CENTENNIAL PARKLANDS

Financial Statements 2008-2009

CENTENNIAL
parklands

centennial park
moore park
queens park

Statement by Members of the Trust

Pursuant to Section 41C of the *Public Finance and Audit Act 1983* , we state that:

a) the accompanying financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983* , the *Public Finance and Audit Regulation 2005* (as applicable) and The Treasurer's Directions;

b) the statements exhibit a true and fair view of the financial position and transactions of the Centennial Park and Moore Park Trust; and

c) there are no circumstances that would render any particulars included in the financial statements to be misleading or inaccurate.

Professor John Niland AC
Trust Chairman

Mr John Walker
Trustee

13th October 2009

CENTENNIAL PARK AND MOORE PARK TRUST

INDEPENDENT AUDIT REPORT

GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Centennial Park and Moore Park Trust

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the Centennial Park and Moore Park Trust (the Trust), which comprises the balance sheet as at 30 June 2009, the income statement, statement of recognised income and expense and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Trust as at 30 June 2009, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

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

The Trustees' Responsibility for the Financial Report

The members of the Trust are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is 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 report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Trust's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal controls. 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 report.

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

INDEPENDENT AUDIT REPORT

My opinion does *not* provide assurance:

- about the future viability of the Trust,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

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

Steven Martin
Director, Financial Audit Services

15 October 2009
SYDNEY

CENTENNIAL PARK AND MOORE PARK TRUST

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	2009 $'000	2008 $'000
REVENUE			
Sale of goods and services		9,177	8,616
Investment revenue		8,614	8,306
Retained taxes, fees and fines		390	451
Grants and contributions		7,388	6,902
Other revenue		1,204	763
Total Revenue	2	**26,773**	**25,038**
EXPENSES			
Personnel services		5,659	5,483
Other operating		14,113	13,097
Depreciation and amortisation		5,885	5,615
Loss/(Gain) on disposal of assets		591	164
Total Expenses	3	**26,248**	**24,359**
SURPLUS FOR THE YEAR		**525**	**679**

The accompanying notes form part of these financial statements.

STATEMENT OF RECOGNISED INCOME AND EXPENSE

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	2009 $'000	2008 $'000
Net increase in property, plant and equipment revaluation reserve		7,819	5,604
Total Income and Expense Recognised Directly in Equity	14	**7,819**	**5,604**
Surplus for the Year		525	679
TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR	14	**8,344**	**6,283**

The accompanying notes form part of these financial statements.

BALANCE SHEET

AS AT 30 JUNE 2009

	NOTE	2009 $'000	2008 $'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	3,592	2,982
Trade and other receivables	6	1,182	2,463
Inventories	7	202	174
Financial assets at fair value	8	5,719	5,406
Total Current Assets		**10,695**	**11,025**
Non-Current Assets			
Property, Plant and Equipment			
• Land and buildings		462,763	461,303
• Plant and equipment		1,202	1,253
• Infrastructure systems		276,219	270,504
Total Property, Plant and Equipment	9	740,184	733,060
Intangible assets	10	371	125
Other	11	96	105
Total Non-Current Assets		**740,651**	**733,290**
Total Assets		**751,346**	**744,315**
LIABILITIES			
Current Liabilities			
Trade and other payables	12	3,521	3,661
Other	13	1,215	1,678
Total Current Liabilities		**4,736**	**5,339**
Non-Current Liabilities			
Other	13	6,106	6,816
Total Non-Current Liabilities		**6,106**	**6,816**
Total Liabilities		**10,842**	**12,155**
Net Assets		**740,504**	**732,160**
Equity			
Reserves		148,544	140,817
Accumulated funds		591,960	591,343
Total Equity	**14**	**740,504**	**732,160**

The accompanying notes form part of these financial statements.

CENTENNIAL PARK AND MOORE PARK TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	2009 $'000	2008 $'000
CASH INFLOWS/(OUTFLOWS) FROM OPERATING ACTIVITIES			
Payments			
Personnel services		5,509	5,394
Other		18,374	18,039
Total Payments		**23,883**	**23,433**
Receipts			
Sale of goods and services		10,176	7,906
Retained taxes, fees and fines		391	451
Interest received		257	469
Rent received		11,214	11,562
Grants		6,141	6,524
Other		2,325	888
Total Receipts		**30,504**	**27,800**
NET CASH FLOWS FROM OPERATING ACTIVITIES	19	**6,621**	**4,367**
CASH INFLOWS/(OUTFLOWS) FROM INVESTING ACTIVITIES			
Proceeds from sale of land and buildings, plant and equipment and infrastructure systems		34	45
Purchase of land and buildings, plant and equipment and infrastructure systems		(6,045)	(5,253)
Net Cash Flows Used in Investing Activities		**(6,011)**	**(5,208)**
Net Increase in Cash		610	(841)
Opening cash and cash equivalents		2,982	3,823
CLOSING CASH AND CASH EQUIVALENTS	5	**3,592**	**2,982**

The accompanying notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Centennial Park and Moore Park Trust (the Trust) is a reporting entity. There are no other entities under its control which are required to be consolidated in this financial report.

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

As a result of the *Public Sector Employment Legislation Amendment Act 2006* (PSELAA), employees of the Trust are now reported as employees of the Department of the Arts, Sport and Recreation. The Trust reports employee related information as “personnel services” in its financial statements.

These financial statements for the year ended 30 June 2009 have been authorised for issue by the Trust on 23 September 2009.

(b) Basis of Preparation

The Trust’s financial statements are a general purpose financial report which has been prepared in accordance with:

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

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

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

Where necessary, comparative information has been reclassified to ensure consistent presentation with the current year.

Unless otherwise stated, 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) Administered Activities

The Trust does not administer or control activities on behalf of the Crown.

(e) Revenue Recognition

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 income are discussed below.

(i) Grants

Contributions from the NSW Government and other bodies are recognised as revenue when the Trust obtains control over the assets comprising the contributions. Control is normally obtained upon the receipt of cash.

(ii) Sale of Goods

Revenue from the sale of goods is recognised as revenue when the agency transfers the significant risks and rewards of ownership of the assets.

(iii) Rendering of Services

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

(iv) Investment Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*. Rental revenue is recognised in accordance with AASB 117 *Leases* on a straight-line basis over the lease term. Rent received in advance is recognised as revenue over the period to which the prepaid rent refers.

(f) Personnel Services

Personnel services to the Trust are provided by the Department of the Arts, Sport and Recreation.

(g) 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 claim experience.

(h) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where:

- 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.
- receivables and payables are stated with the amount of GST included.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

(i) Income Tax

The activities of the Trust are exempt from the provisions of the Income Tax Assessment Act and other Federal legislation, with the exception of the requirement to pay fringe benefit tax and goods and services tax.

(j) Acquisition 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 specific requirements of other 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 item is deferred beyond normal credit terms, its cost is the cash price equivalent (i.e. the deferred payment amount is effectively discounted at an asset-specific rate).

(k) Capitalisation Thresholds

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

(l) Revaluation of Property, Plant and Equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 07-01). This policy adopts fair value in accordance with 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.

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 (excluding trees which are part of infrastructure assets) has been revalued every 5 years. The last such revaluation was completed on 30 June 2007 and, except for plant and equipment, was based on an independent assessment. This revaluation has been updated for market value movements at 30 June 2009.

Trees are now revalued on an annual basis effective from 1 July 2001. The valuation methodology uses a market value/compensation value basis at 5 yearly intervals (the last valuation on this basis was carried out on 31 May 2006) to establish the base value. This base value is then updated on an annual basis taking into account the following factors:

- New tree plantings
- Tree removals
- Trees damaged or affected by disease
- Decline in value of over-mature trees
- Age class adjustments for young, semi-mature and mature trees to reflect growth
- Movements in the consumer price index

This annual adjustment basis was used for the first time at 30 June 2002 and will be applied annually in between each five yearly revaluation. The next adjustment to the base value will be carried out on 30 June 2011.

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 existing at the revaluation date in respect of those assets are credited to the asset account to which they relate. The net asset accounts are increased or decreased by the revaluation increments or decrements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

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

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

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

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

(m) 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.

(n) 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. Land and trees are not depreciable assets. In addition, the turfing of parklands (excluding golf course fairways and greens) is considered to have a useful life greater than 200 years and is not depreciated.

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

Major depreciation periods are:

Buildings	25-80 years
Plant and Equipment	4-10 years
Infrastructure Systems	
Roads, paths, gates and fences	25-150 years
Underground services	20-70 years
Golf Course fairways and greens	100 years
Lakes and ponds	100 years

(o) Major Inspection Costs

When each major inspection is performed, the labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

(p) Restoration Costs

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

(q) Maintenance

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

(r) Leased Assets

The Trust has entered into operating leases under which the lessor effectively retains all the risks and benefits incidental to ownership of the leased asset.

Operating lease payments are charged to the Income Statement in the periods in which they are incurred.

(s) Intangible Assets

The Trust recognises intangible assets only if it is probable that future economic benefits will flow to the Trust and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

The useful lives of intangible assets are assessed to be finite.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Trust's intangible assets, the assets are carried at cost less any accumulated amortisation.

The Trust's intangible assets are amortised using the straight line method over a period of four years. In general, intangible assets are tested for impairment where an indicator of impairment exists. However, as a not-for-profit entity the Trust is effectively exempted from impairment testing (refer paragraph (m)).

(t) 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 Income Statement 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.

(u) Inventories

Inventories held for distribution are stated at cost, adjusted where appropriate for any loss of service potential.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost as at the date of acquisition. Current replacement cost is the cost the Trust would incur to acquire the asset. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(v) 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 after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

Fair value through profit or loss – The Trust subsequently measures investments classified as “held for trading” or designated “at fair value through profit or loss” at fair value. Financial assets are classified as “held for trading” if they are acquired for the purpose of selling in the near term. Gains or losses on these assets are recognised in the Income Statement.

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 agency's key management personnel.

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

(w) Impairment of Financial Assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity 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 the Income Statement.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

Any reversals of impairment losses are reversed through the Income Statement, 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.

(x) 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
- 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.

(y) Other Assets

Other assets are recognised on a cost basis.

(z) 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.

(aa) Expenditure on Management Agreements

Expenditure incurred on entering into agreements for the outsourcing of management of Trust commercial operations is accumulated in respect of each agreement. The expenditure is carried forward and amortised over the term of the respective management agreements.

(ab) Comparative information

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

(ac) New Australian Accounting Standards issued but not Effective

At reporting date a number of Australian Accounting Standards have been issued by the AASB but are not yet operative. These have not been early adopted by the Trust. The following is a list of those standards:

- AASB 101 *Presentation of Financial Statements* – prescribes the basis for presentation of the financial statements.
- AASB 2007-8/10 *Amendments to Australian Accounting Standards arising from AASB 101*.
- AASB 2008-5 *Amendments to Australian Accounting Standards arising from the Annual Improvements Project* – prescribes small amendments to a number of existing Australian Accounting Standards.
- AASB 2009-2 *Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments* – prescribes additional disclosures about fair value measurements and liquidity risk.

These standards will be implemented for the 2009/10 financial year, however, the Trust considers that the adoption of the standards will not have a material impact on the financial report.

2. REVENUE

	2009 $'000	2008 $'000
(a) Sale of goods and services		
Rendering of services:		
Use of recreational facilities	9,175	8,616
Minor user charges	2	–
Total	**9,177**	**8,616**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

	2009 $'000	2008 $'000
(b) Investment revenue		
TCorp Hour-Glass Investment facilities designated at fair value through profit or loss	552	715
Interest revenue from financial assets not at fair value through profit or loss	19	26
Rents	8,043	7,565
Total	**8,614**	**8,306**
(c) Retained taxes, fees and fines		
Fines received from issuance of infringement notices for breaches of Trust regulations	390	451
Total	**390**	**451**
(d) Grants and contributions		
Grants	6,141	6,524
NSW Government through the Department of the Arts, Sport and Recreation*	–	10
Sydney Swans	–	9
NSW Rugby Union Limited	–	23
Waverley Council	397	336
Centennial Parklands Foundation		
Total	**6,538**	**6,902**
Contributions of assets		
Department of Premier and Cabinet	850	–
Total	**850**	**–**
Total grants and contributions	**7,388**	**6,902**
** Conditions on NSW Government Grants – the Trust has an obligation to achieve outcomes as agreed with NSW Treasury and outlined in its yearly business plan*		
(e) Other revenue		
Assets recognised first time :		
• Land and Buildings (Note 9(e))	–	13
• Infrastructure Systems – Other (Note 9(e))	160	130
Insurance recoveries	275	122
Legal Fee recoveries	–	36
Expense recoveries	724	428
Other	45	34
Total	**1,204**	**763**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

3. EXPENSES

	2009 $'000	2008 $'000
(a) Personnel services		
Salaries and wages (including recreation leave)	4,929	4,750
Superannuation – defined contribution plans	323	317
Long service leave	12	1
Workers' compensation insurance	97	93
Payroll tax and fringe benefits tax	275	304
Other	23	18
Total	**5,659**	**5,483**

Personnel services were provided to the Trust by the Department of the Arts, Sport and Recreation.

The amount of personnel services costs that have been capitalised in particular fixed asset accounts (and therefore excluded from the above) totalled $423,355 (2008: $366,164).

The Trust has provided grants and goods and services to the Centennial Parklands Foundation amounting to $197,374 during the year ended 30 June 2009 (2008: $212,000).

(b) Other operating

	2009 $'000	2008 $'000
Bad debts	27	56
Operating lease rental expense:		
• minimum lease payments	74	75
Golf Course operations:		
• cost of sales	1,450	1,321
• operating expenses		
pro shop and driving range	933	804
food and beverage	556	492
administration and other	735	720
Maintenance	3,275	2,972
Insurance	804	779
Consultants	8	–
Power and water	245	186
Legal fees	271	288
Waste removal and cleaning	765	668
Security	794	812
Training	42	55

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

	2009 $'000	2008 $'000
Telephone	77	76
Fees for service	1,418	1,213
Supplies and materials	345	334
IT maintenance	165	180
Printing and advertising	398	383
Other	1,731	1,683
Total	**14,113**	**13,097**
* *Reconciliation*		
Maintenance expense, as above	3,275	2,972
Maintenance related employee expenses included in Note 3(a)	99	122
Total maintenance expenses included in Note 3(a) and 3(b)	**3,374**	**3,094**
(c) Depreciation and amortisation		
Depreciation		
Buildings	1,799	1,770
Infrastructure systems	3,721	3,491
Plant and equipment	296	286
Total	**5,816**	**5,547**
Amortisation		
Amortisation of capitalised expenditure on management agreements	10	10
Amortisation of intangible assets	59	58
Total	**69**	**68**
Total depreciation and amortisation	**5,885**	**5,615**
(d) Gain/(Loss) on Disposal of Assets		
Gain/(Loss) on disposal of plant and equipment		
Proceeds from disposal	34	45
Less Written down value of assets disposed	(625)	(209)
Total	**(591)**	**(164)**

4. INDIVIDUALLY SIGNIFICANT ITEMS

There are no significant items that are relevant in explaining the financial performance.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

5. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	2009 $'000	2008 $'000
Cash at bank and on hand	923	101
Deposits at call – TCorp Hour-Glass Cash facility	2,669	2,881
Total	**3,592**	**2,982**
For the purposes of the Cash Flow Statement, cash and cash equivalents include cash at bank, cash on hand and short term deposits.		
Cash and cash equivalent assets recognised in the Balance Sheet are reconciled at the end of the financial year to the Cash Flow Statement as follows:		
Cash and cash equivalents (per Balance Sheet)	3,592	2,982
Closing Cash and Cash Equivalents (per Cash Flow Statement)	**3,592**	**2,982**

Refer Note 20 for details regarding credit risk, liquidity risk and market risk arising from financial instruments

6. CURRENT ASSETS – RECEIVABLES

Sale of goods and services	227	543
Retained taxes, fees and fines	18	30
Rent receivable	148	563
GST recoverable from Australian Taxation Office	369	326
Prepayment	96	196
Other debtors	392	880
	1,250	**2,538**
Less Allowance for impairment*	(68)	(75)
Total	**1,182**	**2,463**
* Movement in the allowance for impairment :		
Balance at the beginning of the financial year	75	41
Amounts written off during the year	(33)	(18)
Amounts recovered during the year	(1)	–
Increase in allowance recognised in profit or loss	27	52
Balance at the end of the financial year	**68**	**75**

7. CURRENT ASSETS – INVENTORIES

Held for resale:		
Shop, Bar and Food at cost	202	174
Total	**202**	**174**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

8. CURRENT ASSETS – FINANCIAL ASSETS AT FAIR VALUE

	2009 $'000	2008 $'000
TCorp – Hour Glass Strategic Cash Facility	5,719	5,406
Total	**5,719**	**5,406**

9. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

	2009 $'000	2008 $'000
(a) Land and Buildings		
At Fair Value	499,672	496,867
Less Accumulated Depreciation	(36,909)	(35,564)
Net carrying amount	**462,763**	**461,303**
(b) Plant and Equipment		
At Fair Value	2,991	2,943
Less Accumulated Depreciation	(1,789)	(1,690)
Net carrying amount	**1,202**	**1,253**
(c) Infrastructure Systems		
(i) Trees		
At Fair Value	172,163	167,034
Net carrying amount	**172,163**	**167,034**
(ii) Other		
At Fair Value	189,598	183,641
Less Accumulated Depreciation	(85,542)	(80,171)
Net carrying amount	**104,056**	**103,470**
Total Infrastructure Systems	**276,219**	**270,504**
Total Property, Plant and Equipment At Net Carrying Amount	**740,184**	**733,060**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

Year ended 30 June 2009	Land and Buildings $'000	Plant and Equipment $'000	Infrastructure Systems – Trees $'000	Infrastructure Systems – Other $'000	Total $'000
Carrying amount at start of year	461,303	1,253	167,034	103,470	733,060
Additions	3,390	369	131	1,696	5,586
Assets recognised first time				160	160
Disposals	(501)	(124)	–	–	(625)
Net revaluation increment less revaluation decrements	1,011	–	4,998	1,810	7,819
Transfer	(641)	–	–	641	-
Depreciation expense	(1,799)	(296)	–	(3,721)	(5,816)
Net Carrying amount at end of year	**462,763**	**1,202**	**172,163**	**104,056**	**740,184**

Year ended 30 June 2008					
Carrying amount at start of year	456,576	1,151	166,143	103,280	727,150
Additions	5,051	388	39	441	5,919
Assets recognised first time	13	–	–	130	143
Disposals	(14)	–	–	(195)	(209)
Net revaluation increment less revaluation decrements	1,447	–	852	3,305	5,604
Depreciation expense	(1,770)	(286)	–	(3,491)	(5,547)
Net Carrying amount at end of year	**461,303**	**1,253**	**167,034**	**103,470**	**733,060**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

(d) Revaluations

Land

(i) Land comprising Centennial Park, Queens Park and Moore Park totalling 360.57 hectares was independently valued by Mr E Ferdinands AAPI (Val). The valuation was formulated on the basis of market buying price or the best available market evidence where market prices cannot be observed. Land has been valued on an unimproved or "raw land" basis i.e. the valuation excludes any built improvements as follows:

- Construction of Moore Park Golf Course
- The ponds and landscaping immediately surrounding the ponds
- Landscaping which forms part of structures built on the land
- Internal roads, paths and cycle ways
- Turfing of the Parklands
- Underground water supply, irrigation and drainage
- Any structures built on the land including fencing and bollards
- Trees and shrubs
- Any other structural improvement on the land

The valuation is dated 30 June 2009 and values the land at $399,000,000.

(ii) Land comprising the Royal Hall of Industries and Horden Pavillion site (1.89 hectares) was independently valued by Mr R H Timmermans, B Com (Prop Econ) AAPI and Mr G C Rowe B Bus FAPI. The valuation was based on market buying price or the best available market evidence where market prices cannot be observed.

The valuation is dated 30 June 2007 and values the land at $2,125,000.

Buildings and Infrastructure Systems – Other

Valuation of buildings and infrastructure systems (landscaping, ponds and underground services) was independently undertaken by Mr R H Timmermans B Com (Prop Econ) AAPI and Mr G C Rowe B Bus FAPI. The basis of valuation was depreciated replacement cost as at 30 June 2009. The valuation is dated 30 June 2009.

Infrastructure Systems – Trees

Valuation of trees was independently undertaken by Mr P Martin E D, PhD, FALAST (the last valuation on this basis was carried out on 31 May 2006 by Mr P Martin). The valuation methodology uses a market value/compensation value basis at five yearly intervals to establish the base value.

The base value is then updated on an annual basis taking into account the following:

- New tree plantings
- Tree removals
- Trees damaged or affected by disease
- Decline in value of over-mature trees
- Age class adjustments for young, semi-mature trees to reflect growth
- Movement in the consumer price index

The valuation on this annual basis was carried out as at 31 May 2009. The base value is formulated based upon a limited body of factual interpretive information gathered by the valuer and used in the development mathematical models with a view to deriving an estimate of the value of the trees in Centennial Parklands from tree inventory information compiled by the Trust. The information contained in the valuation has been developed for the purpose of generating meaningful estimates of asset values for populations of trees using standard tree inventory data. As such, the value attributed to any given tree in the database is derived from a statistical process and must not be used as a substitute for a fully measurable valuation by a properly qualified and experienced person where a value is required in relation to compensation claims or similar matters for either an individual tree or a small number of trees.

(e) Assets recognised for the first time

During the revaluation of assets carried out in 2008-09, a number of infrastructure assets were located that had not been recognised previously. The additional assets were valued at $159,830 (2008: $142,910) and have been disclosed in revenue as assets recognised for the first time.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

9. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(f) Work in progress

Included in property, plant and equipment 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:

	2009 $'000	2008 $'000
Buildings	2,361	6,130
Plant and Equipment	148	103
Infrastructure Systems – Trees	131	–
Infrastructure Systems – Roads, fences, gates and underground services	3,672	1,939
Total	**6,312**	**8,172**

10. INTANGIBLE ASSETS

(a) Software and other intangible assets		
Cost (gross carrying amount)	846	542
Accumulated amortisation	(475)	(417)
Net carrying amount	**371**	**125**

	SOFTWARE AND OTHER INTANGIBLE ASSETS $'000	TOTAL $'000
Year ended 30 June 2009		
Net carrying amount at start of year	125	125
Additions	305	305
Amortisation (recognised in “depreciation and amortisation”)	(59)	(59)
Net carrying amount at end of year	**371**	**371**
Year ended 30 June 2008		
Net carrying amount at start of year	150	150
Additions	33	33
Amortisation (recognised in "depreciation and amortisation")	(58)	(58)
Net carrying amount at end of year	**125**	**125**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

11. NON-CURRENT ASSETS – OTHER

	2009 $'000	2008 $'000
Expenditure incurred on management agreements at cost	172	172
Accumulated amortisation	(76)	(67)
Total	**96**	**105**

12. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

Personnel services*	703	574
Creditors and accruals	2,644	2,844
Other	174	243
Total	**3,521**	**3,661**
* Aggregate personnel services payables and related on-costs		
Provisions – current	600	496
Accrued personnel services expenses and on-costs	103	78
Total	**703**	**574**

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 20.

13. CURRENT/NON-CURRENT LIABILITIES – OTHER

Current		
Income received in advance – rent	746	1,019
Income received in advance – other	469	659
Total	**1,215**	**1,678**
Non-Current		
Income received in advance – rent	6,106	6,816
Total	**6,106**	**6,816**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

14. CHANGES IN EQUITY

	Accumulated Funds		Asset Revaluation		Total Equity	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Balance at the beginning of the financial year	**591,343**	**590,664**	**140,817**	**135,213**	**732,160**	**725,877**
Changes in equity-other than transactions with owners as owners						
Surplus for the year	525	679	–	–	**525**	**679**
Increment on revaluation of:						
Land and Buildings	–	–	1,011	1,447	1,011	1,447
Plant and Equipment	–	–	–	–	–	–
Infrastructure systems	–	–	6,808	4,157	6,808	4,157
Total	**525**	**679**	**7,819**	**5,604**	**8,344**	**6,283**
Transfers within equity						
Asset revaluation reserve balance transferred to accumulated funds on disposal of asset	92	–	(92)	–	**–**	**–**
Total	**92**	**–**	**(92)**	**–**	**–**	**–**
Balance at the end of the financial year	**591,960**	**591,343**	**148,544**	**140,817**	**740,504**	**732,160**

The Asset Revaluation Reserve 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 Physical Non-Current Assets' and 'Investments', as discussed in Note 1.

15. COMMITMENTS FOR EXPENDITURE

	2009 $'000	2008 $'000
(a) Capital Commitments		
Aggregate capital expenditure for the acquisition of infrastructure works contracted for at balance date and not provided for in the financial statements:		
Not later than one year	6	287
Total (including GST)	**6**	**287**

The commitments shown above include input tax credits of $587 (2008: $26,091) expected to be recoverable from the Australian Tax Office.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009 $'000	2008 $'000
(b) Operating Lease Commitments		
Future non-cancellable operating lease rentals not provided for and payable:		
Not later than one year	81	82
Later than one year and not later than five years	38	95
Total (including GST)	**119**	**177**

The commitments shown above include input tax credits of $10,863 (2008: $16,069) expected to be recoverable from the Australian Tax Office.

16. PAYMENTS TO TRUST MEMBERS
No loans, advances or other payments have been provided to the Chairman or members of the Centennial Park and Moore Park Trust.

17. REMUNERATION OF AUDITORS

Audit Office of NSW – audit of financial statements*	57	56
Total	**57**	**56**

** No other amounts were paid to the Audit Office of NSW*

18. CONTINGENT LIABILITIES AND CONTINGENT ASSETS
Contingent Liabilities

As at 30 June 2009 the Trust had no contingent liabilities (2008: $Nil).

Contingent Assets

As at 30 June 2009 the Trust had no contingent assets (2008: $Nil).

19. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS FROM OPERATIONS
Reconciliation of cash flows from operating activities to the Surplus as reported in the Income Statement:

Surplus for the Year	**525**	**679**
Assets recognised first time	(160)	(143)
Depreciation and amortisation	5,885	5,615
Increment on doubtful debts provision	(7)	34
Increment on other financial assets	(314)	(272)
Net loss/(gain) on disposal of plant and equipment	591	164
Increase in personnel services provisions	128	71
(Increase)/decrease in receivables	1,228	(695)
(Increase)/decrease in other assets	32	(159)
Increase/(decrease) in creditors	(46)	(511)
Increase/(decrease) in income received in advance	(1,241)	(416)
Net Cash Flows from Operating Activities	**6,621**	**4,367**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

20. 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 its 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 its objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout this financial report.

The Turst 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 and to monitor risks. Compliance with policies is reviewed by the Trust on a continuous basis.

(a) Financial instrument categories

Class:	Note	Category	Carrying Amount	Carrying Amount
			2009 $'000	2008 $'000
Financial Assets				
Cash and cash equivalents	5	N/A	3,592	2,982
Receivables (excluding prepayments)	6	Receivables (at amortised cost)	717	1,938
Financial assets at fair value	8	At fair value through profit or loss – designated as such upon initial recognition	5,719	5,406
			10,028	**10,326**
Financial Liabilities				
Payables (excluding unearned revenue)	12	Financial liabilities (at amortised cost)	2,746	2,921
			2,746	**2,921**

(b) Credit risk

Credit risk arises when there is the possibility of the Trust's debtors defaulting on their contractual obligations, 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, which comprises cash and receivables. No collateral is held by the Trust.

Credit risk associated with the Trust's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

(i) Cash on hand and cash equivalents

Cash comprises predominantly cash on hand and bank balances with the Westpac Banking Corporation (WBC). Interest is earned on daily bank balances at the WBC daily cash rate. Cash equivalents comprise deposits in the NSW Treasury Corporation (TCorp) Hour Glass Cash Facility which is discussed in section (d) below.

(ii) Receivables – trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectibility of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the Trust will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are 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 (2009: $598,675; 2008: $1,164,674) and less than 3 months past due (2009: $106,782; 2008: $728,620) are not considered impaired and together these represent 90% of the total trade debtors (2008: 97%). There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

The only financial assets that are past due or impaired are 'sales of goods and services' in the 'receivables' category of the balance sheet.

		$'000	
2009	**Total**	**Past due but not impaired**	**Considered impaired**
Less than 3 months overdue	107	107	–
3 months to 6 months overdue	39	1	38
Greater than 6 months overdue	40	10	30
Total	**186**	**118**	**68**
2008			
Less than 3 months overdue	729	729	–
3 months to 6 months overdue	35	31	4
Greater than 6 months overdue	85	14	71
Total	**849**	**774**	**75**

The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

(c) 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 to ensure adequate holding of high quality liquid assets. The objective is to maintain continuity of funding and cash and cash equivalent balances to maximise earnings and to meet payment commitments as they fall due.

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

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was awarded in 2009 ($nil in 2008).

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

						$'000		
			Interest Rate Exposure			Maturity Dates		
	Weighted Average Effective Int. Rate	Nominal Amount[1]	Fixed Interest Rate	Variable Interest Rate	Non-interest bearing	< 1 year	1-5 years	> 5 years
2009								
Payables								
Accruals	–	1,304	–	–	1,304	1,304	–	–
Creditors	–	1,442	–	–	1,442	1,442	–	–
Total	**–**	**2,746**	**–**	**–**	**2,746**	**2,746**	**–**	**–**
2008								
Payables								
Accruals	–	1,536	–	–	1,536	1,536	–	–
Creditors	–	1,385	–	–	1,385	1,385	–	–
Total	**–**	**2,921**	**–**	**–**	**2,921**	**2,921**	**–**	**–**

Notes:

[1] The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities, therefore the amounts disclosed above may not reconcile to the balance sheet.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Trust's exposure to market risk is primarily through price risks associated with the movement in the unit price of the TCorp Hour Glass Investment facilities. The Trust has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the 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 exposures in existence at the balance sheet date. The analysis is performed on the same basis for 2008. The analysis assumes that all other variables remain constant.

(i) Interest rate risk

Exposure to interest rate risk arises primarily through the Trust's cash assets. This risk is minimised by placing the majority of cash funds with WBC. 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.

		$'000			
		-1%		1%	
	Carrying amount	Profit	Equity	Profit	Equity
2009					
Financial assets					
Cash and cash equivalents	3,592	(36)	(36)	36	36
Financial assets at fair value	5,719	(57)	(57)	57	57
	9,311	**(93)**	**(93)**	**93**	**93**
2008					
Financial assets					
Cash and cash equivalents	2,982	(30)	(30)	30	30
Financial assets at fair value	5,406	(54)	(54)	54	54
	8,388	**(84)**	**(84)**	**84**	**84**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

(ii) 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 purposes. The Trust has no direct equity investments. The Trust holds units in the following Hour-Glass investment trusts:

Facility	Investment Sectors	Investment horizon	2009 $'000	2008 $'000
Cash facility	Cash, money market instruments	Up to 2 years	2,669	2,881
Strategic Cash facility	Cash, money market and other interest rate instruments	1.5 years to 3 years	5,719	5,406
			8,388	**8,287**

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

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. However, TCorp, acts as manager for part of the Cash Facility. A significant portion of the administration of the facilities is outsourced to an external custodian.

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

TCorp provides sensitivity analysis information for each of the facilities, using historically based volatility information. 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).

		Impact on profit/loss	
	Change in unit price	2009 $'000	2008 $'000
Hour Glass Investment – Cash facility	+ / - 1 %	+ / - 27	+ / - 29
Hour Glass Investment – Strategic Cash facility	+ / - 2 %	+ / - 114	+ / - 108
		+ / - 141	**+ / - 137**

A reasonable possible 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).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

(d) Fair value

Financial instruments are generally recognised at cost, with the exception of the TCorp Hour Glass facilities, which are measured at fair value. As discussed, the value of the Hour Glass investments is based on the Trust's share of the value of the underlying assets of each facility, based on the market value. All of the Hour Glass facilities are valued using 'redemption' pricing.

The amortised cost of other financial instruments recognised in the balance sheet approximates the fair value, because of the short term nature of many of the financial instruments.

21. LEASES

The Trust has entered into a number of agreements whereby land and buildings owned by the Trust are leased to third parties for the purpose of operating various commercial enterprises. The term of these agreements range from one year to fifty years.

	2009 $'000	2008 $'000
Details of the assets leased are:		
Land and buildings		
Gross amount of leased assets	102,286	96,547
Accumulated depreciation	(17,596)	(17,935)
	84,690	**78,612**
Depreciation expense for the year	**743**	**796**
Future minimum lease payments receivable		
Not later than one year	5,157	5,012
Later than one year and not later than five years	19,853	20,004
Later than five years	121,688	126,286
Total future minimum lease payments	**146,698**	**151,302**

22. MANAGEMENT AGREEMENT

On the 29th June 2001 the Trust entered into a Management Deed with Playbill Venue Management Pty Limited (PVM). The agreement is for a term of 20 years and grants PVM the right to manage the Hordern Pavilion and Royal Hall of Industries and other associated rights in return for an annual licence fee payable monthly in advance. Under the agreement PVM had the right to elect to prepay part of the annual licence fee.

On 31 October 2001 PVM elected to prepay part of the rent in accordance with the Management Deed. An amount was subsequently received on 9 November 2001. As explained in Note 1(e)(iv) rent received in advance is recognised as revenue over the period to which the prepaid rent refers (in this case the remaining term of the licence agreement). PVM's obligations under the Management Deed have been guaranteed by bank guarantee.

23. AFTER BALANCE DATE EVENTS

No events have occurred subsequent to balance date that will materially affect the financial statements.

END OF AUDITED FINANCIAL STATEMENTS

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Centennial Park and Moore Park Trust
Locked Bag 15
Paddington NSW 2021

Parklands Office
Banksia Way
Centennial Park
Monday to Friday
8.30 am – 5.00 pm

Visitor Information counter
Banksia Way
Centennial Park
Monday to Friday
9.00 am – 4.00 pm
Weekends
10.00 am – 3.00 pm

W: www.centennialparklands.com.au
E: info@centennialparklands.com.au
P: 61 2 9339 6699
F: 61 2 9332 2148

Centennial Park, Moore Park and Queens Park are open to the public 365 days a year.

CENTENNIAL parklands
centennial park
moore park
queens park

NSW GOVERNMENT