



SYDNEY HARBOUR FEDERATION TRUST

166th MEETING OF THE TRUST

Meeting in Private

18 September 2023 at 4.00pm – 5.30pm

Via videoconference

MINUTES

True & Correct Record of the 166th Meeting of the Trust

Acting Chair

Minutes of the 166th meeting of the Sydney Harbour Federation Trust held on Monday 18 September 2023.

Present

Ms Alison Page	Acting Chair
Ms Chantelle Fornari	Member
Prof. the Hon. Pru Goward AO (<i>partial attendance</i>)	Member
Mr Steven Issa	Member

In Attendance

Ms Janet Carding	Executive Director
Ms Bernadette Or	Chief Operating & Financial Officer
Ms Freya Clayton (<i>partial attendance</i>)	Strategy Officer
Ms Rosemary Southcombe	Secretariat

Apologies

Nil

1. Meeting Opening (Agenda Item 1)

The meeting was held in private due to confidential matters on the agenda.

The Chair opened the meeting with an acknowledgement of the Traditional Custodians and Owners of the Harbour Trust lands and paid respects to Elders past, present and emerging.

Attendees were welcomed.

The Chair:-

- **NOTED** a quorum of Members of the Trust was in attendance.

a) Apologies: Nil

b) Declarations of Interest

The Members of the Trust declarations of interest were circulated with the papers for this meeting. Members of the Trust were requested to advise if any declarations of interest are required during the meeting.

2. Sydney Harbour Foundation Management Ltd (Agenda Item 2)

Ms Bernadette Or, Chief Operating & Financial Officer, spoke to the report prepared for this agenda item.

Sydney Harbour Foundation Management Ltd (SHFML) is a not-for-profit entity originally incorporated on 8 December 2009 as an Australian Government corporation limited by guarantee for the specific purpose, at that time, of serving as trustee for the Sydney Harbour Conservancy (the Conservancy), a trust established to preserve and promote the natural environmental value of Harbour Trust sites. The Company's constitution was amended on 26 June 2019 to clarify that the object of the Company is to benefit the Sydney Harbour Federation Trust. SHFML continues to be a vehicle through which the Harbour Trust intends to pursue philanthropic support.

The Harbour Trust is the sole member of SHFML. The accounting policies of SHFML and the 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.

The financial statements of the Sydney Harbour Federation Trust (see Agenda Item 3) reflect the consolidated results for the Harbour Trust and its controlled entities, and the Conservancy.

The Directors of SHFML approved the Annual Financial Report for the year ended 30 June 2023 for SHFML by circular resolution, taken to have passed on 5 September 2023. The report was provided with the papers for this Meeting of the Trust.

The Harbour Trust continues to meet all the expenses of SHFML and has provided a letter of support to the Directors of SHFML to allow them to conclude that SHFML is solvent. Annual expenses for 2022-23 consist of the ASIC registration fee and annual audit fee.

There was discussion about the potential for SHFML to become more active when its specific listing / DGR status, new constitution and new name are finalised (as discussed at the previous Meeting of the Trust).

The current directors of SHFML are: Mr Kevin McCann AO (Chair); Ms Sandra Hook; Ms Jessica Keen; and Ms Janet Carding. Mr Simon Allington-Smith (the Harbour Trust's Legal Officer) is the Company Secretary.

The Members of the Trust:—

- **NOTED** the approval of the financial statements of SHFML by SHFML's Directors via circular resolution
- **NOTED** that the Harbour Trust has met all the expenses of SHFML during the 2022-23 financial year
- **NOTED** that the Harbour Trust will continue to meet SHFML's expenses to the extent that doing so is of benefit to the Harbour Trust.

3. Financial Statements (Agenda Item 3)

Ms Bernadette Or, Chief Operating & Financial Officer, spoke to the report prepared for this agenda item.

The financial statements for the Harbour Trust for the year ended 30 June 2023 have been prepared in accordance with the requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), applicable Accounting Standards and other mandatory reporting requirements.

The financial statements and the background papers and information were reviewed by the Department of Climate Change, Energy, the Environment and Water's Audit Committee at its meeting held on 12 September 2023. A representative from the Australian National Audit Office (ANAO) was in attendance at the Audit Committee meeting.

There were no 'Significant Accounting Issues' encountered during the preparation of the Financial Statements for FY23 for audit.

It is Management's view that, taking into account the funds available to the Harbour Trust, there are sufficient grounds for the Members of the Trust to form the view that the Harbour Trust is able to pay its debts as and when they become due. Should the Harbour Trust continue to incur operating losses in future periods such that the free cash balance diminishes, the Harbour Trust will need to seek further funding from Government.

There was a short discussion in relation to the term "reasonable grounds" in relation to the believing that the Harbour Trust will be able to pay its debts as and when they fall due (as stated in the sign-off page for the financial report). As this is the term used in the PGPA Act, the Members of the Trust were comfortable with the wording.

The Members of the Trust:—

- **RESOLVED** that in the opinion of the Members of the Trust -

- a) there are reasonable grounds to believe that the Harbour Trust will be able to pay its debts as and when they become due and payable;
 - b) the financial statements tabled comply with the Australian Accounting Standards, as stated in Note 1 to the financial statements;
 - c) the financial statements tabled and notes thereto are in accordance with the *Public Governance, Performance and Accountability Act 2013*), including compliance with accounting standards and give a true and fair view of the financial position and performance of the Harbour Trust; and
 - d) the subsidiary financial statements have been separately audited in accordance with all regulatory obligations, including those of *Corporations Act 2001* and the additional requirements under the *PGPA Act*.
- **NOTED** the Management Representation Letter to the ANAO.
 - **AUTHORISED** the Acting Chair to sign the Statement by Members.

Moved: Chantelle Fornari Seconded: Steven Issa

4. Performance Statements 2022-2023 (Agenda Item 4)

Ms Carding spoke to the report prepared for this agenda item.

The Harbour Trust is required to include Annual Performance Statements in its Annual Report according to Rule 17BE(g) of the *Public Governance, Performance and Accountability Regulations 2014*. The Annual Performance Statements summarise the Harbour Trust's performance against metrics set in the Portfolio Budget Statement and the Corporate Plan.

The Trust, as the accountable authority, is responsible for providing an opinion on whether the Annual Performance Statements accurately present the entity's performance for the reporting period and complies with the requirements of section 39(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The Annual Performance Statements are subject to the Department of Climate Change, Energy, the Environment and Water's Audit Committee oversight and review. The Performance Reporting Sub-Committee (PRSC) of the Audit Committee was established to assist the Audit Committee to meet its responsibilities under the PGPA Act, and to support the Harbour Trust to enhance their performance reporting.

The Harbour Trust met with the PRSC in May and August 2023 to discuss the performance frameworks and associated measures, mid-term results and corrective actions, and end of financial year measures and results against targets. Additionally, the Harbour Trust has provided quarterly updates on performance to the Audit Committee throughout the year.

The Audit Committee returned its findings on the Annual Performance Statements at a meeting on 12 September 2023. The Audit Committee Chair's letter of endorsement of the Annual Performance Statements was included in the papers for this meeting.

The Members of the Trust noted the visitor satisfaction statistics in the Annual Performance Statements were slightly below target. Ms Carding will ask Ms Clayton to provide further details about the visitor satisfaction statistics for discussion at the next Meeting of the Trust.

The Members of the Trust noted the significant increase in volunteer hours from last year. The volunteer hours for the year are well above target and the Members of the Trust requested that their sincere thanks be passed on to the volunteers.

The Members of the Trust:-

- **APPROVED** the Annual Performance Statements for incorporation in the Annual Report.

5. Annual Report (Agenda Item 5)

Ms Carding spoke to the report prepared for this agenda item.

The Harbour Trust is required to submit its internally approved and audited Annual Report to the Minister for the Environment and Water for approval and tabling before the commencement of the Senate Estimates hearings on 23 October 2023.

The Annual Report has been drafted incorporating the audited financial statements, Annual Performance Statements and other reports as required by the governing legislation of the Trust and where required by other Commonwealth Acts and Rules. As discussed at Agenda Item 3, the Financial Statements and Annual Performance Statements have been subject to Audit Committee oversight and review at their meeting held on 12 September 2023.

The Annual Performance Statements and Financial Statements have been submitted for approval at this meeting. The Annual Report was produced and reviewed by the Harbour Trust's staff, executive team and approved by the Executive Director.

The Members of the Trust:-

- **APPROVED** the Annual Report

6. Other Business

Ms Page provided a confidential verbal update regarding her conversation, as Acting Chair, with DCCEE Deputy Secretary, Lyn O'Connell, in relation to the current status of the appointment process to fill vacancies on the Trust.

Ms Page also spoke about the Torpedo Factory 'ribbon cutting' event at Sub Base Platypus on 15 September 2023 which she attended. Ms Page reported that it was a very successful event, with its significance reflected by the attendance of the Hon Tanya Plibersek MP (Minister for the Environment and Water); Ms Zali Steggall OAM MP (Member for Warringah); Ms Kylea Tink MP (Member for North Sydney); Ms Felicity Wilson (Member for North Shore); and Cr Zoë Baker (Mayor, North Sydney Council) in attendance.

7. Confidential *in camera* discussion (Agenda Item 6)

The Members of the Trust held a confidential *in camera* discussion.

Meeting closed at 5.35pm