Director of Mosman Rowers, Life Education NSW and Life Education Australia. He previously served as the President of the Headland Preservation Group. Tim also helped found the Friends of Sydney Harbour in 2013.

*Appointed April 2019.*



**Michael Rose AM**

Michael is the Chair of the Committee for Sydney, an urban policy think tank that advocates better policy outcomes for Sydney. He is also Chairman of Greater Sydney Parklands, a NSW Government body responsible for several significant urban parks in Sydney.

Michael has served on the boards of a number of corporate, government, arts and not-for-profit organisations. He is Chairman of NRT Group and also sits on the board of the Westmead Institute for Medical Research. He served three terms as Chair of Sydney Living Museums before stepping down in December 2018. He has a senior advisory role at University of New South Wales and is a Fellow of the Australian Institute of Company Directors.

*NSW Recommended Member.*

*Appointed September 2019.*



*Opposite, clockwise from top left:*

*Walking path, Headland Park; Tunnel, Cockatoo Island; Northern Wharf, Sub Base Platypus, photography by Ben Guthrie, The Guthrie Project; Barracks Precinct, North Head Sanctuary; View of the city, North Head Sanctuary; Chowder Bay, Headland Park; Convict Precinct, Cockatoo Island.*

*Opposite, centre: SUNA (Middle Ground), Eric Bridgeman, 2020, multimedia, featured at the 22<sup>nd</sup> Biennale of Sydney: NIRIN, Cockatoo Island.*



**NUMBER OF VISITS**  
**1,814,299**

**NUMBER OF TENANCIES**  
**177**



**145ha**  
**ICONIC LAND ON**  
**SYDNEY HARBOUR**

**394,486**  
**UNIQUE VISITS**  
**TO OUR WEBSITES**



**HARBOUR TRUST: ANNUAL SNAPSHOT**

Statistics taken from July 2019 – June 2020



**77%**  
**ADAPTIVE REUSE**  
**OF BUILT ASSETS<sup>(b)</sup>**  
<sup>(b)</sup>Of built assets with potential for adaptive reuse.

**22,004**  
**VOLUNTEER HOURS**



**\$15.8M**  
**ANNUAL REVENUE**

**10**  
**SITES IN TOTAL**





**Sites**  
 The Harbour Trust protects and manages a network of sites on Sydney Harbour.



## HARBOUR TRUST INDEPENDENT REVIEW

In 2019-20, the Harbour Trust was the subject of an Independent Review (the Review) of its legislative, financial and governance arrangements, the first since the agency commenced in 2001. The Review was announced, along with the Terms of Reference, by the Minister for the Environment, the Hon. Sussan Ley MP, on 30 October 2019.

The Review was led by two independent reviewers: the former Secretary of Planning for NSW, Ms Carolyn McNally, and former Executive Director of Infrastructure NSW, Ms Erin Flaherty. The reviewers were supported by a secretariat team provided by the Department of Agriculture, Water and the Environment.

The independent reviewers worked closely with the Harbour Trust, the community and relevant experts and stakeholders to identify and address the challenges, constraints and opportunities faced by the Harbour Trust. To gather the community's views across these areas, three public forums were held in November 2019, one each at Cockatoo Island (19<sup>th</sup>), Headland Park (25<sup>th</sup>) and North Head Sanctuary (26<sup>th</sup>). A final public forum was held on 18 February in the Sydney CBD. The forum was attended by the Hon. Sussan Ley MP, along with an estimated 350 people who participated.

A consultation paper was published by the independent reviewers to assist the development of written submissions to the Review. The consultation paper provided background information on the Harbour Trust, as well as the sites under management, and identified issues that were to be considered through the course of the Review.

The Harbour Trust provided the Department and the Review team with support for the duration of the Review, providing information necessary for the reviewers to conduct their inquiries and responding to requests as they arose. Support was provided from all areas of the organisation: communications, leasing, finance, heritage, asset management, legal and planning.

The consultation period for the Review closed on 31 January 2020, with a total of 177 public written submissions received. The Harbour Trust made a submission to the Review, outlining the organisation's view of the issues faced, as well as recommendations on the pathway forward. Core to the Harbour Trust's recommendations was the need for financial support, modest legislative change to provide capacity for the Harbour Trust to operate sustainably, and increased opportunities to collaborate with the NSW Government.

On 18 June 2020, the Hon. Sussan Ley MP released the Final Report on the Independent Review, detailing a series of 21 recommendations regarding the future of the Harbour Trust and its operations. A key recommendation is for the Harbour Trust to become an ongoing entity, with operational frameworks and capabilities to reflect this newfound status.

The Harbour Trust commended the Government's decision to establish the Independent Review of the Harbour Trust and welcomed the final outcomes.

On 31 July 2020, the Harbour Trust issued a *Statement of Intent*, responding to the Minister's *Statement of Expectations* and the Final Report. The statement outlines the directions the Harbour Trust will follow to progress implementation of the Review recommendations.

## RECONCILIATION

As stewards of iconic Sydney Harbour land, and the location of first continuous contact between First Nations peoples and non-indigenous Australians, the Harbour Trust has a significant responsibility and opportunity to assist in the national process of reconciliation. The Harbour Trust's vision for reconciliation is for all Australians to recognise and celebrate the centrality of Aboriginal and Torres Strait Islander peoples, cultures, histories and continuing connections.

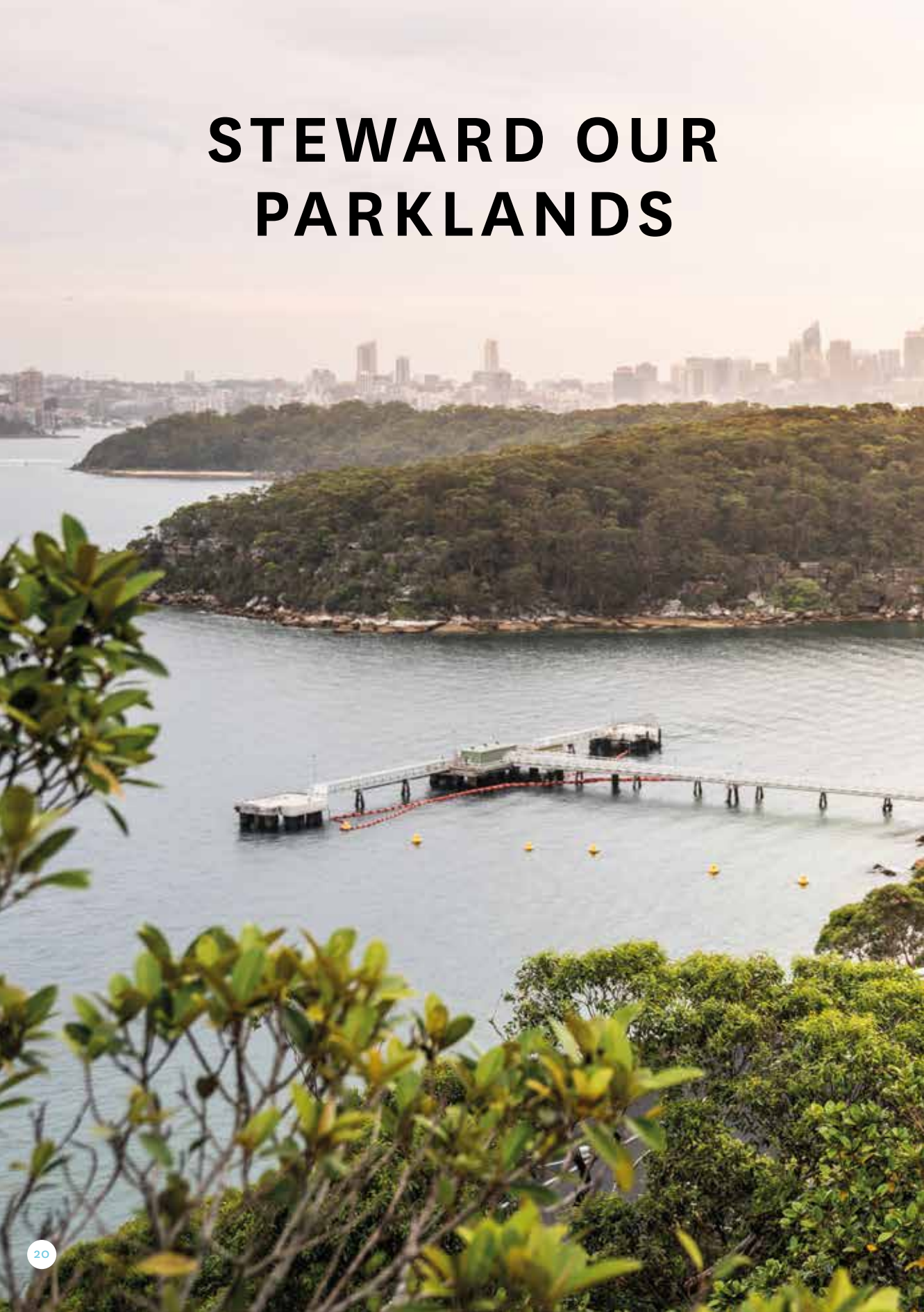
Over the past two years, as we have implemented our first *Innovate Reconciliation Action Plan* (RAP), Harbour Trust staff, volunteers, community and Members of the Trust have taken tangible steps in our journey to reconciliation. We have learned much from the generous advice and guidance of the Harbour Trust Aboriginal and Torres Strait Islander advisory group. We have also committed ourselves to embedding the cultures and knowledge of Aboriginal and Torres Strait Islander peoples in our work, through ensuring the diversity of our workforce and in our approach to the conservation, remediation and adaptive reuse of places in our care.

### RAP implementation

- Aboriginal and Torres Strait Islander Advisory Group met four times and provided advice on key programs, place management and engagement.
- Engaged Aboriginal and Torres Strait Islander communities in community engagement activities discussing the vision of Cockatoo Island, using specialist First Nations Consultants Two Point Co.
- Continual development of partnerships to support First Nations peoples, including the establishment of a multi-year partnership with *Dance Rites* (Sydney Opera House) to enable First Nations performers from around Australia to stay on Cockatoo Island.
- Partnership with Biennale of Sydney to support the 22<sup>nd</sup> *Biennale of Sydney: NIRIN* and the inaugural First Nations curator, Brook Andrew, at the helm.
- Consulted with the Metropolitan Local Aboriginal Land Council to gain approval to name the main arrival square at Sub Base Platypus *Wirra Birra Place*.
- Installed Acknowledgement of Country plaques at all primary sites, and additional interpretational signage at Cockatoo Island sharing First Nations' heritage.
- The Harbour Trust pivoted its *National Reconciliation Week* program during COVID-19 to create a digital offering. Activities included: a *DigiTalk* on Aboriginal Trackers, *DigiTale* on Bungaree, kids' activities and curated playlists of music and documentaries.



# STEWARD OUR PARKLANDS



## Program of works

The Harbour Trust is responsible for protecting, conserving the environment and interpreting the heritage values of the land in its care. The approach to the management of these sites is guided by the principles of ecologically sustainable development (ESD). In line with this, the Harbour Trust makes plans in consultation with the community, and implements these plans through a program of works.

An overview of works undertaken across the Harbour Trust's sites over 2019–20 is provided below:

### Sub Base Platypus

The Harbour Trust completed its \$23.8 million 'Stage 1' renewal project at Sub Base Platypus and it was opened to the public and tenants in February 2020.

The capital works during 2019–20 included:

- Finishing of public areas: Wirra Birra Place, Platypus Lane, and High Street Square.
- Improved public access through the provision of a public car park within the Torpedo Factory including a connecting ramp and bridge to enable disabled access to the site's various levels.
- Completed refurbishment of Buildings 2 and 10 to enable their final fitout by new tenants.
- Fitout of a small 'satellite' Harbour Trust office in Building 10.
- Installation of interpretive, wayfinding, and tenancy signage.
- Installation of netting on cliff faces to deter roosting by Silver Gulls.

### North Head Sanctuary

Works undertaken at North Head Sanctuary, included:

- Restoration of the underground Plotting Room by Harbour Trust Restoration Volunteers.
- Commenced improvements to the fire and potable water systems.
- Refurbishment of the residence at 15 North Head Scenic Drive.
- Installation of services infrastructure to facilitate filming activity.
- Ongoing repairs to tenanted buildings, including paintwork, carpentry and plumbing.

### Woolwich Dock and Parklands

Works undertaken at Woolwich Dock and Parklands included:

- Improvements to path and resurfacing of Clarke Road. This enabled the temporary use of Clarke Road ferry wharf, while Woolwich Wharf was closed for upgrade works.
- Landscape maintenance and weed removal.

*Image opposite: Chowder Bay, Headland Park, 2019.*



## STEWARD OUR PARKLANDS

### Cockatoo Island

Works undertaken on Cockatoo Island included:

- Conservation works to the historic Powerhouse funded by a grant under the National Historic Sites program. Works included the reconstruction of external steel-framed windows to return the building to its original configuration, and safety measures to facilitate safe access to basement areas.
- Remediation and make-safe works to five historic cranes. Ongoing project.
- Installation of services infrastructure to support a commercial kitchen in Building 123.
- Additional stabilisation works to cliff faces.
- Additional balustrades on heritage retaining walls on the plateau to improve public safety.
- Repairs to the Dog Leg Tunnel timber framing to improve structural integrity
- New air conditioning in Building 30, First Floor.
- Conservation works on several historic cranes, undertaken by the Harbour Trust Restoration Volunteers. Ongoing project.
- Upgrades to the PA system.
- Tunnel repair works to the Power House.
- Repairs to the Electrical Switch Room, Building 59.

### Headland Park

Works undertaken at Headland Park included:

- Refurbishment of the residential properties at 1 and 3 Imperial Place.
- Replacement of deteriorated sewer pipework at Chowder Bay.
- Ongoing repairs to tenanted buildings, including carpentry, painting and services.
- Restoration works to 1109 Middle Head Road.
- Renovation works at 7 Imperial Place.
- Commenced restoration works at Building 8 of the Art Precinct (completed August 2020).

### Macquarie Lightstation

No capital works undertaken.

### Former Marine Biological Station

No capital works undertaken.

### Snapper Island

No works undertaken by the Harbour Trust.

### Project Governance

To ensure effective management of major capital works projects, a new Project Control Group (PCG) was established to formalise and oversee resources, methodology and key decisions of major works programs. A core function of the PCG is to monitor and control risk, scope, and budget while ensuring active community engagement, and best practice consultation. The PCG will oversee capital works at 10 Terminal, Middle Head and Sub Base Platypus – Stage 2 Works.

### Bushland and parkland management

Bushland ecological restoration works continued throughout 2019-20 at Headland Park, North Head Sanctuary and within pockets of remnant bushland and revegetated areas at Woolwich Dock, Macquarie Lightstation and Cockatoo Island.

These works included:

- Extensive control of weeds over an area of 80 Ha.
- Maintenance of more than 10 km of bush tracks and access trails.
- Replanting where required using local plant species.

Bushfire hazard reduction works were carried out at North Head Sanctuary and Headland Park to reduce the risk of unplanned fire impacting on life, property and natural and cultural heritage assets. This included manual and mechanical removal of fuels within Asset Protection Zones around buildings and structures. A 4.5 Ha burn block east of North Fort Road, North Head, has been prepared and is scheduled to be burnt in the second half of 2020 by NSW Fire and Rescue (subject to weather and fuel conditions).

The Harbour Trust also continued to liaise with neighbouring land managers through the North Head Stakeholder Group and the Northern Beaches, and North Sydney/Mosman/Willoughby District Bushfire Management Committees, to further manage bushfire risk at these sites.

The Harbour Trust received a grant from Greater Sydney Local Land Services to carry out a series of annual post-fire botanical surveys of a 6.5 Ha area of Eastern Suburbs Banksia Scrub west of North Fort Road, that was burnt in May 2018. The first post-burn survey was carried out in October 2019.

In the reporting period, the Harbour Trust received a third round of grant funding of \$15,000 from the NSW Department of

Planning, Industry and Environment under the *Saving Our Species* program for bush regeneration works and a survey of the endangered species *Acacia terminalis terminalis* that occurs at North Head Sanctuary and Headland Park.

The Harbour Trust continued its contract with Australian Wildlife Conservancy to provide scientific services at North Head Sanctuary, including fauna monitoring of the locally endangered population of Long-nosed Bandicoots, and managing the reintroduction of locally extinct species, the Eastern Pygmy Possum, Bush Rat, and Brown Antechinus. This contract was at a reduced level during the lockdown period of COVID-19.

The Harbour Trust continued to work closely with the North Head Sanctuary Foundation who contributed more than 3,000 hours propagating, weeding and planting more than 1,500 native plants across North Head Sanctuary, and carried out numerous education activities, through the Bandicoot Heaven environmental education centre.

The Harbour Trust continues to collaborate with neighbouring landholders at North Head Sanctuary and Headland Park including NSW National Parks and Wildlife Service, to manage endangered native species, populations and communities, feral animals and weeds. Fox and rabbit control measures were carried out at North Head Sanctuary throughout the year.

The Harbour Trust's program of ongoing landscape maintenance works continued across all its sites in 2019-20. These works included mowing and edging of lawns, arborist works, weeding, bush track repairs, mulching and planting of garden beds.

At Sub Base Platypus and Cockatoo Island, seagull management measures have been implemented including netting and cliff vegetation works.

## STEWARD OUR PARKLANDS

Approximately 5,500 native trees, shrubs, grasses and groundcovers were planted during 2019-20. Plantings occurred at Sub Base Platypus, Middle Head, Georges Heights, Cockatoo Island, Woolwich Dock and Parklands, and North Head Sanctuary.

Harbour Trust volunteer gardeners continued planting and maintaining garden beds around Biloela House and the accommodation buildings at Cockatoo Island and at ASOPA, Middle Head. Volunteer gardening was suspended from the end of March during the COVID-19 shutdown period and resumed in late June.

### Planning

The *Harbour Trust Comprehensive Plan* and site-specific Management Plans set out the vision and planned outcomes for Harbour Trust lands. Management Plans are reviewed on an ongoing basis to ensure they address current site conditions and legislative requirements.

In late 2019, the Harbour Trust concurrently exhibited a draft amendment to the *Mosman Drill Hall Management Plan* and a related planning application for the proposed lighting and evening-use of three outdoor sports courts. Following the consideration of submissions, the Management Plan and planning application were approved with strict controls to ensure the protection of local amenity.

Proposed actions are assessed to ensure compliance with approved Plans, to identify potential environmental impacts, and to put conditions in place to avoid or mitigate those impacts. In 2019-20, the Harbour Trust completed environmental assessments for 20 proposed actions.

The Harbour Trust engages specialist consultants to provide advice on a range of planning matters. In 2019-20, specialist lighting, traffic and environmental consultants provided advice in relation to the operation of Sub Base Platypus. Advice was also obtained regarding the potential traffic and parking impacts of the fresh food markets at Middle Head, while heritage consultants were engaged to advise on the 10 Terminal renewal project.

### Consultation

In 2019-20, the Harbour Trust held formal consultation on the following matters:

- A draft amendment to the Management Plan and Planning Application for the Mosman Drill Hall Precinct, exhibited from 12 September to 7 November 2019.
- A draft Harbour Trust Leasing Policy, exhibited from 30 January to 15 July 2020. There were 19 submissions received during the 24 week consultation period. This policy will be revised to incorporate outcomes of the Independent Review of the Harbour Trust, and community feedback received. It will then be placed on public exhibition.

In mid-2019, the Harbour Trust commissioned a round of open engagement to capture community sentiment and attachment to Cockatoo Island and to understand the community's future vision for the site. This consultation involved more than 800 people through walk-shops, surveys, pop-up sessions, workshops and interviews with First Nations representatives. This feedback was collated in the *Cockatoo Island Consultation Outcomes* and published in November 2019.

In 2019-20, the Harbour Trust consulted with key stakeholders, including local communities, on the planning and rehabilitation of our sites. Consultation included formal CAC meetings, meetings with the Aboriginal and Torres Strait Islander Advisory Group, workshops, drop-in sessions, presentations, discussions,

newsletters and public exhibition of proposals and draft plans. See Appendix 2 for further information on our CAC.

Harbour Trust staff regularly meet with community groups and individuals to discuss areas of interest. The organisation works closely with other State and Federal Government departments with staff across the organisation participating in working groups, networks and committees. Throughout the reporting period, the Harbour Trust contributed to key pieces of work developed by industry groups; including the publication by the Committee for Sydney, *Sydney Harbour our Greatest Asset (Aug 2019)* and discussions with the Greater Sydney Commission and Tourism and Transport Forum Australia.

The Harbour Trust also formed part of the partnership and working committee between the NSW and local government on the development of the *Bondi to Manly Walk*.

### Environmental performance 2019-20

The environmental performance of the Harbour Trust's head office in Mosman is reported every financial year as a requirement of Section 516A of the *Environmental Protection and Biodiversity Conservation Act 1999* (EPBC Act). It includes our commitments to ecologically sustainable development, the impacts of our activities on the environment and the measures undertaken to mitigate these impacts.

### Ecologically Sustainable Development

Ecologically Sustainable Development (ESD) constitutes a key focus in both the day to day operations and strategic decision making of the Harbour Trust. The SHFT Act requires the Harbour Trust protect environmental values and ensure that the Comprehensive Plan aligns with the principles of ESD. ESD continued to be

fundamental in the management of Harbour Trust sites. Key initiatives across 2019-20 included bushland conservation, adaptive reuse of existing buildings, bushfire management, transport management and air quality monitoring.

### Head office — environmental performance

The environmental performance of the Harbour Trust's head office in Mosman is measured using the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines. The GRI is an international independent organisation that helps organisations measure, communicate and set goals for their environmental performance.

These guidelines are used to assess the Harbour Trust's carbon footprint, through measuring the consumption of energy, fuel and water as well as the generation of greenhouse gases and waste. In April-June 2020, the number of staff working in the office was significantly reduced due to COVID-19. This reduced the Harbour Trust's consumption of energy, fuel and water.

## STEWARD OUR PARKLANDS

### HARBOUR TRUST HEAD OFFICE — ENVIRONMENTAL PERFORMANCE

GRI indicators	Targets for 2019-20	Results achieved for 2019-20	Targets for 2020-21
Energy consumption within the organisation (GRI 302)	5% reduction	3.8% reduction	5% reduction
Fuel consumption (GRI 302)	No increase	22% reduction	No increase
Greenhouse gases (GRI 305)	No increase	No increase	No increase
Water consumption (GRI 303)	Not exceeding 2007-2019 average	Did not exceed the 2007-2019 average	No increase
Waste generation (GRI 306)	No increase	No increase	No increase

### Resource consumption

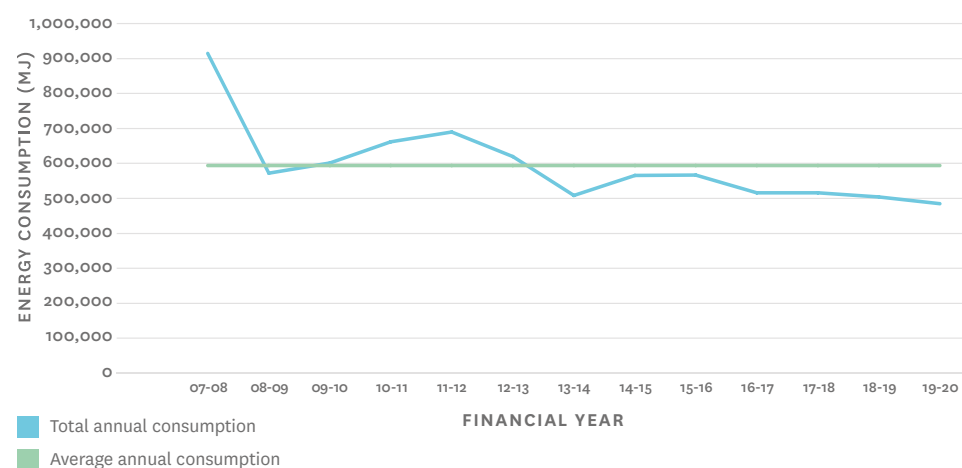
#### Energy consumption

In 2019-20, office energy consumption decreased by 3.8 per cent, which can be largely attributed to the reduced number of staff working in the office due to COVID-19. In 2020-21, we will continue to strive toward a further five per cent energy reduction target by exploring opportunities for reducing energy consumed by improved regulation of office lighting and air-conditioning.

### TOTAL ENERGY CONSUMPTION

	Annual average (2007-20)	2018-19	2019-20	Annual change (%)
Total consumption (MJ)	593,085	503,059	483,940	-3.8%

#### Office energy consumption



### Energy Efficiency in Government Operations (EEGO) Policy

The Australian Government's EEGO policy targets were achieved by the Harbour Trust for the 2019-20 period.

### ELECTRICITY CONSUMPTION

	EEGO policy target	Harbour Trust 2019-20
Central services (MJ/m2/annum)	400	169
Office light and power (MJ/person/annum)	7,500	5,789

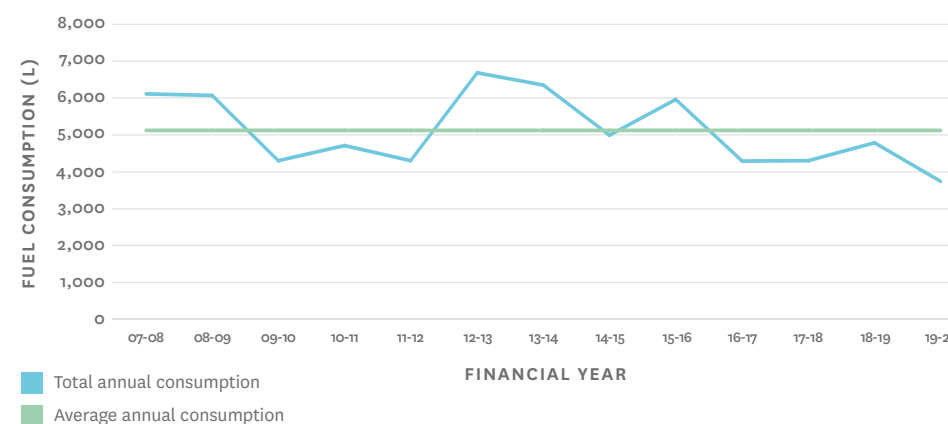
### Fuel consumption

A 22 per cent reduction in fuel consumption was recorded for the reporting period, as a result of both deliberate efforts and unforeseen factors (COVID-19 office shutdown). Our target for 2020-21 is to minimise fuel consumption and not exceed the total fuel consumed for 2019-20.

### TOTAL VEHICLE FUEL CONSUMPTION (CARS AND BOATS)

Fuel consumption	2018-19 (Litres)	2019-20 (Litres)	Annual change %
CARS	Unleaded	2,628	2,030
	Diesel	395	571
BOATS	Unleaded	1,746	1,112
	<b>Total fuel consumed</b>	<b>4,769</b>	<b>3,714</b>

### Fuel consumption





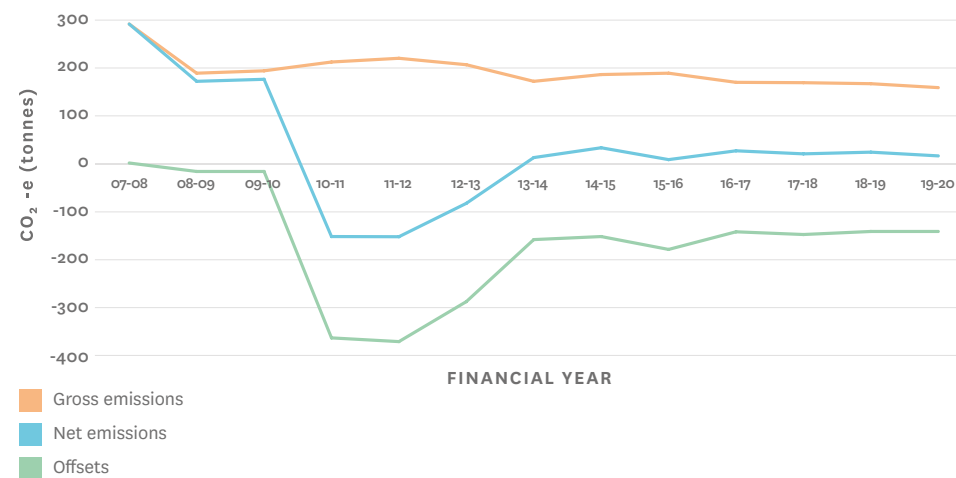
## STEWARD OUR PARKLANDS

### Greenhouse gas emissions

In 2019-20, there was a decrease in the Harbour Trust's net emissions and carbon footprint, attributable to the continued use of photovoltaic arrays at our Cockatoo Island and North Head Sanctuary sites as well as the effect of COVID-19.

CARBON FOOTPRINT			
	2018-19	2019-20	% Change
Total gross emissions (tonnes of CO <sub>2</sub> -e)	166.2	157.9	-5%
Less offset (Renewable Energy/Photovoltaic)	-143	-142.6	0%
<b>Total net emissions (tonnes of CO<sub>2</sub>-e)</b>	<b>23.2</b>	<b>15.3</b>	<b>-34.1%</b>

### Greenhouse gas emissions



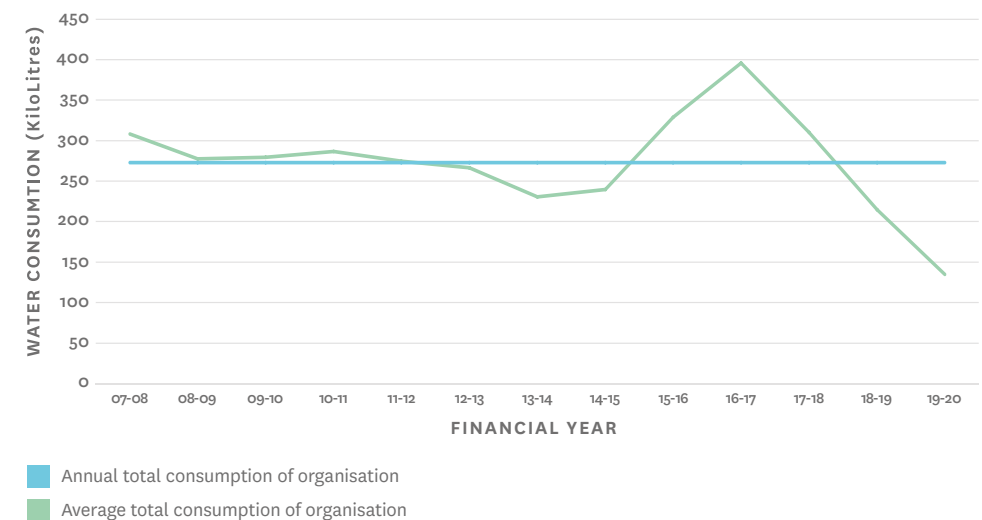
### Water consumption

A significant decrease in potable water usage at the Harbour Trust head office in 2019-20 was largely attributable to changed working arrangements due to COVID-19. The reduced number of staff attending the head office between April and June 2020 has been accounted for in calculating the daily average per person. Our target for 2020-21 is for there to be no increase in water consumption.

### WATER CONSUMPTION (POTABLE)

	Average (2007-20)	2018-19 (Litres)	2019-20 (Litres)	Annual change (%)
Total office consumption	272,255	214,199	134,202	-37%
Daily consumption (Average)	1,089	860	535	-38%
Daily average per person	19.64	19.12	12.79	-33%

### Water consumption



### Waste generation

The Harbour Trust's annual waste generation is estimated at 4.9 tonnes, based on the volume of bins (which are shared with nearby tenancies) collected by our waste contractor. The estimated waste generation is the same as the previous year.

The Harbour Trust used approximately 9.38 reams of paper on average per staff member in 2019-20, a slight increase on the previous financial year and above the target of nine reams per person as set out in the *Australian Government's ICT Sustainability Plan 2010-2015*.

Our target for 2020-21 is to have no increase in our waste generation and to reduce paper usage to under nine reams per full time equivalent staff member.

# WELCOME EVERYONE



The Harbour Trust strives to make these great harbourside public spaces open, accessible and enjoyable for all Australians by amplifying and sharing their rich stories.

In 2019-20, the Harbour Trust maintained strong visitor numbers, with the four principal sites attracting more than 1.8 million visitors.

The strong result — which was impacted significantly by poor air quality due to significant bushfires from November to January and by border closures and lockdown measures due to COVID-19 from February onwards — highlights the important role Harbour Trust parklands play for local communities in providing a place of respite, exercise and connection to nature. Throughout the period, residents began exploring their local neighbourhoods in new ways, and we saw steady visitor numbers remain from April onwards, despite the absence of tourists or programmed activities.

## Visitors and engagement

Following the successful launch of the new Harbour Trust and Cockatoo Island websites in 2019, we sought to further enhance the digital experience through the introduction of digital programming which has allowed communities to stay connected to our sites despite the impact of COVID-19. Programming has included a range of talks, stories, virtual school excursions and kids' activities all presented through the digital environment.

The Harbour Trust continued to grow and engage audiences in the digital space, with an audience of 61,883 engaged through social media channels and a database of 32,756 subscribers. The Harbour Trust released 60 e-newsletters distributed over 2019-20.

Interpretive elements were introduced to the sites to help visitors learn the important layered history. A movable exhibition is now in place at Sub Base Platypus, consisting of five large-scale printed panels displaying historical interpretation and images of the site.

Permanent wayfinding and interpretation signage was installed at Sub Base Platypus in late 2019, providing directional and historical information. First Nations interpretation was installed on Cockatoo Island, sharing elements of the island's First Nations history.

New interpretation was installed within the recently restored Plotting Room at North Head Sanctuary, speaking to the history and former use of the space. The Plotting Room will be formally opened with a program of tours to be launched in the coming year.

A new brochure was finalised for North Head Sanctuary. Improvements include the revised layout of information, an updated map for better visitor orientation (including new *Bondi to Manly Walk* route) and expanded First Nations history.

Wayfinding signage was installed at North Head Sanctuary, Headland Park and Sub Base Platypus as part of the Harbour Trust's contribution to the *Bondi to Manly Walk*.

Two pop up food and beverage operators were engaged to bring a new offering and audience: *Torpedos*, at Sub Base Platypus October 2019 – March 2020 and *Mary's* on the Edge, Cockatoo Island from March 2020.

*Image opposite: A First Nations Experience: Featuring Indigenous Enterprise, Sunset Sessions, Cockatoo Island, 2019.*



## WELCOME EVERYONE

### Advertising and market research

Over the 2019-20 period, the Harbour Trust took a strategic and targeted approach to advertising using its limited marketing spend to target key audiences and new audience segments through targeted digital advertising, re-marketing and SEO. This was supported by key advertising placements in tourist and lifestyle publications.

Under section 311A of the *Commonwealth Electoral Act 1918*, the Harbour Trust is required to report on payments made for the services of advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising agencies.

Over the reporting year, the Harbour Trust undertook advertising to promote community activities, events, tours and programs held on our sites. A media advertising agency was contracted to support press advertisement bookings. The Harbour Trust did not engage a polling organisation or undertake direct mail campaigns.

### External services

ORGANISATION	PURPOSE	EXPENDITURE (excluding GST)
Universal McCann	Advertising of events, tours and leasing opportunities	\$22,075.67

### Media and publicity

The Harbour Trust continued to build brand awareness and raise its profile through media coverage across TV, radio, print and digital channels.

The strong community interest in the Harbour Trust was demonstrated through the significant media coverage on the Independent Review into the Harbour Trust and the resulting Report released in June 2020.

The *Bondi to Manly Walk* received widespread media coverage as did three events at Cockatoo Island: *Sydney Sail GP*, *Sunset Sessions* and our *New Year's Eve 2019 Experience*.

Through this earned media, the Harbour Trust reached an audience of more than 1.4 billion due to coverage in major international press.

### Programming

In 2019-20, the Harbour Trust successfully delivered a range of significant partnership and venue hire events, which resulted in improved awareness and visibility of our sites.

A highlight of 2019-20 was a new multi-year partnership with the Sydney Opera House *Dance Rites*, Australia's national Indigenous dance competition where competing dancers stay and rehearse on Cockatoo Island. Other highlights included the return of *Sydney Sail GP*, a new season of the *Sunset Sessions* live music series and *New Year's Eve 2019 Experience* on Cockatoo Island.

In early March 2020, the Harbour Trust welcomed back a long-standing cultural partner, the *22<sup>nd</sup> Biennale of Sydney: NIRIN*. Impacts from COVID-19 resulted in the temporary closure of the exhibition and subsequent re-opening in June. Supporting this event was *Mary's on the Edge*, a pop-up restaurant that ran for the duration of the exhibition.

A number of scheduled events and programs were cancelled due to COVID-19, poor-air quality and significant weather events that occurred during summer.

### Tours and education

Public tours and programs at Cockatoo Island, Headland Park and North Head Sanctuary were attended by 4,179 people in 2019-20. Our education programs on Cockatoo Island and North Head Sanctuary were attended by 4,947 students from 122 schools.

In October 2019, the Harbour Trust participated in *Sydney Open*, a Sydney Living Museum event, hosting sold-out tours at Sub Base Platypus and North Head Sanctuary. These tours provided guided access to spaces that have been closed to the public for up to 150 years. A new tour called *Convict Escape Attempts* was also launched in the summer on Cockatoo Island, sharing the stories of convict escape attempts and the history of the convict penal establishment.

In February 2020, Orienteering NSW opened a course at Headland Park with options for all ages and experiences accessed online allowing users to participate in the course at their leisure.

In March 2020, all tours, education and public programming were suspended due to COVID-19. The Harbour Trust pivoted to deliver education and public programming online and launched *DigiTalks* — a series of live webinars and *DigiTales* — as series of historical stories written by our volunteers. New digital programming included *Kids Corner*, a web portal enabling children to engage with our sites through craft and project worksheets. *Convict Times*, a primary school excursion program usually held on Cockatoo Island, was re-designed as a self-paced virtual excursion, enabling the Harbour Trust to reach rural and remote schools.



# BUILD PARTNERSHIPS

## WELCOME EVERYONE

### Projects, events and partnerships

Significant initiatives, including projects, events and partnerships, for 2019-20 are listed below:

#### Cockatoo Island:

- *Launch of Overnight Fright Experience* (Oct 2019)
- *One Electric Day* music festival (Nov 2019)
- *Dance Rites* (Nov 2019) — Sydney Opera House
- *Sunset Sessions* music series (Nov 2019 – Feb 2020)
- *New Year's Eve 2019 Experience* (Dec 2019)
- *Red Hot Summer Tour* music festival (Feb 2020).  
(Note: Cancelled due to a significant weather event).
- *Sydney Sail GP* (Feb 2020) — Sail GP
- *The 22<sup>nd</sup> Biennale of Sydney: NIRIN* (From Mar 2020) — Biennale of Sydney
- *Mary's on the Edge* (From Mar 2020) pop-up bistro — Mary's Group

#### Headland Park, Mosman

- *SIMS Community Day* (Aug 2019) — Sydney Institute of Marine Science
- Filming for TV series *Who Do You Think You Are?* (Sept 2019) — SBS
- *Middle Head Markets* (Oct 2019 – Mar 2020)
- *Open Studios Day* (Oct 2019) — Headland Artists
- *Murmurs of Nurrewin* art exhibition (Nov 2019) — Chantel Mahoney
- *HMAS Penguin Gate to Gate Fun Run* (Nov 2019) — Royal Australian Navy
- *BTC Triathlon Series* (Nov 2019 to Apr 2020) — Balmoral Triathlon Club (BTC)
- *Headland Park Orienteering Course* (Feb 2020 – ongoing) — Orienteering NSW

#### Sub Base Platypus, North Sydney

- *Torpedoes Café* (Oct 2019 – Mar 2020)
- Art Exhibition (Oct 2019 – Nov 2019) — Studio A
- *Sydney Open* (Nov 2019) — Sydney Living Museums

#### North Head Sanctuary, Manly

- *Annual 10k Fun Run* (Aug 2019) — Sydney Striders
- TV commercial (Aug 2019) — Shell
- Commercial for *Love Island TV* (Aug 2019) — Network 9
- Filming for TV series *Operation Buffalo* (Aug 2019) — ABC TV
- *Manly Fun Run* (Sept 2019) — Rotary Club of Manly
- *Sydney Open* (Nov 2019) — Sydney Living Museums
- Filming for TV series (Dec 2019 to Jun 2020) — Endemol Shine Australia
- *EcoXplore Tours* (Jul 2019 to Jun 2020) — EcoXplore

### Rangers

In 2019-20, the role of Harbour Trust rangers was vital as bush fire risks, hazardous air quality and COVID-19 required significant management. Rangers provided on the ground support to ensure social distancing requirements were adhered to on parklands and across onsite food and beverage businesses, as well as managing crowds accessing public transport from Cockatoo Island.

Throughout the year, the team of nine rangers continued to support visitors, manage visitor security and safety, respond to emergencies and incidents, ensure compliance with our legislation and provide visitors with access to information. Rangers also provided key support at the for the *New Year's Eve 2019 Experience* and other events on Cockatoo Island.

*Image opposite: Third Quarantine Cemetery, North Head Sanctuary, 2019.*

## BUILD PARTNERSHIPS

The important role of stakeholders and partners continued in 2019-20 with the community expressing a sustained desire to contribute to and support the Harbour Trust. The Independent Review of the Harbour Trust, which was facilitated by the Department of Agriculture, Water and the Environment, benefited from significant community input. Throughout the period, the Harbour Trust continued to reach out to and partner with various government agency staff, councils, local members, industry organisations and other key stakeholders.

The Harbour Trust continued to work with its three advisory groups: the General Community Advisory Committee (CAC), Sub Base Platypus Community Advisory Committee, and the Aboriginal and Torres Strait Islander Advisory Group. A total of eight statutory meetings and two out of session meetings were held with the Community Advisory Committees and two meetings were held with the Aboriginal and Torres Strait Islander Advisory Group. A full recruitment of the Sub Base Platypus Community Advisory Committee was undertaken in 2019-20 with a new committee of nine members joining the two ex-officio positions. See Appendix 2, for a full list of Advisory Group members.

In 2019-20, the Harbour Trust conducted a survey of its advisory groups to identify areas requiring improvement so as to increase the effectiveness of the three committees as advisory bodies. This body of work will expand as a result of the recommendations of the Independent Review Report and continue throughout 2020-21.



Harbour Trust Volunteers, Headland Park.

## Volunteers

In 2019-20, 15 Harbour Trust Volunteers reached their 10-year service milestone, receiving a commemorative certificate and badge for their contribution. The Volunteer Program continues to enjoy long term tenure from volunteers. In addition, 20 new volunteers joined the program in administration, gardening, restoration and visitor services roles. The volunteer team contributed more than 22,000 hours across all roles during 2019-20.

Volunteers continue to contribute beyond their regular roles, including sitting on both the Community Advisory Committee and the Work Health and Safety Committee, as well as providing feedback and input to the Harbour Trust Independent Review.

The Harbour Trust has 17 volunteer roles that include both public facing and behind the scenes activities, allowing the Harbour Trust to enhance the natural and built environment, welcome visitors, convey the history of our sites and support staff. Major volunteer projects included the ongoing restoration of No. 2 Steam Crane at Cockatoo Island and restoration of the Plotting Room at North Head Sanctuary, improvements to administration processes, and the ongoing collection and transcription of oral history interviews.

As a result of COVID-19 the Volunteer Program was suspended in March 2020. Whilst many of the roles have been impacted, new opportunities for volunteer involvement were created, particularly in the areas of community engagement and programming. Volunteers also supported the digitisation of the *Trust Talks* program, previously conducted at Harbour Trust sites, to an online program — *DigiTalks*, and developed the content for the *DigiTales* online story library.

In 2019, the Harbour Trust commenced using Volgistics, a web-based volunteer records management program. Over the past year Volgistics has been customised to suit the needs of the Harbour Trust, all active volunteer records have been transferred to the system, and volunteers can now report the number of hours they volunteered via our online sign-in.

## Local partnerships

Important partnerships continued in 2019-20 with key organisations working with the Harbour Trust to deliver shared ambitions.

### Bondi to Manly Walk

Launched November 2018, the *Bondi to Manly Walk* is an 80 Km multi-day walk and major tourist attractor linking two of Australia's most famous beaches. The walk passes through four Harbour Trust sites: Macquarie Lightstation, Vaucluse; Sub Base Platypus, North Sydney; Headland Park, Mosman; and North Head Sanctuary, Manly. The walk is developed and marketed by the Bondi to Manly Walk Supporters — a partnership of the six councils along the walk and seven NSW state agencies (Place Management NSW, NSW National Parks and Wildlife Services, Transport for NSW, Port Authority of NSW, the Royal Botanic Gardens, Sydney Opera House and Taronga Zoo) as well as the Harbour Trust.

Over the course of the reporting period, the Harbour Trust was proactively involved in the project and part of the steering committee.

The Harbour Trust installed wayfinding signage on Harbour Trust sites along the walk and supported the marketing and promotions of the walk.

### North Head Sanctuary

A focus on the local environment at North Head Sanctuary continued to be supported through partnerships with the North Head Sanctuary Foundation and Australian Wildlife Conservancy. North Head Sanctuary volunteers maintained an onsite nursery, restored bushland, and educated visitors about North Head's unique ecology.

The Australian Wildlife Conservancy provided scientific services at North Head Sanctuary for the Harbour Trust. Services included monitoring the endangered population of Long-nosed Bandicoots as well as other species present at the site.

The Harbour Trust's partnership with Soldier On helped provide services that support returned service men and women and their families. Soldier On developed and implemented new activities such as a men's social connection weekend program as well as numerous sporting activities such as mountain biking workshops around the headland and sailing from Manly Harbour. They also launched a successful veterans' volunteering program in collaboration with the Rotary Club of Sydney which was based at North Head. Soldier On directly hosted more than 97 veterans and supporters at North Head in 2019-20. Through their involvement in activities across broader Sydney, Soldier On has supported approximately 500 veterans.

At North Fort, the Royal Australian Artillery Historical Company continued to maintain Australia's Memorial Walk with 71 new pavers sold through the donation program.



## BUILD PARTNERSHIPS

### Headland Park

Artistic and community initiatives supported by the Harbour Trust included: the *Sydney Institute of Marine Science Open Day* where the public could explore facilities and meet researchers; art exhibitions featuring Headland Park community artists; and support for the *HMAS Penguin Gate to Gate Fun Run*.

### Sub Base Platypus

Three partnerships helped activate Sub Base Platypus in 2019-20 and were positively received by the local community. The partnership with 33 Events enabled the pop-up café Torpedoes, Studio A delivered a pop-up art exhibition in the Retort House and Sydney Living Museums sold out tours of Sub Base Platypus as part of the *Sydney Open* event.

### Cockatoo Island

The long-standing partnership with the Biennale of Sydney continued with the 2020 art exhibition taking over much of Cockatoo Island from March. Whilst the exhibition had to be temporarily suspended due to the impacts of COVID-19, an extension of the partnership agreement was executed post the COVID-19 lockdown.

In addition, a new multi-year partnership was established with the Sydney Opera House to support the Dance Rites Indigenous dance competition, allowing both organisations to work more closely together.

# A ROBUST BUSINESS

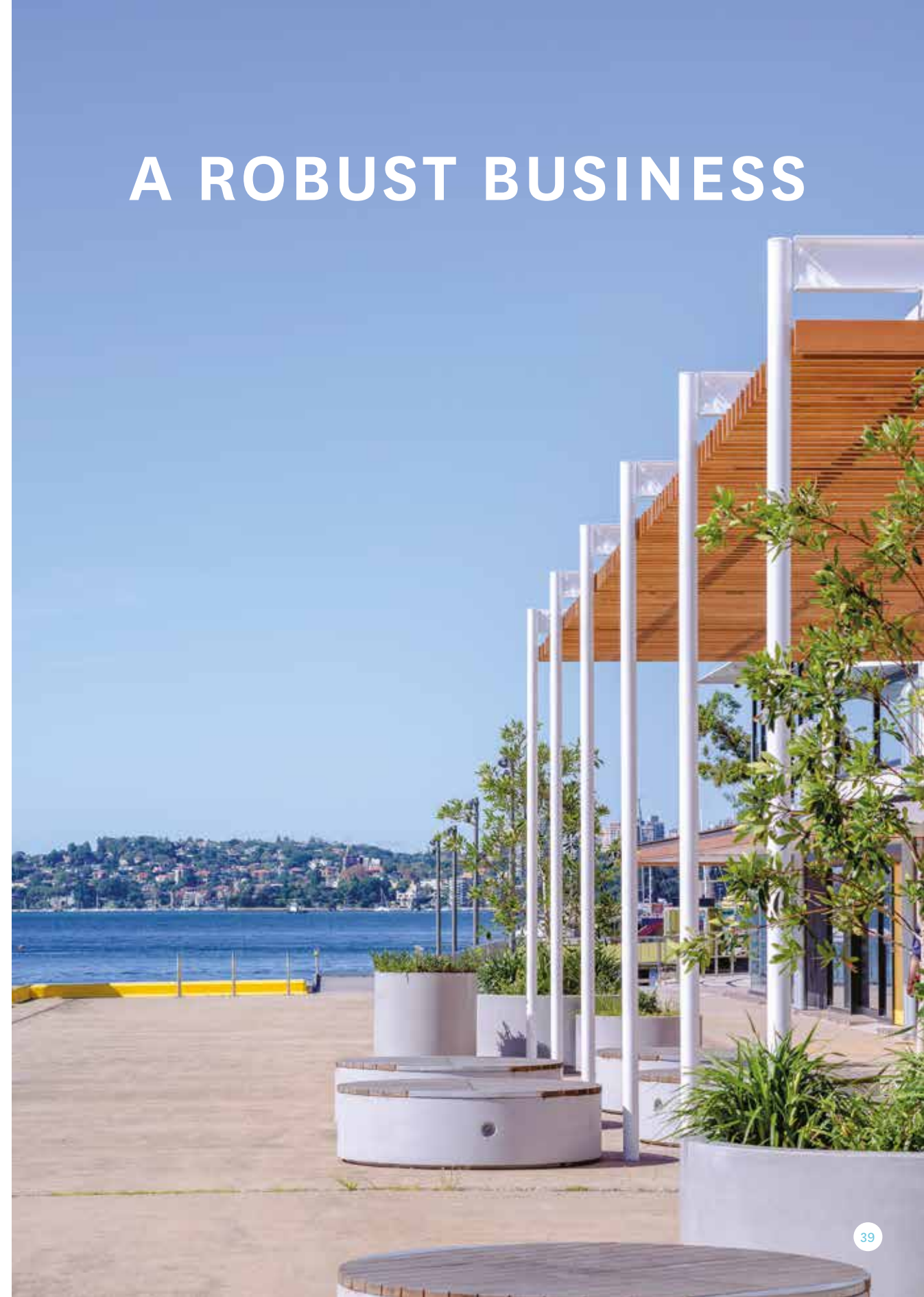


Image opposite: Submarine Wharf, Sub Base Platypus, photography by Ben Guthrie, The Guthrie Project.



## A ROBUST BUSINESS

The Harbour Trust's leasing portfolio continues to perform strongly across commercial and residential leasing. The commercial portfolio performed well with less than a four per cent vacancy over the year. The residential portfolio has proven to be in high demand with full occupancy by the end of the financial year.

This is particularly pleasing given the impacts of COVID-19 on tenants, with many in sectors heavily impacted by COVID-19 such as childcare, food and beverage, fitness, and professional service businesses. In April 2020, the Harbour Trust received approval from the Australian Government to access a portion of the Markham Close funds to provide up to six month's rent relief for a subset of commercial and residential tenants that meet agreed criteria. This has supported the health of the tenancy base through the COVID-19 period, accelerating the recovery and protecting long term revenue sources for the Harbour Trust.

Short-term accommodation on Cockatoo Island is an important income source for the Harbour Trust, and from March was severely impacted by the pandemic. This necessitated the suspension of the Harbour Trust's accommodation offering.

### Commercial leasing

The Harbour Trust's commercial leasing portfolio continues to be highly competitive and, through offerings at Sub Base Platypus, has cemented a presence in the North Sydney and CBD marketplaces. Growing interest in this site has seen 130 enquiries and 85 inspections from interested parties. Tenants currently operating from the site include architectural services, recreational community services and environmental consultants.

There continues to remain a diversity in the type of businesses tenanted across all sites.

### Residential leasing

The Harbour Trust manages 55 residential homes, located in North Sydney, Mosman, Manly and Vaucluse. Two full renovations were undertaken to properties during the last financial year and two newly refurbished apartments at Sub Base Platypus were successfully released to the market.

The residential portfolio has represented an opportunity for the Harbour Trust to contribute to the community by providing a number of residences for short and long-term uses.

### Tenant survey

A commercial tenant satisfaction survey was conducted during 2019, however the response rate was too low to be statistically significant.

Throughout the COVID-19 period positive ad-hoc feedback, particularly in relation to rental support processes and outcomes, was received.

A further survey is scheduled for 2020-21 (subject to the impact of COVID-19) and will again provide an opportunity for tenants to provide vital performance feedback.

## Accommodation

The temporary accommodation at Cockatoo Island targets domestic, international, corporate and school group visitors. There are a range of accommodation options, including a campground (BYO and deluxe camping), as well as heritage houses and apartments.

Building on the refurbishment of the heritage houses and apartments conducted in 2019, further works were undertaken, particularly following storm damage which occurred in late 2019. The program of tent and camping equipment replacement continued through the year, as did the refurbishment of the shower blocks and communal kitchen area. Supporting infrastructure investment on the plateau of the island created additional break-out spaces for conference groups, or spaces for school groups in inclement weather. In addition, a new larger cinema space was installed for overnight visitors. This investment ensures that the offering remains competitive and assists with guest satisfaction.

In 2019-20, the Harbour Trust continued to work with schools and supported organised educational activity from specialist providers including Urban Challenge, Lands Edge and Outdoor Education Australia.

### Licensing and venue hire

The Harbour Trust secured several high-profile events and filming projects in 2019-20, including projects with Endemol Shine, ABC TV and Network Nine. These were filmed at North Head Sanctuary.

Cockatoo Island hosted the *One Electric Day* concert in November 2019, a sold-out concert for more than 5,000 people, featuring John Farnham and other well known performers.

February 2020 saw *Sydney Sail GP*, return to the island for the second season, along with the *Red Hot Summer Tour* that was subsequently cancelled due to poor weather.

The Harbour Trust allows activities including weddings, exhibitions and filming and photography to be conducted on Harbour Trust sites. Over the reporting year 71 low-impact permits were issued.

## Corporate governance

### Meetings of the Members of the Trust

In 2019-20, the Members of the Trust met eight times. Michael Rose AM was appointed as a Member of the Trust in September 2019. Jean Hay AM and Garth Callender were reappointed in July 2020.

## A ROBUST BUSINESS

Name	Position Title / Position held Executive / Non-Executive	Period as the accountable authority or member within the reporting period		
		Date of Commencement	Date of cessation	Number of meetings of accountable authority attended
Joseph Carrozzi	Chair, Non-Executive	July 2018	-	8 of the possible 8
Jean Hay AM	Deputy Chair, Non-Executive	July 2020	-	8 of the possible 8
Garth Callender	Non-Executive	July 2020	-	8 of the possible 8
Josephine Cashman	Non-Executive	July 2018	-	3 of the possible 8
Sandra Hook	Non-Executive	April 2019	-	8 of the possible 8
Jessica Keen	Non-Executive	July 2018	-	8 of the possible 8
Tim James	Non-Executive	April 2019	-	8 of the possible 8
Michael Rose AM	Non-Executive	September 2019	-	6 of the possible 6

See page 12 for qualifications and further information on the Members of the Trust.

### Tenant Assistance Sub-Committee

During the reporting period the Tenant Assistance Sub-Committee was established to respond to the impact of the COVID-19 pandemic on the business operations of Harbour Trust tenants. The sub-committee met six times during the reporting period.

### Portfolio Audit Committee

The Portfolio Audit Committee was established by the Accountable Authorities of the Department of Agriculture, Water and the Environment, the Director of National Parks and the Harbour Trust. This committee provides independent advice to the Members of the Harbour Trust (as the accountable authority) on the Harbour Trust's risk, finance, control and compliance frameworks and its external accountability responsibilities. A copy of the committee's charter is available on the Department of Agriculture, Water and the Environment's website at [www.awe.gov.au/about/reporting/portfolio-audit-committee-charter-feb-2020](http://www.awe.gov.au/about/reporting/portfolio-audit-committee-charter-feb-2020). There are two subcommittees of the Portfolio Audit Committee; the Financial Statements Sub-Committee and the Performance Reporting Sub-Committee.

The Portfolio Audit Committee met four times in 2019–20. Information about the committee members, their qualifications, knowledge, skills or experience, their attendance during 2019–20 and their remuneration is included following. Garth Callender attends the committee meetings representing the Members of the Trust.

### Portfolio Audit Committee membership

In the reporting period members of the Committee were:

Member	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of PAC/Audit Committee meetings attended	Total annual remuneration (GST Incl.)
Mr Geoff Knuckey · PAC Independent member and Chair	Geoff's career has included 32 years with Ernst & Young specialising in the areas of financial statements auditing and reporting, internal audit, corporate governance, and risk management. In 2009 Geoff commenced his current full time role as a professional director comprising Board non-executive director roles and Audit and Risk Committee positions in the private and public sectors.	4	*
Mrs Jenny Morison · PAC Independent Member · Financial Statements Sub-Committee Chair	Jenny Morison FCA, B.Ec (Sydney Uni) has thirty eight years of broad experience in the accounting profession, commerce and government. She was a National Board Member of the Chartered Accountants of Australia and New Zealand for four years, CFO of a public company and has held senior positions in the major international accounting firms. Jenny founded Morison Consulting Pty Limited in 1996, specialising in government financial reforms, governance and consulting. She was awarded a Centenary medal in 2000 for services to women and accounting. Jenny brings a wealth of experience having held roles as an independent member and chair of Commonwealth audit and risk committees and financial statement sub-committees for large and small government entities for the last 17 years.	4	*
Mr Michael Roche · PAC Independent Member · Performance Reporting Sub-Committee Chair	Michael is an independent management consultant. He has a wide range of experience at senior levels in the Commonwealth Government in both central and operational departments. His background includes corporate and financial management, program management and policy development. Since leaving the public sector he has consulted widely on strategic management issues, and has been a member of private sector boards and public sector advisory boards. He has been a member of, and chaired, both private sector and public sector audit committees. His qualifications include BA (Accounting), FCPA and MACS (senior).	4	*

\*Remuneration for members of the Portfolio Audit Committee is paid by the Department of Agriculture, Water and the Environment. Information about remuneration is reported in the department's annual report.

## A ROBUST BUSINESS

Member	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of PAC/Audit Committee meetings attended	Total annual remuneration (GST Incl.)
Dr David Bryant · PAC Independent Member	David has 35 years of experience in delivering IT/Business alignment and project management consultancy services across the Australian Public Service. He currently lectures on accounting information systems at the Australian National University. Dr Bryant's expertise in ICT/Business management has enabled him to provide valuable advice and assurance to a range of government departments through consultancy and audit committee services. Dr Bryant has experience in delivering audit committee services to the Department of Human Services, IP Australia, Department of Education and the Department of Industry, Innovation, Science and Resources.	2	*
Mr Dean Knudson · PAC Internal Member	Dean is the Deputy Secretary overseeing the Commonwealth's efforts to protect Australia's biodiversity and heritage - ranging from the Murray Darling basin to the Great Barrier Reef. Prior to moving to Australia in 2012, Dean worked for 20 years with the Canadian Government. He led a range of key economic and environmental reforms, in the Prime Minister's department, the Treasury, and the Environment and Industry departments. Dean has a Masters degree in Economics from Queen's University in Canada and is certified in conflict resolution.	4	*
Ms Kristin Tilley · PAC Internal Member	Kristin is the First Assistant Secretary of the Environment Protection Division. Kristin commenced in this role in August 2019. This Division includes the National Waste and Recycling Taskforce, Waste Management Branch, Ozone Protection and Air Quality Branch and the Chemicals Management Branch. Kristin has more than 12 years' experience working on climate change issues in the Australian Public Service, including two years as a senior advisor to the Climate Change Minister. Prior to joining the public service, she worked for an environmental law NGO in Brisbane.	3	*

\*Remuneration for members of the Portfolio Audit Committee is paid by the Department of Agriculture, Water and the Environment. Information about remuneration is reported in the department's annual report.

### Australian National Audit Office Audit

In 2018–19, the Australian National Audit Office (ANAO) completed an audit of the Harbour Trust, covering the *Effectiveness of Board Governance at the Sydney Harbour Federation Trust*. In line with the ANAO report findings, the Harbour Trust updated its Members Charter during 2019–20.

### Fraud control

Fraud control within the Harbour Trust is overseen by the Members of the Trust, as well as the Portfolio Audit Committee. The basis of the Harbour Trust's fraud policies and procedures is the Commonwealth Fraud Control Framework.

During the reporting period, the Fraud Control Policy was reviewed and fraud awareness training was conducted for all staff who commenced employment at the Harbour Trust.

### Indemnities and insurances

In 2019–20, the Harbour Trust had the following key insurance policies with Comcover:

- General Liability
- Professional Indemnity
- Directors & Officers Liability
- Property & Motor Vehicle

In addition, the Harbour Trust held workers compensation insurance with Comcare. The Harbour Trust did not provide any indemnities to directors or officers for liabilities or claims against them during the reporting period.

### Procurement

The Harbour Trust's procurement guidelines, procedures and templates are consistent with the Commonwealth Procurement Rules. A contractor management audit was conducted during the reporting period and recommendations from that audit are being implemented.

### Tendering and contracting

The Harbour Trust undertakes both major construction design and project works.

In 2019–20, the Harbour Trust ran one tender for specialist services:

- Barging: \$251,883 (2019–20 portion of 3 year contract)

The Harbour Trust also engaged consultants with a total value of \$1,657,155 (excluding GST) to provide specialist advice relating to sites [such as acoustics, archaeology, bushfire management, conservation and heritage, engineering services, environmental services, fire and safety, graphic design, IT, legal fees and disbursements, marketing and public relations, planning and other technical aspects].

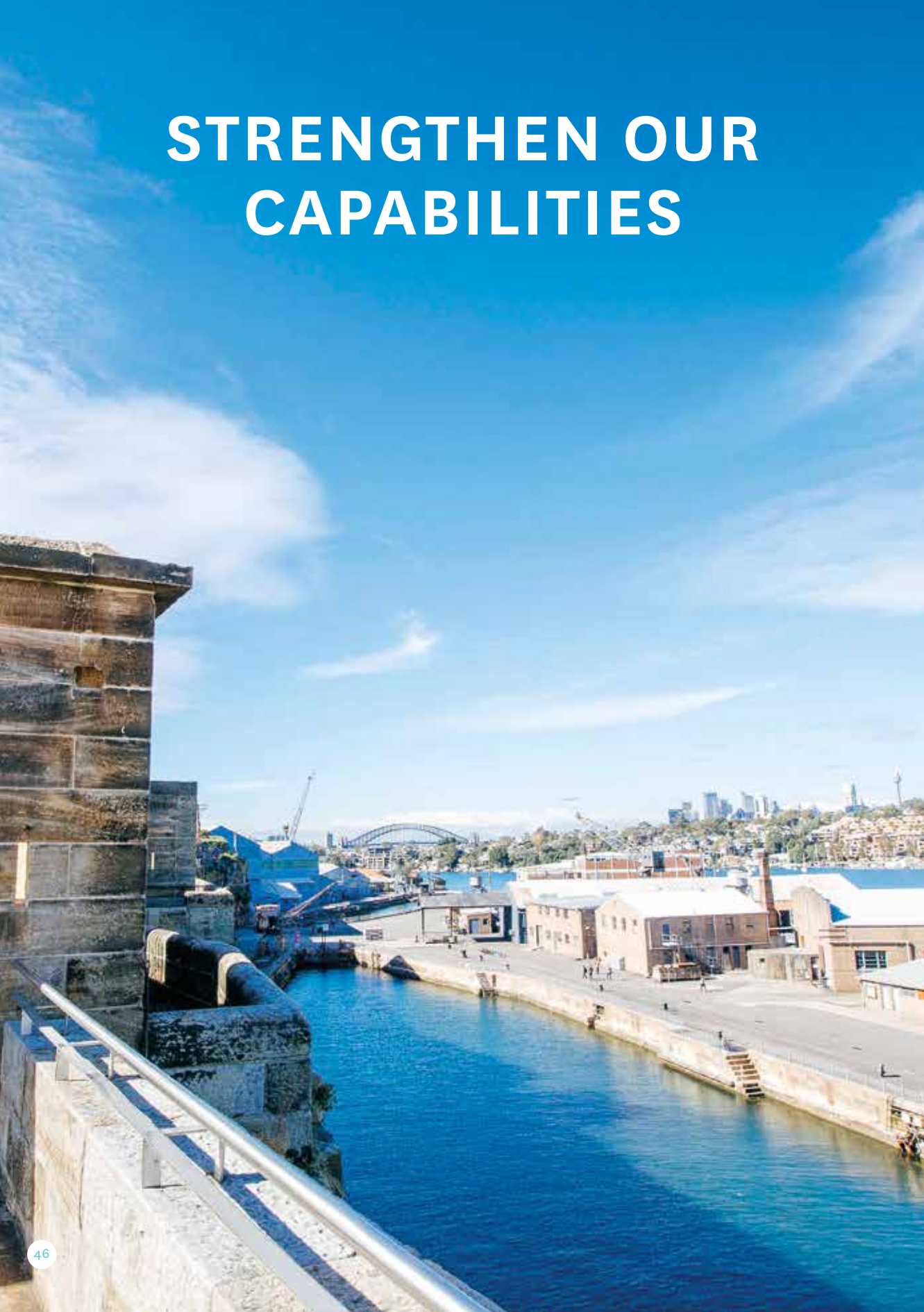
### Government policy orders

A Government Policy Order (GPO) is an order made by the Minister for Finance under the *Public Governance, Performance and Accountability Act 2013*, that specifies a policy of the Australian Government that is to apply to one or more corporate Commonwealth entities.

The Harbour Trust is subject to one GPO, being the *Public Governance, Performance and Accountability (Charging for Regulatory Activities) Order 2017*. The Harbour Trust charges for regulatory activities such as Liquor Permits and Planning Applications (previously referred to as Development Applications) that occur on its land. A *Cost Recovery Implementation Statement* (CRIS) is published on the Harbour Trust's website, which reports financial and non-financial performance information for these activities and contains financial forecasts for three years from 2019–20.



# STRENGTHEN OUR CAPABILITIES



## Human resources

The Harbour Trust had a head count of 70, comprising of 51 full-time staff, 11 part-time staff and eight casual employees. Harbour Trust employees are engaged under section 48 of the SHFT Act, with terms of employment prescribed by the *Sydney Harbour Federation Trust Enterprise Agreement 2016–2019* (extended to 2022).

Classification	Male	Female	Full-time	Part-time	Ongoing	Non-ongoing	Casual
Executive Director	0	1	1	0	0	1	0
Senior Executive	2	3	4	1	5	0	0
EL2	6	4	9	1	7	3	0
EL1	6	4	7	3	10	0	0
L6	4	7	7	4	9	2	0
L5	2	6	7	1	8	0	0
L4	4	2	5	1	4	2	0
L3	6	3	9	0	9	0	0
L1 - 2	4	6	2	0	0	2	8
Trainees	0	0	0	0	0	0	0
<b>Total</b>	<b>34</b>	<b>36</b>	<b>51</b>	<b>11</b>	<b>52</b>	<b>10</b>	<b>8</b>

## Equity, diversity and inclusion

Through its employment, the Harbour Trust is committed to equity, diversity and inclusion. This is reflected in policies such as the *Harbour Trust Disability Action Plan* and *Indigenous Employment Strategy*.

## Executive remuneration

The categories of personnel covered by the disclosures include key management personnel and senior executives within the meaning of Public Governance Performance and Accountability Rule 2014.

## Remuneration policies, practices and governance arrangements

The key management personnel (KMP) include the Members of the Trust and the Executive Director. Pursuant to Section 43 of the SHFT Act, the Trust sets the conditions of employment for the Executive Director, but must first seek advice from the Australian Government Remuneration Tribunal in respect of remuneration and allowances.

Remuneration for the senior executive is set with regard to public sector benchmarks, the nature of the work, specific skills and individual contribution to business outcomes.

Tables showing the remuneration for KMP and senior executives in the reporting year are set out in Appendix 5 and 6.

*Image opposite: Sutherland Dock, Cockatoo Island.*

## STRENGTHEN OUR CAPABILITIES

### Disability Action Plan

As identified in the *Harbour Trust Disability Inclusion Action Plan*, the Harbour Trust is committed to reducing, and where possible eliminating discriminatory barriers for people with a disability. This applies to existing employees and those seeking employment. At the end of 2019-20, people with a disability accounted for eight per cent of our overall workforce.

### Public Interest Disclosure

The Harbour Trust complied with the *Public Interest Disclosure Act 2013* by reporting to the Commonwealth Ombudsman at the end of 2019-20 that there had been three public interest disclosures during the reporting period.

### Access and safety

#### Risk management

The Harbour Trust has amended relevant policies and procedures to respond to the COVID-19 pandemic and reported to the Members of the Trust and Portfolio Audit Committee at each meeting in 2020 in respect of actions taken in response to the COVID-19 pandemic.

The Harbour Trust promotes and supports a culture of effective risk management in all its strategic and daily operational activities, complying with its responsibilities under all relevant laws, regulations and adopting effective best practice.

### Work Health and Safety

The Harbour Trust continues to improve and embed safety across all activities. During the reporting year, we enhanced our safety focus in the support of events, construction and maintenance activities. Improved reporting processes and staff education saw an increase in accident and incident reporting. This is evident in the Harbour Trust's response and management of the risk of COVID-19 and enhanced WHS reporting.

In 2020-21 there will be a focus on refreshing the Safety Management System to align with *ISO Occupational health and safety management systems – Requirements with guidance for use (AS/NZS ISO 45001:2018)* including refresher training for staff and internal auditing of the safety management system.

#### WHS statistics

HAZARDS, INCIDENTS, INJURIES	2018-19	2019-20
Number of incidents and accidents reported	17	99
Number of lost time injuries	0	7

Note: the large increase in incident and accident reporting in 2019-20 is due to improved WHS reporting and staff training.

### Notifiable incidents

Comcare was notified of six incidents during the reporting period.

### Judicial decisions and reviews by outside bodies

The Australian Government initiated an Independent Review of the Harbour Trust and its legislative, financial and governance arrangements to ensure that arrangements are fit for the future. The final report of the review was released by the Minister for the Environment on 18 June 2020.

There were no judicial decisions or decisions of other administration appeal tribunals that had a significant impact on the operation of the Harbour Trust in 2019-20.

Furthermore, there were no reports on the operations of the Harbour Trust by the Auditor-General or reports by a parliamentary committee other than the annual Australian National Audit Office audit on the Financial Statements.

### Ministerial directions

No ministerial directions were given to the Harbour Trust during the reporting period.

### Business Operations

Over the course of the reporting period, the operations of the Harbour Trust were impacted by two significant activities.

In 2019-20, the Harbour Trust was the subject of an Independent Review of its legislative, financial and governance arrangements — the first since the agency commenced in 2001. On 18 June 2020, the Minister for the Environment, the Hon. Sussan Ley MP, released the Report on the Independent Review. This report included 21 recommendations regarding the future of the Harbour Trust and its operations, with a key recommendation that the Harbour Trust become an ongoing Commonwealth entity. On 31 July 2020, the Harbour Trust issued a *Statement of Intent* detailing how it plans to proceed with the review recommendations. This work will be undertaken during 2020-21.

Also over the reporting year, the Harbour Trust was heavily impacted by COVID-19 restrictions, with a significant impact on revenue streams and business activity. The Minister enabled the release of \$14 million from funds held in Harbour Trust reserves to allow the Harbour Trust to deal with revenue short falls and to provide short-term rent relief to commercial and residential tenants in line with policy directions agreed with Government.

While Harbour Trust parklands remained open for community recreation use; Harbour Trust accommodation, visitor centres, programming and events, and the volunteer program were all suspended in the last quarter of 2019-20 in line with government social distancing and lockdown requirements. Harbour Trust offices were closed, with administrative duties being undertaken remotely. Enhanced cleaning protocols were established on public spaces with COVID-safe WHS policies developed for staff and visitor safety. The Harbour Trust re-opened accommodation in July 2020 at a reduced capacity, facilitated the reopening of the 22<sup>nd</sup> *Biennale of Sydney: NIRIN* on Cockatoo Island and recommenced elements of the Volunteer Program with a view to recommencing other programmed activities late 2020 and into 2021.

# 2019-20 ANNUAL PERFORMANCE STATEMENTS

## Introductory statement

We, the Sydney Harbour Federation Trust Board — as the accountable authority of the Sydney Harbour Federation Trust (Harbour Trust) — present the 2019-20 Annual Performance Statements of the Harbour Trust, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In our opinion, these Annual Performance Statements are based on properly maintained records, accurately reflect the performance of the entity in the reporting period, and comply with subsection 39(2) of the PGPA Act.

## Entity purpose

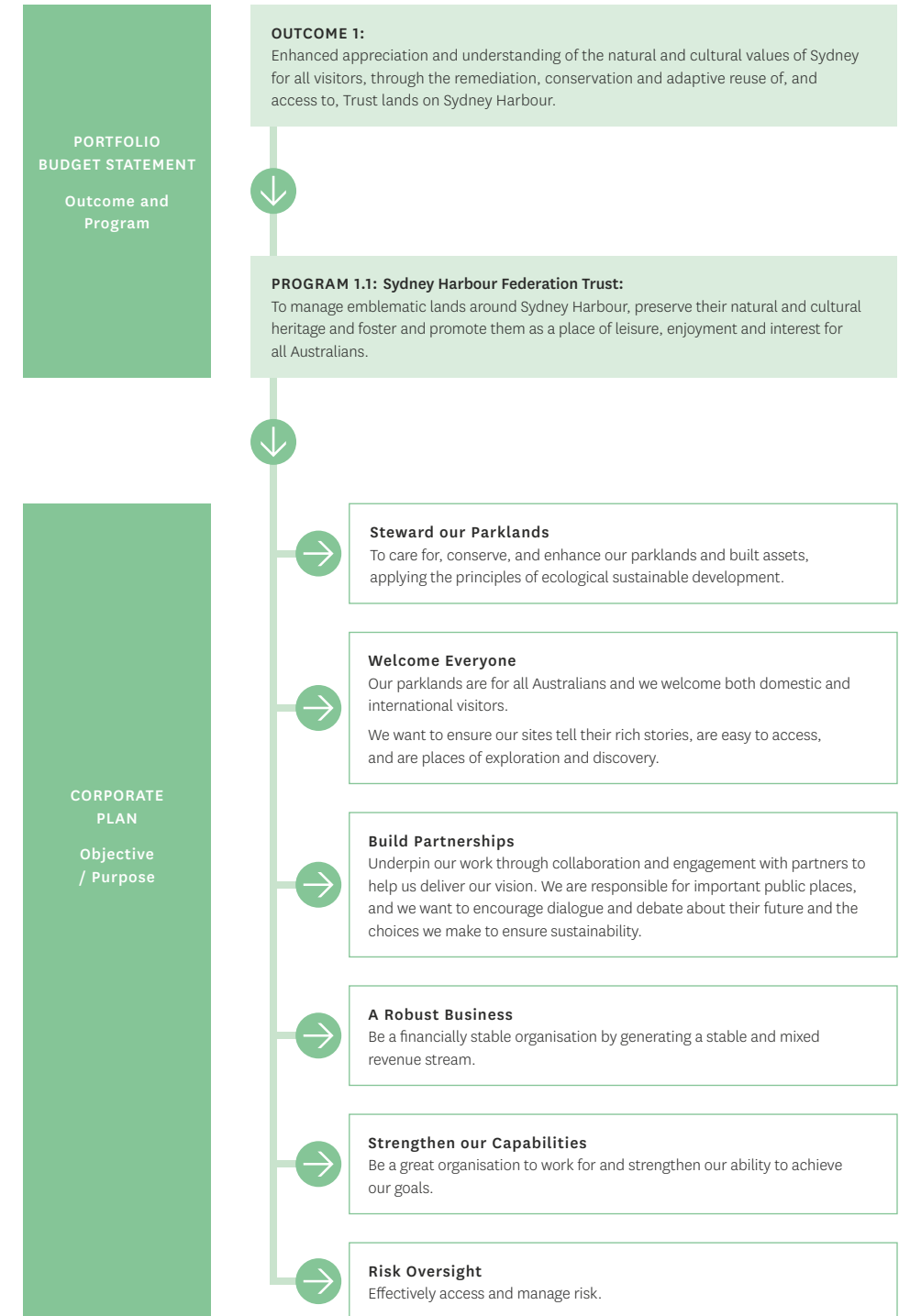
Enhanced appreciation and understanding of the natural and cultural values of Sydney for all visitors, through the remediation, conservation and adaptive reuse of, and access to, Trust lands on Sydney Harbour (Outcome 1, 2019-20 *Portfolio Budget Statements – Environment and Energy Portfolio*, p. 274).

To achieve this purpose, the Harbour Trust identified six key results areas with performance criterion in *Harbour Trust Corporate Plan for 2019-2023* to ensure that the organisation is on target to meet its strategic goals.

## Corporate Plan and performance indicators

In 2019, the Members of the Trust approved the *Sydney Harbour Federation Trust Corporate Plan 2019-2023* (Corporate Plan) which set out the specific performance criterion for 2019-20, as well as the Key Performance Measure targets out to 2022-23. These Annual Performance Statements have been prepared to report on the Harbour Trust's performance in 2019-20 against the Corporate Plan.

## Alignment between the Harbour Trust's 2019-20 PBS and Corporate Plan





## ANNUAL PERFORMANCE STATEMENTS

### Performance criterion: Steward Our Parklands

To care for, conserve, and enhance our parklands and built assets, applying the principles of ecological sustainable development.

#### Criterion source

- Program 1.1, 2019-20 Portfolio Budget Statements – Environment and Energy Portfolio, p. 277.
- Sydney Harbour Federation Trust Corporate Plan 2019-2023 – Steward Our Parklands, p. 10.

#### Results against performance criterion

The Sydney Harbour Federation Trust's Corporate Plan 2019-2023 set the following strategic goals for this criterion:

STRATEGIC GOALS	
1.	Be a leader in the conservation, interpretation and adaptive reuse of heritage assets, and progressively bring more spaces back to life.
2.	Partner with Indigenous custodians to care for the land.
3.	Rehabilitate and preserve our natural environment.

In 2019-20, the Harbour Trust set the following priority actions and performance measures with relation to this criterion:

2019-20 PRIORITY ACTIONS	OUTCOME
1. Open the next stage of Sub Base Platypus, with rejuvenated heritage buildings, new public spaces, story-telling and activities, supporting a mix of commercial and community uses.	<b>Achieved</b> Sub Base Platypus Stage 1B was completed and fully opened to the public in Feb 2020. Contract management arrangements, including the Defect Notification Period (DNP) continued through 2019-20.
2. Commence our work to plan and consult with the community about the restoration of 10 Terminal and associated environmental works, in line with the <i>Middle Head Management Plan</i> .	<b>Achieved</b> A 10 Terminal Project Control Group (PCG) and governance arrangements has been established. Preliminary analysis, including early costing work and early consultation with the Community Advisory Committee in relation to intensity of use, completed.
3. Plan for Stage 2 of Sub Base Platypus, taking into account community feedback, and in line with the <i>Sub Base Platypus Management Plan</i> .	<b>Achieved</b> Sub Base Platypus Stage 2 PCG and governance arrangements established. Preliminary analysis including early costing work and early consultation on design direction underway.

2019-20 PRIORITY ACTIONS	OUTCOME
4. Ensure all capital and maintenance investment in our sites is prioritised and effective by integrating the <i>Strategic Asset Management Plan</i> (SAMP) within core business processes.	<b>Partially achieved</b> Establishment of a new Capital Works Committee (CWC) and reformed process for review of Capital Works program. Reform to align reactive and planned maintenance underway.  Advice provided to the Independent Review of the Harbour Trust in relation to capital and maintenance needs.
5. Work with the Department of Finance to have Snapper Island transferred to the Harbour Trust, subject to allocation of sufficient funds to undertake the works required to open it to the public.	<b>Achieved</b> Support provided to Department of Agriculture, Water and the Environment in relation to the costs of rehabilitation. Decision in relation to Snapper Island is a matter for Government.

#### Key performance measures (results at 30 June 2020)

PERFORMANCE MEASURE	TARGET	ACTUAL
% of our land open to the public	90%	90%
Source Data – Precinct spatial maps		
% of our built assets in active use	76%	77%
Source Data – Asset register		
Visitor satisfaction with the public domain	>90%	81%
Source Data – Visitor surveys		

#### Analysis of performance

The Harbour Trust achieved four of the five 2019-20 Priority Actions (with the other partially achieved) set in regards to meeting the Strategic Goals of the Steward our Parklands Performance Criterion. In addition, two of the three Key Performance Measure targets were met. Please note the percent of our built assets in active use, achieved our target of 76% during 2019-20 due to the completion of Sub Base Platypus Stage 1B, however our actual figure increased to 77% due to an internal data review that identified a historical miscount.

The completion of Sub Base Platypus Stage 1B has allowed further activation of the site throughout 2019-20, including increased commercial tenancies, launch of a pop-up café and several events such as Sydney Open and Studio A art exhibition, advancing the Harbour Trust's adaptive reuse of heritage assets and progressively bringing more spaces back to life.

Project Control Groups for both 10 Terminal, Middle Head and Sub Base Platypus Stage 2 have been established and preliminary work began for further community consultation, making strong advancement against the programme.

However, the unprecedented events that have occurred this year — 2019-20 bushfires in New South Wales that led to numerous days of hazardous air quality in Sydney and the COVID-19 pandemic — resulted in the Harbour Trust implementing several measures to ensure visitor and staff safety and adhere to government regulations.

The bushfires and COVID-19 both significantly impacted visitor numbers and visitor satisfaction. Programming, events and accessibility to sites were drastically disrupted during both these events and the 22<sup>nd</sup> Biennale of Sydney: *NIRIN* was suspended, impacting visitor numbers and visitor satisfaction levels, consequently the performance target for visitor satisfaction with the public domain was not met.

## ANNUAL PERFORMANCE STATEMENTS

### Performance criterion: Welcome Everyone

Our parklands are for all Australians and we welcome both domestic and international visitors. We want to ensure our sites tell their rich stories, are easy to access, and are places of exploration and discovery.

#### Criterion source

- Program 1.1, 2019-20 Portfolio Budget Statements – Environment and Energy Portfolio, p. 277.
- Sydney Harbour Federation Trust Corporate Plan 2019-2023 – Welcome Everyone, p. 12.

#### Results against performance criterion

The Sydney Harbour Federation Trust's Corporate Plan 2019-2023 set the following strategic goals to be achieved for this criterion:

STRATEGIC GOALS	
1.	Make our places ones of discovery and delight that draw visitors.
2.	Make our parks more widely known.
3.	Strengthen ties with those with a deep connection to our sites, including Indigenous custodians, military families and veterans, and the industrial workforce of Cockatoo Island.
4.	Make visiting our places a great experience.

In 2019-20, the Harbour Trust set the following priority actions and performance measures with relation to this criterion:

2019-20 PRIORITY ACTIONS	OUTCOME
1. Continue the Cockatoo Island dialogue to explore community values, perspectives and opportunities. This dialogue will inform Harbour Trust activities and priorities for the Island.	<b>Achieved</b> Cockatoo Island dialogue completed, and consultation report published in August 2019. This included broad and targeted consultation, and yarning interviews with First Nations people. This was provided as input for the Independent Review, and for further Harbour Trust activities for the Island.
2. Continue to support wide access to Cockatoo Island through working with the 22 <sup>nd</sup> Biennale of Sydney: NIRIN, programming and interpretation, investment in critical maintenance and repair work to the heritage cranes and the Dog Leg Tunnel.	<b>Achieved</b> With COVID-19 restrictions the 22 <sup>nd</sup> Biennale of Sydney: NIRIN, was closed, and with Harbour Trust support, re-opened for 12 weeks in mid-June. New virtual school excursions were created to capture at home primary education audience during COVID-19.  Dog Leg Tunnel works completed and reopened in Q3. Additional make safe work was undertaken, including in relation to cranes and cliff face stabilisation during the year.

2019-20 PRIORITY ACTIONS	OUTCOME
3. Reveal the stories of North Head Sanctuary by working with the community to develop new strategies for programs and interpretation.	<b>Achieved</b> Tours of the Plotting Room at North Fort, North Head Sanctuary were conducted for the Sydney Open 2019 event. Plotting Room Interpretation finalised and installed. New extended tour to include Plotting Room has been finalised and will be officially launched once COVID-19 restrictions are eased.
4. Start work on the Commonwealth Heritage listing of Sub Base Platypus.	<b>Not achieved</b> The timing of this work has been postponed and will be reconsidered following the delivery of the Sub Base Platypus Stage 2 Project.

#### Key performance measures (results at 30 June 2020)

PERFORMANCE MEASURE	TARGET	ACTUAL
Number of Visits	1,900,000	1,814,299
Source Data – People and vehicle counters for Cockatoo Island, North Head, Headland Park and Sub Base Platypus		
Visitor Satisfaction	>90%	89%
Source Data – Visitor surveys		

#### Analysis of performance

The Harbour Trust achieved three of the four 2019-20 Priority Actions set in regards to meeting the Strategic Goals of the Welcome Everyone Performance Criterion. Neither of the Key Performance Measure targets were met, due to events outside of the Harbour Trusts control.

As noted previously, unprecedented events impacted the Harbour Trust performance in visitor numbers and visitor satisfaction. However, prior to these events the Harbour Trust continued to improve visitor experience through enhanced programming and interpretation of our sites. A multi-year partnership was approved for Sydney Opera House *Dance Rites\**, and new tours were developed and introduced at both Cockatoo Island and North Head. Along with this, updated brochure collateral for North Head and new First Nation Interpretation for Cockatoo Island was developed and implemented.

Note: \*multi-year contract under renegotiation as 2019-20 event postponed due to COVID-19 measures.

## ANNUAL PERFORMANCE STATEMENTS

### Performance criterion: Build Partnerships

The Harbour Trust underpins our work through collaboration and engagement with partners to help us deliver our vision. We are responsible for important public places, and we want to encourage dialogue and debate about their future and the choices we make to ensure sustainability.

#### Criterion source

- Program 1.1, 2019-20 Portfolio Budget Statements – Environment and Energy Portfolio, p. 277.
- Sydney Harbour Federation Trust Corporate Plan 2019-2023 – Build Partnerships, p. 14.

#### Results against performance criterion

The Sydney Harbour Federation Trust's Corporate Plan 2019-2023 set the following strategic goals to be achieved for this criterion:

#### STRATEGIC GOALS

1. Work openly with the community and other stakeholders as we plan our work and implement our vision.
2. Extend and build philanthropic and commercial partnerships.
3. Support tenants to help deliver our vision.
4. Support and grow our volunteer activities in the fields of natural and built environment, visitor experience, and administrative support.

In 2019-20, the Harbour Trust set the following priority actions and performance measures with relation to this criterion:

#### 2019-20 PRIORITY ACTIONS OUTCOME

- |  |  |
|--|--|
| <p>1. Lead and contribute to discussions on cultural heritage and the public domain, sharing stories of our success.</p>   | <p><b>Achieved</b></p> <p>Contribution to the publication by the Committee for Sydney, <i>Sydney Harbour Our Greatest Asset</i> (Aug 2019), and participation in discussions with Greater Sydney Commission and Tourism and Transport Forum Australia. Extensive consultation with key stakeholders for the completion of the <i>Cockatoo Island Dialogue Consultation Outcomes Report</i>. The Harbour Trust hosted a number of <i>Sydney Open</i> events during the 2019, became an Institutional Member of Australian International Council on Monuments and Sites (ICOMOS) and a Member of the Bondi to Manly Walk Supporters.</p> |
| <p>2. Continue to strengthen our ties within our community, embed the work of our Aboriginal and Torres Strait Islander Advisory Group across the business, consult frequently with our Community Advisory Committees and support our volunteer network by implementing a new volunteer management system.</p> | <p><b>Achieved</b></p> <p>New Volunteer management system, Volgistics, implemented.</p> <p>In 2019-20, the Harbour Trust held 10 General and Sub Base Platypus CAC meetings, and two Aboriginal and Torres Strait Islander Advisory Group meetings. Two board meetings were held in public. Broad community engagement included public consultation on a <i>draft plan of Management for the Drill Hall</i> precinct, and a <i>draft Leasing Policy</i> (now on hold). Support provided to the Independent Review consultation arrangements. Numerous meetings with community groups and volunteers.</p>                               |

2019-20 PRIORITY ACTIONS	OUTCOME
3. Implement a philanthropic plan.	<b>Not achieved</b> Further progress on this target has been put on hold, pending the implementation of several recommendations contained in the Independent Review.
4. Partner with NSW and Local Government to assist in the delivery of the <i>Bondi to Manly Walk</i> .	<b>Achieved</b> Signage installed and launch event held (8 Dec) for <i>Bondi to Manly walk</i> . Continued representation and participation in all quarterly Sub-Committee meetings, and in discussions with NSW.
5. Renew our partnership with North Head Sanctuary Foundation.	<b>Not achieved</b> Deferred until late 2020.

#### Key performance measures (results at 30 June 2020)

PERFORMANCE MEASURE	TARGET	ACTUAL
Number of volunteer hours	30,500	22,004
Source Data – Volunteer Manager records		
Number of significant, multi-year cultural, environmental and heritage partners	7	10
Source Data – Marketing, Communications and Visitor Experience Records, Property Commercial Leasing		
Value of philanthropic and sponsorship contributions	\$7.5k	\$2.5k
Source Data – Financial records		

#### Analysis of performance

The Harbour Trust achieved three of the five 2019-20 Priority Actions set in regards to meeting the Strategic Goals of the Build Partnerships Performance Criterion. One of the Key Performance Measure targets was exceeded, with the remaining two not met.

Volunteers complete a diverse variety of functions across the organisation, such as acting as tour guides, gardening, manning our visitor centres, and performing restoration activities. Due to government regulation and Harbour Trust COVID-19 measures to ensure the health and safety of our volunteers, staff and visitors, all public programs closed on the 17<sup>th</sup> March 2020. Consequently, the key performance measure target set for 2019-20 volunteer hours was unable to be met.

During 2019-20, the Harbour Trust underwent an internal review of the multi-year cultural, environmental and heritage partnerships performance measure. The audit findings found a number of community partners had been included in the measure, whilst some long standing cultural partnerships had not been included. Consequently, the measure was revised to include only cultural, environmental and heritage partnerships, resulting in the identification of ten significant multi-year partnerships — being with the North Head Sanctuary Foundation, Royal Australian Artillery Historical Company, Australian Wildlife Conservancy, Sydney Institute of Marine Science, and a further six tenancies at our Headland Park Artists Precinct.

Due to the resources required to implement the Philanthropic Strategy developed in 2018-19, it was concluded to hold off progression until the outcomes of the Independent Review were available. As a result, the value of philanthropic and sponsorship contributions received did not meet the key performance measure target set for the year. It remains on hold until implementation of several recommendations from the Independent Review Report.



## ANNUAL PERFORMANCE STATEMENTS

### Performance criterion: A Robust Business

Be a financially sustainable organisation by generating a stable and mixed revenue stream.

#### Criterion source

• Sydney Harbour Federation Trust Corporate Plan 2019-2023 – A Robust Business, p. 16.

#### Results against performance criterion

The Sydney Harbour Federation Trust's Corporate Plan 2019-2023 set the following strategic goals to be achieved for this criterion:

#### STRATEGIC GOALS

- Safeguard and grow our residential and commercial leasing revenue by developing commercial strategies for each site and attracting and nurturing quality tenants to help us deliver our vision and service the community.
- Develop a sound understanding of the financial challenges facing the Harbour Trust and explore potential solutions.
- Implement financially viable events and accommodation strategies.

In 2019-20, the Harbour Trust set the following priority actions and performance measures with relation to this criterion:

2019-20 PRIORITY ACTIONS	OUTCOME
1. Work with the Department on the review of the Harbour Trust and advocate for our future, based on the values and principles underpinning our legislation.	<p><b>Achieved</b></p> <p>The Harbour Trust supported the Independent Review team through the period and provided an official Harbour Trust submission for the review.</p> <p>Official publication of the Review and the response from the Department has occurred. The Harbour Trust has published a <i>Statement of Intent</i> and is working on the implementation of actions recommended in the Review.</p>
2. Continue to attract and secure a vibrant tenancy through an appropriate mix of commercial tenants and community partnerships, and lift tenant satisfaction.	<p><b>Achieved</b></p> <p>Most of the commercial tenancy base has been dramatically impacted by COVID-19 measures. The Harbour Trust responded by working with Government to support both the Harbour Trust's financial position and the tenants most affected. The Harbour Trust has completed a roll out of tenant support. Tenant satisfaction through this period has not been measured, however informal feedback from tenants has been positive through the period.</p>
3. Develop a tailored approach at each principal site to attract and deliver events, partnerships, public programs and venue hire opportunities.	<p><b>Achieved</b></p> <p>Several events, partnerships and public programs have been established at our main sites; most notably filming at North Head, weekly organic food markets at Headland Park, Sydney Sail GP, Red Hot Summer Tours, NYE and the 22<sup>nd</sup> Biennale of Sydney: NIRIN at Cockatoo Island and Studio A exhibition and participation in Sydney Open at Sub Base Platypus.</p>

### Key performance measures (results at 30 June 2020)

PERFORMANCE MEASURE	TARGET	ACTUAL
Leasing Revenue	\$13.1m	\$10.5m
Source Data – Financial records		
Venue Hire Revenue	\$0.55m	\$0.97m
Source Data – Financial records		
Visitor Accommodation Revenue	\$2.0m	\$1.3m
Source Data – Financial records		

#### Analysis of performance

The Harbour Trust achieved three of the three 2019-20 Priority Actions set in regards to meeting the Strategic Goals of the A Robust Business Performance Criterion. One of the three Key Performance Measure targets was exceeded for the year, with the other two below target.

The Harbour Trust has provided rental relief for qualifying tenants affected by COVID-19 (meeting a certain criteria). Consequently, leasing revenue performance did not meet target for the year. Despite the impact of COVID-19, the Harbour Trust has maintained a stable tenancy base with vacancy rate of less than 6% (excluding new stock yet to be leased). Sub Base Platypus has seen four commercial tenants and a pop-up café established during the year contributing to the vibrancy of the site and leasing revenue.

The Harbour Trust relies heavily upon revenue from leasing, venue hire and visitor accommodation. These revenue sources have been significantly impacted by COVID-19 measures, consequently the Australian Government has enabled access to funds held in our reserves that were previously unable to be used, to both support the Harbour Trust to navigate the financial impacts of COVID-19, as well as to keep sites safe and accessible. Of the funding, \$14 million has been made available to provide short-term rent relief to commercial and residential tenants across our sites and to address other revenue shortfalls.

Venue hire revenue once again exceeded the target set for 2019-20. The over performance was driven by numerous venue hire acquisitions occurring across Harbour Trust sites during Q1-Q3, including a large scale venue hires, Red Hot Summer Tours and Sail GP. However, Harbour Trust accommodation was forced to suspend operations due to government regulation and Harbour Trust COVID-19 measures to ensure the health and safety of our staff, volunteers and visitors. As a result, the key performance measure target set for 2019-20 accommodation revenue was unable to be met.

## Performance criterion: Strengthen Our Capabilities

Be a great organisation to work for and strengthen our ability to achieve our goals.

### Criterion source

· Sydney Harbour Federation Trust Corporate Plan 2019-2023 – Strengthen Our Capabilities, p. 18.

### Results against performance criterion

The Sydney Harbour Federation Trust's Corporate Plan 2019-2023 set the following strategic goals to be achieved for this criterion:

#### STRATEGIC GOALS

1. Attract and retain an outstanding, diverse workforce and invest in its development.
2. Shape our organisation to achieve our goals.
3. Grow our ICT capacity to improve our capabilities to better target our investment and ensure best proactive, proactive asset management.
4. Ensure the culture of our organisation is focused on visitor and client service, as well as delivering quality and best value outcomes.

In 2019-20, the Harbour Trust set the following priority actions and performance measures with relation to this criterion:

#### 2019-20 PRIORITY ACTIONS

#### OUTCOME

- |   |   |
|---|---|
| 1. Renew our efforts on implementing the Reconciliation Action Plan, and start discussions for the next plan.   | <p><b>Achieved</b></p> <p>Framework for new <i>Innovate Reconciliation Action Plan 2020-22</i> submitted to Reconciliation Australia.</p> <p>National Reconciliation Week events held, virtual yarning circles for staff to attend and discuss topical subjects. Free Webinar held on NSW Aboriginal Trackers and Bungaree's Farm both sessions with good attendance.</p> |
| 2. Develop and implement a talent and career pathways strategy.   | <p><b>Not achieved</b></p> <p>Deferred until late 2020 due re-prioritisation of work streams due to COVID-19 measures.</p>  |
| 3. Develop a new induction plan for staff and board members to ensure new starters have a high quality on-boarding experience, supporting their engagement with the business. | <p><b>Achieved</b></p> <p>New induction plan created and implemented.</p>   |

## Key performance measures (results at 30 June 2020)

PERFORMANCE MEASURE	TARGET	ACTUAL
Average Employment Engagement Score	74%	64%
Source Data – Annual Organisational Culture survey		
% of employees with effective Personal Development Plans linked to Corporate Plan	98%	98%
Source Data – Human Resources Professional Development records		

### Analysis of performance

The Harbour Trust achieved two of the three 2019-20 Priority Actions set in regards to meeting the Strategic Goals of the Strengthen Our Capabilities Performance Criterion. One of the two Key Performance Measure targets was exceeded for the year, with the other below target.

The Harbour Trust continued efforts to ensure that our employees Personal Development Plans lined up with the objectives of the Corporate Plan, with 98% of employee Personal Development Plans linked to the Corporate Plan, ahead of the target for the year. The impact of COVID-19 measures on prioritisation of resources, saw the deferral of our employee talent and career pathway strategy to 2020-21.

In 2019, the Harbour Trust completed its second Annual Organisational Culture Survey, overall employee engagement score was below the target set, however the overall result was positive compared to last year, with engagement at 64% (compared to 57% in 2018) and 66% for enablement (also 57% last year). This is exceeding public sector and Non-For-Profit (NFP) benchmarks. In response to training being identified as a need, the Harbour Trust now has access to the Department of Agriculture, Water and the Environment's online training platform, *LearnHub*. The Harbour Trust continues to acknowledge that the process to wholly resolve staff engagement levels will require consistent application over a sustained period.

## ANNUAL PERFORMANCE STATEMENTS

### Performance criterion: Risk & Oversight Management

The effective assessment and management of risk underpins the Harbour Trust's governance framework. It is critical to the control environment for which the Board of Trustees (as the Accountable Authority) has responsibility under the *Public Governance, Performance and Accountability Act 2013*.

The Harbour Trust utilises the relevant parts of the Commonwealth Risk Management Policy in setting the risk framework to identify, assess and manage its risks. The risk management framework is also informed by the principles and guidelines articulated in the *Australian Risk Management Standard (AS/NZS ISO 31000:2009)*.

The risk management framework includes policies, procedures, guidelines and operational tools to support informed decision making for the management of risks.

The Harbour Trust has an organisation-wide Risk Register which is reviewed at least on a quarterly basis or as new risks arise or when review is otherwise required. The organisational risk register is provided quarterly to the Portfolio Audit Committee and is reported to the Board.

#### Criterion source

• *Sydney Harbour Federation Trust Corporate Plan 2019-2023* – Risk Oversight and Management, p. 20.

#### Results against performance criterion

The *Sydney Harbour Federation Trust's Corporate Plan 2019-2023* set the following strategic goals to be achieved for this criterion:

#### STRATEGIC GOALS

1. Continue a strong focus on risk management and oversight to ensure that staff and the Board comply with all relevant legislations.
2. Support the development of a risk aware culture through investment in systems and capability.  
  
Recognising that our sites are a complex mix of natural, heritage and industrial assets, take all appropriate
3. steps to ensure our workplace and parklands are safe for all by mitigating and managing risks.

In 2019-20, the Harbour Trust set the following priority actions and performance measures with relation to this criterion:

#### 2019-20 PRIORITY ACTIONS

#### OUTCOME

- |   |  |
|---|--|
| 1. Implement reforms to our approach to Work Health and Safety and support a strong safety culture, through a focus on improved training, improved consultation arrangements, and investigation of an online system for WHS management. | <b>Achieved</b><br>The Safety Team conducted a thorough review and update of WH&S monthly, quarterly and executive reports and began implementation. The work focused on supporting and improving safety training, enhancing consultative mechanisms and continuing towards the implementation of a new online WHS management system in 2020-21. |
| 2. Focus on improving the relevance, completeness and reliability of the measures and datasets that inform our performance reporting.   | <b>Achieved</b><br>Corrective actions to improve Performance Criteria & Measures Assessment have been implemented throughout the year.   |

### Key performance measures (results at 30 June 2020)

PERFORMANCE MEASURE	TARGET	ACTUAL
% of Accepted Audit Recommendations (through the PAC Internal Audit Program) actioned within Agreed Timeframes	85%	66%
Source Data – PAC Audit Actions Outstanding Report		
Employee Engagement Survey Responses to two key safety culture questions:		
(1) (Q75 from 2019 Survey) We have a pro-active safety culture that identifies and manages risks, and is responsive to my concerns;	>75%	86%
(2) (Q76 from 2019 Survey) I am encouraged to raise safety concerns, and these are listened to and acted on.		
Source Data – Human Resources and WHS Records		

#### Analysis of performance

The Harbour Trust achieved both of the 2019-20 Priority Actions set in regards to meeting the Strategic Goals of Risk Oversight and Management Performance Criterion. One of the two Key Performance Measure targets exceeded for the year, with the other below target.

The Harbour Trust identified effective assessment and management of risk as a key focus and introduced it as a new Performance Criterion in the 2019-2023 Corporate Plan. 2019-20 efforts were concentrated on improving WH&S knowledge and processes, and accountability and transparency of Performance Reporting.

The WH&S team was expanded to ensure resources could meet deliverables required. The WH&S team focussed on emergency response plans, creation and implementation of a number of WH&S processes and procedures an creation of COVID-19 Response Committee. The approach proved successful with 86% of employees agreeing the Harbour Trust has a proactive safety culture that encourages reporting safety concerns, that will be actioned, 11% ahead of the target for the year.

To ensure our performance reporting was transparent and accountable the Harbour Trust carried out a Performance Criteria and Measures Assessment, that rated their relevance, completeness and reliability. The results were used to develop an Action Plan to address issues, which have been implemented throughout the year.

The percentage of Accepted Audit Recommendations actioned within the agreed timeframe did not meet the target as two of the six recommendations were delayed in actioning due to the resource impact of the Review and COVID-19. Both recommendations have now been actioned.



## A note on metrics

The base metrics and performance measures presented are shown below. In many cases, factors positively influencing one performance measure may negatively influence another, and regular performance tracking will be undertaken throughout the Plan period to better understand this inter-relationship to improve our decision-making.

### Land open to the public

The proportion of our sites (all Harbour Trust land is measured in square metres — excluding water rights around Cockatoo Island) that is accessible by the public. It includes both parkland and the footprints of those buildings open to the public for interpretation, visitor facilities, events and food & beverage operations.

This metric is directly affected by capital invested in making land and buildings safe and accessible for public enjoyment.

### Built assets (with the potential to be in active use) in active use

The proportion of built assets with the potential for adaptive reuse that is in active use. Examples of built assets that are not considered to have the potential for adaptive reuse include those classified as infrastructure (e.g. cranes, utility/service housings, and wharves) as well as assets identified for potential removal. Examples of built assets that are considered to be in use or have the potential to be in active use include those leased by tenants and those available for public events and hire including the Turbine Shop on Cockatoo Island.

This metric is dependent on capital investment by the Harbour Trust or our partners in re-purposing buildings for appropriate new uses.

### Visitor satisfaction with the public domain

An approval score given by visitors to the quality of the parkland, tracks and visitor amenities at Cockatoo Island, Sub Base Platypus, Headland Park and North Head Sanctuary, as measured in visitor surveys.

### Number of visits

An estimate of the individual number of visits made by visitors to Headland Park, Cockatoo Island, North Head Sanctuary and Sub Base Platypus.

- Cockatoo Island visits are measured by pedestrian counters at the Parramatta, Camber and Marina Wharves.
- Headland Park visits are measured by car park use multiplied by the number of people per car (calculated from the average people per vehicle counted quarterly in fiscal year 2018), vehicle counters, pedestrian counters and estimated people and vehicle counts calculated from quarterly research in fiscal year 2018.
- North Head Sanctuary visits are measured by a combination of NSW National Parks and Wildlife Service and Harbour Trust vehicle counters, pedestrian counters and estimated people and vehicle counts calculated from quarterly research in fiscal year 2018.
- Sub Base Platypus is measured by pedestrian counters at Kesterton Park and Kiara Close entrances.

### Visitor satisfaction

An approval score derived from responses to questions about the overall visitor experience at Cockatoo Island, Sub Base Platypus, Headland Park and North Head Sanctuary, as measured in visitor surveys.

### Volunteer hours

A count of the aggregate number of hours volunteered to the Harbour Trust and North Head Sanctuary Foundation.

### Significant multi-year cultural, environmental and heritage partners

The number of partnerships that the Harbour Trust enters into on an ongoing, multi-year basis across our sites.

### Philanthropic and sponsorship contributions

The value of monetary contributions made to the Harbour Trust, primarily comprising of donations and sponsorships.

### Earned annual revenue

Our self-generated income comprising leasing, venue hire, accommodation, parking, tours and merchandise and bank interest. Project-specific grant funds from Government are excluded.

- Leasing Revenue comprises rents received from residential and commercial leases (including contributory partners).
- Venue Hire Revenue comprises licence fees received from the use of land and buildings for events, conferences and filming activity.
- Visitor Accommodation Revenue comprises income from the Cockatoo Island campground and holiday houses.

The Leasing, Venue Hire and Visitor Accommodation revenue streams are closely interconnected. For example, investing in re-purposing unused assets will increase our revenue, but without new capital investment, increasing leasing stock may necessarily require reducing the number venues for hire; hosting a major public event may reduce the availability of venues for hire, but it may increase visitor accommodation revenue; increasing the number of contributory partners may reduce our leasing revenue.

### Employee engagement score

An approval score derived from responses to questions about overall staff engagement with the Harbour Trust, as measured by an employee engagement survey conducted by an external company.

### Employees with effective Personal Development Plans linked to Corporate Plan

A percentage measuring the proportion of staff who have a Personal Development Plan outlining their specific performance objectives for the given period, which are linked to the Harbour Trust's goals and objectives set in the Corporate Plan.

### Accepted audit recommendations actioned within agreed timeframes

A measure of the proportion of audit recommendations (through the Portfolio Audit Committee audit program) — that have been accepted by the Harbour Trust — that have been actioned and addressed within the agreed timeline for implementation to occur.

### Survey responses to two key safety culture questions

An approval score derived from responses to two key safety culture questions contained in the employee engagement survey conducted by an external company. The first question assesses employee perceptions on the effective operation of the Harbour Trust's safety culture, whereas the second question assesses employee perceptions of the response to concerns raised.

# REGULATOR PERFORMANCE FRAMEWORK

The Harbour Trust regulates the following activities on its land, in accordance with the Regulatory Performance Framework:

- Issue of Planning Permits for works or activities
- Liquor Permits for the sale or supply of alcohol
- Service approval permits for Early Childhood Education Services

## REPORTING AGAINST KPIS

### KPI 1 – Regulators do not unnecessarily impede the efficient operation of regulated entities

#### HARBOUR TRUST METRICS

- Regular, ongoing review of policies, procedures and requirements, including through consultation and engagement with stakeholders.
- Documented established communication mechanisms with regulated entities, including feedback from existing complaint mechanisms.

#### RESULTS AT 30 JUNE 2020

- Stakeholder meetings held during the 2019-20 reporting period:
  - 8 statutory General and Sub Base Platypus Community Advisory Committee meetings;
  - 2 out of session General and Sub Base Platypus Community Advisory Committee meetings;
  - 2 Aboriginal and Torres Strait Islander Advisory Group meetings;
  - 10 Cockatoo Island stakeholder meetings;
  - 4 North Head stakeholder meetings;
- The *Harbour Trust's Formal Complaints Process* is published on the organisation's website.

### KPI 2 – Communication with regulated entities is clear, targeted and effective

#### HARBOUR TRUST METRICS

- Demonstrated effective mechanisms for responding to stakeholder engagement/complaint.
- Estimated timeframes for complaint handling are published, including maximum time for acknowledgement and average time for decisions.
- Decisions are accompanied by a statement of reasons and advice about relevant review or appeal mechanisms, where appropriate.

#### RESULTS AT 30 JUNE 2020

The Harbour Trust's complaint handling data logs are maintained, which incorporate the number of complaints received and the response times.

- The *Formal Complaints Process* details the timeframes for handling complaints.
- Reasons for determinations on Permit Applications are available to applicants, where appropriate. An external review/appeal mechanism for decisions is in place.

### KPI 3 – Actions undertaken by regulators are proportionate to the regulatory risk being managed

#### HARBOUR TRUST METRICS

- Demonstrated engagement with regulated entities to inform them of the regulators' expectations. Risk management plans are provided by regulated entities.

#### RESULTS AT 30 JUNE 2020

- Planning Permit Application Guidance Notes are available to all applicants on the Harbour Trust website. 23 Planning Permits were issued in 2019-20.
- Liquor Permit applicants are able to access guidance information and relevant requirements on the Harbour Trust's website. 40 liquor permits were issued during the year. 27 were for special events and 13 were for new tenants or tenant annual renewals.
- Applicants for Service Approval Permits for Early Childhood Education Services are provided with all relevant information about meeting and maintaining requirements. Two amended Service Approval Permits were issued during the year.
- Where requested, all tailored risk management plans have been received.

## REGULATOR PERFORMANCE FRAMEWORK

### KPI 4 – Compliance and monitoring approaches are streamlined and co-ordinated

#### HARBOUR TRUST METRICS

- Demonstrated effort to reduce the number and crossover of information requirements imposed on regulated entities.
- Demonstrated effort to share and receive information among regulators, where appropriate.
- Regular review and assessment of agreed monitoring and compliance strategies, including the use of earned autonomy approaches.

#### RESULTS AT 30 JUNE 2020

- The Harbour Trust has regard for NSW Liquor Licensing Laws and abides by the Education and Care Services National Regulations which assists in reducing the number and crossover of information requirements.
- The Harbour Trust maintains ongoing relationships with the NSW Government agencies (such as the NSW National Parks & Wildlife Service, Liquor & Gaming NSW, and the NSW Food Authority), as well as neighbouring local councils.
- Monitoring and compliance strategies for regulatory activities are reviewed and assessed to ensure efficient processes are maintained. An earned autonomy approach is evident for monitoring and compliance, in particular with respect to liquor permits.

### KPI 5 – Regulators are open and transparent in their dealings with regulated entities

#### HARBOUR TRUST METRICS

- Responses to requests from regulated entities are provided within specified timeframes.
- Performance information is made publicly available, where appropriate.
- Advice and guidance is widely available to stakeholders, with feedback mechanisms in place to support and inform continuous improvement.

#### RESULTS AT 30 JUNE 2020

- The Harbour Trust has a documented and published the *Formal Complaints Process* with specified timeframes. During 2019-20, 65 complaints were received. All complaints were responded to within the required timeframe. Of these, four complaints were not resolved within the required timeframe.
- The Harbour Trust publishes information and fact sheets on the Planning Permits and Liquor Permit application processes on the organisation's website. Feedback mechanisms are in place via our *Formal Complaints Process*. There are planned, regular inspections for Early Childhood Education Services and of food and beverage premises.

### KPI 6 – Regulators actively contribute to the continuous improvement of regulatory frameworks

#### HARBOUR TRUST METRICS

- Documented procedures are in place to allow active and regular engagement with stakeholders.
- Stakeholder events are held regularly.

#### RESULTS AT 30 JUNE 2020

- The Harbour Trust carries out surveys as appropriate. Records of stakeholder meetings are maintained.
- Board meetings were held in public twice during 2019-20.
- Summaries of the Notes from the Community Advisory Committee meetings held during the reporting period were published on the Harbour Trust's website.



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## INDEPENDENT AUDITOR'S REPORT

To the Minister for the Environment  
Opinion

In my opinion, the financial statements of the Sydney Harbour Federation Trust and its consolidated entities (together the 'Consolidated Entity') for the year ended 30 June 2020:

- comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- present fairly the financial position of the Consolidated Entity as at 30 June 2020 and its financial performance and cash flows for the year then ended.

The financial statements of the Consolidated Entity, which I have audited, comprise the following as at 30 June 2020 and for the year then ended:

- Statement by Members, Executive Director and Director, Strategy & Operations;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flows Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

**Basis for opinion**

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Consolidated Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code)

to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Other information**

The Accountable Authority is responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2020 but does not include the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

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

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

**Accountable Authority's responsibility for the financial statements**

As the Accountable Authority of the Consolidated Entity, the Board is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Board is also responsible for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the ability of the Consolidated Entity to continue as a going concern, taking into account whether the Consolidated Entity's operations will cease as a result of an administrative restructure or for any other reason. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

**Auditor's responsibilities for the audit of the financial statements**

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



**Peter Kerr**  
**Executive Director**  
**Delegate of the Auditor-General**  
**Canberra**  
**17 September 2020**

FINANCIAL STATEMENTS

**Sydney Harbour Federation Trust and its Consolidated Entities**

**Statement by Members, Executive Director and Director, Strategy and Operations**

In our opinion, the attached financial statements for the year ended 30 June 2020 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Sydney Harbour Federation Trust will be able to pay its debts as and when they become due and payable.

This Statement is made in accordance with a resolution of the members.

Signed,



**Joseph Carrozzi**  
**Chair**  
 17 September 2020

Signed,



**Mary Darwell**  
**Executive Director**  
 17 September 2020

Signed,



**Justin Bock**  
**Director, Strategy and Operations**  
 17 September 2020

FINANCIAL STATEMENTS

Statement of Comprehensive Income

for the year ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000	ORIGINAL BUDGET \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Employee benefits	3A	7,521	6,846	7,500
Suppliers	3B	9,968	10,047	10,505
Depreciation and amortisation	3C	3,030	2,662	3,090
Finance costs	3D	4	-	-
Impairment loss/(reversal) on financial instruments	3E	373	(76)	-
Write-down and impairment of assets	3F	60	(18)	-
<b>Total expenses</b>		<b>20,956</b>	19,461	21,095
<b>LESS:</b>				
<b>OWN-SOURCE INCOME</b>				
<b>Own-source revenue</b>				
Revenue from contracts with customers	4A	2,398	3,315	3,583
Fees and fines	4B	208	216	308
Interest	4C	532	1,234	873
Rental income	4D	11,734	13,282	13,929
Other revenue	4E	964	182	8
<b>Total own-source revenue</b>		<b>15,836</b>	18,229	18,701
<b>Gains</b>				
Sale of assets	4F	-	24	-
<b>Total gains</b>		<b>-</b>	24	-
<b>Total own-source income</b>		<b>15,836</b>	18,253	18,701
<b>(Deficit) on continuing operations</b>		<b>(5,120)</b>	(1,208)	(2,394)
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Change in asset revaluation reserve		66,032	-	-
<b>Total other comprehensive income</b>		<b>66,032</b>	-	-
<b>Total comprehensive income/(loss)</b>		<b>60,912</b>	(1,208)	(2,394)

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

Statement of Financial Position

as at 30 June 2020

	Notes	2020 \$'000	2019 \$'000	ORIGINAL BUDGET \$'000
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	5A	8,001	3,236	3,439
Investments	5B	22,094	39,230	30,313
Trade and other receivables	5C	710	797	661
<b>Total financial assets</b>		<b>30,805</b>	43,263	34,413
<b>Non-Financial Assets</b>				
Land and buildings	6A	321,721	286,273	290,490
Infrastructure, plant and equipment <sup>1</sup>	6B	45,500	31,617	33,108
Heritage and collections	6C	53,197	29,405	30,694
Intangibles	6D	436	436	293
Inventories	6G	89	90	100
Other non-financial assets	6H	195	77	100
<b>Total non-financial assets</b>		<b>421,138</b>	347,898	354,785
<b>Total Assets</b>		<b>451,943</b>	391,161	389,198
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers	7A	661	2,192	2,150
Other payables	7B	4,939	5,296	4,667
<b>Total payables</b>		<b>5,600</b>	7,488	6,817
<b>Interest bearing liabilities</b>				
Leases	7C	355	-	-
<b>Total interest bearing liabilities</b>		<b>355</b>	-	-
<b>Provisions</b>				
Employee provisions	8A	1,460	1,178	1,163
Other provisions	9	-	579	-
<b>Total provisions</b>		<b>1,460</b>	1,757	1,163
<b>Total Liabilities</b>		<b>7,415</b>	9,245	7,980
<b>Net Assets</b>		<b>444,528</b>	381,916	381,218
<b>EQUITY</b>				
Contributed equity		279,435	277,735	279,435
Reserves		161,535	95,503	95,503
Retained surplus		3,558	8,678	6,280
<b>Total Equity</b>		<b>444,528</b>	381,916	381,218

<sup>1</sup>Right-of-use assets are included in the following line item: Infrastructure, plant and equipment.

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



## Statement of Changes in Equity

for the year ended 30 June 2020

	RETAINED SURPLUS		ASSET RENEWAL RESERVE		ASSET REVALUATION RESERVE		CONTRIBUTED EQUITY		TOTAL EQUITY	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance</b>	8,678	9,886	5,331	5,331	90,172	90,172	277,735	277,735	381,916	383,124
<b>Balance carried forward from previous year</b>		8,674	5,331	5,331	90,172	90,172	277,735	277,735	381,916	381,912
<b>Asset Renewal Reserve</b>										
Transfer to Retained Surplus										
Transfer (from) Retained Surplus										
<b>Total asset renewal reserve</b>										
<b>Comprehensive income</b>										
Other comprehensive income (Deficit)/Surplus for the year	(5,120)	(1,208)			66,032				66,032	(5,120)
<b>Total comprehensive income</b>	(5,120)	(1,208)			66,032				66,032	(5,120)
<b>Transactions with owners</b>										
Equity injection - Appropriations							1,700	1,700	1,700	1,700
<b>Total transactions with owners</b>							1,700	1,700	1,700	1,700
<b>Closing balance as at 30 June</b>	<b>3,558</b>	8,678	<b>5,331</b>	5,331	<b>156,204</b>	90,172	<b>279,435</b>	277,735	<b>444,528</b>	381,916

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

**Accounting Policy****Equity Injections.**

Amounts appropriated which are designated as equity injections for a year (less any formal reductions) and Departmental Capital Budget are recognised directly in contributed equity in that year.

**Asset Renewal Reserve**

Asset Renewal Reserve - see Note 6E Accounting Policy for Non-Financial Assets.

**Asset Revaluation Reserve**

During the 2020 year, the Harbour Trust identified three additional parcels of land under its control adjacent to Markham Close, Mosman. The fair value of these additional parcels (\$400,000) is reflected in the Asset Revaluation Reserve adjustment.

## Cash Flow Statement

for the year ended 30 June 2020

	Notes	2020	2019	ORIGINAL BUDGET
		\$'000	\$'000	\$'000
<b>OPERATING ACTIVITIES</b>				
<b>Cash received</b>				
Sales of goods and rendering of services		3,119	3,300	3,583
Rent income		10,836	13,033	13,595
Interest		27	49	873
Other revenue		52	288	308
Net GST received		502	387	-
<b>Total cash received</b>		<b>14,536</b>	17,057	18,359
<b>Cash used</b>				
Employees benefits		(7,130)	(7,104)	(7,441)
Suppliers		(11,341)	(9,230)	(10,567)
Interest payments on lease liabilities		(4)	-	-
<b>Total cash used</b>		<b>(18,475)</b>	(16,334)	(18,008)
<b>Net cash from/(used by) operating activities</b>		<b>(3,939)</b>	723	351
<b>INVESTING ACTIVITIES</b>				
<b>Cash received</b>				
Proceeds from sale of assets		-	24	-
Investments		17,644	11,171	4,857
<b>Total cash received</b>		<b>17,644</b>	11,195	4,857
<b>Cash used</b>				
Purchase of property, plant and equipment		(10,624)	(12,084)	(6,900)
<b>Total cash used</b>		<b>(10,624)</b>	(12,084)	(6,900)
<b>Net cash from/(used by) investing activities</b>		<b>7,020</b>	(889)	(2,043)
<b>FINANCING ACTIVITIES</b>				
<b>Cash received</b>				
Contributed equity		1,700	-	1,700
<b>Total cash received</b>		<b>1,700</b>	-	1,700
<b>Cash used</b>				
Principal payments of lease liabilities		(16)	-	-
<b>Total cash used</b>		<b>(16)</b>		
<b>Net cash from financing activities</b>		<b>1,684</b>	-	1,700
<b>Net increase/(decrease) in cash held</b>		<b>4,765</b>	(166)	8
Cash and cash equivalents at the beginning of the reporting period		3,236	3,402	3,431
<b>Cash and cash equivalents at the end of the reporting period</b>	5A	<b>8,001</b>	3,236	3,439

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

## Overview

### Note 1: Summary of Significant Accounting Policies

#### 1.1 Objectives of Sydney Harbour Federation Trust (the 'Harbour Trust')

The Harbour Trust is an Australian Government Corporate Entity. It is a not-for-profit entity.

The Harbour Trust is structured to meet one outcome:

Outcome 1: Enhanced appreciation and understanding of the natural and cultural values of Sydney for all visitors, through the remediation, conservation and adaptive re-use of, and access to, Harbour Trust lands on Sydney Harbour.

Section 66 of the *Sydney Harbour Federation Trust Act 2001* provides for the repeal of the Harbour Trust's enabling legislation as soon as practicable after the end of 19 September 2033. The continued existence of the Harbour Trust in its present form and with its present programs is dependent on Government policy.

#### 1.2 Impact of COVID-19

The impact of COVID-19 has been significant for the Harbour Trust. Generating the majority of revenue from leasing and accommodation activities, both the restrictions put in place and the prevailing economic climate have meant that a substantial decline in revenue has been experienced. Through this period, the Harbour Trust has sought to aid our tenants through the provision of rental assistance, where eligible. This has meant the Harbour Trust has had to seek to reduce costs and access cash reserves invested in term deposits to ensure liquidity.

During the year, in response to both the Independent Review into the Harbour Trust and the COVID-19 pandemic, a decision of Government authorised the Harbour Trust to access up to \$23.0m in cash reserves to fund the Trust's rent assistance program and priority Capital works, and provide operating liquidity.

#### 1.3 Extension to Trust life

The Government commissioned an Independent Review of the Harbour Trust during 2019-20 to explore options for the future of the Harbour Trust and the management of the sites under its control. The Independent Review found that the end date for the Harbour Trust in 2033 negatively impacted the Harbour Trust's ability to "plan for the effective remediation and management of " the Harbour Trust's sites. It recommended that the Harbour Trust remain an ongoing entity and that Section 66 of the *Sydney Harbour Federation Trust Act 2001* be repealed. The Government is working with the Harbour Trust to take forward this recommendation.

#### 1.4 Basis of Preparation of the Financial Statements

The financial statements are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* and are General Purpose Financial Statements.

The financial statements have been prepared in accordance with:

- a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and

- b) *Australian Accounting Standards and Interpretations, Reduced Disclosure Requirements issued by the Australian Accounting Standards Board ("AASB") that apply for the reporting period.*

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an Accounting Standard or the FRR, assets and liabilities are recognised in the Statement of Financial Position when and only when it is probable that future economic benefits will flow to the Harbour Trust or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executory contracts are not recognised unless required by an Accounting Standard.

Liabilities and assets that are unrecognised are reported in the schedule of commitments or the schedule of contingencies.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the statement of comprehensive income when, and only when, the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

#### Consolidation and associated company

The financial statements show information for the economic entity only; this reflects the consolidated results for the parent entity, the Harbour Trust, and its controlled entities, Sydney Harbour Foundation Management Ltd and Sydney Harbour Conservancy ("Conservancy"). The results of the parent entity do not differ materially from the economic entity and have therefore not been separately disclosed. The Conservancy is a Trust for which Sydney Harbour Foundation Management Ltd (company limited by guarantee) is Trustee (refer to Note 13 & Note 14 for further details).

The accounting policies of the Sydney Harbour Foundation Management Ltd and Conservancy are consistent with those of the Harbour Trust and its assets, liabilities and results have been consolidated with the parent entity accounts in accordance with the Accounting Standards. All internal transactions and balances have been eliminated on consolidation.

#### 1.5 New Accounting Standards

##### Adoption of new Australian Accounting Standard requirements

No accounting standard has been adopted earlier than the application date as stated in the standard.

All new standards that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect on the Harbour Trust's financial statements.

## FINANCIAL STATEMENTS

### 1.5 New Accounting Standards — Continued

STANDARD/ INTERPRETATION	NATURE OF CHANGE IN ACCOUNTING POLICY, TRANSITIONAL PROVISIONS, AND ADJUSTMENT TO FINANCIAL STATEMENTS
<i>AASB 15 Revenue from Contracts with Customers / AASB 2016-8 Amendments to Australian Accounting Standards — Australian Implementation Guidance for Not-for-Profit Entities and AASB 1058 Income of Not-For-Profit Entities</i>	<p>AASB 15, AASB 2016-8 and AASB 1058 became effective 1 July 2019. AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including <i>AASB 118 Revenue</i>, <i>AASB 111 Construction Contracts</i> and <i>Interpretation 13 Customer Loyalty Programmes</i>. The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.</p> <p>AASB 1058 is relevant in circumstances where AASB 15 does not apply. AASB 1058 replaces most of the not-for-profit (NFP) provisions of <i>AASB 1004 Contributions</i> and applies to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable the entity to further its objectives, and where volunteer services are received.</p> <p>The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.</p>
<i>AASB 16 Leases</i>	<p>AASB 16 became effective on 1 July 2019.</p> <p>This new standard has replaced <i>AASB 117 Leases</i>, <i>Interpretation 4 Determining whether an Arrangement contains a Lease</i>, <i>Interpretation 115 Operating Leases — Incentives</i> and <i>Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease</i>.</p> <p>AASB 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value. AASB 16 substantially carries forward the lessor accounting in AASB 117, with the distinction between operating leases and finance leases being retained. The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.</p>

#### *Application of AASB 15 Revenue from Contracts with Customers / AASB 1058 Income of Not-For-Profit Entities*

The Harbour Trust adopted AASB 15 and AASB 1058 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under the various applicable AASBs and related interpretations.

Under the new income recognition model the Harbour Trust shall first determine whether an enforceable agreement exists and whether the promises to transfer goods or services to the customer are 'sufficiently specific'. If an enforceable agreement exists and the promises are 'sufficiently specific' (to a transaction or part of a transaction), the Harbour Trust applies the general AASB 15 principles to determine the appropriate revenue recognition. If these criteria are not met, the Harbour Trust shall consider whether AASB 1058 applies.

In relation to AASB 15, the Harbour Trust elected to apply the new standard to all new and uncompleted contracts from the date of initial application. The Harbour Trust is required to aggregate the effect of all of the contract modifications that occur before the date of initial application.

In terms of AASB 1058, the Harbour Trust is required to recognise volunteer services at fair value if those services would have been purchased if not provided voluntarily, and the fair value of those services can be measured reliably.

### 1.5 New Accounting Standards — Continued

The table below shows the impacts of AASB 15 and AASB 1058 on balances at 1 July 2019:

#### Impact on Transition

The impact on transition is summarised below:

Departmental Liabilities	1 July 2019
Unearned revenue	19
<b>Total Liabilities</b>	<b>19</b>

**Total impact to retained earnings (19)**

Set out below are the amounts by which each financial statement line item is affected as at and for the year ended 30 June 2020 as a result of the adoption of AASB 15 and AASB 1058. The first column shows amounts prepared under AASB 15 and AASB 1058 and the second column shows what the amounts would have been had AASB 15 and AASB 1058 not been adopted:

TRANSITIONAL DISCLOSURE	AASB 15/AASB 1058 \$'000	PREVIOUS AAS \$'000	INCREASE/(DECREASE) \$'000
<b>EXPENSES</b>			
Marketing, Programming & Events	725	-	725
<b>Total Expenses</b>	<b>725</b>	<b>-</b>	<b>725</b>
<b>REVENUE</b>			
Volunteer services received free of charge	725	-	725
Grants	140	155	(15)
<b>Total Revenue</b>	<b>865</b>	<b>155</b>	<b>710</b>
<b>Net (cost of)/contribution by services</b>	<b>140</b>	<b>155</b>	<b>(15)</b>
<b>ASSETS</b>			
Cash	155	155	-
<b>Total Assets</b>	<b>155</b>	<b>155</b>	<b>-</b>
<b>LIABILITIES</b>			
Unearned Revenue	15	-	15
<b>Total Liabilities</b>	<b>15</b>	<b>-</b>	<b>15</b>
<b>Retained earnings</b>	<b>140</b>	<b>155</b>	<b>(15)</b>

#### *Application of AASB 16 Leases*

The Harbour Trust adopted AASB 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under AASB 117 and related interpretations.

The Harbour Trust elected to apply the practical expedient to not reassess whether a contract is, or contains a lease at the date of initial application. Contracts entered into before the transition date that were not identified as leases under AASB 117 were not reassessed. The definition of a lease under AASB 16 was applied only to contracts entered into or changed on or after 1 July 2019.

AASB 16 provides for certain optional practical expedients, including those related to the initial adoption of the standard. The Harbour Trust applied the following practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 117:

- Apply a single discount rate to a portfolio of leases with reasonably similar characteristics;
- Exclude initial direct costs from the measurement of right-of-use assets at the date of initial application for leases where the right-of-use asset was determined as if AASB 16 had been applied since the commencement date;



## FINANCIAL STATEMENTS

### 1.5 New Accounting Standards — Continued

#### Application of AASB 16 Leases continued

- Reliance on previous assessments on whether leases are onerous as opposed to preparing an impairment review under AASB 136 Impairment of assets as at the date of initial application; and
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term remaining as of the date of initial application.

As a lessor, there is no change to the treatment or classification of the Harbour Trust's property leases.

As a lessee, the Harbour Trust previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership.

On adoption of AASB 16, the Harbour Trust recognised a right-of-use asset and lease liability in relation to a lease which had previously been classified as an operating lease.

The lease liability was measured at the present value of the remaining lease payments, discounted using the Entity's incremental borrowing rate as at 1 July 2019. The Harbour Trust's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions.

The weighted-average rate applied was 1.2%.

The right-of-use asset was measured at:

- a) the carrying value that would have resulted from AASB 16 being applied from the commencement date of the lease, subject to the practical expedients noted above.

#### Impact on transition

On transition to AASB 16, the Harbour Trust recognised an additional right-of-use asset and an additional lease liability, with the difference impacting earnings. The impact on transition is summarised below:

Departmental	1 July 2019 \$'000
Right-of-use assets — infrastructure	380
Lease liabilities	364
Impact to earnings	16

The following table reconciles the Departmental minimum lease commitments disclosed in the Harbour Trust's 30 June 2019 annual financial statements to the amount of lease liabilities recognised on 1 July 2019:

	1 July 2019 \$'000
Minimum operating lease commitment at 30 June 2019	391
<b>Undiscounted lease payments</b>	391
Less: effect of discounting using the incremental borrowing rate as at the date of initial application	27
<b>Lease liabilities recognised at 1 July 2019</b>	364

### 1.6 Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, the Harbour Trust has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- The fair value of land has been taken to be the market value of similar properties as determined by an independent valuer taking into consideration the restrictions on sale and use imposed by the *Sydney Harbour Federation Trust Act 2001*. Buildings have been valued using depreciated replacement cost and therefore the valuer has provided an estimate with respect to the replacement cost.

### 1.6 Significant Accounting Judgements and Estimates — Continued

- The provision held for trade and other receivables is based on overdue receivables greater than 90 days where an arrears agreement has not been finalised or where it has been assessed that the debt is unlikely to be recovered.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next reporting period.

### 1.7 Taxation

The Harbour Trust is exempt from all forms of taxation except Fringe Benefits Tax ("FBT") and Goods and Services Tax ("GST").

Revenues, expenses and assets are recognised net of GST:

- Except where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- Except for receivables and payables.

### 1.8 Major Budget Variances

The Original Budget figures were reported in the 2019-20 Portfolio Budget Statements published in May 2019. This was subsequently updated during the financial year with the Minister of Finance's approval. This allowed for an approved operating loss. The Harbour Trust considers a major variance between budget and actuals is greater than 10% and \$250,000 of the original estimate or it is considered important for the reader's understanding.

EXPLANATIONS OF MAJOR VARIANCES	AFFECTED LINE ITEMS (AND STATEMENT)
The Harbour Trust engaged Jones Lang LaSalle to revalue certain non-financial assets in accordance with its revaluation policy. This has resulted in a revision of the asset's fair value in Land and buildings, infrastructure, plant and equipment with a corresponding increase in the asset revaluation reserves.	<p><b>Statement of Financial Position</b></p> <p>Land and buildings Infrastructure, plant and equipment Heritage and collections Reserves</p> <p><b>Statement of Comprehensive Income</b></p> <p>Other comprehensive income</p>
The impact of the COVID19 pandemic has had a pronounced effect on the Harbour Trust's operating result and cash flows. Reduced revenues, particularly within the Harbour Trust's commercial leasing business, has resulted in less cash generated from operations combined with the need to apply stringent cost saving measures. To ensure liquidity during this period, term deposit investments have been converted into more readily available cash deposits.	<p><b>Statement of Comprehensive Income</b></p> <p>Revenue from contracts with customers Fees and fines Interest Rental income (Deficit)/Surplus for the year</p> <p><b>Statement of Financial Position</b></p> <p>Cash and cash equivalents Investments Retained surplus</p> <p><b>Cash Flow Statement</b></p> <p>Sale of goods and rendering of services Rental income Interest Investments</p>

## FINANCIAL STATEMENTS

### Note 2: Events After the Reporting Period

There are no events that have occurred after the reporting period that would have an effect on the Harbour Trust's 2019-20 financial statements other than those that are already reflected in the financial statements.

## Financial Performance

### Note 3: Expenses

#### Note 3A: Employee benefits

	2020 \$'000	2019 \$'000
Wages and salaries	6,449	6,034
Superannuation		
Defined contribution plans	573	529
Defined benefit plans	109	106
Leave and other entitlements	324	118
Separation and redundancies	55	50
Other employee costs	11	9
<b>Total employee benefits</b>	<b>7,521</b>	<b>6,846</b>

#### Accounting Policy

Accounting policies for employee related expenses is contained in the People & Relationships section (Note 8A).

#### Note 3B: Suppliers

##### Goods and services supplied or rendered

	2020 \$'000	2019 \$'000
Corporate overheads	1,169	1,728
Marketing, Programming and Events	1,240	686
Management of Environment	921	1,193
Site Maintenance and Planning	4,238	4,407
Security	883	778
Accommodation management	348	590
Property management	1,163	544
<b>Total goods and services supplied or rendered</b>	<b>9,962</b>	<b>9,926</b>

Goods supplied	495	636
Services rendered	9,467	9,290
<b>Total goods and services supplied or rendered</b>	<b>9,962</b>	<b>9,926</b>

##### Other supplier expenses

Workers compensation premiums	6	121
<b>Total other supplier expenses</b>	<b>6</b>	<b>121</b>
<b>Total supplier expenses</b>	<b>9,968</b>	<b>10,047</b>

During the year ended 30 June 2020, the Harbour Trust has provided resources free of charge to the Sydney Harbour Foundation Management Limited amounting to \$6,718 (2019: \$6,706), and to the Conservancy amounting to nil (2019: nil).

## Note 3: Expenses — Continued

#### Accounting Policy

The Harbour Trust has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000). The Harbour Trust recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term which is representative of the pattern of benefits derived from the leased assets.

#### Note 3C: Depreciation and amortisation

##### Depreciation:

	2020 \$'000	2019 \$'000
Infrastructure, plant and equipment	1,610	1,261
Buildings	1,355	1,351
<b>Total depreciation</b>	<b>2,965</b>	<b>2,612</b>

##### Amortisation:

	2020 \$'000	2019 \$'000
Intangibles:		
Purchased computer software	65	50
<b>Total amortisation</b>	<b>65</b>	<b>50</b>
<b>Total depreciation and amortisation</b>	<b>3,030</b>	<b>2,662</b>

#### Note 3D: Finance Costs

Right-of-use asset <sup>1</sup>	4	-
<b>Total finance costs</b>	<b>4</b>	<b>-</b>

<sup>1</sup>The Harbour Trust has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

#### Note 3E: Impairment loss on financial instruments

	2020 \$'000	2019 \$'000
Impairment on trade and other receivables	373	(76)
<b>Total impairment on financial instruments</b>	<b>373</b>	<b>(76)</b>

#### Note 3F: Write-down and impairment on other assets

Obsolete stock written-off	6	(18)
Trade receivables written-off	54	-
<b>Total impairment on other assets</b>	<b>60</b>	<b>(18)</b>

The financial asset write-down is in relation to the impairment allowance associated with the Harbour Trust's trade debtors. It primarily relates to rent relief granted to tenants affected by COVID-19 and an assessment of further rent relief that may be provided to additional tenants subject to the Harbour Trust's rent relief assessment process.

## FINANCIAL STATEMENTS

### Note 4: Own-Source Income

#### Own-Source Revenue

##### Note 4A: Revenue from contracts with customers

Sale of goods	28	48
Rendering of services	2,370	3,267
<b>Total revenue from contracts with customers</b>	<b>2,398</b>	<b>3,315</b>

##### Disaggregation of revenue from contracts with customers

###### Major product / service line:

Service delivery	2,370	3,267
Sales of inventory	28	48
<b>Total</b>	<b>2,398</b>	<b>3,315</b>

###### Type of customer:

Non-government entities	2,398	3,315
<b>Total</b>	<b>2,398</b>	<b>3,315</b>

###### Timing of transfer of goods and services:

Point in time	2,398	3,315
<b>Total</b>	<b>2,398</b>	<b>3,315</b>

##### Note 4B: Fees and fines

Penalty Infringement Notices	208	216
<b>Total fees and fines</b>	<b>208</b>	<b>216</b>

##### Note 4C: Interest

Term Deposits	508	1,186
Operating bank accounts	24	48
<b>Total interest</b>	<b>532</b>	<b>1,234</b>

##### Note 4D: Rental income

Property rentals and short-term hire	11,734	13,282
<b>Total rental income</b>	<b>11,734</b>	<b>13,282</b>

#### Operating Leases

The Harbour Trust manages a portfolio of commercial tenancies and residential properties across its various sites. Rental income from operating leases is recognised on a straight-line basis over the lease term. AASB 16 does not change how a lessor accounts for leases.

##### Maturity analysis of operating lease income receivables:

	<b>2020</b>	
	<b>\$'000</b>	
Within 1 year	7,522	
One to two years	5,123	
Two to three years	3,357	
Three to four years	2,816	
Four to five years	2,308	
More than 5 years	6,762	
<b>Total undiscounted lease payments receivable</b>	<b>27,888</b>	

##### Note 4E: Other revenue

DA Fees, Liquor Licences, Donations	99	182
Grants — Department of Industry, Innovation and Science	140	-
Resources received free of charge — Volunteer Services	725	-
<b>Total other revenue</b>	<b>964</b>	<b>182</b>

### Note 4: Own-Source Income — Continued

#### Volunteer Services

The Harbour Trust engages volunteers who assist the Harbour Trust in delivering on its objectives.

Volunteers perform a variety of roles including visitor services, tour guides, public speaking, restoration and gardening services, oral history, events and other administrative roles to assist Harbour Trust staff.

#### Accounting Policy

On the initial recognition of volunteer services as an asset or an expense, the Harbour Trust recognises any related amounts in accordance with the relevant standard. The Harbour Trust recognises the excess of the fair value of the volunteer services over the recognised related amounts as income immediately in the income statement.

#### Note 4F: Sale of assets

Infrastructure, plant and equipment

Proceeds from sale

#### Net gain/(loss) from sale of assets

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
	-	24
	-	24

#### Note 4G: Unsatisfied obligations

The liability for unsatisfied obligations is represented on the Statement of Financial Position as Other Payables and is disclosed in Note 7B as unearned revenue.

#### Accounting Policy

##### Revenue

##### Revenue from contracts with customers

Revenue from contracts with customers is recognised when:

- The contract is approved and the parties are committed to perform their respective obligations;
- Each party's rights are identifiable;
- Payment terms are identifiable;
- The contract has commercial substance; and
- It is probable that the consideration under the contract is collectable.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- The amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- The probable economic benefits associated with the transaction will flow to the Harbour Trust. The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

The transaction price is the total amount of consideration to which the Harbour Trust expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. All unrealised performance obligations under revenue contracts with customers have an original expected duration of 1 year or less.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

#### Fees & Fines

Fees & Fines include infringement penalties issued under the *Sydney Harbour Federation Trust Act 2001*

Public Governance, Performance and Accountability (Charging for Regulatory Activities) Order 2017 - Section 6 Definition: approved regulatory charging activity means an activity provided by a corporate Commonwealth entity:

- (a) that has Australian Government policy approval; and
- (b) for which there is statutory authority to charge.

To satisfy the requirements of the Public Governance, Performance and Accountability (Charging for Regulatory Activities) Order 2017 - Section 7 (d) measure, assess and document financial and non-financial performance of the regulatory activity, the Harbour Trust has incurred expenses of \$22,204 (2019: \$6,826) pertaining to this approved regulatory charging activity.

#### Interest

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



## FINANCIAL STATEMENTS

### Note 4: Own-Source Income — Continued

#### Rental income

Rental revenue for operating leases is recognised on a straight line basis over the term of the lease, except when an alternative basis is more representative of the pattern of service rendered through the provision of the leased premises. Lease incentives offered under operating leases are amortised on a straight line basis in the profit or loss over the life of the lease.

#### Grants

A government grant is not recognised until there is reasonable assurance that the entity will comply with the conditions attaching to it, and that grant will be received. Government grants are rarely gratuitous. The entity earns them through compliance with their conditions and meeting the envisaged obligations.

Government grants shall be recognised in the Statement of Comprehensive Income on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

#### Resources received free of charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

#### Gains

##### Sale of assets

Gains from disposal of non-current assets are recognised when control of the asset has transferred to the buyer.

### Note 5: Financial Assets

#### Note 5A: Cash and cash equivalents

	2020 \$'000	2019 \$'000
Cash at bank	8,000	3,235
Cash on hand	1	1
<b>Total cash</b>	<b>8,001</b>	<b>3,236</b>

#### Note 5B: Investments

Term Deposits	22,094	39,230
<b>Total investments</b>	<b>22,094</b>	<b>39,230</b>

Cash at bank and investments include reserves from the sale of the Markham Close properties (\$23 million). A decision of Government approved the use of these funds to finance the Harbour Trust's COVID-19 related rent assistance program, priority capital works projects and to provide operating liquidity.

The \$22.094 million is in short term deposits readily convertible to cash.

#### Accounting Policy

Cash and cash equivalents include cash on hand and demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

### Note 5: Financial Assets — Continued

#### Note 5C: Trade and other receivables

##### Goods and Services

Goods and services	1,042	630
<b>Total receivables for goods and services</b>	<b>1,042</b>	<b>630</b>

##### Other receivables

Interest receivable	1	4
Other receivables	405	528
<b>Total other receivables</b>	<b>406</b>	<b>532</b>

#### Total trade and other receivables (gross)

	1,448	1,162
Less impairment allowance account	(738)	(365)
<b>Total trade and other receivables (net)</b>	<b>710</b>	<b>797</b>

#### Accounting Policy

##### Loans and receivables

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows where cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance. The Harbour Trust has no loans. Interest is recognised by applying the effective interest rate.

All receivables are expected to be recovered in no more than 12 months.

##### Receivables for Goods & Services

Credit terms are net 30 days (2019: 30 days).

#### Accounting Policy

##### Impairment of financial assets

Financial assets are assessed for impairment at each reporting period.

##### Financial assets held at amortised cost -

If there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Statement of Comprehensive Income.

### Note 6: Non-Financial Assets

#### Note 6A: Land and buildings

Freehold land		
- at fair value	244,942	198,885
<b>Total freehold land</b>	<b>244,942</b>	<b>198,885</b>

##### Buildings on freehold land:

- at fair value	76,779	92,691
- accumulated depreciation	-	(5,303)
<b>Total buildings on freehold land</b>	<b>76,779</b>	<b>87,388</b>

#### Total land and buildings

	321,721	286,273
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The Harbour Trust has completed the majority of decontamination works to its current sites. The cost of the remaining decontamination and remediation works has been taken into account in arriving at the fair values.

No land or buildings are expected to be sold or disposed of within the next 12 months.

## FINANCIAL STATEMENTS

### Note 6: Non-Financial Assets — Continued

#### Note 6B: Infrastructure, plant and equipment

Infrastructure, plant and equipment:

- at fair value
- Right-of-use assets
- accumulated depreciation

#### Total infrastructure, plant and equipment

	2020 \$'000	2019 \$'000
- at fair value	49,809	38,717
- Right-of-use assets	380	-
- accumulated depreciation	(4,689)	(7,100)
<b>Total infrastructure, plant and equipment</b>	<b>45,500</b>	<b>31,617</b>

No indicators of impairment were found for infrastructure, plant and equipment ("IPE"). No IPE is expected to be sold or disposed of within the next 12 months.

#### Note 6C: Heritage and collections

Heritage assets:

- at fair value

#### Total heritage and collections

	2020 \$'000	2019 \$'000
- at fair value	53,197	29,405
<b>Total heritage and collections</b>	<b>53,197</b>	<b>29,405</b>

No heritage assets or collections are expected to be sold or disposed of within the next 12 months.

Valuations were conducted by an independent valuer (Jones Lang LaSalle) in 2020.

Revaluation increments of \$47,619,564 for land, \$828,352 for buildings on freehold land, \$10,213,536 for infrastructure and \$7,371,025 for heritage were credited to the asset revaluation reserve by asset class and included in the non-financial assets section of the Consolidated Statement of Financial Position.

Management undertook an internal desktop valuation in 2020 for plant & equipment which indicated that there were no material movements in depreciated replacement value of assets.

The Lightkeepers and Deputy Lightkeepers cottages at Macquarie Lightstation have not been included in the valuation of buildings as they are assigned to private individuals on 125 year lease terms.

The Lightkeepers cottage lease ends on 17th February 2119 and for the Deputy Lightkeepers cottage lease on 5<sup>th</sup> November 2116.

All revaluations were conducted in accordance with the revaluation policy stated at Note 6E.

#### Note 6D: Intangibles

Computer software at cost:

- Purchased - in use

#### Total computer software

- Accumulated amortisation

#### Total intangibles

	2020 \$'000	2019 \$'000
Purchased - in use	976	911
<b>Total computer software</b>	<b>976</b>	<b>911</b>
Accumulated amortisation	(540)	(475)
<b>Total intangibles</b>	<b>436</b>	<b>436</b>

No intangibles are expected to be sold or disposed of within the next 12 months. No indicators of impairment were found for intangible assets.

Note 6E: Analysis of infrastructure, plant, equipment and intangibles  
TABLE A – Reconciliation of the opening and closing balances of infrastructure, plant, equipment and intangibles (2019-20)

	Land \$'000	Buildings on Freehold Land \$'000	Total Land & Buildings \$'000	Infrastructure, Plant & Equipment \$'000	Heritage & Collections \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2019</b>							
Gross book value	198,885	92,691	291,576	38,717	29,405	911	360,609
Accumulated depreciation/amortisation	-	(5,303)	(5,303)	(7,100)	-	(475)	(12,878)
<b>Total as at 1 July 2019</b>	<b>198,885</b>	<b>87,388</b>	<b>286,273</b>	<b>31,617</b>	<b>29,405</b>	<b>436</b>	<b>347,731</b>
Recognition of Right-of-use asset on initial application of AASB16				380			380
<b>Adjusted Total as at 1 July 2019</b>	<b>198,885</b>	<b>87,388</b>	<b>286,273</b>	<b>31,997</b>	<b>29,405</b>	<b>436</b>	<b>348,111</b>
Additions:							
Purchase	840	8,042	8,882	450	313	96	9,741
Revaluations and impairments recognised in other comprehensive income	47,620	828	48,448	10,214	7,370	-	66,032
Reclassification	(2,403)	(18,124)	(20,527)	4,449	16,109	(31)	-
Depreciation/amortisation expense	-	(1,355)	(1,355)	(1,585)	-	(65)	(3,005)
Depreciation on right-of-use asset	-	-	-	(25)	-	-	(25)
Disposals/write-down	-	-	-	-	-	-	-
<b>Total as at 30 June 2020</b>	<b>244,942</b>	<b>76,779</b>	<b>321,721</b>	<b>45,500</b>	<b>53,197</b>	<b>436</b>	<b>420,854</b>
<b>Total as at 30 June 2020 represented by:</b>							
Gross book value	244,942	76,779	321,721	50,189	53,197	976	426,083
Accumulated depreciation/amortisation	-	-	-	(4,689)	-	(540)	(5,229)
	<b>244,942</b>	<b>76,779</b>	<b>321,721</b>	<b>45,500</b>	<b>53,197</b>	<b>436</b>	<b>420,854</b>
<b>Carrying amount of right-of-use assets</b>	-	-	-	355	-	-	355

A detailed assessment of WIP balances was undertaken upon completion of the Sub Base Platypus Stage 1B Project. In allocating the project cost across specific assets in the asset register, a number of assets were reclassified as Heritage or Infrastructure assets.

**Note 6: Non-Financial Assets — Continued**

**Accounting policy**

**Acquisition of Assets**

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor authority's accounts immediately prior to the restructuring.

**Property, Plant and Equipment**

*Asset Recognition Threshold*

Purchases of infrastructure, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition other than where they form part of a group of similar items which are significant in total.

*Fair Value and Revaluations*

Fair value for each class of asset equals the total of the most recent revalued amounts and capital expenditure at cost subsequent to the last valuation.

Fair values of each class of asset are determined as shown below:

<b>Asset Class</b>	<b>Fair value measured at</b>
Land	Market appraisal
Buildings exc Leasehold improvements	Depreciated replacement cost
Leasehold improvements	Depreciated replacement cost
Infrastructure, plant and equipment	Depreciated replacement cost
Heritage and cultural assets	Market appraisal

Following initial recognition at cost, infrastructure, plant and equipment are carried at fair value less accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The board resolved that a full independent valuation would be completed every 5 years due to the infrequent market sales of open space lands.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

*Lease Right of Use (ROU) Assets*

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

On initial adoption of AASB 16 the Harbour Trust has adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right of use lease asset that shows indicators of impairment and an impairment loss is recognised against any right of use lease asset that is impaired. Lease ROU assets continue to be measured at cost after initial recognition in Commonwealth agency, GGS and Whole of Government financial statements.

*Depreciation*

Depreciable infrastructure, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Harbour Trust using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	<b>2020</b>	2019
Buildings on freehold land	<b>10 to 125 years</b>	10 to 125 years
Infrastructure	<b>5 to 50 years</b>	5 to 50 years
Plant and equipment	<b>3 to 20 years</b>	3 to 20 years

**Note 6: Non-Financial Assets — Continued**

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in Note 3C.

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

*Impairment*

All assets were assessed for impairment at 30 June 2020. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Harbour Trust were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

*Derecognition*

An item of infrastructure, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

*Heritage and Collection Assets*

The Harbour Trust owns and manages buildings, monuments and structures that have significant heritage and cultural value (with an aggregated fair value of \$53.197m (2019: \$29.405m)). The Harbour Trust has classified them as heritage and collection assets as they were primarily used for purposes that relate to their cultural significance. The Harbour Trust has adopted appropriate curatorial and preservation policies for these heritage assets and the items are deemed to have indefinite useful lives and hence are not depreciated. The Harbour Trust's curatorial and preservation policies are publicly available within the Harbour Trust's Management Plans at [www.harbourtrust.gov.au/en/corporate/planning](http://www.harbourtrust.gov.au/en/corporate/planning).

*Asset Renewal Reserve*

The Harbour Trust established an asset renewal reserve in 2012-13 to set aside funds for the future asset renewal of its significant asset base. Prior to 2017-18, the asset renewal reserve was being supplemented at the end of each financial year by an amount equivalent to the minimum 100% of the annual depreciation expense, subject to a review of the asset renewal plans. In 2017-18 the reserve funds were drawn down to fund \$2.918 million of major capital renewal works. However, comparable to the 2018-19 financial year, in this current 2019-20 financial year, there has been no transfer from the Harbour Trust's accumulated results to a general equity reserve, due to the Board approved deficit result and the budgeted deficit for the 2020-21 financial year. These deficits were approved by the Minister for Finance.

**Intangibles**

The Harbour Trust's intangibles comprise software purchased externally for internal use. These assets are carried at cost less accumulated amortisation and impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the Harbour Trust's software is 3 to 7 years (2019: 3 to 7 years).

All software assets were assessed for indications of impairment as at 30 June 2020.



## FINANCIAL STATEMENTS

### Note 6: Non-Financial Assets — Continued

#### Note 6F: Fair Value Measurements, Valuation Techniques and Inputs Used

The following table provides an analysis of assets that are measured at fair value.

The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets that the entity can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.

Level 3: Unobservable inputs for the asset.

Fair value measurements	Measurements		Fair Value Level
	2020 \$'000	2019 \$'000	
<b>Non-financial assets</b>			
Land	244,942	198,885	LEVEL 3
Buildings	76,779	87,388	LEVEL 3
Infrastructure, plant and equipment	45,500	31,617	LEVEL 3
Heritage and collections	53,197	29,405	LEVEL 3
<b>Total non-financial assets</b>	<b>420,418</b>	<b>347,295</b>	

#### Note 6G: Inventories

Finished goods at cost

**Total inventories**

2020 \$'000	2019 \$'000
89	90
<b>89</b>	<b>90</b>

During the 2020 year no inventory held for distribution was recognised as an expense (2019: nil).

#### Accounting Policy

Inventories held for sale are valued at the lower of cost and net realisable value and consist of externally produced clothing, merchandise and publications.

Inventories acquired at no cost or nominal consideration are initially measured at current replacement cost at the date of acquisition.

	2020 \$'000	2019 \$'000
<b>Note 6H: Other non-financial assets</b>		
Lease incentives	190	52
Prepayments	5	25
<b>Total other non-financial assets</b>	<b>195</b>	<b>77</b>
Other non-financial assets expected to be settled:		
No more than 12 months	59	49
More than 12 months	136	28
<b>Total other non-financial assets</b>	<b>195</b>	<b>77</b>

### Note 7: Payables

#### Note 7A: Suppliers

Trade creditors

Contract retentions

**Total supplier payables**

Supplier payables expected to be settled:

No more than 12 months

More than 12 months

**Total supplier payables**

Settlement is usually made within 30 days.

#### Note 7B: Other Payables

Salaries and wages

Accrued expenses/suppliers

Bonds and security deposits

Grants

Unearned revenue

**Total Other Payables**

The Harbour Trust also holds 47 bank guarantees (2019: 48) as security for tenants on long term leases. The total value of those bank guarantees is \$2.535 million (2019: \$2.128 million).

Other payables expected to be settled:

No more than 12 months

More than 12 months

**Total Other Payables**

#### Accounting Policy

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities. Financial liabilities are recognised and derecognised upon trade date.

#### Other financial liabilities

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

#### Interest Bearing Liabilities

##### Note 7C: Leases

Right-of-use asset<sup>1</sup>

**Total Leases**

<sup>1</sup>The Entity has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

#### Accounting Policy

Refer Note 1.5 for accounting policy on leases.

2020 \$'000	2019 \$'000
661	2,166
-	26
<b>661</b>	<b>2,192</b>
661	2,192
-	-
<b>661</b>	<b>2,192</b>
112	55
458	504
1,425	1,371
-	112
2,944	3,254
<b>4,939</b>	<b>5,296</b>

2020 \$'000	2019 \$'000
3,065	2,951
1,874	2,345
<b>4,939</b>	<b>5,296</b>

2020 \$'000	2019 \$'000
355	-
<b>355</b>	<b>-</b>

## People and Relationships

	2020 \$'000	2019 \$'000
<b>Note 8A: Employee provisions</b>		
Leave	1,460	1,178
<b>Total employee provisions</b>	<b>1,460</b>	<b>1,178</b>

### Accounting policy

#### Employee Benefits

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for 'short-term employee benefits' (as defined in AASB 119 Employee Benefits) and termination benefits due within twelve months of the reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

#### Superannuation

Certain employees of the Harbour Trust are members of the Commonwealth Superannuation Scheme ("CSS"), the Public Sector Superannuation Scheme ("PSS") or the PSS Accumulation Plan ("PSSap").

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The Harbour Trust makes employer contributions to the employee superannuation schemes at rates determined by an actuary to be sufficient to meet the current cost to the Government.

Employer superannuation contributions for employees who are not members of the CSS or PSS are expensed in the financial statements. There is no residual liability in respect of these contributions. The Harbour Trust accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

#### Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting. The average sick leave taken in future years by employees of the Harbour Trust is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the Harbour Trust's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

#### Separation and Redundancy

Provision is made for separation and redundancy benefit payments. The Harbour Trust recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

### Note 8B: Key Management Personnel Remuneration

#### Short-term employee benefits:

	2020 \$	2019 \$
Base salary	420,774	444,618
Other benefits and allowances	55,165	66,587
<b>Total short-term employee benefits</b>	<b>475,939</b>	<b>511,205</b>

#### Post-employment benefits:

Superannuation	62,800	64,756
<b>Total post-employment benefits</b>	<b>62,800</b>	<b>64,756</b>

#### Other long-term benefits:

Annual leave accrued	19,127	16,505
Long-service leave	8,007	4,905
<b>Total other long-term benefits</b>	<b>27,134</b>	<b>21,410</b>

#### Total key management personnel remuneration

<b>565,873</b>	<b>597,371</b>
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Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The Harbour Trust has determined the key management personnel to be the Board members and Executive Director. Key management personnel remuneration is reported in the table above.

Pursuant to Section 43 of the *Sydney Harbour Federation Trust Act 2001*, the Trust sets the conditions of employment for the Executive Director, but must first seek advice from the Australian Government Remuneration Tribunal in respect of remuneration and allowances. The Executive Director's remuneration was approved by resolution of the Trust on 19 September 2019 consistent with advice from the Tribunal following the Tribunal's meeting on 20 June 2019. The package includes a performance component awarded at the discretion of the Trust. This component was waived for 2019-20 in response to the COVID-19 pandemic.

Trust members' remuneration was also waived for the April 2020 to June 2020 period.

The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio minister. The Portfolio minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the Harbour Trust.

The total number of key management personnel that are included in the above table is 9 individuals (2019: 9 individuals). The total number includes both Trust member and key management remuneration.

## FINANCIAL STATEMENTS

### Other Information

#### Note 9: Other Provisions

##### Other provisions

Provision for remediation — Sub Base Platypus

Provision for obsolete stock

**Total other provisions**

Other provisions are expected to be settled in:

No more than 12 months

More than 12 months

**Total other provisions**

##### Movements in relation to 2020

**As at 1 July 2019**

Amounts used

**Total as at 30 June 2020**

##### Movements in relation to 2019

**As at 1 July 2018**

Amounts used

**Total as at 30 June 2019**

In accordance with the Memorandum of Understanding between the Harbour Trust and the Department of Defence signed on 5 June 2009, the Harbour Trust was entitled to claim variations from the Department of Defence above those funds provided to date for additional decontamination costs incurred by the Trust in relation to Sub Base Platypus to date.

As at 30 June 2020, all costs incurred by the Harbour Trust have been finalised and no variations are to be claimed for decontamination costs.

#### Note 10: Financial Instruments

##### 10A Categories of financial instruments

###### Financial assets at amortised cost

Investments

Cash at bank

Cash on hand

Receivables for goods and services

Interest receivable

Other receivables

**Total financial assets at amortised cost**

###### Financial Liabilities

###### Financial liabilities measured at amortised cost

Trade creditors

Contract retentions

Salaries and wages

Accrued expenses/suppliers

Bonds and security deposits

**Total financial liabilities measured at amortised cost**

	2020 \$'000	2019 \$'000
	-	497
	-	82
<b>Total other provisions</b>	<b>-</b>	<b>579</b>
	-	579
	-	-
<b>Total other provisions</b>	<b>-</b>	<b>579</b>
	<b>Other Provisions</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>As at 1 July 2019</b>	<b>579</b>	579
Amounts used	(579)	(579)
<b>Total as at 30 June 2020</b>	<b>-</b>	-
	<b>Other Provisions</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>As at 1 July 2018</b>	<b>597</b>	597
Amounts used	(18)	(18)
<b>Total as at 30 June 2019</b>	<b>579</b>	579

#### Note 10: Financial Instruments — Continued

##### Accounting Policy

###### Financial assets

With the implementation of AASB 9 *Financial Instruments* for the first time in 2019, the entity classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss;
- financial assets at fair value through other comprehensive income; and
- financial assets measured at amortised cost.

The classification depends on both the entity's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Comparatives have not been restated on initial application.

###### Financial Assets at Amortised Cost

Financial assets included in this category need to meet two criteria:

- the financial asset is held in order to collect the contractual cash flows; and
- the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

###### Effective Interest Method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

###### Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

Financial assets measured at fair value through other comprehensive income are held with the objective of both collecting contractual cash flows and selling the financial assets and the cash flows meet the SPPI test.

Any gains or losses as a result of fair value measurement or the recognition of an impairment loss allowance is recognised in other comprehensive income.

###### Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets are classified as financial assets at fair value through profit or loss where the financial assets either doesn't meet the criteria of financial assets held at amortised cost or at FVOCI (i.e. mandatorily held at FVTPL) or may be designated.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

###### Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

###### Financial liabilities

Financial liabilities are classified as either financial liabilities "at fair value through profit or loss" or other financial liabilities. Financial liabilities are recognised and derecognised upon "trade date".

###### Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

###### Financial Liabilities at Amortised Cost

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

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).



## FINANCIAL STATEMENTS

### Note 10: Financial Instruments — Continued

#### 10B Net Gains or Losses on Financial Assets

##### Financial assets at amortised cost

Interest revenue (see note 4C)

##### Net gain on financial assets at amortised cost

2020 \$'000	2019 \$'000
532	1,234
532	1,234
373	(76)
373	(76)

##### Financial assets at fair value through profit or loss

Impairment of receivables (see note 5C)

##### Net loss on financial assets at fair value through profit or loss

#### Note 10C Net Gains or Losses on Financial Liabilities

There was no net income or expense from financial liabilities for the year ended 30 June 2020 (2019 - Nil).

#### 10D Fair value of financial instruments

FINANCIAL ASSETS	Fair value 2020 \$'000	Fair value 2019 \$'000
Cash at bank	8,000	3,235
Cash on hand	1	1
Investments	22,094	39,230
Receivables for goods and services	709	793
Interest receivable	1	4
<b>Total</b>	<b>30,805</b>	<b>43,263</b>

FINANCIAL LIABILITIES	Fair value 2020 \$'000	Fair value 2019 \$'000
Trade creditors	661	2,166
Contract retentions	-	26
Salaries and wages	112	55
Accrued expenses/suppliers	458	504
Bonds and security deposits	1,425	1,371
<b>Total</b>	<b>2,656</b>	<b>4,122</b>

### Note 11: Contingencies

#### Note 12: Schedule of Contingencies

There were no contingent assets or liabilities required to be disclosed as at 30 June 2020 (2019 - Nil).

#### Accounting Policy

Contingent Liabilities and Contingent Assets are not recognised in the Statement of Financial Position but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which settlement is not probable or the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

### Note 12: Related Party Disclosures

#### Related party relationships

The Harbour Trust is an Australian Government controlled entity. Related parties to this entity are its members, key management personnel ("KMP") including the Portfolio Minister and Executive and other Australian Government entities including the Department of the Environment.

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

The following transactions with related parties occurred during the financial year:

- The Harbour Trust has a commercial tenancy agreement with an individual related to the Chair. The transaction occurred at arms length and was managed through the Tenant Selection Committee in accordance with the Harbour Trust Leasing Policy. The Chair declared the interest at the time of the application, and had no involvement in the Tenant Selection Committee process nor the decision.

The Harbour Trust transacts with other Australian Government controlled entities consistent with normal day-to-day business operations provided under normal terms and conditions. These are not considered individually significant to warrant separate disclosure as related party transactions.

## FINANCIAL STATEMENTS

### Note 13: Sydney Harbour Foundation Management Ltd

As disclosed at Note 1 "Consolidation and associated company", the Sydney Harbour Foundation Management Ltd, a company limited by guarantee, is the Trustee for the Conservancy, and was established on 8 December 2009 and is controlled by the Harbour Trust. The Company was originally incorporated on 8 December 2009 as an Australian Government corporation limited by guarantee at that time for the specific purpose of serving as trustee for the Conservancy. The Company's constitution was amended on 26 June 2019 to clarify that the object of the Company is to benefit the Harbour Trust. The company changed its name from Sydney Harbour Conservancy Ltd to Sydney Harbour Foundation Management Ltd with effect from 15 July 2019.

The objective of the Company is to benefit the Sydney Harbour Federation Trust.

The cash position of the Company is as follows:

	2020	2019
	\$	\$
<b>OPERATING ACTIVITIES</b>		
<b>Cash received</b>		
Donations	-	-
Grants	28,000	112,000
<b>Total cash received</b>	28,000	112,000
<b>Cash used</b>		
Suppliers	-	-
<b>Total cash used</b>	-	-
<b>Net cash from operating activities</b>	28,000	112,000
<b>INVESTING ACTIVITIES</b>		
<b>Net cash from/(used by) investing activities</b>	-	-
<b>FINANCING ACTIVITIES</b>		
<b>Cash received</b>		
Funds received for SHFT	-	-
<b>Total cash received</b>	-	-
<b>Cash used</b>		
Fund transferred to SHFT	(140,000)	-
<b>Total cash used</b>	(140,000)	-
<b>Net cash from/(used by) financing activities</b>	(140,000)	-
<b>Net increase/(decrease) in cash held</b>	(112,000)	112,000
Cash and cash equivalents at the beginning of the reporting period	112,000	-
<b>Cash and cash equivalents at the end of the reporting period</b>	-	112,000

### Note 14: Sydney Harbour Conservancy

As disclosed at Note 1 "Consolidation and associated company", the Conservancy, a Trust for which the Sydney Harbour Foundation Management Ltd is Trustee, was established on 10 December 2009 and is controlled by the Harbour Trust.

The objectives of the Conservancy are to:

- Preserve the natural environmental value of the Harbour Trust sites including activities such as weed and feral animal control, waste minimisation, revegetation of native flora, protection of native biodiversity, the conservation of habitat, soil stabilisation and erosion control;
- Encourage and promote enjoyment of recreation and activity within natural surrounds of Harbour Trust sites;
- Recognise and appreciate the natural and historical significance of Harbour Trust sites; and
- Provide information, education and research about the natural environment.

The cash position of the Conservancy is as follows:

	2020	2019
	\$	\$
<b>OPERATING ACTIVITIES</b>		
<b>Cash received</b>		
Donations	-	-
Grants	-	-
<b>Total cash received</b>	-	-
<b>Cash used</b>		
Suppliers	(110)	(150)
<b>Total cash used</b>	(110)	(150)
<b>Net cash from/(used by) operating activities</b>	(110)	(150)
<b>INVESTING ACTIVITIES</b>		
<b>Net cash from/(used by) investing activities</b>	-	-
<b>FINANCING ACTIVITIES</b>		
<b>Cash received</b>		
Funds received for Trustee company	-	-
<b>Total cash received</b>	-	-
<b>Cash used</b>		
Funds transferred to Trustee company	-	(70,000)
<b>Total cash used</b>	-	(70,000)
<b>Net cash from/(used by) financing activities</b>	-	(70,000)
<b>Net increase/(decrease) in cash held</b>	(110)	(70,150)
Cash and cash equivalents at the beginning of the reporting period	6,967	77,117
<b>Cash and cash equivalents at the end of the reporting period</b>	6,857	6,967

## APPENDIX 1

### Freedom of information

The Freedom of Information Act 1982 provides the public with a general right of access to documents, subject to some exemptions, held by Australian Government agencies including the Harbour Trust. General information about our Freedom of Information (FOI) procedures including how to make an FOI request is available at

[www.harbourtrust.gov.au/en/freedom-of-information/](http://www.harbourtrust.gov.au/en/freedom-of-information/)

or by contacting the FOI Officer at:

Freedom of Information Officer  
Harbour Trust  
PO Box 607 MOSMAN NSW 2088

### Information Publication Scheme

Under Part 11 of the *Freedom of Information Act 1982*, the Harbour Trust is required to publish information to the public as part of the Information Publication Scheme (IPS). An agency plan showing the information the Harbour Trust has published under IPS requirements is available on the Harbour Trust website under Freedom of Information:

[www.harbourtrust.gov.au/en/freedom-of-information/](http://www.harbourtrust.gov.au/en/freedom-of-information/). For more on the Information Publication Scheme, visit the Office of the Australian Information Commissioner [www.oaic.gov.au](http://www.oaic.gov.au)

### Reporting

The Harbour Trust received no applications under the Act during the reporting period.

## APPENDIX 2

### Advisory and reference groups

#### Aboriginal and Torres Strait Islander Advisory Group

Professor Dennis Foley  
Susan Moylan-Coombs  
Djon Mundine OAM  
Roy Mundine OAM  
Peter White

#### General Community Advisory Committee

##### Ex-Officio Members

The Hon. Anthony Albanese MP, Member for Grayndler  
Commander Bernadette Alexander, RAN, HMAS Penguin  
Cr Mark Bennett, Mayor of Hunter's Hill  
Cr Carolyn Corrigan, Mayor of Mosman  
Cr Jilly Gibson, Mayor of North Sydney  
Cr Michael Regan, Mayor of Northern Beaches  
Dave Sharma MP, Member for Wentworth  
Zali Steggall MP, Member for Warringah  
Cr Susan Wynne, Mayor of Woollahra  
Trent Zimmerman MP, Member for North Sydney

##### General Members

Rita Chowdhury  
Rob Crawford  
Sarah Dinning  
Kate Eccles  
Kate Evers  
Paul Forward  
Colleen Godsell  
Julie Goodsir  
Geoffrey Lambert  
Beth Lawsen  
Robyn Lewis  
Jill L'Estrange  
Malcolm Moir  
Matthew Rafferty  
Stuart Sprott  
John Tropman

#### Sub Base Platypus Community Advisory Committee

##### July 2019 — December 2019

##### Ex-Officio Members

Cr Jilly Gibson, Mayor of North Sydney  
Trent Zimmerman MP, Member for North Sydney

##### General Members

Phil Burfurd  
Tammy Dodd  
Paul Forward  
Neil Schafer  
Captain Christopher Skinner  
Christopher Stapleton  
Ken Williams

##### January 2020 — June 2020

##### Ex-Officio Members

Cr Jilly Gibson, Mayor of North Sydney  
Trent Zimmerman MP, Member for North Sydney

##### General Members

Victoria Black  
Phil Burfurd  
Tammy Dodd  
Paul Forward  
Romi Hoffenberg  
Michael Lorrimer  
Neil Schafer  
Christopher Stapleton  
Ken Williams



## APPENDIX 3

### Maintenance, heritage conservation and environmental management projects

<b>All sites</b>	<ul style="list-style-type: none"> <li>• General building maintenance</li> <li>• Services maintenance</li> <li>• Fire systems maintenance</li> <li>• Pest management</li> <li>• Site security</li> </ul>
<b>Headland Park</b>	<ul style="list-style-type: none"> <li>• Refurbishment of two residential properties on Imperial Place</li> <li>• Replacement of deteriorated sewer pipework at Chowder Bay</li> <li>• Refurbishment and replanting of walking tracks</li> <li>• Contract bush regeneration</li> <li>• Feral animal control</li> <li>• Minor internal fitouts by tenants</li> <li>• Mechanical and manual bushfire hazard reduction works</li> <li>• External and internal painting of tenanted buildings</li> </ul>
<b>Cockatoo Island</b>	<ul style="list-style-type: none"> <li>• Conservation works to the historic Powerhouse</li> <li>• Remediation and make-safe works to five historic cranes</li> <li>• Geotechnical investigations and remedial works to cliff face</li> <li>• Weed removal and replanting</li> <li>• Conservation of historic machinery and planting of gardens by Harbour Trust volunteers</li> <li>• Installation of netting to deter roosting by Silver Gulls</li> <li>• Ongoing replacement and upgrading of utilities</li> </ul>
<b>North Head Sanctuary</b>	<ul style="list-style-type: none"> <li>• Restoration of the underground plotting room by Harbour Trust volunteers</li> <li>• Repairs and maintenance of walking tracks</li> <li>• Installation of interpretive materials/signage in the tunnels, visitor centre and fortifications</li> <li>• Refurbishment of a residential property on North Head Scenic Drive</li> <li>• Conservation and reconstruction of historic military equipment by heritage restoration volunteers</li> <li>• Minor internal fitouts by tenants</li> <li>• Propagation and planting of local species by the North Head Sanctuary Foundation</li> <li>• Mechanical and manual bushfire hazard reduction works</li> <li>• Maintenance, heritage conservation and environmental management projects</li> <li>• Feral animal control</li> </ul>

## APPENDIX 3

### Maintenance, heritage conservation and environmental management projects

<b>Woolwich Dock</b>	<ul style="list-style-type: none"> <li>• Improvements to paths and resurfacing of Clarke Road</li> <li>• Contract bush regeneration</li> <li>• Feral animal control</li> </ul>
<b>Sub Base Platypus</b>	<ul style="list-style-type: none"> <li>• Completion of works to Submarine School and Fleet Workshop prior to tenant fitout</li> <li>• Refurbishment of a small “satellite” office for Harbour Trust staff</li> <li>• Installation of interpretive, wayfinding, and tenancy signage</li> <li>• Installation of netting to deter roosting by Silver Gulls</li> <li>• Internal fitouts by tenants</li> <li>• Upgrades to site services</li> <li>• Weed removal and replanting</li> </ul>
<b>Macquarie Lightstation</b>	<ul style="list-style-type: none"> <li>• Grounds maintenance</li> <li>• Weed removal and replanting</li> </ul>
<b>Former Marine Biological Station</b>	<ul style="list-style-type: none"> <li>• Grounds maintenance</li> <li>• Weed removal and replanting</li> </ul>
<b>Snapper Island</b>	<ul style="list-style-type: none"> <li>• While no works were carried out by the Harbour Trust during the year, the Department of Finance undertook some building remediation works</li> </ul>

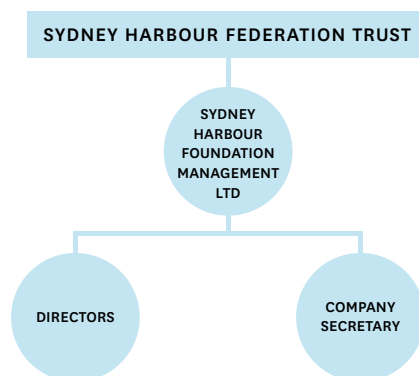
## APPENDIX 4

### Sydney Harbour Foundation Management Ltd organisational structure

#### Officeholders and Directors

<b>Kevin McCann</b>	Director	<b>Elyse Jeffress</b>	Company Secretary
<b>Sandra Hook</b>	Director		
<b>Mary Darwell</b>	Director		
<b>Jessica Keen</b>	Director		

#### Organisational structure



## APPENDIX 5

### Executive remuneration

Information about remuneration for Executive Director and Members of the Trust.

Executive Director and Members of the Trust	Position Title	Short-term benefits		Post-employment benefits	Other long-term benefits		Total Remuneration	Term as KMP
		Base Salary (\$)	Other Benefits and Allowances (\$)	Superannuation Contributions (\$)	Long Service Leave (\$)	Annual Leave Accrual (\$)		
Mary Darwell	CEO	251,977	55,165	43,959	8,007	19,127	378,235	Full year
Joseph Carrozzi	Chairman	38,549	-	3,662	-	-	42,211	Full year
Garth Callender	Board Member	19,275	-	1,831	-	-	21,106	Full year
Sandra Hook	Board Member	19,275	-	1,831	-	-	21,106	Full year
Josephine Cashman	Board Member	19,274	-	1,831	-	-	21,105	Full year
Jean Hay	Board Member	19,274	-	1,831	-	-	21,105	Full year
Jessica Keen	Board Member	19,274	-	4,637	-	-	23,911	Full year
Tim James	Board Member	19,274	-	1,831	-	-	21,105	Full year
Michael Rose	Board Member	14,602	-	1,387	-	-	15,989	Joined 11/9/2019
<b>Total</b>		<b>420,774</b>	<b>55,165</b>	<b>62,800</b>	<b>8,007</b>	<b>19,127</b>	<b>565,873</b>	

Notes:

The CEO waived the performance component of her remuneration for 2019-20 in response to the COVID-19 pandemic.

Trust Members waived their remuneration for the period April 2020 to June 2020 in response to the COVID-19 pandemic.

Jessica Keen has a defined benefit superannuation scheme. This resulted in higher superannuation contributions for the year.

## APPENDIX 6

### Executive remuneration

Information about remuneration for senior executives.

	Number of senior executives	Average base salary	Short-term benefits		Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
			Average bonuses	Average other benefits and allowances	Average superannuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration
\$0-\$220,000	5	124,267	0	48	14,767	4,691	1,630	10,973	156,376
\$220,001-\$245,000	1	208,400	0	240	19,798	5,149	8,935	0	242,522
\$245,001-\$270,000	1	220,374	0	4,029	20,935	5,214	9,447	0	260,000

## COMPLIANCE INDEX

Below is the table set out in Schedule 2A of the PGPA Rule. Section 17BE(u) requires this table be included in entities' annual reports.

PGPA RULE REFERENCE	PART OF REPORT	DESCRIPTION	REQUIREMENT	PAGE
<b>17BE</b>		<b>Contents of annual report</b>		
17BE(a)	Harbour Trust Overview	Details of the legislation establishing the body	Mandatory	11
17BE(b)(i)	Harbour Trust Overview	A summary of the objects and functions of the entity as set out in legislation	Mandatory	10
17BE(b)(ii)	Annual Performance Statement	The purposes of the entity as included in the entity's corporate plan for the reporting period	Mandatory	10, 50-65
17BE(c)	Harbour Trust Overview	The names of the persons holding the position of responsible Minister or responsible Ministers during the reporting period, and the titles of those responsible Ministers	Mandatory	11
17BE(d)	Strengthen Our Capabilities	Directions given to the entity by the Minister under an Act or instrument during the reporting period	If applicable, mandatory	49
17BE(e)	A Robust Business	Any government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	If applicable, mandatory	45
17BE(f)	n/a	Particulars of non-compliance with: (a) a direction given to the entity by the Minister under an Act or instrument during the reporting period; or (b) a government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	If applicable, mandatory	n/a
17BE(g)	Annual Performance Statement	Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the rule	Mandatory	50-65
17BE(h), 17BE(i)	n/a	A statement of significant issues reported to the Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with finance law and action taken to remedy non-compliance	If applicable, mandatory	n/a
17BE(j)	Harbour Trust Overview	Information on the accountable authority, or each member of the accountable authority, of the entity during the reporting period	Mandatory	12-14, 42
17BE(k)	Harbour Trust Overview	Outline of the organisational structure of the entity (including any subsidiaries of the entity)	Mandatory	11
17BE(ka)	Strengthen Our Capabilities	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender; (d) statistics on staff location	Mandatory	47

## COMPLIANCE INDEX

PGPA RULE REFERENCE	PART OF REPORT	DESCRIPTION	REQUIREMENT	PAGE
17BE(l)	Harbour Trust Overview	Outline of the location (whether or not in Australia) of major activities or facilities of the entity	Mandatory	11
17BE(m)	A Robust Business	Information relating to the main corporate governance practices used by the entity during the reporting period	Mandatory	41-45
17BE(n), 17BE(o)	Financial Statements	For transactions with a related Commonwealth entity or related company where the value of the transaction, or if there is more than one transaction, the aggregate of those transactions, is more than \$10,000 (inclusive of GST): (a) the decision-making process undertaken by the accountable authority to approve the entity paying for a good or service from, or providing a grant to, the related Commonwealth entity or related company; and (b) the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions	If applicable, mandatory	70-103
17BE(p)	Strengthen Our Capabilities	Any significant activities and changes that affected the operation or structure of the entity during the reporting period	If applicable, mandatory	49
17BE(q)	Strengthen Our Capabilities	Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the entity	If applicable, mandatory	49
17BE(r)	A Robust Business; Strengthen Our Capabilities	Particulars of any reports on the entity given by: (a) the Auditor-General (other than a report under section 43 of the Act); or (b) a Parliamentary Committee; or (c) the Commonwealth Ombudsman; or (d) the Office of the Australian Information Commissioner	If applicable, mandatory	45, 49
17BE(s)	n/a	An explanation of information not obtained from a subsidiary of the entity and the effect of not having the information on the annual report		n/a
17BE(t)	A Robust Business	Details of any indemnity that applied during the reporting period to the accountable authority, any member of the accountable authority or officer of the entity against a liability (including premiums paid, or agreed to be paid, for insurance against the authority, member or officer's liability for legal costs)	If applicable, mandatory	45
17BE(taa)	A Robust Business	The following information about the audit committee for the entity: (a) a direct electronic address of the charter determining the functions of the audit committee; (b) the name of each member of the audit committee; (c) the qualifications, knowledge, skills or experience of each member of the audit committee; (d) information about each member's attendance at meetings of the audit committee; (e) the remuneration of each member of the audit committee	Mandatory	43-44
17BE(ta)	Strengthen Our Capabilities, Appendix 5 and 6	Information about executive remuneration	Mandatory	47, 109-110

## COMPLIANCE INDEX

### SYDNEY HARBOUR FEDERATION TRUST ACT 2001 REFERENCE

Section 70	Description Annual Report	Requirement Mandatory
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### 70 Annual report

The annual report on the Trust under section 9 of the *Commonwealth Authorities and Companies Act 1997* must also include:

PART OF REPORT	DESCRIPTION	PAGE
Harbour Trust Overview	(a) a description of the condition of plan areas at the end of the period to which the report relates; and	10
Strengthen Our Capabilities	(b) the text of all directions, and reasons for directions, given by the Minister to the Trust under section 9 during the period to which the report relates.	46-49

### ADDITIONAL COMPLIANCE RELATING TO SPECIFIC STATUTORY PROVISION

The Harbour Trust has complied with the reporting requirements of:

- *Work Health and Safety Act 2011* — Schedule 2, Part 4
- *Commonwealth Electoral Act 1918* — Section 311A
- *The Environmental Protection and Biodiversity Conservation Act 1999* — Section 516A



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Back cover, clockwise from top left:  
Beam Benders, Cockatoo Island; Macquarie Lightstation, Vaucluse; Walking track, Headland Park; Turbine Hall, Cockatoo Island;  
Fleet Workshop courtyard, Sub Base Platypus, photography by Ben Guthrie, The Guthrie Project; Third Quarantine Cemetery,  
North Head Sanctuary.



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Harbour Trust



Australian Government  
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