

Annual Report 2013-14



PARRAMATTA
PARK



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Cover: Parramatta Park Sydney Festival

Minister's Foreword

As the historic heart of a growing urban city, the role of Parramatta Park is an important one.

Not only does the Park mark the early settler history of our nation, but it also plays a special part in the lives of the hundreds of thousands of visitors and members of the local community and beyond who visit each year. Over the past 12 months, visitors have gathered here to celebrate special occasions, play sport or attend one of many schools, corporate or community events including the ABC Family Day, Sydney Symphony Orchestra and Australia Day celebrations.

To recognise this vital role, the NSW government has announced \$35.4 million will be allocated to the Park over the next four years as part of the 2014/15 State budget – the largest investment in the Park's history.

This investment to complete upgrade works and invest in new facilities and Park amenities will no doubt restore the park to its former glory and firmly place it on the map as Western Sydney's premier cultural tourism destination.

I look forward to watching the vision for Parramatta Park come to life and working with the Board of Trustees as we continue to invest in this World Heritage listed site.

The Hon. Rob Stokes, MP
Minister for the Environment
Minister for Heritage



Picture: Simone Cottrell ©TRBGDTrust

Chairman's Report



How proud I, and my fellow Board members, are to be involved in the revitalisation of Parramatta Park over the past 12 months.

With new branding in place and strategic directions to preserve and enhance one of Australia's most important heritage sites, I am pleased to report the completion of \$3.2 million heritage restoration works including conservation of the George Street Gatehouse and O'Connell Street palisade fence.

With a successful funding bid for a \$20 million capital works program for new picnic and playgrounds, events spaces and more, it is exciting to see our vision come to life with the start of works on the Crescent event space and other precincts.

I would like to thank the Board for their efforts in putting Parramatta Park on the map and look forward to continuing to work and develop links with the Parramatta community to maximise enjoyment of the Park for many generations to come.

Andrew McDonald

Chairman
Parramatta Park Trust

Director's Report



In the past year, Parramatta Park Trust has undergone a complete transformation with new branding, a successful merger with the administration of Western Sydney Parklands Trust and a move to a centralised office in the Parramatta CBD.

I am proud to see the Parramatta community has continued to support us and our strategies for enhancing park facilities and conserving important park features like the George Street Gatehouse with increasing visitation figures.

Our busy events program has once again drawn hundreds of thousands to the Park to enjoy music and family festivals, as well as annual events like our popular Sydney Symphony Orchestra and Mother's Day Classic fun run.

I am very proud of our team and would like to thank them all for their innovation and hard work to redefine Parramatta Park as the place for the community to come together.

Suellen Fitzgerald

Director
Parramatta Park Trust

Some of the year's highlights

1.9 million – the number of people attracted to the park throughout the year for major events, sports, school, and corporate events, concerts, and family get togethers – a 4% increase on the previous year.



Successful merger of administration of the Parramatta Park Trust with Western Sydney Parklands Trust, including business and administration systems, personnel and office space.



Revitalisation of Parramatta Park Trust amenities with the launch of new logo, branding and design of Park signage, shelters and amenities.



Successful events program including **ABC Family Day, Sydney Symphony Orchestra, Sydney Festival Rubber Duck** and **Mother's Day Classic** attracted more than 50,000 enthusiastic visitors.



Opening of the **Macquarie Street Gatehouse** to the public as the Gatehouse Tearooms.



Substantial completion of **\$3.2 million heritage restoration works**, including rebuilding O'Connell Street palisade fence, Old Government House works, master plans for the Garden, Paddocks, and Crescent precincts and restoration of the Observatory Stones.



The historic Ranger's Cottage re-established as a ranger base.



Successful funding bid for a **\$20 million capital works program** for new picnic and playgrounds, events space, paths and bridges formal gardens.



Design for the **Crescent** events space works completed and tendered and upgrade works commenced.



Secured \$450,000 under 'Your Community Heritage Program' for **Mays Hill Gatehouse restoration and design** complete for the works.

Governance

Parramatta Park Trust is a statutory body established under the *Parramatta Park Trust Act 2001*. The Minister for the Environment has administrative responsibility for the Act. The Trust consists of seven members who are appointed by and are responsible to the Minister. Members of the Trust oversee the management and strategic direction of the organisation and meet regularly to consider policy and advice from Park management.

The objects of the Trust are as follows:

- (a) to maintain and improve the trust lands, and*
- (b) to encourage the use and enjoyment of the trust lands by the public by promoting the recreational, historical, scientific, educational and cultural heritage value of those lands, and*
- (c) to ensure the conservation of the natural and cultural heritage values of the trust lands and the protection of the environment within those lands, and*
- (d) such other objects, consistent with the functions of the Trust in relation to the trust lands, as the Trust considers appropriate.*

The Trust works to conserve and enhance the cultural heritage of the park; to raise awareness of the heritage values of the park; to improve the visitor experience and to manage the parklands estate for leisure, education, recreation and sporting activities.



Trustees

Member	Appointment
Andrew McDonald (Chairman)	Appointed October 2012
Phillip Bates AM	Appointed October 2012
Denis Fitzgerald AM	Appointed October 2012
Lyn Lewis-Smith	Appointed October 2012
Denise Taylor	Appointed October 2012
Stephanie Dale	Appointed October 2012
Stewart Thompson	Appointed October 2012

Current Board member profiles can be accessed on the Trust's website.

Board meetings are held every six weeks.



Chairman Andrew McDonald



Phillip Bates AM



Denis Fitzgerald AM



Lyn Lewis-Smith



Denise Taylor



Stephanie Dale



Stewart Thompson

Meeting State Plan Objectives

Throughout the year the Board and the Trust's team have worked together to preserve and enhance one of the most important heritage sites in NSW, in line with the State Plan.

The Trust has been working towards two key State Plan targets:

10% more participation in parks and recreation and in 2013/14 around 1.9 million visitors came to Parramatta Park.

Protecting and restoring our natural environment. In the last year significant progress has been made on conserving remnant bushland along Parramatta River and Domain Creek. In addition, the Trust has continued to manage heritage trees across the park and involve community volunteers in tree planting projects.

Recreation Infrastructure

The Minister for Environment announced more than \$20 million be allocated to capital works in the Park over the next four years as part of the 2014/15 State budget. The focus of these works is based on the master plans developed by the Trust in 2012/13 for the Crescent, the Paddocks and the Garden precincts of the Park.

In 2013/14, the Trust commenced upgrade works on the Crescent event space to be completed in late 2014. These works allow for the staging of large scale events like the popular Sydney Symphony concert and accommodate around 15,000 people. The works include a new stage area, improvements to the stairs, paths and upgrade works to infrastructure and landscape works. Design work for the two other areas, The Paddocks and The Gardens Precincts, have commenced.

The conservation of the George Street Gatehouse was completed and an extension pavilion to the Gatehouse was commenced. This was the first of the Gatehouse works to commence with conservation works to the Mays Hill and Queens Road Gatehouses to follow in the coming years.

All works part funded by the Federal Government's 'Your Community Heritage' grant was completed. This includes conservation and landscape works to Old Government House and restoration of the O'Connell palisade fence.



Environment and Conservation

Trees throughout the 85ha of the Park, continue to go through their regular cyclical inspections. Young trees have been pruned, hazard reduction works carried out on mature trees and heritage trees are monitored and cared for through regular maintenance. The Trust team has worked throughout the year to revegetate the remnant bush corridors of Cumberland Plain Woodland throughout the park. Over 100 community volunteers planted grasses and local tree species to improve the riverbanks during the year, including on National Tree Day, as well as local volunteers helping restore the Park on Clean Up Australia Day.





Heritage Conservation

In 2013 Parramatta Park Trust embarked on the George Street Gatehouse Conservation and Adaptive Reuse Project. The Project was designed to both restore the heritage fabric of the Gatehouse and to provide an adaptive reuse option thus ensuring its care and use well into the future.

Other important heritage work at Parramatta Park in 2013/14 included completing restoration work on the O'Connell Street palisade fence, to revive the eastern boundary of the park; reinstalling dormer windows and work on the carriage loop path and fencing at Old Government House to preserve the Georgian vice regal landscape of the Park; and with assistance from the Centenary Stonework Program, preserving the fragile surfaces of the 1821 Observatory Transit Stones and the conservation of the Observatory Obelisk to ensure these significant heritage items are preserved for future generations.

Storage and planning for the accessible cataloguing of the Park's movable heritage collection also commenced and will continue in the coming year.

Participation and Community

The Park once again played an important role in bringing together the Parramatta community and beyond with a full calendar of events all year round. Visitor numbers are estimated at more than 1.9 million in 2013/14. Most were casual visitors but tens of thousands are bookings from local people and community groups, including Parramatta Council's Australia Day celebrations and Sydney Festival's Rubber Duck installation.

In addition, the Park was the venue for numerous commercial events, including the D7 Music Festival and ABC Family Day which attracted around 5000 and 30,000 visitors respectively, young and old.

The Trust also hosted its annual Sydney Symphony in the Park, a free family event which attracted 4,000 attendees for a night of music under the stars.



Business and Administration

The Board is now well into setting strategies for the future of the Park. In the past year, the Park's administration was merged with the administration of Western Sydney Parklands Trust and a significant recruitment program was completed including specialist roles in asset and visitor management, digital marketing and heritage conservation. The Trusts team also relocated to a new office within the Parramatta CBD and the temporary demountable was decommissioned and removed off site.

The Trust continued to develop links with local bodies such as the Parramatta Council to maximise the Park's assets and integrate with surrounding urban landscape. Projects like the adaptive reuse of the Macquarie Street and George Street Gatehouses will continue to offer opportunities for public enjoyment while also generating funds to enhance visitor facilities and experience. The Ranger's Cottage was also reestablished as a ranger base within the Park.

The Trust saw a 17% increase in parking revenues over the prior corresponding period and an encouraging 4% savings in non-personnel operating expenditure for the year.

Parramatta Park Trust
FINANCIAL STATEMENTS
For the year ended 30 June 2014

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PARRAMATTA PARK TRUST

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Statement by Members of the Trust

Pursuant to Section 41C (1B) and (1C) of the Public Finance and Audit Act 1983 we declare, on behalf of the Trust, that in our opinion:

- (1) The accompanying financial statements exhibit a true and fair view of the financial position of the Parramatta Park Trust as at 30 June 2014 and the financial performance for the year then ended.
- (2) The statements have been prepared in accordance with Australian Accounting Standards and Interpretations, the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010*, the Treasurer's Directions.

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



Andrew McDonald

**Chairman
Parramatta Park Trust**



Suellen Fitzgerald

**Director
Parramatta Park Trust**

20 October 2014



INDEPENDENT AUDITOR'S REPORT

Parramatta Park Trust

To Members of the New South Wales Parliament

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

Opinion

In my opinion, the financial statements:

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

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

The Trustees' Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

My opinion does *not* provide assurance:

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

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



Karen Taylor
Director, Financial Audit Services

20 October 2014
SYDNEY

Parramatta Park Trust
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2014

	Notes	Actual 2014 \$'000	Actual 2013 \$'000
Expenses excluding losses			
Operating expenses			
Personnel Services	2(a)	998	689
Other operating expenses	2(b)	1,738	1,771
Depreciation and amortisation	2(c)	589	599
Grants and subsidies	2(d)	651	–
TOTAL EXPENSES EXCLUDING LOSSES		3,976	3,059
Revenue			
Investment revenue	3(a)	369	423
Grants and contributions	3(b)	2,100	3,468
Other revenue	3(c)	1,571	1,356
Total Revenue		4,040	5,247
Gain / (loss) on disposal	4	(27)	(15)
Net result		37	2,173
Other comprehensive income			
<i>Items that will not be reclassified to net result:</i>			
Net increase / (decrease) in property, plant and equipment revaluation surplus	7	7,084	–
Total other comprehensive income		7,084	–
TOTAL COMPREHENSIVE INCOME		7,121	2,173

The accompanying notes form part of these financial statements.

Parramatta Park Trust
STATEMENT OF FINANCIAL POSITION
As at 30 June 2014

	Notes	Actual 2014 \$'000	Actual 2013 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	8,826	10,964
Receivables	6	587	584
Total Current Assets		9,413	11,548
Non-Current Assets			
Receivables	6	5,198	5,191
Property, plant and equipment	7		
– Land and buildings		22,196	13,341
– Plant and equipment		30	65
– Infrastructure systems		8,171	7,384
Total property, plant and equipment		30,397	20,790
Total Non-Current Assets		35,595	25,981
Total Assets		45,008	37,529
LIABILITIES			
Current Liabilities			
Payables	9	1,257	902
Provisions	10	73	57
Total Current Liabilities		1,330	959
Non-Current Liabilities			
Provisions	10	1	14
Total Non-Current Liabilities		1	14
Total Liabilities		1,331	973
Net Assets		43,677	36,556
EQUITY			
Reserves		13,949	6,865
Accumulated funds		29,728	29,691
Total Equity		43,677	36,556

The accompanying notes form part of these financial statements.

Parramatta Park Trust
STATEMENT OF CHANGES IN EQUITY
 For the year ended 30 June 2014

Notes	Accumulated Funds \$'000	Asset Revaluation Surplus \$'000	Total \$'000
Balance at 1 July 2013	29,691	6,865	36,556
Net result for the year	37	–	37
Other comprehensive income			
Net Increase property, plant and equipment	–	7,084	7,084
Total other comprehensive income	–	7,084	7,084
Total comprehensive income for the year	37	7,084	7,121
Transactions with owners in their capacity as owners			
Increase / (decrease) in net assets from equity transfers	7	–	–
Balance at 30 June 2014	29,728	13,949	43,677
Balance at 1 July 2012	27,518	6,865	34,383
Net result for the year	2,173	–	2,173
Other comprehensive income	–	–	–
Total other comprehensive income	–	–	–
Total comprehensive income for the year	2,173	–	2,173
Transactions with owners in their capacity as owners			
Increase / (decrease) in net assets from equity transfers	–	–	–
Balance at 30 June 2013	29,691	6,865	36,556

The accompanying notes form part of these financial statements.

Parramatta Park Trust
STATEMENT OF CASH FLOWS
 For the year ended 30 June 2014

	Notes	Actual 2014 \$'000	Actual 2013 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Personnel services		(942)	(690)
Suppliers and others		(2,195)	(1,578)
Total Payments		(3,137)	(2,268)
Receipts			
Interest received		327	381
Grants and contributions		1,754	3,468
Other		1,933	1,244
Total Receipts		4,014	5,093
NET CASH FLOWS FROM OPERATING ACTIVITIES	12	877	2,825
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of land and buildings, plant and equipment and infrastructure systems		–	–
Purchases of land and buildings, plant and equipment and infrastructure systems		(3,015)	(935)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(3,015)	(935)
CASH FLOWS FROM FINANCING ACTIVITIES			
NET CASH FLOWS FROM FINANCING ACTIVITIES		–	–
NET INCREASE / (DECREASE) IN CASH		(2,138)	1,890
Opening cash and cash equivalents		10,964	9,074
CLOSING CASH AND CASH EQUIVALENTS	5	8,826	10,964

The accompanying notes form part of these financial statements.

Parramatta Park Trust

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

Accounting Policy Note

Note 1. Summary of Significant Accounting Policies

(a) Reporting entity

Parramatta Park Trust is a statutory body established under the Parramatta Park Trust Act 2001. The Minister for the Environment has administrative responsibility for the Act. The objects of the Trust are to maintain and improve the trust lands, and encourage the use and enjoyment of the Trust lands by the public by promoting the recreational, historical, scientific, educational and cultural heritage value of the Park.

The Trust is a NSW government entity. The Trust is a not-for-profit entity (as profit is not its principal objective). The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

These financial statements for the year ended 30 June 2014 have been authorised for issue by the Chairman on 20 October 2014.

(b) Basis of preparation

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

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and Public Finance and Audit Regulations 2010.

Property, plant and equipment, and financial assets are at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

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

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

(c) Statement of compliance

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

(d) Insurance

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

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

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

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

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

(f) Income recognition

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

Revenue is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding

the accounting policies for the recognition of revenue are discussed below.

(i) Rental revenue

Rental revenue from operating leases is recognised in accordance with AASB 117 Leases on a straight-line basis over the lease term.

(ii) Finance lease

Long term prepaid leases of land are usually classified as finance leases where the risks and rewards incidental to ownership of the land are substantially transferred to the lessees. Where lessees make up-front lease payments, this arrangement is accounted for as a sale and the associated gain/loss recognised in the statement of comprehensive income. A lease will transfer substantially all of those risks and rewards to the lessee if, at the inception of the lease, the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased land, and the lessor's residual risks and rewards after the end of the lease term is not significant.

(iii) Investment revenue

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

(iv) Grants and contributions

Grants and contributions from other bodies (including donations) are generally recognised as revenue when the Trust obtains control over the assets comprising the grants / contributions. Control over grants and contribution is normally obtained upon the receipt of cash.

(g) Assets

(i) Acquisitions of assets

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

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

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

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

(ii) Capitalisation thresholds

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

(iii) Revaluation of property, plant and equipment

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

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

Parramatta Park Trust

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

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

Each class of physical non-current asset is revalued in accordance with TPP14/01 to ensure that the carrying amount of each asset does not differ materially from its fair value at reporting date. The last such revaluation was completed as at 30 June 2014 was based on an independent assessment.

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

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

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

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

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

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

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

(iv) Impairment of property, plant and equipment

As a not-for-profit entity, the Trust is effectively exempted from AASB 136 Impairment of Assets and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(v) Depreciation of property, plant and equipment

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

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

Land is not a depreciable asset, depreciation rates of other assets are same as previous year and are:

Buildings	2.0% to 2.5%
Infrastructure systems	2.0% to 20%
Plant and equipment	2.5% to 20%

(vi) Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

(vii) Leased assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the commencement of the lease term. The corresponding liability is established

at the same amount. Lease payments are allocated between the principal component and the interest expense.

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

(viii) Loans and receivables

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

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

(ix) Investments

Investments are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, transaction costs.

The Trust determines the classification of its financial assets at initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

The Hour-Glass Investment Facilities are designated at fair value through profit or loss using the second leg of the fair value option – i.e. these financial assets are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy, and information about these assets is provided internally on that basis to the Trust's key management personnel.

The Treasury Risk Management Policy requires management to report on all investments, including the amount, yield, maturity, counterparty credit rating and total investments with counterparty. Exposure limits per counterparty are set to minimise the Trust's risk.

Any Hour-Glass Investment facilities held by the Trust are short term unit trust investment funds managed by the NSW Treasury Corporation (TCorp). The Trust has been issued with a number of units in TCorp's Hour-Glass Cash Facility Trust, based on the amount of the deposit and the unit value for the day.

The movement in the fair value of the Hour-Glass Investment Facilities incorporates distributions received as well as unrealised movement in fair value and is reported in the line item 'investment revenue'.

Non-derivative financial assets with fixed or determinable payments and fixed maturity that the Trust has the positive intention and ability to hold to maturity are classified as "held to maturity". These investments are measured at amortised cost using the effective interest method. Changes are recognised in profit or loss when impaired, derecognised or through the amortisation process.

The fair value of investments that are traded at fair value in an active market is determined by reference to quoted current bid prices at the close of business on reporting date.

(x) Impairment of financial assets

All financial assets, except those measured at fair value through profit or loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the Trust will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in profit or loss.

Any reversals of impairment losses are reversed through profit or loss, where there is objective evidence. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

Parramatta Park Trust

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

(xi) De-recognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Trust transfers the financial asset:

- where substantially all the risks and rewards have been transferred; or
- where the Trust has not transferred substantially all the risks and rewards, if the Trust has not retained control.

Where the Trust has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Trust's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

(h) Liabilities

(i) Payables

These amounts represent liabilities for goods and services provided to the Trust and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(ii) Personnel Services and Related Payables

As a result of the Government Sector Employment Act 2013 (GSE Act) and related Administrative Orders, on 24 February 2014, the employees of the Trust are reported as employees of a Public Service executive agency related to Office of Environment and Heritage (OEH) previously being employees of the Department of Premier and Cabinet (DPC). The Trust reports employee related information as "personnel services" in its financial statements.

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

the service are recognised and measured at the undiscounted amounts of the benefits.

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

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

(iii) Long service leave and superannuation

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

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

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefits and First State Super) is calculated as a percentage of the employees' salary.

(iv) Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they related have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premium and fringe benefits tax.

(i) Equity and reserves

(i) Revaluation surplus

The revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. This accords with the Trust's policy on the revaluation of property, plant and equipment as discussed in note 1(g) (iii).

(ii) Accumulated Funds

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

Separate reserve accounts are recognised in the financial statements only if such accounts are required by specific legislation or Australian Accounting Standards (e.g. revaluation surplus and foreign currency translation reserve).

(j) Equity Transfers

The transfer of net assets between entities as a result of an administrative restructure, transfers of programs / functions and parts thereof between NSW public sector entities and 'equity appropriations' are designated or required by Accounting Standards to be treated as contributions by owners and recognised as an adjustment to 'Accumulated Funds'. This treatment is consistent with AASB 1004 Contributions and Australian Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities.

Transfers arising from an administrative restructure involving not-for-profit and for-profit government entities are recognised at the amount at which the assets and liabilities were recognised by the transferor immediately prior to the restructure. Subject to below, in most instances this will approximate fair value.

All other equity transfers are recognised at fair value, except for intangibles. Where an intangible has been recognised at (amortised)

cost by the transferor because there is no active market, the entity recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, the entity does not recognise that asset

(k) Comparative information

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

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

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

The accounting policies applied in 2013-14 are consistent with those of the previous financial year except as a result of AASB 13, AASB2011-8 and AASB 2012-1 regarding fair value measurement that have been applied for the first time in 2013-14.

(ii) Accounting Standards issued but not yet effective

At reporting date a number of Australian Accounting Standards have been issued by the Australian Accounting Standards Board but are not yet operative. These have not been early adopted by the Trust in accordance with Treasury Circular NSW TC 14/03. The Trust does not anticipate any material impact on its financial statements. The main changes will be in presentation and disclosure. The following is a list of those standards that will have an impact on the financial statements:

- AASB 9, AASB 2010-7 and AASB 2012-6 regarding financial instruments
- AASB 10 (NFP) *Consolidated Financial Statements* **(NFP entities only)**
- AASB 11 (NFP) *Joint Arrangements* **(NFP entities only)**
- AASB 12 (NFP) *Disclosure of Interests in Other Entities* **(NFP entities only)**
- AASB 127 (NFP) *Separate Financial Statements* **(NFP entities only)**
- AASB 128 (NFP) *Investments in Associates and Joint Ventures* **(NFP entities only)**

Parramatta Park Trust

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

- AASB 1031 *Materiality*
- AASB 1055 and AASB 2013-1 regarding budgetary reporting
- AASB 2011-7 (NFP) regarding consolidation and joint arrangements **(NFP entities only)**
- AASB 2012-3 regarding offsetting financial assets and financial liabilities
- AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets
- AASB 2013-4 regarding financial instruments – Novation of Derivatives and Continuation of Hedge Accounting
- AASB 2013-5 regarding accounting for Investment Entities
- AASB 2013-6 regarding Reduced Disclosure Requirements
- AASB 2013-7 regarding accounting for life insurance contracts
- AASB 2013-8 regarding Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities
- AASB 2013-9 regarding the Conceptual Framework, Materiality and Financial Instruments (Parts B and C).

(m) Fair value hierarchy

A number of the Trust's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13 Fair Value Measurement, the Trust categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted prices in active markets for identical assets / liabilities that the Trust can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

The Trust recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Refer Note 8 for further disclosures regarding fair value measurements of financial and non-financial assets.

	2014 \$'000		2013 \$'000	
Note 2. Expenses Excluding Losses				
(a) Personal Services Expenses:				
	DPC	OEH	Total	DPC
Salaries and Wages (including recreation leave)	636	225	861	649
Superannuation-defined contribution plans	15	48	63	37
Long service leave	12	10	22	(22)
Workers' compensation insurance	6	2	8	18
Payroll tax and fringe benefits tax	13	31	44	7
Total	682	316	998	689
(b) Other operating expenses include the following:				
Insurance		59		34
Audit remuneration		37		23
Legal fees		35		43
Transition to shared service provider		–		65
Motor vehicle expenses and travel		9		8
Office running costs		232		179
Events		373		379
Maintenance – Parkland		856		886
Maintenance – Buildings		137		154
		1,738		1,771
(c) Depreciation and amortisation expense				
Land and buildings		358		358
Infrastructure systems		201		198
Plant and equipment		30		43
		589		599
(d) Grants and subsidies				
Capital grants ¹		651		–
		651		–

1 Administration building is transferred to National Parks and Wildlife Service (NPWS) at book value 179,230 and capital works completed in Old Government House at book value \$471,629.

Parramatta Park Trust
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2014

	2014 \$'000	2013 \$'000
Note 3. Revenue		
(a) Investment revenue		
Interest received	327	381
Interest – Finance Lease	42	42
	369	423
(b) Grants and contributions		
<i>Recurrent:</i>		
Office of Environment and Heritage	1,543	1,495
<i>Capital:</i>		
Office of Environment and Heritage	–	1,551
Federal funding	212	422
Grants and Contribution-Others	345	–
	2,100	3,468
(c) Other revenue		
Finance lease income	401	400
Sundry income	25	5
Expense Recovery	–	1
Insurance recovery	32	12
Users charges	1,113	938
	1,571	1,356

	2014 \$'000	2013 \$'000
Note 4. Gain/(Loss) on Disposal		
Gain on disposal of Assets		
Proceeds from disposal	–	–
Carrying value of assets disposed	(27)	(15)
Net Loss on disposal of Assets	(27)	(15)
Note 5. Current Assets – Cash and Cash Equivalents		
Deposit at Call – TCorp Hour-Glass	8,672	9,381
Cash at bank and on hand	154	1,583
Total	8,826	10,964
For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank, cash on hand, short-term deposits and bank overdraft		
Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows as follows:		
Cash and cash equivalents (per Statement of Financial Position)	8,826	10,964
Closing cash and cash equivalents (per statement of cash flows)	8,826	10,964

Refer Note 15 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

Parramatta Park Trust
NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 30 June 2014

	2014 \$'000	2013 \$'000
Note 6. Current / Non-Current Receivables		
Current		
Trade and other Receivables	63	170
Goods and services tax	122	–
Lease receivables	402	414
	587	584
Non-Current		
Lease receivables	5,198	5,191
Less: Movement in allowance for impairment	–	–
	5,198	5,191
Total	5,785	5,775

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 15.

Lease Arrangement:

The Trust entered into a finance lease arrangement with Parramatta Leagues Club for a section of Trust land to be utilised as a car park and portion of the clubhouse.

The term of the lease is 50 years with a 49 year option. For the entire lease term, the interest rate inherent in the lease is increased by CPI and every 5 years to market value.

	Minimum lease payments		Present value of lease payments	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Within one year	392	392	366	366
After one year but not more than five years	1,960	1,960	1,493	1,493
More than five years	80,641	81,033	3,741	3,732
Total minimum lease payments	82,993	83,385	5,600	5,591
Less unguaranteed residual	(44,466)	(44,475)		
Less amounts representing unearned finance income	(32,928)	(33,320)		
Present value of minimum lease payments	5,600	5,591		
Per Note 6:				
Current Lease Receivables	402	400		
Non-Current Lease Receivables	5,198	5,191		
Total Lease Receivables	5,600	5,591		

Note 7. Non-Current Assets – Property, Plant and Equipment

	Land and Buildings \$'000	Plant and Equipment \$'000	Infra-structure Systems \$'000	Total \$'000
At 1 July 2013 – fair value				
Gross carrying amount	21,903	417	9,923	32,243
Accumulated depreciation and impairment	(8,562)	(352)	(2,539)	(11,453)
Net carrying amount	13,341	65	7,384	20,790
At 30 June 2014 – fair value				
Gross carrying amount	31,115	412	10,911	42,438
Accumulated depreciation and impairment	(8,919)	(382)	(2,740)	(12,041)
Net carrying amount	22,196	30	8,171	30,397

The last revaluation completed at 30 June 2014 has resulted in a net increase of \$7.08 million to Property Plant and Equipment. Fair value assessment was conducted by an independent valuation professional in accordance with *International Valuation Standards, Australian Accounting Standard AASB116 and NSW Treasury Policy and Guidelines Paper TPP14-01*

Parramatta Park Trust

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

Reconciliation

	Land and Buildings \$'000	Plant and Equipment \$'000	Infra-structure Systems \$'000	Total \$'000
Year ended 30 June 2014				
Net carrying amount at start of year	13,341	65	7,384	20,790
Additions	568	–	2,754	3,322
Disposals	(205)	(5)	–	(210)
Equity Transfer	–	–	–	–
Net revaluation increment less revaluation (decrement)	8,850	–	(1,766)	7,084
Depreciation expense	(358)	(30)	(201)	(589)
Net carrying amount at end of year	22,196	30	8,171	30,397
Year ended 30 June 2013				
Net carrying amount at start of year	13,715	108	6,647	20,469
Additions	–	–	935	935
Disposals	–	–	–	–
Transfer	(15)	–	–	(15)
Equity Transfer	–	–	–	–
Other adjustments	–	–	–	–
Net revaluation increment less revaluation (decrement)	–	–	–	–
Depreciation expense	(358)	(43)	(198)	(599)
Net carrying amount at end of year	13,341	65	7,384	20,790

Included in property, plant and equipment above are the following amounts of work in progress which will not commence to be depreciated until construction is completed or the items are installed ready for use

	2014 \$'000	2013 \$'000
Work in progress		
Land & Buildings	–	292
Plant and Equipment	1	–
Infrastructure Systems	3,054	992
	3,055	1,284

Note 8. Fair value measurement of non-financial assets

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total Fair Value \$'000
(a) Fair Value Hierarchy 2014				
Property, Plant and Equipment (Note 7)				
Land and Buildings	–	14,800	7,396	22,196
Infrastructure system	–	–	8,171	8,171
Total	–	14,800	15,567	30,367

There were no transfers between Level 1 or 2 during the year.

Reconciliation of recurring level 3 Fair value measurement

2014	Land and Building \$'000	Infrastructure \$'000	Total \$'000
Fair value as at 1 July 2013	9,441	7,564	17,005
Additions	568	2,574	3,142
Disposals	(205)	–	(205)
Revaluations increments/decrements recognised in other comprehensive income	(2,050)	(1,766)	(3,816)
Depreciation	(358)	(201)	(559)
Fair value as at 30 June 2014	7,396	8,171	15,567

Parramatta Park Trust

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

(b) Valuation Techniques, Inputs and Process

Asset Class	Valuation Technique	Comments
Land	Market Approach	Based on market evidence for open space land
Building	Income Approach	Based on future cash inflows discounted to derive to net present values
Infrastructure assets	Cost Approach	Based on depreciated historical cost

Land and Building

Land and Buildings consist of basically open space land of Parramatta Park and other land including golf club where as Buildings consist of various buildings and their associated structure including various toilets block, visitor centres, swimming pool car park etc.

Infrastructure assets

There are various categories of assets under this Asset Class ranging from pedestrian bridge and decks, landscaping work, bollards, parklands signage, parklands furniture, visitor centres, car parks, concrete slabs, footpaths, access to roads and roads itself within parklands etc. necessary to support the business operations of Parramatta Park Trusts.

(ii) Highest and Best Use

Non-financial assets are valued on a highest and best use basis. The existing use of these assets is considered to be the highest and best use.

(ii) Level 3 Measurement

Parramatta Park Trust assets classified as Level 3 in the fair value hierarchy have been valued using either cost or market approach. Cost has been determined based on actual cost information.

Comprehensive external valuations are obtained on a 3 yearly cycle for land & buildings and a 5 year cycle for other physical non-current assets. The last such valuation was completed on 30 June 2014.

The external valuations are prepared by independent professional qualified valuer who hold a recognised relevant professional qualification and have recent experience in the location and category of the respective properties.

	2014 \$'000	2013 \$'000
Note 9. Current Liabilities – Payables		
Trade creditors	166	106
Personnel service payables	56	20
Bonds	26	28
Goods and service tax payables	–	46
Other payables	1,009	702
	1,257	902
Note 10. Current/Non-Current Provisions:		
Current Personnel Service Payables	73	57
Non-Current Personnel Service Payables	1	14
	74	71

Details regarding credit risk, liquidity risk and market risk, are disclosed in Note 15.

	2014 \$'000	2013 \$'000
Note 11. Commitments for Expenditure		
(a) Capital Commitments		
Aggregate capital expenditure for the Park improvements contracted for at balance date and not provided for:		
Not later than one year	1,198	489
Later than one year and not later than five years	1,690	–
Total (including GST)	2,888	489

Consistent with Treasury Circular NSWTC 10/15, commitments are stated with the amount of GST included.

Parramatta Park Trust
NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 30 June 2014

	2014 \$'000	2013 \$'000
Note 12. Reconciliation of Cash Flows from Operating Activities to Net Result		
Surplus for the year	37	2,173
Add/less non-cash items:		
Depreciation	589	599
Non-cash Items additions to PPE	(775)	–
Capital Grants and subsidies	651	–
Others	5	(63)
Changes in assets and liabilities		
Decrease / (increase) in trade payables	298	260
Decrease/Increase in provisions	60	(13)
Decrease / (increase) in trade and other receivables	(15)	(146)
Net gain / (loss) on sale of plant and equipment	27	15
Net result	877	2,825

Note 13. Related Party Disclosure

(a) Trustees

Members of the Trust during the financial year were:

Name

Andrew McDonald (Chairman)

Phillip Bates AM

Denis Fitzgerald AM

Lyn Lewis-Smith

Denise Taylor

Stephanie Dale

Stewart Thompson

(b) Members Remuneration

The total remuneration of members who were not government employees, including compulsory superannuation entitlements for the financial year was:

\$0 – \$10,000 7

Note 14. Contingent Assets and Contingent Liabilities

Parramatta Park Trust is not aware of any contingent assets and liabilities exist at the year ended 30 June 2014.

Note 15. Financial Instruments

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

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

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

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount 2014 \$'000	Carrying Amount 2013 \$'000
Class:				
Cash and cash equivalents	5	N/A	8,826	10,964
Receivables ¹	6	Loans and receivables (at amortised cost)	5,663	5,775

Financial Liabilities	Note	Category	Carrying Amount 2014 \$'000	Carrying Amount 2013 \$'000
Class:				
Payables ²	10	Financial liabilities measured at amortised cost	1,257	927

Notes

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).

Parramatta Park Trust

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

(b) Other price risk – TCorp Hour-Glass facilities

Exposure to “other price risk” primarily arises through the investment in the TCorp Hour-Glass Investment Facilities, which are held for strategic rather than trading purpose. The entity has no direct equity investments. The entity holds units in the following Hour-Glass investment trusts:

Facility	Investment Sectors	Investment Horizon	2014 \$'000	2013 \$'000
Cash Facility	Cash and money market instrument	Less than 1 year	8,672	9,381

The unit price of each facility is equal to the total fair value of the net assets held by the facility divided by the number of units on issue for that facility. Unit prices are calculated and published daily.

NSW TCorp as trustee for each of the above facilities is required to act in the best interest of the unit holders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. TCorp has also leveraged off internal expertise to manage certain fixed income assets for the Hour-Glass facilities. A significant portion of the administration of the facilities is outsourced to an external custodian.

Investment in the Hour-Glass facilities limits the entity’s exposure to risk, as it allows diversification across a pool of funds with different investment horizons and a mix of investments.

NSW TCorp provides sensitivity analysis information for each of the Investment facilities, using historically based volatility information collected over a ten year period, quoted at two standard deviations (i.e. 95% probability). The TCorp Hour-Glass Investment facilities are designated at fair value through profit or loss and therefore any change in unit price impacts directly on profit (rather than equity). A reasonably possible change is based on the percentage change in unit price (as advised by TCorp) multiplied by the redemption value as at 30 June each year for each facility (balance from Hour-Glass statement).

	Change in unit price		Impact on profit / loss	
	2014 %	2013 %	2014 \$'000	2013 \$'000
Deposit at Call – TCorp	+/-1	+/-1	87	94
Total			87	94

A reasonable change is based on the percentage change in unit price multiplied by the redemption price as at 30 June each year for each facility as advised by TCorp.

Fair value measurement

Financial instruments are generally recognised at cost, with the exception of the TCorp Hour-Glass facilities which are measure at fair value. The amortise cost of other financial instruments recognised in the statement of financial position approximates the fair value, because of the short term nature of many of the financial instruments.

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

Fair value recognised in the statement of financial position

Fair value at 30 June 2014	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Deposit at Call – TCorp	–	8,672	–	8,672
Total	–	8,672	–	8,672

Fair value at 30 June 2013	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Deposit at Call – TCorp	–	9,381	–	9,381
Total	–	9,381	–	9,381

Parramatta Park Trust

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

(c) Credit Risk

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

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

Cash comprises cash on hand and bank balances. Interest is earned on daily bank balances.

Receivables – trade debtors

All trade and other debtors are recognised as amounts receivable at balance date. Collectability of all debtors is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are generally made on 30 day terms.

The Trust is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due and not less than three months past due are not considered impaired and together these represent 100% of the total trade debtors. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

	Total ^{1,2} \$'000	Past due but not impaired ^{1,2} \$'000	Considered impaired ^{1,2} \$'000
2014			
< 3 months overdue	63	–	–
3 months – 6 months overdue		–	–
> 6 months overdue		–	–
2013			
< 3 months overdue	170	–	–
3 months – 6 months overdue	–	–	–
> 6 months overdue	–	–	–

Notes

- Each column in the table reports 'gross receivables'.
- The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the 'total' will not reconcile to the receivables total recognised in the statement of financial position.

(d) Liquidity Risk

Liquidity risk is the risk that the Trust will be unable to meet its payment obligations when they fall due. The Trust continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. No assets have been pledged as collateral. The Trust's exposure to liquidity risk is deemed insignificant based on current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods and services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or statement is received. NSW TC 11/12 allows the Minister to award interest for late payment. No Interest was applied during the financial year.

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

Maturity analysis and interest rate exposure of financial liabilities

	Weighted Average Effective Int. Rate \$'000	Nominal Amount ¹ \$'000	Interest Rate Exposure			Maturity Dates		
			Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non-interest bearing \$'000	< 1 yr \$'000	1-5 yrs \$'000	> 5 yrs \$'000
2014								
Payables		1,257	-	-	-	1,257	-	-
		1,257	-	-	-	1,257	-	-
2013								
Payables		927	-	-	-	927	-	-
		927	-	-	-	927	-	-

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

Parramatta Park Trust

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

(e) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Trust has no exposure to foreign currency risk and does not enter into commodity contracts or interest rate swaps.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Trust operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposure in existence at the financial position date. The analysis assumed that all other variables remain constant.

(f) Interest Rate Risk

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

	Carrying Amount \$'000	-1% Profit	-1% Equity	1% Profit	1% Equity
2014					
<i>Financial assets</i>					
Cash and cash equivalents	8,826	(88.26)	(88.26)	88.26	88.26
2013					
<i>Financial assets</i>					
Cash and cash equivalents	10,964	(109.64)	(109.64)	109.64	109.64

Note 16. Events after the Reporting Period

Parramatta Park Trust is not aware of any reportable/significant event that has occurred after the reporting period to 30 June 2014.

End of Audited Financial Statements

APPENDICES

Agreements with the Community Relations Commission

There were no agreements made with the Community Relations Commission during the 2013-2014 period.

Annual Report Availability

The Parramatta Park Trust Annual Report 2013-2014 is available online at www.parrapark.com.au

Trustees

Member	Appointment
Andrew McDonald (Chairman)	Appointed October 2012
Phillip Bates AM	Appointed October 2012
Denis Fitzgerald AM	Appointed October 2012
Lyn Lewis-Smith	Appointed October 2012
Denise Taylor	Appointed October 2012
Stephanie Dale	Appointed October 2012
Stewart Thompson	Appointed October 2012

Current Board member profiles can be accessed on the Trust's website.

Board meetings are held every six weeks.

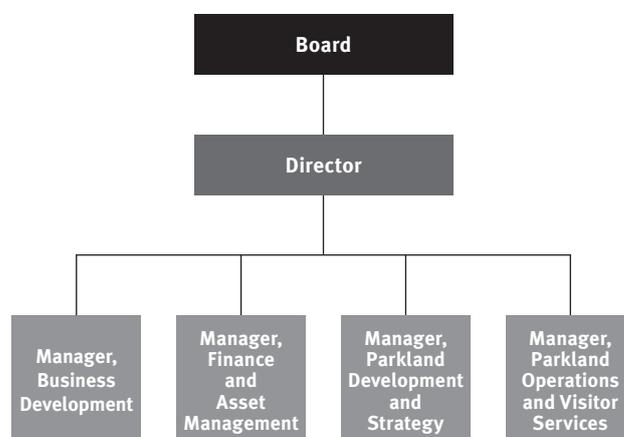
Management and Structure

Director – Suellen Fitzgerald, BSc MLandArch Fellow AILA

Manager, Finance and Business – Kerry Jahangir, BBA DipBus Member CPA Australia

Manager, Parkland Development and Strategy – Yolanda Gil, MProDev MURPln BEcon Member PIA

Manager, Parklands Operations and Visitor Services – Jacob Messer, ADEC B.App.Sci



Code of Conduct

Parramatta Park Trust staff are bound by the requirements of the Public Sector Employment and Management Act 2002, the Office of Environment and Heritage Code of Ethical Conduct and other relevant legislation applying to public employment.

Consultants' Fees

The Trust engages consultants for specialised work only where there is no in-house expertise. The Trust has used consultants in specialist areas such as engineering, management services, community consultation, planning, design and sustainability.

There were no consultants used during the year whose fees were \$30,000 or more. Two consultants whose fees were up to \$30,000 were engaged with their fees totalling \$50,920.

APPENDICES

Consumer response and effect of functions on members of the general public

The Trust has a direct effect on the public by encouraging the use and enjoyment of Parramatta Park. The Trust maintains and improves Parramatta Park and encourages its use.

Members of the general public who wish to provide the Trust with feedback, comments or a complaint are encouraged to contact the Trust office directly or to leave feedback at <http://www.ppt.nsw.gov.au/feedback>

Contacting Parramatta Park Trust:

Parramatta Park Trust
Level 7, 10 Valentine Avenue
Parramatta NSW 2150

Telephone 02 9895 7500

Facsimile 02 9895 7580

Online www.parrapark.com.au

Office hours 9.00am to 5.00pm, Monday to Friday.

Disclosure of controlled entities and subsidiaries

The Trust has no controlled entities or subsidiaries.

Electronic Service Delivery

The Trust continues to focus on increasing the information and services available electronically on our website www.parrapark.com.au

Equal Employment Opportunity

The Trust strives to ensure that its work place is free of discrimination and harassment, and that the Trust's practices and behaviour do not disadvantage people because they belong to a particular group. Staff members are encouraged to take advantage of flexible working arrangements and leave options to help them maintain an effective work life balance.

Trends in the representation of EEO groups as at 30 June 2013

Employment Basis	Total no of employees	% of total employees	Number of men	Number of women	People from racial, ethnic, ethno religious minority groups	People whose first language is not English
Permanent full-time	11	61%	6	5	4	1
Casual						
Board Members	7	39%	4	3	0	0
Total	18	100%	10	8	4	1
Percentage	100%	100%	55%	44%	22%	5%

Government Information (Public Access) Act 2009 (GIPAA)

The Trust received no applications under the GIPAA Act.

Grants to non-government organisations

A grant of \$449,000 was given to National Trust for Old Government House.

Human Resources

Employees of the Trust are employees of the Department of Planning and Environment in accordance with the *Public Sector Employment Legislation Amendment Act 2006*.

The Trust is committed to attracting, developing and retaining a professional workforce and providing a safe, productive and healthy workplace. As at June 2014, the Trust had a total of 11 permanent staff.

Industrial Relations

There were no industrial relations disputes during the year.

Salary award increases for the Trust in the year were in line with the Crown Employees (Public Sector Salaries 2008) Award.

Leave entitlements

Value of recreation and long service leave entitlements as at 30 June 2014 was \$74,000.

Legal change

There were no significant judicial decisions in the 2013-2014 year.

Multicultural Policies and Services Program (formerly EAPS)

Parramatta Park Trust remains sensitive to the cultural, racial, religious and linguistic traditions of communities in NSW and the Trust ensures that all people are considered and have full access to appropriate information and services.

The Trust continues to develop and implement initiatives to cater to people from culturally and linguistically diverse backgrounds.

Workplace Health and Safety (WHS)

No significant injuries were recorded during the year and no formal return to work program was required to be developed.

An Employee Assistance Program is in place to provide staff and members of their family with access to a no cost, confidential counselling service on a 24 hour day/seven days a week basis.

The Trust's Workplace Health and Safety Committee met regularly during the year and addressed a range of matters.

There has been no prosecution for breach of WHS Act.

Overseas visits by employees

There were no overseas visits by employees during the reporting period.

APPENDICES

Payment of Accounts

Quarter ended	Current Less than 30 days (within due date) \$'000	Between 31 & 60 days (over due) \$'000	Between 61 & 90 days (over due) \$'000	More than 90 days (over due) \$'000
At 30 September 2013	881	29	–	–
At 31 December 2013	409	–	29	–
At 31 March 2014	587	55	–	–
At 30 June 2014	1,567	12	–	–

99 per cent of the trade creditors were paid on time within each quarter. No suppliers requested or were reasonably entitled to penalty interest for the year.

Privacy and Personal Information Protection

During 2013-2014 the Trust received no applications under the Privacy and Personal Information Protection Act 1998. The Trust continues to monitor compliance with this Act.

Digital information security policy

Our digital information and information systems security has been deemed adequate.

Publications

Throughout the year, Parramatta Park Trust produced and distributed a range of publications, newsletters and brochures. Key publications are available on our website www.ppt.nsw.gov.au

Reviews and Appeals

There were no reviews or appeals conducted by either the NSW Ombudsman or the Administrative Decisions Tribunal.

Insurance

Parramatta Park Trust participates in the NSW Treasury Managed Fund, a self-insurance scheme which provides workers' compensation, motor vehicles, property, public liability and miscellaneous cover.

Internal Audit and Risk Management Statement

The Trust is of the opinion that the Trust has internal audit and risk management processes in place that, in all material respects, comply with the core requirements set out in Treasury Circular NSW TC 09/08 Internal Audit and Risk Management Policy.

Shared Services

The Trust's corporate services including finance, human resources and information technology are outsourced to Service First.

Training

Staff attended a variety of training courses, seminars and conferences during the year, reflecting the occupational and functional diversity within the organisation.

