

Annual Report

Financial Year 2022 – 2023

October 2023

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Western Parkland City Authority



Acknowledgement of Country

Aboriginal people have had a continuous connection with the Country encompassed by the Western Parkland City from time immemorial. They have cared for Country and lived in deep alignment with this important landscape, sharing and practicing culture while using it as a space for movement and trade.

We Acknowledge that four groups have primary custodial care obligations for the area: Dharug/Darug, Dharawal/Tharawal, Gundungurra/Gundungara and Darkinjung . We also Acknowledge others who have passed through this Country for trade and care purposes: Coastal Sydney people, Wiradjuri and Yuin.

Western Sydney is home to the highest number of Aboriginal people in any region in Australia. Diverse, strong and connected Aboriginal communities have established their families in this area over generations, even if their connection to Country exists elsewhere. This offers an important opportunity for the future of Western Sydney.

Ensuring that Aboriginal communities, their culture and obligations for Country are considered and promoted will be vital for the future of Western Sydney. A unique opportunity exists to establish a platform for two-way knowledge sharing, to elevate Country and to learn from cultural practices that will create a truly unique and vibrant place for all.



Garungarung Murri Murri Nuru (Beautiful Grass Country)
Artwork created by Dalmarrri artists Jason Douglas and Trevor Eastwood for the Western Parkland City Authority.

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Letter of submission

The Hon Paul Scully
Minister for Planning and Public Spaces
52 Martin Place
SYDNEY NSW 2000

Dear Minister

I am pleased to submit the Annual Report for the Western Parkland City Authority for the year ended 30 June 2023, for tabling in Parliament by 30 November 2023.

This report has been prepared in accordance with the annual reporting provisions (Division 7.3) of the *Government Sector Finance Act 2018 (GSF Act)* and Treasury Policy and Guidelines 23-10 Annual Reporting Requirements (TPG23-10).

Yours sincerely



Jennifer Westacott
Chair, Western Parkland City Authority



Geoff Roberts
Deputy Chair, Western Parkland City Authority

Encl: WPCA Annual Report 2022-23

Chair's report



On behalf of the Board and the Western Parkland City Authority (WPCA), I am pleased to present the 2022-23 Annual Report.

Over the course of the year the WPCA has focused its activities on economic development and jobs in Western Sydney, as well as strategies to accelerate housing supply close to transport and services in the planned Bradfield City.

With its strategic location, diverse population, and access to infrastructure, Western Sydney presents immense potential for both local businesses and global investors.

The WPCA plays a critical role in supporting activation of the new Western Sydney International airport when it opens in late 2026. The airport will provide new opportunities in agribusiness, tourism, freight, and logistics.

WPCA is focused on delivering three precincts surrounding the new airport. These include the new Bradfield City, the Agribusiness Precinct, and the Northern Gateway Freight and Logistics Precinct.

Much is being achieved across the three precincts, particularly in Bradfield City. WPCA has direct responsibility to develop the city adjacent to the airport to drive industry development, job creation, and new housing.

The Master Plan which will guide all land use, has been drafted and is about to go on exhibition. All aspects of new city planning for Bradfield City are well progressed, with sustainability, quality urban

design, and liveability at the core. Alongside this, early enabling civil works will kick start opportunities for private sector investment in land development for housing close to services, jobs, and the new Metro station.

Substantial work has been done on the delivery of the First Building which will open early next year, with a focus on new technologies in advanced manufacturing, robotics, and automation. These smarter, value-added capabilities will help transform Western Sydney businesses and create more and highly skilled jobs.

For the Agribusiness Precinct, we are future-proofing and advancing understanding, collaboration, and investment opportunities for the agriculture sector next to the 24/7 airport. We are working closely with private landowners to maximise opportunities, and through the Agribusiness Precinct Vision, guiding activity towards growth and preferred development in the precinct.

In the Northern Gateway Precinct, we are again working with landowners and the private sector to progress economic development proposals as part of a coordinated approach to freight and logistics activity around the airport, as well as opportunities in the Circular Economy.

The jobs and skills program has completed a successful pilot in partnership with industry and the tertiary education sector, to support the rapid upskilling and reskilling of the workforce needed for the jobs of the future.

We are also securing investment, strengthening industry connections, and coordinating efforts across government and industry to drive economic development across the entire region.

Sydney's new 24/7 airport and the land that sits around it represents a once in a generation opportunity to drive new industries, new jobs and much needed additional housing. Our work around the airport will in turn, drive economic activity across the Western Parkland City. This will create opportunities for more highly paid, and highly skilled jobs for everyone in Western Sydney.

The Board is steadfast in its mission to deliver a stronger future for Western Sydney and acknowledges the support and engagement of its key partners across State and Local Government, industry, and local businesses and communities.

This collaboration has made the momentum achieved this year possible.

I would like to acknowledge the strategic guidance and oversight of my fellow Board colleagues. I particularly thank the WPCA team who have worked tirelessly over the last year to build real momentum on the delivery of Bradfield City and the coordination of economic activity around the airport.

Jennifer Westacott AO
Chair, Western Parkland City Authority

Acting Chief Executive Officer's report



In the last 12 months, the WPCA has moved from planning to delivery and has been steadfast in its objective of activating the airport and supporting economic development and investment in Western Sydney. I am incredibly proud of the efforts and dedication of the WPCA team and the tremendous progress which has been made this year.

We have commenced construction on the First Building in Bradfield City. When it opens in 2024, the facility will host a visitor centre, the Advanced Industry Hub, and the first stage of the Advanced Manufacturing Research Facility (AMRF). Beyond just aiding businesses, the AMRF will provide cutting-edge tools and knowledge to support Western Sydney businesses to leverage opportunities for growth. With a focus on collaboration, it will foster partnerships between universities, industry and businesses to promote a vibrant ecosystem.

Planning is well advanced on the full scale AMRF facility, with a focus on advanced semiconductor and electronics manufacturing. Design work is underway ahead of a planning application to be lodged later in 2023.

Bradfield City will bring more housing and skilled job opportunities to Western Sydney. The master plan for the city is well underway, prepared through a collaborative design process with a milestone of public exhibition expected by late 2023. Additionally, a competition to select the design team for the premier park in Bradfield is well progressed. As a central focus for the city, adjacent to the new metro station, it will be a major destination and gathering place for locals and visitors alike.

As part of our collaboration with industry across energy, digital, cyber, and circular economy, we have sought advice through early market soundings for innovative solutions that could be scaled up across the region to create new industries and highly skilled jobs. This feedback has been invaluable in informing and shaping the development of the city.

The New Education and Training Model (NETM) pilot has been successful in building workforce capability for emerging and advanced industries, with positive feedback from participants and learners supporting good momentum for the project.

Our partnerships with local government and community organisations have been a highlight over the last 12 months and we acknowledge their time and contributions to engaging with the Authority to drive social and economic benefits across Western Sydney.

We remain committed to continuing to work with our local government partners to drive economic development outcomes and leverage the already significant government investments in the region.

A sincere and generous note of appreciation to our many partners across government, industry and the community and we look forward to continuing to work together to deliver for Western Sydney.

Anne Skewes
Acting CEO, Western Parkland City Authority

Overview

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About the Western Parkland City Authority

The role of the WPCA is to develop the land surrounding the Western Sydney International airport, activate opportunities from the 24/7 airport, and to coordinate economic activity and infrastructure across the region.

We are focused on the delivery of housing and high value jobs in three precincts around the Airport to create:

1. A highly efficient freight and logistics sector right next door to the 24/7 airport in the Northern Gateway and Agribusiness Precincts
2. An agribusiness sector focused on the export of high value and time sensitive Australian products to major global markets in the Agribusiness Precinct
3. A new city (Bradfield City) with high density commercial, retail, and residential to leverage the proximity to the 24/7 airport in the Aerotropolis Core Precinct.

We are also attracting investment, accelerating the growth of key industries, and partnering with education and training providers to upskill people for the jobs of the future.

The WPCA operates under the *Western Parkland City Authority Act 2018* with the following objects:

- a. creating active, vibrant and sustainable communities and locations that:
 - i. support national and global business,
 - ii. support, and benefit from, the development of the Western Sydney Airport;
- b. supporting the creation of precincts that are focused on job intensive land uses and which include knowledge, industrial, educational, commercial, retail and mixed use precincts;
- c. promoting investment;
- d. promoting development that accords with best practice environmental and planning standards, is environmentally sustainable and applies innovative environmental building and public domain design;
- e. facilitating the sharing of financial value arising from, or associated with, the development of the operational area so as to offset the provision of public infrastructure, facilities, places and services;
- f. promoting the attainment of value for money and efficiency in the delivery of infrastructure;
- g. achieving optimal outcomes from the WPCA working collaboratively with the Commonwealth and State governments and with local councils in the Western Parkland City.



The WPCA at WSAco open day community event

Management and structure



Board

The WPCA Act provides for the establishment of the Board of the WPCA (the Board) and the appointment of a Chief Executive Officer (the CEO). While the WPCA is a NSW entity, the appointment of the Chair and three of the Board members is subject to consultation with the relevant Commonwealth Minister. The Board consists of a person appointed as the Chairperson, three people nominated by the Minister administering the Act, and three people nominated by the relevant Commonwealth Minister.

Information on the members of the Board is set out in the pages following.

Jennifer Westacott AO, Chair

Method of appointment	Term	Meeting attendance
Ministerial	3 years (expires 24/2/2025)	14

Qualifications

- BA (Honours), FAICD, GCB, FIPAA, FANZSOG
- Adjunct Professor at the City Futures Research Centre of the University of New South Wales
- Professor of Practice and Chancellor Western Sydney University
- Chevening Scholar at the London School of Economics
- Graduate Management Certificate from the Monash Mt Eliza Business School
- Fellow, Australian Institute of Company Directors and the Australia and New Zealand School of Government
- National Fellow of the Institute of Public Administration (2012)
- Honorary Doctorate from UNSW (2017)
- Awarded an Officer of the Order of Australia (AO) in 2018

Current experience

- CEO, Business Council of Australia (now retired)
- Board Director, Wesfarmers
- Board Member of the Cyber Security Research Centre Ltd
- Chair of Studio Schools Australia
- Patron of Mental Health Australia
- Co-Patron of Pride in Diversity
- Patron of The Pinnacle Foundation
- Chancellor, Western Sydney University

Previous experience

- Co-chair of the Australia-Canada Economic Leadership Forum Organising Committee
- Member of the Prime Minister's Cyber Security Review Panel



Geoff Roberts AM, Deputy Chair

Method of appointment	Term	Meeting attendance
Ministerial	3 years (expires 24/2/2025)	14

Qualifications

- B Nat Res (Honours) Resource Management
 - M App Sc, Environmental Science
 - FAICD
 - Adjunct Professor of Cities at University of NSW
 - Doctor of Philosophy (*honoris causa*) Western Sydney University
-

Current experience

- Chief Commissioner, Greater Cities Commission (formerly Greater Sydney Commission)

Previous experience

- 40 years' experience in strategic environmental planning in Australia and overseas
- Chief Investment Officer, Investment NSW
- Global Head of Relationships, NSW Treasury
- Chief Coordinator of the Western Sydney City Deal
- Deputy Chief Commissioner, Greater Sydney Commission
- Economic Commissioner, Greater Sydney Commission



Anthea Hammon

Method of appointment	Term	Meeting attendance
Ministerial	3 years (expires 6/5/2025)	13

Qualifications

- Bachelor of Engineering (Mech) (Hons)
 - MAICD
-

Current experience

- Managing Director, Scenic World
- Director, Hammons Holdings
- Director, WSACo (Western Sydney Airport)
- Vice President, Blue Mountains Tourism

Previous experience

- Director, Australian Leisure and Recreation Association
- Director, Blue Mountains Economic Enterprise



Gabrielle Trainor AO

Method of appointment	Term	Meeting attendance
Ministerial	3 years (expires 24/2/2025)	13

Qualifications

- Bachelor of Laws (Melb)
- Master of Arts in Cultural and Creative Practice (WSU)
- FAICD

Current experience

- Interim Chair, Infrastructure Australia
- Chair, Construction Industry Culture Taskforce
- Co-Chair, BuildSkills Australia
- Director, WAM Global LIC
- Director, Built Group Holdings Pty Ltd
- Adviser, Major Transport Infrastructure Authority
- Commissioner, Australian Football League
- Advisory Board, Gadens

Previous experience

- 30 years as a non-executive director of listed, public sector and private entities, particularly in urban renewal and infrastructure.



Mark Binskin AC

Method of appointment	Term	Meeting attendance
Ministerial	3 years (expires 24/2/2025)	13

Qualifications

- Grad. Dip. Management Studies
- GAICD
- Harvard Advanced Management Program

Current experience

- Board of Invictus Australia
- Deputy Chair of the Sir Richard Williams Foundation
- Temora Aviation Museum Governing Committee
- Chair of the Australia Pacific Security College Advisory Board
- Chair of the Civil Aviation Safety Authority

Previous experience

- Air Chief Marshal
- Chair of the Royal Commission into National Natural Disaster Arrangements
- Chief of the Australian Defence Force
- Vice Chief of the Australian Defence Force
- Chief of the Royal Australian Air Force
- Deputy Chair of Air Services Australia



Mark Steinert

Method of appointment	Term	Meeting attendance
Ministerial	3 years (expires 6/5/2025)	14

Qualifications

- BAppSc (PRM)
 - G Dip App Fin and Inv (Sec Inst)
 - F Fin
 - GAICD
-

Current experience

- WEM Advisory Board (member)
- St Andrews School Council (member)
- Fife Capital Management Pty Limited Core Logistics Venture (Investment Committee)

Previous experience

- CEO and Managing Director Stockland
- Head of Australasian Equities UBS
- Global Head of Research UBS
- Global Head of Product Development & Management UBS AM
- President of the Property Council of Australia
- Director Green Building Council of Australia
- Property Champions of Change (member)
- Stockland Risk and Compliance sub-committee (attendee)

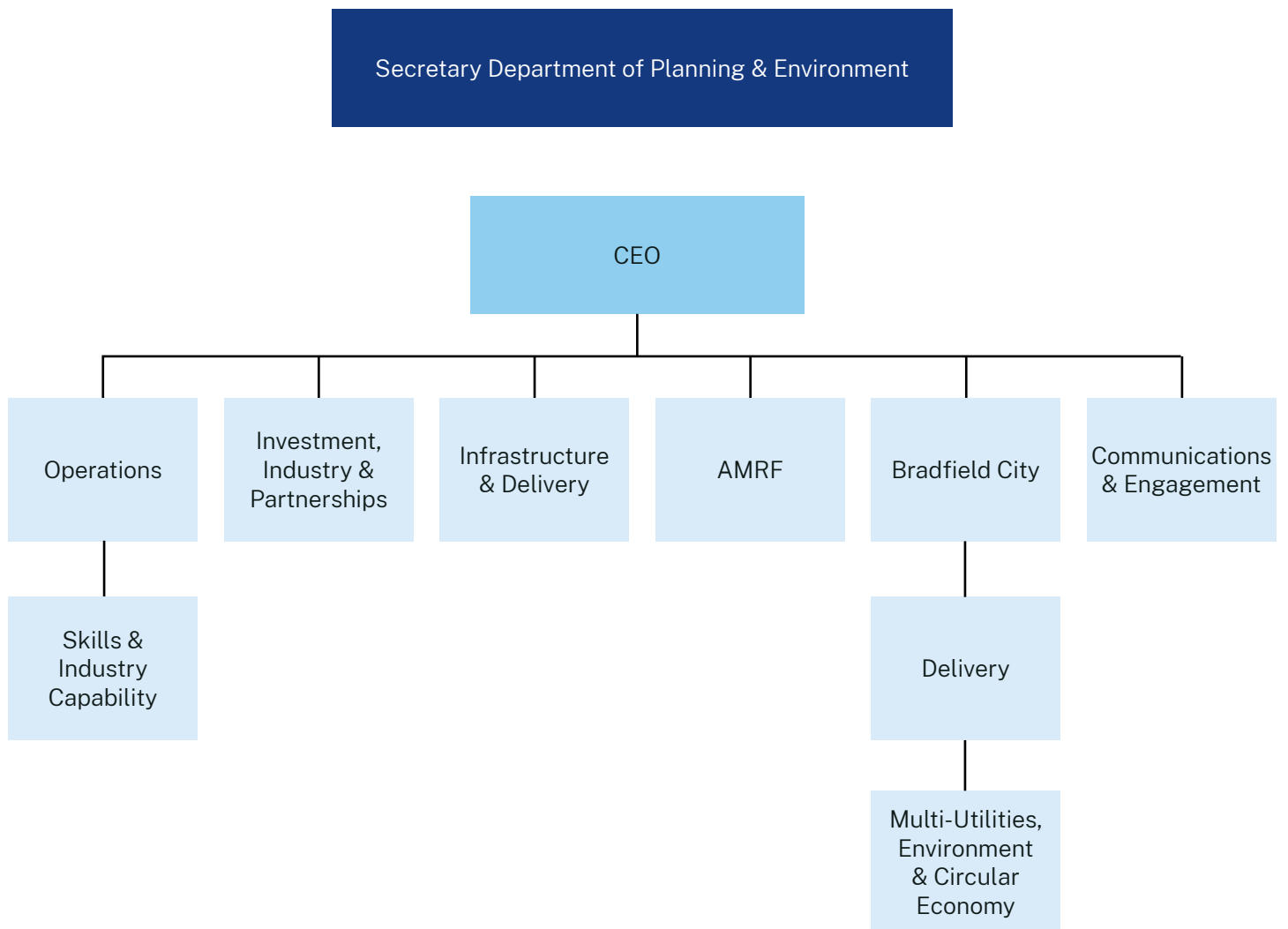
Executive Leadership Team

Western Parkland City Authority's senior executive team, as at 30 June 2023, is shown below.

Name	Role	Qualifications
Anne Skewes	A/Chief Executive Officer	<ul style="list-style-type: none"> • Master of Arts • Graduate Diploma of Applied Social Psychology • Bachelor Behavioural Science • Australian Institute of Company Directors Graduate
Laura Eadie	A/Chief Operating Officer	<ul style="list-style-type: none"> • Master of Environmental Management • Graduate Diploma Applied Finance and Investment • Bachelor of Science (Industrial Chemistry)
James Passmore	Executive Director, Investment, Industry and Partnerships	<ul style="list-style-type: none"> • Executive Master in International Business • Bachelor of Commerce • Bachelor of Arts
Peter Anderson*	Executive Director, Bradfield City	<ul style="list-style-type: none"> • Bachelor of Commerce (Land Economics) • Graduate Certificate of Management
Matt Sherb	Executive Director, Infrastructure & Delivery	<ul style="list-style-type: none"> • Master of Urban and Regional Planning • Bachelor of Arts (Metropolitan Studies)
Shehana Darda-Teixeira*	Executive Director, Communications & Engagement	<ul style="list-style-type: none"> • Master of Strategic Communication (currently underway) • Graduate Certificate, Public Relations • Australian Institute of Company Directors Graduate
Paul Hedge*	Executive Director, Delivery	<ul style="list-style-type: none"> • Bachelor of Engineering (Civil)
Natalie Camilleri	Executive Director, Multi-Utilities, Environment & Circular Economy	<ul style="list-style-type: none"> • Master of Public Administration • Bachelor of Town Planning • Australian Institute of Company Directors Graduate
Peter Mackey	Executive Director, Skills & Industry Capability	<ul style="list-style-type: none"> • Master of Education (Adult Education) • Bachelor of Arts (Law/English) • Diploma of Education (Secondary)
Ben Kitcher	A/Executive Director, AMRF	<ul style="list-style-type: none"> • Bachelor of Engineering

* Executive Director has left the organisation since the reporting period.

The Western Parkland City Authority's Senior Executive Leadership organisational chart, as at 30 June 2023.



Strategy



Delivering Bradfield City

We're building Australia's newest city on the doorstep of the new Western Sydney International airport.

Located in the heart of the Aerotropolis (Aerotropolis Core Precinct), Bradfield City will unlock new economic opportunities, deliver 10,000 more homes, and create 20,000 new jobs for the residents.

Spanning 114 hectares, it is the first major city to be built in Australia since Canberra.

2022-23 highlights

Master Plan

In June 2022, the Department of Planning and Environment confirmed the WPCA as the master planner for Bradfield City.

Over the course of the 2022-23 year, the WPCA undertook a comprehensive co-design process to develop the draft Master Plan and associated technical reports.

This involved extensive engagement and collaboration with partners through a formal Technical Assurance Panel (TAP).

Members of the Bradfield City Master Plan TAP includes stakeholders such as Sydney Water, DPE, Liverpool and Penrith Councils, Sydney Metro, Transport for NSW, Office of Heritage and Environment and the Independent Urban Designer representative from the NSW Government Architect's Office. The first meeting of the TAP was held in November 2022.

Following endorsement from the TAP, it is expected that the draft Master Plan will progress to stage four of the master planning process and be placed on public exhibition in late 2023.

Completion of the Master Plan will give industry confidence to invest in the new city, creating more and highly skilled jobs in the Precinct.



Artist's impression

First Building

Construction of the First Building at Bradfield City commenced in September 2022. It's the start of a new industry-led ecosystem connecting and attracting local and global industry partners. The First Building will house key industry tenants, an Advanced Industry Accelerator Hub, and Stage 1 of the new Advanced Manufacturing Research Facility (AMRF). It is scheduled for completion in 2024.

Second Building

Delivery of the Second Building, that will house Stage 2 of the AMRF, is also underway. It will provide businesses, engineers, and researchers access to advanced manufacturing technologies to test, scale up, and commercialise new manufacturing methods.

In February 2023, an architect was appointed to design the building. The WPCA will continue to develop the design for the Second Building, with the building scheduled to open in late 2026.



Artist's impression

Central Park

At the heart of Bradfield City will be a two-hectare Central Park. This will be the first step in establishing Bradfield City as a vibrant, cultural city immersed in a true parkland environment. Central Park will welcome visitors from across the globe and become a key gathering space for residents and workers.

In June 2023, a design excellence competition was run to select the winning design, with five leading architect firms short-listed after assessment by an esteemed and independent jury.

The competition held a strong emphasis on design and engagement with Traditional Custodians to ensure a gathering space that is Connected to Country.

The jury comprised:

- James Corner, world-renowned landscape architect and designer of Manhattan's iconic High Line in New York City
- Abbie Galvin, Government Architect NSW
- Kate Luckraft, FLUMINIS Design Advisory Services
- Dr Libby Gallagher, Gallagher Studio
- Clarence Slocke, Jiwah.



Market sounding event

Market sounding

Investment in energy, digital, cyber, and circular economy systems for the first stage of delivery of Bradfield City will kickstart development across the city centre.

As part of our collaboration with industry, we sought advice through early market engagement calling for innovative solutions to help us build a true 22nd century city.

We explored cutting edge solutions, capabilities and partnerships to optimise government investment and reduce costs to customers. We called for solutions that could be scaled up across the region to create new industries and more highly skilled jobs.

The market sounding process opened in November 2022 and closed 24 February 2023. The next stage took place in early 2023, where selected participants were invited to a series of interactive sessions. The findings from these sessions will continue to inform the development of Bradfield City.

Building skills for the jobs of the future

With advancements in technology, the skills needed to fill jobs in emerging industries are rapidly changing.

The New Education and Training Model (NETM) works in partnership with industry and leading education providers to deliver micro-credentials – short, targeted training courses of about 40 hours each – that allow workers to quickly build the knowledge, skills, and experience that employers need for the jobs of the future.

The NETM is building workforce capability in critical industries like advanced manufacturing, defence and aerospace, pharmaceutical manufacturing, freight and logistics, and agribusiness.

2022-23 highlights

At a glance

28

contracted micro-credentials

380

enrolments from 126 employers

72%

completion rate

Strong results

Evaluation surveys of the NETM have shown impressive results:



9/10 learners think the training received would benefit their career or business



Satisfaction levels from both learners and supervisors are at approximately 90 per cent.



3/4 of supervisors surveyed agreed that they would employ someone with a NETM micro-credential over others – all things equal.

Industry engagement

The NETM had a visible presence at industry events this year, including at the Modern Manufacturing Expo, Fairfield Food Forum, IndoPac, LandForces, Avalon Airshow, Gather and Grow, and the ODIS Sydney Forum.

The WPCA is developing options for a long-term NETM commercial funding model that focuses on industry-led delivery in a cost-effective and sustainable manner.



Modern Manufacturing Expo

Improving outcomes for First Nations people and businesses

The NETM is focused on growing opportunities for First Nations people and communities to engage in education and economic participation.

This year, the NETM has undertaken the following activities:

- Consultation with the Barrangirra Skilling for Employment Initiative, which provides end-to-end support for Aboriginal and Torres Strait Islander learners through culturally appropriate mentoring.
- Commenced consultations with the WPCA's Koori Perspectives Circle to explore culturally inclusive learning approaches.
- In consultation with the Koori Perspectives Circle, developed information materials with targeted messaging to engage First Nations businesses and learners.



- Introduced a requirement in that providers are assessed on their capability to maximise First Nations engagement with NETM learning opportunities. This includes ensuring accessibility to micro-credentials through transport options and flexible learning delivery options.

Developing industry

Western Sydney is one of the largest manufacturing centres in Australia and home to more than a third of Sydney's skilled manufacturing workforce.

The AMRF will connect manufacturers with advanced technologies and opportunities, creating more highly skilled jobs and placing the region at the centre of some of the biggest global industrial advancements.

With state-of-the-art equipment and leading experts, the AMRF will offer flexible access for companies of all sizes to develop smart solutions and build capability to future-proof advanced manufacturing in Western Sydney.

2022-23 highlights

AMRF entity

In March 2023, the Advanced Manufacturing Research Facility Pty Ltd was incorporated as a wholly-owned subsidiary of the WPCA to operate and manage the AMRF with its own Australian Business Number (ABN). The flexible corporate model enables agile AMRF commercial operations with businesses, opens opportunities to obtain external grants and funding, and enhances future potential expansion options.

AMRF Stage 1

The NSW Government has committed \$22.9 million to procuring state-of-the-art equipment for the AMRF. This includes specialised technology in metal 3D printing, precision machining and composite manufacturing, robotics and automation, digitisation, engineering design, and metrology.

Procurement of these advanced manufacturing technologies is underway in preparation for the opening of the First Building in 2024.



AMRF Stage 2

Scheduled to open late 2026, the second stage of the AMRF service will focus on advanced semiconductor and electronics manufacturing to address capability needs in defence and aerospace as well as catalysing growth of emerging electronics industries.

The AMRF works closely with the NSW Chief Scientist & Engineer and the Semiconductor Sector Service Bureau to build valuable partnerships with semiconductor businesses and universities to ultimately provide the greatest value to micro-electronics and semiconductor industry.

Building a research and innovation ecosystem in Western Sydney

The AMRF team continues to engage broadly with the manufacturing sector, including Western Sydney businesses and multinationals, to gain a greater understanding of manufacturing needs. We also work with NSW universities and the CSIRO regarding potential research programs and collaborations through complementing capability.

Advanced Industry Accelerator Hub

In December 2022, WPCA launched an Expression of Interest (EOI) process to identify suitable parties for operating an Advanced Industry Accelerator Hub within Bradfield City's First Building. This hub aims to facilitate the growth of advanced and emerging industries, including defence.

Industry development

An Industry Development Framework has been developed, building upon the groundwork laid by the Economic Development Roadmap published in 2021. This roadmap identified growth opportunities across potential industry sectors.

In September 2022, AiGroup launched the Defence Suppliers Network, facilitated by the collaborative efforts of WPCA and Investment NSW. The primary goal of this network is to foster connections and reinforce regional defence supply chains.

Since its inception, the Defence Suppliers Network has achieved important progress. It boasts a membership of over 200 local businesses and has successfully organised a series of events. These include a Penrith event held in February 2023, an NSW investment export lunch in March 2023, and a semi-annual gathering in May 2023. In addition, the network facilitated capability training workshops during the late stages of 2022 and the first quarter of 2023 to further elevate the proficiency of local industries.

Engaging the community

Western Sydney is home to some of the most diverse and engaged communities in NSW. Partnering with the community we serve remains a key priority for the WPCA.

In 2022-2023, the WPCA undertook an active community engagement program.

Activities focused on updating the community on the progress of our key programs, including the delivery of Bradfield City, learner and business opportunities available through the NETM, and awareness of the AMRF.

To support this work, the WPCA produced a range of new engagement materials such as one page factsheets, digestible social media content, and a refreshed website for improved user experience.

Our enhanced presence at local community and stakeholder partner events saw an active increase in engagement with our digital consumer channels, with an increase in subscriptions to social media channels and the community newsletter.

Bradfield City was also presented as a real-life case study to schools in the region as part of an inquiry-based learning program.

Highlights



20 community events, resulting in engagement with 4,485 people



Five community and industry newsletters with a total distribution of over 44,000



A 227% increase in online newsletter subscribers



An increase of 2,813 followers across all social media platforms



The WPCA engaging with the community

The Koori Perspectives Circle

The WPCA is committed to working with Aboriginal communities to ensure that First Nation's culture and achievements, past, present and future, are celebrated. The WPCA's Koori Perspectives Circle (KPC) ensures we listen to voices of recognised and aspiring Western Sydney First Nation's leaders and work together to deliver Australia's newest city. In the reporting period, WPCA held four KPC meetings across Western Sydney, including Mt Druitt and Bradfield City.



Koori Perspective Circle meeting March 2023

Liveability program

In 2022-23, the WPCA oversaw the completion of Western Sydney Liveability Program projects, with highlights including:

- A new inclusive children's pool, accessible entry paths, picnic areas, and improved weather protection at Katoomba Aquatic Centre
- New amenities, playground, and accessible shared path at Blackheath Soldiers Memorial Park
- Redevelopment of Springwood Library to provide media and group study rooms as well as improving access to the library with an accessible entrance and new lift
- Realignment of the athletics field and construction of a multipurpose amenities building at Tahmoor District Sporting Complex.

Securing investment and housing

Work is underway to drive economic development and growth in the region.

The WPCA has made notable progress in strengthening industry connections, working with businesses and institutions looking to invest or establish a presence, and coordinating efforts across government and industry.

Industry partners

Collaboration with industry and investors has remained a priority, resulting in the addition of four new partners. This development brings the total number of partners who have signed a non-binding agreement with WPCA to 38 and demonstrates growing confidence in the private sector.

The WPCA is also currently engaged in active efforts to draw investment, including from universities, research institutions, and innovative businesses in advanced and emerging sectors.

Building upon the WPCA's accomplishments in attracting investment for advanced manufacturing innovation infrastructure, the primary focus of the WPCA during 2022-23 has been the advancement of initiatives aimed at elevating industry productivity. These initiatives are instrumental in delivering on our pledge to generate job creation within the region.



Presentation by Executive Director Ben Kitcher

Interagency collaboration and advocacy to support alignment of infrastructure

Throughout the year, the WPCA led collaboration forums to raise and address key issues on planning, transport, and infrastructure delivery in the Aerotropolis precincts including Bradfield City, Northern Gateway, Luddenham Village, and Mamre Road.

Northern Gateway

There is significant activity underway at the Northern Gateway Precinct. In March 2022, the Aerotropolis Precinct Plan was published, converting the zoning to the equivalent Enterprise, Mixed Use, and Environment, and Recreation zones. This unlocks capacity for more housing, industry and educational facilities, a town centre, and extensive open space.

The WPCA has worked with landowners and developers in the precinct to encourage economic development proposals and support delivery of the precinct vision.

Agribusiness Precinct

Work is underway with stakeholders and industry to progress an Agribusiness Precinct identified within the Aerotropolis Precinct Plan. This precinct will unlock agribusiness export opportunities for high growth sectors like fresh and value-added food.

The WPCA has played a key role in future-proofing and advancing understanding, collaboration, and investment opportunities in the precinct.

This includes the publication of the Agribusiness Precinct Vision, which acts as a guiding document to align and target activity towards growth opportunities and preferred development in the precinct.



Operations and performance

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Summary review of operations

The WPCA's operations during the reporting period focused on:

1. Delivery of housing and high value jobs in three precincts around the Western Sydney International airport - Agribusiness Precinct, Northern Gateway Precinct, and the Aerotropolis Core (Bradfield City) Precinct
2. Development of the Bradfield City Master Plan
3. Upskilling residents through our New Education and Training Model (NETM) courses
4. Growing industry capability through development of the AMRF
5. Coordinating infrastructure development across the region
6. Attracting investment into the region
7. Supporting liveability projects to improve the lives of residents.

The WPCA's financial accounts for the reporting period are presented in Section 5 of this Annual Report. The accounts were audited by the Audit Office of NSW, who provided an unqualified audit opinion.

Management and activities

In carrying out its work the WPCA:

- develops and services government owned land
- designs and constructs precincts and buildings
- promotes investment opportunities and assists investors to find suitable locations
- procures equipment to support manufacturers and other advanced industries
- develops and delivers technical education programs to local residents
- provides advice on infrastructure development needs across the region
- administers grants for projects to improve liveability within local Council areas.

During the reporting period, these activities were supported by internal functions covering finance, people and culture, procurement, legal, WHS, governance and risk. All operational functions met the performance criteria specified in the Board's Enterprise Risk Appetite Statement. A series of internal audits were also conducted, based on the Board's approved 3-year strategic internal audit plan. Internal audits identified some opportunities to enhance operational maturity which are being implemented, but no significant problems or issues were identified.

Following the 2023 Election, the WPCA moved from the Enterprise, Investment and Trade cluster to the Planning and Environment network.

This was implemented through the following Administrative Arrangements Orders:

1. Administrative Arrangements (Administrative Changes—Miscellaneous) Order (No 2) 2023 - effective from 5 April 2023, the WPCA and the Western Parkland City Authority Staff Agency transferred from the Department of Enterprise, Investment and Trade to the Department of Planning and Environment.
2. Administrative Arrangements (Administrative Changes—Miscellaneous) Order (No 3) 2023 - effective from 1 July 2023 the Western Parkland City Authority staff were transferred from the Western Parkland City Authority Staff Agency to the Department of Planning and Environment.

Research and development

Research and development is not a core function of the WPCA for the purposes of annual reporting. However, research and development activities may form part of investigative studies the WPCA undertakes in carrying out its functions.

Land disposal

The WPCA did not dispose of any land during the reporting period.

Implementation of price determination

WPCA was not subject to a price determination during the reporting period.

Performance information

The WPCA's performance against the NSW Treasury's Outcome Budgeting framework is shown below.

Indicator measure	Target	Result at 30 June
Delivery of Bradfield City	Complete construction of 'First Building' by early 2024 Lodge the Bradfield City Master Plan by March 2023 with targeted planning approval in 2023	Construction of First Building and first stage of infrastructure underway Master Plan on track for approval in 2023
Investment attraction	50 Partnerships by June 22-23	Substantially achieved with 38 industry partners at 30 June 2023*
Number of micro-credentials delivered	Delivery of 25 flexible, industry led micro-credentials developed by Dec 2022 and 25 per year thereafter	Achieved with 29 micro-credentials delivered

* Result for industry partnerships is the same as at end of Quarter 3 FY22-23, noting activity was temporarily paused in Quarter 4 due to the change of government and the WPCA's move into the Department of Planning & Environment.

Management and accountability

4

Management and accountability

Legal change

During the reporting period there were no changes to the Western Parkland City Authority's enabling legislation.

Economic or other factors

There are no economic or other factors affecting the achievement of operational objectives to report.

Promotion

Overseas visits by employees and officers to promote investments in NSW as approved by the Minister.

Date	Officer	Destination	Purpose
8-14 July 2022	Gabrielle Trainor	Israel	Trade Delegation – With Western Sydney organisations for five days of meeting with companies, universities and government agencies involved in the innovation ecosystem.
01-03 August 2022	Sarah Hill	Japan	Trade Delegation – Nine meetings with senior leaders of large multinational firms interested in investment and development of the region for finding investment.
01-03 August 2022	Jennifer Westacott	Japan	Trade Delegation – Nine meetings with senior leaders of large multinational firms interested in investment and development of the region for finding investment.
12-16 February 2023	Ben Kitcher	Taipei	NSW Government – Delegation to find investment partners in semiconductor work and for the AMRF.

Risk management and insurance activities

Audit and risk committee

In accordance with TPP 20-08 Internal Audit and Risk Management Policy for the General Government Sector, the WPCA established its own Audit and Risk Committee (ARC) on 24 September 2019. During the reporting period, two of the foundation independent ARC members retired from the Committee and were replaced by two new independent members and one Board member. Six ARC meetings were held during the financial year on the following dates:

- 27 July 2022 (Financial, Audit Office Early Close observations)
- 4 October 2022 (Financial)
- 22 November 2022
- 16 March 2023
- 26 April 2023 (Financial, Early Close)
- 22 June 2023 (General & Financial, Audit Office Early Close Observations).

The current ARC Charter (that aligns with the Internal Audit and Risk Management Policy for the General Government Sector's model ARC Charter) was updated and endorsed by the ARC at its 16 March 2023 meeting and approved by the Board Chair and ARC Chair on 13 April 2023. The WPCA's Accountable Authority is required to provide an annual statement attesting to compliance with the seven core requirements of TPP 20-08 Internal Audit and Risk Management Policy for the General Government Sector. This is provided at Appendix A.

Internal audit

The WPCA's internal audit service provider undertook five audits during the reporting period:

- Key Financial Controls Health Check
- Risk Management Maturity Review
- Follow Up of Delegation and Conflicts of Interest Review - September 2022
- Procurement Maturity Assessment
- IT Security Controls and Cyber Security Maturity Assessment.

A new Internal Audit provider was engaged in January 2023, who works closely with the WPCA's Governance, Audit & Risk team in the planning and completion of internal audits.

A risk-based three-year Strategic Internal Audit Plan (SIAP) for the 2023–2025 financial years was approved by the Board on 28 June 2022. A new SIAP for the 2024–2026 financial years was approved by the Board on 2 May 2023. Internal audit recommendations for actioning by the appropriate subject owner are reported to the ARC on a quarterly basis.

The Internal Audit Charter was also reviewed during the course of the year and approved by the Board in October 2022.

Risk management

The WPCA reviewed its Risk Management Framework, Risk Appetite Statement, and related risk tolerances during the reporting period to reflect it transitioning from the planning phase of its functions to a delivery phase with the commencement of the construction of the First Building on the Bradfield City site. The Board approved the updated Risk Management Framework and Risk Appetite Statement at its October 2022 meeting.

The Governance, Audit and Risk team is responsible for embedding risk management in WPCA through training staff and assisting with the identification, analysis, and development of risk management and mitigations of enterprise, operational, and project risks.

A risk eLearning training module has been developed and rolled out as part of mandatory compliance training undertaken by all staff. This module complements the face-to-face training provided to staff as part of the facilitation of risk identification and assessment workshops.

The WPCA's enterprise, operational and project risks are reviewed on a quarterly basis. Any changes to the enterprise risk profile are reported to the ARC, the Board and Leadership Team on a quarterly basis.

Fraud and corruption control management

The WPCA's Fraud and Corruption Control Framework aligns with the AS8001-2021 Fraud and Corruption Control standard and complies with TC18-02 NSW Fraud and Corruption Control Policy. The Framework, Fraud Risk Register, associated controls, and the supporting Fraud and Corruption Control Plan were also reviewed and updated in May 2023 and endorsed by the ARC for Board approval at its June 2023 meeting.

WPCA also implemented the confidential and anonymous KPMG FairCall reporting system, which allows staff and eligible third parties to report alleged misconduct 24/7 every day of the year.

There were no allegations of fraud or corrupt conduct at WPCA during the reporting period.

Quarterly assurance activities under the Fraud and Corruption Control Plan were undertaken by the Governance Audit and Risk team throughout the reporting period in the following areas:

- The completion and management of conflicts of interest/private interests declarations by staff
- Procurement activities
- Staff's expenditure and travel claims
- The completion of staff mandatory compliance training
- Management of timesheets
- Completion of Annual Obligation Compliance Attestations by senior management.

Business continuity planning

During the reporting period, the entire business continuity planning (BCP) process was reviewed and refreshed by the Governance Audit and Risk team to fit current business requirements. As part of this refresh, all BCP documentation, including the business units' business impact assessments, existing business continuity plans, the WPCA Pandemic Plan, as well as its Emergency and Crisis Management Manual were updated. Information for the Intranet was also developed during the reporting period.

In addition, a BCP Facilitator network was established with representatives from each division. A number of training sessions were completed for the BCP Facilitator's network as well as the Leadership Team. Work is underway for the annual simulation testing exercise.

Compliance management

WPCA's Obligations Register was reviewed and updated during the reporting period. All new starters are required to undertake compliance training as part of onboarding and all existing staff completed annual compliance refresher training. In addition, all managers completed their annual compliance attestations.

WPCA staff made their annual conflicts of interest declaration and senior executives made their annual private interests declarations during the reporting period.

A Probity and Records management eLearning training module were developed and rolled out to all WPCA staff to complete. These modules have been included in the suite of eLearning modules undertaken by staff as part of onboarding and annual refresher training.

Insurance

Insurance coverage was provided by the Treasury Managed Fund (TMF). The WPCA's effective management of risk resulted in no insurance claims being made with TMF.

Internal audit and risk management policy attestation

Please refer to Appendix A.

Additional matters for inclusion in annual reports

As a NSW Government agency, the WPCA is committed to compliance with the requirements of the *Privacy and Personal Information Protection Act 1998* (PPIP Act). The Treasurer's Direction, *TPG23-10 Annual Reporting Requirements*, requires a statement of the action taken complying with the PPIP Act, and any statistical details of any review conducted by or on behalf of the WPCA under Part 5 of the PPIP Act.

In compliance with the PPIP Act, the WPCA has a published Privacy Management Plan, and it was last updated in August 2022.

The WPCA reports that no internal reviews were conducted by or on behalf of the WPCA under the PPIP Act during this financial reporting year period.

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The WPCA reports that no internal reviews were conducted by or on behalf of the WPCA under the PPIP Act during this financial reporting year period.

Exemptions

The WPCA has no exemptions for including information in the Annual Report.

Human Resources

The following tables relate to total staff headcount as at 30 June 2023 over the last three years.

Category	2021	2022	2023
Employees	55	92	138
Other staff (secondes and contractors)	40	39	34
Total	95	131	172

Gender	2021	2022	2023
Female	50	77	97
Male	45	54	75
Total	95	131	172

Number and remuneration of senior executives

The following tables relate to public service senior executives as at 30 June.

Band	2022		2023	
	Female	Male	Female	Male
Band 4	0	0	0	0
Band 3	2	1	1	0
Band 2	3	6	3	6
Band 1	14	12	16	18
Total	19	19	20	24

Senior Executive Band	Range Per Annum	Average Remuneration	Senior Executive Band	Range Per Annum	Average Remuneration
2022			2023		
Band 4	\$499,251 to \$576,700	N/A	Band 4	\$509,251 to \$588,250	N/A
Band 3	\$354,201 to \$499,250	\$496,713	Band 3	\$361,301 - \$509,250	\$469,270
Band 2	\$281,551 to \$354,200	\$329,307	Band 2	\$287,201 to \$361,300	\$335,075
Band 1	\$197,400 to \$281,550	\$236,736	Band 1	\$201,350 to \$287,200	\$244,977

For the reporting period 2022-23, the percentage of total employee-related expenditure that related to senior executives represented 47.9%. As at 30 June 2022, this figure was 52.8%.

Government information (Public Access) Act

The *Government Information (Public Access) Act 2009* (GIPA Act) requires NSW government agencies to make mandatory disclosures of information, encourages proactive releases of information and provides mechanisms for individuals to apply to access government information.

Under section 7(3) of the GIPA Act, agencies must review their proactive release of information program at least once every 12 months. The WPCA proactively releases information about strategies and initiatives and listed policy documents for public access freely on its website, including:

- media releases;
- operational policies;
- details of how stakeholders can comment or participate in the WPCA's work;
- contract award notices; and
- a register of meetings with registered lobbyists.

WPCA did not receive any access applications during the financial year.

Cyber Security Policy attestation

Refer to Appendix A.

Public Interest Disclosures

Under the *Public Interest Disclosures Act 2014* (PID Act), all WPCA employees have a responsibility to report suspected wrongdoing including:

- corruption;
- maladministration;
- serious and substantial waste of public money; and
- breaches of the GIPA Act.

The WPCA is committed to protecting staff who make public interest disclosures and has made staff aware of their responsibilities and rights under the PID by hosting training sessions covering PIDs. The WPCA has its own guidelines for PID and a PID Internal Reporting Policy available to all staff. The WPCA also implemented during the reporting period an external platform managed by a third party as an alternative way for staff to make a disclosure.

Section 31 of the PID Act requires public authorities to report on their obligations under the Act. In accordance with section 31 of the PID Act and clause 4 of the Public Interest Disclosures Regulation 2011, the WPCA confirms that there were no public interest disclosures made this reporting period.

The WPCA notes the PID Act was revised in April 2022 with changes to take effect in October 2023. The WPCA will review its processes and procedures to ensure compliance with the revised PID Act.

Requirements arising from employment arrangements

The Western Parkland City Authority Staff Agency's sole objective is to provide personnel services to the WPCA – it provided personnel services to the WPCA for the year ended 30 June 2023.

Consultants

Consultancies of value less than \$50,000

Nature of Services	Number of engagements	Cost (\$)
Commercial advisory services and Strategic Advisory Consultancy Services	4	90,716.25

Consultancies of value equal or more than \$50,000

Consultant	Nature of Services	Cost (\$)
VALOREM ADVISORY PTY LTD	Commercial Advisory Services	292,640.00
PRICEWATERHOUSECOOPERS	NETM Sustainable Funding Model	300,514.01
URBIS PTY LTD	Economic Advice In Western Sydney	63,676.90
DELOITTE TOUCHE TOHMATSU -SYDNEY	Industry Development Framework	112,068.50
THE GREX GROUP PTY LTD	Telecommunications Advisory Services: Bradfield Multi Utilities Servicing	89,999.02
ARUP AUSTRALIA PTY LTD	District Cooling Feasibility Study	326,941.00
PAXON GROUP	CSIRO Disposal Advice	60,165.00

Sustainability

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Disability inclusion action plan

The WPCA is not required to have a disability inclusion action plan under the *Disability Inclusion Act 2014*.

Work health and safety

In compliance with the *Work Health and Safety Act 2011*, the WPCA established a Work Health and Safety (WHS) Committee in October 2021. Now entering its third year, this Committee's role is to enhance WHS measures, playing a vital role in shaping the standards and procedures of our workplace health and safety. During the reporting period, the Committee convened on four occasions.

During the reporting period, the WPCA facilitated WHS training for 107 new staff members as part of their corporate onboarding, employing a blended learning approach comprising face-to-face instruction and eLearning modules. In addition, all staff undertook refresher WHS training. Quarterly WHS inspections have been conducted during the reporting period, with no actions outstanding.

The WPCA continues to uphold essential volunteer positions that serve to bolster WHS and nurture our staff's psychosocial wellbeing. These roles encompass mental health first aid officers, emergency wardens, and first aid officers. Additionally, we have volunteer Health and Safety Representatives who provide support to the WPCA and its workforce, adhering to sections 68 and 69 of the *Work Health and Safety Act 2011*.

During the reporting period, the WPCA continued to enhance its safety protocols. Innovations included digitising our inspections and inductions' processes, establishing a Wellbeing Working Group, developing the WPCA Psychosocial Health and Wellbeing Procedure, and developing the Bradfield City WHS and Environmental Management Manual. In addition to these measures, our WPCA WHS Policy was reviewed to ensure continued compliance with ISO45001 Occupational Health and Safety Management Systems.

In relation to the Bradfield City site, the WPCA onboarded the WHS systems of 12 Site Service Provider organisations. It also conducted 16 WHS audits, with no significant negative findings. Furthermore, the WPCA has inducted 378 individuals to access WPCA controlled areas of the Bradfield City.

The WPCA also has a WHS representative on the Bradfield City Site Emergency Management and Consultation Group, and the Macarthur Zone Bush Fire Management Committee.

Claims and reports

Compensation claims as at 30 June 2023

Year	Workers Compensation premiums paid (\$)	Claims lodged	Open claims
2022-2023	\$135,207	0	0

Accidents and incidents reported

Cause type	Count
Slip/trip/fall (at work)	0
Slip/trip (journey/recess)	0
Falling object	0
Lifting	0
Cuts/burns	1
Driving/car related	0
Psychological	1
Ergonomic	0
Other*	5
Total	7

* The 'Other' category includes a range of general accidents and incidents that cannot be readily defined by the preceding identified cause types. Examples include minor near misses, reports by external visitors, and other undefined general incidents or illnesses. This data includes both WPCA Corporate and Bradfield City Site reporting data.

Modern Slavery Act 2018 (NSW) Workforce diversity

There have not been any issues raised by the Antislavery Commissioner or identified as a significant issue during the reporting period concerning the operations of WPCA.

The steps taken during the reporting period by WPCA to ensure that goods and services procured by and for WPCA are not a product of modern slavery are as follows:

1. Suppliers are screened by answering a series of questions
 - c. Is the Supplier's total annual turnover \$50M or above (which puts them in bracket where they have to report on the *Modern Slavery Act 2018*)?
 - d. Suppliers must describe and provide their modern slavery statement
 - e. Is the Supplier required to report under the NSW or Commonwealth modern slavery legislation or are they opting to do a voluntary report?
 - f. The Supplier needs to explain how their organisation safeguards the transparency of their supply chain and ensures that their suppliers do not engage in modern slavery as defined under the *Modern Slavery Act 2018 (NSW)*
 - g. Suppliers are provided with a link to the *Modern Slavery Act* so they are aware of the code requirements.
2. WPCA staff are encouraged to undertake the online training provided in the buy.nsw website. These are a series of 10 minute modules which teach staff what modern slavery is, what the WPCA and staff members own responsibility is for combatting modern slavery, how to identify and manage modern slavery risks during the procurement cycle and how to respond to suspected or actual instances of modern slavery.
3. Suppliers are monitored on a regular basis through performance evaluations, which also include information about their supply chains for goods and services.
4. WPCA provides assistance to the Supplier to rectify and improve any modern slavery issues and practices identified.

The principles of equity and diversity are paramount to a successful culture and continues to build a workplace that values and understands the importance of a diverse workforce which is reflective of the broader community.

Highlights of the workforce diversity initiatives included:

- Promoted NAIDOC and National Reconciliation weeks to staff through events and education.
- The Aboriginal and Torres Strait Islander Cultural Awareness program includes a mandatory online course and face to face learning sessions were available to all staff.
- Traditions relating to Ramadan, Easter, Passover and Diwali were discussed and reflected upon to provide an understanding of different cultures and beliefs.
- Staff celebrated International Women's Day by attending various events including a lunchtime learning session, debates and panel discussions.
- Promoted the NSW Aboriginal Procurement Policy to staff and encouraged the use of diverse suppliers where possible.
- Employed and mentored young workers across the organisation such as interns, trainees and graduates as part of the School Infrastructure Traineeship Program, Disability Internship Program, Aboriginal Internship Program and the NSW Government Graduate Program.
- Provided access to peer networks across government including the Diversity and Inclusion Network and Young Professionals Network.

Trends in the representation of Workforce Diversity Groups

The WPCA collects workforce diversity data for the NSW Public Service Commission as part of the annual Workforce Profile Collection. The profile measures performance in meeting NSW Government benchmarks for employing staff from diverse groups. It also informs the planning and development of diversity initiatives.

The table below demonstrates the trends in the representation of workforce diversity groups with benchmarks provided by the Public Service Commission. The data is based on employees who have completed a voluntary Equal Employment Opportunity (EEO) survey upon commencement with the WPCA.

Workforce Diversity Group	Benchmark / Target	2021	2022	2023
Women ¹	50%	60%	62.6%	59.9%
Aboriginal and/or Torres Strait Islander People ²	3.3%	1.8%	4.4%	4.3%
People whose First Language Spoken as a Child was not English ³	23.2%	7.3%	21.6%	29.8%
People with Disability ⁴	5.6%	3.6%	2.3%	3.8%
People with Disability requiring Work-Related Adjustment ⁴	N/A	N/A	N/A	N/A

Note 1: The benchmark of 50% for representation of women across the sector is intended to reflect the gender composition of the NSW community.

Note 2: The NSW Public Sector Aboriginal Employment Strategy 2014–17 introduced an aspirational target of 1.8% by 2021 for each of the sector's salary bands. If the aspirational target of 1.8% is achieved in salary bands not currently at or above 1.8%, the cumulative representation of Aboriginal employees in the sector is expected to reach 3.3%

Note 3: A benchmark from the Australian Bureau of Statistics (ABS) Census of Population and Housing has been included for People whose First Language Spoken as a Child was not English. The ABS Census does not provide information about first language but does provide information about country of birth. The benchmark of 23.2% is the percentage of the NSW general population born in a country where English is not the predominant language.

Note 4: In December 2017 the NSW Government announced the target of doubling the representation of people with disability in the NSW public sector from an estimated 2.7% to 5.6% by 2027. The benchmark for 'People with Disability Requiring Work-Related Adjustment' was not updated.

Financial performance

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INDEPENDENT AUDITOR'S REPORT

Western Parkland City Authority

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Western Parkland City Authority (the Authority), which comprise the Statement by the Board, the Statement of Comprehensive Income for the year ended 30 June 2023, the Statement of Financial Position as at 30 June 2023, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Statement of Significant Accounting Policies, and other explanatory information of the Authority and the consolidated entity. The consolidated entity comprises the Authority and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2018* (GSF Regulation) and the Treasurer's Directions
- presents fairly the Authority's financial position, financial performance and cash flows of the Authority and the consolidated entity.

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 Authority and the consolidated entity 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 (including Independence Standards)' (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 have fulfilled my other ethical responsibilities in accordance with APES 110.

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

The Board's Responsibilities for the Financial Statements

The Board is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and Treasurer's Directions. The Board's responsibility also includes such internal control as the Board determines 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 Board is responsible for assessing the Authority and the consolidated entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

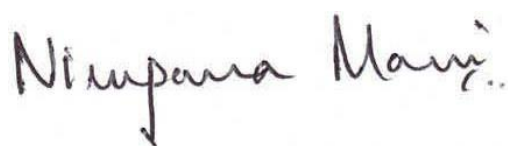
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

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/ar3.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Authority and the consolidated entity 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.



Nirupama Mani
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

11 October 2023
SYDNEY

Western Parkland City Authority

Statement by the Board

for the year ended 30 June 2023

Pursuant to section 7.6(4) of the Government Sector Finance Act 2018 ('the Act'), we state that these financial statements:

- have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the Government Sector Finance Regulation 2018 and the Treasurer's directions, and
- present fairly Western Parkland City Authority's financial position, financial performance and cash flows.



Jennifer Westacott AO

Chair

6 October 2023



Geoff Roberts AM

Deputy Chair

6 October 2023

**Statement of
comprehensive income
for the year ended
30 June 2023**

	Notes	Consolidated			Authority	
		Budget 2023 \$'000	Actual 2023 \$'000	Actual 2022 \$'000	Actual 2023 \$'000	Actual 2022 \$'000
Expenses excluding losses						
Employee-related	2(a)	21,504	17,130	13,626	-	-
Personnel services	2(b)	-	-	-	17,130	13,626
Operating expenses	2(c)	34,229	24,056	14,916	24,056	14,916
Depreciation and amortisation	2(d)	1,547	182	440	182	440
Finance costs		-	-	3	-	3
Grants and subsidies	2(e)	26,664	16,734	33,432	16,734	33,432
Total expenses excluding losses		83,944	58,102	62,417	58,102	62,417
Revenue						
Grants and other contributions	3(a)	261,534	158,125	360,144	158,125	360,144
Acceptance by the crown of employee benefits and other liabilities	3(b)	-	175	167	-	-
Other revenue		-	40	76	215	243
Total revenue		261,534	158,340	360,387	158,340	360,387
Operating result		177,590	100,238	297,970	100,238	297,970
Gains/ (losses) on disposal of plant and equipment		-	(58)	-	(58)	-
Net result		177,590	100,180	297,970	100,180	297,970
Other comprehensive income		-	-	-	-	-
Total other comprehensive income		-	-	-	-	-
Total comprehensive income		177,590	100,180	297,970	100,180	297,970

The accompanying notes form part of these financial statements.

Statement of
financial position as at
30 June 2023

Notes	Consolidated			Authority	
	Budget 2023 \$'000	Actual 2023 \$'000	Actual 2022 \$'000	Actual 2023 \$'000	Actual 2022 \$'000

Assets

Current assets

Cash and cash equivalents	4	19,430	60,151	25,848	59,485	25,476
Receivables	5	572	3,485	1,559	3,431	1,540
Total current assets		20,002	63,636	27,407	62,916	27,016

Non-current assets

Property, plant and equipment

Land and buildings		464,152	342,181	313,911	342,181	313,911
Plant and equipment		20,334	7,517	824	7,517	824
Infrastructure systems		14,304	43,632	13,092	43,632	13,092
Total property, plant and equipment	6	498,790	393,330	327,827	393,330	327,827
Right-of-use assets	7	-	45	104	45	104
Total non-current assets		498,790	393,375	327,931	393,375	327,931
Total assets		518,792	457,011	355,338	456,291	354,947

Liabilities

Current liabilities

Payables	9	9,322	12,793	12,335	12,073	11,944
Provisions	10	1,675	2,442	2,135	2,442	2,135
Borrowings		-	35	52	35	52
Total current liabilities		10,997	15,270	14,522	14,550	14,131

Non-current liabilities

Payables	9	-	208	-	208	-
Provisions	10	50	611	40	611	40
Borrowings		-	-	34	-	34
Total non-current liabilities		50	819	74	819	74
Total liabilities		11,047	16,089	14,596	15,369	14,205
Net assets		507,745	440,922	340,742	440,922	340,742

Equity

Accumulated funds		507,745	440,922	340,742	440,922	340,742
Total equity	11	507,745	440,922	340,742	440,922	340,742

The accompanying notes form part of these financial statements.

Statement of changes in equity
for the year ended
30 June 2023

Notes	Consolidated		Authority	
	Accumulated Funds \$'000	TOTAL \$'000	Accumulated Funds \$'000	TOTAL \$'000
Balance at 1 July 2022	340,742	340,742	340,742	340,742
Net result for the year	100,180	100,180	100,180	100,180
Total comprehensive income for the year	100,180	100,180	100,180	100,180
Balance at 30 June 2023	440,922	440,922	440,922	440,922

Balance at 1 July 2021	42,772	42,772	42,772	42,772
Net result for the year	297,970	297,970	297,970	297,970
Total comprehensive income for the year	297,970	297,970	297,970	297,970
Balance at 30 June 2022	340,742	340,742	340,742	340,742

The accompanying notes form part of these financial statements.

Statement of cash flows
for the year ended
30 June 2023

Notes	Consolidated			Authority	
	Budget 2023 \$'000	Actual 2023 \$'000	Actual 2022 \$'000	Actual 2023 \$'000	Actual 2022 \$'000

Cash flows from operating activities

Payments

Employee related	(21,504)	(16,366)	(12,346)	-	-
Personnel services	-	-	-	(16,386)	(12,326)
Suppliers for goods and services	-	(31,216)	(8,766)	(31,524)	(8,849)
Grants and subsidies	(26,664)	(17,939)	(33,432)	(17,939)	(33,432)
Finance costs	-	-	(3)	-	(3)
Other payments	(34,229)	-	(29,551)	-	(29,551)
Total payments	(82,397)	(65,521)	(84,098)	(65,849)	(84,161)

Receipts

Grants and other contributions	261,534	158,396	360,145	158,396	360,145
Other receipts	-	5,214	31,885	5,248	31,885
Total receipts	261,534	163,610	392,030	163,644	392,030
Net cash flows from operating activities	15	179,137	307,932	97,795	307,869

Cash flows from investing activities

Purchases of property, plant and equipment	(170,709)	(63,734)	(314,629)	(63,734)	(314,629)
Net cash flows from investing activities	(170,709)	(63,734)	(314,629)	(63,734)	(314,629)

Cash flows from financing activities

Payment of principal portion of lease liabilities	-	(52)	(434)	(52)	(434)
Net cash flows from financing activities	-	(52)	(434)	(52)	(434)

Net increase / (decrease) in cash and cash equivalents

Opening cash and cash equivalents	11,002	25,848	32,979	25,476	32,670
Closing cash and cash equivalents	4	19,430	25,848	59,485	25,476

The accompanying notes form part of these financial statements.

Notes to and forming part of the financial statements for the year ended 30 June 2023

1 Statement of Significant Accounting Policies

a) Reporting entity

The Western Parkland City Authority (the Authority) is a NSW government entity and is controlled by the State of New South Wales, which is the ultimate parent. The Authority as a reporting entity, comprises all the entities under its control, namely The Western Parkland City Authority, The Western Parkland City Authority Staff Agency (Staff Agency) and Advanced Manufacturing Research Facility Pty Limited (AMRF). The Staff Agency's sole objective is to provide personnel services to the Authority while the AMRF is an industry led collaborative facility established to further the commercialisation of advanced manufacturing products and processes. AMRF was incorporated on 16 March 2023 and is a dormant entity with no balances or transactions for the period ended 30 June 2023. The Reporting entity is consolidated as part of the NSW Total State Sector Accounts.

In accordance with *Administrative Arrangements (Administrative Changes – Miscellaneous) Order 2023*, dated and effective 5 April 2023, The Western Parkland City Authority and The Western Parkland City Authority Staff Agency were transferred from Enterprise, Investment and Trade Cluster to the Planning and Environment Cluster. Subsequent to this and in accordance with *Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No 5) 2023*, dated 28 June 2023 and effective 1 July 2023, all parts of the Staff Agency has been transferred to Department of Planning and Environment, and the Staff Agency abolished from that date.

In the process of preparing the consolidated financial statements for the economic entity, consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated, and like transactions and other events are accounted for using uniform accounting policies.

The Authority is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

These consolidated financial statements for the year ended 30 June 2023 have been authorised for issue by the Authority's Board.

b) Basis of preparation

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

- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
- the requirements of the *Government Sector Finance Act 2018 (GSF Act)*; and
- Treasurer's Directions issued under the GSF Act.

The Authority's financial statements have been prepared on a going concern basis, which contemplates the continuity of normal operating activity and the realisation of assets and the settlement of liabilities in the normal course of operations. The Authority receives its funding under appropriations from grant funding received from the Department of Planning and Environment which receives appropriations from the Consolidated Fund. Appropriations for each financial year are set out in the Appropriation Bill that is prepared and tabled for that year. The State Budget and related 2023-24 Appropriation Bill has been delayed until September 2023. However, pursuant to section 4.10 of the GSF Act, the Treasurer has authorised Ministers to spend specified amounts from Consolidated Fund. This authorisation is current from 1 July 2023 until the earlier of 30 September 2023 or release of the 2023-24 Appropriation Act.

Property, plant and equipment and certain financial assets and liabilities are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention, except as otherwise specified. Detailed accounting policies the Authority has adopted have been disclosed within the notes to the financial statements.

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

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the Authority's presentation and functional currency.

c) Statement of compliance

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

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

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

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

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

e) Comparative information

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

f) Changes in accounting policies, including new or revised AAS

i. Effective for the first time in FY 2022-23

The accounting policies applied in 2022-23 are consistent with those of the previous financial year. The following amendments and interpretations apply for the first time in 2022-23. The Authority considers the impact from these on the financial statement to be immaterial.

- *AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*
- *AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current – Deferral of Effective Date*
- *AASB 2021-7a Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]*
- *AASB 2022-3 Amendments to Australian Accounting Standards – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15*

ii. Issued but not yet effective

NSW public sector entities are not permitted to early adopt new AAS, unless Treasury determines otherwise. The following new AAS have not been applied and are not yet effective, in accordance with the NSW Treasury mandate (TPG 23-04).

- *AASB 17 Insurance Contracts*
- *AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*
- *AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*
- *AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- *AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards*
- *AASB 2021-7b Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*
- *AASB 2021-7c Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*
- *AASB 2022-1 Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information*
- *AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback*
- *AASB 2022-6 Amendments to Australian Accounting Standards – Non-Current Liabilities with Covenants*
- *AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*
- *AASB 2022-8 Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments*
- *AASB 2022-9 Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector*
- *AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.*

The Authority anticipates that the adoption of these Standards in the period of initial application will have no material impact on the financial statements.

g) Significant accounting judgements, estimates and assumptions

The preparation of the Authority's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are provided in the individual notes (as applicable). The Authority based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Authority. Such changes are reflected in the assumptions when they occur.

h) Impact of COVID-19 on Financial Reporting for 2022-23

The Authority experienced no significant impact in the financial year as a result of COVID 19. The Authority's finances, liquidity position, control environment and general operations carried on without any major impediment. Further, there were no material valuation impacts from COVID-19 identified on the Authority's non-current assets.

2 Expenses excluding losses

	Consolidated		Authority	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
(a) Employee related expenses				
Salaries and wages (including annual leave)	14,878	11,741	-	-
Redundancy	209	337	-	-
Superannuation - defined benefit plans	20	42	-	-
Superannuation - defined contributions plans	839	562	-	-
Long service leave	172	220	-	-
Workers' Compensation Insurance	99	81	-	-
Payroll tax and fringe benefits tax	913	643	-	-
Total	17,130	13,626	-	-
(b) Personnel services				
Personnel services	-	-	17,130	13,626
Total	-	-	17,130	13,626

Employee related expenses in the current financial year relates to the provision of personnel services by the Staff Agency to the Authority.

\$8.4 million (2022: \$4 million) of employee related costs have been capitalised to work-in-progress and are therefore excluded from the above.

There are no employee related maintenance expenses.

	Consolidated		Authority	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
(c) Other operating expenses include the following:				
Auditor's remuneration				
- Audit of the financial statements	120	123	120	123
- Internal audit	48	82	48	82
Fees for services	12,415	7,382	12,415	7,382
Board remuneration and expenses	625	620	625	620
Legal fees	908	758	908	758
Consultants	995	184	995	184
Contractors	4,321	3,903	4,321	3,903
Corporate services	1,131	613	1,131	613
Maintenance expenses*	45	36	45	36
Occupancy costs	1,353	259	1,353	259
Insurance	177	123	177	123
Other operating expenses	1,918	833	1,918	833
Total	24,056	14,916	24,056	14,916

Consolidated		Authority	
2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000

*Reconciliation Total Maintenance Expense

Maintenance expense –contracted labour and other (non-employee related), as above	45	36	45	36
Employee related maintenance expense included in Note 2(a)	-	-	-	-
Total maintenance expenses included in Note 2(a) + 2(b)	45	36	45	36
*Reconciliation - Total maintenance expense	45	36	45	36

Consolidated		Authority	
2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000

(d) Depreciation and amortisation

Depreciation -right-of-use assets	-	302	-	302
Depreciation -plant and equipment	182	138	182	138
Total depreciation and amortisation	182	440	182	440

Refer to Note 6 and 7 for recognition and measurement policies on depreciation.

Consolidated		Authority	
2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000

(e) Grants and subsidies

Local government	16,734	33,432	16,734	33,432
Total grants and subsidies	16,734	33,432	16,734	33,432

Recognition and Measurement

(i) Fees for Services and Consultants Costs

The Fees for Services rendered, and Consultants Costs have been incurred by the Authority to meet its commitments in delivering project goals related to the Bradfield City. This specifically relates to the portion of fees for services rendered that cannot be capitalised. Consultant cost is recognised when a person or organisation is engaged under contract on a temporary basis to provide recommendations or professional advice to assist decision-making by management whereas Fees for Services is recognised for all other contracts that are not advisory in nature.

(ii) Contractors Cost

A Contractor cost is recognised when any individual or organisation (other than a consultant) is engaged to undertake work that would or could be regarded as normally undertaken by an employee, but internal expertise is not available. Contractors normally work under management supervision using the Authority's resources.

(iii) Maintenance expense

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

(iv) Insurance

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

(v) Occupancy Costs

The occupancy costs include fee for service expenses related to the Authority's office accommodation such as service fees, cleaning and management fees for all accommodation.

(vi) Grants and Subsidies

Grants and subsidies expenses consist of expenditure paid to other government agencies or local Councils. All expenses are recognised as expenses in the period in which they are incurred.

3 Revenue

Consolidated		Authority	
2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000

(a) Grants and contributions

Grants without sufficiently specific performance obligations

Capital grants	93,500	316,450	93,500	316,450
Recurrent grants	55,750	39,706	55,750	39,706
Other grants	8,875	3,988	8,875	3,988
Total	158,125	360,144	158,125	360,144

Recognition and Measurement

Income is recognised in accordance with the requirements of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities, dependent on whether there is a contract with a customer defined by AASB 15 Revenue from Contracts with Customers. Comments regarding the accounting policies for the recognition of income are discussed below.

Income from grants without sufficiently specific performance obligations is recognised when the Authority obtains control over the granted assets. Control is normally obtained upon receipt of cash.

(b) Acceptance by the Crown of employee benefits and other liabilities

The following liabilities and/or expenses have been assumed by the Crown:

	Consolidated		Authority	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Long service leave	155	164	-	-
Superannuation – defined benefit	20	3	-	-
Total	175	167	-	-

4 Current assets -Cash and Cash equivalents

	Consolidated		Authority	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Cash at bank and on hand	60,151	25,848	59,485	25,476
Total	60,151	25,848	59,485	25,476

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash at bank and cash on hand. Refer to Note 16 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

5 Current assets – Receivables

	Consolidated		Authority	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
GST receivables	3,000	682	3,000	682
Other	127	374	73	355
Prepayment	358	503	358	503
Total current assets - receivables	3,485	1,559	3,431	1,540

Recognition and measurement

Trade and other receivables

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement

The Authority holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the period when impaired, derecognised or through the amortisation process.

Details regarding credit risk of trade receivables that are neither past due nor impaired, are disclosed in Note 16.

6 Non-current assets - property, plant and equipment

Consolidated and Authority					
Work in Progress (Land & Building) \$'000	Work in Progress (Infrastructure) \$'000	Work in Progress (leasehold improvements) \$'000	Land and Buildings \$'000	Plant and Equipment \$'000	Total \$'000

At 1 July 2021- fair value

Gross carrying amount	12,982	-	-	-	453	13,435
Accumulated depreciation and impairment	-	-	-	-	(98)	(98)
Net carrying amount	12,982	-	-	-	355	13,337

Year ended 30 June 2022

Net carrying amount at beginning of year	12,982	-	-	-	355	13,337
Additions	7,929	13,092	300	293,000	307	314,628
Disposals	-	-	-	-	-	-
Depreciation expense	-	-	-	-	(138)	(138)
Net carrying amount at end of year	20,911	13,092	300	293,000	524	327,827

At 1 July 2022- fair value

Gross carrying amount	20,911	13,092	300	293,000	760	328,063
Accumulated depreciation and impairment	-	-	-	-	(236)	(236)
Net carrying amount	20,911	13,092	300	293,000	524	327,827

Year ended 30 June 2023

Net carrying amount at beginning of year	20,911	13,092	300	293,000	524	327,827
Additions	28,270	30,540	6,315	-	618	65,743
Disposals	-	-	-	-	(58)	(58)
Depreciation expense	-	-	-	-	(182)	(182)
Net carrying amount at end of year	49,181	43,632	6,615	293,000	902	393,330

At 30 June 2023- fair value

Gross carrying amount	49,181	43,632	6,615	293,000	1,282	393,710
Accumulated depreciation and impairment	-	-	-	-	(380)	(380)
Net carrying amount	49,181	43,632	6,615	293,000	902	393,330

All property, plant and equipment is held by the Authority. There is no property, plant and equipment where the Authority is a lessor under operating lease except for the portion of the land leased to Sydney Metro. Refer to note 7 for details of the operating lease where the Authority is a lessor.

Recognition and Measurement

Acquisition of property, plant and equipment

Property, plant and equipment are initially measured 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 attributed to that asset when initially recognised in accordance with the requirements of other AAS.

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. the 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.

Capitalisation thresholds

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

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.

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.

Works in progress

Costs relating to property, plant and equipment that are under construction, or are otherwise incomplete, are disclosed as work in progress and are not depreciated until the assets are brought into service.

The value of work in progress will generally reflect the costs incurred to date in the creation of the asset (and whether those costs contributed to value) and the expectations of participants.

All amounts under work in progress (land & building and infrastructure) are costs that have been incurred and capitalised in relation to the master planning and development of the Bradfield City.

Depreciation of property, plant and equipment

Except for certain non-depreciable assets, depreciation is provided for on a straight-line basis so as to write-off the depreciable amount of each asset as it is consumed over its useful life to the Authority.

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

The following depreciation rates have been applied in financial year 2022-23 and are consistent with prior year 2021-22:

Category of assets	Depreciation rates
Office furniture and fittings	10%
Computer equipment	25%
General plant and equipment	14% - 33%

Land is not a depreciable asset.

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 (TPP21-09) and Treasurer's Direction Valuation of Physical Non-Current Assets at Fair Value' (TD21-05). TD21-05 and TPP21-09 adopt fair value in accordance with AASB 13, AASB 116 and AASB 140 Investment Property.

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 to Note 8 for further information regarding fair value.

Revaluations are made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The Authority conducts a comprehensive revaluation at least every three years for its land and buildings (except infrastructure and land under infrastructure) where the market or income approach is the most appropriate valuation technique and at least every five years for other classes of property, plant and

equipment. The last comprehensive revaluation of Land was completed on 31 March 2022 and was based on an independent assessment.

Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from carrying value. A revaluation of Land was completed on 31 March 2023. The Authority used an external professional qualified valuer to conduct the revaluation. The valuation at 31 March 2023 resulted in similar value to the 30 June 2023 valuation.

The Authority's plant and equipment are non-specialised assets with short useful lives and are measured at depreciated historical cost, which for these assets approximates fair value. The Authority has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

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 on 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 revaluation surplus 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.

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. Since property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material.

The Authority 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 Authority estimates the asset's 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.

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.

After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. The reversal is recognised in other comprehensive income and is treated as a revaluation increase, except to the extent that an impairment loss on the same class of asset was previously recognised in net result, then the reversal recognised in net result.

7 Leases

Authority as a lessee

The Authority has service arrangements for its office accommodation with Property NSW that do not qualify as leases under AASB 16 and as such are recognised as Fee-for Service expenses as and when incurred.

During 2021-22, the Authority entered into an agreement with the private sector for a temporary office set up in the Authority's land for a period of 24 months from April 2022. The Authority has determined this arrangement to contain a lease under AASB 16 Leases and recognises a right-of-use asset and a corresponding lease liability in the financial statement. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. The Authority does not provide residual value guarantees in relation to the leases.

Recognition and measurement

The Authority assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

i. Right-of-use assets

The Authority recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability (refer ii below), adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

The right-of-use assets are subsequently measured at cost. They are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land and buildings 2 to 3 years

If ownership of the leased asset transfers to the Authority at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii. Lease liabilities

At the commencement date of the lease, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- exercise price of a purchase options reasonably certain to be exercised by the Authority; and
- payments of penalties for terminating the lease, if the lease term reflects the Authority exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Authority's leases, the lessee's incremental borrowing rate is used, being the rate that the Authority would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Authority's lease liabilities are included in borrowings.

Authority as a lessor

In 2021-22, the Authority leased a portion of its land to Sydney Metro for an annual rental payment of \$1 with the lease termination date of 31 December 2025.

An operating lease is a lease other than a finance lease. Based on the lease terms and conditions, the Authority has classified this lease as an operating lease. Rental income arising from the lease is accounted for on a straight-line basis over the lease term and is included in revenue in the Statement of Comprehensive Income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the underlying asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Future minimum rentals receivables (undiscounted) under non-cancellable operating lease as at 30 June 2023 are considered to be immaterial.

8 Fair value measurement of non-financial assets

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.

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the Authority categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

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

The Authority recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(a) Fair value hierarchy

	June 2023 - Consolidated and Authority			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total Fair Value \$'000
Land	-	293,000	-	293,000
Work-in-Progress (land & building)	-	49,181	-	49,181
Work-in-Progress (infrastructure)	-	43,632	-	43,632
Total – Land and buildings	-	385,813	-	385,813

	June 2023 - Consolidated and Authority			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total Fair Value \$'000
Land	-	293,000	-	293,000
Work-in-Progress (land & building)	-	20,911	-	20,911
Work-in-Progress (infrastructure)	-	13,092	-	13,092
Total – Land and buildings	-	327,003	-	327,003

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

(b) Valuation techniques, inputs and processes

The Authority engages an external, independent and qualified valuer to determine the value of the Authority's Land and building assets. The valuers used market-based direct comparison method to value the Authority's assets. The market-based model used by the independent valuers uses quoted prices from the active property market for identical assets adjusted for size, location, zoning and other relevant attributes.

9 Current/non-current liabilities - payables

	Consolidated		Authority	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Current				
Accrued salaries, wages and on costs	739	491	-	-
Payable for personnel services	-	-	628	409
Creditors and accruals	12,054	11,844	11,445	11,535
Total current liabilities - payables	12,793	12,335	12,073	11,944
Non-Current				
Payables	208	-	208	-
Total non-current liabilities - payables	208	-	208	-

Details regarding liquidity risk, including a maturity analysis of the above payables are disclosed in Note 16.

Recognition and measurement

Payables represent liabilities for goods and services provided to the Authority 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. Payables are financial liabilities at amortised cost, initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the net result when the liabilities are derecognised as well as through the amortisation process.

10 Current/non-current liabilities – provisions

	Consolidated		Authority	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Current				
Employee benefits and related on-costs				
Annual leave	2,011	1,686	-	-
Long service leave	431	409	-	-
Provision for personnel services	-	-	2,442	2,095
Total employee provisions	2,442	2,095	2,442	2,095
Other				
Make good provision	-	40	-	40
Total current provision	2,442	2,135	2,442	2,135
Non-current				
Employee benefits and related on-costs				
Long service leave	43	40	-	-
Provision for personnel services	-	-	43	40
Other				
Make good provision	568	-	568	-
Total non – current provision	611	40	611	40
Current annual leave obligations expected to be settled after 12 months	391	390	-	-
Current long service leave obligations expected to be settled after 12 months	43	40	-	-
Provision for personnel services expected to be settled after 12 months	-	-	434	430
Total	434	430	434	430
Aggregate employee benefits and related on-costs				
Provisions	2,485	2,135	-	-
Provision for personnel services	-	-	2,485	2,135
Accrued salaries, wages and on-costs (note 9)	739	491	-	-
Payable for personnel services (note 9)	-	-	628	409
Total	3,224	2,626	3,113	2,544

Movement in provisions (other than employee benefits)

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	Make good provision	Total
Carrying amount at 1 July 2022	40	40
Additional provision recognised	568	568
Amounts used	-	-
Unused amounts reversed	(40)	(40)
Carrying amount at 30 June 2023	568	568

Employee benefits and related on-costs

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 the undiscounted amounts of the benefits.

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.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 Employee Benefits (although short-cut methods are permitted).

Actuarial advice obtained by NSW Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 8.4% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Authority has assessed the actuarial advice based on the Authority'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 Authority does not expect to settle the liability within 12 months as the Authority does not have an unconditional right to defer settlement.

Long service leave and superannuation

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

Long service leave is measured at the 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.

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.

Make-Good Provision

Provisions are recognised when: the Authority has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The Make-Good Provision recognised in 2022-23 is related to the Authority's office accommodation in Penrith. The impact from discounting to affect the time value of money is considered to be immaterial.

11 Equity

Accumulated Funds

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

12 Commitments

Consolidated		Authority	
2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000

Capital commitments

Aggregate capital expenditure contracted for at balance date and not provided for:

Within one year	62,352	12,906	62,352	12,906
Later than one year and not later than five years	9,432	674	9,432	674
Later than five years	-	-	-	-
Total (including GST)	71,784	13,580	71,784	13,580

Total Capital Commitments disclosed above Includes GST amounting to \$6.5 million (2022: \$1.24 million).

13 Contingent assets / liabilities

The Authority is not aware of any significant or material contingent assets or liabilities in existence at the reporting date (2022: \$nil) that may materially impact on the financial position of the Authority.

14 Budget review

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g., adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the financial statements are explained below.

Net result

The actual net result was lower than budget by \$77.4 million. The decrease was driven mainly by the Authority's lower than expected Bradfield City capital program expenditure arising mainly from timing differences between the budgeted expenditure phasing and the actual delivery.

Assets and liabilities

Actual current assets are higher than budget by \$43.6 million mainly due to higher than budgeted cash balance of \$40.7 million, driven primarily by lower than budgeted capital program expenditure.

Non-current assets are lower than budget by \$105.4 million due to lower than budgeted capital program expenditure. The lower capital expenditure is mainly due to timing differences between the budgeted expenditure phasing and actual delivery.

Current liabilities are higher than the budget by \$4.3 million mainly due to higher payables related to the City Deal Liveability Program.

Non-current liabilities are higher than budget by \$0.8 million mainly due to the recognition of make good provision related to the Authority's office accommodation.

Cash flows

The net cash flows from operating activities are lower than budget by \$81.1 million mainly due to lower-than-expected capital program expenditure leading to lower than budgeted Cluster Grant receipt.

15 Reconciliation of cash flows from operating activities to net result

Reconciliation of cash flows from operating activities to the net result as reported in the Statement of Comprehensive Income as follows:

	Consolidated		Authority	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Net cash used on operating activities	98,089	307,932	97,795	307,869
Net gain/ (loss) on disposal of PP&E	(58)	-	(58)	-
Accrued PP&E liability included in investing activities	1,381	-	1,381	-
Make Good Provision	568	-	568	-
Depreciation and amortisation	(182)	(440)	(182)	(440)
Decrease/(increase) in provisions	(878)	(862)	(878)	(862)
Increase/(decrease) in receivables and other assets	1,926	1,121	1,891	828
Decrease/(increase) in payables	(666)	(9,781)	(337)	(9,425)
Net result	100,180	297,970	100,180	297,970

16 Financial instruments

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

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

The Board and Chief Executive Officer have overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies have been established to identify and analyse the risks faced by the Authority, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Authority on a continuous basis.

(a) Financial instrument categories

Class	Note	Category	Consolidated		Authority	
			2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
			Carrying amount		Carrying amount	
Financial assets						
Cash and cash equivalents	4	Amortised cost	60,151	25,848	59,485	25,476
Receivables ¹	5	Amortised cost	127	374	73	355
Financial liabilities						
Payables ²	9	Financial liabilities measured at amortised cost	12,856	12,223	12,281	11,925
Borrowings		Financial liabilities measured at amortised cost	35	86	35	86

Notes:

¹ Excludes statutory receivables and prepayments (not within scope of AASB 7).

² Excludes statutory payables and unearned revenue (not within scope of AASB 7). Includes lease liabilities.

The Authority 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.

(b) Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Authority transfers its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- the Authority has transferred substantially all the risks and rewards of the asset; or
- the Authority has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control.

When the Authority has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

Where the Authority 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 Authority's continuing involvement in the asset. In that case, the Authority 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 Authority 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 Authority 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.

(c) Offsetting financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Statement of Financial Position if there is currently an enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(d) Financial risks

Credit risk

Credit risk arises when there is the possibility of the Authority's debtors defaulting on their contractual obligations, resulting in a financial loss to the Authority. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment). Credit risk arises from the financial assets of the Authority, including cash and receivables. No collateral is held by the Authority. The Authority has not granted any financial guarantees.

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

The Authority considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Authority may also consider a financial asset to be in default when internal or external information indicates that the Authority is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Authority.

Cash and cash equivalents

Cash comprises of cash on hand and bank balances within the NSW Treasury Banking System.

i. Receivables - trade receivables

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's

Directions are followed to recover outstanding amounts, including letters of demand.

The Authority applies the AASB 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debtors.

To measure the expected credit losses, trade receivables are grouped based on a shared credit risk characteristic and the days past due. The expected loss rates are based on historical observed loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Authority has identified the unemployment rate, wages growth rate and CPI inflation to be the most relevant factors, and accordingly adjusts the historical rates based on expected changes in these factors.

Trade debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments.

The allowance for trade receivables was determined to be \$nil at 30 June 2023 (2022: \$nil).

The Authority is not materially exposed to concentrations of credit risk to a single debtor or group of debtors as at 30 June 2023 or 30 June 2022. The Authority's credit risk arising from receivables is minimal as it is mainly held by Federal and NSW Government Agencies.

Liquidity risk

Liquidity risk is the risk that the Authority will be unable to meet its payment obligations when they fall due. The Authority continuously manages risk through monitoring future cash flows from contributions received from NSW Treasury via the principal Department.

During the current year and prior, there were no defaults of payments to suppliers and borrowing payments. No assets have been pledged as collateral. The Authority's exposure to liquidity risk is deemed insignificant based on prior period's data and the current assessment of risk.

Liabilities are recognised for amounts due to be paid in the future for goods and services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11-12. For small business suppliers, where terms are not specified, payment is made no later than 30 days from the receipt of a correctly rendered invoice.

For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payment to other suppliers, the payment of simple interest is at the discretion of the Authority's management.

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

Consolidated	Weighted average effective interest Rate	Interest rate exposure				Maturity dates		
		Nominal Amount ¹ \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non-interest bearing \$'000	< 1 year \$'000	1 to 5 years \$'000	> 5 years \$'000
June 2023 payables								
Accrued salaries, wages and on costs	-	566	-	-	566	566	-	-
Creditors	-	12,290	-	-	12,290	12,082	208	-
Borrowings								
Lease liabilities	1.60%	35	35	-	-	35	-	-
Total		12,891	35	-	12,856	12,683	208	-
June 2022 payables								
Accrued salaries, wages and on-costs	-	491	-	-	491	491	-	-
Creditors	-	11,732	-	-	11,732	11,732	-	-
Borrowings								
Lease liabilities	1.60%	86	86	-	-	52	34	-
Total		12,309	86	-	12,223	12,275	34	-

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

¹ The amounts disclosed here exclude statutory payables and unearned revenue (not within scope of AASB 7).

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Authority's exposures to market risk are primarily through interest rate risk on the Authority's lease liabilities and cash balances. The Authority has no exposure to foreign currency risk and does not enter into commodity contracts.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Authority's exposure to interest rate risk through interest bearing liabilities and cash at bank is \$nil at 30 June 2023 (2022: \$nil)

Lease liabilities are fixed rate financial instruments. The Authority does not account for any fixed rate financial instruments at fair value through profit or loss or as at fair value through other comprehensive income. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity.

The Authority does not earn interest on its cash balances. Interest earned is retained by NSW Treasury.

(e) Fair value measurement

i. Fair value compared to carrying amount

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.

The Authority does not hold financial assets or financial liabilities where their fair values differ from carrying amount.

ii. Fair value recognised in the Statement of Financial Position

The Authority's management assessed that cash and cash equivalents, receivables, payables and other current liabilities approximate their fair values, largely due to the short-term maturities of these instruments. The Authority does not hold financial assets or financial liabilities that are valued at fair value using valuation techniques.

17 Related party disclosures

In accordance with AASB 124 Related Party Disclosures, key management personnel are those having authority and responsibility for planning, directing, and controlling activities of the Authority. For the Authority, these consist of the Chief Executive Officer and the Board of Directors.

Compensation - key management personnel

Consolidated	2023 \$'000	2022 \$'000
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The authority's key management personnel compensation are as follows:

Short term employee benefits

Salaries and wages	1,136	1,240
Other long term employee benefits	13	18
Termination benefits	-	-
Total remuneration	1,149	1,258

The Authority did not enter into any transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

Transaction with related parties

During the period, there were no material transactions between key management personnel of the Authority or their associates with any NSW Government entities.

During the Period, the Authority entered into transactions with NSW Government related entities that are controlled, jointly controlled or significantly influenced by NSW Government. These transactions are all at arm's length and in the ordinary course of the business of the Authority.

The transactions include:

- Grants and contributions received from the Department of Enterprise, Investment and Trade amounting to \$151.25 million;
- Grants and contributions received from NSW Treasury amounting to \$6.58 million;
- Grants, subsidies and service fees paid to Department of Regional NSW on account of Western Parklands City Liveability Program amounting to \$17.8 million;
- Payments to various other NSW Government Departments and agencies related to secondments, ICT charges and other normal course of business;
- Long service leave and defined benefit superannuation assumed by the Crown;
- Payments to Department of Customer Service and Department of Enterprise, Investment and Trade on account of shared service and other charges;
- Payments into the NSW Self Insurance Corporation for workers' compensation insurance and other insurances; and
- Payments to Property NSW on account of office accommodation.

18 Events after the reporting period

There have been no other significant events occurring after the reporting period which may affect either the Authority's operations or results of those operations or the Authority's state of affairs except for the impact from the Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No 5) 2023, dated 28 June 2023 and effective 1 July 2023. Refer to note 1 (a) for further details.

End of audited financial statements

Appendices

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Appendix A

Internal Audit and Risk Management Attestation Statement for the 2022-2023 Financial Year for Western Parkland City Authority

I, **Jennifer Westacott** am of the opinion that the **Western Parkland City Authority** has internal audit and risk management processes in operation that are compliant with the seven (7) Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*, specifically:

Core Requirements	For each requirement, please specify whether compliant, non-compliant, or in transition
Risk Management Framework	
1.1 The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	Compliant
1.2 The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	Compliant
Internal Audit Function	
2.1 The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.	Compliant
2.2 The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	Compliant
2.3 The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant
Audit and Risk Committee	
3.1 The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
3.2 The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant

Membership

The independent chair and members of the Audit and Risk Committee are:

Role	Name	Start term date	Finish term date
Board Member and Chair	Gabrielle Trainor	24 September 2019	23 September 2024
Independent Member	Elizabeth Crouch	24 September 2019	23 September 2024
Independent Member	Bruce Turner	19 December 2022	18 December 2025
Independent Member	Christine Hawkins	19 December 2022	18 December 2025
Board Member	Anthea Hammon	20 February 2023	19 February 2026
Former Independent Member	Peter Loxton	24 September 2019	22 November 2022
Former Independent Member	Paul Ruiz	24 September 2019	22 November 2022


Jennifer Westacott
 Chair

Western Parkland City Authority

Date: 11 / 8 / 2023

Agency Contact Officer

Virginia Tinson
 Director, Governance, Audit and Risk
 Tel. 61 2 9372 7292

Appendix B

NSW Cyber Security Policy Annual Attestation Statement for the 2022 - 2023 Financial Year for the Western Parkland City Authority

I, Anne Skewes, am of the opinion that the Western Parkland City Authority (Authority) has managed cyber security risks in a manner consistent with the Mandatory Requirements set out in the NSW Government Cyber Security Policy, specifically that:

- Governance is in place to manage cyber security maturity and initiatives
- Risks to information and systems have been assessed and are managed
- There is a cyber incident response plan
- There is an approved and funded cyber security uplift program and service partnership in place with the Department of Customer Service (DCS) Office of the Chief Information Security Officer (CISO) to increase maturity and address known gaps

I base this opinion on the Cyber Security Attestation assessment undertaken by the Authority's Information Technology team in partnership with the information technology and cyber security services provided to the Authority by DCS. DCS has provided a separate attestation to Cyber Security NSW to complement the Authority's attestation, covering those GovConnect systems and services where the Authority falls under the over-arching DCS Cyber Security framework.



Anne Skewes
A/ CEO, Western Parkland City Authority

Date: 25 September 2023

Western Parkland City Authority

Annual Report 2022/23

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