



Sydney Harbour Federation Trust
Annual Report 06/07



Australian Government
Sydney Harbour Federation Trust

2 October 2007

The Honourable Malcolm Turnbull MP
Minister for the Environment and Water Resources
Parliament House
CANBERRA ACT 2600

Dear Minister

I present the report on the operations of the Sydney Harbour Federation Trust for the year ended 30 June 2007. The report complies with the provisions of section 70 of the Sydney Harbour Federation Trust Act 2001 and section 9 of the Commonwealth Authorities and Companies Act 1997.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kevin McCann', with a long horizontal flourish extending to the right.

Kevin McCann AM Chair

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Chair's Foreword

The past year has been an exciting and stimulating one for the Trust.

We finally acquired title to the land at the former School of Artillery at North Head from the State of New South Wales to the Commonwealth. This will allow us to progress the Plan of Management for the site and a sanctuary proposal.

We have also been entrusted by the Commonwealth Government to decontaminate and restore the HMAS *Platypus* site at Neutral Bay on the foreshore of Sydney Harbour.

We have completed or have on exhibition Plans of Management for almost all of the Trust land.

Our walking track from Chowder Bay to Balmoral is an important link in the Sydney Harbour foreshore walking track network. It provides outstanding bush and harbour views for an increasing number of visitors.

We are proud that Cockatoo Island is proposed for inclusion in the World Heritage list as part of a serial listing of 11 convict sites in Australia. It is now recognised that Cockatoo Island has some of the most extensive and best preserved convict era buildings in Australia. The restoration and interpretation of them is a key objective of the Trust in the years ahead. Importantly, they are located in a place which is readily accessible to the public by ferry from the Sydney CBD. The convict legacy of Cockatoo Island will enable future generations to discover their heritage. The island has even richer historic layers which we intend to interpret including its role as a major ship building facility for over a hundred years where many of Australia's most famous warships were constructed or repaired.

The island is a popular place for exhibitions and events and in 2007 we hosted an installation by Swiss artist Urs Fischer in conjunction with Kaldor Art Projects as well as events conducted by the Sydney Writers' Festival.

We have completed the Georges Heights lookout which will provide the public with unparalleled views of the entrance to Sydney Harbour and a wonderful panorama of the harbour stretching from North and South Heads to the Sydney skyline in the west.

The lookout is the work of the renowned Australian architect Rick Leplastrier and will provide enjoyment and amenity for generations of Australians and visitors to our city.

One of the key objectives of the Trust is to maximise public access to our sites. In the past year, our strategy of providing restaurants and cafes at Georges Heights and Chowder Bay has been highly popular with the community and has facilitated this key objective.

The Government has introduced legislation into Parliament to extend the term of the Trust from 2011 to 2033. We believe that this is an important step as it will enable us to implement our Plans of Management for sites in a measured and orderly fashion. It will also permit us to build on our plans for activities and events on the sites based on our experience of what the community expects.

In relation to funding, we have been in discussion with the Government about capital funds needed to decontaminate and restore the HMAS *Platypus* site and additional funding required to cover inflation in building costs and funds to meet depreciation of our precious heritage buildings.

In conclusion, it has been a year in which we have made great progress in meeting the task entrusted to us of providing access to outstanding built and natural heritage on Trust lands for the Australian people.

On behalf of Trust members and staff, I thank the Minister for the Environment and Water, the Hon Malcolm Turnbull, the former Minister for the Environment and Heritage, Senator the Hon Ian Campbell and the former Parliamentary Secretary for the Environment, the Hon Greg Hunt for their support during the year. I conclude by acknowledging the diligence and enthusiasm of Trust members. Geoff Bailey, the executive and staff of the Trust have displayed talent and commitment in the planning and execution of works and activities on the Trust sites. Their efforts have contributed to the very successful outcomes in the past year.

Kevin McCann AM

Photo: Barracks building, former School of Artillery, North Head

Executive Director's Summary

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The Trust opened two sites to the public on a permanent basis during the year. For the first time since the early days of European settlement, Cockatoo Island became freely accessible with the introduction of a limited ferry service from the city. The former School of Artillery on North Head opened its gates to the public after being off limits for over 70 years.

This brings to six the number of sites now open to the public – Middle Head/Georges Heights/Chowder Bay, Cockatoo Island, the former School of Artillery, Woolwich Dock and Parklands, Macquarie Lightstation and the park associated with the former Marine Biological Station at Watsons Bay.

Over the year, Cockatoo Island has undergone an accelerated program of works. Major projects completed or well advanced include the replacement of services in the Parramatta Wharf precinct, the repair of up to 15 buildings, the refurbishment of houses for residential use, the upgrade of marine access facilities on the southern apron and the preparation of documentation for new projects.

On the northern apron, a campground, associated amenities and parkland are under construction. Camping will attract people interested in a unique harbour experience and contribute to the life of the island. A café and a bar will service visitors and add to the general amenity of the site.

The works program continued apace as a trial ferry service commenced and the public was encouraged to visit and explore the island. The refurbished Muster Station provides an orientation point for visitors and the Trust's volunteers run the booking office and assist visitors.

The school excursion program brings close to 5,000 school children to Cockatoo Island annually. A range of other arts-related events was held and contributed to the Trust's strategy to promote Cockatoo Island as a cultural landmark. The Trust continues to negotiate with potential lessees of the island's building stock and other facilities.

The preparation of conservation management plans for the dockyard and convict/gaol precincts underpins the Trust's responsibility to protect and document the island's historical significance.

On North Head, the Trust made preparations for a major upgrade of infrastructure services such as water, sewerage and electricity. A new electrical sub station was installed. The tender for architectural services was awarded for the conservation and refurbishment of a number of buildings including the former barracks. A long term lease of several buildings by the Australian Institute of Police Management required extensive renovation and refurbishment.

The refurbishment and fitout of the Gatehouse building was completed in time for the site's official opening. The Gatehouse features a display of North Head's natural and cultural heritage including the role of the military at the former School of Artillery, and a children's craft and activities room. In anticipation of school groups visiting the site for curriculum aligned excursions, the Gatehouse has a classroom and breakout rooms for students.

Headland Park in Mosman is the most advanced of the Trust's sites in terms of significant infrastructure projects completed, buildings refurbished, tenant occupancy and a sense that the final shape of the various precincts is in place. However, major works were undertaken including the upgrade of services in the former Training Command precinct and the renovation of a former barracks building as a childcare centre. Work commenced on the realignment of Suakin Drive and a carpark adjacent to Georges Heights oval. Tenants were selected for a number of refurbished, weatherboard H blocks at Training Command.

At Chowder Bay, one level of the Submarine Miners' Depot was fitted out for a restaurant, a second café opened and negotiations concluded with an outdoor education provider to occupy the former Other Ranks' Quarters building.



The operator of The Tearooms Gunners' Barracks has leased the Sergeants' Mess to establish a function centre and the Sydney Institute of Marine Sciences took out a lease on an additional building to meet its growing research requirements.

In its second year, Headland Park's open day at Lower Georges Heights attracted a large crowd. An exhibition of Aboriginal and Islander defence personnel was mounted and a ceremony held in the landship to mark NAIDOC. The Trust's partnership with Sculpture by the Sea Incorporated to place sculptures along a section of the Balmoral to Chowder Bay walking track and in the Georges Heights precinct added to the natural beauty of the area. In this regard, the Georges Head lookout is undoubtedly one of Sydney's great platforms from which to appreciate the harbour.

The major focus of planning activity this year was the preparation of an amendment to the Comprehensive Plan to encompass HMAS *Platypus*. The former submarine naval base at Neutral Bay was formally handed over to the Trust in 2005. The amendment was placed on public exhibition in early 2007 following extensive community consultation. As a consequence of submissions received by the Trust, a revised draft amendment will be exhibited for public comment. Rehabilitation of the site will include open spaces, courtyards and urban parks, and the adaptive reuse of buildings, streets and wharves.

The Trust adopted management plans for the former School of Artillery and Middle Head. A draft management plan for Macquarie Lightstation was placed on public exhibition. The management plan for Woolwich Dock and Parklands was amended and placed on exhibition. The amendment related to revised plans for a function centre and café/restaurant.

The environmental management of Trust sites is part and parcel of the planning process, project works and public access. The remediation of contamination continued on Cockatoo Island, at Woolwich Dock and Parklands and Georges Heights. A remediation

action plan was prepared for HMAS *Platypus* and preliminary assessments made of remediation work required at the former School of Artillery. Remediation work lays the foundation for sustainable planning and the adaptive reuse of buildings and facilities consistent with the principles of ecologically sustainable development. The management of bushland on various sites continued with revegetation, noxious weed control and the repair of walking tracks. Fuel reduction and fire breaks and trails formed part of the bushfire management program. Feral animal management targeted rabbits, foxes and cats.

The Trust's team of volunteers was significantly increased during the year in anticipation of the opening of Cockatoo Island and the former School of Artillery. Volunteers form the backbone of the Trust's capacity to manage visitor centres, conduct tours and organise events. With the Trust's tour guides and teacher guides, the volunteers show unflagging commitment and enthusiasm, and perform an invaluable ambassadorial role.

Trust staff levels have remained constant in the face of increasing demands on time and resources. Staff continue to demonstrate strong commitment to making the experience of Trust sites enjoyable and memorable.

Finally, I must thank the Trustees for their unfailing support, strategic advice and guidance throughout the year.

Geoff Bailey

1 The Sydney Harbour Federation Trust

Vision

To provide a lasting legacy for the people of Australia by helping to create the finest foreshore park in the world and provide places that will greatly enrich the cultural life of the city and the nation.

Objectives

The objects of the Sydney Harbour Federation Trust as set out in the legislation are to:

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

Functions

The functions of the Sydney Harbour Federation Trust are to:

- hold Trust land for and on behalf of the Commonwealth;
- undertake community consultation on the management and conservation of Trust land;
- develop draft plans in respect of Trust land and any other harbour land in furthering the objects, and performing other functions, of the Trust;
- rehabilitate, remediate, develop, enhance and manage Trust land, by itself or in co-operation with other institutions or persons, in accordance with the plans;
- make recommendations to the Minister on:
 - (a) plans; and
 - (b) the proposed transfer of any Trust land;
- promote appreciation of Trust land, in particular its environmental and heritage values;
- provide services and funding to other Commonwealth bodies in furthering the objects, and performing other functions, of the Trust; and
- anything incidental to or conducive to the performance of its other functions.



The Sites



Legislation and Minister

The Trust was established by section 5 of the *Sydney Harbour Federation Trust Act 2001* which commenced on 20 September 2001.

The Minister for the Environment and Water Resources, the Hon Malcolm Turnbull, is the responsible minister.

Organisational Structure

The Trust is comprised of eight members appointed by the Minister. The affairs of the Trust are managed, subject to the directions of, and in accordance with, the policies of the Trust, by the Executive Director, Mr Geoff Bailey.

During the year the Trust operated from its offices at Georges Heights, Mosman, Sydney.

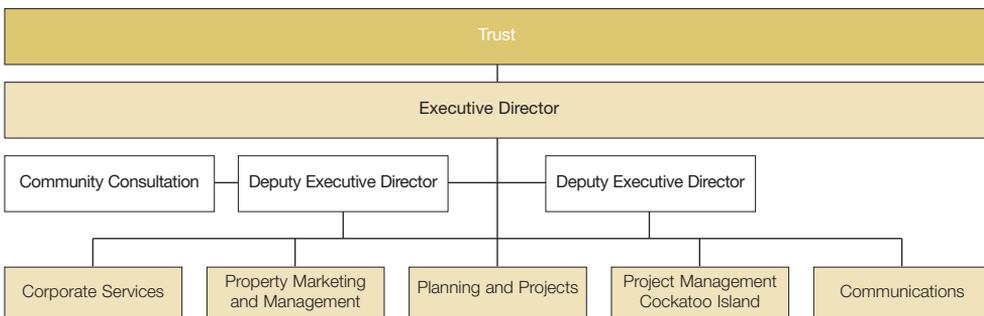


Photo: Georges Head lookout, Mosman

Members

Mr Kevin McCann AM, Chair



Mr McCann is a non-executive director of the Trust. He is also a non-executive director of a number of leading Australian listed companies. He is Chairman of Healthscope Limited and Origin Energy Limited, lead independent director of Macquarie Bank Limited and is a director of BlueScope Steel Limited. He is a member of the Council of the National Library of Australia. He practised in corporate and commercial law as a partner of Allens Arthur Robinson for 35 years and Chairman of the firm for 10 years. Mr McCann holds a Master of Laws, Bachelor of Laws and a Bachelor of Arts. He is experienced in finance and commercial matters.

Mr Robert Conroy



Mr Conroy is a non-executive director, nominated by the NSW Government. Mr Conroy is Director Central Branch, NSW Parks and Wildlife Service, NSW Department of Environment and Climate Change. He holds a Master of Management, Bachelor of Arts and a Diploma in Environmental Studies. Through his 30 years with national parks Mr Conroy has been committed to the protection and improved management of Australia's environment.

Ms Diana Talty



Ms Talty is a non-executive director, nominated by the NSW Government. Ms Talty has wide ranging experience in urban and waterfront development through her employment in the Office of the Federal Minister for Urban and Regional Development in 1970's, the NSW Department of Planning, the Darling Harbour Authority and now in the role of Executive Director, Major Projects for the Sydney Harbour Foreshore Authority. Ms Talty holds a Bachelor of Arts. In 2002 she was awarded the NSW Government Public Service Medal in recognition of her contribution to the Darling Harbour project.

Clr Susan Hoopmann



Clr Hoopmann is a non-executive director. Clr Hoopmann is Popularly Elected Mayor of Hunters Hill, a company director and chairs numerous boards, committees and organisations with wide-ranging responsibilities such as traffic, conservation, planning and education. Clr Hoopmann chairs the seven Councils Insurance Pools (Metropool), is Vice Chair of the Northern Sydney Region of Councils (NSROC) and is involved with various Local Government committees and charities. Clr Hoopmann is also a member of the Trust's Audit and Risk Management Committee.

Mr Peter Lowry OAM



Mr Lowry is a non-executive director, a law graduate and is chairman of a number of companies involved in urban planning and residential development, particularly in the restoration of heritage projects. His companies are also involved in the hospitality industry. He is a board member of the National Trust and the Planning Research Centre of the University of Sydney and is a Member of the Planning Institute of Australia and a Fellow of the Australian Property Institute. He was a Reserve Army officer. Mr Lowry is Chair of the Trust's Audit and Risk Management Committee.

Dr John Moriarty AM



Dr Moriarty is a non-executive director. Dr Moriarty holds a Bachelor of Arts and was granted a Churchill Fellowship for overseas study on the history and culture of indigenous peoples. He is chairman and co-owner of Balarinji, the country's leading indigenous art and design studio. Dr Moriarty has been in executive positions in the Departments of Aboriginal Affairs for Commonwealth and state governments, and continues to hold board positions relating to indigenous issues. He is a member of the National Indigenous Council, an advisory body to the Commonwealth Government.

Photo: School excursion to one of the Trust's sites



Brigadier Kevin O'Brien CSC (ret)



Brigadier O'Brien is a non-executive director who served at two of the Trust sites during his 30 years with the Australian Army. Brigadier O'Brien holds a Bachelor of Arts and a Diploma of Arts, Military Studies. He has studied the military and defence history of Australia and assisted in the restoration of heritage defence sites. He has advised on, and edited a book about, the defence of Sydney Harbour during World War II. Brigadier O'Brien was a Member of the Interim Sydney Harbour Federation Trust for 2½ years. He is also the Chair of the Trust's Defence History Steering Committee, a member of the Trust's Audit and Risk Management Committee and the Members' representative on the Tender Review Committee

The Honourable Barry O'Keefe, AM QC



The Hon Barry O'Keefe is a non executive director. He is a lawyer and until recently was a Judge of the Supreme Court of NSW. He was a member of Mosman Council from 1968 until 1991, Mayor for ten of those years and President of the Local Government Association from 1986 until 1988. In 1993 he was appointed as Chief Judge of the Commercial Division and an Additional Judge of Appeal of the Supreme Court. In 1994 he was appointed Commissioner of the Independent Commission Against Corruption for the maximum statutory term of five years, returning to judicial duties thereafter. Mr O'Keefe was President of the National Trust (NSW) from 1991 until 2006 and was a Member of the Interim Sydney Harbour Federation Trust for 2½ years before his appointment as a Trustee in 2001.

Outcome and Output Structure

The Trust has established a sub outcome under the Environment and Water Resources Portfolio Outcome 1.

Environment and Water Resources Portfolio Outcome 1

The environment, especially those aspects that are matters of national significance, is protected and conserved.

Trust Sub Outcome

Trust lands on Sydney Harbour are conserved and enhanced for the benefit of present and future generations of Australians.

The following outputs will facilitate achievement of the required outcomes:

Trust Plans

Management plans consistent with the Trust's Comprehensive Plan are prepared for Trust lands following community consultation.

Public Information

The public is informed of the environmental and heritage significance of the Trust lands and access to them.

Site Conservation

Trust lands are progressively rehabilitated, conserved and made publicly accessible.

2 Achievements and Initiatives

Trust Plans

Performance Indicators

- Plans conform with best practice, have broad community support and reflect input from the consultative process.
- Management plans are consistent with the Trust's Comprehensive Plan approved by the Minister.
- Management plans are prepared and drafts exhibited.
- Background studies or policies for significant heritage, environmental and transport matters affecting Trust lands are prepared.
- The Community Advisory Committee and the broader community provide input into the planning process.

Comprehensive Plan

The draft amendment to the Trust's Comprehensive Plan to include HMAS *Platypus* was publicly exhibited in early 2007. This followed the public notification of the Trust's intention to amend the plan under Section 29 of the Trust's Act, public consultation and the preparation of reference material and background reports. The draft amendment contains a description of HMAS *Platypus* including the local planning context, an overview of its cultural and environmental significance and a description of outcomes. The exhibition of the draft amendment attracted over 200 submissions. A revised amendment will be made available for public comment in the latter half of 2007.

Management Plans

The Management Plan for the former School of Artillery, North Head, was approved by the Trust in July 2006. The plan proposes the creation of a sanctuary on North Head involving all land managers on the headland. Works are underway to implement the plan's proposal for a network of paths providing walking access to points of interest and adjoining lands. The Trust commissioned Australian Wildlife Conservancy to prepare a management plan for the operation of the sanctuary.

The Management Plan for Middle Head was placed on public exhibition in November 2006 and adopted by the Trust in June 2007. The preparation of the plan involved consultation with adjoining landholders, the Navy and NSW National Parks and Wildlife Service. Following the review of submissions, the draft plan was revised to remove the proposal for a new building on the site of the two storey barracks. The adaptive reuse of buildings of the former Australian School of Pacific Administration (ASOPA) and 10 Terminal will retain the institutional character of the precinct and a network of pathways will open the site to the public. Assessment reports on flora and fauna, Aboriginal sites, contamination and services were completed as part of the preparation of the plan.

The draft Management Plan for Macquarie Lightstation was placed on public exhibition in May 2007. The plan will conserve and interpret the site's heritage values and connect it to the sequence of open spaces along the cliff edge. The lighthouse will continue to operate as a navigation beacon and the plan aims to conserve and enhance the landmark qualities of the site.

An amendment to the Management Plan for Woolwich Dock and Parklands was placed on public exhibition in June 2007. The existing plan envisaged a single storey function centre and café/restaurant on the waterfront and the amendment proposed a two storey development to incorporate a Trust visitor and information centre. The amendment also provided for an overflow car parking capacity at the top of the dock.



Background Studies

A range of studies commissioned by the Trust during the year to inform the planning process is listed at Appendix 3.

Community Consultation

The Trust consults communities and liaises with key stakeholders on the planning and rehabilitation of its sites. Consultation activities ranged from formal committee meetings to workshops, open days, presentations, discussions and the exhibition of plans. This occurred in relation to the exhibition of plans for Woolwich Dock and Parklands (Amendment 1), HMAS *Platypus*, Middle Head and Macquarie Lightstation.

The Trust's Community Advisory Committee (CAC) provided advice in support of the planning process. Site subcommittees met nine times during the year to provide feedback on and input into the development of site management plans.

An open day was held at HMAS *Platypus* and included a display of landscape concept drawings by landscape architectural students of the University of New South Wales. A re-union of ex-ASOPA staff and students was held at Middle Head to gather information for the Conservation Management Plan and the interpretation of the site. A community briefing day was held at Woolwich to present the works program in the area and to answer questions raised by members of the community.

The Trust held and attended numerous formal and informal meetings with key stakeholder groups, government agency staff, councils, local members, community organisations and individuals to discuss issues concerning the planning for, and the rehabilitation of the sites.

The CAC newsletter was produced in August and November 2006 to provide members with information about current Trust activities and initiatives, and to encourage feedback and communication between the members and the Trust.

Current membership of the Community Advisory Committee is provided in Appendix 2.

Public Information

Performance Indicators

- Sound communication methods are used to promote Trust lands, activities and values.
- Community awareness of the Trust and its activities increase through the promotion of tours, events and open days.
- The Trust receives positive media coverage for all significant public events and planning activities and the media maintains an interest in the Trust.
- Education, interpretive and public programs are developed and implemented to promote Trust lands and their significance.
- Partnership programs with institutions, neighbours and others are developed to promote Trust lands and their significance.
- Schools education program is planned and implemented.

Communication Program

The Trust's communication program involved a range of activities to increase public awareness of sites and to promote public access.

The commencement of a regular, though limited, ferry service to Cockatoo Island effectively opened the site to the public for the first time. The refurbishment of the Muster Station at the Parramatta Wharf entry to the island enabled the installation of a visitor orientation centre and a booking office. The Muster Station has also been fitted out for a café. Communications activities on Cockatoo Island are guided by an interpretation strategy prepared during the year. The strategy articulated the interpretive goals for the island and identified the overarching themes for telling the island's story.

At North Head, the Gatehouse building of the former School of Artillery was refurbished as a visitor and education centre and contains an interpretive exhibition of the headland's natural and cultural history. Importantly, the centre promotes the concept of a sanctuary on North Head.



Events, Ceremonies and Open Days

In July 2006, the Trust marked NAIDOC Week at Lower Georges Heights with a performance by students of the National Aboriginal and Islander Skills Development Association (NAISDA), a photographic exhibition of indigenous involvement in the defence forces (called *Joining Up*) and walking tours of the area. The second Headland Park Art in the Open day was held at Lower Georges Heights in November and attracted a crowd of several thousand. Highlights included a program of talks by artists and curators including Ken Done, an outdoor exhibition of paintings, bands and children's activities. An open day at HMAS *Platypus* in November was held to promote the preparation of a draft plan for the site. The day included tours, bands, food and wine stalls, and an exhibition by landscape design students of the University of New South Wales. The draft plan was officially launched by the federal member for North Sydney, Joe Hockey, in January 2007.

Legal title to the former School of Artillery on North Head was vested in the Commonwealth in January 2007 until 2032 and marked by a handover ceremony on site. Participants included the federal member for Warringah, Tony Abbott, the former Parliamentary Secretary for the Environment and Heritage, Greg Hunt, and the former NSW Minister for the Environment, Bob Debus. The transfer of title will enable the Trust to implement its plan for the site. In June, Tony Abbott officially opened the Gatehouse Visitor Centre at the former School of Artillery. The centre is a focal point for visitors interested in the natural and cultural heritage of North Head and includes facilities for educational groups.

The Trust facilitated an Anzac Day ceremony on the parade ground at Georges Heights. Open days were held at Macquarie Lighthouse to coincide with International Lighthouse Day and the French Rendezvous Festival. The Trust participated in Fete de la Musique, an annual international event that celebrates free live music in unusual places. A program of bands and musicians performed at Cockatoo Island.

During the year, open days were organised as part of the preparation of management plans.

Public Programs

The Trust undertook a volunteer recruitment drive during the year in anticipation of a regular ferry service to Cockatoo Island and opening the former School of Artillery on North Head to the public. The volunteer force now stands at over 100 members. Recruitment entailed a comprehensive induction program including site visits and training in first aid, occupational health and safety, fire control, customer service, and guiding. Volunteers are an integral part of the Trust's public programs and are responsible for guided tours of Chowder Bay-Georges Heights and military lands at North Head. New areas of volunteer activity are industrial machinery restoration and gardening, both conducted on Cockatoo Island. In addition, volunteers were trained to make presentations on the Trust to community groups and others. Of the 30 presentations made in the reporting period, volunteers were responsible for half. Volunteers continue to support bush regeneration programs at Middle Head and North Head, and conduct interviews for the oral history program. Throughout the year, the Trust provided training and refresher courses for guides and volunteers.

The Muster Station at Cockatoo Island and the Gatehouse Visitor Centre at North Head contributed to the interpretive component of public programs and augmented the experience of visitors. During the year, a soundscape was installed in the dogleg tunnel at Cockatoo Island.

Temporary and permanent signage, and various interpretive panels, were produced for most sites to explain projects and contribute to public accessibility.

Partnerships

The Trust took part in Parks Week (15–22 October 2006), Sydney Harbour Week (2–11 March 2007), the National Trust Heritage Festival (3–18 March 2007) and Seniors Week (11–18 March 2007). Activities included walks, art classes, talks and open days.

A major installation by Swiss artist Urs Fischer in the convict precinct of Cockatoo Island was a product of a partnership between the Trust and Kaldor Art Projects. The installation was exhibited from 19 April to 3 June 2007. The Trust sponsored an event of the Sydney Writers' Festival in the convict workshop of Cockatoo Island. The Australian author Thomas Kenneally was one of the writers who took part in the event.

A number of collaborations on Cockatoo Island included Urban Islands, an international architectural studio/workshop organised by faculty members of the school of architecture, University of Sydney and a workshop of students of the Australian Graphic Design Association. An exhibition of the students' work was subsequently held at the Powerhouse Museum.

Seven sculptures were installed at Lower Georges Heights under an agreement with Sculpture by the Sea Incorporated. An open day was held at Chowder Bay showcasing the facilities and work of the Sydney Harbour Institute of Marine Science.

The Trust is a member of the Sydney Urban Parks Education and Research Group (Sydney Parks Group), established in 1998 to provide a strategic integrated approach to urban park research in Sydney.

School Excursion Program and School Holiday Program

The Cockatoo Island school excursion program attracted almost 5,000 students, a 30 per cent increase over the previous year. Approximately 20 per cent of the 68 schools that visited the island were repeat customers. Programs aligned to the secondary school history and geography curricula and the primary school human society and its environment syllabus were presented by the Trust's team of experienced teacher guides.

In March 2007, the Trust hosted a NSW Geography Teachers' Association Conference on Cockatoo Island. Some 40 secondary school teachers, all new to geography teaching, gained an appreciation of

Cockatoo Island as an educational resource for the geography curriculum. Sculpture workshops were trialled at Lower Georges Heights in collaboration with Sculpture by the Sea Incorporated.

Development continued of a school excursion program at the former School of Artillery, North Head.

A school holiday programs was held for young children at Macquarie Lightstation and on Cockatoo Island during the year. A children's activities room at the Gatehouse Visitor Centre, North Head, opened in June 2007. The room contains books, posters, maps, specimens and other material on the natural heritage of North Head.

Publications and Signage

One issue of the Trust's Update newsletter was produced and distributed to the mailing list. The leasing process on various sites generated marketing brochures and other material, site brochures were reprinted and two self guided tour brochures were produced for Cockatoo Island and the former School of Artillery respectively.

A range of signage was produced throughout the year for all sites including temporary signage advising of civil and other works, internal and external interpretive signage and panels, and directional and wayfinding signage.

Media Relations and Advertising

The Trust continued to receive positive media coverage of its activities and maintains a good working relationship with both metropolitan and suburban media.

The Trust placed non-campaign advertising in metropolitan and suburban newspapers to promote events, the exhibition of management plans and open days, and to advertise guided tours.

Website

In 2006-2007, there were 192,810 visits to the Harbour Trust website (results based on "new user sessions"). The website meets the Australian Government's online accessibility standards.

Site Conservation

Performance Indicators

- Rehabilitation of land, buildings, infrastructure and equipment is consistent with conservation, environmental, heritage and cultural values and relevant standards.
 - Trust lands and facilities meet workplace and public safety standards.
 - Further deterioration of Trust assets is minimised.
 - Undertake maintenance works at all sites.
 - Prepare and implement repair, maintenance and public safety work programs.
 - Remove and/or dispose of structures in line with the Trust's Comprehensive Plan.
 - Trust facilities are increasingly available for public access and business and community use.
-

Maintenance and Heritage Conservation

The Trust continued its ongoing maintenance program to prevent further deterioration of the sites and as part of the implementation of the Comprehensive Plan. Providing safe public access was an ongoing focus of maintenance and heritage conservation as new areas were opened to the public. Recurrent work included security, bush regeneration, upkeep of grounds, maintenance of fire safety systems and building conservation.

A list of maintenance and heritage conservation projects undertaken by the Trust in 2006-07 is provided in Appendix 4.

Former School of Artillery, North Head

The former School of Artillery, North Head, contains a collection of buildings surrounding the parade ground, sporting facilities and a large area of remnant bushland. The site is mainly vacant and while many of the buildings generally are structurally sound, deterioration of the building fabric is broadly evident. Ongoing repairs to the sewerage and water supply systems were carried out during the year along with significant replacement works to upgrade the electricity supply.

During the year, the walking track was extended to form a loop around the entire site. The track passes through heath and scrub, and affords views of the harbour, headlands, the ocean and foreshore suburbs. The refurbishment of the Gatehouse building was completed and houses a Visitor Centre, children's activities room, and offices and facilities for school groups including a classroom. A traffic consultancy was undertaken for the Blue Fish Road carpark and initial designs surveyed on-site. The consultancy also considered overall traffic circulation within the parade ground area including possible bus access. Clearance of the carpark site was completed for the opening of the Visitor Centre and walking track in early June 2007. A review was undertaken of repairs and upgrading required for the fire hydrant, water supply, sewer, stormwater, electrical and communications infrastructure for the whole site. A new electrical sub-station was installed and an agreement reached with NSW National Parks and Wildlife Service to upgrade the high voltage power supply to North Head peninsula including the former School of Artillery.

Tenders were called for consultants to undertake the restoration of the former medical and printing buildings and a preliminary investigation was undertaken of the former barracks building. A number of buildings were renovated and refurbished to prepare them for tenant occupancy. These included the former Rodin Cutler building, Sergeants' Mess, Officers' Mess and annex accommodation.

Middle Head, Georges Heights and Chowder Bay

The Middle Head, Georges Heights and Chowder Bay precincts feature former training facilities, fortifications, depots, barracks and housing surrounded by remnant Sydney Harbour bushland. Together they form Headland Park.

A comprehensive program of upgrading site services at the former Training Command precinct at Georges Heights included the installation of an underground high voltage network, a new electrical sub-station, sewer and stormwater services, fire hydrant mains, and the commencement of work to realign Suakin Drive and the carpark adjacent to Georges Heights oval. The program supported the refurbishment and fitout of buildings in the precinct to provide attractive office and community uses space. The conversion of the 1913 Barracks building into a childcare centre was commenced and largely completed.



At Georges Head, timber bench seating, perimeter lighting and safety grilles were installed at the lookout and the area landscaped. Replica gun carriages were built and installed in the batteries. Work on stormwater retention and stonework was largely completed.

The Chowder Bay wharf, tidal platform and store building were repaired. The fitout for a second coffee bar was completed and work continues on the fitout for a restaurant in the Submarine Miners' Depot. Preliminary investigations were undertaken into the use of the cable pit by one of the tenants. Planning commenced on refurbishment of the former Sergeants' Mess and barracks building as a function centre and an outdoor educational organisation respectively. At Middle Head, design options for the Chowder Bay intersection and parking area were developed.

Woolwich Dock

The site of Woolwich Dock contains parkland, sheds, hardstand, workshops and the former dry dock. The Trust uses the site as an embarkation point for journeys to and from Cockatoo Island by staff, contractors and consultants.

During the year, electrical, water supply and sewage services were upgraded. These works preceded the preparation of a development application to Hunters Hill Council for the realignment of the entry road to Woolwich Dock and associated carpark. Tenders were called for the construction of a lookout in parkland above the dock cutting and work commenced. Remediation of the Horse Paddock, the lookout and Goat Paddock was carried out and involved the removal of low level contamination and capping. This project continues. Engineering consultants assessed damage to the seawall of the Horse Paddock and repairs required. The design of wharf and docking facilities for the proposed function centre on the eastern apron of Woolwich Dock were completed. Tenders have been called for the project.

Cockatoo Island

Cockatoo Island is the largest island in Sydney Harbour and greatly modified through its uses as penal settlement and maritime industrial site. The island contains remnants of an imperial convict prison, two dry docks, wharves, slipways, maritime buildings, residences, a powerhouse, cranes, water towers and tunnels.

Photo: Hanging swamp on North Head

The program of repair works on Cockatoo Island continued during the year including joinery repairs to a number of buildings and the removal from some 15 buildings of asbestos cement roofing and lead painted corroded metal. The refurbishment of the Mould Loft continued throughout the year and included conservation, new structural work, provision of services and the fitout of a new space for a café. Contract documentation for the conservation and adaptive reuse of the Drawing Office was completed in preparation for a call for tenders. The conservation of weatherboard buildings on the southern apron for adaptive reuse as office accommodation was completed. Edwardian duplex houses on the island's plateau were conserved and upgraded for residential use.

The Muster Station at the Parramatta Wharf entry was refurbished as a visitor orientation centre, booking office and café. Other work commenced at the entry precinct included the replacement of sewer, water, stormwater, data and power services and the construction of access ramps and pavements.

Construction commenced on the northern apron campground and park. Contract documentation for the provision of a new sewerage treatment plant for the island was prepared and tenders were called for the repair of sandstone seawalls at the north eastern edge of the island. Geotechnical works commenced on the stabilisation of cliff faces and new cliff top safety fencing was installed. Contract documentation was prepared and tenders called for the construction of a cliff top walk including cantilevered walkway and elevated turbine shed component.

A number of the island's marine access facilities were upgraded. The original pontoon of the camber wharf was reinstated to facilitate ferry access to the island. The roll on roll off ramp was repaired to assist barge access. The work included the pavement of the access road and construction of seawalls. The timber bay wharf was upgraded for the berthing of 15 small boats for tenants and contractors.

A tender was let for heritage architectural services to prepare for the conservation of 'Biloela', the sandstone residence on the top of the island. A contract was let for the remediation of the upper plateau. Two gun carriages were constructed on the island from recycled wharf timber and relocated to the Georges Head gun placements.

The Trust assisted the Department of the Environment and Water Resources in the nomination for World Heritage Listing of the convict precinct of Cockatoo Island, one of 11 convict sites around Australia included in the serial listing.

Snapper Island

Snapper Island is Sydney Harbour's smallest island and comprises simple buildings, slipways, boat storage and jetties. No major works were carried out during the year following the upgrade of wharf and pontoon in the previous year.

Macquarie Lightstation

Macquarie Lightstation is prominently situated on the harbour's southern headland and is still used as a navigational aid. The management plan will oversee the interpretation of the site's heritage and improve both public access and the site's visual qualities.

Former Marine Biological Station

The former Marine Biological Station is a residential house at 31 Pacific Street in Watsons Bay. The station includes a foreshore park connecting suburban streets with Camp Cove beach. During the year the selected tenant continued work to restore the residence.

HMAS *Platypus*

The HMAS *Platypus* site contains buildings and workshops adapted and used by the Royal Australian Navy since 1942. The wharf was built to accommodate the berthing of submarines when the site was officially commissioned in 1967 as the base for the navy's submarine fleet.

During the year, the community was consulted on the preparation of an amendment to the Trust's Comprehensive Plan to include the site. A key aspect of the amendment was the development of a remediation strategy for the site's contamination. To inform the strategy, a review of all existing contamination reports was carried out and a supplementary environmental assessment was completed involving a program of site drilling, sampling and analysis.

Environmental Management

Remediation

The Trust undertook a range of projects to manage and remediate contamination on its sites.

On Cockatoo Island, remediation action plans were implemented for the northern apron and plateau precinct, and prepared for the eastern and southern apron precincts. The decontamination of buildings continued as part of major projects to conserve and refurbish the building stock.

At Woolwich, stage 1 of the remediation of this site was implemented with works carried out on the Horse Paddock and the lookout area.

At Georges Heights, remediation works in line with an environmental assessment and remediation plans are close to completion. These works dealt with Defence-related soil contamination and preparation of areas for landscaping. Remediation work was also carried out in the vicinity of the new childcare centre in the former 1913 Barracks building on Suakin Drive and new carpark areas, to meet planned environmental objectives and environmental audit requirements. An environmental assessment was carried out at the site of the former 1 Commando Company Headquarters in preparation for extensive landscaping.

At North Head, work required to decontaminate the underground plotting room was scoped and hazardous materials assessments were undertaken for various buildings prior to leasing.

Contaminated land audits were carried out for various remediation projects.

Bushland Management

Bushland management continued at Middle Head, Georges Heights, Chowder Bay and North Head. This included extensive control of noxious and other bushland weeds, bush track repairs, and revegetation of degraded areas using local provenance seedlings. Approximately 0.5 hectares of previously mowed grass has been left to regenerate at North Head. An area of 0.5 hectares has been revegetated in an area where two houses were demolished at Markham Close, Mosman. The volunteer Bushcare program continued fortnightly at Artillery Drive, North Head and Commonwealth Avenue, Georges Heights. The Trust worked with TAFE, Local Councils and NSW National Parks and



Wildlife Service to provide free training and education to volunteers on topics such as plant identification, weed management, and native grass identification. The program included a popular Banksia Scrub bushwalk at North Head in September 2006. Birds Australia continued bi-monthly monitoring of bushland at North Head, expanding the knowledge of avian fauna on this site including the recording of previously unrecorded and rare species. A planting day was held at Woolwich Dock Goat Paddock on National Tree Day, 31 July 2006. Twenty-five local volunteers planted over 300 native tubestock in bare areas of the site.

Bushfire Management

In the 2006-07 fire season, fuel reduction and slashing of fire breaks and trails were carried out adjacent to buildings and structures at the North Head and Mosman bushland sites. A program of fuel reduction and selective clearance of woody vegetation continues to be carried out within the Third Quarantine Cemetery (North Head) as part of the Conservation Management Plan for the site. A North Head Bushfire Management Plan was produced by NSW National Parks and Wildlife Service on behalf of North Head stakeholders in late 2006 to guide future ecological burns and hazard reduction activities. The Trust revised its Bushfire Management Plan for its Mosman sites to take account of changed land uses. The Trust continued working with neighbouring landholders through the statutory Manly-Mosman-North Sydney District Bushfire Management Committee.

Feral Animal Management

The Trust continued to work with local Government and NSW National Parks and Wildlife Service to provide a co-ordinated approach to management of feral animals at the North Head and Mosman sites. A quarterly program of monitoring and shooting continued to reduce rabbit population levels, and the Trust continued its involvement in the Northern Sydney Regional Fox Control Program. Regular bandicoot surveying by NSW National Parks and Wildlife Service continued across North Head with results showing a relatively stable population size. Feral cats and chickens were also targeted at North Head.

Ecologically Sustainable Development

The principles of ecologically sustainable development (ESD) constitute a key policy objective of the Trust, underpinning site rehabilitation, planning and public information activities. The Comprehensive Plan contains a commitment to ESD, and management plans are formulated taking into account ESD outcomes. All Trust objectives and policies are considered fundamental to the achievement of ESD – including biodiversity conservation, bushland conservation, management of native and introduced animals, water quality and catchment protection, transport management and air quality, bushfire management, Aboriginal and cultural heritage.

The preparation of management plans for sites and precincts within sites safeguarded the heritage and environmental values of lands in accord with the requirements of the *Environment Protection and Biodiversity Conservation (EPBC) Act 1999* and the Trust's ESD policy. Conservation management plans, remediation plans and other project planning allow for specific ESD objectives to be achieved on a planned basis. Public programs and community consultation continued to emphasise the importance of the environmental and heritage values of the sites. Planning outcomes provide for maximum public access and the adaptive re-use of Trust lands in ways that protect and conserve the natural environment and promote ecological sustainability.

Site conservation and environmental projects are carried out to remediate environmental degradation and impacts of past practices to establish a sound basis for sustainable development and adaptive re-use.

Specific examples of projects carried out in the reporting period include:

- Ongoing bush regeneration and revegetation;
- Preparation of remediation action plan for HMAS *Platypus*;
- Recycling of green waste;
- Ongoing removal of pollutant sources including tanks, lead paint, asbestos and gross contaminated wastes in pits and lines;
- Ongoing recycling of wastes such as metals, timber and demolition product;

Photo: Guided Tour on Cockatoo Island

- Preparation of environmental management plans for specific projects and for ongoing site management;
- Environmental objectives written into building demolition contracts including environmental impacts – noise, dust, sediment and erosion;
- On Cockatoo Island:
 - water minimisation plumbing fixtures
 - timed flow water fittings
 - solar heated showers
 - waterless urinals
 - low energy light fittings and movement sensors
 - installation of recycled water system
 - recycling of salvaged timber for joinery repairs and new construction
 - use of mixed mode air-conditioning
 - improvement in thermal performance of building through the use of natural ventilation, insulation solar shading and high performance glazing
 - adaptive use of industrial materials by incorporation into new works
 - minimization of transport through retention of materials in landscape containment cells
 - Renewable energy test facility in partnership with University of New South Wales;
- Water harvesting introduced at Georges Heights and an overall site system being investigated;
- Modest office recycling;
- Car fleet includes two hybrid and two gas powered vehicles.

The long-term leasing of buildings and facilities will contribute to the economic sustainability of Trust lands, promote public access and interaction, and ensure inter-generational equity.

Public Access

Public access to Trust sites increased significantly in the reporting period, notably with the opening of Cockatoo Island. Planning and project activity continued to reflect the importance of public access in the implementation of the Comprehensive Plan.

Interim Use

Trust properties continued to be used for interim uses including events, functions, filming, boat building and storage. A full list of interim uses is provided in Appendix 5.

Leasing and Licensing

During the year, the Trust reached an important milestone of leasing or licensing over 100 buildings within its portfolio of approximately 220 buildings currently available for adaptive re-use. On sites where landscaping, infrastructure and amenity improvements have been completed, leasing demand has been strong. Rents achieved reflect both the special qualities of each site and a trend in the property leasing sector towards a greater focus on lifestyle within the workplace.

At Chowder Bay, the renamed Sydney Institute of Marine Science (SIMS) completed work on a reticulated seawater system to support a range of aquarium-based research projects. Dry lab facilities were installed and the theatre was fitted out with new seating and audio visual equipment. The Australian Museum, the University of Newcastle and the University of Wollongong joined the four founding members of SIMS as Associate Members, and significant funding for an important new ocean current monitoring project was obtained.

A further building at Chowder Bay has been leased to the University of New South Wales for marine research, and a kayak hire business is being established to complement the existing diving and snorkeling operator. The two existing café outlets are trading well. Leasing terms have now been agreed with The Tea Room Pty Ltd to establish a function centre in Building 20, and a restaurant operated by the owners of Aqua Dining at Milsons Point is due to open in the mid level of the Submarine Miners' Depot in August 2007. Lands Edge, an outdoor training provider, will occupy Building 1 at Chowder Bay for use as school and student accommodation supporting residential educational and adventure courses for children. A boutique hotel operator is now being sought to occupy the last building available for lease at Chowder Bay. The successful blend of adaptive re-uses at Chowder Bay now serves as a model for other Trust sites.



Training Command at Georges Heights underwent a competitive Request for Proposals process in April 2007 and the newly refurbished WRAAC buildings were in strong demand for office, serviced office, production studio and fitness uses. The first tenants will commence their tenancies in July 2007, whilst the former WW1 hospital buildings are expected to be leased progressively during 2007 as building works are completed.

At Georges Head, Sally's Place long day care centre is scheduled to open in July 2007. The Tea Room Gunners' Barracks continues to be a popular venue for lunches and functions. A new café will commence operations at the former All Ranks Club at Lower Georges Heights in July 2007, operated by the owners of the Barn Café in Rozelle. The strong community focus of the owners should facilitate a range of public events and activities and help to activate this arts precinct.

Yacht building and repair operations are now in full swing at Woolwich Dock. This site has now hosted the construction or fitting out of the last three winners of Sydney to Hobart yacht race line honours: Nicorette (2004) and Wild Oats XI (2005 and 2006). Tenants Murlan Noakes are now preparing to establish a waterfront café and function centre which will also contain interpretive facilities managed by the Trust.

The Request for Proposals to lease buildings at the Former School of Artillery, North Head was extended to 12 weeks to reflect strong local interest in the site. Proposals have been sought which reflect the significant built and natural heritage of the site and the creation of the North Head Sanctuary. These proposals will be considered in the latter half of 2007. In the meantime the Trust has licensed a number of buildings at North Head to the Australian Institute of Police Management while its existing site at North Head is undergoing refurbishment.

Leasing and licensing activity on Cockatoo Island is dependent on a full ferry service, strong land and water-based logistical support, a steady stream of visitors and an active events program. A significant step in this direction was taken with the commencement in April 2006 of a limited ferry service to the island provided by Sydney Ferries. The resultant visitation of up to 1,000 people per week has encouraged service providers to consider

establishing a presence on the island. The Muster Station Café will be the first of these services, with a planned opening in July 2007, to be closely followed by a bar in Building 137. The opening of Cockatoo Island camping in late 2007 on the island's northern apron will be a significant boost to demand for further island facilities, while the progressive refurbishment of houses on the island will provide high quality accommodation for lease.

Leasing and licensing activity at Middle Head (ASOPA and 10 Terminal) and HMAS *Platypus* will not commence until the respective management plans have been approved. The now established Request for Proposals process will be followed in each case.

The Trust continued to license its buildings and sites for a range of activities including weddings, product launches, filming, sports, coach building, candle making and art education. The Trust's residential portfolio of 53 houses is currently fully leased in a strong Sydney residential leasing market.

3 Operational Aspects

Corporate Governance

The affairs of the Trust are managed by the Executive Director subject to the directions of the Trust and in accordance with the policies determined by the Trust.

Members' Meetings

There were seven meetings of the Trust in the 2006-2007 financial year, two of which were open to the public. Under the Trust's enabling legislation the Trust must meet at least four times a year and at least two of the meetings have to be open to the public. Members attended as follows:

Member	Number of meetings attended
Mr K McCann, Chair	7
Mr R Conroy	6
Ms D Talty	5
Clr S Hoopmann	7
Mr P Lowry	7
Dr J Moriarty	7
Brigadier K O'Brien	6
The Hon B O'Keefe	6

Audit and Risk Management Committee

The functions of the Audit and Risk Management Committee include:

- Assisting the Trust to comply with its statutory obligations;
- Providing a forum for communications between the Trust, the Executive Director, senior managers and internal and external auditors; and to oversee:
 - Effective identification and management of risks;
 - Reliable financial and management reporting;
 - Compliance with applicable laws and regulations;
 - Maintenance of an effective and efficient audit service;
 - Effective fraud prevention and control measures.

The members of the Audit and Risk Management Committee during the 2006-2007 financial year were:

Mr P Lowry

Trust member and Chair of the committee.

Clr Susan Hoopmann

Trust member.

Brigadier Kevin O'Brien (ret.)

Trust member.

There were two Audit and Risk Management Committee meetings held during the 2006-2007 financial year with members attending as follows:

Member	Number of meetings attended
Mr P Lowry, Chair	2
Clr S Hoopmann	2
Brigadier K O'Brien (ret)	2

Walter Turnbull conducted two internal audits during the reporting period:

- Follow-up audit of recommendations of previous audits;
- Business risk assessment.

Finance Committee

In 2006-07, the Trust established a Finance Committee. The purpose of the committee is to provide a detailed review of proposed budgets for the Trust and address any specific financial issues raised by the Trust. The committee recommends amendments to the proposed budget and its acceptance.

The members of the Finance Committee during the 2006-07 financial year were:

Mr K McCann

Trust Chairman and Chair of the Committee.

The Hon B O'Keefe

Trust member.



There were two Finance Committee meetings held during the 2006-2007 financial year with members attending as follows:

Member	Number of meetings attended
Mr K McCann	2
The Hon B O'Keefe	2

Aboriginal Issues Committee

The Committee did not meet during the reporting period.

Community Advisory Committee

Site sub-committees of the Community Advisory Committee met nine times during the reporting period. The names of the members are provided in Appendix 2.

Tender Review Committee

The Trust nominated Brigadier Kevin O'Brien as the members' representative on the committee which is convened as required. Mr Peter Lowry is also a representative when required. The committee, which considers tenders estimated to be in excess of \$80,000, reviewed six tenders during the reporting period.

Defence History Steering Committee

The committee met twice during the reporting period.

North Head Scientific Committee

The committee met once during the reporting period.

Fraud Control

The Trust has in place appropriate fraud risk assessment and control mechanisms which are overseen by the Audit and Risk Management Committee, in accordance with the Commonwealth Fraud Control Guidelines.

Indemnities and Insurance Premiums for Officers

The Trust has taken out Directors and Officers' liability insurance with Comcover, the Trust's insurers.

The Trust did not provide any indemnities to directors or officers in respect of liabilities or claims against them during 2006-2007.

Photo: School group on Cockatoo Island

Financial Performance

The Trust received total Government appropriation of \$22.619m comprising \$1.619m in departmental appropriation and \$21.0m capital equity injection.

Revenue was also generated from the rental of Trust properties, licences for the hire of Trust sites and facilities, tour fees, and a grant from the Natural Heritage Fund for environmental works.

The primary emphasis for the organisation was on continuing the implementation of the Comprehensive Plan for the Trust sites. Funds were expended on the management, maintenance and operation of the sites and a range of planning, conservation and rehabilitation projects in line with the plan.

Financial Outcomes

Operating Outcome

During the financial year 2006-2007, income including revenue from the Government, was \$8.998m and operating expenses were \$11.777m resulting in an operating deficit of \$2.779m.

Income

Total income of \$8.998m was \$0.879m above budget (PBS 2006-2007). This was primarily due to the inclusion of revenue generated by rental returns and interest.

Equity

The Trust's total equity increased by \$81.4m to \$201.8m.

Assets

The value of Trust assets increased by \$83.0m to \$207.6m primarily due to building works undertaken during the year, the transfer of North Head land and buildings to the Trust and the revaluation of the land and buildings.

Total Liabilities

The Trust's total liabilities for trade creditors and prepayments increased by \$1.59m from the previous year to \$5.0m.

Cashflow Statement

Overall, there was an increase in the Trust's cash balance of \$14.7m to \$49.2m as at 30 June 2007. The Trust holds cash to meet existing liabilities and fund commitments for works.



Photo: Cockatoo Island

Purchasing

The Trust's Purchasing Guidelines and Financial Instructions for the purchase of goods and services are consistent with the Commonwealth Procurement Guidelines. Consideration is given to energy efficient and recycled and recyclable products when making purchasing decisions.

Consultants and Competitive Tendering and Contracting

The Trust engaged 104 consultants at a cost of \$5,589.66m to provide specialist advice on planning, business matters, community consultation, conservation, design, environmental, finance and risk management, communications and other technical aspects relating to the sites. The nature of the sites, buildings and equipment mean that it is not possible to employ staff with the wide variety of specialist skills that are required.

Staffing

Staff of the Trust are engaged under section 48 of the *Sydney Harbour Federation Trust Act 2001*.

Staff are engaged on terms and conditions contained in Trust Determination No.1 of 2006 that are similar to those in public sector certified agreements. The Trust's staffing level for the year was 48 comprising 48 full-time with a total of 4 staff leaving during the reporting period:

Classification	Male	Female	Full-time	Part-time	Ongoing	Non-ongoing	Casual
Executive Director	1	0	1	0	0	1	0
Senior Executive	5	2	7	0	7	0	0
Executive Level 2	5	6	11	0	9	2	0
Executive Level 1	5	2	7	0	4	3	0
Level 6	3	4	7	0	5	2	0
Level 5	3	4	7	0	3	4	0
Level 4	2	4	6	0	0	6	0
Level 3	0	1	1	0	0	1	0
Level 1-2	0	1	1	0	0	1	0
Total	24	24	48	0	28	20	0

Staff Training

Training sessions or workshops involving all or significant numbers of Trust staff were conducted as follows:

- First Aid;
- Fire Safety – Evacuation Procedures;
- Corporate Governance;
- Contract Administration;
- Heritage Conservation;
- Information Technology Training;
- Insurance and Risk Management.

Access and Safety

Risk Assessment and Management

The Trust has developed an overall risk management framework. Risk assessment is now an integral part of all new projects and events that the Trust undertakes.

Occupational Health and Safety

The Trust appointed an Occupational Health and Safety Committee which monitors occupational health and safety and risk management within the Trust. The following actions were undertaken during the year:

- Staff received training in manual handling and workplace safety;
- Staff members undertook first aid training;
- Regular site safety inspections carried out;
- Risk assessments conducted for all events.

There were no recorded OH&S incidents in the reporting period. There were three compensable injuries, one of which was on-going. The Trust reviews all incidents to identify and implement relevant preventative action.

Providing Access to People With Disabilities

The Trust is implementing the Commonwealth Disability Strategy in its day-to-day operations and as part of the Comprehensive Plan for its sites. It is a key consideration in designing roads, paths, car parks and providing access to buildings.

Judicial Decisions and Reviews by Outside Bodies

There were no judicial decisions or decisions of other administrative appeals tribunals that have had a significant impact on the operations of the Trust.

There were no reports on the operations of the Trust by the Auditor-General (other than the report on the financial statements) or reports by a parliamentary committee. There was one report received from the Commonwealth Ombudsman.

Effects of Ministerial Directions

The Sydney Harbour Federation Trust Act 2001 requires that the annual report must include “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”. There were no Ministerial directions given to the Trust during the reporting period.

For the purposes of the Commonwealth Authorities and Companies Act 1997 (paragraph 16(1)(c)), the Trust provided a Compliance Report to the Minister and the Finance Minister for the reporting period.

Independent Auditor's Report



Australian National Audit Office
PO Box A456
Sydney South NSW 1235
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SYDNEY NSW

Phone (02) 9367 7100
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To the Minister for the Environment and Water Resources

Scope

We have audited the accompanying financial statements of the Sydney Harbour Federation Trust for the year ended 30 June 2007. The financial statements comprise: a statement by Directors, Chief Executive and Director Corporate Services; income statement; balance sheet; statement of changes in equity; statement of cash flows; schedules of commitments and contingencies; a summary of significant accounting policies, and other explanatory notes.

The Responsibility of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997* and Australian Accounting Standards (including Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on our audit. Our audit has been conducted in accordance with Australian National Audit Office Auditing Standards, which incorporate Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

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

Independence

In conducting the audit, we have followed the independence requirements of the Australian National Audit Office, which incorporate the ethical requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial statements of the Sydney Harbour Federation Trust;

- (a) have been prepared in accordance with Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997* and Australian Accounting Standards (including Australian Accounting Interpretations); and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Sydney Harbour Federation Trust's financial position as at 30 June 2007 and of its financial performance and its cash flows for the year then ended.

Australian National Audit Office



P Hinchey
Senior Director Delegate of the Auditor-General

Sydney 18 September 2007

Financial Statements

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Statement by Directors, Chief Executive and Director Corporate Services

In our opinion, the attached financial statements for the year ended 30 June 2007 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the 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 directors.

Signed



Kevin McCann
Chairperson
18 September 2007

Signed



Peter Lowry
Director
18 September 2007

Signed



Nick Hollo
Acting Executive Director
18 September 2007

Signed



Andrew Free
Acting Director Corporate Services
18 September 2007

Income Statement

for the year ended 30 June 2007

	Notes	2007 \$'000	2006 \$'000
INCOME			
<i>Revenue</i>			
Revenues from Government	3A	1,619	3,151
Sale of goods and rendering of services	3B	206	209
Interest	3C	2,932	1,469
Rental income	3D	3,241	2,420
Other	3E	1,000	1,286
Total Revenue		8,998	8,535
<i>Gains</i>			
Net gains from sale of property	3F	-	5,919
Total Gains		-	5,919
TOTAL INCOME		8,998	14,454
EXPENSES			
Employee benefits	4A	4,555	4,149
Suppliers	4B	6,938	7,296
Depreciation	4C	268	264
Write-down of assets	4D	16	-
Total expenses		11,777	11,709
Surplus (Deficit) attributable to the Australian Government		(2,779)	2,745

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

Balance Sheet

as at 30 June 2007

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	Notes	2007 \$'000	2006 \$'000
ASSETS			
Financial assets			
Cash and cash equivalents	5A	49,184	34,413
Trade and other receivables	5B	1,654	15,068
Total Financial assets		50,838	49,481
Non-financial assets			
Land and buildings	6A,D	112,226	50,831
Infrastructure, plant & equipment	6B,D	1,156	1,237
Heritage and collections	6C,D	43,186	22,849
Intangibles	6D,E	15	18
Inventories	6F	56	38
Other non-financial assets	6G	175	189
Total Non-Financial assets		156,814	75,162
Total Assets		207,652	124,643
LIABILITIES			
Payables			
Suppliers	7A	2,156	1,247
Other payables	7B	2,871	2,194
Total payables		5,027	3,441
Provisions			
Employees	8A	784	785
Total provisions		784	785
Total liabilities		5,811	4,226
NET ASSETS		201,841	120,417
EQUITY			
Contributed equity		186,820	109,485
Reserves		6,868	-
Retained surpluses		8,153	10,932
Total equity		201,841	120,417
Current assets		50,841	49,486
Non-current assets		156,811	75,157
Current liabilities		3,736	3,889
Non-current liabilities		2,075	337

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

Cash Flow Statement

for the year ended 30 June 2007

	Notes	2007 \$'000	2006 \$'000
OPERATING ACTIVITIES			
Cash received			
Goods and Services		14,318	3,224
Appropriations		1,619	3,151
Rents		3,277	2,420
Interest		2,824	1,469
GST received from ATO		1,705	1,082
Other		1,100	1,110
Total cash received		24,843	12,456
Cash used			
Employees		(4,978)	(4,426)
Suppliers		(7,393)	(7,901)
Total cash used		(12,371)	(12,327)
Net cash from operating activities	9	12,472	129
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment		(18,701)	(10,163)
Total cash used		(18,701)	(10,163)
Net cash used by investing activities		(18,701)	(10,163)
FINANCING ACTIVITIES			
Cash received			
Appropriations - Contributed equity		21,000	20,500
Total cash received		21,000	20,500
Net cash from financing activities		21,000	20,500
Net increase in cash held		14,771	10,466
Cash at the beginning of the reporting period		34,413	23,947
Cash at the end of the reporting period	5A	49,184	34,413

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

Statement of Changes in Equity

for the year ended 30 June 2007

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	Accumulated Results		Asset Revaluation Reserve		Contributed Equity		Total Equity	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Opening Balance	10,932	7,612	-	-	109,485	88,985	120,417	96,597
Adjustment for errors							-	-
Adjustment for changes in Accounting policies							-	-
Opening Balance	10,932	7,612	-	-	109,485	88,985	120,417	96,597
Income and Expense								
Reclassification of assets	-	575	-	-	-	-	-	575
Subtotal income and expenses recognised directly in equity	-	575	-	-	-	-	-	575
Surplus (Deficit) for the period	(2,779)	2,745	-	-	-	-	(2,779)	2,745
Total income and expense	(2,779)	3,320	-	-	-	-	(2,779)	3,320
Asset revaluations	-	-	6,868	-	-	-	6,868	-
Contributions by owner:								
Appropriation (equity injection)	-	-	-	-	21,000	20,500	21,000	20,500
Other (assets transferred in):								
Land and buildings	-	-	-	-	49,664	-	49,664	-
Heritage & collections	-	-	-	-	6,671	-	6,671	-
Sub-total Transactions with Owners	-	-	6,868	-	77,335	20,500	84,203	20,500
Closing balance at 30 June	8,153	10,932	6,868	-	186,820	109,485	201,841	120,417

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

Schedule of Commitments

as at 30 June 2007

Notes	2007 \$'000	2006 \$'000
BY TYPE		
Capital commitments		
Buildings ¹	12,141	572
Total capital commitments	12,141	572
Other Commitments		
Operating leases ²	36	54
Project commitments ³	2,592	581
Other commitments ⁴	3,463	2,533
Total other commitments	6,091	3,168
Commitments receivable⁵	(6,644)	(5,708)
Net commitments by Type	11,588	(1,968)
BY MATURITY		
Capital Commitments		
One year or less	12,141	572
Total Capital Commitments	12,141	572
Operating Lease Commitments		
One year or less	32	34
From one to five years	4	20
Total Operating Lease Commitments	36	54
Other Commitments		
One year or less	5,725	2,708
From one to five years	330	406
Total Other Commitments	6,055	3,114
Commitments receivable⁵	(6,644)	(5,708)
Net commitments by Maturity	11,588	(1,968)

NB: Commitments are GST inclusive where relevant.

¹ Outstanding contractual payments for remediation of buildings.

² Operating leases included are effectively non-cancellable and comprise:

<i>Nature of lease</i>	<i>General description of leasing arrangement</i>
motor vehicles	<ul style="list-style-type: none"> • no contingent rentals exist; • there are no renewal or purchase options available to the Trust.

³ Project commitments comprise contracts for rehabilitation and conservation works at Trust sites.

⁴ Other commitments are amounts payable under supply contracts.

⁵ Commitments receivable consists of tenant lease payments due from the leasing of Trust buildings, plus GST receivable.

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

Schedule of Contingencies as at 30 June 2007

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There were no contingencies required to be disclosed for the year ended 30 June 2007 (2005/06 - Nil).

Details of contingent liabilities not disclosed because they cannot be quantified or are considered remote, are shown in Note 10: Contingent Liabilities and Assets.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2007

Note	Description
Note 1:	Summary of Significant Accounting Policies
Note 2:	Events after the Balance Sheet Date
Note 3:	Income
Note 4:	Operating Expenses
Note 5:	Financial Assets
Note 6:	Non-financial Assets
Note 7:	Payables
Note 8:	Provisions
Note 9:	Cash Flow Reconciliation
Note 10:	Contingent Liabilities and Assets
Note 11:	Director Remuneration
Note 12:	Executive Remuneration
Note 13:	Remuneration of Auditors
Note 14:	Average Staffing Levels
Note 15:	Financial Instruments
Note 16:	Appropriations
Note 17:	Reporting of Outcomes

Notes to and forming part of the Financial Statements

for the year ended 30 June 2007

Note 1: Summary of Significant Accounting Policies

1.1 Basis of Preparation of the Financial Statements

The financial statements are required by clause 1(b) of Schedule 1 to the *Commonwealth Authorities and Companies Act 1997* and are a general purpose financial report.

The continued existence of the Sydney Harbour Federation Trust (the Trust) in its present form and with its present programs is dependent on Government policy and on continuing appropriations by Parliament for the Trust's administration and programs.

The statements have been prepared in accordance with:

- Finance Minister's Orders (or FMOs, being the *Commonwealth Authorities and Companies Orders (Financial Statements for reporting periods ending on or after 1 July 2006)*);
- Australian Accounting Standards issued by the Australian Accounting Standards Board that apply for the reporting period; and
- Interpretations issued by the AASB and UIG that apply for the reporting period.

The Income Statement, Balance Sheet and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with the historical cost convention, except for certain assets and liabilities, which as noted, are at fair value. Except where stated, no allowance is made for the effect of changing prices on the result or the financial position.

The financial report is presented in Australian dollars and values are rounded to the nearest thousand dollars unless disclosure of the full amount is specifically required.

Unless alternative treatment is specifically required by an accounting standard, assets and liabilities are recognised in the Balance Sheet when and only when it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under agreements equally proportionately unperformed are not recognised unless required by an Accounting Standard. Liabilities and assets that are unrealised are reported in the Schedule of Commitments and the Schedule of Contingencies

other than unquantifiable or remote contingencies, which are reported at Note 10.

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

1.2 Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, there are no significant impacts on the amounts recorded in the financial statements.

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 accounting period.

1.3 Statement of Compliance

Australian Accounting Standards require a statement of compliance with International Financial Reporting Standards (IFRSs) to be made where the financial report complies with these standards. Some Australian equivalents to IFRSs and other Australian Accounting Standards contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements.

The Trust is a not-for-profit entity and has applied these requirements, so while this financial report complies with Australian Accounting Standards including Australian Equivalents to International Financial Reporting Standards (AEIFRSs) it cannot make this statement.

The AASB has issued amendments to existing standards, which are not effective at the reporting date. The Trust intends to adopt all standards upon their application date. As at the reporting date, there is no expected affect from application of these standards.

1.4 Revenue

Revenue from the sale of goods is recognised when:

- The risks and rewards of ownership have been transferred to the buyer;
- The seller retains no managerial involvement nor effective control over the goods;

- The revenue and transaction costs incurred can be reliably measured; and
- It is probable that the economic benefits associated with the transaction will flow to the entity.

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 with the transaction will flow to the entity.

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.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any allowance for bad and doubtful debts. Collectability of debts is reviewed at balance date. Provisions are made when collectability of the debt is no longer probable.

Interest revenue is recognised using the effective interest method as set out in AASB 139.

Revenues from Government

Amounts appropriated for outputs appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue.

Appropriations receivable are recognised at their nominal amounts.

1.5 Transactions with the Government as Owner

Equity injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) are recognised directly in Contributed Equity in that year.

Restructuring of Administrative Arrangements

Net assets received from or relinquished to another Commonwealth agency or authority under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

1.6 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) and termination benefits due within twelve months of balance date 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.

All other employee benefit liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

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 and the average sick leave taken in future years by employees of the Trust is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration, including the 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 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.

Superannuation

Certain employees of the Trust are members of the Commonwealth Superannuation Scheme (CSS) or the Public Sector Superannuation Scheme (PSS). The CSS and PSS are defined benefit schemes for the Australian Government.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2007

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.

The Trust makes employer contributions to the Employer Superannuation Scheme at rates determined by an actuary to be sufficient to meet the cost to the Government of the superannuation entitlements of the Trust's employees.

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 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.

1.7 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased non-current assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

The Trust has no finance leases, and operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

1.8 Cash

Cash means notes and coins held and any deposits held at call with a bank or financial institution. Cash is recognised at its nominal amount.

1.9 Financial Risk Management

The Trust's activities expose it to normal commercial financial risk. As a result of the nature of the Trust's business and internal and Australian Government policies, dealing with the management of financial risk, the Trust's exposure to market, credit, liquidity and cash flow and interest rate risk is considered to be low.

1.10 Impairment of Financial Assets

The Trust's financial assets consist of cash and cash equivalents, and receivables, and are held at their fair value. Financial assets are assessed for impairment at each balance date. Provisions are made where indications of impairment exist.

Comparative Year

The above policies are consistent with the comparative year. For receivables, amounts were recognised and carried at original invoice amount less a provision for doubtful debts based on an analysis of receivables at year end.

1.11 Supplier and other payables

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).

1.12 Contingent Liabilities and Contingent Assets

Contingent Liabilities and Contingent Assets are not recognised in the Balance Sheet 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. Remote contingencies are part of this disclosure. Contingent assets are reported when settlement is probable, and contingent liabilities are recognised when settlement is greater than remote.

1.13 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Trust land sites that vest in the Trust are contributions by owners and are initially recognised at their fair value at the date of vesting, except for sites in Schedule 2 to the Sydney Harbour Federation Trust Act 2001, which were classed as inventory and recognised at the costs they were carried at in the transferor entity's accounts immediately prior to vesting.

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

1.14 Property, Plant and Equipment (PP&E)

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the Balance Sheet, 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.

Revaluations

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

Asset class	Fair value measured at:
Land	Market selling price
Buildings	Depreciated replacement cost
Infrastructure, Plant & equipment	Depreciated replacement cost
Heritage and cultural assets	Market selling price

Following initial recognition at cost, property plant & 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.

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 through profit and loss. Revaluation decrements for a class of assets are recognised directly through profit and loss 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.

Depreciation

Depreciable property plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the 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:

	2007	2006
Buildings	10 to 100 years	10 to 100 years
Infrastructure	3 to 100 years	3 to 100 years
Plant & equipment	3 to 20 years	3 to 20 years

Certain buildings held by the Trust have been classified as Heritage assets. As there is no foreseeable limit to the period over which these assets will be held or used they are not depreciated. The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in Note 4C.

1.15 Intangibles

The Trust's intangibles comprise software purchased externally for internal use. These assets are carried at cost.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the Trust's software is 7 to 10 years (2005-06: 7 to 10 years).

All software assets were assessed for indications of impairment as at 30 June 2007.

1.16 Inventories

Inventories held for sale are valued at the lower of cost and net realisable value, and consist of externally produced merchandise and publications. Inventories held for distribution are measured at the lower of cost and current replacement cost. This consists of various brochures and publications.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2007

1.17 Taxation

The Trust is exempt from all forms of taxation except fringe benefits tax (FBT) and the 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.

Note 2: Events after the Balance Sheet Date

Section 21 of the *Sydney Harbour Federation Trust Act 2001* provides for the Minister for the Environment and Water Resources to specify that other harbour land that is a Commonwealth place is to vest in the Trust. As at the reporting date the Minister was proposing that the Macquarie Lightstation at Vaucluse, Snapper Island and HMAS *Platypus* vest in the Trust.

At the time of this report, vesting of these lands had not occurred.

There are no other events that have occurred after the balance date that would have an effect on the Trust's 2006-2007 financial statements other than those that are already reflected in the financial statements.

	<u>2007</u> \$'000	<u>2006</u> \$'000
Note 3: Income		
<i>Revenues</i>		
Note 3A - Revenues from Government		
Appropriation: Departmental outputs	<u>1,619</u>	<u>3,151</u>
Total revenues from government	<u>1,619</u>	<u>3,151</u>
Note 3B - Sale of goods and rendering of services		
Events	<u>138</u>	<u>165</u>
Other	<u>68</u>	<u>44</u>
	<u>206</u>	<u>209</u>
Provision of goods to:		
Related entities	-	-
External entities	<u>4</u>	<u>11</u>
	<u>4</u>	<u>11</u>
Rendering of services to:		
Related entities	-	-
External entities	<u>202</u>	<u>198</u>
	<u>202</u>	<u>198</u>
Total sales of goods and rendering of services	<u>206</u>	<u>209</u>
<p>In accordance with the <i>Sydney Harbour Federation Trust Act 2001</i>, certain land sites in Schedule 2 to the Act were sold in 2005 and 2006. The cost of the sites includes their value at vesting and remediation and services costs (Note 1.13). The Trust may be required to return \$23.0 million from the sale proceeds to the Official Public Account, but as at 30 June 2007 no arrangements had been made to enable this to occur.</p>		
Note 3C - Interest		
Deposits	<u>2,932</u>	<u>1,469</u>
Note 3D - Rental Income		
Property rentals and short-term hire	<u>3,241</u>	<u>2,420</u>
Total Rental Income	<u>3,241</u>	<u>2,420</u>
Note 3E - Other		
Grant from related entity	<u>1,000</u>	<u>1,000</u>
Other revenue from related entity	<u>-</u>	<u>286</u>
Total other revenue	<u>1,000</u>	<u>1,286</u>
Gains		
Note 3F - Net Gains from sale of property		
Proceeds from sale	-	<u>13,850</u>
Carrying value of property held for sale	-	<u>(7,931)</u>
Net gain from disposal of property	<u>-</u>	<u>5,919</u>
Total net gain from disposal of property	<u>-</u>	<u>5,919</u>

Notes to and forming part of the Financial Statements

for the year ended 30 June 2007

	2007 \$'000	2006 \$'000
Note 4: Operating Expenses		
Note 4A - Employee Expenses		
Wages and salaries	3,717	3,384
Superannuation	451	422
Leave and other entitlements	346	203
Separation and redundancies	-	140
Other employee costs	41	-
Total employee expenses	4,555	4,149
Note 4B - Suppliers		
Goods from external entities	1,856	276
Services from related entities	666	698
Services from external entities	4,315	6,211
Operating lease rentals	47	49
Workers compensation premiums	54	62
Total supplier expenses	6,938	7,296
Note 4C - Depreciation & Amortisation		
Depreciation		
Buildings	66	110
Plant and equipment	132	115
Total depreciation of buildings, plant and equipment	198	225
Amortisation		
Amortisation of intangibles	6	-
Amortisation of lease incentives	64	39
Total amortisation	70	39
Total depreciation & amortisation	268	264
Note 4D - Write-down and impairment of assets		
Write-down of financial assets	16	-
Total write-down and impairment of assets	16	-

	<u>2007</u> \$'000	<u>2006</u> \$'000
Note 5: Financial Assets		
Note 5A - Cash and cash equivalents		
Cash at bank	49,183	34,409
Cash on hand	1	4
Total cash	<u>49,184</u>	<u>34,413</u>
Note 5B - Receivables		
Goods and services	1,095	930
Interest receivable	261	153
GST receivable	296	133
Property sales	-	13,850
Other receivables	2	2
Total receivables	<u>1,654</u>	<u>15,068</u>
All receivables are current.		
Receivables (gross) are aged as follows:		
Not overdue	<u>777</u>	<u>14,506</u>
Overdue by:		
Less than 90 days	5	-
More than 90 days	872	562
	<u>877</u>	<u>562</u>
Total trade and other receivables (gross)	<u>1,654</u>	<u>15,068</u>

Receivables for Goods & Services

Credit terms are net 30 days (2006: 30 days) except for sales of property which are due on settlement.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2007

	2007 \$'000	2006 \$'000
Note 6: Non-Financial Assets		
Note 6A - Land and Buildings		
Freehold land		
- at cost	1,118	18,951
- at fair value	105,010	26,326
Total freehold land	106,128	45,277
Buildings		
- at cost	173	3,106
- Accumulated depreciation	-	(116)
	173	2,990
- at fair value	5,925	2,622
- Accumulated depreciation	-	(58)
	5,925	2,564
Total buildings	6,098	5,554
Total Land & Buildings	112,226	50,831
Note 6B - Infrastructure, Plant and Equipment		
Plant and equipment		
- at cost	1,602	1,551
- Accumulated depreciation	(446)	(314)
	1,156	1,237
Total Infrastructure, Plant and Equipment	1,156	1,237
Note 6C - Heritage and Collections		
Heritage assets		
- at fair value	43,186	22,849
Total heritage assets	43,186	22,849

Section 21 of the Sydney Harbour Federation Trust Act 2001 (the Act) provides for the Minister for Defence to specify that certain former defence land sites vest in the Trust. The sites are specified in Schedules 1 and 2 to the Act and are at Middle Head, Georges Heights, Woolwich and Cockatoo Island. The sites vested in the Trust on 1st April 2003.

Most of the sites are contaminated to some extent and Cockatoo Island is severely contaminated. The estimated future costs of decontamination and remediation have been taken into account in arriving at the fair values.

Valuations were conducted by an independent valuer (Colliers International Consultancy and Valuation Pty Ltd) in 2007.

Note 6D - Analysis of Property, Plant, Equipment and Intangibles

Reconciliation of the opening and closing balances of property, plant, equipment and intangibles (2006-07)

Item	Land \$'000	Buildings on Freehold Land \$'000	Total Land & Buildings \$'000	Plant & Equipment \$'000	Heritage & Collections \$'000	Intangibles \$'000	TOTAL \$'000
As at 1 July 2006							
Gross book value	45,277	5,728	51,005	1,551	22,849	18	75,423
Accumulated depreciation/amortisation	-	(174)	(174)	(314)	-	-	(488)
Net book value	45,277	5,554	50,831	1,237	22,849	18	74,935
Additions							
By purchase	8,851	9,744	18,595	51	-	3	18,649
¹ Assets transferred in	48,918	746	49,664	-	6,671	-	56,335
Revaluations	2,183	1,578	3,761	-	3,107	-	6,868
Reclassification	899	(11,458)	(10,559)	-	10,559	-	-
Depreciation expense	-	(66)	(66)	(132)	-	(6)	(204)
Disposals							
From disposal of operations	-	-	-	-	-	-	-
Other disposals	-	-	-	-	-	-	-
As at 30 June 2007							
Gross book value	106,128	6,098	112,226	1,602	43,186	21	157,035
² Accumulated depreciation/amortisation	-	-	-	(446)	-	(6)	(452)
Closing Net book value	106,128	6,098	112,226	1,156	43,186	15	156,583

¹Transfer of North Head land & buildings.

²Accumulated depreciation is written back against the gross asset value before revaluation entries.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2007

Note 6D - Analysis of Property, Plant, Equipment and Intangibles

Reconciliation of the opening and closing balances of property, plant, equipment and intangibles (2005-06)

Item	Land \$'000	Buildings on Freehold Land \$'000	Total Land & Buildings \$'000	Plant & Equipment \$'000	Heritage & Collections \$'000	Intangibles \$'000	TOTAL \$'000
As at 1 July 2005							
Gross book value	32,652	17,598	50,250	1,162	14,091	-	65,503
Accumulated depreciation/amortisation	-	(670)	(670)	(176)	-	-	(846)
Net book value	32,652	16,928	49,580	986	14,091	-	64,657
Additions							
By purchase	5,440	4,080	9,520	477	-	18	10,015
Assets transferred in	-	-	-	-	-	-	-
From acquisition of operations	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-
Reclassification	7,185	(15,950)	(8,765)	(81)	8,758	-	(88)
Depreciation adjustment	-	606	606	(23)	-	-	583
Depreciation expense	-	(110)	(110)	(115)	-	-	(225)
Disposals							
From disposal of operations	-	-	-	(7)	-	-	(7)
Other disposals	-	-	-	-	-	-	-
As at 30 June 2006							
Gross book value	45,277	5,728	51,005	1,551	22,849	18	75,423
Accumulated depreciation/amortisation	-	(174)	(174)	(314)	-	-	(488)
Closing Net book value	45,277	5,554	50,831	1,237	22,849	18	74,935

	2007 \$'000	2006 \$'000
Note 6E - Intangible Assets		
Computer software purchased	21	18
	<u>21</u>	<u>18</u>
Accumulated amortisation	(6)	-
Total intangibles	<u>15</u>	<u>18</u>
Note 6F - Inventories		
Finished goods (cost)	41	34
Inventories held for sale	41	34
Inventories held for distribution	15	4
Total inventories	<u>56</u>	<u>38</u>
All inventories are current assets.		
Note 6G - Other non-financial assets		
Lease incentives	172	184
Prepayments	3	5
Total other non-financial current assets	<u>175</u>	<u>189</u>
All prepayments are current assets.		
Note 7: Payables		
Note 7A - Suppliers		
Trade creditors	1,801	1,247
Contract retentions	355	-
Total supplier payables	<u>2,156</u>	<u>1,247</u>
All supplier payables are current. Settlement is usually made net 30 days.		
Note 7B - Other payables		
Accrued expenses	804	104
Bonds and Security deposits	105	74
Prepayments received	1,962	2,016
Total other payables	<u>2,871</u>	<u>2,194</u>
Other payables are represented by:		
Current	1,005	383
Non-current	1,866	1,811
Total other payables	<u>2,871</u>	<u>2,194</u>

Notes to and forming part of the Financial Statements

for the year ended 30 June 2007

	2007 \$'000	2006 \$'000
Note 8: Provisions		
Note 8A - Employee Provisions		
Salary and wages	29	117
Leave	755	667
Superannuation	-	1
Total employee provisions	784	785
Employee provisions are categorised as follows:		
Current	575	448
Non - current	209	337
Total employee provisions	784	785
Note 9: Cash Flow Reconciliation		
Reconciliation of Cash per Balance Sheet to Cash Flow Statement		
Cash at year end per Cash Flow Statement	49,184	34,413
Balance Sheet items comprising above cash:		
'Financial Asset - Cash and cash equivalents'	49,184	34,413
Reconciliation of operating result to net cash from operating activities:		
Operating surplus	(2,779)	2,745
Depreciation and amortisation	268	264
(Increase) / decrease in receivables	13,414	(13,898)
(Increase) / decrease in inventories	(18)	7,922
(Increase) / decrease in prepayments	2	12
Increase / (decrease) in employee provisions	(1)	(33)
Increase / (decrease) in supplier payables	909	971
Increase / (decrease) in other payables	677	2,146
Net Cash from operating activities	12,472	129

Note 10: Contingent Liabilities and Assets*Unquantifiable Contingencies*

At 30 June 2007 the Trust had a number of contracts in progress, the final costs of which are dependent on latent conditions and other variables. It is not possible to estimate the amounts of any eventual payments that may be required in relation to these contracts.

	<u>2007</u> <u>Number</u>	<u>2006</u> <u>Number</u>
Note 11: Members' Remuneration		
The numbers of members of the Trust included in these figures are shown below in the relevant remuneration bands		
• \$15,000 - \$29,999	<u>6</u>	<u>6</u>
• \$30,000 - \$44,999	<u>2</u>	<u>2</u>
Total number of members of the Trust	<u>8</u>	<u>8</u>
	<u>\$</u>	<u>\$</u>
Total remuneration received or due and receivable by members of the Trust	<u>190,768</u>	<u>182,629</u>

The Members of the Trust are appointed on a part-time basis under section 12 of the *Sydney Harbour Federation Trust Act 2001*.

The Members during the year were:

- Mr H K McCann AM (Chair) (re-appointed 27 September 2004)
- Mr R Conroy (re-appointed 5 July 2005)
- Ms D Talty (appointed 5 July 2005)
- Clr S Hoopmann JP (re-appointed 27 September 2004)
- Mr P Lowry OAM (re-appointed 27 September 2004)
- Dr J Moriarty AM (re-appointed 27 September 2004)
- Brigadier K O'Brien CSC, (Retd) (re-appointed 27 September 2004)
- The Hon Barry O'Keefe AM QC (re-appointed 27 September 2004)

Notes to and forming part of the Financial Statements

for the year ended 30 June 2007

	<u>2007</u> <u>Number</u>	<u>2006</u> <u>Number</u>
Note 12: Remuneration of Senior Executives		
The number of senior executives who received or were due to receive total remuneration of \$130,000 or more:		
• \$130,000 to \$144,999	2	-
• \$145,000 to \$159,999	1	2
• \$175,000 to \$189,999	2	2
• \$235,000 to \$249,999	-	1
• \$265,000 to \$279,999	1	-
	<u>6</u>	<u>5</u>
	<u>\$</u>	<u>\$</u>
The aggregate amount of total remuneration of senior executives shown above.	<u>1,085,373</u>	<u>895,336</u>
The senior executives' remuneration includes all executives concerned with or taking part in the management of the Trust during 2006-07.		
Note 13: Remuneration of Auditors		
Remuneration to the Auditor-General for auditing the financial statements for the reporting period.		
The fair value of services provided was;	<u>43,000</u>	<u>40,000</u>
No other services were provided by the Auditor-General during the reporting period.		
	<u>Number</u>	<u>Number</u>
Note 14: Average Staffing Levels		
The average staffing level for the Trust during the year was	<u>47.8</u>	<u>44.8</u>

Note 15: Financial Instruments

Note 15A - Interest Rate Risk

Financial Instrument

Notes	Floating Interest Rate - maturing in one year or less		Non-Interest Bearing		Total		Weighted Average Effective Interest Rate	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 %	2006 %
Financial Assets								
Cash at bank	49,183	34,409	-	-	49,183	34,409	6.3	5.2
Cash on hand	-	-	1	4	1	4	-	-
Receivables	-	-	1,654	15,068	1,654	15,068	-	-
Total	49,183	34,409	1,655	15,072	50,838	49,481		
Total Assets					207,652	124,643		
Financial Liabilities								
Trade creditors	-	-	1,801	1,247	1,801	1,247	-	-
Other Payables	-	-	909	178	909	178	-	-
Total	-	-	2,710	1,425	2,710	1,425		
Total Liabilities					5,811	4,226		

Notes to and forming part of the Financial Statements

for the year ended 30 June 2007

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Note 15B - Net Fair values of Financial Assets and Liabilities

Financial assets

The net fair values of cash and non-interest bearing monetary financial assets approximate their carrying amounts.

Financial liabilities

The net fair values for trade creditors, accrued expenses and other payables being short-term in nature, approximate their carrying amounts.

Note 15C - Credit Risk Exposures

The Trust's maximum exposures to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Balance Sheet.

The Trust has no significant exposures to any concentrations of credit risk.

All figures for credit risk referred to do not take into account the value of any collateral or other security.

Note 16: Appropriations

Particulars	Departmental Outputs		Equity		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Year ended 30 June						
Balance carried forward from previous year	-	-	-	-	-	-
Appropriation Acts 1 and 3	1,619	3,151	-	-	1,619	3,151
Appropriation Acts 2 and 4	-	-	21,000	20,500	21,000	20,500
Available for payment of CRF	1,619	3,151	21,000	20,500	22,619	23,651
Payment made out of CRF	1,619	3,151	21,000	20,500	22,619	23,651
Balance carried forward to next year	-	-	-	-	-	-
<i>Represented by:</i>						
<i>Appropriations Receivable</i>	-	-	-	-	-	-

This table reports on appropriations made by the Parliament of the Consolidated Revenue Fund (CRF) for payment to the Trust. When received by the Trust, the payments made are legally the money of the Trust and do not represent any balance remaining in the CRF.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2007

Note 17: Reporting Outcomes

Note 17A - Departmental Revenues and Expenses by Output Groups and Outputs

	Output 1.1			Outcome 1			Output 1.3			Total	
	2007	2006	2006	2007	2006	2006	2007	2006	2007	2006	2006
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating expenses											
Employees	1,480	1,348	942	1,034	942	2,041	1,698	4,555	4,149		
Suppliers	795	836	685	651	685	5,492	5,775	6,938	7,296		
Depreciation	19	19	15	15	15	234	230	268	264		
Write-down of assets	1	-	-	1	-	14	-	16	-		
Total operating expense	2,295	2,203	1,642	1,701	1,642	7,781	7,864	11,777	11,709		
Funded by:											
Revenues from Government	657	1,278	881	453	881	509	992	1,619	3,151		
Goods and services	-	-	253	102	253	3,345	8,295	3,447	8,548		
Interest	-	-	-	-	-	2,932	1,469	2,932	1,469		
Other	-	-	-	-	-	1,000	1,286	1,000	1,286		
Total operating income	657	1,278	1,134	555	1,134	7,786	12,042	8,998	14,454		

Outcomes of the Trust

Trust Lands on Sydney Harbour are conserved and enhanced for the benefit of present and future generations of Australians.

There are three Outputs identified for the Outcome:

- Output 1.1: Management plans consistent with the Harbour Trust's Comprehensive Plan are prepared for Harbour Trust lands following community consultation
- Output 1.2: The public is informed of the environmental and heritage significance of the Harbour Trust lands and has access to them
- Output 1.3: Harbour Trust lands are progressively rehabilitated, conserved and made publicly accessible

The Capital Use Charge is not included in any of the Net cost/contribution of outcomes as it is not an operating expense. The costs of administrative and operating overheads have been attributed to outputs in proportion to the relative costs of each output. The net costs shown include intra-government costs that would be eliminated in calculating the actual Budget outcome.

Note 17B - Net Cost of Outcome Delivery

	Outcome 1	
	2007	2006
	\$'000	\$'000
Expenses	11,777	11,709
Total expenses	11,777	11,709
Costs recovered from provision of goods and services to the non-government sector	3,447	8,548
Total costs recovered	3,447	5,919
Other external income		
Interest	2,932	1,469
Other - from related entities	1,000	1,286
Total other external income	3,932	5,384
Net cost of outcome	4,398	406

Appendix 1

Freedom of Information

The *Freedom of Information Act 1982* gives everyone the right of access to documents held by Commonwealth Government agencies, subject to certain exemptions.

Categories of Documents

- Administration matters including personnel and recruitment, accounts, purchasing and registers.
- Planning, architecture and environmental matters including reports and studies commissioned by the Trust, research, drawings and concept proposals.
- Minutes of meetings of the Trust and meetings of the community advisory committees.
- Reference materials including press clippings, survey and research materials, documents relating to conferences and seminars.
- Legal matters including legal documents, opinions, advice and representations.

Requests

Any person can lodge a request. A request for a document must be in writing, be accompanied by a \$30 application fee and provide such information concerning the document requested as is reasonably necessary to enable the agency to identify the document.

Requests should be sent to:

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

Reporting

The Trust received no requests under the Act during the reporting period.

Appendix 2

Community Advisory Committee Members

Cockatoo and Snapper Islands

Damian Cogley-Finch
Martin Connolly
Robert Curran
Joe Glascott
Tony Hardy
Ted Moore
James Morton
Terry Ryan
Gary Sawyer
Deirdre Stewart (retired)
Garry Stewart
Angelo Tsirekas
Leta Webb

Middle Head

Tony Abbott MP
Bryce Bridges
Roger Dobson Cmdr RAN
Edward Elsom
Don Goodsir
Sue Halmagyi
Ian Henderson
Audrey Lenning (retired)
Stewart Reed
George Shirling
Jillian Skinner MP
Denise Wilton

North Head

David Barr MP (retired)
Nina BurrIDGE
Ian Freeman
Cecily McGee
Jennie Minifie
Deborah Mosman
John Platt
Judy Reizes
David Rostron (retired)
Douglas Sewell

Woolwich

Peter Astridge
Joe Hockey MP
Colin Geeves (retired)
Philip Jenkyn
David Lonie
Alysoun Ryves (retired)
Barry Smith
Adam South
Gil Wahliquist (retired)

South Head

David Caldwell
Allan Coker
John Comino (retired)
Peter Debnam MLA
Dr Robin Derricourt
Will Jones
Keri Huxley
Peter Poland
Michael Rolfe

HMAS *Platypus*

Carole Baker
Diana Davidson
Suzanne Davidson (retired)
Brian Evesson
Joe Hockey MP
Penny Holloway
Denny Linker
Genia McCaffery
Zena O'Connor
Alick Osborne
Merryn Pearse
Chris Skinner
Jillian Skinner MP
Peter Smith
Robert Tearne

Whole of Harbour

Anthony Iacona
Jennifer McMonnies

Appendix 3

Background Studies

- Hazardous Materials Survey, Register and Management Plans, Middle Head
- Traffic Calming Device Options, Chowder Bay Road
- Investigation of Electrical and Cabled Services, Middle Head
- Road Upgrading and Traffic Calming Devices, Middle Head
- Hydraulic Service Infrastructure Works, Middle Head
- Landscape Design Concepts, Middle Head
- Proposals for Traffic Management and Reticulation, North Head
- Transport and Traffic Advice, HMAS *Platypus*
- Statement of Environmental Effects, Carpark, Woolwich Dock and Parklands

Appendix 4

Maintenance, Heritage Conservation and Environmental Management Projects

All Sites

- Grounds Maintenance
- Feral animal control program
- General building maintenance
- Services maintenance
- Fire systems maintenance
- Volunteer groups bush regeneration

North Head

- Construction of stages 2 and 3 of walking track
- Renewal of high voltage electricity supply
- Heritage restoration of the Gatehouse
- Establishment of interpretation and education centre
- Fire hazard reduction
- Investigation into decontamination of the plotting room
- Initial restoration works on the officers' Mess, and other buildings for tenancy by the NSW Police
- Bush regeneration
- Restoration of electricity and sewer services to Gatehouse

Chowder Bay

- Tenant fitout works at the Submarine Miners' depot, barracks building and mining workshop
- Restoration of the wharf and mooring facilities
- Completion of tenant ancillary facilities such as post boxes, rubbish areas etc

Lower Georges Heights

- Volunteer bush regeneration
- Restoration of significant artillery gun
- Establishment of sculptures as part of sculpture trail
- Provision of services to the landship and public use areas

Georges Heights

- Restoration of buildings 24, 21, 23, 30, 32, 34, including construction of new toilets, air conditioning, repainting, and landscaping
- Construction of two carparks for precincts
- Decontamination of precinct
- Replacement of services including electricity, water, fire services, telephone and sewer
- Landscaping of main pedestrian routes through the precinct
- Refurbishment of the former barracks into a childcare facility
- Volunteer bush regeneration
- Completion of the Georges Head lookout
- Provision of public access to the Georges Head tunnels
- Installation of gun carriages and guns to Georges Head

Woolwich Dock

- Provision of services including sewer, water, electricity and fire services
- Decontamination of the horse paddock and the upper lookout area
- Commencement of the upper area lookout
- Completion of site and building repairs to enable tenant occupancy
- Commencement of the new carpark area and alternative access point to the site.

Appendix 4 Continued...

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Cockatoo Island

- Completion of refurbishment of buildings 101, 102 and 103
- Replacement of roofs for most of the industrial buildings on the island, nine buildings in total
- Restoration of sections of the roof to the turbine hall buildings
- Commencement of Northern apron park and camping ground
- Provision of services to Northern apron
- Conversion of buildings 33 and 34 into public toilets
- Repair of seawall
- Commencement of cliff top walkway
- Restoration of the entry building and surrounds
- Decontamination of the northern apron area and the upper plateau
- Completion of the mooring dock on the Southern side of the island
- Restoration of the camber wharf
- Restoration of heritage cranes
- Upgrade of the roll on roll off ramp
- Provision of site services to eastern entry area
- Stabilisation of rock faces
- Heritage restoration of Edwardian terraces , building 24
- Make safe much of the island open areas for public access

Snapper Island

- Decontamination of the island site
- Restore and make safe the wharf for public access

Macquarie Lightstation

- Prepare information for archeological dig

Former Marine Biological Station

- Complete landscaping and park works

Appendix 5

Interim Leasing of Trust Sites

Site	Occupant	Date	Term	Use
10 Terminal	Mosman Church of England Prep School	01-Jul-06	12 months	Vehicle Parking
10 Terminal	Australian Federal Police	18-Sep-06	6 days	Training
ASOPA	Dept of Environment & Conservation	01-Jul-06	12 months	Vehicle Storage
ASOPA	Mosman Charter Buses	01-Jul-06	12 months	Vehicle Parking
ASOPA	TJ & WL Wescon	01-Jul-06	12 months	Vehicle Parking
Chowder Bay	Leading Initiatives Worldwide	02-Nov-06	2 days	Conference Lunch on lawn
Chowder Bay	Leading Initiatives Worldwide	01-Dec-06	6 months	Hire of Lawn for lunches
Chowder Bay	Plunge Diving	01-Dec-06	6 months	Training
Chowder Bay	Pont3 Pty Ltd	25-Feb-07	1 day	Corporate Sporting Activity
Cockatoo Island	David Strong, Lifelounge	10-Oct-06	8 days	Fashion Parade
Cockatoo Island	Vaig	15-Jan-07	1 day	Photo shoot
Cockatoo Island	Ticket to Ride	01-Feb-07	1 day	Filming
Headland Park	Gunners' Barracks Tearoom	01-Dec-06	6 months	Hire of lawn for ceremonies
Lower Georges Heights	Haydn Johnston & Tara Carter	18-Nov-06	1 day	Wedding Ceremony
Lower Georges Heights	Riversleigh Society - UNSW	26-Nov-06	1 day	Gala Event
Lower Georges Heights	John Clarke	17-Dec-06	1 day	Private Lunch
Lower Georges Heights	Narelle Naumcevski	20-Jan-07	1 day	Wedding Ceremony
Lower Georges Heights	Screenime Pty Ltd	20-Feb-07	5 days	Filming
Lower Georges Heights	Kelly Harris	23-Feb-07	1 day	Wedding Ceremony
Macquarie Lighthouse	Jill O'Malley	26-Feb-07	1 day	Wake
Macquarie Lightstation	The Artist Group	01-Jul-06	1 day	Photoshoot
Macquarie Lightstation	Kids Like Us Pty Ltd/ Hi-5 Productions Pty Ltd	07-Aug-06	1 day	Filming
Macquarie Lightstation	VIA International Sydney	24-Nov-06	2 days	Filming
North Head	Embossed Communications Pty Ltd	01-Jul-06	12 months	Candle Making
North Head	Southern Star Productions No 9 Pty Ltd	01-Jul-06	12 months	Filming
North Head	William James Frecklington	01-Jul-06	12 months	Coach Building
North Head	Walkabout Films Pty Ltd	13-Sep-06	2 days	Filming
North Head	Dept of Defence Corporate Services	27-Sep-06	1 day	Training
North Head	Plush Films	06-Oct-06	1 day	Filming
North Head	Sydney Indoor Hockey Assoc Inc	18-Oct-06	24 days	Sporting Group
North Head	Bovis Lend Lease	22-Nov-06	2 days	Corporate Lunch
North Head	Department of Defence	13-Apr-07	1 day	Training
North Head	Don Gilson - APEC	13-Apr-07	2 days	Training

Index

- 10 Terminal **10,19,59**
- Aboriginal Issues Committee **21**
- Audit and Risk Management Committee **8,9,20,21**
- background studies **10,11,56**
- bushfire management **5,17**
- bushland **5,14,16,17**
- bush regeneration **12,17,57**
- Chowder Bay **3,4,5,12,13,14,15,16,18,56,57,59**
- Cockatoo Island **3,4,5,9,11,12,13,15,16,18,19,42,58,59**
- Commonwealth Authorities and Companies Act 1997* **1,23,24,25,26,34**
- Community Advisory Committee **10,11,21,54,55**
- comprehensive plan (Harbour Trust) **5,9,10,14,16,17,18,21,23,52**
- conservation **6,10,12,14,15,17,21,31,57**
- conservation management plans **4,12,17**
- consultation **5,6,7,9,10,11,17,22,52**
- contamination **5,10,15,16,42,57,58**
- Defence History Steering Committee **9,21**
- Ecologically Sustainable Development **5,17**
- Financial Statements **24-53**
- fire **5,12,14,17,22,57**
- Freedom of Information Act 1982* **54**
- Georges Heights **3,4,5,7,12,13,14,16,18,19,42,57,59**
- Gunners' Barracks **5,19,59**
- Harbour Week **13**
- hazardous materials **16,56**
- Training Command **4,14,18**
- Heritage Festival **13**
- leasing **13,16,18,19,31,59**
- Lower Georges Heights **5,12,13,19,57,59**
- Macquarie Lightstation **4,5,10,11,13,16,38,58,59**
- management plans **4,5,9,11,12,13,17,18,19,52,56**
- Marine Biological Station, Watsons Bay **4,16,58**
- Markham Close **16**
- members (Harbour Trust) **3,7,8,20,21,47**
- Middle Head **4,5,10,11,12,14,15,16,19,42,55,56**
- Minister for Environment and Water Resources **1,7,24**
- National Parks and Wildlife (NSW) **10,14,17**
- North Head **3,4,10,11,12,13,14,16,17,19,21,43,55,56,57,59**
- publications **13,37**
- public access **3,5,6,11,12,14,16,17,18,57,58**
- public programs **11,12,17**
- Scientific Committee **21**
- Snapper Island **16,35,55,58**
- Sydney Harbour **3,6,9,14,15,16**
- Sydney Harbour Federation Trust Act 2001* **1,7,22,23,36,38,39,42,47**
- Tender Review Committee **9,21**
- volunteers **4,5,12,17**
- walking tracks **3,5,14,57**
- website (Harbour Trust) **13**
- Woolwich Dock **4,5,10,11,15,17,19,56,57**





Australian Government
Sydney Harbour Federation Trust