

Centennial Parklands Annual Report 2016-17

Delivering sustainable and world-leading public parklands



Centennial
Parklands



The Hon. Gabrielle Upton MP

The Hon. Gabrielle Upton MP
Minister for Environment,
Minister for Local Government
and Minister for Heritage
52 Martin Place
SYDNEY NSW 2000

24 October 2017

Dear Minister,

In accordance with the Annual Reports (Statutory Bodies) Act 1984, the *Public Finance and Audit Act 1983* and the Regulations under those Acts, we have pleasure in submitting the Annual Report for 2016-17 of the Centennial Park and Moore Park Trust.



Tony Ryan
Chairman



Adam Boyton
Trustee

Acknowledgement of Traditional Owners

We acknowledge the Gadigal clan as the traditional custodians of the country on which Centennial Parklands has been constructed.

Statement of Record

This Annual Report for 2016-17 complies with the Annual Reporting requirements for NSW Government, and contains the Centennial Park and Moore Park Trust's performance against the strategies of the Centennial Parklands Plan of Management 2015-20.

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Did you know...

Centennial Park was the largest urban park in the southern hemisphere when opened in 1888!

Centennial Parklands

Centennial Parklands is one of the world's most visited public parklands, with more than 31 million visits made to the Parklands' annually. The Parklands covers over 360 hectares and is made of three major urban parks — Centennial Park, Moore Park and Queens Park. It is listed on the State Heritage Register and the Register of the National Estate.

Centennial Park

Centennial Park was dedicated by Sir Henry Parkes in 1888 as a public open space for the enjoyment of the people of NSW, and it was dubbed "The People's Park" at time of opening. On 1 January 1901, the Park was chosen as the site of the inauguration of Australian Federation. Today Centennial Park remains the people's park – a playground for adults and children alike, one of the most important community sports venues in the state, and one of the world's few inner city parks to still offer full horse riding facilities. It is home to diverse flora and fauna and many significant tree plantings, as well as encompassing Lachlan Swamp, one of the original water sources for Sydney at time of settlement.

Moore Park

Moore Park was declared a public park in 1866. It lies at the crossroads of some of Sydney's busiest thoroughfares providing a necessary green-belt of nearly 4,000 trees, numerous sports fields and walking paths adjacent to one of the busiest sports, leisure and entertainment precincts in Australia. Today Moore Park features a number of high profile and highly-prized venues and facilities for sports and entertainment, including Moore Park Golf, the Entertainment Quarter, Fox Studios, Royal Hall of Industries, Hordern Pavilion, Centennial Parklands Equestrian Centre, Parklands Sports Centre and ES Marks Athletics Field.

Queens Park

Queens Park was established in 1888 to commemorate the centenary of European settlement. A total of 490 trees include dramatic Port Jackson and Moreton Bay figs, Holm oaks, Monterey pines, Araucarias and coral trees. Today the Park provides leisure areas and some of Sydney's busiest sporting fields all set within a natural amphitheatre surrounded by dramatic sandstone cliffs.

Management responsibility

Centennial Parklands comes under the authority of the Centennial Park and Moore Park Trust (ABN 37 220 827 521). The Trust is responsible for the long-term strategic planning of the Parklands, as well as the operational day-to-day management of the three parks - Centennial Park, Moore Park and Queens Park.

Our primary objective is to secure a sustainable future for Centennial Parklands and its assets. We are positioned within the Office for Environment and Heritage, under the Department of Planning and Environment. The *Centennial Park and Moore Park Trust Act 1983* guides our management parameters and the *Centennial Park and Moore Park Trust Regulation 2014* guides our operational parameters.

In January 2014 the NSW Government announced that the operational staff from the Centennial Park and Moore Park Trust would integrate with operational staff of the Royal Botanic Gardens and Domain Trust. The operating name for the new administrative entity was subsequently confirmed as *Botanic Gardens & Centennial Parklands*. This integration process was successfully completed in 2015-16.

See more online at centennialparklands.com.au



Chairman's Report



A world-class city needs world-class green spaces and in Sydney, Centennial Parklands is playing a vital role in helping to nurture the mental and physical well-being of its residents.

With more than 31 million visitations last year, Centennial Parklands is one of the world's most popular public parks. The Parklands is valued for the role it plays in nourishing the city by encouraging social interaction, community building and civic engagement.

The Parklands fosters both passive recreation and a wide range of sport and leisure activities (with more than 35 different sports currently using the Parklands on a regular basis).

Of course the dynamic use of a public park such as Centennial Parklands depends not only on the quality of its open green space and breadth of facilities, but also on its accessibility. With this in mind, the Trust, executive and staff are working to continually improve pedestrian, cycle and public transport access to the Parklands for Sydney-siders and tourists in particular as identified in the recent Moore Park Masterplan. A highlight this year was the continuing restoration of the Guriwal Trail in Centennial Park — a bush food-themed track created in partnership with the Guriwal Aboriginal Corporation to partly interpret pre-European history of the area.

As always, the challenge is to ensure that the Parklands continues to evolve to meet the needs of a vibrant urban environment, while at the same time preserving and honouring the public spaces that make Centennial Parklands such a unique asset.

Our educational offering continues to expand with well in excess of 10,000 children attended educational excursions in the Parklands and almost 20,000 people took part in the wide range of high-quality community programs offered — from 'Science in the Swamp' and 'Astronomy in the Park'. The Trust is looking to significantly enhance the educational facilities to support a further expansion.

The world-class Ian Potter Children's Wild Play Garden is now open and meticulous restoration works are being carried out on the historic Moore Park Toll House which dates back to 1860.

As we move into a new year we will continue to consult widely with the release of the 2017-27 Plan of Management which will invite community and stakeholder engagement in the future direction of the Parklands.

2016-17 has been a year of great achievements and I wish to thank the dedicated executive, staff and volunteers who enthusiastically maintain and improve the Parklands for all of us to enjoy.

Tony Ryan
Chair
Centennial Park and Moore Park Trust

Executive Director's report



We have been able to deliver major new experiences for our visitors including the restoration of the historic lodges and the delivery of our four-year \$20M government-funded capital asset management program which has seen a dramatic transformation of the Parklands.

A major emphasis in the last financial year has been on improving the quality of our sporting facilities and as a result we've undergone the largest-ever playing field restoration program in the Parkland's history encompassing:

- the creation of sustainable high-quality playing surfaces for local communities at Queens Park
- the completion of significant upgrade work on the playing fields at Moore Park East
- substantial improvements in terms of the quality of assets at the Equestrian Centre
- major restoration to the playing surfaces at Moore Park Tennis Centre
- significant improvements to the playing surface of the driving range at Moore Park Golf.

The 2016-17 financial year has seen a consolidation of the previous four years of organisational change and focus on visitor engagement across Centennial Parklands.

These achievements — in conjunction with the release of the Moore Park Masterplan — have given us a solid foundation on which to move forward with the next stage of capital works which will include:

- the restoration of the historic Toll House
- upgrades to ES Marks Athletics Field
- improvements in access to the Parklands from the southern boundary.

Our executive and staff have continued to deliver a world-class recreational facility for Sydney and the integration of the Botanic Gardens has seen a significant improvement in the quality of horticultural, environmental and scientific engagement right across the Parklands.

Kim Ellis
Executive Director
Botanic Gardens & Centennial Parklands

Highlight's Table for 2016-17

	Protect the integrity of Centennial Parklands	Conserving Living Heritage	Ensure equity of access and diversity of leisure	Promote cultural diversity and expression	Work in partnership	Maintain sound business practice
Key result areas	<ul style="list-style-type: none"> Increased public awareness of values and priorities of Centennial Parklands. Improved integration and consistency of planning across all Trust lands. Effective protection of the Parklands and its boundaries from consistent external requests. 	<ul style="list-style-type: none"> Continued improvements in conservation management. Increasing biodiversity in the Parklands. Broader community appreciation and awareness of the living heritage of the Parklands. Increased visitor satisfaction with quality of maintenance. 	<ul style="list-style-type: none"> Improvements in equity of access to and within the Parklands. Increased diversity of visitor profile and access to a range of recreational opportunities. Improved satisfaction with Parklands accessibility within local and regional communities. Increased proportion of pedestrian, cycle and public transport access to the Parklands. 	<ul style="list-style-type: none"> Increased diversity of cultural activities that match the community's profile and demand. Improved profile of the Parklands in hosting important cultural celebrations on local, regional, State and national scales. Growth in broad community participation in Parklands activities and programs. 	<ul style="list-style-type: none"> Increased cooperation and collaboration between the Trust and the Parklands stakeholders. Increased community participation in long-term management initiatives. Increased international recognition for Best Practice in parkland management. 	<ul style="list-style-type: none"> Improved security of recurrent government funding. Improved performance in financial management. Increased diversity and sustainability of funding sources. Improved performance of corporate partnerships and alignment with core service objectives.
Key outcomes	<ul style="list-style-type: none"> Released the Moore Park Master Plan, the first such plan in the park's history. Project included an industry-leading digital consultation platform. Developed and implemented policies and procedures on fleet management, utilities management, cultural collections policy to improve asset life-cycle management and cost control. Received fourth straight Green Flag Award for park management excellence. Maintained environmental accreditation to ISO 14001 for Centennial Parklands. Finalised the design and completed 90% build of the new Ian Potter Children's Wild Play Garden to integrate into the heritage landscape. Due to open 18 October 2017. 	<ul style="list-style-type: none"> Completed a five-year tree planting strategy as part of the Light Rail Tree Compensation Package. 340 trees planted in the year, as part of more than 550 trees to be planted over five years. Finalised Stage Three of road resurfacing project - including Parkes Drive, Robinson Drive and Loch Ave North. Renovated 40 horse stables at Centennial Parklands Equestrian Centre to modern standards. Completed construction of new amenities built with sustainability design principles - project also saw older amenities removed. Developed a new horticultural planting strategy for the Parklands - began re-planting of the historic formal gardens (Column Garden and Rose Garden) in Centennial Park. 	<ul style="list-style-type: none"> Management of Parklands Sports Centre transitioned from private operator to Parklands management with the assistance of a 'fee-for-service' management partner. Continued roll-out of interim online booking systems for sports and community programs, while a long-term, customised solution is developed. 14% increase in sports field utilisation achieved, and 10% increase in program bookings. 	<ul style="list-style-type: none"> There was 55% increase in the Parklands' digital database. We recorded a 31% increase in estimated media reach for the year. We supported the Indigenous Marathon Project through hosting the Warrior Run. Continued restoration of the Guriwal Trail, a Bush Food-themed track created in partnership with the Guriwal Aboriginal Corporation to partly interpret pre-European history of the area. Our triennial survey was completed and reported a 19% growth in visitation over the previous three years. The Centennial Park Nature & Wildlife Walking Tour App was launched. Registered sports participants grew by 7%. Online sports bookings were completed by 80% of customers (a service not previously available). A 4% increase in year-on-year utilisation of the Parkland's sports fields. 	<ul style="list-style-type: none"> Successful applications for National Science Week and NSW Environmental Trust grants resulting in \$12,000 of funding for education and community programs. In 2016-2017, 8115 hours of volunteer support were undertaken with an estimated value-in-kind of \$255,528 for the year (based on an industry standard). In 2016-17 we conducted community consultation on a range of projects, including on the use of CCTV in the Parklands and safety upgrades at the ES Marks Athletics Field. The draft Moore Park Masterplan 2040 was publicly exhibited in Nov- Dec 2016, with over 700 responses received. This feedback was critical in shaping the final recommendations of the Plan, which was released in May 2017. Many events in Centennial Parklands have a charitable focus. More than \$320K in direct donations for various charities was raised in 2016-17. 	<ul style="list-style-type: none"> An asset data collection and upload process was developed to guide providers of new and upgraded assets. This process will control the quality of asset data from the source through to upload to our computer-based systems. The improved process, while still being tested in 16/17, will be fully rolled out in 17/18. Overall food and beverage sales at Centennial Park grew by 15%. We successfully delivered a diverse range of projects funded by NSW Government, the Parklands and the Centennial Parklands Foundation with highlights including the Ian Potter Children's Wild Play Garden and the Learner Cycle Way. Developed the Draft 2017-2027 Centennial Parklands Plan of Management. Continued liaison with RMS regarding further safety improvements along Oxford Street, Lang Road and Moore Park Road. Hours booked on sports fields increased by 4%. Moore Park Golf registered an 18% increase in group golf and achieved a 3% growth in public course utilisation against a background of general industry trends indicating negative growth.
Future focus	<ul style="list-style-type: none"> Commence stakeholder engagement on 10-year CPMPT Plan of Management 2017-2027. Complete an updated version of the Centennial Parklands Conservation Management Plan. Continue to work with Transport for NSW Light Rail project. Finalise design of Stage one of Education Precinct upgrade - New Discovery Centre 	<ul style="list-style-type: none"> Continue the staged redevelopment of ES Marks Athletics Field and parking in Moore Park. Implement the findings of University of NSW research project on reducing energy consumption - Moore Park Golf, Equestrian Centre and Parklands Depot are Stage One. Develop tender process for Moore Park Toll House adaptive reuse. 	<ul style="list-style-type: none"> Complete new Duck Pond (Parkes Drive) footpath to improve access and safety of pedestrians - part of the Centennial Park Master Plan 2040. 	<ul style="list-style-type: none"> Website user testing was completed with design commencing on a new website for delivery in the coming year. Complete the volunteer-led restoration of the Guriwal Trail in Centennial Park. 	<ul style="list-style-type: none"> Continue to Work with Transport for NSW Light Rail project on delivery of the City and South East Light Rail project. Scope a number of cycleway / pedestrian pathways around Moore Park boundaries in conjunction with City of Sydney, RMS and other stakeholders. Complete the Ian Potter Children's WILD PLAY Garden (opened October 2017). 	<ul style="list-style-type: none"> Fully roll out the asset data collection and upload process.

Botanic Gardens & Centennial Parklands Strategic Plan 2015-2020

In 2014 the Minister for Environment and Heritage announced the operational integration of the staff from the Centennial Park and Moore Park Trust and the Royal Botanic Gardens and Domain Trust. The integration did not impact the Trust's or legislation governing the lands under management.

As a result of this management integration a Strategic Plan was developed to drive the work of the new organisation.

Our Strategic Goal

Deliver sustainable and world-leading botanic gardens and parklands.

Our Vision

We aspire to be:

- World-class curators and managers of internationally-valued botanic gardens, parklands and collections
- Universally recognised as making a significant contribution to the quality, understanding and enjoyment of life
- Advocates and custodians for our unique heritage and sites, and their national and international significance
- Outstanding leaders in providing exceptional science, horticultural, educational, cultural and recreational offerings
- One of the top five botanic gardens and parklands in the world

Our Values

- **Relevance:** Deliver extraordinary quality and value for the community, our customers and stakeholders
- **Respect:** We value, support and develop our people
- **Energetic:** Innovative and adventurous
- **Leadership:** Inspiring as individuals and as an organisation
- **Sustainability:** Securing our environmental, social and financial future
- **Resilient:** Adaptable while focused on our core outcomes
- **Collaborative:** With those around us, within our teams and with our partners, stakeholders and the community
- **Integrity:** Ethical, responsible, transparent and accountable

Our Strategic Priorities

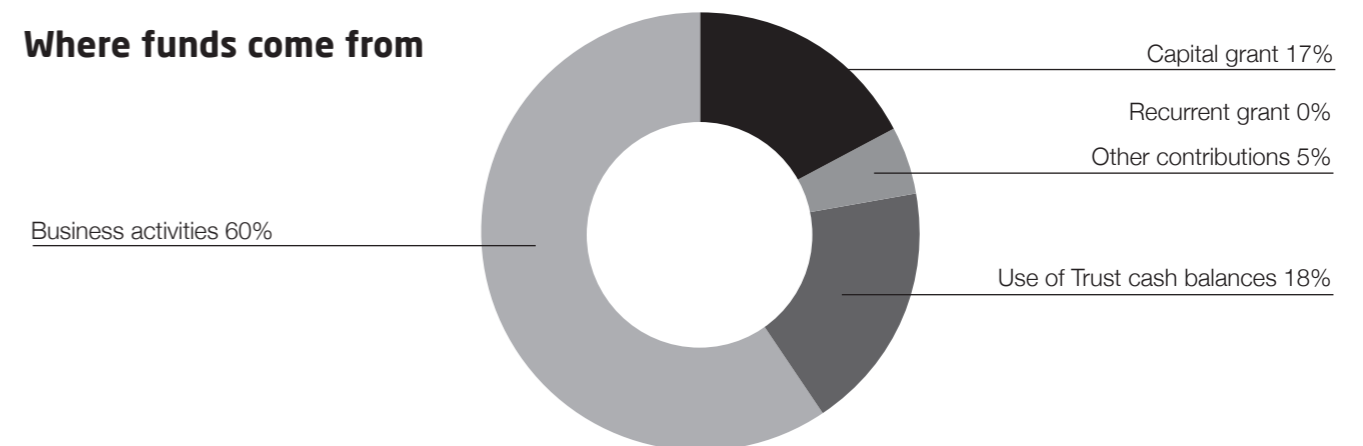
1. Grow and diversify our funding sources
2. Build a leadership, stakeholder and customer focused organisation
3. Build a world-class education capability
4. Ensure our science-based research, conservation, horticultural capacity, activities and collaborations are locally and globally relevant
5. Focus our operations on efficient and effective asset management
6. Maximise participation in all sporting, leisure activities and reflective recreation
7. Ensure our strategies and plans are current, relevant, forward-looking and our stakeholders and communities fully consulted
8. Deliver an outstanding visitor experience

See more online at centennialparklands.com.au

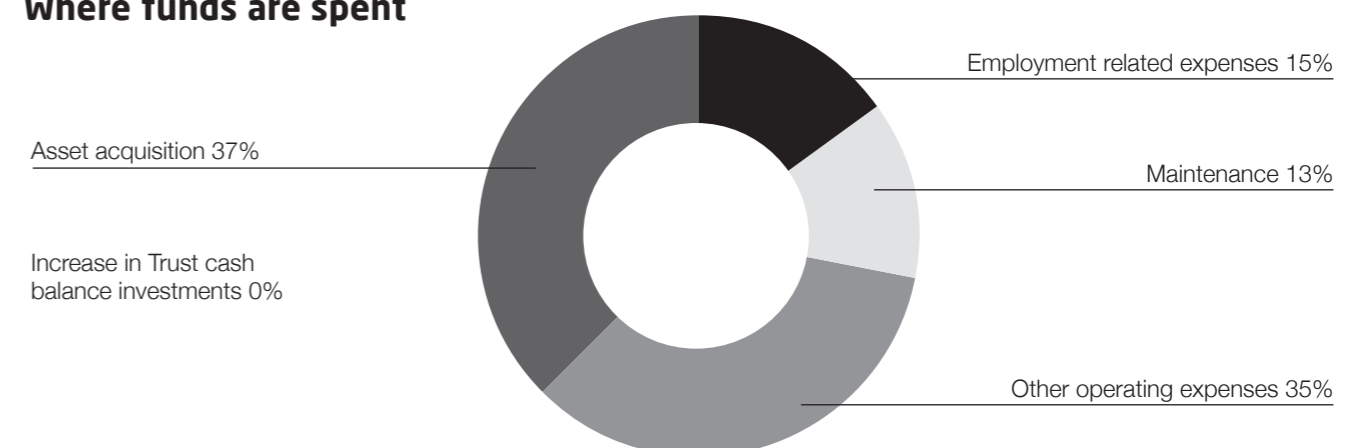


Financial summary

Where funds come from



Where funds are spent



Our key financial overview

In the 2016-17 financial year the Centennial Park and Moore Park Trust again generated a recurrent operating surplus as a result of improved revenue streams, a focus on cost management and the exercise of prudent financial management. Any surpluses generated are directed towards the Trust's capital program particularly to address deferred maintenance works.

The following table provides a five-year snapshot of key financial aspects of the Trust's operating environment:

	2016-17	2015-16	2014-15	2013-14	2012-13
Trust generated revenue	\$24.9M	\$24M	\$23.4M	\$21.2M	\$20.9M
Trust operating expenses	\$23M	\$20.6M	\$20.2M	\$19.9M	\$20.3M
Government recurrent funding contribution	-	-	-	\$0.0M	\$0.9M
% Trust self-funding	100%	100%	100%	100%	96%

Financial Projections: The Trust is 100% self-funding from 2014-15 with no government recurrent support for operating expenses other than a redundancy grant of \$0.1M in 2016-17 (2015-16: \$0.5M)

Environmental Performance

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Did you know...

Centennial Parklands features one of only three life-sized statues of Charles Dickens in the world!

Managing resources for sustainability

Centennial Parklands has in place an industry-leading asset management strategy that guides its management and maintenance of assets, services and facilities across the three parks. Not only does this strategy put a framework in place for proactive asset maintenance, but it allows us to more accurately align our maintenance activities with the budgeting cycle.

Managing our assets

As at June 2017, the value of Parklands' assets on hand exceeded \$1 billion, covering buildings, infrastructure, landscape, trees and utilities.

Key achievements during the period included:

- Centennial Park Homestead –
 - Decking and ramp replacement
 - Wisteria Room door replacement
- Parklands Tennis Centre –
 - Heritage building refurbishment
- Queens Park TM Hayes Grandstand –
 - Retaining wall construction and erosion stabilisation works
- Centennial Parklands –
 - Furniture replacement program at 35 new locations comprising a mixture of table sets, benches and seats with backs
 - Randwick Gates heritage refurbishment
 - Randwick entry gates widening to facilitate access by long-wide vehicles
 - Water-main replacement
 - Upgrades to Banksia Way and Queens Park playgrounds with soft fall rubber surfacing
 - Duck Pond pathway extension as identified in the Centennial Park Master Plan.

Managing our asset information

The Mainpac Asset Management System is used to record asset information including service life, maintenance and financial valuations. A common naming and classification system was also established to support identification, tracking and management of assets.

To support maintaining a single asset register, the acquisition of asset data is strictly controlled. An asset data collection and upload process was

developed to guide providers of new and upgraded assets. This process seeks to control the quality of asset data from the source through to upload to our computer-based systems. The improved process, while still being tested in 16/17, will be fully rolled out in 17/18.

Managing our sports fields, tracks, courts and surfaces

We manage more than 120 sports fields, tracks, courts and arenas, which are intensively used for a wide variety of summer and winter sports.

The intensive use of these sports fields requires significant renovation and regular maintenance to ensure user safety and high-quality playing surfaces. In order to repair the extensive wear-and-tear, we completed a range of renovation works including top dressing, aeration, and nutrient and herbicide application to more than 240,000sqm of sports fields, with in excess of 33,500 square metres of turf replaced.

During 2016-17 key achievements relating to the management of these assets included:

- Queens Park Sports Field –
 - Installation of sub-surface drainage and full returfing of eight fields
 - Grading / laser levelling of four of the eight fields to provide an even playing surface
- Moore Park Golf –
 - Driving Range refurbishment including new larger synthetic surface, upgrade to LED lighting and repairs to the driving range building
 - Administration building refurbishment
 - Reconstruction of the 12th tee
- ES Marks Athletics Field –
 - Structural steel repairs to the grandstand

- Centennial Parklands Equestrian Centre –
 - Replacement of louvers on the covered arena roof
 - Window replacement works to Pavilions B, C, & D
 - Stables refurbishment in Pavilion A
- Federation Valley –
 - Restoration works following the bump-out of the Peter Rabbit film set (some 15000sqm of turf was laid to return the area to its former glory).

Managing our energy usage

We are committed to achieving savings in energy usage and implementing sustainable energy management principles. We purchase electricity on the contestable market utilising the State Contract Control Board electricity contract numbers 776 and 777. The purchase of electricity on this contract minimises costs and allows for the purchase of 6% Green Power generated from renewable sources.

We have been undertaking energy efficiency and on-site renewable energy projects to reduce our billed energy use and reduce our carbon footprint.

Key achievements during the period included:

- Lighting replacements – upgrade to LED lighting at Kippax Field, Showground Field and Driver Ave
- Solar panel systems – installed at Centennial Parklands Equestrian Centre (25 kW), Centennial Park Depot (41.6 kW) and Moore Park Golf Pro Shop (15 kW)
- Ongoing power generation from the solar panel systems at Moore Park Golf Depot (FY16/17; 8575 kWh) and the Learning Centre.

Managing our water consumption

Our aim is to minimise the use of potable (town) water across the Parklands wherever possible. This has led to some major projects during the last five years that ensure we use alternate water sources from the Parklands' ponds and bore water where possible for such activities as sports field irrigation and horticulture maintenance.

Water harvesting technology – including rainwater tanks at the Centennial Parklands Equestrian Centre – assists in reducing potable water consumption.

We use the WELS water efficiency ratings to select all new water-using appliances. Smart water meters are used on high-water-use sites to monitor consumption in real-time to gain a better understanding of seasonal usage patterns and identify potential water-saving interventions.

Managing our waste generation

Green waste is reused on site wherever possible. We aim to recover, recycle and develop innovative green waste reduction strategies to manage our waste.

Measures in place include:

- Separation of recyclable materials from the general waste stream (eg organics, waste paper, cardboard and empty toner cartridges)
- Development of an Environmental Management System encouraging staff to recycle and adopt energy-efficient practices
- Collation of baseline data on our top three waste streams by total volume and by total cost to meet requirements of the Government Resource Efficiency Policy (GREP).

For the reporting period the following has been removed from the Parklands:

- From 240 litre bin waste stations:
 - 530 tonnes of general waste
 - 122 tonnes of co-mingled waste
- From park operations via skip bins:
 - 141 tonnes of green waste
 - 170 tonnes of general waste
 - 147 tonnes removed through our pond network waste-capture systems

- From the Equestrian Centre:

- 1543 tonnes of equine waste based on an average bin weight of 59kg (equating to almost 26,000 bin lifts).

Managing our environment

Following an external audit in October 2016 we maintained our certification to ISO 14001 for our Environmental Management System. This recertification is evidence of our continued commitment to improvements in our environmental performance.

Environmental work completed included:

- Native planting at Queens Park and Guriwal trail
- Kensington Pond bank erosion control
- Regeneration of a segment of Eastern Suburbs Banksia Scrub that is listed as a threatened ecological community
- Flora survey of Eastern Suburbs Banksia Scrub discovered two new species: Dainty Wedge-pea and Sunshine Wattle
- Bird nesting boxes installed in seven locations
- A Green Flag Award for the third consecutive year.

Managing our tree population

Centennial Parklands features more than 15,000 semi-mature and mature trees across Queens Park, Moore Park and Centennial Park. In 2016-17, 223 new semi-mature trees were planted.

Major plantings are scheduled for Lang Road, Sandstone Ridge, Darley Road and Moore Park Golf Course.

Managing pests and weeds

The presence and impact of weeds across the Parklands continues to be restricted to isolated infestations.

During 2016-17 we undertook environmental and noxious weed control works, targeting Cobbler's Pegs (*Bidens pilosa*), Paddy's lucerne (*Sida rhombifolia*), Phoenix Palm (*Phoenix canariensis*), Mickey mouse plant (*Ochna serrulata*), Hackberry (*Celtis occidentalis*), Camphor Laurel (*Cinnamomum camphora*), Devil's snare (*Datura*

stramonium), Jacaranda (*Jacaranda mimosifolia*), Lantana (*Lantana camara*), Broad-leaf privet (*Ligustrum lucidum*), Narrow leaf privet (*Ligustrum sinense*), White Cedar (*Melia azedarach*), White mulberry (*Morus alba*), European olive (*Olea europaea* subsp. *Europaea*), Umbrella tree (*Schefflera actinophylla*), Senna (*Senna pendula*), Wild Tobaccoco (*Solanum mauritianum*), Fern asparagus (*Asparagus aethiopicus*) and Ludwigia (*Ludwigia peruviana*).

Hand weeding and selective spraying is undertaken each month in the Eastern Suburbs Banksia Scrub sites of the Bird Sanctuary and York Road in order to protect these endangered bush remnants. We also undertook our annual weed program to prevent bindii and other broad leaf weeds which are prevalent in lawn areas of the Parklands. The aim of the program is to improve the quality of playing fields and parkland open space by reducing herbaceous weeds.

Wildlife ecology

The Grey-headed Flying-fox and the Powerful Owl are two of the most well-known species in the Parklands and both are listed as vulnerable to extinction. Monitoring of these populations is undertaken by the Parklands in partnership with volunteer groups and Birdlife Australia's Powerful Owl Project. Our birdwatchers in the Parklands continue to register bird species sightings with 124 species recorded since January 2013.

Another iconic species that seasonally visits the Parklands is the Yellow-tailed Black-Cockatoo. Data from Birdlife Australia suggests that this species is declining across southeast Australia. In partnership with the University of New South Wales we have completed a research project to assess the habitat, foraging preferences and breeding behaviour of the Yellow-tailed Black-Cockatoo.

The Parklands has undertaken control programs for feral species (fox and carp) during 2016-17.

We would like to acknowledge the dedicated volunteers who assist with monitoring wildlife across the Parklands and participate in the carp management program.

Sustainable Parklands Program

Centennial Parklands manages a large, diverse and ageing asset base comprising significant heritage-related areas and facilities that are subject to intense (and growing) community demand.

The Capital Investment Program (CIP) focuses on developing appropriate new assets and maintaining (and where possible enhancing) existing assets, ensuring they are safe, accessible and compliant with the Parklands' planning, heritage and environmental requirements.

The CIP is aligned with government policy, statutory requirements and corporate objectives. It reflects the priorities and targets of the state

government's NSW 2021 plan, the Sydney Metropolitan Strategy and the Centennial Parklands Plan of Management 2006-16.

In 2016-17 we successfully delivered a diverse range of projects funded by NSW Government, the Parklands and the Centennial Parklands Foundation.

These are shown in the table on the far right:

Project	Expenditure (\$,000)
Strategic Planning and Long Term Funding Strategy	
CIP 16/17 Business Case	50
Moore Park Master Plan 2040	750
Leisure Facilities	
Ian Potter Children's Wild Play Garden construction	3,700
Learner Cycle Way	130
Total	\$4.2M

Planning and development issues

We took an active role in local and regional planning and development issues throughout 2016-17, reviewing and preparing many development proposals, plans, planning policies and studies for the Parklands and its surrounding area.

Statutory planning and environmental assessments for 58 development proposals were undertaken during the year, including:

- 22 development applications and minor development proposals on surrounding land
- 20 development applications and proposals on Trust land by other parties which required the consent of the Parklands as landowner.

These included:

- Minor alterations and changes of use for retail tenancies and commercial buildings (including the Australian Film, Television and Radio School) in the Entertainment Quarter
- Minor alterations to buildings in Fox Studios
- The planning and development of two major transport infrastructure projects in Moore Park – the South East Light Rail and the RMS Alexandria to Moore Park Connectivity Upgrade
- Sydney Water, water main upgrade in Moore Park Road
- Relocation of the Anzac Parade memorial obelisk
- City of Sydney cycleway on Moore Park Road
- Centennial Parklands dining alterations
- Queens Park Shed café upgrade
- Sydney Water pumping station upgrade
- The Greenhouse Café – minor alterations.
- 16 development proposals and plans for Trust land by the Parklands including:
 - Centennial Park perimeter fencing upgrade
 - Centennial Park pedestrian path along Parkes Drive South
 - Centennial Park Ian Potter Children's Wild Play Garden (Stage 1)
 - Centennial Park Ponds Walk (between Kensington Pond and Fearnley Grounds)
 - Centennial Parklands Equestrian Centre, A Pavilion minor renovations and repairs

- Centennial Park Kensington Pond bridge replacement
- Centennial Park Lachlan Swamp Walkway
- ES Marks Athletics Field upgrade (Stage 1)
- Centennial Park furniture installation
- Centennial Park Randwick Gate restoration
- Moore Park Tennis Centre – minor alterations and court wind breaks
- Moore Park Golf House repairs and repainting
- Moore Park Toll House restoration.

Other planning-related work undertaken in 2016-17 included:

- Development and release of the Moore Park Master Plan
- Development of Draft 2017-2027 Centennial Parklands Plan of Management.
- Continued liaison with RMS regarding further safety improvements along Oxford Street, Lang Road and Moore Park Road.

Social Performance

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Did you know...

Centennial Parklands is the largest community sporting precinct in Australia in terms of participation, facilities available and sports accommodated.

Visitation

Our triennial survey was completed in 2016-17 and has reported a 19% growth in visitation over the previous three years. The research estimated that 31 million visits were made to the Parklands annually. The high frequency of repeat visitation is a key contributor to the total number, with many visitors coming multiple times per week. This is supported by further visitation data indicating the increasing popularity of Centennial Parklands as a result of increased sports facility utilisation, higher-density residential populations on the Parklands' borders, improving education and community programs participation, a steadily growing food and beverage turnover, and a surging demand for open spaces.

Serving the community

Centennial Parklands is committed to providing high-quality venues that enable all to enjoy a diversity of passive recreational, sporting, cultural and educational facilities. As one of Sydney's most frequently-visited open spaces, we proactively plan for visitor needs and the evolving changes in demands within the community. Part of this work is to respond to customer feedback and develop a system of incorporating this feedback into long-term planning.

During 2016-17 the Centennial Park Nature & Wildlife Walking Tour App was launched, social media channels grew and website user testing was completed with design commencing on a new website for delivery in the coming year.

Customer feedback with recorded complaints were extremely low in 2016-17 as a proportion of the large visitation numbers. Complaints were very broad and diverse, and representative of the amazing diversity of Parkland's users, with the primary complaint relating to the delivery of regulatory activity or conflictingly, the perceived lack of regulatory activity.

This is supported by the triennial customer research indicating that more than 94% of all attendees are satisfied or extremely satisfied with their visit to Centennial Parklands.

A digital first approach

Feedback comes in a range of forms, including complaints, requests, enquiries and via consultation. Priority has grown over recent years to the two-way and instant feedback available through digital channels, including Facebook, Twitter and TripAdvisor. We have focussed on growing these databases and proactively maintaining them in order to respond to customer needs and to benchmark performance. Customer satisfaction in these online review platforms remains at industry-high levels for Centennial Parklands with a 4.5 and 4.6 out of 5 rating on Tripadvisor and Facebook respectively.

See more online at centennialparklands.com.au

Sports management and participation

Centennial Parklands – Australia’s largest community sports precinct – prides itself on being at the forefront of fostering sport and recreation trends. As housing density increases, public parks and recreational facilities are playing a crucial role in the physical, social and mental wellbeing of the community.

The demand for the Parkland’s facilities and venues is growing steadily each year and now accommodates in excess of 35 sports across 120 playing facilities (including football and rugby fields, cricket wickets, basketball courts, an 18-hole golf course, a 200-stable equestrian facility and the ES Marks international standard athletics track).

Highlights include:

- The Parklands now represents twice the turf-sports-field area and all-weather synthetic multi-use playing surfaces of the four surrounding local councils combined
- Moore Park Golf – one of the busiest public championship golf courses in Australia – features one of the largest driving ranges in the southern hemisphere. Some 16 million range balls were hit and 55,000 rounds of golf were played, including an increase in group golf by 18%
- ES Marks Athletics Field features an accredited international-standard synthetic running track, with more than 75 school athletics carnivals and 100,000 patrons using the facility every year
- Our Equestrian Centre houses over 210 horses, five riding schools and one of the largest covered riding arenas in the state

- We have the only permanent orienteering course in metropolitan Sydney.
- Significant achievements during 2016-17 include:
- \$1.3M investment into Queens Park – refurbishing nine sports fields, and improving drainage, surface quality and durability to allow for an increase in usage of 15% over the previous financial year
 - The Moore Park all-weather sports field celebrated its first full year of operation, hosting more than 100 community sporting groups and schools for in excess of 3,100 hours of content equating to 70,000 visits to the facility
 - Moore Park Golf continued to operate during extensive capital investment in upgrades to the golf course and golf house, in addition to a major renovation of the driving range (the latter works resulted in an increase in utilisation of 13%)
 - Moore Park Golf achieved a 3% growth in public course utilisation, against a background of general industry trends indicating negative growth
 - More than \$1M was invested in safety and upgrades to the Equestrian Centre including improvements to the integrity of the Main Arena roof; major

- renovations to the remaining stables in A Pavilion; replacement of ageing windows across Pavilions A, B, C and D; the introduction of permanent furniture fixtures; the installation of solar panels to offset electrical power usage; and renovation of the Equestrian Centre staff office to enhance the customer service experience
- A 4% increase in year-on-year utilisation of the Parkland’s sports fields
- The Parklands being selected to host a range of major sporting events including the Sydney Marathon, World Rugby 7’s, AFL 9’s and Polo in the City
- The successful transition of the Parkland’s Sports Centre business to a new operator, Clublinks, allowing for major improvements in all key areas – from the operating environment through to customer experience, in addition to laying the foundations for a business-positive position for 2018
- As a result of the above transition, the Sports Centre recorded an uplift in netball registrations and tennis court bookings of 32% and 21% respectively, and online bookings were completed by 80% of customers (a service not previously available).

Sport and recreation field utilisation participation numbers

	2016-17	2015-16	2014-15	2013-14	2012-13
Registered sports participants	720,000 (7% increase)	672,350	595,000	576,000	556,000
Summer sports participants	324,320 (7% increase)	302,557	267,750	233,700	233,700
Winter sports participants	395,680 (7% increase)	369,792	327,250	322,738	322,738
Hours booked on sports fields	47,400 (4% increase)	45,543	39,983	35,665	33,343

Formal and community education

We offer a wide range of community programs including formal educational excursions, guided tours, community outreach, school holiday programs and themed events. These act as an educational and social capacity-building extension of our work within the community.

In 2016-17 our education and community programs continued to grow. The key achievements within the reporting period include:

- 10,308 formal school students attended excursions
- Successful applications for National Science Week and NSW Environmental Trust grants resulting in \$12,000 of funding for education and community programs
- 19,646 participants in community programs providing a range of high-quality family events including Science in the Swamp, The Great CP Egg Hunt, Astronomy in the Park, Spotlight Prowl, Bush Rangers, Kids VS Wild, Swamp Monsters and Mother Nature Quest
- Bush school (a five-week pre-school program) now runs 53 sessions per year with an attendance rate of approximately 90% and demand is growing annually for this unique education product in Sydney.

Our education and training services extended well beyond school-age children, with adult education achievements such as the delivery of nature training professional development programs to 593 participants.

We would like to take this opportunity to thank Darrell Lea for their continued support of the Great CP Egg Hunt.

Volunteering

The Centennial Parklands’ Volunteer Program enables the community to actively contribute to visitor services, park assets and environmental projects across Centennial Parklands.

To complement this program, Corporate Volunteers Programs and Conservation Volunteers Australia (an organisation located within Centennial Parklands) also drive volunteer engagement and deliver a range of improvement projects in the Parklands.

Volunteering hours

In 2016-2017, 8115 hours of volunteer support were undertaken with an estimated value-in-kind of \$255,528 for the year (based on an industry standard of \$31.50 per hour).

Key volunteering achievements include:

Guriwal restoration project

Commencing in February 2016, this project involves the restoration of a 10,000-square-metre natural area – an important site for the Aboriginal community.

Key restoration outcomes –

- Improved access to 300m2 of pathway and the creation of a natural 40m2 of new access path
- Initial stage of a new 120m-long loop track which will improve tour/educational programs by enhancing the experience
- 1000m2 invasive weeds removed by hand
- Planted native plant species in rehabilitated areas with the help of community and corporate volunteers
- Established and nurtured key community-based groups.

Nursery Growing Group

Plant stock propagated by the Nursery Growing Group was used across the Parklands and in two seasonal plant sales.

Key outcomes –

- The \$6050 revenue generated from plant sales was used to make Nursery improvements including installing a fully-automated irrigation system
- Children’s Garden plants – which are stored in Nursery – are being maintained by volunteers.

Eastern Suburbs Banksia Scrub (ESBS) Regeneration

A regular group of volunteers contribute one Sunday per month to improve the Parklands’ ESBS sites. The longer-term volunteers are becoming proficient at plant identification and have an excellent understanding of the principles of bush regeneration. A total of 30 people participated in bush care this year and contributed a total of 354 hours of work. Most of the work undertaken was secondary weed removal, which included removal of the weeds *Ehrharta erecta*, *Fleabane*, *Cudweed* and *Couch*, in addition to cutting and stacking fallen shrubs and trees.

Volunteer Vivian Ward was acknowledged by Rotary for the ‘Unsung Hero Award’ for her volunteering at Centennial Parklands.

Grey-headed flying-fox monitoring

The grey-headed flying-fox is listed as a threatened species and is monitored by volunteers who conduct regular fly-out counts for Parklands’ management. The population varies seasonally and annually due to the availability of food. In the past year, colony numbers ranged from 8520 (August 2016) to 38,915 (Feb 2017).

Clean Up Australia Day

Centennial Parklands and volunteers participated in Clean Up Australia Day on 5 March 2017 to help keep the Parklands beautiful.

Birdwatching

Birding surveys were undertaken by the volunteer bird watchers across the Parklands, as well as reporting of rare or unusual birds. The group also assisted in the Science in the Swamp event, helping our education team promote wildlife conservation.

Habitat Restoration

Volunteers maintained various habitats – including Lachlan Swamp and Kensington Pond – through weed and litter removal. Volunteers also maintain areas around the Robertson Road Gates and Kippax Lake. Centennial Parklands also partnered with CVA to undertake weeding and habitat restoration at Centennial Park, Queens Park, and Moore Park.

Key Outcomes –

- 1000m2 of Parklands was kept litter free and more than 12 trailer loads of branches/palm fronds were removed from across this site
- 1200m2 of pathways were swept weekly and 550m2 of gardens were kept weed free
- Over 25,000 litres of litter was removed from across the Parklands.

Corporate volunteers

Large corporate businesses – including Qantas, NAB, Moody, Samsung, Google, Sydney Water, ANZ, Experim, Buchan, Adobe Australia, and K&L Gates have assisted in many volunteer projects.

A supporter income of \$23,500 was generated for the Centennial Parklands Foundation.

Venue management

Centennial Parkland’s events calendar continues to create diverse event experiences for all, with a range of health and lifestyle, arts and culture, fun and learning, and active sporting event participation opportunities.

More than 175,000 patrons enjoyed 18 events in 2016-17 and helped to meet our social obligations set out under the Act and the NSW Government’s commitment to diversity of experiences in public spaces.

Through this function, venue management revenue met budget for the financial year, with all funds raised from events returned into the management and maintenance of the Parklands.

Supporting community groups

Many events in Centennial Parklands have a charitable focus. More than \$320K in direct donations for various charities was raised in 2016-17.

The key fundraising events were:

- ‘RBC Race for the Kids’ for the Starlight Children’s Foundation
- ‘Walk 4 Brain Cancer’ for Cure For Life Foundation.

In addition, under the Parkland’s Community Support Charter a number of smaller charity / community events are actively supported, including:

- Charity Cycle Variety Club
- Ride for Youth event
- Warrior Run for Indigenous Marathon Project
- 145 Cycle.

In addition, The Color Run, Sydney Running Festival and the J.P.Morgan Corporate Challenge were also significant fundraising events staged (or partly staged) in the Parklands this financial year.



Filming and photography

We are committed to supporting the industry and complying with the NSW Government’s film-friendly policy and therefore provide responsive and flexible customer service to film and photography professional clients.

In 2016-17 Centennial Parklands played a significant role in supporting the NSW Film industry as the host for the ‘Peter Rabbit’ film set which was reported to have created jobs for 55 local actors and 600 crew.

Centennial Parklands also continued to provide regular access for production companies filming TV commercials, reality shows and mini dramas.

Highlights for 2016-17 include:

- 155 commercial filming and photography bookings
- The ‘Peter Rabbit’ (feature film) primary set was established in the Parklands
- 216 wedding photography bookings were taken.

These achievements were built on the strength of excellent customer service and our ability to adapt and meet industry demands. The high volume of filming and photography requests, in addition to the consistent bookings for high-profile feature films, is indicative of the Parklands’ importance to the Australian film industry. This relationship is further cemented by the support we give to industry operations (including Fox Studios, AFTRS, NIDA and TAFE NSW).

Communications and consultation

We are committed to providing an exceptional communications service to park visitors and stakeholders, and to meet its statutory requirement under the Act.

Customer Charter

Centennial Parklands has a Customer Charter to provide a clear level of service expectation. This Charter encourages greater engagement with stakeholders and visitors, and is available online or at the Parklands Office on request.

Digital communications

In 2016-17 there was 55% increase in the Parklands’ digital database and we continued our push towards cost-effective and on-demand information services, investing time and resources into websites, social media, blog and a fully integrated online booking system.

Media reach

We also increased our resources on generation of increased traditional media coverage, with a 31% increase in estimated media reach for the year, which included major metropolitan media articles, news and lifestyle program television coverage, and online bloggers.

Consultations

In 2016-17 we conducted community consultation on a range of projects, including on the use of CCTV in the Parklands and safety upgrades at the ES Marks Athletics Field.

The draft Moore Park Masterplan 2040 was publicly exhibited in November – December 2016. Following a strong public awareness campaign and an eight week consultation process, over 700 responses were received (a combination of formal submissions, online surveys and face-to-face discussions). This feedback was critical in shaping the final recommendations of the Plan, which was released in May 2017.

Community Consultative Committee

The Centennial Parklands Community Consultative Committee (CCC) is an advisory body whose role is to represent a broad range of community interests to the Trust. It is instrumental in providing a forum for communication,

input and relationship building between the Trust and the Parklands’ many constituencies. Information on the CCC can be found online at: centennialparklands.com.au/cc

In 2016-17 the CCC met on six formal occasions to discuss a range of important issues, including the Moore Park Master Plan, the ES Marks Safety Upgrades, the Ian Potter Children’s Wild Play Garden and more.

A full list of the current members of the CCC, their attendance records and a link to meeting minutes are found in Appendix 1 (p 64).

Financial Performance

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Did you know...

Centennial Parklands is located within the highest density urban population areas in Australia - an approximate 40% population growth expected on its borders over the next 20 years.

New revenue streams

In 2016-17 we had 25 tenants and undertook commercial activity across Centennial Parklands that raised \$8.82M in revenue, which is invested back into maintaining and upgrading the Parkland's assets, services and facilities.

Commercial highlights for the reporting year included:

- Centennial Park Dining undertook a \$750K upgrade to the amenity of the building, transforming it into the 'Homestead' and the Trust undertook further works upgrades to doors and entrances to the restaurant
- the Equestrian Centre undertook improvements including essential repairs to Pavilion A to enhance the amenity of stalls, which has led to an uplift in user satisfaction
- The Greenhouse café exceeded forecast sales by more than 20%, delivering an unexpected uplift in rental income
- Overall food and beverage sales at Centennial Park grew by 15%
- The Trust assumed control of parking meters on Driver Avenue in conjunction with compliance upgrades which will lead to improved revenue and operational capabilities in future years
- Playbill Venues have reported an exceptional year for concert and event attendances.

Fees and charges

Each year we review all fees and charges for a diverse range of facilities including its public programs, parking, sports field hire, functions and events, Moore Park Golf and the Equestrian Centre. The aim of the review is to apply Consumer Price Index (CPI) changes to fees and charges and cover any increases in administrative overheads and maintenance costs.

Our rates came into effect on 1 July 2015 and are available online at: centennialparklands.com.au

Development Support

As part of the integration between the operational teams of Centennial Park and Moore Park Trust and the Royal Botanic Gardens and Domain Trust, there is now increased capacity and expertise to leverage sponsors, donors and philanthropists to support Parklands' initiatives.

See more online at centennialparklands.com.au



Economic performance

Item		2012-13	2013-14	2014-15	2015-16	2016-17
Open space cost per visit	\$	1.07	0.34	0.33	0.33	0.25
Visitors outside 5km radius (data collected every three years)	%	35	35	35	35	35
Maintenance investment as a % of asset value	%	0.42	0.41	0.39	0.39	0.53
Total asset value	\$M	870.4	938.1	966.2	1027.8	1075.4
Net cost to Government per visit	\$	0.13	0.01	0.01	0.01	0.01
Net cost to Trust per visit	\$	2.89	2.24	1.25	1.28	0.94
Total net cost per visit	\$	3.02	1.25	1.27	1.29	0.95
% of overall operating costs funded by Trust revenue	%	95.6	99.4	98.8	97.7	98.5
Trust generated revenue	\$M	20.9	21.2	23.4	24.0	24.9
Revenue growth	%	8.3	5.3	8.2	2.6	3.5

Note: 2016-17 performance is calculated based on annual visitation of 31M compared to 21.2M in the prior year. This follows the outcome of the triennial visitor research completed in 2017.

Payment performance

Accounts payment at the end of each quarter	Sep 2016 \$	Dec 2016 \$	Mar 2017 \$	Jun 2017 \$
Currently within 30 days	4,059,925	5,377,975	5,289,010	8,939,447
Overdue less than 30 days	656,093	981,003	1,199,640	1,765,704
Overdue between 30-60 days	85,933	67,786	251,465	41,380
Overdue between 60-90 days	15,778	1,062	6,833	112,447
Overdue more than 90 days	330	-	8,637	1,023

Accounts payable

Total value of accounts payable	Target %	Actual %	Value \$	Total Amount Paid \$
September Quarter	100%	84%	4,059,925	4,818,059
December Quarter	100%	84%	5,377,975	6,427,826
March Quarter	100%	78%	5,289,010	6,755,585
June Quarter	100%	82%	8,939,447	10,860,001

Investment performance

During the reporting year the Parklands continued to invest funds in bank term deposits which have been arranged through NSW Treasury Corporation. Surplus funds have been invested in bank term deposits to meet the Parklands' short-term and longer term obligations.

Bank term deposits on 30 June

Value of deposits on 1 July	\$18,289,246
Value of deposits on 30 June	\$10,153,814
Interest income earned	\$502,677
Actual rate of return	2.93%

The Trust utilises term deposits to take advantage of higher interest rates. The holdings are in line with the Parklands financial strategy, which is to ensure it meets its short-term cash flow requirements as well as specific future capital commitments.

Financial Statements

Centennial Park and Moore Park Trust

Financial Statements For the Year Ended 30 June 2017

Statement by Trustees

Pursuant to Section 41C(1B) and (1C) 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 2015* (as applicable), the Treasurer's Directions, the directives of the Financial Reporting Code and Australian Accounting Standards, which include Australian Accounting Interpretations.
- b) the statements exhibit a true and fair view of the Trust's financial position as at 30 June 2017 and the transactions of the year then ended.
- c) we are not aware of any circumstances that would render any particulars included in the financial statements to be materially misleading or inaccurate.



Mr Tony Ryan
Trust Chairman



Mr Adam Boyton
Trustee

28 September 2017

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Did you know...

Moore Park was formally declared a public place of recreation on 10 December 1866 - this means that 2016 is the 150th anniversary of the park!

Centennial Park and Moore Park Trust

Independent Audit Report



INDEPENDENT AUDITOR'S REPORT

Centennial Park and Moore Park Trust

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Centennial Park and Moore Park Trust (the Trust), which comprise the statement of financial position as at 30 June 2017, 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.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 30 June 2017, 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* (PF&A Act) and the Public Finance and Audit Regulation 2015.

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

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Trust in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles 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
- precluding the Auditor-General from providing non-audit services.

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

Centennial Park and Moore Park Trust

Independent Audit Report

The Trustees' Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements 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 and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees must assess the Trust's ability to continue as a going concern except where the Trust will be dissolved by an Act of Parliament or otherwise cease operations. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Trust carried out its activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

Reiky Jiang
Director, Financial Audit Services

29 September 2017
SYDNEY

Centennial Park and Moore Park Trust

Statement of Comprehensive Income

for the Year Ended 30 June 2017

		Actual 2017 \$'000	Budget 2017 \$'000	Actual 2016 \$'000
	Notes			
Expenses excluding losses				
Operating expenses				
Personnel services	2(a)	6,399	6,976	7,047
Other operating expenses	2(b)	17,234	15,896	14,566
Depreciation and amortisation	2(c)	6,224	6,015	5,842
TOTAL EXPENSES EXCLUDING LOSSES		29,857	28,887	27,455
REVENUE				
Sale of goods and services	3(a)	12,085	11,535	11,284
Investment revenue	3(b)	10,921	11,570	11,170
Retained taxes, fees and fines	3(c)	383	530	439
Grants and contributions	3(d)	18,532	14,709	6,066
Other revenue	3(e)	1,031	1,800	1,140
Total Revenue		42,952	40,144	30,099
Operating result		13,095	11,257	2,644
Loss on disposal	4	-	-	(174)
Net result from continuing operations		13,095	11,257	2,470
Net result		13,095	11,257	2,470
Other Comprehensive Income				
Items that will not be reclassified to net result in subsequent periods				
Changes in revaluation surplus of property, plant and equipment	9	34,453	-	60,848
Total Other Comprehensive Income		34,453	-	60,848
TOTAL COMPREHENSIVE INCOME		47,548	11,257	63,318

The accompanying notes form part of these financial statements.

Centennial Park and Moore Park Trust

Statement of Financial Position

as at 30 June 2017

		Actual 2017 \$'000	Budget 2017 \$'000	Actual 2016 \$'000
	Notes			
ASSETS				
Current Assets				
Cash and cash equivalents	5	7,096	1,527	18,396
Receivables	6	3,057	2,649	1,896
Inventories	7	133	195	214
Financial assets	8	7,154	12,671	3,605
Total Current Assets		17,440	17,042	24,111
Non-Current Assets				
Property, Plant and Equipment				
- Land and buildings	9(a)	643,507	627,132	615,527
- Plant and equipment	9(b)	2,748	2,360	2,522
- Infrastructure systems	9(c)	410,741	406,438	385,113
Total Property, Plant and Equipment		1,056,996	1,035,930	1,003,162
Intangible assets	10	954	190	501
Other non-current assets	11	19	31	29
Total Non-Current Assets		1,057,969	1,036,151	1,003,692
Total Assets		1,075,409	1,053,193	1,027,803
LIABILITIES				
Current Liabilities				
Payables	13	5,529	3,528	4,696
Other current liabilities	14	2,847	2,458	3,031
Total Current Liabilities		8,376	5,986	7,727
Non-Current Liabilities				
Other	14	652	653	1,243
Total Non-Current Liabilities		652	653	1,243
Total Liabilities		9,028	6,639	8,970
Net Assets		1,066,381	1,046,554	1,018,833
EQUITY				
Reserves		421,504	405,234	387,051
Accumulated funds		644,877	641,320	631,782
Total Equity		1,066,381	1,046,554	1,018,833

The accompanying notes form part of these financial statements.

Centennial Park and Moore Park Trust

Statement of Changes in Equity

as at 30 June 2017

	Accumulated Funds	Asset Revaluation Surplus	Total
Notes	\$'000	\$'000	\$'000
Balance at 1 July 2016	631,782	387,051	1,018,833
Net result for the year	13,095	-	13,095
Other comprehensive income			
Net increase in property, plant and equipment	9	34,453	34,453
Transfers on disposal	-	-	-
Total other comprehensive income	-	34,453	34,453
Total comprehensive income for the year	13,095	34,453	47,548
Balance at 30 June 2017	644,877	421,504	1,066,381
Balance at 1 July 2015	629,057	326,458	955,515
Net result for the year	2,470	-	2,470
Other comprehensive income			
Net increase in property, plant and equipment	9	60,848	60,848
Transfers on disposal	255	(255)	-
Total other comprehensive income	255	60,593	60,848
Total comprehensive income for the year	2,725	60,593	63,318
Balance at 30 June 2016	631,782	387,051	1,018,833

The accompanying notes form part of these financial statements.

Centennial Park and Moore Park Trust

Statement of Cash Flows

for the Year Ended 30 June 2017

	Actual 2017	Budget 2017	Actual 2016
Notes	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Personnel services	6,406	6,976	6,957
Suppliers for goods and services			
Other	20,131	19,918	18,465
Total Payments	26,537	26,894	25,422
Receipts			
Sale of goods and services	13,623	11,302	13,246
Interest received	521	423	514
Retained taxes, fees and fines	373	530	462
Rent received	11,495	11,147	10,211
Grants and contributions	7,216	14,332	4,784
Other	1,278	4,007	2,235
Total Receipts	34,506	41,741	31,452
NET CASH FLOWS FROM OPERATING ACTIVITIES	7,969	14,847	6,030
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of land and buildings, plant and equipment and infrastructure systems	-	-	26
Proceeds from sale of financial assets	3,605	13,677	15,271
Purchase of land and buildings, plant and equipment and infrastructure systems	(15,720)	(17,262)	(8,199)
Purchases of investments	(7,154)	(11,258)	(3,605)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(19,269)	(14,843)	3,493
NET CASH FLOWS FROM FINANCING ACTIVITIES	-	-	-
NET INCREASE IN CASH	(11,300)	4	9,523
Opening cash and cash equivalents	18,396	1,523	8,873
CLOSING CASH AND CASH EQUIVALENTS	7,096	1,527	18,396

The accompanying notes form part of these financial statements.

Centennial Park and Moore Park Trust

Notes to and Forming Part of the Financial Statements

for the Year Ended 30 June 2017

1. Summary of Significant Accounting Policies

(a) Reporting Entity

The Centennial Park and Moore Park Trust (the Trust) is a corporation constituted under the Centennial Park and Moore Park Trust Act 1983. It is a NSW government entity and is controlled by the State of New South Wales, which is the ultimate parent. It operates as one service group and there are no other entities under its control which are required to be consolidated in these financial statements.

The mission of the Trust is to manage Centennial Parklands as a place of national significance for the enjoyment, social connection and wellbeing of the community and in the meantime continue to preserve and improve the Parklands. Centennial Parklands is 360 hectares in area and comprises Centennial Park, Moore Park and Queens Park. The Trust's principal activities are to provide venues for the community which enable participation in a range of sporting, recreational, cultural and educational activities for diverse users as well as the provision of a range of commercial activities including the lease/licence of a number of properties.

The Trust is incorporated and domiciled in Australia and its principal place of business is Banksia Way, Centennial Park, Sydney.

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.

As a result of the Government Sector Employment Act 2013, employees of the Trust are reported as employees of a Division of the Government Service. From 24 February 2014, the Office of Environment and Heritage has provided these services as per Administrative Arrangement Order 2014 No. 11. The Trust reports

employee related information as "personnel services" in its financial statements.

These financial statements for the year ended 30 June 2017 have been authorised for issue by the Trust on 28 September 2017.

(b) Basis of Preparation

The Trust's financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations); and
- the requirements of the Public Finance and Audit Act 1983 and Public Finance and Audit Regulation 2015 and
- the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

Property, plant and equipment are measured at fair value. Other financial statements 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.

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) Income 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

Income from grants (other than contribution by owners) is recognised as income when the Trust obtains control over the contributions. The Trust is deemed to have assumed control when the grant is received or receivable.

Contributions are recognised at their fair value. Contributions of services are recognised when and only when a fair value of those services can be reliably determined and the services would be purchased if not donated.

(ii) Sale of Goods

Revenue from the sale of goods is recognised as income when the Trust transfers the significant risks and rewards of ownership of the goods, usually on delivery of the goods.

(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. The effective interest rate is the rate that exactly discounts the estimated future

Centennial Park and Moore Park Trust

Notes to and Forming Part of the Financial Statements

for the Year Ended 30 June 2017

1. Summary of Significant Accounting Policies (continued)

cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms.

(f) Employee benefits

(i) Salaries and Wages, Annual Leave and Sick Leave

Salaries and Wages, Annual Leave and Sick Leave 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 undiscounted amounts of the benefits. These amounts were payable to Office of Environment and Heritage (refer to Note 1(a)).

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. Actuarial advice obtained by Treasury has confirmed that the nominal (undiscounted) annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Trust has assessed the actuarial advice based on the Trust's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the entity does not expect to settle the liability within 12 months as the entity does not have an unconditional right to defer settlement.

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.

(ii) Long Service Leave and Superannuation

The Trust's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Trust accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item 'Crown grant LSL & superannuation'.

Long service leave is measured at present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using Commonwealth government bond rate at the reporting date.

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 Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions

(iii) Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have

been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

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

Income, 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.

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

i) Property, Plant and Equipment

(i) Acquisition of property, plant and equipment

Property, plant and equipment are initially measure at cost and subsequently revalued at fair value less accumulated depreciation and impairment. 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

Centennial Park and Moore Park Trust

Notes to and Forming Part of the Financial Statements

for the Year Ended 30 June 2017

1. Summary of Significant Accounting Policies (continued)

attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

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 over the period of credit.

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

(ii) 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.

(iii) Major inspection costs

When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

(iv) Restoration costs

The present value of the expected cost for the restoration or cost of dismantling of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

(v) Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred. However, where they relate to the replacement of a component of an asset, which restores the service potential and extends the life of the asset beyond

that which it had originally, the costs are capitalised and depreciated.

(vi) 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. Certain heritage assets including heritage buildings and infrastructure may not have limited useful lives because appropriate curatorial and preservation policies are adopted. Such assets are not subject to depreciation. The decision not to recognise depreciation for these assets is reviewed annually. 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. Useful lives of the Trust's assets have been determined as follow:

Average Useful Life Years	2017	2016
Building	25-80	25-80
Plant & Equipment	3-10	3-10
Infrastructure Systems		
- Roads, paths, gates, fences, collections and Garden	15-150	15-150
- Underground services	10-70	10-70

- Golf Course fairways & greens	100	100
- Lakes & ponds	100	100

(vii) 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 TPP14-01. 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 at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer Note 9 and Note 12 for further information regarding fair value.

Centennial Park and Moore Park Trust

Notes to and Forming Part of the Financial Statements

for the Year Ended 30 June 2017

1. Summary of Significant Accounting Policies (continued)

Revaluation is made with sufficient regularity to ensure that the carrying amount of each asset does not differ materially from its fair value at reporting date. The Trust conducts a comprehensive revaluation at least every three years for its land. At least every five years for buildings and infrastructure assets. The last such revaluation was completed as at 31 March 2017 except for land which was revalued on 31 March 2016.

Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from carrying value. The Trust uses an external professionally qualified valuer to conduct interim revaluations.

Trees are now revalued on an annual basis effective from 1 July 2002. The valuation methodology uses a market value/compensation value basis at five yearly intervals (the last valuation on this basis was carried out on 30 June 2012) 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.

Because of the impact of the Light Rail Project, the 5 yearly tree resurvey could not be completed in 2016-17 and has been deferred until 2017-18. Therefore, the next adjustment to the base value is to be carried out on 31 March 2018. The valuer has

confirmed that this deferral would not materially change the fair value of the trees.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as an approximation of fair value. The Trust has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

For other assets valued using other valuation techniques, 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 recognised in other comprehensive income and credited to revaluation surplus in equity. However, to the extent that an increment reverses a revaluation decrement in respect of the same class of asset previously recognised as a loss in the net result, the increment is recognised immediately as a gain in the net result.

Revaluation decrements are recognised immediately as a loss in the net result, except to the extent that it offsets an existing revaluation surplus of the same class of assets, in which case, the decrement is debited directly to the 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.

When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated. Where the income approach or

market approach is used, accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset

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.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

(viii) Impairment of Property, Plant and Equipment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 Impairment of Assets is unlikely to arise. As property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in the rare circumstances where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

The entity assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the entity estimates the asset recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Centennial Park and Moore Park Trust

Notes to and Forming Part of the Financial Statements

for the Year Ended 30 June 2017

1. Summary of Significant Accounting Policies (continued)

As a not-for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset.

(j) Leases

Operating lease payments are recognised as an operating expense in the Statement of Comprehensive Income on a straight-line basis over the lease term.

Lease income from operating leases where the entity is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included by the lessor entity in the Statement of Financial Position based on their nature.

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.

The Trust has also leased several of its property assets, two of which have lease terms of up to 50 years (when the option period is included). All leases are classified as operating leases as the lease payments do not represent substantially all the fair value of the land and as a result the lessee does not substantially hold all the risks and rewards incidental to ownership of the leased asset. Note 1(e) sets out the accounting policy for recognition of revenue.

(k) 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. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

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 or five 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 unlikely to experience an impairment loss (refer paragraph (i)).

Useful Lives of the Trusts intangible assets have been determined as follows:

Average Useful Life Years	2017	2016
Computer Software	4	4
Other Intangible	5	5

(l) Inventories

Inventories held for distribution and sales 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.

(m) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the net result.

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

(i) Financial assets

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging Instruments in an effective hedge, as appropriate. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

• Loans and Receivables
Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Centennial Park and Moore Park Trust

Notes to and Forming Part of the Financial Statements

for the Year Ended 30 June 2017

1. Summary of Significant Accounting Policies (continued)

Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

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

• 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. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

For certain categories of financial assets, such as trade receivables, the entity first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. Assets are assessed for impairment on a collective basis if they were assessed not to be impaired individually.

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 Statement of Comprehensive Income.

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

(ii) Financial liabilities

Financial liabilities are classified as either 'at fair value through profit or loss' or 'at amortised cost'.

• Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held-for-trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held-for-trading are recognised in the net result.

Financial liabilities at fair value through the profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in the net result.

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

Payables represent liabilities for goods and services provided to the entity and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(iii) 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 continues to be recognised to the extent of the Trust's continuing involvement in the asset. In that case, the entity also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the entity has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the entity could be required to repay.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

(n) Fair Value Measurement and Hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

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

Centennial Park and Moore Park Trust

Notes to and Forming Part of the Financial Statements

for the Year Ended 30 June 2017

use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the entity categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- (i) Level 1 - quoted prices in active markets for identical assets / liabilities that the Trust can access at the measurement date.
(ii) Level 2 - inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
(iii) 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 12 and Note 20 for further disclosures regarding fair value measurements of financial and non-financial assets.

(o) Budgeted Amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the budget are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the primary financial statements are explained in Note 18.

(p) Equity and Reserves

The budgeted amounts are drawn from the original budgeted financial statements presented

(i) Asset Revaluation Reserve

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

Separate reserve accounts are recognised in the financial statements only if such accounts are required by specific legislation or Australia Accounting Standards (e.g. asset

revaluation reserve)

(ii) Accumulated Funds

The category accumulated funds includes all current and prior period retained funds.

(q) Expenditure on Management Agreements

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

(r) 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.

(s) Changes in Accounting Policy, including New or Revised Australian Accounting Standards

(i) Adoption of New Australian Accounting Standard Requirements

The accounting policies applied in 2016-17 are consistent with those of the previous financial year except as a result of the following new or revised Australian Accounting Standards that are applicable and have been applied for the first time in 2016-17. AASB 124 Related Parties has been applied for the first time in 2016-17 for not-for-profit entities. AASB2015-6 Amendments to Australian Accounting Standards extending Related Party disclosures to Not-for-Profit Public Sector Entities, effective from 1 July 2016. The impact of this standard is not significant on the primary financial statements, and additional disclosures have been included in accordance with requirements of AASB 124. Refer to Note 21.

AASB 124 Related Parties
AASB 1057 Application of Australian Accounting Standards
AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation

AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle
AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101
AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities
AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities
AASB 2015-9 Amendments to Australian Accounting Standards – Scope and Application Paragraphs

These standards have been assessed for their possible impact on the financial statements. The assessment concluded that there is no material impact.

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise.

The following new Accounting Standards have not been issued and are not yet effective (NSW Treasury mandate TC 17/06).

- AASB 9, AASB 2010-7, AASB 2014-7 and 2016-8 regarding financial instruments
- AASB 2014-1 (Part E) regarding amendments to AASB 9 Financial Instruments
- AASB 15, AASB 2014-5 and AASB 2015-8 regarding Revenue from Contracts with Customers
- AASB 16 regarding accounting for leases
- AASB 1058 regarding Income of Not-for-profit Entities
- AASB 2016-2 regarding amendments to AASB 107 disclosure initiatives

These standards have been assessed for their possible impact on the financial statements, if any, in the period of initial application. The assessment concluded that there will be no material impact.

Centennial Park and Moore Park Trust

Notes to and Forming Part of the Financial Statements

for the Year Ended 30 June 2017

2. Expenses Excluding Losses

	2017	2016
	\$'000	\$'000
(a) Personnel services expenses		
Salaries and wages (including recreation leave)	5,496	5,543
Superannuation entitlements	444	432
Long service leave	(11)	242
Workers' compensation insurance	76	85
Payroll tax and fringe benefits tax	301	226
Redundancy	84	506
Other	9	13
Total	6,399	7,047

Personnel services are provided by the Office of Environment and Heritage (refer also Note 1(a)). The amount of personnel services costs that have been capitalised in particular fixed asset accounts (and therefore excluded from the above) totalled \$24,945 (2016: \$104,527).

The Trust has provided goods and services to the Centennial Parklands Foundation amounting to \$289,756 (2016: \$275,794).

(b) Other operating expenses include the following:		
Bad debts	(122)	86
Operating lease rental expense:		
- minimum lease payments	87	61
Golf Course operations:		
- cost of sales	1,348	1,309
- operating expenses:		
<i>pro shop and driving range</i>	899	914
<i>administration and other</i>	1,457	1,301
Maintenance	5,556	3,917
Insurance	634	615
Consultants	110	63
Power and water	399	488
Legal fees	70	105
Waste removal and cleaning	898	861

Centennial Park and Moore Park Trust

Notes to and Forming Part of the Financial Statements

for the Year Ended 30 June 2017

2. Expenses Excluding Losses (continued)

(b) Other operating expenses (continued)

	2017	2016
	\$'000	\$'000
Security	945	918
Training	99	71
Telephone	49	58
Fees for service	2,816	2,490
Supplies and materials	475	408
IT maintenance	144	127
Printing and advertising	168	228
Other	1,202	546
Total	17,234	14,566
* Reconciliation		
Maintenance expense, as above	5,556	3,917
Personnel services maintenance expense included in Note 2(a)	481	191
Total maintenance expenses included in Note 2(a) and 2(b)	6,037	4,108
(c) Depreciation and amortisation expenses		
Depreciation		
Buildings	2,041	1,938
Infrastructure systems	3,706	3,427
Plant and equipment	352	359
Total	6,099	5,724
Amortisation		
Amortisation of capitalised expenditure on management agreements	10	10
Amortisation of intangible assets	115	108
Total	125	118
Total depreciation and amortisation	6,224	5,842

Centennial Park and Moore Park Trust

Notes to and Forming Part of the Financial Statements

for the Year Ended 30 June 2017

3. Revenue

	2017	2016
	\$'000	\$'000
(a) Sale of goods and services		
Use of recreational facilities	11,239	10,332
Sales of goods	846	952
Total	12,085	11,284
(b) Investment revenue		
Interest revenue from financial assets not at fair value through profit or loss	524	594
Rent	10,397	10,576
Total	10,921	11,170
(c) Retained taxes, fees and fines		
Fines received from issuance of infringement notices for breaches of Trust regulations	383	439
Total	383	439
(d) Grants and contributions		
Grants		
NSW Government through Department of Planning and Environment	7,216	4,784
Crown grant LSL and superannuation	24	278
Centennial Parklands Foundation	230	322
Transport for NSW	214	50
Australian Football League	-	250
Department of Industry	12	-
In kind Services provided by Volunteers	229	232
Office of Environment and Heritage	14	-
Total	7,939	5,916
Contributions of assets		
Transport for NSW	10,593	-
NSW Public Works	-	150
Total	10,593	150
Total grants and contributions	18,532	6,066
(e) Other revenue		
Assets recognised first time :		
• Infrastructure Systems - Other (Note 9(e))	-	204
Insurance recoveries	113	38
Expense recoveries	775	779
Other	143	119
Total	1,031	1,140

Centennial Park and Moore Park Trust

Notes to and Forming Part of the Financial Statements

for the Year Ended 30 June 2017

4. Gains/(Loss) on Disposal

	2017 \$'000	2016 \$'000
(a) Profit/(Loss) on disposal of plant and equipment		
Proceeds from disposal	-	26
Less Written down value of assets disposed	-	(200)
Total	-	(174)

5. Current Assets - Cash and Cash Equivalents

Cash at bank and on hand	4,096	3,712
Term deposits	3,000	14,684
Total	7,096	18,396

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank, cash on hand and short term deposits with the maturity of three months or less.

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:

Closing cash and cash equivalents (per statement of cash flows)	7,096	18,396
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Refer Note 20 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

6. Current Assets - Receivables

	2017 \$'000	2016 \$'000
Sale of goods and services	454	296
Retained taxes, fees and fines	41	31
Rent receivable	519	338
GST recoverable from Australian Taxation Office	745	469
Prepayment	327	50
Other debtors - general	995	863
	3,081	2,047
Less Allowance for impairment*	(24)	(151)
Total	3,057	1,896

* Movement in the allowance for impairment:

Balance at the beginning of the financial year	151	65
Amounts written off during the year	(5)	-
(Decrease)/increase in allowance recognised in profit or loss	(122)	86
Balance at the end of the financial year	24	151

Centennial Park and Moore Park Trust

Notes to and Forming Part of the Financial Statements

for the Year Ended 30 June 2017

7. Current Assets - Inventories

Shop stock held for resale	133	214
Total	133	214

8. Current Assets - Financial Assets

Term deposits at amortised cost	7,154	3,605
Total	7,154	3,605

9. Non-Current Assets - Property, Plant and Equipment

	2017 \$'000	2016 \$'000
(a) Land and Buildings		
At Fair Value	685,871	654,696
Less Accumulated Depreciation	(42,364)	(39,169)
Net carrying amount	643,507	615,527
(b) Plant and Equipment		
At Fair Value	5,423	4,864
Less Accumulated Depreciation	(2,675)	(2,342)
Net carrying amount	2,748	2,522
(c) Infrastructure Systems		
(i) Trees		
At Fair Value	188,231	188,108
Net carrying amount	188,231	188,108
(ii) Other		
At Fair Value	298,759	267,539
Less Accumulated Depreciation	(76,249)	(70,534)
Net carrying amount	222,510	197,005
Total Infrastructure Systems	410,741	385,113
Total Property, Plant and Equipment at Net Carrying Amount	1,056,996	1,003,162

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.