9. Transport Cluster

Agency	Expenses			Capital Expenditure		
	2013-14 Revised $m	2014-15 Budget $m	Var. %	2013-14 Revised $m	2014-15 Budget $m	Var. %
Transport for NSW						
Service Group						
Asset Maintenance	2,842.3	2,941.0	3.5	153.5	189.8	23.6
Services and Operations	4,347.2	4,664.2	7.3	87.5	92.6	5.8
Growth and Improvement	4,596.1	5,362.3	16.7	2,400.1	2,680.9	11.7
Cluster Grant Funding	4.4	4.3	(1.9)	...	...	...
Total	11,789.9	12,971.8	10.0	2,641.1	2,963.3	12.2
Roads and Maritime Services						
Service Group						
Asset Maintenance	1,024.1	812.2	(20.7)	558.6	616.4	10.3
Services and Operations	3,097.8	2,841.8	(8.3)	46.2	63.2	36.8
Growth and Improvement	76.2	79.3	4.0	2,339.4	2,982.8	27.5
Total	4,198.2	3,733.3	(11.1)	2,944.2	3,662.4	24.4
Independent Transport Safety Regulator						
Service Group						
Rail Safety Regulation	15.7	16.7	6.7	0.1	...	N/A
Total	15.7	16.7	6.7	0.1	...	N/A
Office of Transport Safety Investigations						
Service Group						
Investigation and Risk Mitigation Analysis	2.4	2.4	...	...	...	...
Total	2.4	2.4	...	...	...	...

Introduction

The Transport cluster is responsible for planning, infrastructure and service delivery across all modes of transport. It aims to aid the movement of people and goods across New South Wales, grow the State economy and encourage increased use of public transport by providing a better customer experience.

The Transport cluster is the lead for achieving the following NSW 2021 goals:

- reduce travel times
- grow patronage on public transport by making it a more attractive choice
- improve the customer experience with transport services
- improve road safety.

The Transport cluster's responsibilities include:

- delivering transport for people and freight in New South Wales, including public transport, roads and maritime services
- delivering major transport infrastructure projects
- consolidating planning for roads, rail, buses, light rail, ferries, taxis and waterways
- developing and overseeing policies and regulations
- managing freight
- investigating transport accidents and incidents
- overseeing the development and maintenance of the transport system to ensure it is safe, reliable, clean and efficient.

Services

The cluster's key services are:

- delivering transport services to provide a seamless network for customers, including ticketing services and customer information
- building and maintaining roads, public transport networks and fleet assets
- ensuring the safety and security of transport customers, staff and the general public
- planning an integrated transport system to increase efficiency and reliability by considering anticipated future changes in land use and travel demand, ensuring adequate access to new growth areas and maintaining access across regional New South Wales
- providing regulatory accreditation, compliance monitoring and enforcement services
- investigating safety incidents to mitigate risks.

2014-15 Budget Highlights

In 2014-15, total expenses for Transport for NSW (TfNSW) will be $13.0 billion, including:

- $5.4 billion to grow and enhance roads and public transport networks
- $4.7 billion for services and operations
- $2.9 billion for maintenance of road and public transport assets
- $17 million for the Independent Transport Safety Regulator and $2.4 million for the Office of Transport Safety Investigations.

Rail Services

Key initiatives include:

- $863 million for the North West Rail Link to deliver a new rapid transit service to the people of the North West
- $283 million for the Northern Sydney Freight Corridor to improve freight rail access through the Sydney-Newcastle rail corridor between Strathfield and Broadmeadow and improve the reliability of passenger services
- $265 million for the CBD and South East Light Rail
- $103 million for the South West Rail Link with services planned to commence in 2015
- $84 million for Wynyard Walk, to improve pedestrian access from Wynyard station to the western CBD and Barangaroo area
- $66 million to upgrade Wynyard Station concourse and platforms
- $62 million for the Station Refresh Program across the Sydney Trains and NSW TrainLink networks
- $39 million to develop and implement track and infrastructure improvements on the T1 rail line
- $34 million on rail infrastructure works to support the Waratah trains
- $14 million to complete the Rail Clearways program improving network capacity and reliability
- $11 million to establish a consolidated Rail Operations Centre
- $10 million to progress implementation of advanced train control systems
- $7.0 million to continue planning for the second harbour crossing as part of Sydney's Rail Future
- $5.0 million to commence procurement of 65 new intercity trains.

Bus Services

Key initiatives include:

- $952 million for metropolitan and outer metropolitan bus services, including financing costs of 199 new replacement and growth buses worth $91 million.
- $394 million for rural and regional bus services including school services in country areas
- $67 million to continue building infrastructure to support bus priority on key corridors including $25 million for the Northern Beaches and $15 million for the Sydney CBD bus changes to support light rail
- $12 million towards a new bus depot in Western Sydney to accommodate growth in the bus fleet.

Ferry Services

Key initiatives include:

- $17 million to construct a new ferry wharf and interchange hub at Barangaroo
- $1.5 million to continue the ferry fleet replacement program.

Transport Access Program

The Government will spend $193 million in 2014-15 to improve access to the public transport network including:

- accessibility improvements at train stations, ferry wharves and interchanges
- train station upgrades
- providing additional commuter car parking and interchange capacity across the rail network
- improving safety and security across the transport network
- refurbishing commuter wharves in Sydney Harbour.

Ticketing, Concessions and Community Transport

Key initiatives include:

- $519 million for concession schemes for pensioners, students, people with disabilities and others using public transport
- $157 million to continue implementing the Opal card integrated electronic ticketing system for Sydney, the Blue Mountains, Central Coast, Hunter, Illawarra and the Southern Highlands
- $59 million for the transport component of the Home and Community Care program.

Roads and Maritime Infrastructure

Key initiatives include:

- $1.2 billion to continue the Pacific Highway upgrade program, with construction underway or commencing for the five remaining major projects between Port Macquarie and Coffs Harbour, and commencing construction on parts of the final section between Woolgoolga and Ballina
- $616 million for capital maintenance of road and maritime assets, including bridge rebuilding, pavement rehabilitation, drainage upgrades and wharf maintenance
- $266 million for planning and preconstruction to enable delivery of WestConnex
- $240 million from the Community Road Safety Fund to deliver the NSW Road Safety Strategy
- $209 million for road upgrades to support population and economic growth in Western Sydney, including completing sections of Schofields Road, Richmond Road and Camden Valley Way, and commence construction of the Old Wallgrove Road upgrade
- $185 million for upgrades on the Princes Highway, including completing the major duplication at Gerringong, commencing the Foxground and Berry bypass, and commencing an upgrade at Termeil Creek
- $113 million to continue the upgrade on the Great Western Highway, including completing the Woodford to Hazelbrook and Bullaburra to Wentworth Falls upgrades, and commencing the upgrade at Kelso
- $109 million for road upgrades to support Sydney's second airport at Badgerys Creek, including commencing construction of Bringelly Road between Camden Valley Way and King Street, and planning for a new motorway between the M7 and The Northern Road
- $70 million for upgrades to Central Coast roads, including the intersection of Central Coast Highway with Brisbane Water Drive and Manns Road, and intersection upgrades along Wyong Road and Terrigal Drive
- $69 million for major road upgrades in regional New South Wales, including constructing the second stage of the Moree Bypass, additional overtaking lanes on the Newell Highway, further safety works on the Barton Highway, and planning an upgrade at Bolivia Hill on the New England Highway
- $69 million for cycling and pedestrian infrastructure, including a pedestrian bridge at Heathcote, the Albert 'Tibby' Cotter Bridge over Anzac Parade in Sydney, and the Nepean River Green Bridge
- $43 million to reduce congestion on Sydney roads by addressing critical pinch points
- $26 million to progress planning and preconstruction for future links on the Sydney Motorway Network including the Princes Motorway (F6) corridor between Loftus and St Peters
- $23 million for upgrades to commuter wharves in Sydney Harbour

- $16 million to support the Bells Line of Road Corridor Improvement Program (Stage 1), including enhanced overtaking opportunities, safety works and road realignments
- $14 million to progress short term works and plan for major road upgrades to support the new Northern Beaches Hospital
- $11 million to continue planning for major road upgrades in the Sydney Airport precinct, including the Wentworth Avenue extension and Joyce Drive widening, to reduce congestion and complement the operation of the future WestConnex Motorway
- $10 million towards systems and infrastructure to deliver real time travel information on Sydney's motorways
- $10 million for initial works and planning to improve road access to the Sydney CBD, and support the delivery and operation of light rail in the city centre
- $2.2 million to progress planning for the Queanbeyan Bypass (Ellerton Drive extension)
- $2.0 million for planning and preconstruction works for Goanna Hill realignment on the Mitchell Highway.

Freight Infrastructure and Services

Key initiatives include:

- $181 million for maintenance of Country Rail assets, including replacement of timber sleepers with modern long life steel sleepers, resurfacing track and replacement of bridges and culverts
- $77 million to support productivity and safety for road freight in regional New South Wales, including extending the Bridges for the Bush program to upgrade and replace critical timber truss bridges, and building and upgrading heavy vehicle rest areas
- $8.0 million for the Strategic Noise Action Plan (the Plan), to address and manage freight rail noise. The Plan includes actions to minimise and mitigate avoidable noise at its source, minimise the development of new noise hotspots and reduce noise impacts at existing hotspots across the rail network
- $6.0 million to commence a program of rail infrastructure upgrades at key sites on the Country Regional Network to improve train loading rates for grain. This will include lengthening sidings to reduce or eliminate delays shunting trains to fit short sidings
- $5.0 million to begin upgrading Gocup Road to cater for increased use by heavy vehicles carrying timber and general cargo to and from the forest products mills in the Tumut Valley
- $3.0 million for Port Botany Landside Improvement Strategy, a program that improves landside efficiency in and around the Port Botany precinct as part of the NSW Cargo Movement Coordination Centre.

Service Group Statements

Asset Maintenance

Service description: This service group covers work performed on physical assets to address defects and deterioration in their condition, and replacement required at the end of their useful life, to ensure operational capacity. The scope of activities within this service group includes maintaining current fleet and infrastructure to applicable standards, replacing infrastructure to current standards at the end of its useful life (which is impacted by deterioration over time and by consumption or use) and interventions made to improve cost efficiency and performance of assets in conjunction with the previously listed activities.

	Units	2011-12 Actual	2012-13 Actual	2013-14 Forecast	2013-14 Revised	2014-15 Forecast
Service measures:						
% of fleet maintained by RailCorp available for Service each day [(a)]	%	n.a.	90.20	91.20	91.60	≥90.00
Rail routine maintenance critical inspections compliance (monthly average)	%	99.76	99.90	99.85	99.80	≥99.00
Intensity of pavement rebuilding [(b)]	%	1.55	1.10	1.70	1.70	1.40
Annual renewal ratio [(c)]	%	n.a.	n.a.	51.00	51.00	53.00
Employees:	FTE	n.a.	18	18	20	20

(a) Fleet availability against the total fleet is reported from 2012-13 onwards. Historical results on this basis are not available.

(b) Results for 2011-12 and 2013-14 revised due to methodology change.

(c) The result for this indicator is a function of program funding and asset depreciation value has recently been updated in line with the Treasury and the Auditor-General recommendations. Comparative to 2012-13, performance remains consistent and on target.

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Financial indicators:			
Total Expenses Excluding Losses	2,980,283	2,842,279	2,941,049
Total expenses include the following:			
Employee related	2,850	3,719	3,265
Other operating expenses	161,844	181,386	170,332
Grants and subsidies	2,814,182	2,654,920	2,766,002
Other expenses	1,407	2,254	1,450
Capital Expenditure	67,000	153,534	189,800

Services and Operations

Service description: This service group covers work performed in operating and utilising the transport network and fleet to provide the required services to customers. The scope of the activities in the service group includes deploying resources and utilising physical assets in the provision of front line customer services, deploying resources to influence demand and transport user behaviour, replacing fleet at the end of their useful life, work performed by external parties as part of a financing agreement (for example, public-private partnerships, leases or grants) and shared corporate and employee services.

	Units	2011-12 Actual	2012-13 Actual	2013-14 Forecast	2013-14 Revised	2014-15 Forecast
Service measures:						
Suburban and rail revenue carriage kilometres [(a)]	mill	245.83	252.04	n.a.	258.67	260.92
Metropolitan Bus in-service kilometres [(b)]	mill	172.46	174.38	n.a.	179.42	187.18
Ferry revenue hours [(c)]	no.	72,304	76,978	n.a.	79,446	80,235
Public transport customer satisfaction [(d)]	%	n.a.	80.00	≥79.00	84.00	≥85.00
Licensed drivers and riders	mill	4.98	5.02	5.14	5.11	5.19
Boating licenses	mill	0.49	0.49	0.49	0.50	0.50
Employees: [(e)]	FTE	n.a.	1,162	1,379	2,904	2,904

(a) Includes all Sydney Trains services and NSW TrainLink Intercity services. Not previously reported and forecasts were not completed for 2013-14.

(b) Includes metropolitan and outer-metropolitan contract areas. Includes all contracted route, school and free shuttle services. Not previously reported and forecasts were not completed for 2013-14.

(c) Includes all contract services operated by Harbour City Ferries. Not previously reported and forecasts were not completed for 2013-14.

(d) Modal satisfaction results for trains, buses, ferries and light rail are weighted according to each mode's relative patronage to produce an overall satisfaction result. Historical actuals are not available as this is a new measure.

(e) The employee numbers above are for TfNSW staff only and do not include employees working in other Transport cluster agencies under the *Government Sector Employment Act 2013*. The increase in employee numbers reflects the amalgamation of Human Resources and Business Services into TfNSW as a result of the Corporate and Shared Services Reform.

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Financial indicators:			
Total Expenses Excluding Losses	3,246,202	4,347,150	4,664,155
Total expenses include the following:			
Employee related [(a)]	285,315	919,671	1,397,911
Other operating expenses	115,873	183,358	163,720
Grants and subsidies	2,565,607	2,972,433	2,779,277
Other expenses	14,856	17,457	14,738
Capital Expenditure	55,980	87,513	92,585

(a) Movements in employee related expenses due to the transfer of employees to TfNSW as a result of the *Government Sector Employment Act 2013*, effective 24 February 2014.

Growth and Improvement

Service description: This service group covers work done to contribute to the expansion of the asset portfolio, specifically to meet changing or improved standards or enhanced system capability. The scope of activities within this service group includes investigations, feasibility studies and optioneering that may result in network improvement and expansion programs, initiatives to improve functionality on existing operational assets to meet new service and legislative requirements and initiatives to expand the existing asset portfolio to increase the capacity of the transport system.

	Units	2011-12 Actual	2012-13 Actual	2013-14 Forecast	2013-14 Revised	2014-15 Forecast
Service measures:						
Major roadworks completed within 10 per cent of planned duration [(a)]	%	89.60	72.50	90.00	93.00	90.00
Major roadworks completed within 10 per cent of the authorised cost [(b)]	%	100.00	100.00	90.00	62.00	90.00
Bus lane length	km/h	157.40	159.70	160.20	160.30	165.50
Employees:	FTE	n.a.	673	1,024	1,093	1,093

(a) 10 of 13 projects (76.9 per cent) were completed within 10 per cent of planned duration in 2012-13. This result falls to 72.5 per cent when weighted. Majority of delays were due to above average wet weather.

(b) This indicator is sensitive to high cost projects which can dramatically alter the result. The 2013-14 Revised is influenced by a high value project in the Pacific Highway Program.

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Financial indicators:			
Total Expenses Excluding Losses	5,084,181	4,596,093	5,362,276
Total expenses include the following:			
Employee related	49,161	79,028	65,120
Other operating expenses	278,037	87,826	78,395
Grants and subsidies	4,754,375	4,425,079	5,216,073
Other expenses	2,608	4,160	2,688
Capital Expenditure	2,495,785	2,400,101	2,680,920

Cluster Grant Funding

Service description: This service group covers the provision of grant funding to agencies within the Transport cluster. This includes funding to Independent Transport Safety Regulator and Office of Transport Safety Investigations.

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Financial indicators:			
Total Expenses Excluding Losses	17,793	4,360	4,278
Grants and subsidies			
Independent Transport Safety Regulator	15,495	2,064	1,955
Office of Transport Safety Investigations	2,298	2,296	2,323

Financial Statements

Operating Statement

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Expenses Excluding Losses			
Operating Expenses -			
Employee related [(a)]	337,326	1,002,418	1,466,296
Other operating expenses	555,754	452,570	412,447
Depreciation and amortisation	172,035	171,094	219,879
Grants and subsidies	10,151,957	10,056,792	10,765,630
Finance costs	92,516	83,137	88,630
Other expenses	18,871	23,871	18,876
TOTAL EXPENSES EXCLUDING LOSSES	**11,328,459**	**11,789,882**	**12,971,758**
Revenue			
Recurrent appropriation	8,080,774	8,002,927	8,908,368
Capital appropriation	2,342,962	2,271,726	2,658,393
Sales of goods and services [(a)]	391,468	794,627	1,286,208
Investment revenue	14,277	16,005	11,389
Retained taxes, fees and fines	2,256	2,256	2,307
Grants and contributions	610,691	890,082	370,051
Acceptance by Crown Entity of employee benefits and other liabilities	12,079	58,929	29,235
Other revenue	4,208	...	...
Total Revenue	**11,458,715**	**12,036,552**	**13,265,951**
Gain/(loss) on disposal of non current assets	68,214	...	13,960
Other gains/(losses)	...	(21,183)	...
Net Result	**198,470**	**225,487**	**308,153**

(a) Movements are due to the transfer of employees to TfNSW as a result of the *Government Sector Employment Act 2013*, effective from 24 February 2014.

Balance Sheet

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Assets			
Current Assets			
Cash assets	448,658	503,988	459,114
Receivables	145,717	587,571	582,253
Total Current Assets	**594,375**	**1,091,559**	**1,041,367**
Non Current Assets			
Receivables [(a)]	...	1,065,153	1,055,272
Other financial assets	22,287	1,169	1,169
Property, plant and equipment -			
Land and building	596,071	610,825	616,509
Plant and equipment	1,068,894	1,047,536	1,096,348
Infrastructure systems	1,928,598	2,164,406	2,520,446
Intangibles	498,099	481,073	674,780
Total Non Current Assets	**4,113,949**	**5,370,162**	**5,964,524**
Total Assets	**4,708,324**	**6,461,721**	**7,005,891**
Liabilities			
Current Liabilities			
Payables	425,825	632,863	638,079
Borrowings at amortised cost	177,558	190,215	177,620
Provisions [(a)]	23,578	379,671	379,092
Total Current Liabilities	**626,961**	**1,202,749**	**1,194,791**
Non Current Liabilities			
Borrowings at amortised cost	1,439,186	1,319,265	1,536,433
Provisions	...	1,063,981	1,054,100
Other	45	45	45
Total Non Current Liabilities	**1,439,231**	**2,383,291**	**2,590,578**
Total Liabilities	**2,066,192**	**3,586,040**	**3,785,369**
Net Assets	**2,642,132**	**2,875,681**	**3,220,522**
Equity			
Reserves	...	106,262	142,950
Accumulated funds	2,642,132	2,769,419	3,077,572
Total Equity	**2,642,132**	**2,875,681**	**3,220,522**

(a) Movements in receivables and provisions relate to the transfer of employee liabilities to TfNSW as a result of the *Government Sector Employment Act 2013*, effective from 24 February 2014.

Cash Flow Statement

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Cash Flows From Operating Activities			
Payments			
Employee related	325,247	914,083	1,447,521
Grants and subsidies	8,114,532	8,096,758	8,613,524
Finance costs	92,516	83,137	88,630
Other	658,808	612,192	519,816
Total Payments	**9,191,103**	**9,706,170**	**10,669,491**
Receipts			
Recurrent appropriation	8,080,774	8,002,927	8,908,368
Capital appropriation	2,342,962	2,271,726	2,658,393
Sale of goods and services	391,468	763,732	1,296,667
Interest received	14,277	12,555	11,389
Grants and contributions	610,691	890,082	370,051
Other	102,996	333,599	95,540
Total Receipts	**11,543,168**	**12,274,621**	**13,340,408**
Net Cash Flows From Operating Activities	**2,352,065**	**2,568,451**	**2,670,917**
Cash Flows From Investing Activities			
Proceeds from sale of property, plant and equipment	127,667	59,627	...
Proceeds from sale of investments	16,816	16,816	37,725
Purchases of property, plant and equipment	(2,231,493)	(2,328,187)	(2,627,140)
Other	(213,580)	(218,357)	(240,404)
Net Cash Flows From Investing Activities	**(2,300,590)**	**(2,470,101)**	**(2,829,819)**
Cash Flows From Financing Activities			
Proceeds from borrowings and advances	150,178	116,094	188,243
Repayment of borrowings and advances	(65,308)	(65,308)	(74,215)
Net Cash Flows From Financing Activities	**84,870**	**50,786**	**114,028**
Net Increase/(Decrease) in Cash	**136,345**	**149,136**	**(44,874)**
Opening Cash and Cash Equivalents	312,313	354,852	503,988
Closing Cash and Cash Equivalents	**448,658**	**503,988**	**459,114**
Cash Flow Reconciliation			
Net result	198,470	225,487	308,153
Non cash items added back	2,205,252	2,152,311	2,371,985
Change in operating assets and liabilities	(51,657)	190,653	(9,221)
Net Cash Flows From Operating Activities	**2,352,065**	**2,568,451**	**2,670,917**

Service Group Statements

Asset Maintenance

Service description: This service group covers work performed on physical assets to address defects and deterioration in their condition, and replacement at the end of their useful life to ensure operational capacity.

	Units	2011-12 Actual	2012-13 Actual	2013-14 Forecast	2013-14 Revised	2014-15 Forecast
Employees:	FTE	3,173	3,061	2,878	2,828	2,783

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Financial indicators:			
Total Expenses Excluding Losses [(a)]	955,609	1,024,146	812,231
Total expenses include the following:			
Employee related	268,902	308,166	221,266
Other operating expenses	410,707	415,480	382,721
Grants and subsidies	276,000	300,500	208,244
Capital Expenditure	563,400	558,620	616,405

(a) Expenses budgeted to decline in 2014-15 to reflect efficiency savings and lower in-house maintenance works from the maintenance contestability reform, and reclassification of non-cash grant expenses to the Services and Operations Service Group.

Services and Operations

Service description: This service group covers work performed in operating and utilising the transport network and fleet to provide the required services to customers.

	Units	2011-12 Actual	2012-13 Actual	2013-14 Forecast	2013-14 Revised	2014-15 Forecast
Employees: [(a)]	FTE	3,900	3,807	3,333	3,074	2,742

(a) The decline in FTEs reflects the achievement of efficiency savings, Transport cluster restructures and transfer of functions.

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Financial indicators:			
Total Expenses Excluding Losses [(a)]	2,525,447	3,097,790	2,841,761
Total expenses include the following:			
Employee related	260,686	362,357	317,825
Other operating expenses	558,137	522,243	537,313
Grants and subsidies	72,231	163,731	135,644
Capital Expenditure	51,836	46,186	63,168

(a) Expenses increased in 2013-14 as a result of derecognising maritime assets for the Newcastle Port transaction and higher non-cash depreciation and amortisation expenses.

Growth and Improvement

Service description: This service group covers the expansion of the asset portfolio to meet changing improved standards and/or enhanced system capability.

	Units	2011-12 Actual	2012-13 Actual	2013-14 Forecast	2013-14 Revised	2014-15 Forecast
Employees:	FTE	437	467	442	506	585

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Financial indicators:			
Total Expenses Excluding Losses	71,266	76,229	79,297
Total expenses include the following:			
Employee related	13,274	13,638	12,146
Other operating expenses	57,992	62,591	67,151
Capital Expenditure	2,552,547	2,339,377	2,982,810

Financial Statements

Operating Statement

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Expenses Excluding Losses			
Operating Expenses -			
Employee related [a]	542,862	684,161	551,237
Other operating expenses	1,026,836	1,000,314	987,185
Depreciation and amortisation [b]	1,568,671	1,980,031	1,789,363
Grants and subsidies [c]	348,231	464,231	343,888
Finance costs	65,722	69,428	61,616
TOTAL EXPENSES EXCLUDING LOSSES	**3,552,322**	**4,198,165**	**3,733,289**
Revenue			
Sales of goods and services	499,328	553,796	479,779
Investment revenue	15,425	14,595	12,336
Retained taxes, fees and fines	49,029	61,151	50,826
Grants and contributions	4,584,343	4,600,230	5,257,759
Other revenue	234,428	260,738	251,944
Total Revenue	**5,382,553**	**5,490,510**	**6,052,644**
Gain/(loss) on disposal of non current assets	(62)	11,373	(62)
Other gains/(losses)	(95,022)	(120,286)	(97,297)
Net Result	**1,735,147**	**1,183,432**	**2,221,996**

(a) Increased employee expenses in 2013-14 Revised due to redundancy payments and changes to the accounting standards on superannuation earnings.

(b) Higher non-cash depreciation and amortisation expenses in 2013-14 Revised due to derecognition of maritime assets following the Newcastle Port transaction and valuation adjustments.

(c) Higher grant expenses in 2013-14 Revised due to Local Government claims to repair roads damaged by natural disaster events from previous years.

Balance Sheet

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Assets			
Current Assets			
Cash assets	332,895	279,447	294,814
Receivables	268,395	201,749	207,018
Other financial assets	43,740	54,028	54,028
Inventories	12,094	10,354	10,354
Assets held for sale	6,494	11,518	11,518
Total Current Assets	**663,618**	**557,096**	**577,732**
Non Current Assets			
Receivables	39,088	43,126	210,569
Other financial assets	94,395	127,400	135,975
Property, plant and equipment -			
Land and building	2,565,577	2,530,131	2,818,894
Plant and equipment	173,772	131,181	129,353
Infrastructure systems	70,230,822	69,403,596	72,658,107
Intangibles	143,747	189,104	196,024
Other	1,192,352	1,180,833	1,395,409
Total Non Current Assets	**74,439,753**	**73,605,371**	**77,544,331**
Total Assets	**75,103,371**	**74,162,467**	**78,122,063**
Liabilities			
Current Liabilities			
Payables	666,436	881,451	897,232
Borrowings at amortised cost	141,745	277,008	358,642
Provisions [(a)]	336,511	1,301	1,301
Other	186,776	167,378	168,492
Total Current Liabilities	**1,331,468**	**1,327,138**	**1,425,667**
Non Current Liabilities			
Borrowings at amortised cost	775,989	719,570	501,727
Provisions [(a)]	1,162,537	...	...
Other	387,078	1,209,994	1,196,855
Total Non Current Liabilities	**2,325,604**	**1,929,564**	**1,698,582**
Total Liabilities	**3,657,072**	**3,256,702**	**3,124,249**
Net Assets	**71,446,299**	**70,905,765**	**74,997,814**
Equity			
Reserves	8,663,957	8,500,086	10,370,139
Accumulated funds	62,782,342	62,405,679	64,627,675
Total Equity	**71,446,299**	**70,905,765**	**74,997,814**

(a) Movements in current and non-current provisions relate to the transfer of employee liabilities to Transport for NSW as a result of the *Government Sector Employment Act 2013*, effective from 24 February 2014.

Cash Flow Statement

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Cash Flows From Operating Activities			
Payments			
Employee related [(a)]	486,381	857,315	550,706
Grants and subsidies	260,731	376,731	275,294
Finance costs	65,160	66,769	61,066
Other [(a)]	1,448,187	1,113,081	1,545,159
Total Payments	**2,260,459**	**2,413,896**	**2,432,225**
Receipts			
Sale of goods and services	465,539	520,007	447,854
Interest received	15,425	14,595	12,336
Grants and contributions	4,575,435	4,517,323	5,222,627
Other	493,569	463,132	521,780
Total Receipts	**5,549,968**	**5,515,057**	**6,204,597**
Net Cash Flows From Operating Activities	**3,289,509**	**3,101,161**	**3,772,372**
Cash Flows From Investing Activities			
Proceeds from sale of property, plant and equipment	26,130	47,396	26,130
Purchases of property, plant and equipment	(3,198,864)	(3,024,379)	(3,626,376)
Other	8,192	(39,926)	(20,000)
Net Cash Flows From Investing Activities	**(3,164,542)**	**(3,016,909)**	**(3,620,246)**
Cash Flows From Financing Activities			
Repayment of borrowings and advances	(129,497)	(49,394)	(136,759)
Net Cash Flows From Financing Activities	**(129,497)**	**(49,394)**	**(136,759)**
Net Increase/(Decrease) in Cash	**(4,530)**	**34,858**	**15,367**
Opening Cash and Cash Equivalents	337,425	244,589	279,447
Closing Cash and Cash Equivalents	**332,895**	**279,447**	**294,814**
Cash Flow Reconciliation			
Net result	1,735,147	1,183,432	2,221,996
Non cash items added back	1,296,726	1,331,473	1,455,026
Change in operating assets and liabilities	257,636	586,256	95,350
Net Cash Flows From Operating Activities	**3,289,509**	**3,101,161**	**3,772,372**

(a) Movements in the 2013-14 revised projections for employee related and other payments are due to the transfer of employee liabilities to Transport for NSW as a result of the *Government Sector Employment Act 2013*, effective from 24 February 2014.

Service Group Statements

Rail Safety Regulation

Service description: This service group covers the provision of the following services as the NSW Branch of the Office of the National Rail Safety Regulator: rail operator accreditation processing; rail safety legislation monitoring and enforcement; risk-based auditing, compliance inspections and investigations; compliance monitoring of recommendations from independent investigations; and promotion of rail safety improvement practices to industry.

	Units	2011-12 Actual	2012-13 Actual	2013-14 Forecast	2013-14 Revised	2014-15 Forecast
Service measures:						
Compliance activities completed (audits, inspections, investigations) [(a)]	no.	195	168	n.a.	130	n.a.
Statutory notices issued (Prohibition, Improvement, Penalty, Notice to Produce) [(b)]	no.	110	78	n.a.	140	n.a.
Employees:	FTE	70	67	78	67	72

(a) Future data cannot be forecast due to the nature of the regulatory function.

(b) Title changes for notices are due to legislative change. Future data cannot be forecast due to the nature of the regulatory function.

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Financial indicators:			
Total Expenses Excluding Losses	16,811	15,665	16,708
Total expenses include the following:			
Employee related	13,582	12,403	13,335
Other operating expenses	2,172	2,806	2,913
Grants and subsidies	...	200	...
Other expenses	994	116	368
Capital Expenditure	50	138	48

Financial Statements

Operating Statement

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Expenses Excluding Losses			
Operating Expenses -			
Employee related	13,582	12,403	13,335
Other operating expenses	2,172	2,806	2,913
Depreciation and amortisation	63	140	92
Grants and subsidies	...	200	...
Other expenses	994	116	368
TOTAL EXPENSES EXCLUDING LOSSES	**16,811**	**15,665**	**16,708**
Revenue			
Sales of goods and services	43	143	47
Investment revenue	158	158	162
Grants and contributions	15,495	15,495	15,722
Acceptance by Crown Entity of employee benefits and other liabilities	861	702	883
Total Revenue	**16,557**	**16,498**	**16,814**
Net Result	**(254)**	**833**	**106**

Balance Sheet

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Assets			
Current Assets			
Cash assets	3,213	4,879	5,506
Receivables	303	303	439
Total Current Assets	**3,516**	**5,182**	**5,945**
Non Current Assets			
Property, plant and equipment -			
Land and building	...	57	38
Plant and equipment	155	203	191
Intangibles	14	13	...
Total Non Current Assets	**169**	**273**	**229**
Total Assets	**3,685**	**5,455**	**6,174**
Liabilities			
Current Liabilities			
Payables	901	525	1,039
Provisions	1,223	1,337	1,435
Total Current Liabilities	**2,124**	**1,862**	**2,474**
Non Current Liabilities			
Provisions	201	279	280
Total Non Current Liabilities	**201**	**279**	**280**
Total Liabilities	**2,325**	**2,141**	**2,754**
Net Assets	**1,360**	**3,314**	**3,420**
Equity			
Accumulated funds	1,360	3,314	3,420
Total Equity	**1,360**	**3,314**	**3,420**

Cash Flow Statement

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Cash Flows From Operating Activities			
Payments			
Employee related	12,890	11,648	12,331
Grants and subsidies	...	200	...
Other	3,616	3,402	3,283
Total Payments	**16,506**	**15,250**	**15,614**
Receipts			
Sale of goods and services	43	143	47
Interest received	158	122	126
Grants and contributions	15,495	15,495	15,722
Other	450	522	394
Total Receipts	**16,146**	**16,282**	**16,289**
Net Cash Flows From Operating Activities	**(360)**	**1,032**	**675**
Cash Flows From Investing Activities			
Purchases of property, plant and equipment	(50)	(138)	(48)
Net Cash Flows From Investing Activities	**(50)**	**(138)**	**(48)**
Net Increase/(Decrease) in Cash	**(410)**	**894**	**627**
Opening Cash and Cash Equivalents	3,623	3,985	4,879
Closing Cash and Cash Equivalents	**3,213**	**4,879**	**5,506**
Cash Flow Reconciliation			
Net result	(254)	833	106
Non cash items added back	63	140	92
Change in operating assets and liabilities	(169)	59	477
Net Cash Flows From Operating Activities	**(360)**	**1,032**	**675**

Service Group Statements

Investigation and Risk Mitigation Analysis

Service description: This service group covers the mandated function of independently investigating safety incidents in public transport and rail freight.

	Units	2011-12 Actual	2012-13 Actual	2013-14 Forecast	2013-14 Revised	2014-15 Forecast
Service measures:						
Notifiable incidents reported [(a)]	no.	2,998	1,808	2,000	1,500	1,500
Notifiable Rail incidents reported to Australian Transport Safety Bureau [(a)]	no.	n.a.	39	0	200	200
Incident investigations conducted	no.	14	16	12	16	16
Confidential Safety Information and Reporting Scheme investigations conducted	no.	13	18	12	15	14
Employees:	FTE	11	11	11	11	11

(a) From 2012-13 onwards, Notifiable incidents reported have been split due to rail specific incidents now being reported to the Australian Transport Safety Bureau and then to the Office of Transport Safety Investigations as part of a collaboration agreement.

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Financial indicators:			
Total Expenses Excluding Losses	2,383	2,391	2,411
Total expenses include the following:			
Employee related	1,895	1,825	1,831
Other operating expenses	450	524	534
Other expenses	20	18	20
Capital Expenditure	20	20	19

Financial Statements

Operating Statement

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Expenses Excluding Losses			
Operating Expenses -			
Employee related	1,895	1,825	1,831
Other operating expenses	450	524	534
Depreciation and amortisation	18	24	26
Other expenses	20	18	20
TOTAL EXPENSES EXCLUDING LOSSES	**2,383**	**2,391**	**2,411**
Revenue			
Sales of goods and services	1	10	1
Investment revenue	6	7	6
Grants and contributions	2,296	2,296	2,322
Acceptance by Crown Entity of employee benefits and other liabilities	97	97	99
Total Revenue	**2,400**	**2,410**	**2,428**
Net Result	**17**	**19**	**17**

Balance Sheet

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Assets			
Current Assets			
Cash assets	59	126	141
Receivables	13	25	25
Total Current Assets	**72**	**151**	**166**
Non Current Assets			
Property, plant and equipment -			
Land and building	...	17	11
Plant and equipment	33	28	27
Total Non Current Assets	**33**	**45**	**38**
Total Assets	**105**	**196**	**204**
Liabilities			
Current Liabilities			
Payables	63	89	89
Provisions	234	269	260
Total Current Liabilities	**297**	**358**	**349**
Non Current Liabilities			
Provisions	63	87	87
Total Non Current Liabilities	**63**	**87**	**87**
Total Liabilities	**360**	**445**	**436**
Net Assets	**(255)**	**(249)**	**(232)**
Equity			
Accumulated funds	(255)	(249)	(232)
Total Equity	**(255)**	**(249)**	**(232)**

Cash Flow Statement

	2013-14 Budget $000	2013-14 Revised $000	2014-15 Budget $000
Cash Flows From Operating Activities			
Payments			
Employee related	1,815	1,745	1,741
Other	530	604	614
Total Payments	**2,345**	**2,349**	**2,355**
Receipts			
Sale of goods and services	1	10	1
Interest received	6	7	6
Grants and contributions	2,296	2,296	2,322
Other	60	60	60
Total Receipts	**2,363**	**2,373**	**2,389**
Net Cash Flows From Operating Activities	**18**	**24**	**34**
Cash Flows From Investing Activities			
Purchases of property, plant and equipment	(20)	(20)	(19)
Net Cash Flows From Investing Activities	**(20)**	**(20)**	**(19)**
Net Increase/(Decrease) in Cash	**(2)**	**4**	**15**
Opening Cash and Cash Equivalents	61	122	126
Closing Cash and Cash Equivalents	**59**	**126**	**141**
Cash Flow Reconciliation			
Net result	17	19	17
Non cash items added back	18	24	26
Change in operating assets and liabilities	(17)	(19)	(9)
Net Cash Flows From Operating Activities	**18**	**24**	**34**