



Department of Enterprise,  
Investment and Trade

# DEIT Annual Report 2023-24



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# Annual Report 2023-24

## **NSW Department of Enterprise, Investment and Trade**

### **Author**

Department of Enterprise, Investment and Trade

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The department acknowledges, respects and values Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of the lands on which we walk, live and work. We pay our respects to Elders past and present.

We acknowledge the diversity of Aboriginal and Torres Strait Islander people and their ongoing connection to their country, waters and seas. We also acknowledge our Aboriginal and Torres Strait Islander employees who are an integral part of our diverse workforce.

52 Martin Place  
Sydney  
NSW 2000



Department of Enterprise,  
Investment and Trade

31 October 2024

Dear Ministers,

I am pleased to submit the Annual Report of the Department of Enterprise, Investment and Trade for the period 1 July 2023 to 30 June 2024 for presentation to the NSW Parliament.

The report has been prepared in accordance with the *Government Sector Finance Act 2018*.

The financial statements for 2023-24, which form part of the report, have been certified by the Auditor-General of New South Wales.

Yours sincerely,

A handwritten signature in black ink, appearing to read "E. Mildwater".

**Elizabeth Mildwater**

Secretary  
Department of Creative Industries, Tourism,  
Hospitality and Sport

**The Hon. John Graham MLC**

Special Minister of State  
Minister for Roads  
Minister for the Arts  
Minister for Music and  
the Night-time Economy  
Minister for Jobs  
and Tourism

**The Hon. Courtney  
Houssos MLC**

Minister for Finance  
Minister for Domestic  
Manufacturing and  
Government Procurement  
Minister for Natural  
Resources

**The Hon. Stephen  
Kamper MP**

Minister for Small Business  
Minister for Lands  
and Property  
Minister for Multiculturalism  
Minister for Sport

**The Hon. Anoulack  
Chanthivong MP**

Minister for Better  
Regulation and Fair Trading  
Minister for Industry  
and Trade  
Minister for Innovation,  
Science and Technology  
Minister for Building  
Minister for Corrections

**The Hon. David Harris MP**

Minister for Aboriginal  
Affairs and Treaty  
Minister for Gaming  
and Racing  
Minister for Veterans  
Minister for Medical Research  
Minister for the Central Coast

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# Contents

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Secretary foreword	6
<b>1 Overview</b>	<b>8</b>
The Department of Enterprise, Investment and Trade	9
Create NSW	9
Hospitality and Racing	10
The Office of the 24-Hour Economy Commissioner	10
Investment NSW	11
Corporate Services	11
The Office of the Chief Scientist & Engineer	11
Office of the Secretary	11
Executive leadership team	12
Department of Enterprise, Investment and Trade Portfolio	16
<b>2 Strategy</b>	<b>17</b>
<b>3 Operations and Performance</b>	<b>19</b>
Supporting a vibrant and diverse arts and cultural sector	21
The State of the Scene 2024 Report	25
Venues Unlocked Program	26
Making space to create	27
Creative Land Trust	28
VIP signage campaign	29
Gaming reform	30
Understanding and responding to youth gambling	31
Staging more live performances across the Six Cities	38
Putting NSW wine back on the tables across China and beyond	42
Research and development funding	47
<b>4 Management and Accountability</b>	<b>50</b>
People and Capability	51
Legal	54
Legislation Administered	59
Overseas Travel	60
Consultants	63
Governance	64
Audit Attestation	67
<b>5 Sustainability</b>	<b>69</b>
<b>6 Financial performance</b>	<b>72</b>

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# Secretary foreword



## I'm pleased to provide the 2023-24 Annual Report for the Department of Enterprise, Investment and Trade (DEIT).

The department made a significant contribution towards the NSW Government's commitment to build communities that improve the lives of people in NSW and deliver strong economic outcomes.

Our staff have worked alongside partners in creative industries, hospitality, tourism, economic development and scientific organisations to drive the government's reform agenda and deliver on priorities.

It was exciting to be able to deliver significant firsts for the state including NSW's first arts, culture and creative industries policy; the first deep dive assessment of our rich live music ecosystem; the first South by Southwest (SXSW) outside Texas; and the first tranche of Vibrancy Reforms, which are reinvigorating our state's night-time economy and community.

We also listened closely to our communities, undertaking wide consultation on key policies and programs to ensure that we implemented changes that will make a real difference for the people of New South Wales.

### Key achievements from across 2023-24

On behalf of the NSW Government, Create NSW drove the development of *Creative Communities*, the state's first arts, culture and creative industries policy. Launched on 12 December, it outlined the state's vision for a thriving and connected arts and cultural sector focusing on the myriad ways that people participate in creative experiences.

This whole-of-government policy is putting culture at the heart of NSW, backed by investment, space and education reform. Over the next 10 years, it will continue to strengthen the role arts and culture play in the everyday lives of all NSW residents.

Sound NSW was formed and released the first ever statewide live music report, *State of the Scene 2024*. The report confirms that the live music industry plays a critical role in the state's economic and social wellbeing.

Hospitality and Racing continued to support the development of a vibrant, safe and responsible sector while providing regulatory oversight. Meanwhile, the NSW Government's cashless gaming trial commenced in several NSW venues, from Tweed Heads to southwest Sydney, overseen by the Independent Panel on Gaming Reform. To further minimise gambling harm, a targeted compliance and enforcement campaign saw the successful removal of external gaming-related signage from all venues across NSW.

The Office of the 24-Hour Economy Commissioner distributed \$4.1 million across 21 districts in Greater Sydney through the first round of the Uptown Grant Program, helping create vibrant and unique going-out precincts. During 2023-24, the focus of the Commissioner expanded from Greater Sydney to encompass all of NSW, with the enactment of the *24-Hour Economy Commissioner Act 2023*. The Office also led the successful delivery of the first tranche of Vibrancy Reforms, working with Hospitality and Racing and other government partners such as the Department of Planning, Housing and Infrastructure, local councils, industry and the community to streamline regulation around noise, planning and liquor licensing, helping venues reach their full potential.

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Destination NSW secured the inaugural South by Southwest Sydney (SXSW) conference – the first time the conference was held outside Austin, Texas in its 37-year history. SXSW reported 287,000 attendees and participants from 41 countries over the seven days.

Many of the divisions of the department combined to put our technology, innovation and creative industries on the world stage via NSW House as part of SXSW, including Investment NSW, Create NSW and Corporate Services. NSW House connected futuristic thinkers, creators and innovators across emerging technology sectors to promote NSW's ingenuity and businesses and plug them into new market opportunities.

Investment NSW also reopened the door to a former market, working with the NSW Wine Industry Association to deliver the first major Australian trade delegation to China since the removal of import duties on wine in March 2024, helping put NSW wine back on the tables across China and beyond.

The Office of the Chief Scientist & Engineer (OCSE) continued to nurture NSW's deep tech sector through its research and innovation commercialisation programs. The OCSE team also responded to a call from the NSW Government to investigate the mass fish death event in the Darling-Baaka River at Menindee and made recommendations to inform the prevention of future disasters.

As of 1 July 2024, DEIT became the Department of Creative Industries, Tourism, Hospitality and Sport (DCITHS) and the key achievements contained in this report form the foundation of our ongoing work in the creative industries, hospitality, tourism, and night-time economy sectors.

At the close of this reporting period, Investment NSW and the Office of the Chief Scientist & Engineer moved to become part of the Premier's Department, returning the industry, innovation, trade and investment functions to the centre of government.

DCITHS welcomed the Office of Sport, NSW Institute of Sport, and Venues NSW into the portfolio, recognising the important work these agencies do to build active communities, support athletes, and create social and economic growth through major sport and entertainment events.

These agencies will bring valuable synergies to DCITHS as we work hand in hand to bring vibrancy to NSW by growing our creative industries and workforces, drive strong visitor and night-time economies, ensure a responsible hospitality sector, and put arts, culture and sport at the heart of our active, creative communities.

**Elizabeth Mildwater**

Secretary

Department of Creative Industries, Tourism,  
Hospitality and Sport



Department of Enterprise,  
Investment and Trade

# 1

## Overview



# The Department of Enterprise, Investment and Trade

This report covers the activities of the Department of Enterprise, Investment and Trade (DEIT) from 1 July 2023 to 30 June 2024.

Established on 21 December 2021, DEIT and its portfolio agencies drove economic transformation and nurtured vibrant and creative communities. The portfolio brought together the state's key arts, culture, creative industries, hospitality, entertainment and tourism agencies alongside its leading economic development organisations. DEIT worked with its portfolio agencies to propel the delivery of economic, cultural and lifestyle opportunities for everyone in NSW.

The core delivery divisions of DEIT – Create NSW, Hospitality and Racing, the Office of the 24-Hour Economy Commissioner, Investment NSW and the Office of the Chief Scientist & Engineer – were supported by Corporate Services and the Office of the Secretary.

## Create NSW

Create NSW brings together arts, music, screen, the creative industries and cultural infrastructure within an integrated division. Working in close collaboration with the creative sector, Create NSW is helping to shape NSW as a place where arts and culture thrives, and creative practitioners are supported.

Delivering on the objectives of the NSW Government's first arts, culture and creative industries policy, *Creative Communities*, Create NSW:

- enables arts and cultural production, distribution, capacity building and participation
- partners across government, and with not-for-profit organisations and the private sector, to develop and deliver initiatives that support creativity and reflect the diversity of NSW
- drives investment and jobs in the creative industries, and delivers cultural infrastructure, through policy, partnerships and advocacy.

The artists, programs, infrastructure and events that Create NSW supports make a significant contribution to the NSW economy – enlivening our state's cities, towns and regions, and providing valuable educational and cultural experiences that promote wellbeing and bring joy to our residents and visitors.

BELOW: Sydney Harbour. Photo: Destination NSW.



BELOW: National Art School at Old Darlinghurst Gaol. Photo: NAS.



## Hospitality and Racing

Hospitality and Racing works to create more diverse and sophisticated customer experiences, while keeping our communities safe. In 2023-24 it continued to support the development of vibrant, safe and responsible hospitality and racing sectors, while providing important regulatory oversight.

Important gaming harm minimisation measures undertaken this year include:

- the NSW Government's cashless gaming trial, overseen by the Independent Panel on Gaming Reform
- the removal of external gaming-related signage from all venues across NSW through a multipronged compliance and enforcement campaign
- a reduction in the cash input limit on all new gaming machines from \$5,000 to \$500.

Changes to the regulatory framework have removed red tape, making it easier to start, grow and expand a licensed premises in NSW as part of the government's Vibrancy Reforms.

BELOW: Spice Alley, Broadway, Sydney. Photo: Destination NSW.



## The Office of the 24-Hour Economy Commissioner

The Office of the 24-Hour Economy Commissioner implements the NSW Government's 24-Hour Economy Strategy to develop and sustain night-time economies. A revision of this strategy was released in the second half of 2024.

The Office works across government, with local councils, industry and communities to:

- build vibrant, diverse, inclusive and safe hospitality and entertainment precincts
- resolve legislative hurdles
- create opportunities through funding and bespoke programs.

Key programs include Purple Flag, the Uptown District Accelerator Program, Local Government Night-time Economy Toolkit, Live Performance Venue Program and driving the Vibrancy Reforms to legislation.

The work of the Commissioner enhances the state's economic output and the amenity for residents and visitors alike, boosting NSW's reputation as a vibrant and innovative 24-hour destination.

BELOW: Piccolo Bar, Kings Cross, Sydney. Photo: Ross Coffey.



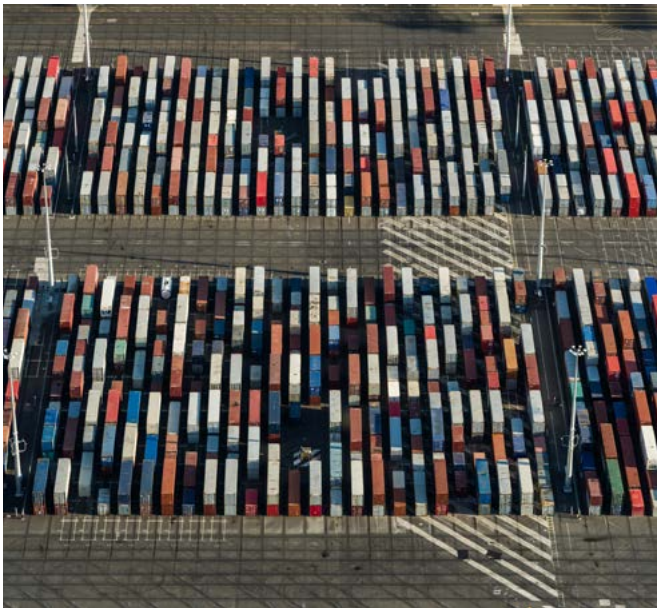
## Investment NSW

Investment NSW drives resilient and sustainable growth by enabling collaborative partnerships between business, government and priority sectors and markets.

Striving to provide economic prosperity for the people of NSW, Investment NSW leverages its strong networks across Government, industry and internationally to:

- Foster a high performing innovation system.
- Develop targeted and future industries, attract investment from priority markets and drive international education outcomes to deliver a pipeline of skills.
- Strengthen bilateral relationships, support businesses to export, and support investment from international markets.
- Deliver complex commercial transactions with the private sector to produce whole-of-government solutions for the economic benefit of NSW.

BELOW: Shipping Containers, Botany Bay. Photo: Shutterstock.



## Corporate Services

The Corporate Services division provides key business support functions enabling DEIT to deliver for the people of NSW. It works across the department to ensure the highest standards of engagement, operations and governance in all aspects of administration and project delivery.

Specialist teams guide DEIT's internal and external activity, reducing risk and embedding an inclusive culture of excellence across People and Capability, Legal, IT and Operations, Finance, Communications and Government Relations, and Strategic Projects and Transformation.

## The Office of the Chief Scientist & Engineer

Led by Chief Scientist & Engineer, Professor Hugh Durrant-Whyte, the Office of the Chief Scientist & Engineer (OCSE) consults widely with academia, industry and government to ensure scientific knowledge and research can be adapted and used to benefit the people, environment, industry and economy of NSW.

OCSE operates across four pillars to:

- deliver evidence-based scientific advice to government on difficult policy problems
- provide support to the research sector
- facilitate the establishment and development of high-tech industry
- raise community awareness and appreciation of the important contribution scientists and engineers make to society through outreach activities and events.

BELOW: Solar farm, Broken Hill. Photo: Shutterstock.



## Office of the Secretary

The Office of the Secretary supports the work of the Secretary through coordination of strategic issues management, business processes, departmental strategies, and NSW Government policy implementation.

# Executive leadership team



**Elizabeth Mildwater**

**Secretary of the Department of Creative Industries, Tourism, Hospitality and Sport**

Elizabeth was appointed Secretary, DEIT in October 2022, bringing more than 25 years' management experience across customer services, legal, company secretarial, compliance, risk management, human resources and general operations. She was CEO, Greater Sydney Commission from January 2021, and previously held the positions of Deputy Secretary, Greater Sydney, Deputy Secretary, Customer Technology and Services and Deputy Secretary, People and Corporate Services at Transport for NSW.

Her earlier executive roles included Director of Australian Programs for Save the Children Australia and the Victorian Group General Manager with Transurban. Elizabeth is passionate about harnessing stakeholder and employee engagement and new technologies to achieve new levels of service. She serves as a NSW council member with the Institute of Public Administration.



**Annette Pitman**

**Chief Executive, Create NSW**

Annette is Chief Executive of Create NSW, with responsibility for arts, screen, culture and infrastructure. She is committed to embedding the arts in the everyday, and showcasing our world-class arts, screen and cultural offerings.

Annette spent much of her career advising and supporting cultural organisations to develop and grow for the future. Previously, she led Create Infrastructure, overseeing NSW's portfolio of arts and culture projects including the Powerhouse Museums, Sydney Modern, Walsh Bay Arts Precinct, Regional Cultural Fund, Creative Capital and Theatre Royal.

Prior to joining NSW Government, Annette led the transformational Hamer Hall Redevelopment and worked on the masterplan for Arts Centre Melbourne's further renewal. She also led AECOM's NSW & ACT Buildings & Places business and headed up AECOM's Arts and Culture Sector for Australia and New Zealand.



**Tarek Barakat**

**Deputy Secretary, Hospitality and Racing**

Tarek is the Deputy Secretary, Hospitality and Racing, with responsibility for Liquor & Gaming NSW, the Office of Racing and the Office of Responsible Gambling.

With more than 15-years' experience in the public sector, Tarek first joined the Department of Enterprise, Investment and Trade (DEIT) as Hospitality and Racing's Executive Director, Policy and Programs in September 2022.

Prior to joining DEIT, Tarek worked at the Department of Planning, Industry and Environment as Executive Director, Strategic Projects at Property and Development NSW, before becoming Executive Director, Policy & Reform in the Housing and Property Group.

Starting in Local Government, before moving to the Department of Justice and onto Liquor & Gaming NSW as Manager, Policy and Legislation, Tarek also held several senior executive roles at Create NSW, including Acting Chief Executive and Chair of the Night-time Economy Taskforce.



**Michael Rodrigues**  
**24-Hour Economy Commissioner**

Michael Rodrigues is NSW's first ever 24-Hour Economy Commissioner, having been appointed in April 2021. In December 2023, the Commissioner's role was made statutory, and the Office's remit was expanded from Greater Sydney to all of NSW.

In the role, Michael leads the Office of the 24-Hour Economy Commissioner within NSW Government and is responsible for delivering the NSW 24-Hour Economy Strategy. Michael has been a passionate and vocal advocate for NSW's 24-hour economy for many years. He launched global lifestyle brand Time Out in Sydney in 2007 and served as Managing Director until 2021.

Motivated by the challenges facing Sydney's night-time economy, Michael also founded and chaired the Night Time Industries Association from 2018-2021, which played a critical role in overturning the lockout laws. Before diving into the world of media and night-time advocacy, Michael Rodrigues was a Civil Engineer in Sydney and a Senior Lawyer in Dubai, after graduating from UNSW.



**Katie Knight**  
**Acting Deputy Secretary, Investment NSW**

Katie is the Acting Deputy Secretary, Investment NSW, which has responsibility for enabling collaborative partnerships between business and government, and across priority sectors and markets. She is committed to fostering a high-performing innovation ecosystem, attracting investment and strengthening bilateral relationships to support NSW businesses to export. Previously, Katie led the Commercial Transactions team, working to leverage private sector investment to deliver innovative places, precincts and infrastructure for NSW, including the Government's unsolicited proposals and direct dealing processes.

Katie's career spans over 20 years as a corporate and transactional lawyer, advising start-ups, venture capital and angel investors, as well as multinationals on commercialising technologies, capital raising, mergers and acquisitions, and corporate restructuring.



**Prof Hugh Durrant-Whyte**  
**NSW Chief Scientist & Engineer**

Hugh Durrant-Whyte is the NSW Chief Scientist & Engineer and Natural Resources Commissioner. From 2016 to 2018, Hugh was Chief Scientific Advisor to the UK Ministry of Defence. From 2014 to 2016, and from 2002 to 2010, he was a Professor and ARC Federation Fellow at the University of Sydney. From 2010 to 2014, he was CEO of National ICT Australia (NICTA), and from 1995 to 2010, Director of the ARC Centre of Excellence for Autonomous Systems and of the Australian Centre for Field Robotics (ACFR).

Hugh is a world-leading authority on machine learning and robotics, and applications in areas including cargo handling, mining and defence. He has published over 300 research papers, graduated over 70 PhD students, and won numerous awards and prizes for his work, including being named 2010 NSW Scientist of the Year and 2008 Engineers Australia NSW Engineer of the Year.

Prior to his current role, he worked with many major companies and co-founded three successful start-up companies. He is well known for his work with Patrick Terminals in delivering automated container terminals in Brisbane and Port Botany, and for his work with Rio Tinto in pioneering and delivering the automated 'Mine of the Future'. He is an honorary Fellow of Engineers Australia (HonFIEAus), a Fellow of the IEEE (FIEEE), Fellow of the Royal Academy of Engineering (FREng), Fellow of the Australian Academy of Science (FAA), and a Fellow of the Royal Society of London (FRS).



**Lisa Alonso Love**  
**Deputy Secretary, Corporate Services**

Lisa's career spans 27 years across the NSW and ACT governments and non-government organisations. She has a passion for leading teams who provide services to the people of NSW and working to support those teams and provide systems to ensure they can deliver to their customers.

Lisa started her career delivering frontline services in child protection and health in Western NSW and the ACT. Frontline service delivery, followed by management and leadership roles in these areas have shaped and informed her career. She has held senior operational and program leadership roles in the public sector in both rural and remote areas, as well as central office locations in Communities and Justice, Education, and Enterprise, Investment and Trade.

# Department of Enterprise, Investment and Trade Portfolio Structure



\* Includes Sound NSW and Screen NSW. \*\*Destination NSW is a statutory body under the *Destination NSW Act 2011* but is not a staff agency.

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# Department of Enterprise, Investment and Trade Portfolio

This report covers the Department of Enterprise, Investment and Trade from 1 July 2023 to 30 June 2024 and includes the following entities:

- **Create NSW**
- **Hospitality and Racing (H&R)**
- **Office of the 24-Hour Economy Commissioner**
- **Investment NSW**
- **Office of Chief Scientist & Engineer (OCSE)**
- **Corporate Services**
- **Office of the Secretary**

Agencies within the Enterprise, Investment and Trade portfolio produce separate annual reports as required under legislation, which can be found at:

- **Art Gallery of NSW**  
<https://www.artgallery.nsw.gov.au/about-us/corporate-information/annual-reports/agnsw>
- **Australian Museum**  
<https://australian.museum/about/organisation/reports/annual-reports>
- **Greyhound Welfare and Integrity Commission**  
<https://www.gwic.nsw.gov.au/about/annual-report>
- **Independent Liquor and Gaming Authority**  
<https://www.ilga.nsw.gov.au/resources/publications>
- **Museum of Applied Arts and Sciences (Powerhouse Museum)**  
<https://powerhouse.com.au/the-act#museum-of-applied-arts-and-sciences-act-1945>
- **Museums of History NSW**  
<https://mhnsw.au/about-us/policies-and-plans/#Reports>
- **NSW Independent Casino Commission**  
<https://www.nicc.nsw.gov.au>
- **Office of Responsible Gambling**  
<https://www.gambleaware.nsw.gov.au/about-us/corporate-documents>
- **State Library of NSW**  
<https://www.sl.nsw.gov.au/about/policies-and-publications/publications/annual-reports>
- **Sydney Opera House**  
<https://www.sydneyoperahouse.com/about-us/how-we-work/governance-policies-and-corporate-information/annual-reports>

\* Destination NSW was an Executive Agency of DEIT until it joined the Department on 1 April 2024. Destination NSW's annual report outlining their operations and achievements can be found at: <https://www.destinationnsw.com.au/about-us/annual-reports>





Department of Enterprise,  
Investment and Trade

# 2

Strategy

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# Strategy

Throughout the year, the Department of Enterprise, Investment and Trade continued to align agency resources to the government's new policy priorities of:

- **Vibrancy Reforms**, which aim to boost NSW's night-time economy, benefiting live music, dining, and creative sectors and workers, and bringing vibrancy back to NSW's night-time economy and community.
- **Creative Communities** is the NSW arts, culture and creative industries policy that outlines a 10-year vision for supporting the arts sector and cultural sectors while also encompassing the industries of music, screen, literature, fashion, design, architecture, food, tech sectors and digital games.
- **Rebuilding the music sector** in NSW by funding soundproofing of live music venues, recording and touring, and developing a 10-year Contemporary Music Strategy.
- **Cashless gaming** through the cashless gaming trial overseen by the Independent Panel on Gaming Reform that aims to address money laundering and reduce gambling harm in NSW, in addition to other gaming machine reforms.

Over the next year there will be a focus on the way the department works together to achieve these priorities.

The department became the Department of Creative Industries, Tourism, Hospitality and Sport on 1 July 2024. The new structure supports sporting and entertainment offerings to drive economic outcomes and bring social and cultural benefit to communities across NSW.



ABOVE: Elizabeth Mildwater, Secretary, Department of Creative Industries, Tourism, Hospitality and Sport addressing the Tech Central Forum 2023 in Sydney. Photo: DEIT.



Department of Enterprise,  
Investment and Trade

# 3

Operations and  
Performance

# Operations and Performance

DEIT worked to deliver the NSW Government's policy priorities, and contribute to community wellbeing, cultural enrichment and economic development across the state over the year. This included consulting and collaborating with the community throughout 2023-24, as outlined below.

- **Create NSW** consulted with artists and audiences throughout the state to embed sector feedback in the policy priorities outlined in *Creative Communities*.
- **Sound NSW** heard from 750 people working in the live music industry and 550 members of the public. Spanning people of all ages across Sydney and regional NSW, feedback will support government's ambition to transform NSW into a global music powerhouse.
- **Hospitality and Racing** took their regulatory roadshows to 6 locations across the state, meeting with more than 500 stakeholders from Kiama in the south to Walgett in the west to help cut red tape and reduce gambling harms across NSW.
- **The Vibrancy Reforms**, led by the Office of the 24-Hour Commissioner to boost NSW's night-time economy, required complex consultation across government and with councils and industry. The implementation of the reforms has required collaboration by bodies across DEIT and government, including Planning NSW, NSW Police and Transport for NSW.
- **Investment NSW** engaged with over 370 stakeholders via an Innovation Blueprint Summit at NSW Parliament House and a series of roundtables capturing industry expertise and insight to shape the vision for the future of innovation in NSW.
- And the **Office of the Chief Scientist & Engineer** spent time at Menindee in Far West NSW to gain the trust of the community while investigating the mass fish death event on the Darling-Baaka River.

This work resulted in policies and projects designed with and for the people of NSW to provide social and economic benefits for everyone.

**AT RIGHT, TOP TO BOTTOM:**  
Performance at Golden Age Cinema, Surry Hills.  
Photo: Create NSW.

Alfie Arcuri, Beresford Hotel, Surry Hills.  
Photo: Destination NSW.

Sydney Harbour lights up for Vivid Festival.  
Photo: Destination NSW.



# Supporting a vibrant and diverse arts and cultural sector

Throughout the year, Create NSW offered a suite of grant programs and targeted initiatives across the screen, music, arts, and cultural sectors, supporting the creative industries and driving cultural outcomes for NSW. The NSW Government continued to invest in infrastructure through major projects, unlocking creative spaces, strengthening the capacity and the cultural capital of the state. This included:

- 7 key projects completed with support from the \$100 million Regional Cultural Fund, including the transformation of Albury's historic pump house into the Pumphouse Maker Space & Artist Workshop. The Pumphouse won the 2024 Excellence in Building Award for Restoration of an Historic Building from the NSW Master Builders Association.
  - Creation, innovation and experimentation supported across all areas of creative practice with \$68 million invested in 487 grant proposals under the Arts and Cultural Funding Program.
  - Affordable office, workshop and performance spaces provided to more than 100 arts, screen and cultural organisations under the Infrastructure Support Policy.
  - 80 projects completed with support from the Creative Capital funding program.
  - 18 projects completed with funding from the Community Local Infrastructure Recovery Program which supported arts and cultural organisations affected by flooding in February and June of 2022.
  - The Culture Up Late Western Sydney program was fully delivered in 2023-24. Across all 11 recipients, 391 activities were delivered over 274 nights, attracting over 37,000 people to vibrant local after-hours creative and cultural events in Western Sydney.
  - 10 major exhibitions and events of local and international significance were delivered in 2023-24 under the Blockbuster program, including the Ramses and the Gold of the Pharaohs exhibition at the Australian Museum, the 24th Biennale of Sydney and the Art Gallery of NSW's Volume Festival 2023.
- Screen NSW supported:
    - 46 Australian television, film and online projects with production finance to film in NSW.
    - 29 industry and audience development initiatives to enhance the NSW screen ecosystem (19 new initiatives in 2023-2024 and 10 multi-year programs).
    - 17 initiatives and partnerships under the Strategic Opportunities Program to build capacity and support partnerships between organisations and practitioners.
    - more than 100 market and festival travel requests to increase opportunities and foster advancement for NSW screen practitioners.
    - 139 projects successfully registered, and rebates paid for 92 projects and another 139 projects successfully registered under the PDV and Digital Games Rebates, attracting investment in NSW.
  - Sound NSW supported 283 successful applicants across four programs with \$10.7 million funding:
    - 21 venues for soundproofing.
    - 59 artists to create and promote new music.
    - 179 artists to tour domestically and access international touring and business opportunities.
    - 22 music industry businesses to deliver programs and initiatives to build capacity and promote the growth of the NSW contemporary music ecosystem.



RIGHT: Pumphouse Maker Space and Artist Workshop, Albury City.

# Creative Communities, putting culture at the heart of NSW

## A whole-of-government approach to realise NSW's creative and cultural potential

*Creative Communities*, the state's first arts, culture and creative industries policy, was released by the NSW Government on 12 December 2023. Outlining a 10-year vision to support the arts and cultural sector, the policy places an enhanced focus on the broader creative industries to reflect NSW's unique and diverse cultural strengths.

*Creative Communities* articulates the NSW Government's vision for sustainable growth among artists, creative organisations and the state's broader cultural workforce. By enabling creative individuals, organisations and communities to achieve success, the NSW Government is supporting economic growth and a range of social benefits for the state.

Over time, *Creative Communities* promises to touch as many lives as possible, embracing the full diversity of NSW. It commits to a whole-of-government approach to advocate for, invest in and enable the creative and cultural ecosystem to realise its full potential.

BELOW: NORPA's (Northern Rivers Performing Arts) production of *FLOW* in 2023, Maclean NSW.  
Photo: Kurt Petersen.



## Creative Communities Policy

*Creative Communities* is grounded in 5 guiding principles:

- **Prioritise First Nations culture**

*Creative Communities* recognises and respects the place of First Nations stories at the centre of NSW's arts and culture. The NSW Government will prioritise First Nations investment, programs and strategies to support First Nations creative industries growth. This includes supporting self-determined and autonomous organisations, services and spaces for NSW's First Nations creative, cultural and language practitioners, Aboriginal Community Controlled Organisations, businesses and communities.

- **Embrace the arts, culture and creative industries**

The NSW Government acknowledges the value of NSW arts, culture and creative industries including the talented, innovative artists and other creative practitioners at its centre. A whole-of-government approach to creative industries investment, services and program provision will be established, reforming the various programs and initiatives across NSW into a coordinated and cohesive network. This includes reviewing the arts and cultural sectors to assess needs and build effective partnerships across agencies and with philanthropists, commercial and not-for-profit enterprises. This will strengthen industry pathways and training for the next generations of artists, cultural and creative workers.

- **Advocate for the value of culture**

NSW Government will champion participation in community cultural life with the people of NSW, wherever they live and whatever their traditions. The government recognises culture as a public good and acknowledges the role it plays in personal and community wellbeing as well as economic development. Providing equitable access is central. NSW Government will ensure that cultural access and opportunities for the next generation are enabled and celebrated.

- **Support sustainable growth**

The commitment to foster sustainable growth of the arts, culture and creative industries will require cultural investment reform to provide more equitable distribution of funding across NSW, financial sustainability of cultural infrastructure, and protection of cultural assets and collections. Sustainability also refers to the efficient use and activation of underutilised cultural and civic assets, and ensuring the sector transitions to renewables and reduces carbon emissions. Sustainable growth also requires regulatory reform to ensure viable careers and enterprises now and for future generations.

- **Take our creativity to the world and bring the world to our stories**

*Creative Communities* aims to grow national and international audiences, drawing on the rich diversity of cultural experience, artforms and local initiatives. As a part of this ambition, NSW tourism will increase its focus on cultural experiences, including festivals and First Nations cultural tourism. Investment and regulatory support for creative industries and the development of creative content, expertise, and jobs will be delivered together with the Australian Government and other partners.

1. Performer at Art on Bundjalung Market, Kyogle NSW. Photo: Kate Holmes.
2. Remy Rochester in Hive of Industry, Legs on the Wall, White Bay Power Station 2024. Photo: Carlita Sari Photography.
3. Chanika De Silva in Vox Theatre's *Silenced*. Photo: Natalie Low.
4. Yours & Owls Festival mainstage 2023. Photo: Ruby Boland.
5. Aerial view of the Art Gallery of New South Wales' new SANAA-designed building, 2022, Photo: Iwan Baan.



## Creative Communities key achievements

Built on the core objectives of People, Infrastructure and Audiences, the policy embeds arts, culture and creative industries in our communities and provides opportunities for all to thrive.

Key 2023-24 achievements relating to *Creative Communities* include:

- **Reform of the Arts and Cultural Funding Program**  
In response to valuable sector feedback received from right across NSW, a key commitment was made to reform the Arts and Cultural Funding Program delivered by Create NSW.

Announced in June 2024, the changes will deliver a simpler, fairer and faster funding program for artists, organisations and arts workers, no matter which corner of the state they're from, or which artform they represent. The new model is designed to make the funding process easier and match the needs of the sector across all artforms, career-stages and organisational sizes, to support long-term growth and sustainability.

- **Screen NSW Service Reform** The screen and digital games industries form a vital part of the arts, culture and creative industries in NSW. As such, it's crucial that the NSW screen sector is supported by robust and responsive government support. The NSW Government committed to strengthening Screen NSW's capacity to serve the industry. During 2023-24, Screen NSW reduced its payment terms from 30 days to 14 days. Just one in a suite of reform measures, this ensures Screen NSW is supporting the industry promptly and efficiently.
- **Establishment of the Policy Implementation Unit within Create NSW** A dedicated unit is the backbone for the successful delivery of the Arts, Culture and Creative Industries Policy. It is responsible for a range of functions including intergovernmental coordination and performance monitoring and reporting. The unit also delivers the critical customer service front door to improve public access to government sector expertise, advice and support.

BELOW: Anya Taylor-Joy, director George Miller and Chris Hemsworth on the set of *FURIOSA: A MAD MAX SAGA*, a Warner Bros. Pictures release. Photo: Jasin Boland.





# The State of the Scene 2024 Report

## First of its kind research into NSW's live music industry

Sound NSW was established in May 2023, with leadership from its newly appointed advisory board.

In its first full year of operations, Sound NSW helped to reshape the contemporary music sector in NSW through a range of programs and targeted research initiatives.

Live music is integral to NSW. It entertains people, inspires artists, employs diverse and skilled professionals, and helps breathe life into our communities. As an industry, it is a vital thread in the creative and economic fabric of our society.

In June 2024, Sound NSW published the *State of the Scene 2024 Report*. The first-of-its-kind social and economic research report captured the state of the NSW live music industry, helping to improve the understanding of it and provide guidance on how to support the industry to thrive in years to come. It demonstrated that NSW is Australia's largest live music economy.

BELOW LEFT: Annie Hamilton on tour. Photo: Ruby Boland.  
RIGHT: Byron Music Festival 2023. Photo: Lisa G Photography.

Key findings from the report found that the NSW live music industry:

- employs 14,180 direct workers and 10,920 indirect jobs
- has an economic output of \$5.5 billion
- has a value-add of \$2.7 billion
- has 795 venues across the state that offer live music.

Of the 795 venues it found that offer live music:

- 55 are dedicated live music venues where live music is the key function of the business
- 453 are live music venues with ongoing and regular performance programming
- 56 are large scale multipurpose venues that present live music as part of their broader offering
- 231 are venues in NSW that offer some kind of music as an ancillary function.

This review of the live music industry is a key commitment of government, and the research informed the development of NSW's first Contemporary Music Strategy, which will be released in 2024. A three-year implementation plan will accompany the strategy, outlining investment and support programs, timelines and evaluation commitments.



# Venues Unlocked Program

## Building capacity for live performance

The Venues Unlocked Program, delivered in collaboration with the Office of the 24-Hour Economy Commissioner, aims to increase the number of live performance venues with industry best-practice sound management, build the capacity for live performance, and generate greater vibrancy in communities.

The Soundproofing Grants for Live Music Venues program, led by Sound NSW, aim to support existing and new NSW live music venues achieve best-practice soundproofing and management.

In 2023-24, the Soundproofing Grants for the Live Music Venues program provided \$1,685,669 in funding to 21 music venues, who will receive up to \$100,000 for infrastructure improvements, new equipment, and expert acoustic reports.

The NSW Government is committed to introducing further Vibrancy Reforms in 2024 – continuing to improve planning, liquor, outdoor sound and noise regulations to encourage cultural activity across NSW.



New Idea featuring flowerkid at The Great Club, 2022.  
Photo: Tom Wilkinson.

# Making space to create

## Cultural infrastructure projects bringing people together

Create NSW supports cultural infrastructure projects that bring people together to create, share and enjoy arts and culture. The projects help grow the cultural sector and creative industries in NSW.

During 2023-24, projects completed under the Creative Capital and Regional Cultural Fund programs helped communities across NSW to build or improve cultural infrastructure such as museums, theatres, galleries and Aboriginal cultural centres.

In addition, as part of the cultural infrastructure program, Create NSW manages a portfolio of arts and heritage properties. This helps arts and creative organisations and businesses to access affordable spaces, supporting creative production.

Key infrastructure projects delivered by Create NSW in 2023-24 include:

### Qtopia



Photo: Create NSW.

On 24 February 2024, Qtopia Sydney opened to the public following the completion of first stage of works.

Under the stewardship of Create NSW, the heritage site, which was once the old Darlinghurst Police Station and served as an administrative office for NSW Health, was transformed to become Qtopia Sydney – Sydney’s first LGBTQIA+ museum.

The building was renovated and the site transformed to host a mix of exhibition spaces, a 60-seat theatre, reception area and administration space.

Qtopia Sydney delivers public exhibitions, temporary displays and community engagement and education programs. Qtopia Sydney is committed to empowerment, inclusivity, celebration, challenge and education, and is dedicated to representing the

history and culture of the LGBTQIA+ community with integrity, authenticity and accuracy.

As of 27 June 2024, approximately 6,300 people have visited Qtopia Sydney. A further 2,000 people attended Qtopia’s theatre performances.

### The Gunnery redevelopment



Photo: Create NSW.

2023-24 saw the completion of a major project, the Gunnery redevelopment. Completed on 3 October 2023, the Gunnery building in Woolloomooloo was transformed into a contemporary art facility with expanded exhibition spaces, increased artist studios, multi-use spaces for education and digital connectivity, and a greater connection to the local neighbourhood and Sydney Harbour Foreshore. The upgrade improved accessibility and meets the needs of artists and the community.

A State Heritage Listed building, the Gunnery was built around 1900 and has had many lives including as a bulk store for the Sydney Morning Herald and a gunnery and trainee centre during the Second World War. It was also a squat in the 1980s and the home of Artspace from 1992. Changes to the building were designed to preserve and, in certain instances, repair its important historical elements.

The Gunnery redevelopment allows Artspace to continue its important work in the contemporary art field locally, nationally and globally. The result of the transformation project is a building that is welcoming, accessible and flexible.

The Gunnery transformation was a collaborative project involving Create NSW, which provided funding, guidance and other support; Artspace; NSW Public Works, as the project Delivery Manager; DunnHillam project architects; and FDC, as the managing contractor.

# Creative Land Trust

Like other major world cities and regional areas, NSW is finding that creative spaces are getting squeezed out of unaffordable places and creativity is being lost. To address this, in June 2024, The Creative Lands Trust was announced in partnership with the City of Sydney to examine the feasibility of establishing a Creative Land Trust, an independent, not-for-profit trust that would be responsible for securing creative production spaces, rehearsal and studio spaces.

The intention is for both the NSW Government and the City of Sydney to contribute a suitable property to the Creative Land Trust once the feasibility stage concludes. This model of collaboration and partnership is an important step forward to preserve and protect our creative communities and activate spaces.

BELOW: Art Space, Sydney. Photo: Create NSW.



# VIP signage campaign

## Successfully implementing the government's ban on all gaming related signs

In May 2023, Liquor and Gaming NSW launched a highly successful campaign to implement the Government's ban on all gaming-related signage outside hotels and clubs.

Over time, venue operators had attempted to circumvent laws prohibiting external gambling-related signs by using terms such as 'VIP Lounge' and 'Dragon Den' and adopting images similar to those used by or associated with gaming machines.

To counter this, a position paper was released with an interpretation of section 44 of the Gaming Machines Act 2001, which has long prohibited external gambling related signs.

A staged compliance program allowed operators sufficient time to make the necessary changes, and by the time the final stage of that program was completed, in December 2023, over 98% of venues inspected were compliant with the new requirements.

In June and July 2023, inspectors conducted 530 on-site educative engagements at hotels and registered clubs. These engagements spanned across 32 metropolitan and regional local government areas (LGAs) and provided venues with opportunities to ask questions about the changes. These inspectors found that approximately 40% of venues were already complying with the new requirements ahead of the deadline.

On 1 September 2023, the ban on all such signage came into effect, with enforcement action commencing with venues that failed to remove prohibited signage without a reasonable excuse.

Throughout September 2023, Inspectors attended 1,214 venues (770 hotels and 444 registered clubs) across 53 LGAs, including 15 regional LGAs. Overall, only 20 venues were identified as having non-compliant external gambling related signage, a compliance rate of over 98%.

From 1 December 2023, a zero-tolerance approach was taken to any instance where external gambling related signage was identified. Inspectors attended 178 venues across 31 LGAs during the first three weeks of December, and no illegal gambling-related signage was identified.

Most venues changed their signage to promote other offerings, such as food specials, live music, trivia nights, bingo and sports broadcasts. This contributes to promoting a more vibrant hospitality industry, whilst reducing the likelihood for gambling related harm.

**BELOW: Entrance before and after – VIP signage removed.**



# Gaming reform

## Progressing gambling harm minimisation measures

Hospitality & Racing provided secretariat support to the Independent Panel on Gaming Reform (the Panel), established by the NSW Government. The Panel is developing recommendations for Government to consider in relation to the introduction of cashless gaming in hotels and clubs. This will take into consideration the infrastructure investments required, the impact on employment and industry, options to further reduce gambling harm, and the impact of reducing the risk of money laundering. The Panel is also providing recommendations to Government on further reform.



Hospitality & Racing supported the Panel's work by:

- providing Secretariat support, facilitating 11 meetings of the Panel, 17 meetings of the Panel's Executive Committee and two out of session briefings
- facilitating one workshop for the Panel, and trips to Tweed Heads for the Panel and to Melbourne for the Executive Committee to observe cashless gaming technologies in progress
- setting up the cashless gaming trial, including facilitating an application and assessment process, procuring a researcher to oversee the trial, and liaising with a range of trial venues across multiple LGAs.

In addition to the work of the Panel, Hospitality & Racing continued work on the following election commitments:

- From 1 July 2023, the cash input limit on all new gaming machines was reduced from \$5,000 to \$500. Reducing the cash input limit was recommended by the NSW Crime Commission and reduces opportunities for money laundering through poker machines in hotels and clubs.
- Developing new gambling harm minimisation measures for venues with gaming machines. Through the development of a consultation paper, position paper, two compliance campaign papers and an amendment to the Gaming Machines Regulation, further gambling harm minimisation measures will be implemented with a gradual commencement from 1 July 2024.

LEFT: Cashless Gaming Trial. Photo: Shutterstock.

# Understanding and responding to youth gambling

## In 2023-24, the Office of Responsible Gambling maintained its focus on youth gambling

In March 2024, the Office launched a campaign to promote gambling education in high schools in NSW. The campaign supported NSW teachers to use GambleAware for Schools lesson plans and assessments. These materials were designed by the Office to help teachers to educate young people about gambling through everyday classwork.

The resources were promoted through industry newsletters, emails to NSW school principals, and on Facebook and LinkedIn. This resulted in a significant increase in visits to the GambleAware website and downloading of education resources.

In June 2024, the Office launched another youth-focused campaign, this time to educate parents and carers about influences that can drive their children's behaviours and attitudes towards gambling. The campaign encouraged parents and carers to avoid gambling in front of children, and to talk to their children about the risks of gambling. It provided parents and carers with practical tips to reduce their child's risk of gambling harm in future. The advertising was targeted to parents across Spotify, Mamamia, and the Happy Families podcast.

Building on previous research funded by the Responsible Gambling Fund, the Office is funding Central Queensland University to deliver the NSW Longitudinal Youth Gambling Survey. This study examines the causal factors that influence gambling transitions and gambling harm among young people in NSW. It involves following up the young people surveyed in the NSW Gambling Youth Study 2020 with a focus on the transitions that occur when turning 18 and becoming able to legally gamble. Data collection commenced in 2023-24 with the final report expected in 2024-25.

In 2023-24, the Australian Secondary School Alcohol and Drug Survey included gambling questions. This was the first time these questions were in the survey in NSW. The Office worked with the University of Newcastle to develop questions about gambling alongside alcohol and drug use, and other health and psychological issues related to gambling. The results are expected later in 2024.

The findings of both projects will provide an evidence base for future services and education and awareness programs.



ABOVE: The Office of Responsible Gambling launched a youth-focussed education campaign. Photo: Shutterstock.

## GambleAware Services

The Office of Responsible Gambling (the Office) works to prevent and reduce gambling harm for the people of New South Wales. The Responsible Gambling Fund funds GambleAware services that provide free and confidential information and support across the state.

Some highlights in 2023-24 included:

- **Peer support for the GambleAware model**  
The GambleAware statewide peer support service started in November 2023. It supports GambleAware service managers with the recruitment, retention, supervision, and professional development of peer workers.
- **Building Aboriginal cultural capability**  
The GambleAware Statewide Aboriginal Service was introduced in 2022 to build Aboriginal cultural capability in the GambleAware service system. In 2023-24, the Service undertook cultural capability assessments with staff across each region and is now working with GambleAware service managers on the implementation of their Aboriginal cultural capability building action plans.
- **The launch of the GambleAware Koori Interagency Staff Network**  
The GambleAware Statewide Aboriginal Service launched this network in May 2024 for Aboriginal and/or Torres Strait Islander staff to discuss cultural safety in the workplace, provide a safe space for them to support each other in their roles, and share their professional and cultural knowledge to build on ways that work effectively in their respective communities. The network meets every two months and feedback from its members has been overwhelmingly positive.

BELOW: GambleAware campaign poster.



## Regulatory Roadshows and Community Engagement

A key element of Hospitality and Racing's engagement framework are Regulatory Roadshows to engage with industry and community across the state. These forums are open to all industry members and provide an opportunity for the group to directly engage with industry members around NSW about policy changes, regulatory priorities and trends, as well as associated compliance issues and harm minimisation strategies. It also allows the group to hear directly from industry about their experiences.

There were 545 industry attendees across the six roadshows in 2023-24 that were held in:

- Bathurst (July 2023)
- Fairfield (September 2023)
- Sydney CBD (October 2023)
- Kiama (November 2023)
- Walgett (March 2024)
- Tamworth (May 2024).

Feedback from industry members has been positive, highlighting that the Regulatory Roadshows have been informative and helpful and provide a great opportunity to network with key stakeholders across government, industry, and the community.

The Community Engagement Program saw additional meetings in each Roadshow region, designed to provide a vehicle for community stakeholders impacted by challenges around liquor and gaming to share their feedback directly with Hospitality and Racing executives. The 2023-24 events saw the commencement of the Aboriginal Engagement program that enables Aboriginal voices to be heard and considered in decision making.

BELOW: Panellists at the CBD Regulatory Roadshow. Photo: Hospitality and Racing.





## Licensee Training Refresher

On 14 February 2024, a new mandatory Licensee Refresher online course was launched to enable liquor licensees, approved managers, and club secretaries to renew their Responsible Service of Alcohol (RSA), Licensee, and Advanced Licensee competencies in one refresher course, and all for one fee.

Renewal of Licensee competencies is required every five years. The Liquor Regulation 2018 was amended to allow the introduction of Licensee Refresher training. The Licensee Refresher online course consists of six learning modules with assessments throughout. It covers a range of content designed to educate, refresh, and assess licensees on key compliance areas and new industry developments.

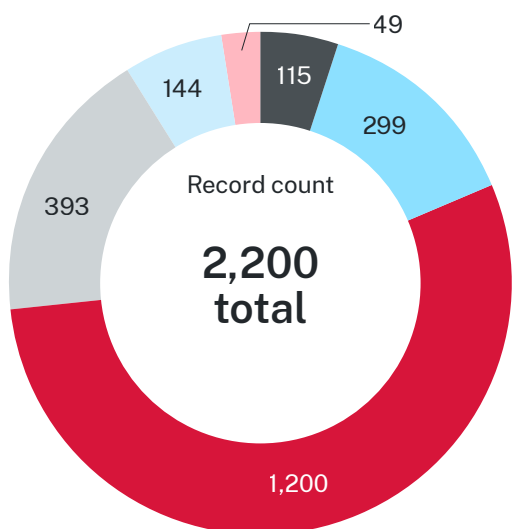
## New licensee outreach

Recognising that many individuals entering into liquor licensee and approved manager roles often face steep learning curves, the Hospitality Concierge launched a permanent outreach program to directly assist and support new industry members.

The program includes personalised outreach calls to help answer any venue-specific questions, ensure that staff can meet any training requirements, connect venues to their local liquor accord, and give managers a point of contact for when they are looking to develop and grow their business.

Throughout 2023-24, the Hospitality Concierge engaged with over 2,200 new licensees and approved managers as part of this program and has received positive feedback from the industry.

New licensee outreach tools



New licensee category:

- Club
- On premises
- Producer/wholesaler
- Hotel
- Packaged
- Small bar

## Unlawful or irresponsible wagering advertisements/bookmaker behaviour

The publication of wagering advertisements that induce a person to open a betting account, to gamble, or to gamble more frequently is prohibited in NSW. Research shows that this type of advertising could potentially change a person's betting behaviours by encouraging gambling or more frequent gambling and can have a significant adverse effect on at-risk gamblers and vulnerable individuals.

Throughout 2023-24, a targeted compliance program was undertaken to ensure that betting service providers were complying with the *Betting and Racing Act 1998* and the *Totalizator Act 1997*. Subsequent enforcement activity included issuing seven betting service providers with 14 penalty notices totalling \$153,000. In addition, two penalty notices totalling \$30,000 were issued to two third-party marketing companies that had been contracted by betting service providers to publish their gambling advertising.

This compliance program identified trends in predatory practices that were being used by betting service providers to market their products, expand their client base, share information, and create barriers for customers to close their betting accounts or withdraw funds. As a result, an Industry Alert was issued to all betting service providers on 5 December 2023 calling out this conduct and signalling that legislative amendments and new regulatory tools are being considered to combat behaviours considered unacceptable.

## A joint agency approach towards music festival compliance

Working alongside co-regulators such as NSW Police and NSW Health, key stakeholders were engaged before, during and after events. This included licensees and approved managers, music festival operators and promoters, event staff and security, medical providers, and peer-based harm reduction providers prior to, during, and after events.

Where a festival is determined to be a 'subject festival' by the Independent Liquor and Gaming Authority (ILGA), organisers must submit a safety management plan for approval by ILGA. Inspectors then attend events to monitor compliance with the safety management plan compliance with liquor licence conditions, and patron behaviour and intoxication levels.

After a festival, inspectors attend debriefings with key stakeholders to discuss any potential issues observed, aspects that worked well, and aspects that could be improved in the future. Inspectors then report to ILGA on music festivals they observe.

## Review of the Music Festivals Act 2019

Since the creation of the *Music Festivals Act 2019*, there has been substantial change in the festivals sector in NSW, with the disruption of COVID-19 on the music festival industry, changes in going out behaviour and an industry that is continuously improving in terms of safety standards and best practice.

Work is underway to make the regulatory environment for NSW music festivals more supportive, while also ensuring safety for patrons and the community. Targeted consultation was undertaken in January 2024 with a wide range of industry, community and advocacy groups.

## Clubgrants scheme review

In July 2023, the Government announced a full review into the Clubgrants scheme, which had not been formally reviewed since 2013. The Terms of Reference for the review were published in October 2023. The review is examining all categories of the existing scheme to help determine whether it continues to represent value for money for the people of NSW.

A discussion paper opened consultation on 22 December 2023 with targeted questions and background information to help guide submissions. Public consultation closed on 18 March 2024, resulting in hundreds of responses from a diverse range of stakeholders, including community organisations and charities, registered clubs, government agencies, and members of the public.

## Suitability of key executives and directors of the major exclusive NSW gaming licences

In 2023-24 work was finalised on the Tabcorp demerger (which resulted in Tabcorp's lotteries and Keno business being demerged to The Lottery Corporation). Ten probity investigations for key senior executives and directors were undertaken. An additional four probity investigations were completed separate to the demerger process to ensure that senior executives and directors were fit and proper persons to be associated with the licensees.

Support for the NSW Independent Casino Commission continues with the completion of over 31 probity assessments for the casino sector. These probity investigations ensure that key senior executives and directors of the exclusive NSW gaming licences are considered suitable to be associated with the relevant licences.

## Totalizator Act review

The *Totalizator Act 1997* (the Tote Act) sets out provisions for the conduct and regulation of totalizator (tote) betting in NSW. The Tote Act provides for the proper conduct of tote betting in the public interest and to minimise harm associated with such betting.

There have been significant changes in the wagering environment since the last broad-based review of the Tote Act (in 2003), in particular the widespread availability to NSW customers of online wagering services, including by providers licensed in other Australian jurisdictions.

The review of the Tote Act in 2023-24 looked at modernising the regulatory and legislative framework for tote betting. It considered whether the regulatory approach for tote betting was fit-for-purpose, whether it appropriately balanced responsible industry development and harm minimisation, and whether it is enforceable in practice and reflective of today's wagering environment.

## Improving public access to liquor licence information

Improving the way that the community can access information about liquor licences, such as the licensee and licence conditions for every venue in NSW, via a public register that allows downloads and searchable queries, contributes to improving transparency.

BELOW: Groove Terminator and Sound of the Shire Choir performing at Byron Music Festival, 2023. Photo: Greggio.



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# Vibrancy Reforms, a case study in collaboration

The Vibrancy Reforms are a cross-government regulatory initiative designed in consultation with key agencies, industry, councils and other stakeholders to align sector regulation with contemporary going-out behaviours, improve government processes, and encourage more people to go out closer to home.

Led by the Office of the 24-Hour Economy Commissioner (in partnership with The Cabinet Office) and working closely with agencies within the Department, including Liquor & Gaming NSW, regulatory barriers and additional reform opportunities have been identified.

In November 2023, amendments were made to nine separate pieces of legislation, and projects were implemented across 10 different NSW Government agencies.

The six areas of change are:

- sensible venue sound management
- vibrant, coordinated precincts
- an activated outdoors
- empowering the 24-Hour Economy Commissioner
- streamlined, contemporary licensing
- improving night-time for workers.

The first phase of the reforms encouraged venue operators to launch, grow, adapt and expand, and removed unnecessary regulation.

BELOW: Live music at Kelly's On King, Newtown.  
Photo: Destination NSW.

The reforms also established a consistent, common-sense, statewide approach to entertainment noise complaints by designating Liquor & Gaming NSW as the lead regulator for entertainment noise complaints relating to licensed premises. The reforms are a major contributor to the delivery of the NSW Government's 24-Hour Economy Strategy and the *Creative Communities* policy.

As of 30 June, 157 live music and performances venues had taken advantage of the vibrancy incentives including fee discounts and extended trading, a 70% increase since Vibrancy Reforms were announced in late 2023.

Addressing key challenges and creating an environment that encourages both businesses and the community to maximise benefit and enjoyment from the night-time economy, the reforms have helped reshape the narrative of night-time activity from a risk or nuisance to a valued sector that boosts both the NSW economy and its reputation as a vibrant and innovative 24-hour destination.

The reforms legislated an expanded remit for the Office of the 24-Hour Economy Commissioner, from Greater Sydney to statewide.

The Office is also leading the rollout of an enhanced Special Entertainment Precinct framework with added venue incentives and support for more councils to set up going-out precincts. In 2024, the Office engaged with interested councils to help them begin the steps to establish Precincts.



# Bringing vibrancy to the night

## Empowering communities to shape their district identity and attract visitors

The Uptown District Acceleration Program is strengthening the 24-hour economy as it builds on the success of its inaugural round, unlocking the potential of going-out districts that showcase the diverse, multicultural experiences that Greater Sydney has to offer locals and visitors.

Delivered in two stages, the program empowers local business communities to collaborate and shape their district identity, equipping district teams with the skills, networks and resources to attract partners and consumers to visit.

In 2023, 25 districts completed the second round of the Uptown Accelerator (stage one) with 21 participating in the end-of-program District Showcase, pitching their vision to potential partners and collaborators. More than 460 connections were made in 2023, an increase of 24% from the previous year.

Round 2 of the second stage, the Uptown Grant, provided \$5 million in project funding across 33 districts, including 16 previous and 17 new recipients, spanning 12 Local Government Areas (LGAs).

Uptown district alumni have reported impressive achievements, including Hollywood Quarter's Foster Street featured in the Top 30 Coolest Streets in the World 2024 by Time Out, and YCK Laneways named a finalist in the 2024 Sydney Business Awards NSW in the Outstanding Community Organisation category.

The success of the Uptown District Acceleration Program has enabled its expansion beyond Greater Sydney to districts based in LGAs around Newcastle, Central Coast and Wollongong, making an additional 10 LGAs eligible for the third round of the Uptown Accelerator in late 2024.

BELOW: Uptown District Vision Workshop, Sydney. Photo: O24HC.



# Hollywood Quarter Sydney

## Uptown District plays a starring role in night-time economy

Once the home of not one but two movie studios in the Golden Age of cinema, the Hollywood Quarter (HQ) Uptown District sits in the hinterland between Darlinghurst and Surry Hills. After participating in the Office of the 24-Hour Economy Commissioner's Uptown District Acceleration Program, HQ is quickly establishing itself as a star of the night-time economy.

From the iconic Hotel Hollywood on the corner to an enviable feast of some of Sydney's coveted fine and casual dining options, the glamorous micro-precinct has undergone a reboot that celebrates its next season as much as its history and heritage.

HQ's Foster Street was named in Time Out's Top 30 Coolest Streets in the World 2024 thanks to its impressive lineup of cafes, bars, top restaurants, a boutique hotel, gallery, and art deco cinema, not to mention a visit by the biggest pop star in the world, Taylor Swift. Taking out #23, it beat out other iconic and burgeoning streets in Montreal, Seoul, Milan and Miami amongst others.

The district was also invited to participate in the Great Southern Nights program, a live music festival in key hubs across NSW administered by ARIA and Destination NSW. Held on 23 March 2024, the Hollywood Quarter Live Music Gig Trail brought together nine venues who offered live music and DJ sessions throughout the day. Another 12 cafes, restaurants and bars came on board for specials and bespoke menu offerings, and more than 14 buskers wandered throughout the precinct enlivening the streets.

The successful activation marked one of the first formal collaborations between a major event and an alumni district of the Uptown Program.

TOP RIGHT: Outdoor dining in Foster Street, Surry Hills. Photo: Ross Coffey.

BELOW: The iconic Hollywood Hotel. Photo: James Schulz.



# Staging more live performances across the Six Cities

In 2023-24, the Office of the 24-Hour Economy Commissioner successfully delivered the inaugural two-phase Live Performance Venue Program (LPVP), a \$4 million program aiming to increase the number of fit-for-purpose live performance venues across Greater Sydney, Newcastle, Lower Hunter, Central Coast and Illawarra-Shoalhaven.

The program is a part of Venues Unlocked, a NSW Government initiative delivered in partnership between the Office of the 24-Hour Economy Commissioner and Sound NSW to remove barriers to staging live performances and generate greater vibrancy in communities.

**Phase 1**, the Accelerator, was delivered from February to March 2024 and focused on building the capabilities and networks of participating venues through a 6-week series of in-person and virtual sessions covering marketing, programming and essential equipment training.

**Phase 2**, the Grant, offered funding of up to \$80,000 to eligible hospitality venues to purchase essential equipment and help start programming and promote live performances. Over \$3.4 million was awarded to 56 hospitality venues across the Six Cities region.

The Program concluded with a networking event connecting venues, artists, suppliers and potential partners.

**BELOW:** Live Performance Venue Program Networking Event. Live music at 7th Day Brewery, Brookvale. Photos: O24HEC.



# Coledale RSL Club

## Live music at the centre of Coledale community thanks to a Live Performance Venue Program Grant

After closing in 2022, the Coledale RSL Club has reopened with a focus on transforming from a sports-betting and gaming venue to a more community-friendly, live music venue.

A grant from the Live Performance Venue Program (LPVP), delivered by the Office of the 24-Hour Economy Commissioner, has given the NSW South Coast venue the confidence to expand their live performance offering, creating and shaping the club as a place for all ages to connect.

As well as live music, the club hosted book club talks, poetry readings and other events. Staffed by passionate volunteers, the funding has enabled the Coledale RSL Club to invest in both local musicians and the necessary sound equipment and upgrades to provide high-quality performances.

BELOW: The recently re-opened and revamped Coledale RSL Club. Coledale village, north of Wollongong, NSW. Photos: O24HEC.

Club President Melissa Ellery said support and training provided by the program was a welcome benefit to the club, including essential live programming support, social media, marketing, industry contacts and a whole network of program peers.

“We’ve got a whole heap of support and for someone who’s never been in the music industry, it’s been essential,” she said.

“[It’s] people I would not have been connected to, particularly being out of Sydney as well, that’s been really important. I’ve got a mentor who’s helping me with music and getting bands, and people helping me with sound as well.”

“The Office of the 24-Hour Economy Commissioner has really been that centre point for us to make sure that we get exposed to just as much as Sydney does.”



# South by Southwest Sydney 2023 (SXSW)

The world's most dynamic conference and festival, celebrating the convergence of tech, film, music, education, and culture

With support from the NSW Government, the world-famous South by Southwest (SXSW) conference was held outside its long-time base in Austin, Texas for the first time in its 37-year history. Dubbed SXSW Sydney 2023, the conference connected futuristic thinkers, creators and innovators across five key pillars: music, screen, gaming, technology, and innovation.

SXSW Sydney 2023's footprint spanned from Sydney's International Convention Centre to Tech Central and included NSW House and NSW Hub.

NSW House, a collaboration between Destination NSW, Create NSW, and Investment NSW, welcomed over 2,250 attendees, featured 28 curated sessions, 68 thought leaders, and showcased 115 businesses through panel discussions and exhibitions of NSW's remarkable innovations and products over three days.

The panels addressed a wide range of topics within the creative and technology industries, including:

- Is AI the next gen of storytelling?
- Meet the Meatmakers and Taste the Future
- Bots, people or AI: What is the biggest threat to your digital identity?
- The Future is Female: supporting women entrepreneurs in Tech Central.

The 'Ventures & Vino' pitch event showcased NSW's emerging tech startups, alongside sampling of the best in NSW wines. This event provided a platform for companies to present their ideas to a panel of venture capital firms, and a room full of industry leaders, early adopters and corporates.

Working alongside university and industry partners, Investment NSW also hosted activations in NSW House, including interactive experiences with robots (presented by Omron), quantum selfies (presented by Diraq), and cyber health checks (presented by the NSW Cyber Hub in partnership with GuardWare).

For many years, NSW had been present at SXSW Austin through its international network. Investment NSW has facilitated the participation of numerous NSW businesses in SXSW via the Going Global Export Program, a 4 to 6-month program which includes coaching, mentoring and business matching to assist NSW export-ready small businesses to access new markets.

Destination NSW led the campaign to attract SXSW to NSW's shores, which will now be a key feature of the NSW calendar for many years to come.

BELOW LEFT: Identity for SXSW Sydney 2023. Photo: SXSW.  
BELOW RIGHT: NSW House panel session. Photo: DEIT.





# NSW–Tokyo, accelerating the transition to the clean economy

## Laying the foundations for collaboration in the clean economy sector

Japan is NSW's second-largest trading partner, with two-way trade topping \$46.2 billion in 2022-23. As a significant investor in the state's resources industry, Japan is an essential partner in our shared goal of transitioning to net zero.

As a result, ties with the Tokyo Metropolitan Government (TMG), have been expanded across NSW Government.

In February 2024, NSW Government and TMG celebrated 40 years as Sister States, with the Premier signing a renewed Sister State Agreement with Her Excellency Ms Yuriko Koike, Governor of Tokyo, during her first official visit to NSW. Facilitated by Investment NSW's teams in Tokyo and Sydney, the agreement included a new focus on clean economy transition (including hydrogen) in addition to education, sports, and sustainable city planning.

Investment NSW also facilitated a Memorandum of Understanding between TMG and NSW's Department of Climate Change, Energy, the Environment and Water (DCCEEW) to boost collaboration in the development of our respective hydrogen industries. Signed by the NSW Minister for Climate Change, Energy and the Environment, and TMG's Director General, Bureau of Industrial and Labor Affairs, the agreement opens the door for inter-governmental collaboration between NSW's lead agency on hydrogen and a key strategic international partner.

Following the success of Governor Koike's visit to NSW, Investment NSW brought together almost 20 leaders from the Japanese business community for a hydrogen-focussed roundtable at NSW Parliament House, hosted jointly by the Minister for Industry and Trade, Minister for Climate Change, Energy and the Environment, and Minister for Planning and Public Spaces. The roundtable focused on the role of hydrogen in NSW's energy transition and opportunities for partnership in this space. Updates were also given on the three hydrogen hubs being developed across the Hunter Valley, Illawarra and Moree.



ABOVE: Her Excellency Ms Yuriko Koike, Governor of Tokyo welcomed by the Premier of NSW, Chris Minns and Penny Sharpe, Minister for Climate Change, Energy and the Environment.



ABOVE: Renewing the Sister State Agreement.



ABOVE: Hydrogen focussed roundtable with Japanese business leaders. All photos: DEIT.

# Putting NSW wine back on the tables across China and beyond

## The first major Australian trade delegation to China since the removal of import duties on wine in March 2024

Working with the NSW Wine Industry Association (NSW WIA), Investment NSW delivered a 2-city roadshow to Shenzhen and Shanghai with 20 NSW delegates representing 22 wine brands and over 100 different wine varieties. It was the perfect opportunity for NSW wineries to reacquaint themselves with the Chinese market and for Investment NSW to make introductions to future partners.

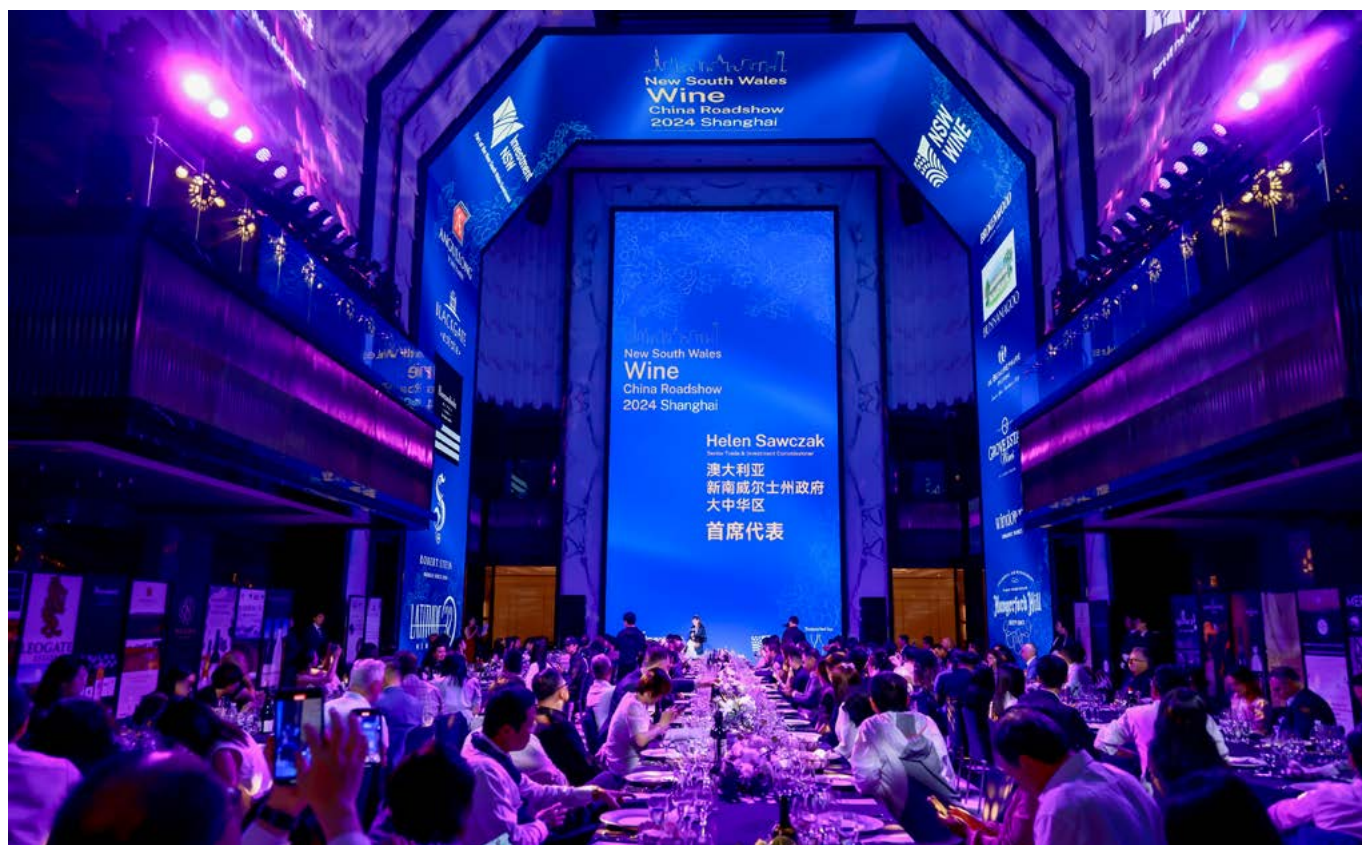
China has always been a strong export market for NSW wine producers, but the response to alternative red varieties, sparkling wine, aromatic whites and light reds was overwhelmingly positive and a clear indicator of how the Chinese market and consumer habits have evolved since NSW producers were last in market.

BELOW: New South Wales Wine China Roadshow 2024, Shanghai.  
Photo: Investment NSW.

Anchored around a trade tasting, the 2-city roadshow also included 8 NSW wine masterclasses, creating the perfect environment to meaningfully showcase the diversity of our NSW wines to more than 400 Chinese importers, distributors, sommeliers, hoteliers and restaurateurs.

Responses from participant wine makers were uniformly positive, with Mercer Wines commenting,

**“I wanted to say an enormous thank you ... for the assistance you provided in preparation for this visit, as well as during our time in China. It could not have gone better. I’m also thrilled to tell you that we’re chatting to plenty of people and our contacts/guests in Shanghai have formally placed an order since meeting.”**



## Yielding strong trade and investment outcomes for NSW

Collaboration between Investment NSW's international network and onshore trade and investment teams delivered significant trade and investment facilitation outcomes for NSW during the year, including:

- assisting over 850 NSW businesses (mainly small businesses) to become export ready, directly contributing to generating \$212 million in export sales
- supporting the creation of 849 direct jobs across target industries in NSW
- attracting approximately \$2.6 billion in new capital investments to NSW in key sectors such as renewable energy
- facilitating 19 new investment projects and identifying and supporting 254 new investment opportunities in NSW.

## Supporting commercialisation

Investment NSW continued to provide support for startups and innovative small and medium enterprises (SMEs) through the MVP Ventures program.

The program was designed to support businesses in the product lifecycle between early-stage research and mature investment opportunities to commercialise highly innovative and new products or processes in NSW.

The program targets new products or processes within Technology Readiness Level (TRL) 3 – 9 to help them move along the TRL scale and enable them to attract large-scale private investment.

In 2023-24, 60 business received funding support of up to \$50,000 to assist in their endeavours to commercialise their products.



## Supporting NSW technology businesses to deepen economic ties in ASEAN

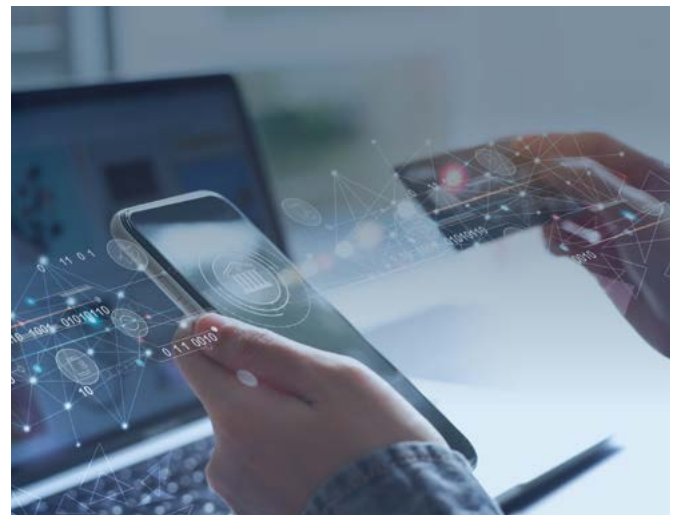
NSW technology companies are gaining a stronger foothold across the rapidly growing and digitising ASEAN region. Singapore, with its central location and business-friendly environment, is a strategic gateway.

This year, Investment NSW supported 15 NSW fintech companies on a 3-month Going Global Export program into Singapore. The companies had the opportunity to interact with Singapore's financial institutions, regulators and local ecosystem partners. These companies showcased their capabilities at Investment NSW's stand at the Singapore Fintech Festival between 15-17 November 2023, an event that brought together 66,000 attendees from 150 countries and regions.

The program resulted in some major export wins, including NSW company Ezipay successfully acquiring their license to operate in Singapore. This has enabled Ezipay to quickly scale in the market and region, gain new suppliers and partners, and achieve increased sales. Another NSW company, FootprintLab, is also thriving in Singapore after finding a local partner to build a digital platform for seamless ESG data collection and access.

**BELOW LEFT:** Investment NSW team at the NEW South Wales Wine China Roadshow 2024, Shanghai.

**BELOW:** Ezipay payment solutions acquiring their license to operate in Singapore



## Supporting female founders and startups

Women make up only 25% of Australia's technology workforce and just one in four startup founders. Investment NSW kicked off several programs during the year to help bridge the gap and support female founders and startups.

The **Female Founders Program** provides resources and support to help women launch and grow successful businesses through a combination of training, mentorship, growth strategies, networking opportunities and connections to the NSW startup ecosystem. The program is supporting over 300 women across 6 cohorts over a two-year period, with 3 cohorts of 50 women successfully completing the program to date.

Below: Tech Central precinct near Central Railway Station, Sydney. Photo: Investment NSW.

Investment NSW supported the **TechStars Accelerator**, a global investment business providing access to capital, one-on-one mentorship and programming for early-stage entrepreneurs to establish their flagship Mentorship-Driven Accelerator Program in Tech Central, Sydney. TechStars will support 12 startups annually over three years, from 2023 to 2025, with a minimum of six of these startups being NSW-based businesses.

The first TechStars Tech Central Sydney Accelerator sought to build relationships with women mentors, speakers and investors to create an environment of success for female founders. Women represented 45% of investors and 30% of mentors involved in the accelerator.

TechStars serves as a catalyst to the Tech Central district, galvanising local activity by attracting founders, investors, mentors and talent to the area, and connecting those with capital for innovative solutions to those with creative solutions ready to share.



# Menindee Fish Deaths Review

## Solving difficult policy problems with science

On 29 March 2023, incoming Premier Chris Minns, Environment Minister Penny Sharpe and Water Minister Rose Jackson stood on the banks of the Darling-Baaka River at Menindee in Far West NSW and announced the launch of an investigation into the mass fish death event that occurred in that area earlier that month.

The Office of the Chief Scientist & Engineer (OCSE) undertook the independent scientific review of the event, its causes, and the steps necessary to mitigate the risk of similar future events occurring.

Repeated fish death events in previous years had left the local community in a state of deep despair and with great distrust of government, which they felt had done very little to take remedial action.

The OCSE team visited the area on several occasions in 2023 and undertook extensive consultations with the community. An independent panel of water experts was established.

To inform the report, OCSE collaborated with NSW Government agencies and entities including the Environment Protection Authority, Aboriginal Affairs, NSW Police, DPE Water, Water NSW and the Chief Justice of the Land and Environment Court, as well as the Murray-Darling Basin Authority and Commonwealth Environmental Water Holder.

The Independent review into the 2023 fish deaths in the Darling-Baaka River at Menindee was delivered to the commissioning Ministers on 29 September 2023. The review contained a series of recommendations on enforcing regulatory environmental protections, improving data collection, analysis and management, effective emergency management and interventions to mitigate against future mass fish deaths.

On 27 June 2024, Minister Jackson announced that \$25 million from the 2024-25 NSW Budget had been allocated by the NSW Government to establish the Restoring the Darling-Baaka River Program as part of its plan to address the OCSE recommendations in full.

Below: Dr Suzanne Pierce, Dr Leesa Keogh and Deputy Chief Scientist & Engineer Dr Darren Saunders from the Office of the NSW Chief Scientist & Engineer at Lake Menindee, 22 August 2023.

BELOW: The Independent Review team touring the Darling-Baaka River near the Menindee railway bridge, 23 August 2023.



# NSW Commercialisation Showcase

## Supporting small business to develop and commercialise innovative technology

A major focus of the Office of the NSW Chief Scientist & Engineer (OCSE) is to manage programs that encourage collaboration between the NSW Government, the research sector and both startups and small established technology companies, to ensure that innovation is supported to drive commercial success and achieve impactful real-world outcomes for NSW.

On 17 April 2024, OCSE held the NSW Commercialisation Showcase to celebrate the success of these programs and lay the foundations for accelerating future industry growth. The programs showcased were:

- The **Physical Sciences Fund**, which across four rounds since 2019 has provided \$19 million in support for 18 companies and to date has attracted \$300 million in additional investment
- The **Small Business Innovation & Research program**, which challenges NSW small businesses to develop innovative solutions to real-world problems facing NSW Government agencies past and ongoing programs supporting natural hazards and bushfire technologies, which have driven collaboration between NSW Government agencies and industry to support the development of new technologies and the field-testing of existing ones.

- The **Quantum Computing Commercialisation Fund**, which has provided \$7 million to three NSW companies to develop their quantum computing innovations, in turn attracting \$120 million in additional investment.

The Showcase was attended by over 300 people and featured 37 companies, with 21 companies represented at display tables during networking sessions. In addition, two panel sessions were held where leaders in government, industry and academia discussed ways the NSW Government could better assist and support innovation and become a customer of impactful technologies tackling real-world problems.

As part of the Showcase, the three successful grant recipients of the new \$4.5 million BioSciences Fund were announced:

- **Skin2Neuron Pty Ltd**, which is developing a hair follicle-derived therapy with the potential to revolutionise the treatment of neurological disorders, including Alzheimer's disease.
- **ThromBio Pty Ltd**, which is developing a first-in-class antiplatelet drug treatment for stroke.
- **RNAfold.AI**, which is developing an AI-powered package using RNA molecule structures to target previously 'undruggable' disorders, advancing the generation of new therapeutics.



ABOVE: Minister for Innovation, Science and Technology Anoulack Chanthivong delivering the welcoming address at the NSW Commercialisation Showcase. Aerial UTS Function Centre, Sydney, April 2024.

# Research and development funding

Research delivers the new ideas, products and skills needed to address complex policy issues and increase the take-up of technology to support productivity growth. A strong, vibrant and high-quality research and innovation ecosystem is critical for driving the prosperity of NSW and Australia.

DEIT invests in research and development and provides critical funding to programs and projects based in NSW. It invests in strengthening the strategic links between diverse research stakeholders to ensure that NSW is well positioned to respond to policy challenges and to enable the jobs of the future.

## Office of the NSW Chief Scientist & Engineer (OCSE) – 2023-24 Programs and Events

Funding recipient	Purpose of the funding	Funding amount
NSW Small Business Innovation & Research Program (proof of concept)	A competitive phased grants program that involves NSW Government agencies posing challenges that are not adequately addressed within existing approaches or commercially available technologies. NSW SMEs applicants submit their proposed solutions to these challenges. The proof-of-concept phase invites successful feasibility study grantees (phase 1) applying for phase 2 to develop a proof of concept over a period of up to 15 months.	\$10,500,000
NCRIS Support Program	NCRIS is the Australian Government’s National Collaborative Research Infrastructure Strategy. The NCRIS Support Program provides funding for NSW-based research and innovation infrastructure facilities, equipment and technical expertise, and initiatives related to infrastructure facilities funded and supported through the Australian Government’s 2021 National Research Infrastructure Roadmap. Ten recipients were awarded funding in 2023-24.	\$10,000,000
NSW Biosciences Fund	A competitive technology development and commercialisation program that launched in 2023. The Program initially had a total funding of \$3 million. In 2023, an additional \$1.5 million of funding was provided in 2023-24 to bring total funding to \$4.5 million. Three recipients received funding.	\$4,500,000
R&D Innovation Networks	<p>Space Research Network Established to build on the state’s existing research and industry strengths in space and drive innovation through collaboration to deliver social and economic benefits to NSW.</p> <p>NSW Defence Innovation Network A university-led initiative of the NSW Government and the Defence Science and Technology Group to enhance NSW &amp; ACT Defence industry capability through collaboration with government and academic research institutions.</p> <p>NSW Smart Sensing Network Bringing together universities, industry and government to translate world-class research into innovative smart sensing solutions that create value for the economy, environment and society of NSW and beyond.</p>	\$3,000,000
Natural Hazards Technology Program	A competitive grant program to accelerate technology innovation and adoption in NSW to better prepare for, and respond to, natural hazards by trialling field-ready technology with end-user NSW Government agencies.	\$1,890,000

Funding recipient	Purpose of the funding	Funding amount
ARC Centres of Excellence – Centre for Carbon Science and Innovation	Centres of Excellence attract millions into NSW for research, industry and talent attraction. The Centre for Carbon Science and Innovation is administered by UNSW and was awarded the \$1 million to advance scientific knowledge through transformative carbon catalyst technologies that have the potential to revolutionising energy and traditional chemical industries.	\$1,000,000
Natural Hazards STEM Support Program	A competitive grants program that supports the development of STEM-focused initiatives for the NSW Education curriculum covering natural hazards to improve student learning outcomes and build resilience in communities. Two projects from UNSW and the Powerhouse Museum received funding.	\$800,000
Semiconductor Sector Service Bureau funding	Enhancing the capability, workforce, market connectedness and competitiveness of NSW and Australia's semiconductor sector. Additional funding for this Bureau was provided in 2023-24.	\$420,000

### Office of the NSW Chief Scientist & Engineer (OCSE) – Sponsorship of organisations, activities and events

Funding recipient	Purpose of the funding	Funding amount
Deep Tech Commercialisation Program	Delivered by Cicada Innovations, this program provides researchers and entrepreneurs with commercialisation knowledge to refine their market strategy, identify customers, scale their business, and attract additional public and private investment.	\$319,000
Australian Centre for Quantum Growth	Annual sponsorship of the Australian Centre for Quantum Growth to build the quantum ecosystem in Australia and boost the adoption of quantum technologies.	\$250,000
Inspiring Australia Manager Sponsorship	The Inspiring Australia Manager funds a NSW University to oversees science outreach activities held in NSW and events year-round and during the National Science Week.	\$200,000
Premier's Prizes for Science and Engineering	Recognising excellence in science and engineering by rewarding researchers and teachers for work and efforts that provide benefits to NSW.	\$150,000
Science and Engineering Challenge	Delivered by the University of Newcastle, a series of competitions pitting schools against each other through various 'challenges', with the aim of improving educational and employment outcomes in STEM.	\$111,000
NSW Royal Society Forum Sponsorship	Supporting the Royal Society of NSW to extend its reach and impact across NSW through events, attract and leverage further funding, and expand services across Western NSW.	\$108,000
Conference Sponsorship Program	Providing financial support for NSW scientific conferences to encourage groups to meet and exchange ideas, knowledge, and expertise. This makes a significant contribution to professional networking, project collaboration, tourism and employment opportunities in NSW. In 2023-24, funding was awarded to 20 recipients.	\$100,000
Engineers Australia Sponsorship	Supporting Engineers Australia to provide and promote STEM outreach for high school students, including specialised programs for girls in STEM.	\$100,000



Funding recipient	Purpose of the funding	Funding amount
Supporting Young Scientists Equity and Access Program	Supporting high school students wishing to further their STEM education through a related competition, event or course, either within Australia or internationally. Funding was provided to 12 recipients in 2023-24. The Program aims to maximise STEM education opportunities for NSW high school students who are: <ul style="list-style-type: none"> <li>• experiencing financial hardship</li> <li>• from a low socio-economic background</li> <li>• from regional or remote locations</li> <li>• Aboriginal and Torres Strait Islander</li> <li>• from any other backgrounds that might need support.</li> </ul>	\$75,000
NSW Science & Research Breakfast Seminars	The six seminars per year provide an opportunity for leading researchers, technologists and entrepreneurs in NSW to showcase their work across a diverse range of disciplines.	\$70,000
STEM Student Competition Sponsorship Program	Supporting high-tech, high-impact research by NSW students attending domestic and international research competitions. Thirteen recipients from various NSW universities were awarded funding in 2023-24.	\$50,000
Commercialisation Showcase	Celebrating innovative NSW companies and discussing the commercialisation and procurement of their technologies. The showcase highlighted the results and impacts achieved by small NSW technology companies and startups and offered an opportunity for companies to network with other companies and investors.	\$42,000
National Youth Science Forum	A Year 12 program to showcase the diverse STEM study and career opportunities on offer in NSW and to support Access and Equity Scholarships of NSW students from disadvantaged backgrounds.	\$40,000
Australian Science Media Centre Sponsorship	Providing support and training to science journalists to ensure accurate reporting and evidence-based news stories.	\$40,000
Quantum Australia Conference -Sydney Quantum Academy	Co-investment in the Australian Centre for Quantum Growth to build the quantum ecosystem in Australia and boost the adoption of quantum technologies.	\$10,000



Department of Enterprise,  
Investment and Trade

# 4

Management and  
Accountability

# People and Capability

This report covers the Department of Enterprise, Investment and Trade (DEIT) from 1 July 2023 to 30 June 2024. On 30 June 2024, the department had 1100.9 full-time equivalent (FTE) staff. This equates to a headcount of 1147 staff. The department provided personnel services to Destination NSW during the period 1 April 2024 to 30 June 2024. On 30 June 2024, Destination NSW had 168.6 full-time equivalent (FTE) staff which equates to a headcount of 183 staff (this number is already included in department total figure). Figures are based on the Public Service Commission's workforce profile data and excludes overseas employees.



RIGHT: SXSW - NSW House team, at the end of a successful event, 19 October 2023.

## Workforce diversity

This is the number of officers and employees by workforce diversity group compared to the prior year.

### Representation of workforce diversity groups

Workforce diversity group	Benchmark/target	2023	2023-24
Women	50%	59.4%	62.8%
Aboriginal and/or Torres Strait islander people	3.3%	0.6%	1.7%
People whose language first spoken as a child was not English	23.2%	19.4%	19.3%
People with disability	5.6%	3.4%	2.6%
People with disability requiring work-related adjustment	N/A	1.2%	0.9%

\*Figures for 2023-24 data includes Destination NSW.

**Workforce diversity actual and estimated staff numbers (non-casual headcount at census date)  
by salary range in Remuneration level of substantive position**

Remuneration level of substantive position	\$0 - \$53,826	\$53,826 - \$70,694	\$70,694 - \$79,032	\$79,032 - \$100,011	\$100,011 - \$129,331	\$129,331 - \$161,663	>\$161,663 (Non SES)	>\$161,663 (SES)
Total staff	1	3	1	150	504	398	0	90
Respondents	1	3	1	141	459	360	0	77
Men	0	2	0	59	173	151	0	42
Women	1	1	1	91	331	247	0	48
Unspecified gender	0	0	0	0	0	0	0	0
Aboriginal and/ or Torres Strait islander people	0	0	0	2	11	6	0	1
People from racial, ethnic, ethno-religious minority groups	1	0	0	47	115	69	0	8
People whose language first spoken as a child was not English	1	0	1	47	107	56	0	9
People with disability	0	1	0	4	10	13	0	1
People with disability requiring work-related adjustment	0	1	0	2	1	6	0	0

\*Figure includes Destination NSW.

**Average remuneration of Public Service Senior Executives (PSSEs) employed in each band**

PSSE band	2024		Number employed	
	Average remuneration (\$)	Range (\$)	2023	2024
1. Director	\$244,942	\$201,350 to \$287,200	33 (Female) 35 (Male)	32 (Female) 32 (Male)
2. Executive Director	\$334,950	\$287,201 to \$361,300	7 (Female) 8 (Male)	12 (Female) 7 (Male)
3. Deputy Secretary/ Chief Executive	\$455,951	\$361,301 to \$509,250	5 (Female) 4 (Male)	3 (Female) 3 (Male)
4. Secretary	\$623,300	\$509,251 to \$588,250	1 (Female)	1 (Female)

\*2024 data includes Destination NSW.

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## Employee relations

Workplace Relations has engaged with the relevant union, the Public Service Association of NSW, throughout the reporting period on matters involving the department and some of the portfolio agencies, including the Machinery of Government and structural changes that were effective 1 July 2024. There were no industrial disputes lodged against the department and no working time was lost due to industrial disputes relating to the department during the reporting period.

## Workplace health and safety

The department is committed to providing a safe and healthy workplace, so far as is reasonably practicable. A Work Health and Safety (WHS) Policy and support processes have been established to provide a WHS management system, to assess and mitigate work-related risks, and to identify, report and respond appropriately to hazards, incidents and injuries.

The department has an established Health and Safety Committee that provides a key consultation forum with staff on health and safety issues.

During the reporting period there were 21 incidents, near misses or hazards reported for the department, which includes Destination NSW.

## Workers compensation

Our inaugural Recovery at Work Program (Return to Work Procedure), launched in 2023, outlines the department's approach to supporting all staff with an injury, illness or personal health condition to recover at work. The department liaises closely with QBE (insurer) in relation to all workers' compensation cases and reporting of all incidents and injuries received in the myCareer online portal.

During the reporting period the department received 6 new workers' compensation claims. Of these, 3 matters remain active, 2 have closed and 1 matter has transferred to another department following administrative changes. This includes Destination NSW claims.

# Legal

## **Government Information (Public Access) (GIPA) Act 2009**

The GIPA Act requires NSW Government agencies to make mandatory disclosures of information, encourages proactive release of information and provides mechanisms for individuals to apply to access government information.

More information on how to access departmental information is available at: [how-to-access-information](#)

Section 7 of the GIPA Act authorises NSW Government agencies to proactively release government information for which there is no overriding public interest against disclosure.

Section 7(3) of the GIPA Act requires agencies, at intervals of not more than 12 months, to review their proactive release program.

DEIT has a Proactive Release of Government Information Policy that is published on the website. The policy sets out a framework and processes for the proactive release of government information. In accordance with this policy, the department routinely publishes reports, publications, guidelines and other documents on the DEIT, Create NSW and Liquor and Gaming NSW websites.

The tables below detail information about formal access applications received by the department under the GIPA Act that were dealt with by DEIT in the 2023-24 financial year. The tables do not include Destination NSW figures.

During 2023-24, DEIT received a total of 47 valid access applications under the GIPA Act.

### **Number of applications by type of applicant and outcome\***

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	1	3	1	2	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	3	2	0	0	0	0	0	0
Not-for-profit organisations or community groups	1	0	0	0	0	0	0	0
Members of the public (application by legal representative)	10	1	0	5	0	3	0	1
Members of the public (other)	5	0	1	3	1	1	0	1

\* More than one decision can be made in respect of a particular access application. A recording must be made in relation to each such decision. This also applies to the table below.

## Number of applications by type of application and outcome\*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	1
Access applications (other than personal information applications)	16	5	2	8	1	3	0	1
Access applications that are partly personal information applications and partly other	4	1	0	2	0	1	0	0

\* A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

## Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	9
Application is for excluded information of the agency (section 43 of the Act)	2
Application contravenes restraint order (section 110 of the Act)	0
<b>Total number of invalid applications received</b>	<b>11</b>
<b>Invalid applications that subsequently became valid applications</b>	<b>7</b>

Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act	Number of times consideration used*
Overriding secrecy laws	3
Cabinet information	1
Executive Council information	0
Contempt	0
Legal professional privilege	1
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

<b>Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act</b>	<b>Number of times consideration used*</b>
Information about complaints to Judicial Commission	0
Information about authorised transactions under <i>Electricity Network Assets (Authorised Transactions) Act 2015</i>	0
Information about authorised transaction under <i>Land and Property Information NSW (Authorised Transaction) Act 2016</i>	0

\* More than one public interest consideration may apply in relation to a particular access application and each such consideration is to be recorded (but only once per application). This also applies in relation to the table below.

<b>Other public interest considerations against disclosure: matters listed in table to section 14 of Act</b>	<b>Number of occasions when application not successful</b>
Responsible and effective government	1
Law enforcement and security	0
Individual rights, judicial processes and natural justice	3
Business interests of agencies and other persons	5
Environment, culture, economy and general matters	0
Secrecy provisions	1
Exempt documents under interstate Freedom of Information legislation	0

<b>Timelines</b>	<b>Number of applications</b>
Decided within the statutory timeframe (20 days plus any extensions)	25
Decided after 35 days (by agreement with applicant)	11
Not decided within time (deemed refusal)	0
<b>Total</b>	<b>36</b>

<b>Number of applications reviewed under Part 5 of the Act (by type of review and outcome)</b>	<b>Decision varied</b>	<b>Decision upheld</b>	<b>Total</b>
Internal review	1	5	6
Review by Information Commissioner*	0	4	4
Internal review following recommendation under section 93 of the Act	0	0	0
Review by NCAT	0	0	0
<b>Total</b>	<b>1</b>	<b>9</b>	<b>10</b>

\* The Information Commissioner does not have the authority to vary decisions but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

<b>Applications for review under Part 5 of the Act (by type of applicant)</b>	<b>Number of applications for review</b>
Applications by access applicants	9
Applications by persons to whom information is the subject of access application relates (see section 54 of the Act)	1



Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)	Number of applications transferred
Agency-initiated transfers	6
Applicant-initiated transfers	1

### Judicial decisions

Nil in the reporting period.

### Administrative Changes Orders

The table below summarises the Administrative Orders which impacted the Department of Enterprise, Investment and Trade during 2023-24. The department provided support to portfolio agencies impacted by Administrative Arrangements below.

Administrative Arrangements Order	Date of order	Explanation
Administrative Arrangements (Administrative Changes – Minister for Domestic Manufacturing and Government Procurement) Order 2023	28 September 2023	<p>Entertainment Industry Act 2013 was allocated to the Minister for the Arts.</p> <p>Minister for Domestic Manufacturing and Government Procurement was added to the list of Ministers to which the department is responsible.</p> <p>Note that the Minister for Domestic Manufacturing and Government Procurement was reallocated to the Premier's Department in a subsequent Administrative Arrangements Order.</p>
Administrative Arrangements (Administrative Changes – Miscellaneous) Order 2024	31 January 2024	<p>Destination NSW Staff Agency was abolished from 1 April 2024 and staff employed in the Destination NSW Staff Agency transferred to the Department of Enterprise, Investment and Trade.</p> <p>The Government Sector Employment Act 2013 was amended to omit Destination NSW from the Schedule of Public Service agencies from 1 April 2024.</p>
Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No 2) 2024	26 June 2024	<p>The name of the Department of Enterprise, Investment and Trade was changed to the Department of Creative Industries, Tourism, Hospitality and Sport.</p> <p>The Office of the Chief Scientist and Engineer Group and Investment NSW Group were transferred from the Department of Enterprise, Investment and Trade to the Premier's Department.</p> <p>The part of the Partnerships &amp; Engagement branch of the Premier's Department that is responsible for the delivery of Australia Day events and programs was transferred to the Department of Creative Industries, Tourism, Hospitality and Sport.</p> <p>The Institute of Sport Staff Agency, the Office of Sport and Venues NSW Staff Agency were transferred to the Department of Creative Industries, Tourism, Hospitality and Sport.</p> <p>The Minister for Sport was added to the list of Ministers that the Department of Creative Industries, Tourism, Hospitality and Sport is responsible to.</p>

## Privacy

The Department of Enterprise, Investment and Trade (DEIT) must comply with the *Privacy and Personal Information Protection Act 1998* and the *Health Records and Information Privacy Act 2002* (together referred to as the NSW Privacy legislation) in dealing with personal and health information. The NSW Privacy legislation set out the department's responsibilities in relation to the collection, use, disclosure, storage, security and retention of personal and health information. The Privacy Management Plan outlines how it complies with these responsibilities. The Privacy Management Plan is published on the DEIT website in accordance with section 33 of the *Privacy and Personal Information Protection Act 1998*.

### Privacy internal reviews, access and amendment requests

In 2023–24, DEIT did not receive any request for internal review under section 53 of the PPIP Act. The department did not receive any requests for access or amendment under the NSW Privacy legislation.

**BELOW:** Family Day at the Sydney Biennale 2022. The Cuttaway, Sydney. Photo: Cassandra Hannagan.



# Legislation Administered

## Between 1 July 2023 and 30 June 2024

### Minister for the Arts

Art Gallery of New South Wales Act 1980 No 65

Australian Museum Trust Act 1975 No 95

Entertainment Industry Act 2013 No 73

Film and Television Industry Act 1988 No 18

Library Act 1939 No 40

Museum of Applied Arts and Sciences Act 1945 No 31

Museums of History NSW Act 2022 No 42

State Records Act 1998 No 17

Sydney Opera House Trust Act 1961 No 9

### Minister for Industry and Trade

Nil

### Minister for Innovation, Science and Technology

Innovation and Productivity Council Act 1996 No 77

### Minister for Domestic Manufacturing and Government Procurement

Public Works and Procurement Act 1912 No 45 Part 11 and the Fifth Schedule

### Minister for Music and the Night-time Economy

Music Festivals Act 2019 No 17

24-Hour Economy Commissioner Act 2023 No 54

### Minister for Jobs and Tourism

Destination NSW Act 2011 No 21

Jobs for NSW Act 2015 No 25

Major Events Act 2009 No 73  
(jointly with the Minister for Sport)

\* In so far as it relates to the Crown land known as Parramatta Park, reserve number D500239, the Crown land known as Wollongong Sportsground, reserve number D580096 for public recreation and tourist purposes, in the Parish of Wollongong, County of Camden, the Crown land known as Newcastle International Sports Centre, reserve number D84753 for public recreation, in the Parish of Newcastle, County of Northumberland, and the Crown land known as Newcastle Showground, reserve number D570083 for showground, in the Parish of Newcastle, County of Northumberland.

### Minister for Gaming and Racing

Australian Jockey and Sydney Turf Clubs Merger Act 2010 No 93

Betting and Racing Act 1998 No 114

Casino Control Act 1992 No 15

City Tattersall's Club Act of 1912

Gambling (Two-up) Act 1998 No 115

Gaming and Liquor Administration Act 2007 No 91

Gaming Machine Tax Act 2001 No 72 [whole Act jointly with the Treasurer and the Minister for Finance (except Part 4 and Schedule 1 solely)]

Gaming Machines Act 2001 No 127

Greyhound Racing Act 2017 No 13

Harness Racing Act 2009 No 20

Hawkesbury Racecourse Act 1996 No 74

Liquor Act 2007 No 90

Public Lotteries Act 1996 No 86

Racing Appeals Tribunal Act 1983 No 199

Registered Clubs Act 1976 No 31

Thoroughbred Racing Act 1996 No 37

Totalizator Act 1997 No 45 (whole Act (except section 76))

Unlawful Gambling Act 1998 No 113

Wagga Wagga Racecourse Act 1993 No 109 (whole Act except section 4)

### Minister for Sport

Combat Sports Act 2013 No 96

Crown Land Management Act 2016 No 58\*

Institute of Sport Act 1995 No 52

Major Events Act 2009 No 73 (jointly with the Minister for Jobs and Tourism)

Motor Sports Events Act 2022 No 11

Motor Vehicle Sports (Public Safety) Act 1985 No 24

Sporting Bodies' Loans Guarantee Act 1977 No 3

Sporting Venues Authorities Act 2008 No 65

# Overseas Travel

Travel dates	Officer	Destination	Purpose
8 July – 10 August 2023	Mike Newman	Tokyo, Japan to Sydney	Participated in the Korea-NSW Business Forum, accompanied Fukuoka Governor Hattori's trade delegation to Sydney and attended various other meetings with Japanese and Korean investors and stakeholders
16–19 July 2023	Malini Dutt	Mumbai, India to Sydney	Supported the Australia-India ECTA Roadshows across Sydney and regional NSW partnering with Business NSW, DFAT and Asia Link Leaders Training programme
22 July – 3 August 2023	Joseph Kaesshaefer	San Francisco, USA to Sydney	Supported the Bay Area Council's Climate Change mission to Sydney which focused on building commercial opportunities in the net zero economy, followed by consultation and meetings with clients and stakeholders
6–19 August 2023	Suchita Gokarn	Mumbai, India to Sydney	Accompanied a Federation of Indian Chambers of Commerce and industry delegation to promote NSW -India trade and investment activities and advance international educated-related opportunities
10–17 September 2023	Kutay Kesim	Jakarta, Indonesia to Sydney	Attended the Mining & Mineral Recovery Exhibition ('MMRE') 2023 to support NSW Mining Equipment, Technology & Services (METS) companies as part of the NSW Going Global Export Program – METS to Indonesia 2023
10–23 September 2023	Jasmine Zhu	Shanghai, China to Sydney	Supported a delegation of Chinese buyers at Fine Foods Australia 2023 and delegation of 80 senior government and business leaders that attended the biennial NSW-Guangdong Joint Economic Meeting (JEM)
13–21 September 2023	Zane Rebronja	London, United Kingdom	Attended Healthcare Job Fair and other associated activities to promote NSW's Business and Skilled Migration Program
15–24 September 2023	Sarah Lee	New York, USA	Supported 14 NSW clean technology businesses attending Climate Week NYC as part of the NSW Going Global Export Program -Cleantech to United States of America 2023.
17–30 September 2023	Sara Zeng	Guangzhou, China to Sydney	Supported a delegation of 80 senior government and business leaders attending the biennial JEM and facilitated discussions between 100 NSW business and government leaders
17–30 September 2023	Tequila Cao	Guangzhou, China to Sydney	Supported a delegation of 80 senior government and business leaders attending the biennial JEM and facilitated discussions between 100 NSW business and government leaders
21 September – 8 October 2023	Yara Vasina	Mexico City, Mexico; Bogota, Colombia; Santiago, Chile	Delivered Study NSW's Higher Education Mission to LATAM to support the diversification of the NSW international education sector, including in-market engagement supporting eight NSW public and private higher education institutions

Travel dates	Officer	Destination	Purpose
2–10 October 2023	Jessica Saladine	Baku, Azerbaijan	Attended the 74th International Astronautical Congress 2023, to represent NSW as a pivotal partner alongside the Space Industry Association of Australia and the Australian Space Agency as co-hosts of the 76th International Astronautical Congress 2025. Drove industry development and investment attraction opportunities for the NSW space sector
8–20 October 2023	Shaun McAlpine	San Francisco, USA to Sydney	Assisted delivery of SXSW Sydney 2023 to promote the US SXSW Creative and AI Going Global Missions and provided support for multiple in-bound investment opportunities from the US
15–21 October 2023	Cassy Xie	Singapore to Sydney	Supported a Singapore tech delegation to SXSW. Facilitated a Singapore Green Building business and government delegation visit involving engagements with NSW exporters and stakeholders
5–11 February 2024	Michael Rodrigues	London and Manchester, UK	Night Time Economy Summit 2024 and Night Czar Hospitality and Live Events Roundtable discussion
17–25 February 2024	Chris Dennis	Dubai, UAE	Supported 11 NSW businesses at Gulfood 2024 in Dubai as part of the NSW Going Global Export Program -Food and Beverage to the Middle East 2023
19 February – 3 March 2024	Aqeeb Akram	Abuja, Nigeria; Accra, Ghana; Eldoret and Nairobi, Kenya	Supported a delegation at Africa Education Mission 2024. Led by Austrade and IDP Education, to drive market diversification, increase international education sector resilience, grow education exports and address labour shortages in critical areas such as health, information technology and engineering
20–27 February 2024	Edan Corkill	Tokyo, Japan	Supported Tokyo office in aligning business priorities and processes and strengthen collaboration across offices and with key stakeholders
25 February – 1 March 2024	Kyas Hepworth	Los Angeles, USA	Represented Screen NSW at Ausfilm Week to promote NSW as a filming location and explore collaboration opportunities
1–14 March 2024	Warwick Scherf	London, UK	Supported London office in aligning business priorities and processes and strengthen collaboration across offices and with key stakeholders
2–16 March 2024	Janice Goh	Singapore to Sydney and Melbourne	Supported NSW engagement with ASEAN delegations during the 2024 ASEAN-Australia Special Summit
3–16 March 2024	Andrew Parker	Singapore to Sydney and Melbourne	Supported NSW engagement with ASEAN delegations during the 2024 ASEAN-Australia Special Summit
9–15 March 2024	Sarah Lee	Austin, USA	Supported 14 NSW businesses at SXSW Austin 2024 as part of the NSW Going Global Export Program - Creative Technologies including Digital Games to the United States of America 2023
10–17 March 2024	Jasmine Zhu	Shanghai, China to Sydney	Led a delegation of 10 companies and 13 Chinese buyers at AliExpo in Sydney.
19–29 March 2024	Sunny Kwon	London, UK	Supported 13 NSW businesses at International Food & Drink Event (IFE) 2024 in London as part of the NSW Going Global Export Program -Food and Beverage to the United Kingdom 2023
21–25 April 2024	Esmond Esguerra	Christchurch, NZ	Attended ICEF ANZA 2024 to meet with education agents and provide tailored study destination briefings, share brand resources and communication toolkits to support promotion of NSW as a study destination to the international education market

Travel dates	Officer	Destination	Purpose
21-25 April 2024	Wivinia Kong	Christchurch, NZ	Attended ICEF ANZA 2024 to meet with education agents and provide tailored study destination briefings, share brand resources and communication toolkits to support promotion of NSW as a study destination to the international education market
10-17 May 2024	Kutay Kesim	Vancouver, Canada	Supported 12 NSW businesses at Canadian Institute of Mining, Metallurgy and Petroleum Connect Convention & Exposition 2024 as part of the NSW Going Global Export Program -METS to Canada 2023
1-7 June 2024	Gabrielle Oriel	Guangzhou, Shenzhen, Shanghai, China	Supported 16 NSW businesses as part of the NSW Going Global Export Program -Food, Beverage, Consumer Health, Wine, beer & spirits 2024 in market in Greater China
1-9 June 2024	Hanh Hoang	San Diego, USA	Supported 25 NSW businesses at BIO 2024 in San Diego as part of the NSW Going Global Export Program -Health to the United States of America 2024
8-15 June 2024	Sharon Foster	Seoul, Korea	Supported 14 NSW businesses at Seoul Food and Hotel Exhibition 2024 as part of the NSW Going Global Export Program -Food & Beverage to South Korea 2024
22-30 June 2024	Tania Panagoda	Ho Chi Minh City, Vietnam and Jakarta, Indonesia	Supported 20 NSW businesses joining the Australian Government's SEABX Digital Economy mission

# Consultants

The department reduced consultancy expenses during 2023-24 by three quarters relative to consultancy expenses in 2022-23.

Consultant	Project description	Amount \$ (ex GST)
<b>For each engagement costing &gt;= \$50,000</b>		
Senate SHJ	Support a functional review of the department and its related entities	\$148,500
Hadron Group Pty Ltd	Review and advise on the procurement practices, processes and policies, and the adequacy of the level of procurement resourcing	\$98,477
Katherine Anne Pounder	Quantitative analytics and assessment on the NSW Innovation System's strengths and performance to build an evidence base for key insights	\$92,000
Expert 360 Aust Pty Ltd	Chair the Women's Entrepreneurship Industry Reference Group and provided recommendations on improving opportunities for women entrepreneurs	\$73,221
Kinesis Pty Ltd	Specialist advice on embedding environmental sustainability principles, assist in developing a strategic approach to embedding environmental sustainability and support the development of relevant programs	\$71,850
Alt Event Management (AEM) Pty Ltd	Drive and inform the refresh of the Visitor Economy Strategy 2030	\$70,000
Gabrielle Trainor	Review of funding arrangements	\$51,000
<b>For engagements costing &lt;\$50,000</b>		
Total number of engagements	11	\$63,527

# Governance

## Annual report production

The production cost for the 2023-24 Annual Report is under \$5,000.

A copy of this Annual Report can be viewed at:

[nsw.gov.au/dciths-annualreport](https://nsw.gov.au/dciths-annualreport)

## Governance

The department is committed to maintaining good governance. For 2023–24, DEIT had a well-defined governance and accountability model that provided corporate oversight across the department.

The department's governance model included:

- the Executive Leadership Team
- the Independent Audit and Risk Committee
- specific boards and committees to meet obligations under administered legislation
- central teams that provide strong capability and advice for specialist areas including risk management, compliance, legal and privacy services, information technology and cyber security and corporate finance.

## Risk management

During the 2023-24 financial year, a range of activities were conducted to strengthen risk management practices with a focus on plans to build risk maturity across the department.

These activities included:

- maintaining the Risk Management Framework, Policy and Procedure which align to the International Standard ISO 31000:2018 Risk Management and NSW Treasury Policy and TPP20-08 Internal Audit and Risk Management Policy for the General Government Sector.
- providing regular updates to the Executive Leadership Team and the Audit and Risk Committee.
- the commencement of a risk maturity uplift program to be delivered over the short, medium and long-term, with a focus on stakeholder engagement, development of tools and resources, coordination and oversight and policy refresh and review.

## Insurance

DCITHS is a member agency of the Treasury Managed Fund (TMF). The TMF is a self-insurance scheme created by the NSW Government to insure government agency risk. As a member agency, DCITHS is indemnified for all insurable risks, with claims funded by deposit contributions and managed by iCare. The TMF provides cover for the following:

- workers compensation
- legal liability
- property
- motor vehicle
- miscellaneous risks.

## Climate risk

Engagement on climate change risk across the portfolio has increased significantly in the last year due to progress on climate risk assessments. These assessments form the founding step for whole-of-government progress to deliver to the requirements of the Climate Change Adaptation Strategy.

DCITHS, the department, continues to embed climate risk and adaptation processes throughout the portfolio in accordance with statewide strategies and goals, coordinate the delivery of agency climate change risk assessments and build capacity for effective responses to climate risks. The department is working closely with the Department of Climate Change, Energy, the Environment and Water (DCCEE) on whole-of-government initiatives to uplift capability to effectively meet climate-related financial disclosures requirements.

## Audit and Risk Committee

The department's Audit and Risk Committee (ARC) is compliant with the NSW Treasury Internal Audit and Risk Management Policy for the General Government Sector (TPP20-08). The Secretary's annual Attestation Statement is provided later in this report, under the heading '[Audit Attestation](#)'.

The objective of the ARC is to provide independent assurance and advice to the Secretary by monitoring, reviewing and providing advice about their governance processes, risk management and control frameworks and their external accountability obligations.

The ARC met quarterly, with additional meetings for specific purposes also held throughout the year.



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## Internal audit

The internal audit function provides independent and objective assurance and advice to management, the ARC and the Secretary. The Chief Audit Executive (CAE) leads the internal audit function and reports functionally to the ARC and administratively to the Secretary in accordance with TPP 20-08.

The department's internal audit plan is reviewed annually and endorsed by the ARC. It provides assurance over key risks, strategic priorities and internal controls.

Our main area of focus for internal audit in 2023-24 was:

- cyber security
- skilled migration visas program
- probity provisions of the Liquor and Gaming Act
- offshore operations management.

Actions arising from internal audits are monitored by the CAE and reported to the ARC. Internal audit reported regularly throughout the year on progress with delivering the internal audit plan, and on the status of audit issues and recommendations.

To support compliance with the *Government Sector Finance Amendment (Grants) Act 2023*, and collaboration on the NSW Performance and Wellbeing Framework, a departmental Performance and Compliance Committee was established during the year.

## Public interest disclosures

All staff have a responsibility to report suspected wrongdoing, including corruption, maladministration, serious and substantial waste of public money and breaches of the *Government Information (Public Access) Act 2009*.

The department encourages and facilitates the disclosure, in the public interest, of wrongdoing in the public sector and is committed to protecting staff that make public interest disclosures. The Secretary has ensured staff are aware of their responsibilities under the *Public Interest Disclosures Act 1994* (PID Act) by:

- publishing and endorsing an internal reporting policy and commitment to the objectives of the PID Act. The Public Interest Disclosure Policy supports an effective framework for the making and management of disclosures and the protection and support for people who make them
- maintaining an independent integrity hotline to make reporting of suspected wrongdoing easier within and external to DEIT. This is accompanied by messages in staff newsletters to promote reporting wrongdoing
- ensuring nominated public interest disclosure officers are appropriately trained in effectively receiving and managing disclosures in compliance with the PID Act
- providing staff with guidance material and links to external and internal PID resources
- providing staff with access to advice and guidance from the agency's disclosures coordinator.

The PID Act Section 31 requires each public authority to prepare an annual return on its obligations under the Act. In accordance with section 4 of the Public Interest Disclosures Regulation 2011 the following public interest disclosures were received in the reporting period of 1 July 2023 to 30 September 2023.

There were a total number of 3 public interest disclosures received. 1 public interest disclosure was finalised during the reporting period.

Public Interest Disclosure under PID Act 1994	Made by public officials performing day to day functions	Under a statutory or other obligation	All other PIDs
Number of public officials who made public interest disclosures to your public authority	0	0	3
Number of public interest disclosures received by your public authority	0	0	3

Of public interest disclosures received, how many were primarily about each of the following types of wrongdoing:

Public Interest Disclosure under PID Act 1994	Made by public officials performing day to day functions	Under a statutory or other obligation	All other PIDs
Corrupt conduct	0	0	3
Maladministration	0	0	0
Serious and Substantial Waste	0	0	0
Government information contravention	0	0	0
Local government pecuniary interest convention	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>3</b>

Data excludes Destination NSW.

# Audit Attestation

## Internal Audit and Risk Management Attestation Statement for the 2023-2024 Financial Year for the Department of Enterprise, Investment and Trade

I, Elizabeth Mildwater, am of the opinion that the Department of Enterprise, Investment and Trade (the Department) has internal audit and risk management processes in operation that are, excluding the exemptions or transitional arrangements described below, 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
<b>Risk Management Framework</b>	
1.1 The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	<b>Compliant</b>
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.	<b>Compliant</b>
<b>Internal Audit Function</b>	
2.1 The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.	<b>Compliant</b>
2.2 The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	<b>Compliant</b>
2.3 The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	<b>Compliant</b>
<b>Audit and Risk Committee</b>	
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.	<b>Compliant</b>
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'.	<b>Compliant</b>

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### **Membership**

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

1. Independent Chair, Ms Elizabeth Crouch AM, 6 Sep 2022 until 6 Sep 2025
2. Independent Member, Dr Abby Bloom, 6 Sep 2022 until 6 Sep 2025
3. Independent Member, Mr Mark Harrison, 6 Sep 2022 until 6 Sep 2025

### **Shared Arrangements**

I, Elizabeth Mildwater, advise that the Department has entered into an approved shared arrangement with the following Department/agencies:

- Greyhound Welfare and Integrity Commission
- Independent Liquor and Gaming Authority
- NSW Independent Casino Commission

The resources shared include the Audit and Risk Committee, the Chief Audit Executive and the internal audit functions. The shared Audit and Risk Committee is a Principal Department Led Shared Audit and Risk Committee.



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Elizabeth Mildwater  
Secretary  
Department of Creative Industries, Tourism,  
Hospitality and Sport

Date: 09/10/2024

Lyndal Hayward  
Chief Information and Operations Officer /  
Chief Audit Executive  
Contact: (02) 9372 8699



Department of Enterprise,  
Investment and Trade

# 5

Sustainability

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# Sustainability

## Social matters

### Work Health and Safety (WHS)

The department places the safety and wellbeing of staff at the forefront of decision-making. To support this, the department has the Work Health and Safety Policy, the Work Health and Safety Reporting and Investigations Policy and the Work Health and Safety Inspection Policy, to provide guidance and direction to employees. Mandatory training is provided to ensure all employees are aware of their responsibilities to support a safe workplace for everyone.

The department liaises closely with QBE in relation to all workers' compensation cases and reporting, for all incidents and injuries received in the myCareer online portal.

In the 2023-24 period, 21 WHS incidents were received and 6 workers' compensation claims were made, which were reported to QBE. There were no injuries or prosecutions under the *Work Health and Safety Act 2011*.

The department has a zero-tolerance approach to sexual harassment in the workplace and is committed to providing support and prevention initiatives for our employees. The department's Prevention of Sexual Harassment Policy explains what sexual harassment is, how it can manifest in workplaces and the role we all play in preventing it.

The department provides its employees with a free influenza vaccination to protect them against the most recent and common strains of influenza.

Following program funding from icare NSW, 20 employees were accredited in Mental Health First Aid and can assist colleagues when they require mental health first aid support. To further support workplace mental health and wellbeing, the department ran a series of programs facilitated by the Black Dog Institute.

### Workforce diversity

The department is committed to embedding an inclusive, respectful and positive workplace culture aligned to NSW Government Priorities and Ethical Framework. We strive to create an environment where all employees, no matter how, where or when they work, feel a sense of belonging and connection. The department has continued to progress its inclusion workforce plans and build cultural capability across our workforce.

Final consultation has been completed on the Disability Inclusion Action Plan (DIAP) ready for launch in Q3, 2024. Work has commenced in researching, scoping and consultation of the department's inaugural Gender Equality Action Plan (GEAP) with implementation expected by Q2, 2025. The department held its second annual portfolio-wide International Women's Day celebration at the State Library of New South Wales, acknowledging some of the incredible women working across our portfolio.

The department held a range of activities throughout the year including NAIDOC and National Reconciliation Week events and celebrated key dates of recognition to foster understanding and respect, and to recognise the strengths and challenges of working together in a complex multicultural workforce.

The department provides personalised support to employees through the Grace Papers platform, a dedicated program to support employees with caring responsibilities and career support. Our department also recognises the valuable contribution that our membership with the Australian Disability Network, Diversity Council Australia, Pride in Diversity and Australian Breastfeeding Association provides in guiding and informing our work to be an inclusive employer.

For workforce diversity statistics please refer to section 4.

## Aboriginal and Torres Strait Islander engagement

The department acknowledges that we play a crucial role in listening to Aboriginal and Torres Strait Islander voices and learning from their deep connection to Country. The department is committed to supporting this important work through the appointment of a dedicated Senior Aboriginal Employment Strategy Lead and an Aboriginal Employment Engagement Advisor, to coordinate the development of the department's inaugural Aboriginal Employment and Engagement Plan. The department has appointed Aboriginal engagement officers focused on building trusted relationships and to provide expert advice in supporting community engagement and program delivery.

The department held a NAIDOC "Listening to our Elders" celebration event at the Museum of Sydney with Aunty Barbara McGrady (First Nations photojournalist) and Uncle Jeffrey Samuels (contemporary Aboriginal Australian artist), which included discussions and sessions with Bibi Barba and writer-director Bjorn Stewart. For National Reconciliation Week the department held a discussion with Deb Barwick, Chairperson and Chief Executive Officer at the NSW Indigenous Chamber of Commerce on how we can strive towards increasing Aboriginal employment opportunities and support the growth of Aboriginal businesses in NSW.

The department's Aboriginal Employee Network continues to grow. The department held a portfolio-wide Aboriginal Employee Forum in December 2023 called 'Respecting our Past, Curating our Future,' which enabled participants to build connection through sharing knowledge, feedback and insights.

Priorities for next year include the launch of our cultural capability framework, guides to support recruitment of Aboriginal roles, a leader's guide – working with Aboriginal team members and 6-monthly workshops to support listening and connection between our Executive Leadership Team and Aboriginal employees.

## Modern slavery statement

The department and executive agencies within the portfolio welcomed guidance and support from the Office of the Anti-Slavery Commissioner and will continue to address these matters. Training on modern slavery has been identified as a priority by our frontline executive agencies within the portfolio, to be rolled out in financial year 2024–25.

## Governance matters

The department's governance arrangements for the development of policy, programs, and activities are outlined in the Governance section of this report. Staff must comply with the Ethical Framework in relation to their behaviour and declarations. DEIT's policies support staff to act sustainably. Sustainability directives include ensuring that travel is only approved when necessary, public transport is required to be used where possible, and state resources must be used appropriately and not wasted.





Department of Enterprise,  
Investment and Trade

6

Financial  
performance



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# Audited financial statements



## Department of Enterprise, Investment and Trade

To Members of the New South Wales Parliament

### Opinion

I have audited the accompanying financial statements of Department of Enterprise, Investment and Trade (the Department), which comprise the Statement by the Secretary, the Statement of Comprehensive Income for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a Statement of Material Accounting Policy Information and other explanatory information of the Department and the consolidated entity. The consolidated entity comprises the Department 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 2024* (GSF Regulation) and the Treasurer's Directions
- presents fairly the financial position, financial performance and cash flows of the Department 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 Department 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.

## Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the year ended 30 June 2024. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon. I do not provide a separate opinion on these matters.

Key Audit Matter	How my audit addressed the matter
<b>Fair value measurement of land and buildings</b>	
<p>At 30 June 2024, the Department reported \$1.3 billion in land and buildings measured at fair value.</p> <p>In 2023–24, the Department performed a fair value assessment of its land and building assets and recorded a net revaluation increment of \$15.1 million.</p> <p>I consider this to be a key audit matter because of the:</p> <ul style="list-style-type: none"><li>• financial significance of the balance to the Department</li><li>• unique nature of the assets, particularly the cultural related assets</li><li>• extent of significant judgements underpinning key assumptions used in the valuation process</li><li>• judgement and complexities associated with the application of AASB 13 'Fair Value Measurement' requirements.</li></ul> <p>Details on the valuation techniques, inputs and processes for major asset classes are disclosed in Note 11 and Note 14.</p>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"><li>• obtained an understanding of the Department's approach to estimating the fair value of land and buildings</li><li>• assessed the competence, capability and objectivity of management's experts</li><li>• assessed whether the methodology met the requirements of the Australian Accounting Standards and NSW Treasurer's Directions</li><li>• assessed the reasonableness of key assumptions and judgements made in determining the fair value</li><li>• agreed valuation amounts to the reported financial statement balances</li><li>• assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards and NSW Treasurer's Directions.</li></ul>

## Secretary's Responsibilities for the Financial Statements

The Secretary is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the GSF Act, GSF Regulation and Treasurer's Directions. The Secretary's responsibility also includes such internal control as the Secretary 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 Secretary is responsible for assessing the ability of the Department and the consolidated entity 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.

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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/ar5.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar5.pdf). The description forms part of my auditor's report.

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

- that the Department and the consolidated entity carried out their 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.



Mary Yuen  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

15 October 2024  
SYDNEY



**Department of  
Enterprise, Investment and Trade**

**Consolidated Financial Statements  
for the year ended  
30 June 2024**

**Department of Enterprise, Investment and Trade**

**Statement by the Secretary  
for the year ended 30 June 2024**

Pursuant to section 7.6(4) of the *Government Sector Finance Act 2018* ('the Act'), I 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 2024* and the Treasurer's directions, and
- present fairly the Department and the consolidated entity's financial position, financial performance and cash flows.



**Elizabeth Mildwater**  
**Secretary**

9 October 2024

**Department of Enterprise, Investment and Trade**

**Statement of Comprehensive Income  
for the year ended 30 June 2024**

	Notes	Consolidated			Parent	
		Budget	Actual	Actual	Actual	Actual
		2024	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Continuing operations</b>						
<b>Expenses excluding losses</b>						
Employee-related expenses	3(a)	183,701	174,620	138,233	171,920	135,850
Operating expenses	3(b)	198,652	116,878	164,734	115,079	163,130
Depreciation and amortisation	3(c)	17,417	22,661	31,214	22,661	31,214
Grants and subsidies	3(d)	1,133,798	1,012,991	1,734,887	1,018,311	1,740,228
Finance cost		19	23	58	23	58
<b>Total expenses excluding losses</b>		<b>1,533,587</b>	<b>1,327,173</b>	<b>2,069,126</b>	<b>1,327,994</b>	<b>2,070,480</b>
<b>Revenue</b>						
Appropriation	4(a)	1,734,099	1,279,131	2,092,068	1,279,131	2,092,068
Sale of goods and services from contracts with customers	4(b)	30,486	77,775	86,733	77,775	86,733
Grants and other contributions	4(c)	46,152	23,575	57,689	23,575	57,689
Investment revenue	4(d)	3,423	5,615	4,376	5,615	4,376
Acceptance by the Crown of employee benefits and other liabilities	4(e)	2,440	3,434	1,711	3,434	1,711
Personnel services revenue	4(f)	-	7,952	-	7,952	-
Other income		43,214	2,495	649	2,495	649
Retained taxes, fees and fines		54	-	-	-	-
<b>Total revenue</b>		<b>1,859,868</b>	<b>1,399,977</b>	<b>2,243,226</b>	<b>1,399,977</b>	<b>2,243,226</b>
<b>Operating result</b>		<b>326,281</b>	<b>72,804</b>	<b>174,100</b>	<b>71,983</b>	<b>172,746</b>
Other gains / (losses)	5	395	(13,050)	(49,513)	(12,832)	(49,477)
<b>Net result from continuing operations</b>		<b>326,676</b>	<b>59,754</b>	<b>124,587</b>	<b>59,151</b>	<b>123,269</b>
Items that will not be reclassified to net result in subsequent periods:						
Changes in revaluation surplus of property, plant and equipment		-	-	(23,043)	-	(23,043)
<b>Total other comprehensive income</b>		<b>-</b>	<b>-</b>	<b>(23,043)</b>	<b>-</b>	<b>(23,043)</b>
<b>Total comprehensive income</b>		<b>326,676</b>	<b>59,754</b>	<b>101,544</b>	<b>59,151</b>	<b>100,226</b>

The accompanying notes form part of these financial statements.

**Department of Enterprise, Investment and Trade**

**Statement of Financial Position  
as at 30 June 2024**

	Notes	Consolidated			Parent	
		Budget	Actual	Actual	Actual	Actual
		2024 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	7	146,280	179,434	237,541	177,585	236,280
Receivables	8	87,449	41,248	87,402	41,184	87,343
Other financial assets	10	316	316	316	316	316
<b>Total current assets</b>		<b>234,045</b>	<b>220,998</b>	<b>325,259</b>	<b>219,085</b>	<b>323,939</b>
<b>Non-current assets</b>						
Receivables	8	646	646	646	646	646
Financial assets at fair value	9	15,222	15,222	15,222	15,222	15,222
Other financial assets	10	-	5,596	5,651	5,596	5,651
Property, plant and equipment	11					
Land and buildings		1,519,826	1,264,574	1,141,511	1,264,574	1,141,511
Leasehold improvement		-	8,500	9,253	8,501	9,253
Plant and equipment		40,422	1,812	7,880	1,812	7,880
Total property, plant and equipment		1,560,248	1,274,886	1,158,644	1,274,887	1,158,644
Right-of-use assets	12	3,005	2,208	3,223	2,208	3,223
Intangible assets	13	1,028	1,774	1,862	1,774	1,862
Other assets		11,474	-	-	-	-
<b>Total non-current assets</b>		<b>1,591,623</b>	<b>1,300,332</b>	<b>1,185,248</b>	<b>1,300,333</b>	<b>1,185,248</b>
<b>Total assets</b>		<b>1,825,668</b>	<b>1,521,330</b>	<b>1,510,507</b>	<b>1,519,418</b>	<b>1,509,187</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
Payables	15	128,711	77,723	127,609	77,723	127,597
Contract liabilities	16	4,780	1,892	4,780	1,892	4,780
Borrowings	17	3,145	1,925	2,154	1,925	2,154
Provisions	18	86,742	43,078	37,373	43,087	37,383
<b>Total current liabilities</b>		<b>223,378</b>	<b>124,618</b>	<b>171,916</b>	<b>124,627</b>	<b>171,914</b>
<b>Non-current liabilities</b>						
Borrowings	17	10,864	397	1,231	397	1,231
Provisions	18	4,340	3,384	4,183	3,384	4,183
<b>Total non-current liabilities</b>		<b>15,204</b>	<b>3,781</b>	<b>5,414</b>	<b>3,781</b>	<b>5,414</b>
<b>Total liabilities</b>		<b>238,582</b>	<b>128,399</b>	<b>177,330</b>	<b>128,408</b>	<b>177,328</b>
<b>Net assets</b>		<b>1,587,086</b>	<b>1,392,931</b>	<b>1,333,177</b>	<b>1,391,010</b>	<b>1,331,859</b>
<b>Equity</b>						
Accumulated funds		1,587,086	1,392,931	1,333,177	1,391,010	1,331,859
<b>Total equity</b>		<b>1,587,086</b>	<b>1,392,931</b>	<b>1,333,177</b>	<b>1,391,010</b>	<b>1,331,859</b>

The accompanying notes form part of these financial statements.

Department of Enterprise, Investment and Trade

Statement of changes in Equity  
for the year ended 30 June 2024

	Notes	Consolidated		
		Accumulated	Asset	Total
		Funds	Revaluation	
		Surplus		
		\$'000	\$'000	\$'000
<b>Balance at 1 July 2023</b>		<b>1,333,177</b>	-	<b>1,333,177</b>
Net result for the year		59,754	-	59,754
Other comprehensive income		-	-	-
<b>Total other comprehensive income</b>		-	-	-
<b>Total comprehensive income for the period</b>		<b>59,754</b>	-	<b>59,754</b>
<b>Transactions with owners in their capacity as owners</b>				
Increase / (decrease) in net assets from equity transfers	19	-	-	-
<b>Balance at 30 June 2024</b>		<b>1,392,931</b>	-	<b>1,392,931</b>
<b>Balance at 1 July 2022</b>		<b>1,017,289</b>	<b>23,043</b>	<b>1,040,332</b>
Net result for the period		124,587	-	124,587
<b>Other comprehensive income</b>				
Net change in revaluation surplus of property, plant and equipment		-	(23,043)	(23,043)
<b>Total other comprehensive income</b>		-	(23,043)	(23,043)
<b>Total comprehensive income for the period</b>		<b>124,587</b>	<b>(23,043)</b>	<b>101,544</b>
<b>Transactions with owners in their capacity as owners</b>				
Increase / (decrease) in net assets from equity transfers	19	191,301	-	191,301
<b>Balance at 30 June 2023</b>		<b>1,333,177</b>	-	<b>1,333,177</b>
			<b>Parent</b>	
<b>Balance at 1 July 2023</b>		<b>1,331,859</b>	-	<b>1,331,859</b>
Net result for the period		59,151	-	59,151
<b>Other comprehensive income</b>		-	-	-
<b>Total other comprehensive income</b>		-	-	-
<b>Total comprehensive income for the period</b>		<b>59,151</b>	-	<b>59,151</b>
<b>Transactions with owners in their capacity as owners</b>				
Increase / (decrease) in net assets from equity transfers	19	-	-	-
<b>Balance at 30 June 2024</b>		<b>1,391,010</b>	-	<b>1,391,010</b>
<b>Balance at 1 July 2022</b>		<b>1,017,289</b>	<b>23,043</b>	<b>1,040,332</b>
Net result for the period		123,269	-	123,269
<b>Other comprehensive income</b>				
Net change in revaluation surplus of property, plant and equipment		-	(23,043)	(23,043)
<b>Total other comprehensive income</b>		-	(23,043)	(23,043)
<b>Total comprehensive income for the period</b>		<b>123,269</b>	<b>(23,043)</b>	<b>100,226</b>
<b>Transactions with owners in their capacity as owners</b>				
Increase / (decrease) in net assets from equity transfers	19	191,301	-	191,301
<b>Balance at 30 June 2023</b>		<b>1,331,859</b>	-	<b>1,331,859</b>

The accompanying notes form part of these financial statements.



**Department of Enterprise, Investment and Trade**

**Statement of Cash Flows  
for the year ended 30 June 2024**

	Notes	Consolidated			Parent	
		Budget	Actual	Actual	Actual	Actual
		2024	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>						
<b>Payments</b>						
Employee related		(180,896)	(159,198)	(125,600)	(156,499)	(123,217)
Grants and subsidies		(1,133,798)	(961,801)	(1,751,120)	(967,121)	(1,756,451)
Finance costs		(19)	(23)	(58)	(23)	(58)
Other payments		(200,270)	(164,001)	(146,430)	(162,191)	(144,802)
<b>Total payments</b>		<b>(1,514,983)</b>	<b>(1,285,023)</b>	<b>(2,023,208)</b>	<b>(1,285,834)</b>	<b>(2,024,528)</b>
<b>Receipts</b>						
Appropriations		1,734,099	1,279,131	2,092,068	1,279,131	2,092,068
Sale of goods and services		30,486	120,161	78,500	120,385	78,560
Grants and contributions		46,152	23,575	57,689	23,575	57,689
Other receipts		43,268	5,929	2,367	5,929	2,366
<b>Total receipts</b>		<b>1,854,005</b>	<b>1,428,796</b>	<b>2,230,624</b>	<b>1,429,020</b>	<b>2,230,683</b>
<b>Net cash flows from operating activities</b>		<b>339,022</b>	<b>143,773</b>	<b>207,416</b>	<b>143,186</b>	<b>206,155</b>
<b>Cash flows from investing activities</b>						
Purchases of property, plant and equipment		(420,381)	(206,487)	(200,926)	(206,488)	(200,926)
Proceeds from sale of investments		1,277	-	-	-	-
Purchase of investments		(14,200)	-	-	-	-
Investment revenue		3,323	5,615	4,376	5,615	4,376
<b>Net cash flows from investing activities</b>		<b>(429,981)</b>	<b>(200,872)</b>	<b>(196,550)</b>	<b>(200,873)</b>	<b>(196,550)</b>
<b>Cash flows from financing activities</b>						
Proceeds from borrowings		-	471	727	471	727
Repayment of borrowings		(302)	(1,534)	(1,497)	(1,534)	(1,497)
Other financing		-	55	58	55	58
<b>Net cash flows from financing activities</b>		<b>(302)</b>	<b>(1,008)</b>	<b>(712)</b>	<b>(1,008)</b>	<b>(712)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>(91,261)</b>	<b>(58,107)</b>	<b>10,154</b>	<b>(58,695)</b>	<b>8,893</b>
Opening cash and cash equivalents	7	237,541	237,541	29,219	236,280	29,219
Cash transferred in / (out) as a result of administrative restructuring	19	-	-	198,168	-	198,168
<b>Closing cash and cash equivalents</b>	<b>7</b>	<b>146,280</b>	<b>179,434</b>	<b>237,541</b>	<b>177,585</b>	<b>236,280</b>

The accompanying notes form part of these financial statements.

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 1. Reporting entity

Department of Enterprise, Investment and Trade ('the Department') is a NSW government entity and is controlled by the State of New South Wales, which is the ultimate parent. The Department is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

Effective 1 April 2024, Destination NSW Staff Agency (DNSW Staff Agency) was abolished, and all its employees were transferred to the Department under the *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 2024)*.

Effective 1 July 2022, under the *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 6) 2022*, Investment NSW was abolished and its assets and liabilities were transferred to the Department.

Effective 27 February 2023, the persons employed in the Office of NSW Independent Casino Commission and the Office of Independent Liquor Gaming and Authority under the Department were transferred to the NSW Independent Casino Commission Staff Agency and the Independent Liquor Gaming and Authority Staff Agency respectively, pursuant to the *Administrative Arrangements (Administrative Changes - Miscellaneous) Order 2023*.

Refer to Note 19 for further information on the equity transfers made under these administrative orders.

Effective 1 July 2024, the name of the Department is changed to the 'Department of Creative Industries, Tourism, Hospitality and Sport' under the *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 2) 2024*. Refer Note 27 for further information.

The financial statements include separate financial statements for the Department as the parent entity and the consolidated entity which comprises all the entities under its control, namely:

- NSW Government US Office Inc – A non-profit, non-stock corporation incorporated in Delaware, USA
- General Incorporated Association (GIA) NSW Government, a non-profit entity established in Tokyo, Japan.

These entities are established for the purpose of promoting trade and investment opportunities for New South Wales businesses within these countries.

In the process of preparing the consolidated financial statements for the reporting 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 consolidated financial statements have been authorised for issue by the Secretary on the date the accompanying Statement by the Secretary was signed.

#### 2. Statement of material accounting policy information

##### a) Basis of preparation

The Department'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.

## Department of Enterprise, Investment and Trade

### Statement of Cash Flows for the year ended 30 June 2024

#### 2. Statement of material accounting policy information (continued)

Property, plant and equipment and certain financial assets and liabilities are measured using the fair value basis. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

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 Department's presentation and functional currency.

The financial statements of the Department have been prepared on a going concern basis.

#### b) Statement of compliance

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

#### c) Administered activities

The Department administers, but does not control, certain activities on behalf of the Crown. It is accountable for the transactions relating to those administered activities but does not have the discretion to deploy the resources for the achievement of its own objectives.

Transactions and balances relating to the administered activities are not recognised as the Department's income, expenses, assets and liabilities, but are disclosed at Note 26 as 'Administered Income', 'Administered Expenses', 'Administered Assets' and 'Administered Liabilities'.

The accrual basis of accounting and applicable accounting standards has been adopted.

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

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

- the amount of GST incurred by the Department as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of 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 are recoverable from, or payable to, the ATO are classified as operating cash flows.

#### e) Foreign currency translation

The Department, through the trade and international function transferred from Investment NSW, operates across a number of offices internationally, and in the following foreign currencies: Arab Emirates Dirham (AED), British Pound (GBP), Chinese Yuan (CNY), Indian Rupee (INR), Japanese Yen (JPY), Singapore Dollar (SGD) and United States Dollar (USD). Transactions in foreign currencies are recorded using the spot rate at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the end of the reporting date.

Differences arising on settlement or translation of monetary items are recognised in net result.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

**Department of Enterprise, Investment and Trade**

**Statement of Cash Flows  
for the year ended 30 June 2024**

**2. Statement of material accounting policy information (continued)**

**f) 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.

Where necessary, comparative disclosures in financial statements and in the notes to the financial statements have been amended to conform to the current year presentation.

**g) Changes in accounting policies, including new or revised AAS**

i. Effective for the first time in 2023-24

The accounting policies applied in 2023-24 are consistent with those of the previous financial year. New accounting standards, amendments interpretations effective for the first time in 2023-24 do not have material impact on the financial statements of the Department.

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 relevant for the Department have not been applied and are not yet effective, in accordance with the NSW Treasury mandate *TPG 24-06 Mandates of options and major policy decisions under Australian Accounting Standards*:

- *AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*
- *AASB 2021-7c Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*
- *AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants*
- *AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*
- *AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements*
- *AASB 2023-3 Amendments to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants: Tier 2*

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

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**3. Expenses excluding losses**

**a) Employee related expenses**

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Salaries and wages (including annual leave)	141,829	119,306	139,217	116,942
Superannuation – defined benefit plans	253	429	253	429
Superannuation – defined contribution plans	11,813	8,611	11,787	8,599
Long service leave	3,437	1,772	3,437	1,772
Payroll tax and fringe benefits tax	8,135	6,884	8,135	6,884
Redundancy payments	8,099	700	8,037	700
Workers' compensation insurance	1,054	531	1,054	524
	<b>174,620</b>	<b>138,233</b>	<b>171,920</b>	<b>135,850</b>

Employee related costs of \$0.8 million has been capitalised to property, plant and equipment and therefore excluded from the above (2023: \$1.2 million).

***Superannuation on annual leave loading***

The Department has determined that it is not probable a liability arises to pay superannuation on annual leave loading. This position has been formed based on current inquiries, other information currently available to the management, and after considering the facts from a decision in the Federal Court of Australia: Finance Sector Union of Australia v Commonwealth Bank of Australia [2022] FedCFamC2G 409. The decision confirmed that, in relation to the industrial agreement considered in that case, annual leave loading did not form part of ordinary time earnings and therefore, did not require superannuation contributions to be made under superannuation guarantee legislation because the obligation to pay annual leave loading was not referable to ordinary hours of work or to ordinary rates of pay. Rather, it was paid by reference to the period of annual leave, and for the purpose of compensating employees for their loss of opportunity to work additional hours at higher rates during this period. This position will be re-assessed in future reporting periods as new information comes to light on this matter.

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**4. Expenses excluding losses (continued)**

**b) Other operating expenses**

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administration and corporate services provided	1,243	1,185	1,042	1,101
Auditor's remuneration	499	604	499	604
Conference expenses	1,379	1,173	1,344	1,056
Consultancy	669	2,719	669	2,719
Contractors	8,899	12,104	8,489	12,104
Fees for services	63,306	65,579	63,196	65,569
Insurance	1,583	1,201	1,400	1,067
Information and communication technology	13,483	21,622	13,406	21,607
Legal fees	1,605	7,724	1,605	7,724
Maintenance*	1,965	6,524	1,963	6,524
Marketing and promotion	7,846	9,024	7,436	8,373
Occupancy	3,887	4,448	3,817	4,413
Subscriptions	1,019	1,020	967	900
Training	1,675	1,119	1,675	1,113
Travel	1,433	2,256	1,272	1,976
Work-in-progress write-off	3,549	19,843	3,549	19,843
Other	2,838	6,589	2,750	6,437
	<b>116,878</b>	<b>164,734</b>	<b>115,079</b>	<b>163,130</b>

**\*Reconciliation - total maintenance expense**

Maintenance expense – contracted labour and other (non-employee related), as above	1,965	6,524	1,963	6,524
Employee related maintenance expense included in Note 3(a)	-	-	-	-
Total maintenance expenses included in Note 3(a) + 3(b)	<b>1,965</b>	<b>6,524</b>	<b>1,963</b>	<b>6,524</b>

**Maintenance expense**

Day-to-day servicing costs or maintenance are charged as expenses as 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.

**Insurance**

The Department'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.

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**3. Expenses excluding losses (continued)**

***Lease expense (Occupancy)***

The Department recognises the lease payments associated with the following types of leases as an expense on a straight-line basis:

- Leases that meet the definition of short-term. i.e., where the lease term at commencement of the lease is 12 months or less. This excludes leases with a purchase option.
- Leases of assets that are valued at \$10,000 or under when new.

**c) Depreciation and amortisation**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Depreciation				
Buildings	16,127	25,190	16,127	25,190
Leasehold improvement	3,860	2,567	3,860	2,567
Plant and equipment	566	616	566	616
Right-of-use assets	1,486	1,494	1,486	1,494
	<b>22,039</b>	<b>29,867</b>	<b>22,039</b>	<b>29,867</b>
Amortisation of intangible assets	622	1,347	622	1,347
	<b>22,661</b>	<b>31,214</b>	<b>22,661</b>	<b>31,214</b>

Refer to Notes 11, 12 and 13 for recognition and measurement policies on depreciation and amortisation.

**d) Grants and subsidies**

Funding distribution to portfolio agencies	530,246	1,140,243	530,246	1,140,243
Grants to NSW government agencies	184,320	219,345	189,640	224,686
Grants to external organisations	298,425	375,299	298,425	375,299
	<b>1,012,991</b>	<b>1,734,887</b>	<b>1,018,311</b>	<b>1,740,228</b>

Department of Enterprise, Investment and Trade

Notes to the financial statements  
for the year ended 30 June 2024

4. Revenue

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.

a) Appropriation

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Summary of compliance</b>				
Original Budget per Appropriation Act	1,734,099	3,405,525	1,734,099	3,405,525
Other Appropriations	-	-	-	-
Variations made to the appropriations during the financial year				
- Section 4.9 GSF Act (transfers of functions between GSF agencies)	(6,045)	(415,356)	(6,045)	(415,356)
<b>Total spending authority from parliamentary appropriations, other than deemed appropriations</b>	<b>1,728,054</b>	<b>2,990,169</b>	<b>1,728,054</b>	<b>2,990,169</b>
<b>Add:</b>				
The spending authority from deemed appropriations during the current year	336,330	439,664	336,330	439,664
The unutilised spending authority from deemed appropriations in prior years	578,085	138,421	578,085	138,421
Transfers of deemed appropriations made during the financial year - Section 4.9A GSF Act (transfer of functions between GSF agencies)	-	-	-	-
<b>Total</b>	<b>2,642,469</b>	<b>3,568,254</b>	<b>2,642,469</b>	<b>3,568,254</b>
<b>Less:</b>				
total expenditure out of ConFund	(1,685,413)	(2,448,331)	(1,685,413)	(2,448,331)
<b>Variance</b>	<b>957,056</b>	<b>1,119,923</b>	<b>957,056</b>	<b>1,119,923</b>
<b>Less:</b>				
The spending authority from appropriations lapsed at 30 June	(42,641)	(541,838)	(42,641)	(541,838)
<b>Deemed appropriations balance carried forward to following years</b>	<b>914,415</b>	<b>578,085</b>	<b>914,415</b>	<b>578,085</b>
Appropriations (per Statement of Comprehensive Income)	1,279,131	2,092,068	1,279,131	2,092,068
<b>Total amount drawn down against Annual Appropriations</b>	<b>1,279,131</b>	<b>2,092,068</b>	<b>1,279,131</b>	<b>2,092,068</b>



## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 4. Revenue (continued)

The *Appropriation Act 2023* (Appropriations Act) (and the subsequent variations) appropriates the sum of \$1,728,053,894 to the Minister for Jobs and Tourism out of the Consolidated Fund for the services of the Department for the year 2023-24. The spending authority of the Minister from the Appropriations Act has been delegated or subdelegated to officers of the Department and entities that it is administratively responsible for, including:

- Art Gallery of NSW Trust
- Australian Museum Trust
- Destination NSW
- Independent Liquor and Gaming Authority
- Library Council of NSW (State Library)
- Museum of History NSW<sup>1</sup>
- NSW Independent Casino Commission
- Office of the Greyhound Welfare and Integrity Commission
- State Records Authority of New South Wales<sup>1</sup>
- Sydney Opera House Trust
- Trustees of the Museum of Applied Arts and Sciences (MAAS)

<sup>1</sup> Museum of History NSW (MHNSW) was established on 31 December 2022 under the *Museum of History Act 2022 No 4* ('the Act'). This Act repealed the *Historic Houses Act 1980* thereby abolishing the Historic Houses Trust of NSW and transferring its functions to MHNSW. The Act also amended the *State Records Act 1998* to transfer certain functions of the State Archives and Records Authority of NSW (SARA) to MHNSW and renamed SARA to State Records Authority of NSW.

Western Parkland City Authority and Office of Sport were transferred out of the Enterprise, Investment and Trade portfolio effective 5 April 2023.

Institute of Sport and Venues NSW were transferred out of the Enterprise, Investment and Trade portfolio effective 3 May 2023.

The lead minister for each entity above, being the Minister for Jobs and Tourism, is taken to have been given an appropriation out of the Consolidated Fund under the authority of section 4.7 of the GSF Act, at the time the entity receives or recovers any deemed appropriation money, for an amount equivalent to the money that is received or recovered by the entity. These deemed appropriations are taken to have been given for the services of the Department.

The delegation/sub-delegations for 2023-24 and 2022-23 authorising officers of the Department to spend Consolidated Fund money, impose limits on the amounts of individual transactions, but do not specify an aggregate expenditure limit for the Department. However, as they relate to expenditure in reliance on a sum appropriated by legislation, the delegation/sub-delegations are subject to the overall authority of the Department to spend monies appropriated under relevant legislation. The individual transaction limits have been properly observed. The information in relation to the aggregate expenditure limit from the Appropriations Act and other sources is disclosed in the summary of compliance table above.

The summary of compliance has been prepared by aggregating the spending authorities of the Minister for Jobs and Tourism for the services of the Department. It reflects the status at the point in time this disclosure statement is being made.

#### Recognition and Measurement

Income from appropriations, other than deemed appropriations (of which the accounting treatment is based on the underlying transaction), does not contain enforceable and sufficiently specific performance obligations as defined by AASB 15. Therefore appropriations (other than deemed appropriations) are recognised as income when the entity obtains control over the assets comprising the appropriations. Control over appropriations is normally obtained upon the receipt of cash.

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**4. Revenue (continued)**

**b) Sale of goods and services from contracts with customers**

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Rendering of services</b>				
Fee revenue	32,999	26,213	32,999	26,213
Licence revenue	41,772	54,106	41,772	54,106
Other	3,004	6,414	3,004	6,414
	<b>77,775</b>	<b>86,733</b>	<b>77,775</b>	<b>86,733</b>

**Recognition and measurement**

Revenue from rendering of services is recognised when the Department satisfies the performance obligation by transferring the promised services.

Type of service	Nature of timing of satisfaction of performance obligation	Revenue recognition policies
Visa nomination fee	The performance obligation is typically satisfied at a point in time when the Department has processed visa applications and the benefit is passed onto the customer.	Revenue is recognised when the visa nomination application is submitted and the payment is received by the Department.
Occupancy service fee	The performance obligation is satisfied over time as the tenants enjoy the use of the space.	Revenue is recognised overtime on a monthly basis at the end of each month.
Licence revenue	The performance obligation is typically satisfied when the licence application and funds are received. Payments are typically received in advance when the application for the specific licence type or the application for the extension of the specific licence type is submitted.	Revenue is recognised when the funds are received to the extent that it is highly probable that a significant reversal will not occur.
Other service revenue	The performance obligation is satisfied as the service is performed in accordance with the specifications of the contractual agreements with customers.	Revenue is recognised upon completion of rendering of the contracted services.

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**4. Revenue (continued)**

**c) Grants and contributions**

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Grants from NSW Government agencies	23,412	57,429	23,412	57,429
Grants from Commonwealth Government	163	260	163	260
	<b>23,575</b>	<b>57,689</b>	<b>23,575</b>	<b>57,689</b>

Revenue from grants with sufficiently specific performance obligations is recognised when the Department satisfies a performance obligation by transferring the promised services. The Department uses various methods to recognise revenue over time, depending on the nature and terms and conditions of the grant contract.

Revenue from these grants is recognised based on the grant amount specified in the funding agreement/funding approval, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Income from grants without sufficiently specific performance obligations are recognised when the Department obtains control over the assets comprising the grants. Control over grants is normally obtained on receipt of cash.

**d) Investment revenue**

Rental income	5,470	4,235	5,470	4,235
Finance income on the net investment in the lease	145	141	145	141
	<b>5,615</b>	<b>4,376</b>	<b>5,615</b>	<b>4,376</b>

**Rental income**

Rental income arising from operating leases is accounted for based on the terms of the lease, over the lease term.

**Interest income**

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For financial assets that become credit impaired, the effective interest rate is applied to the amortised cost of the financial asset (i.e., after deducting the loss allowance for expected credit losses).

**e) Acceptance by the Crown of employee benefits**

Long service leave revenue	3,205	1,295	3,205	1,295
Payroll tax	15	15	15	15
Superannuation – defined benefit	214	401	214	401
	<b>3,434</b>	<b>1,711</b>	<b>3,434</b>	<b>1,711</b>

**f) Personnel services revenue**

From Destination NSW	7,952	-	7,952	-
	<b>7,952</b>	<b>-</b>	<b>7,952</b>	<b>-</b>

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**5. Other gains / (losses)**

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Foreign exchange gain/(loss)	205	(88)	423	(52)
Revaluation gain / (loss) on Property, Plant & Equipment <sup>1</sup>	15,128	(49,193)	15,128	(49,193)
Impairment of Property, Plant & Equipment <sup>2</sup>	(27,299)	-	(27,299)	-
Impairment of trade receivables	(1,084)	(232)	(1,084)	(232)
	<b>(13,050)</b>	<b>(49,513)</b>	<b>(12,832)</b>	<b>(49,477)</b>

<sup>1</sup> Revaluation gain / (loss) resulting from revaluation of land and building asset class. Refer note 11 for further details.

<sup>2</sup> Impairment of work-in-progress for Powerhouse Ultimo project. Refer Note 11 for further details.

**Impairment losses on non-financial assets**

Impairment losses may arise on non-financial assets held by the Department from time to time. Accounting for impairment losses is dependent upon the individual asset (or group of assets) subject to impairment.

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 6. Disaggregated disclosure statements for the year ended 30 June 2024

The table below shows the Department's expenses and revenue across its major activity groups:

Consolidated	Major Activity Group 1*		Major Activity Group 2*		Major Activity Group 3*		Not Attributable		Total	
	Actual 2024 \$'000	Actual 2023 \$'000	Actual 2024 \$'000	Actual 2023 \$'000	Actual 2024 \$'000	Actual 2023 \$'000	Actual 2024 \$'000	Actual 2023 \$'000	Actual 2024 \$'000	Actual 2023 \$'000
<b>Expenses excluding losses</b>										
Employee-related expenses	61,282	57,360	18,058	15,890	48,604	37,725	46,676	27,258	174,620	138,233
Operating expenses	53,652	57,908	25,307	62,887	13,708	14,512	24,211	29,427	116,878	164,734
Depreciation and amortisation	5,116	3,111	16,134	25,218	552	1,260	859	1,625	22,661	31,214
Grants and subsidies	90,957	95,696	328,183	416,521	49,694	36,548	544,157	1,186,122	1,012,991	1,734,887
Finance cost	23	58	-	-	-	-	-	-	23	58
<b>Total expenses excluding losses</b>	<b>211,030</b>	<b>214,133</b>	<b>387,682</b>	<b>520,516</b>	<b>112,558</b>	<b>90,045</b>	<b>615,903</b>	<b>1,244,432</b>	<b>1,327,173</b>	<b>2,069,126</b>
<b>Revenue</b>										
Appropriation	-	-	-	-	-	-	1,279,131	2,092,068	1,279,131	2,092,068
Sale of goods and services from contracts with customers	8,475	14,731	2,376	3,440	65,384	68,036	1,540	526	77,775	86,733
Grants and other contributions	7,397	2,354	15,978	44,123	-	1,203	200	10,009	23,575	57,689
Investment revenue	-	-	5,615	4,376	-	-	-	-	5,615	4,376
Acceptance by the Crown of employee benefits and other liabilities	(660)	497	103	(55)	1,738	589	2,253	680	3,434	1,711
Personnel services revenue	-	-	-	-	-	-	7,952	-	7,952	-
Other income	1,465	48	-	-	727	554	303	47	2,495	649
<b>Total revenue</b>	<b>16,677</b>	<b>17,630</b>	<b>24,072</b>	<b>51,884</b>	<b>67,849</b>	<b>70,382</b>	<b>1,291,379</b>	<b>2,103,330</b>	<b>1,399,977</b>	<b>2,243,226</b>
<b>Operating result</b>	<b>(194,353)</b>	<b>(196,503)</b>	<b>(363,610)</b>	<b>(468,632)</b>	<b>(44,709)</b>	<b>(19,663)</b>	<b>675,476</b>	<b>858,898</b>	<b>72,804</b>	<b>174,100</b>
Other gains / (losses)	(882)	(239)	(12,210)	(49,194)	42	(80)	-	-	(13,050)	(49,513)
<b>Net result from continuing operations</b>	<b>(195,235)</b>	<b>(196,742)</b>	<b>(375,820)</b>	<b>(517,826)</b>	<b>(44,667)</b>	<b>(19,743)</b>	<b>675,476</b>	<b>858,898</b>	<b>59,754</b>	<b>124,587</b>
<b>Other comprehensive income</b>										
Items that will not be reclassified to net result in subsequent periods:										
Changes in revaluation surplus of property, plant and equipment	-	-	-	(23,043)	-	-	-	-	-	(23,043)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(195,235)</b>	<b>(196,742)</b>	<b>(375,820)</b>	<b>(540,869)</b>	<b>(44,667)</b>	<b>(19,743)</b>	<b>675,476</b>	<b>858,898</b>	<b>59,754</b>	<b>101,544</b>

The major items in the 'not attributable' columns are appropriation and funding distributions to portfolio agencies (included in grants and subsidies) which are administrative functions of the Department for the portfolio and are not attributable to any single major activity group.

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 6. Disaggregated disclosure statements for the year ended 30 June 2024 (continued)

The table below shows the Department's assets and liabilities across its major activity groups:

Consolidated	Major Activity Group 1*		Major Activity Group 2*		Major Activity Group 3*		Not Attributable		Total	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Current assets</b>										
Cash and cash equivalents	-	-	-	-	-	-	179,434	237,541	179,434	237,541
Receivables	5,748	10,075	14,771	72,906	9,782	2,903	10,947	1,518	41,248	87,402
Other financial assets	-	-	316	316	-	-	-	-	316	316
<b>Total current assets</b>	<b>5,748</b>	<b>10,075</b>	<b>15,087</b>	<b>73,222</b>	<b>9,782</b>	<b>2,903</b>	<b>190,381</b>	<b>239,059</b>	<b>220,998</b>	<b>325,259</b>
<b>Non-current assets</b>										
Receivables	646	646	-	-	-	-	-	-	646	646
Financial assets at fair value	15,222	15,222	-	-	-	-	-	-	15,222	15,222
Other financial assets	-	-	5,596	5,651	-	-	-	-	5,596	5,651
Property, plant and equipment										
Land and buildings	2,609	2,000	1,261,965	1,139,511	-	-	-	-	1,264,574	1,141,511
Leasehold improvement	7,477	8,356	-	-	-	-	1,023	897	8,500	9,253
Plant and equipment	26	68	7	7,027	-	-	1,779	785	1,812	7,880
Total property, plant and equipment	10,112	10,424	1,261,972	1,146,538	-	-	2,802	1,682	1,274,886	1,158,644
Right-of-use assets	2,208	3,217	-	-	-	6	-	-	2,208	3,223
Intangible assets	-	-	-	-	1,402	1,415	372	447	1,774	1,862
<b>Total non-current assets</b>	<b>28,188</b>	<b>29,509</b>	<b>1,267,568</b>	<b>1,152,189</b>	<b>1,402</b>	<b>1,421</b>	<b>3,174</b>	<b>2,129</b>	<b>1,300,332</b>	<b>1,185,248</b>
<b>Total assets</b>	<b>33,936</b>	<b>39,584</b>	<b>1,282,655</b>	<b>1,225,411</b>	<b>11,184</b>	<b>4,324</b>	<b>193,555</b>	<b>241,188</b>	<b>1,521,330</b>	<b>1,510,507</b>
<b>Current liabilities</b>										
Payables	13,228	30,939	53,708	87,158	4,165	3,706	6,622	5,806	77,723	127,609
Contract liabilities	795	546	1,059	4,234	-	-	38	-	1,892	4,780
Borrowings	1,924	2,149	-	-	1	5	-	-	1,925	2,154
Provisions	18,340	21,215	1,955	2,099	11,527	10,922	11,256	3,137	43,078	37,373
<b>Total current liabilities</b>	<b>34,287</b>	<b>54,849</b>	<b>56,722</b>	<b>93,491</b>	<b>15,693</b>	<b>14,633</b>	<b>17,916</b>	<b>8,943</b>	<b>124,618</b>	<b>171,916</b>
<b>Non-current liabilities</b>										
Borrowings	397	1,230	-	-	-	1	-	-	397	1,231
Provisions	2,641	4,183	29	-	136	-	578	-	3,384	4,183
<b>Total non-current liabilities</b>	<b>3,038</b>	<b>5,413</b>	<b>29</b>	<b>-</b>	<b>136</b>	<b>1</b>	<b>578</b>	<b>-</b>	<b>3,781</b>	<b>5,414</b>
<b>Total liabilities</b>	<b>37,325</b>	<b>60,262</b>	<b>56,751</b>	<b>93,491</b>	<b>15,829</b>	<b>14,634</b>	<b>18,494</b>	<b>8,943</b>	<b>128,399</b>	<b>177,330</b>
<b>Net assets</b>	<b>(3,389)</b>	<b>(20,678)</b>	<b>1,225,904</b>	<b>1,131,920</b>	<b>(4,645)</b>	<b>(10,310)</b>	<b>175,061</b>	<b>232,245</b>	<b>1,392,931</b>	<b>1,333,177</b>

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 6. Disaggregated disclosure statements for the year ended 30 June 2024 (continued)

\* The names and purposes of each of the major activity groups are summarised below:

##### 1) Investment NSW

Driving economic opportunities to ensure New South Wales is a prosperous, inclusive and thriving global hub for business, innovation and talent. Facilitating investment to support high-value job creation for future focussed industries, boost exports, lift productivity and activate precinct development opportunities.

##### 2) Create NSW

Maximising 'excellence in arts, sports and tourism' leverages our capabilities to position the State as a world-class centre for performances, events, exhibitions and visitation. This also focuses on developing the State's cultural assets for future generations. Arts, sports and tourism play a critical role in the State's economy, from job creation and skills development to attracting tourists.

##### 3) Hospitality and Racing

Supports a state where people enjoy vibrant and dynamic, as well as safe and responsible, liquor and gaming environments. It allows the operation of a diverse and vibrant industry while ensuring public safety and minimising the risk of harm.

#### Administered items

The Department's administered assets, liabilities, income and expenses are disclosed in Note 26.

All the items administered by the Department are towards activity group 3 – Hospitality and Racing.

#### 7. Cash and cash equivalents

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cash at bank and on hand	179,434	237,541	177,585	236,280
	<b>179,434</b>	<b>237,541</b>	<b>177,585</b>	<b>236,280</b>

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash at bank.

Cash and cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the year to the Statement of Cash Flows.

Refer Note 24 for details regarding credit risk, liquidity risk, and market risk arising from financial instruments.

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**8. Receivables**

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Current</b>				
Trade receivables from contracts with customers	4,893	37,812	4,893	37,812
Less: Allowance for expected credit losses*	(1,368)	(479)	(1,368)	(479)
Net Trade receivables from contracts with customers	<b>3,525</b>	<b>37,333</b>	<b>3,525</b>	<b>37,333</b>
Prepayments	2,078	2,828	2,014	2,769
GST receivable	8,492	7,265	8,492	7,265
Accrued Income	13,477	2,049	13,477	2,049
Personnel services receivable	7,180	-	7,180	-
Other <sup>1</sup>	6,496	37,927	6,496	37,927
	<b>41,248</b>	<b>87,402</b>	<b>41,184</b>	<b>87,343</b>
<b>Non-current</b>				
Loans and deposits	646	646	646	646
	<b>646</b>	<b>646</b>	<b>646</b>	<b>646</b>

**\* Movement in the allowance for expected credit losses**

Balance at the beginning of the year	479	52	479	52
Acquisitions through administrative restructures	-	195	-	195
Amounts written off during the year	(195)	-	(195)	-
Increase/(decrease) in allowance recognised in net results	1,084	232	1,084	232
Balance at the end of the year	<b>1,368</b>	<b>479</b>	<b>1,368</b>	<b>479</b>

<sup>1</sup>Other receivables for 2023 includes amount receivable from the Department of Premier and Cabinet, (now Premier's Department) for refund of previously unclaimed GST credits from Create NSW's capital projects while Create NSW was a part of it.

Details regarding credit risk of trade receivables that are neither past due nor impaired, are disclosed in Note 24.

**Recognition and measurement**

The department recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument. To determine when the agency becomes a party to the contractual provisions of the instrument, the department considers:

- whether the department has a legal right to receive cash (financial asset) or a legal obligation to pay cash (financial liability); or
- whether at least one of the parties has performed under the agreement.

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.



## **Department of Enterprise, Investment and Trade**

### **Notes to the financial statements for the year ended 30 June 2024**

#### **8. Receivables (continued)**

##### **Subsequent measurement**

The Department 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 year when impaired, derecognised or through the amortisation process.

##### **Impairment**

The Department recognises an allowance for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows and the cash flows that the Department expects to receive, discounted at the original effective interest rate.

For trade receivables, the Department applies a simplified approach in calculating ECLs. The Department recognises a loss allowance based on lifetime ECLs at each reporting date. The Department has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 9. Financial assets at fair value

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Non-current</b>				
Investment in shares	15,222	15,222	15,222	15,222
	<b>15,222</b>	<b>15,222</b>	<b>15,222</b>	<b>15,222</b>

Financial assets at fair value include a 7.8% (2023: 10.5%) participation in Silicon Quantum Computing Pty Ltd ('SQC'). This investment was transferred from Investment NSW under the *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 6) 2022*.

SQC raised additional capital in July 2023. The Department did not participate in this capital raise resulting in reduction of its shareholding from 10.5% to 7.8%.

Refer to Note 24 for further information regarding fair value measurement, credit risk, and market risk arising from financial instruments.

#### Recognition and Measurement

The department recognises a financial asset when, and only when, it becomes a party to the contractual provisions of the instrument.

#### Classification and measurement

The Department's financial assets at fair value are classified, at initial recognition, as subsequently measured at fair value through profit or loss.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in net results. A gain or loss on a financial asset that is subsequently measured at fair value through profit or loss is recognised in net results and presented net within other gains/(losses).

#### 10. Other financial assets

Receivables on finance leases as lessor				
Current	316	316	316	316
Non-current	5,596	5,651	5,596	5,651
	<b>5,912</b>	<b>5,967</b>	<b>5,912</b>	<b>5,967</b>

Refer to Note 24 for further information regarding fair value measurement, credit risk, and market risk arising from financial instruments.

#### Recognition and measurement

Other financial assets are initially measured at fair value plus any transaction cost.

#### Subsequent measurement

Other financial assets are classified and subsequently measured at amortised cost as they are held for collection of contractual cash flows solely representing payments of principal and interest. Impairment losses are presented as separate line item in the statement of comprehensive income. Any gain or loss arising on derecognition is recognised directly in net results and presented in other gains/(losses).

#### Impairment

For lease receivables, the Department applies the simplified approach permitted by AASB 9, where the loss allowance is based on lifetime ECLs.

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**11. Property, plant and equipment**

**a) Total property, plant and equipment**

<b>Consolidated</b>	<b>Land and buildings \$'000</b>	<b>Plant and equipment \$'000</b>	<b>Leasehold improvement \$'000</b>	<b>Total \$'000</b>
<b>At 1 July 2022 - fair value</b>				
Gross carrying amount	1,222,180	7,819	-	1,229,999
Accumulated depreciation and impairment	(160,420)	(284)	-	(160,704)
Net carrying amount	<b>1,061,760</b>	<b>7,535</b>	-	<b>1,069,295</b>
<b>Year ended 30 June 2023</b>				
Net carrying amount at beginning of year	1,061,760	7,535	-	1,069,295
Acquisitions through administrative restructures	-	1,056	11,566	12,622
Additions	196,643	283	254	197,180
Net revaluation increments less revaluation decrements	(72,238)	-	-	(72,238)
Depreciation expense	(25,190)	(616)	(2,567)	(28,373)
Write-off	(19,464)	(378)	-	(19,842)
Net carrying amount at end of year	<b>1,141,511</b>	<b>7,880</b>	<b>9,253</b>	<b>1,158,644</b>
<b>1 July 2023 – fair value</b>				
Gross carrying amount	1,337,133	9,266	20,674	1,367,073
Accumulated depreciation and impairment	(195,622)	(1,386)	(11,421)	(208,429)
Net carrying amount	<b>1,141,511</b>	<b>7,880</b>	<b>9,253</b>	<b>1,158,644</b>
<b>Year ended 30 June 2024</b>				
year	1,141,511	7,880	9,253	1,158,644
Additions	200,856	1,519	3,107	205,482
Net revaluation increments less revaluation decrements	15,128	-	-	15,128
Impairment losses (recognised in 'other gains/losses') <sup>1</sup>	(27,299)	-	-	(27,299)
Depreciation expense	(16,127)	(566)	(3,860)	(20,553)
Grant to NSW government agencies <sup>2</sup>	(52,955)	-	-	(52,955)
Transfer within asset class	7,009	(7,009)	-	-
Write-off	(3,549)	(12)	-	(3,561)
Net carrying amount at end of year	<b>1,264,574</b>	<b>1,812</b>	<b>8,500</b>	<b>1,274,886</b>
<b>At 30 June 2024 – fair value</b>				
Gross carrying amount	1,449,976	3,417	23,837	1,477,230
Accumulated depreciation and impairment	(185,402)	(1,605)	(15,337)	(202,344)
Net carrying amount	<b>1,264,574</b>	<b>1,812</b>	<b>8,500</b>	<b>1,274,886</b>

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**11. Property, plant and equipment (continued)**

<sup>1</sup> Impairment losses relate to work-in-progress (WIP) for the Powerhouse Ultimo due to government decision which changed the project scope from 'redevelopment' to 'heritage revitalisation'.

<sup>2</sup> Includes two transfers to MAAS: i) Powerhouse Castle Hill Museum Discovery Centre building at a fair value of \$40.6 million on completion of the project in March 2024, and ii) WIP for Powerhouse Ultimo revitalisation project of \$12.4 million. The latter was due to a change in the project scope with the capital expenditure on the project now controlled by MAAS.

Further details regarding the fair value measurement of property, plant and equipment are disclosed in Note 14.

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**11. Property, plant and equipment (continued)**

**b) Property, plant and equipment held and used by the department**

<b>Consolidated</b>	<b>Land and buildings \$'000</b>	<b>Plant and equipment \$'000</b>	<b>Leasehold improvement \$'000</b>	<b>Total \$'000</b>
<b>At 1 July 2022 - fair value</b>				
Gross carrying amount	269,566	508	-	270,074
Accumulated depreciation and impairment	-	(130)	-	(130)
Net carrying amount	<b>269,566</b>	<b>378</b>	-	<b>269,944</b>
<b>Year ended 30 June 2023</b>				
Net carrying amount at beginning of year	269,566	378	-	269,944
Acquisitions through administrative restructures	-	1,056	11,566	12,622
Additions	172,662	283	254	173,199
Net revaluation increments less revaluation decrements	(89,211)	-	-	(89,211)
Depreciation expense	-	(608)	(2,567)	(3,175)
Write off	(19,464)	(378)	-	(19,842)
Net carrying amount at end of year	<b>333,553</b>	<b>731</b>	<b>9,253</b>	<b>343,537</b>
<b>1 July 2023 – fair value</b>				
Gross carrying amount	333,553	1,955	20,674	356,182
Accumulated depreciation and impairment	-	(1,224)	(11,421)	(12,645)
Net carrying amount	<b>333,553</b>	<b>731</b>	<b>9,253</b>	<b>343,537</b>
<b>Year ended 30 June 2024</b>				
Net carrying amount at beginning of year	333,553	731	9,253	343,537
Additions	189,819	1,519	3,107	194,445
Net revaluation increments less revaluation decrements	9,185	-	-	9,185
Impairment losses (recognised in 'other gains/losses')	(27,299)	-	-	(27,299)
Depreciation expense	-	(559)	(3,860)	(4,419)
Grant to NSW government agencies	(52,955)	-	-	(52,955)
Write-off	(1,431)	(12)	-	(1,443)
Net carrying amount at end of year	<b>450,872</b>	<b>1,679</b>	<b>8,500</b>	<b>461,051</b>
<b>At 30 June 2024 – fair value</b>				
Gross carrying amount	450,872	3,115	23,837	477,824
Accumulated depreciation and impairment	-	(1,436)	(15,337)	(16,773)
Net carrying amount	<b>450,872</b>	<b>1,679</b>	<b>8,500</b>	<b>461,051</b>

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**11. Property, plant and equipment (continued)**

**c) Property, plant and equipment where the department is lessor under operating leases**

<b>Consolidated</b>	<b>Land and buildings \$'000</b>	<b>Plant and equipment \$'000</b>	<b>Leasehold improvement \$'000</b>	<b>Total \$'000</b>
<b>At 1 July 2022 - fair value</b>				
Gross carrying amount	952,614	7,311	-	959,925
Accumulated depreciation and impairment	(160,420)	(154)	-	(160,574)
Net carrying amount	<b>792,194</b>	<b>7,157</b>	-	<b>799,351</b>
<b>Period ended 30 June 2023</b>				
Net carrying amount at beginning of period	792,194	7,157	-	799,351
Additions	23,981	-	-	23,981
Net revaluation increments less revaluation decrements	16,973	-	-	16,973
Depreciation expense	(25,190)	(8)	-	(25,198)
<b>Net carrying amount at end of period</b>	<b>807,958</b>	<b>7,149</b>	-	<b>815,107</b>
<b>1 July 2023 – fair value</b>				
Gross carrying amount	1,003,580	7,311	-	1,010,891
Accumulated depreciation and impairment	(195,622)	(162)	-	(195,784)
Net carrying amount	<b>807,958</b>	<b>7,149</b>	-	<b>815,107</b>
<b>Year ended 30 June 2024</b>				
Net carrying amount at beginning of year	807,958	7,149	-	815,107
Additions	11,037	-	-	11,037
Net revaluation increments less revaluation decrements	5,943	-	-	5,943
Depreciation expense	(16,127)	(7)	-	(16,134)
Transfer within asset class	7,009	(7,009)	-	-
Write-off	(2,118)	-	-	(2,118)
Net carrying amount at end of year	<b>813,702</b>	<b>133</b>	-	<b>813,835</b>
<b>At 30 June 2024 – fair value</b>				
Gross carrying amount	999,104	302	-	999,406
Accumulated depreciation and impairment	(185,402)	(169)	-	(185,571)
Net carrying amount	<b>813,702</b>	<b>133</b>	-	<b>813,835</b>

\* The carrying value of plant and equipment as at 1 July 2022 and 30 June 2023 was revised during the year to reclassify between assets used by the department and assets where the department is lessor under operating leases.

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 11. Property, plant and equipment (continued)

##### 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., 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 (see also assets transferred as a result of an equity transfer - Note 19).

##### Capitalisation thresholds

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

##### 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.

##### 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 Department.

All material identifiable components of assets (except for land) are depreciated separately over their useful lives.

The expected useful lives of items of property, plant and equipment are as follows:

- Buildings: 17 – 80 years
- Leasehold improvements: over the term of the lease
- Plant and equipment: 1 – 4 years

Each asset's useful life, residual value and depreciation method are reviewed each year and any resulting adjustments are accounted for as a change in accounting estimate.

##### Right-of-Use Assets acquired by lessees

The Department has elected to present right-of-use assets separately in the Statement of Financial Position.

Further information on leases is contained at Note 12.

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 11. Property, plant and equipment (continued)

##### 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 *Fair Value Measurements*, AASB 116 *Property Plant and Equipment* 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 14 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 Department conducts a comprehensive revaluation at least every three years for its land and buildings 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 and building asset class was completed as at 30 June 2023 and was based on an assessment performed by an independent qualified valuer. The land was valued using a market approach and the building was valued using cost approach.

Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from carrying value. An interim revaluation using desktop method was done in the current year which resulted in an overall decrease of 3.2% to the carrying value of land and an increase of 2.0% to the carrying value of buildings.

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

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

Revaluation increments are recognised in other comprehensive income and credited to revaluation surplus in equity. However, to the extent that an increment reverses a revaluation decrement in respect of the same class of asset previously recognised as a loss in the net result, the increment is recognised immediately as a gain in the net result.

Revaluation decrements are recognised immediately as a loss in the net result, except to the extent that it offsets an existing revaluation surplus 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.



## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 11. Property, plant and equipment (continued)

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.

#### **Land and Buildings – held and used by the Department**

This asset class balance reflects mainly the fair value of the land and buildings comprising land at Parramatta, for development of the Parramatta Powerhouse Museum and corresponding WIP.

#### **Land and Buildings – subject to operating leases**

This asset class includes other land and building assets in the Create NSW property portfolio.

#### **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 Department 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 Department 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.

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 12. Leases

##### a) Department as a lessee

The Department leases various properties, equipment and motor vehicles. Lease contracts are typically made for fixed periods of 1 to 100 years but may have extension options. 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 Department does not provide residual value guarantees in relation to leases.

Extension and termination options are included in a number of property and equipment leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Department and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

AASB 16 *Leases* requires a lessee to recognise a right-of-use asset and a corresponding lease liability for most leases.

The Department has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less.

##### Right-of-use assets under leases

The following table presents right-of-use assets that do not meet the definition of investment property.

<b>Consolidated</b>	<b>Land and Buildings</b>	<b>Plant and Equipments</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 July 2023</b>	3,214	9	3,223
Additions	469	2	471
Depreciation expense	(1,458)	(28)	(1,486)
<b>Balance at 30 June 2024</b>	<b>2,225</b>	<b>(17)</b>	<b>2,208</b>
<b>Balance at 1 July 2022</b>	-	16	16
Acquisitions through administrative restructures	3,905	69	3,974
Additions	727	-	727
Depreciation expense	(1,418)	(76)	(1,494)
<b>Balance at 30 June 2023</b>	<b>3,214</b>	<b>9</b>	<b>3,223</b>

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**12. Leases (continued)**

**Lease liabilities**

The following table presents liabilities under leases, including leases in respect of investment properties.

<b>Consolidated</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Opening balance	3,385	16
Acquisitions through administrative restructures	-	4,034
Additions	471	727
Interest expenses	60	59
Payments	(1,583)	(1,557)
Other adjustments	(11)	106
<b>Balance at 30 June</b>	<b>2,322</b>	<b>3,385</b>

The following amounts were recognised in the Statement of Comprehensive Income during the period in respect of leases where the department is the lessee:

Depreciation expense of right-of-use assets	(1,486)	(1,494)
Interest expense on lease liabilities	(47)	(59)
Other adjustments	11	(105)
<b>Total amount recognised in the statement of comprehensive income</b>	<b>(1,522)</b>	<b>(1,658)</b>

The Department had total cash outflows for leases of \$1.6 million (2023: \$1.6 million).

**Recognition and Measurement**

The Department 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 Department 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**

Right-of-use assets are recognised at the commencement date of the lease (i.e., the date the underlying asset is available for use). The 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:

- Building: 5 years
- Motor vehicle and other equipment: 5 years

If ownership of the leased asset transfers to the department 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.

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 12. Leases (continued)

The right-of-use assets are also subject to impairment. The department 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 department 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. 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. Such reversal is recognised in the net result.

##### ii. Lease liabilities

At the commencement date of the lease, the department 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 department; and
- payments of penalties for terminating the lease, if the lease term reflects the department exercising the option to terminate.

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 Department's leases, the lessee's incremental borrowing rate is used, being the rate that the Department 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.

The Department lease liabilities are included in borrowings.

##### iii. Short-term leases and leases of low-value assets

The Department applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

##### b) Department as a lessor

The Department holds a portfolio of arts properties, which are leased to tenants under operating leases, with rentals payable monthly. Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. The leases are made available at rates significantly lower than market terms as support to the arts sector.

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**12. Leases (continued)**

**Lessor for finance leases**

Future minimum rentals receivable (undiscounted) under non-cancellable finance lease as at 30 June are, as follows:

<b>Consolidated</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	200	200
One to two years	200	200
Two to three years	200	200
Three to four years	200	200
Four to five years	200	200
Later than five years	9,483	9,683
<b>Total (excluding GST)</b>	<b>10,483</b>	<b>10,683</b>

**Reconciliation of net investment in leases**

Future undiscounted rentals receivable	10,483	10,683
Less: unearned finance income	(4,571)	(4,716)
<b>Net investment in finance leases</b>	<b>5,912</b>	<b>5,967</b>

Leases that the Department transfers substantially all the risks and rewards incidental to ownership of an asset are classified as finance leases. Subleases are classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset.

At the lease commencement date, the Department recognises a receivable for assets held under a finance lease in the Statement of Financial Position at an amount equal to the net investment in the lease. The net investment in leases is classified as financial assets amortised cost and equals the lease payments receivable by a lessor and the unguaranteed residual value, plus initial direct costs, discounted using the interest rate implicit in the lease Initial direct costs.

Finance income arising from finance leases is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

**Lessor for operating leases**

Future minimum rentals receivable (undiscounted) under non-cancellable operating lease as at 30 June is as follows:

Within one year	1,897	1,653
One to two years	2,029	1,633
Two to three years	2,162	1,765
Three to four years	2,180	1,897
Four to five years	2,013	2,029
Later than five years	29,464	31,409
<b>Total (excluding GST)</b>	<b>39,745</b>	<b>40,386</b>

**Recognition and measurement – lessor for operating leases**

An operating lease is a lease other than a finance lease. Rental income arising is accounted for on a straight-line basis over the lease terms 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.

Department of Enterprise, Investment and Trade

Notes to the financial statements  
for the year ended 30 June 2024

13. Intangible assets

Consolidated	Software \$'000	WIP \$'000	Total \$'000
<b>At 1 July 2022</b>			
Cost (gross carrying amount)	7,964	201	8,165
Accumulated amortisation and impairment	(6,157)	-	(6,157)
<b>Net carrying amount</b>	<b>1,807</b>	<b>201</b>	<b>2,008</b>
<b>Period ended 30 June 2023</b>			
Net carrying amount at beginning of year	1,807	201	2,008
Acquisitions through administrative restructures	522	-	522
Additions	673	6	679
Amortisation (recognised in 'depreciation and amortisation')	(1,347)	-	(1,347)
<b>Net carrying amount at end of year</b>	<b>1,655</b>	<b>207</b>	<b>1,862</b>
<b>At 1 July 2023</b>			
Cost (gross carrying amount)	9,660	207	9,867
Accumulated amortisation and impairment	(8,005)	-	(8,005)
<b>Net carrying amount</b>	<b>1,655</b>	<b>207</b>	<b>1,862</b>
<b>Year ended 30 June 2024</b>			
Net carrying amount at beginning of year	1,655	207	1,862
Additions	-	534	534
Amortisation (recognised in 'depreciation and amortisation')	(622)	-	(622)
<b>Net carrying amount at end of year</b>	<b>1,033</b>	<b>741</b>	<b>1,774</b>
<b>At 30 June 2024</b>			
Cost (gross carrying amount)	9,351	741	10,092
Accumulated amortisation and impairment	(8,318)	-	(8,318)
<b>Net carrying amount</b>	<b>1,033</b>	<b>741</b>	<b>1,774</b>

**Recognition and measurement**

The entity recognises intangible assets only if it is probable that future economic benefits will flow to the entity and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. Following initial recognition, intangible assets are subsequently measured at fair value only if there is an active market. If there is no active market for the entity's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

All research costs are expensed. Development costs are only capitalised when certain criteria are met. The useful lives of intangible assets are assessed to be finite.

The Department's intangible assets are amortised using the straight-line method over their useful lives.

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 13. Intangible assets (continued)

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

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

#### 14. 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 Department 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 Department 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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Consolidated 2024</b>				
Property, plant and equipment (Note 11)				
Land and buildings		200,260	1,064,314	1,264,574
	-	<b>200,260</b>	<b>1,064,314</b>	<b>1,264,574</b>
<b>Consolidated 2023</b>				
Property, plant and equipment (Note 11)				
Land and buildings		206,900	934,611	1,141,511
	-	<b>206,900</b>	<b>934,611</b>	<b>1,141,511</b>

The reduction in the Level 2 in the current year relates to the valuation decrement for land resulting from the interim revaluation conducted during the year.

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

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**14. Fair value measurement of non-financial assets (continued)**

**b) Valuation techniques, inputs and processes**

The fair value hierarchy of the land assets are generally level 2, utilising recent site sales of similarly zoned land, that are analysed to provide the market value of the land component of the subject properties.

Building assets, valued using depreciated replacement cost, are categorised as level 3. Published cost information has been utilised by valuers to ascertain the replacement cost of improvements. Allowances for physical depreciation and functional obsolescence have been applied to arrive at the assessed depreciated replacement cost of the building components.

**Reconciliation of recurring Level 3 fair value measurements**

<b>Consolidated</b>	<b>Land and buildings \$'000</b>	<b>Total \$'000</b>
<b>Fair value as at 1 July 2023</b>	934,611	934,611
Additions	200,856	200,856
Revaluation increments / (decrements)	21,768	21,768
Depreciation expense	(16,127)	(16,127)
Impairment	(27,299)	(27,299)
Transfer within asset class	7,009	7,009
Grant to NSW government agencies	(52,955)	(52,955)
Work-in-progress write-off	(3,549)	(3,549)
<b>Fair value as at 30 June 2024</b>	<b>1,064,314</b>	<b>1,064,314</b>
<b>Fair value as at 1 July 2022</b>	756,320	756,320
Additions	196,643	196,643
Revaluation increments / (decrements)	26,302	26,302
Depreciation expense	(25,190)	(25,190)
Work-in-progress write-off	(19,464)	(19,464)
<b>Fair value as at 30 June 2023</b>	<b>934,611</b>	<b>934,611</b>



**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**15. Payables**

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Accrued salaries, wages and on-costs	3,857	3,155	3,857	3,155
Accrued expenses	52,177	91,975	52,177	91,964
Advance Claims	320	995	320	995
Creditors	21,369	31,484	21,369	31,483
	<b>77,723</b>	<b>127,609</b>	<b>77,723</b>	<b>127,597</b>

**Recognition and measurement**

Payables represent liabilities for goods and services provided to the Department 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 net result when the liabilities are derecognised as well as through the amortisation process.

Details regarding liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 24.

**16. Contract assets and liabilities**

Contract liabilities - current	1,892	4,780	1,892	4,780
Contract receivables (included in Note 8)	4,893	37,812	4,893	37,812

All of the contract liabilities are expected to be satisfied of its obligations and recognised as revenue over the next financial year.

Contract liability balance of \$4.8 million at the beginning of the year was entirely recognised as revenue in the current year.

Department of Enterprise, Investment and Trade

Notes to the financial statements  
for the year ended 30 June 2024

17. Borrowings

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Lease liabilities</b>				
Current	1,925	2,154	1,925	2,154
Non-Current	397	1,231	397	1,231
	<b>2,322</b>	<b>3,385</b>	<b>2,322</b>	<b>3,385</b>

Details regarding liquidity risk, including a maturity analysis of the above lease liabilities are disclosed in Note 24.

**Recognition and measurement**

Borrowings represents interest bearing liabilities raised through lease liabilities.

**Financial liabilities at amortised cost**

Borrowings classified as financial liabilities at amortised cost are 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 net result when the liabilities are derecognised as well as through the amortisation process.

**Changes in liabilities arising from financing activities**

<b>Opening balance</b>	3,385	16	3,385	16
Leases acquired through administrative restructures	-	4,034	-	4,034
Cash flows*	(1,522)	(1,497)	(1,522)	(1,497)
New leases	471	727	471	727
Foreign exchange adjustments	(12)	105	(12)	105
<b>Closing balance</b>	<b>2,322</b>	<b>3,385</b>	<b>2,322</b>	<b>3,385</b>

\* Cash flows relate to repayment of principal portion of lease liabilities.

Department of Enterprise, Investment and Trade

Notes to the financial statements  
for the year ended 30 June 2024

18. Provisions

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Current</b>				
<b>Employee benefits and related on-costs</b>				
Annual leave, including on-costs	17,011	13,873	17,020	13,883
Long service leave, including on-costs	5,760	2,512	5,760	2,512
Paid parental leave	599	-	599	-
Other	943	405	943	405
	<b>24,313</b>	<b>16,790</b>	<b>24,322</b>	<b>16,800</b>
<b>Other provisions</b>				
Grant funding committed	18,765	20,583	18,765	20,583
<b>Total current provisions</b>	<b>43,078</b>	<b>37,373</b>	<b>43,087</b>	<b>37,383</b>
<b>Non-current</b>				
<b>Employee benefits and related on-costs</b>				
Annual leave, including on-costs	120	-	120	-
Long service leave, including on-costs	674	248	674	248
<b>Other provisions</b>				
Make good	2,590	3,935	2,590	3,935
<b>Total non-current provisions</b>	<b>3,384</b>	<b>4,183</b>	<b>3,384</b>	<b>4,183</b>
<b>Aggregate employee benefits and related on-costs</b>				
Provisions	25,107	17,038	25,116	17,048
Accrued salaries, wages and on-costs (Note 15)	3,857	3,155	3,857	3,155
	<b>28,964</b>	<b>20,193</b>	<b>28,973</b>	<b>20,203</b>
<b>Movements in provisions (other than employee benefits)</b>				
<b>Opening balance</b>	<b>24,518</b>	<b>8,301</b>	<b>24,518</b>	<b>8,301</b>
Acquisitions through administrative restructures	-	24,090	-	24,090
Additional provisions recognised	28,943	19,775	28,943	19,775
Amounts used	(25,512)	(27,648)	(25,512)	(27,648)
Unused amount reversed	(6,557)	-	(6,557)	-
Unwinding of discount rate	(37)	-	(37)	-
<b>Closing balance</b>	<b>21,355</b>	<b>24,518</b>	<b>21,355</b>	<b>24,518</b>

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 18. Provisions (continued)

##### Recognition and measurement

##### 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.

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 Department has assessed the actuarial advice based on its 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 Department does not expect to settle the liability within 12 months as it does not have an unconditional right to defer settlement.

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

##### Long service leave and superannuation

The Department's long service leave and defined benefit superannuation liabilities, except for the employees transferred from DNSW Staff Agency, are assumed by the Crown. The Department accounts for the liabilities 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 period 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.

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**18. Provisions (continued)**

**Other provisions**

Provisions are recognised when the Department 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. When the entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented net of any reimbursement in the Statement of Comprehensive Income.

Provision for grant funding committed is recognised based on the executed funding deeds as at the reporting date and is measured using the claims submitted by the applicants.

**19. Net assets from equity transfers**

Pursuant to the *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 2024)*, DNSW Staff Agency was abolished and all its employees were transferred to the Department effective 1 April 2024. Assets and liabilities associated with these employees were also transferred on this date. There was no net impact on the equity as a result of this transfer.

<b>Financial year ended 30 June 2024</b>	<b>DNSW Staff Agency \$'000</b>
<b>Current assets</b>	
Receivables	6,411
<b>Total current assets</b>	<b>6,411</b>
<b>Total assets</b>	<b>6,411</b>
<b>Current liabilities</b>	
Payables	(204)
Provisions	(5,895)
<b>Total current liabilities</b>	<b>(6,099)</b>
<b>Non Current liabilities</b>	
Provisions	(312)
<b>Total liabilities</b>	<b>(6,411)</b>
<b>Net assets from equity transfer</b>	<b>-</b>

**2023 comparative**

Under the *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 6) 2022*, Investment NSW was abolished effective 1 July 2022 and its assets, liabilities were transferred to the Department.

Effective 27 February 2023, the persons employed in the Office of NSW Independent Casino Commission and the Office of Independent Liquor Gaming and Authority under the Department were transferred to the NSW Independent Casino Commission Staff Agency and the Independent Liquor Gaming and Authority Staff Agency respectively, pursuant to the *Administrative Arrangements (Administrative Changes - Miscellaneous) Order 2023*.

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**19. Net assets from equity transfers (continued)**

**Increase / (decrease) in net assets from equity transfers**

Financial year ended 30 June 2023	Transfer in		Transfer out		Total
	Investment	NICC Staff	ILGA Staff		
	NSW \$'000	Agency \$'000	Agency \$'000	\$'000	
<b>Current assets</b>					
Cash and cash equivalents	198,168	-	-		198,168
Receivables	19,528	-	-		19,528
<b>Total current assets</b>	<b>217,696</b>	<b>-</b>	<b>-</b>		<b>217,696</b>
<b>Non-current assets</b>					
Financial assets at fair value	15,222	-	-		15,222
Property, plant and equipment					
- Plant & equipment	1,056	-	-		1,056
- Leasehold improvement	11,566	-	-		11,566
Total property, plant and equipment	<b>12,622</b>	<b>-</b>	<b>-</b>		<b>12,622</b>
Right-of-use assets	3,975	-	-		3,975
Intangible assets	522	-	-		522
Receivables	642	-	-		642
<b>Total non-current assets</b>	<b>32,983</b>	<b>-</b>	<b>-</b>		<b>32,983</b>
<b>Total assets</b>	<b>250,679</b>	<b>-</b>	<b>-</b>		<b>250,679</b>
<b>Current liabilities</b>					
Payables	22,706	-	-		22,706
Borrowings	1,272				1,272
Provisions	28,835	(136)	(65)		28,634
<b>Total current liabilities</b>	<b>52,813</b>	<b>(136)</b>	<b>(65)</b>		<b>52,612</b>
<b>Non-current liabilities</b>					
Borrowings	2,762	-	-		2,762
Provisions	4,004	-	-		4,004
<b>Total non-current liabilities</b>	<b>6,766</b>	<b>-</b>	<b>-</b>		<b>6,766</b>
<b>Total liabilities</b>	<b>59,579</b>	<b>(136)</b>	<b>(65)</b>		<b>59,378</b>
<b>Net assets from equity transfer</b>	<b>191,100</b>	<b>136</b>	<b>65</b>		<b>191,301</b>

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 20. Commitments

<b>Consolidated</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Capital commitments	280,030	394,999
Aggregate capital expenditure for projects contracted for at balance date and not provided for:		
Within one year	178,900	289,768
Later than one year and not later than five years	101,130	105,231
Later than five years	-	-
<b>Total (including GST)</b>	<b>280,030</b>	<b>394,999</b>

The above commitments include GST of \$25.5 million (2023: \$35.9 million).

#### 21. Contingent liabilities and contingent assets

There are no contingent liabilities or contingent assets as at the reporting date.

#### 22. 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 resulting from Administrative Arrangements Orders and approved in-year carry forwards) 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 (gain) was \$59.8 million compared to original budget gain of \$326.7million. Note that the Department's revised budget was significantly lower than the original budget due primarily to carry forward of expenditure to future years.

Key factors that contributed to the variance of \$266.9 million include:

*Total expenses including other gains/(losses) were lower by \$193.0 million*

- \$122.8 million lower grants and subsidies expenditure due to lower than budgeted grants paid to the Cultural Institutions and other agencies in the portfolio of \$30.9 million and significant reprofiling of delivery milestones resulting in expenditure being deferred to future years for numerous programs of \$143.4 million. Reprofiling of expenditure to future years was most significant for Post Digital Visualisation of \$41.7 million, Racing for the Regions and Club grants of \$36.8 million, Create Capital of \$26.5 million, Greyhound Racing of \$12.8 million and Jobs Plus of \$10 million. The reductions were partially offset by additional funding of \$8.0 million to the Sydney Opera House, transfer of the completed Powerhouse Castle Hill Museum Discovery Centre and work-in-progress on the revitalisation of the Powerhouse Ultimo to MAAS as grants for \$53.0 million. These transfers contributed to the overall reduction in non-current assets noted below.

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 22. Budget review (continued)

- \$9.1 million lower employee related expenses (ERE) due mainly to program reprofiling where ERE (circa \$7.7 million) is deferred to future years to match program delivery milestones, and general delays in recruitment across the department which resulted in higher contractor costs reported in other operating expenses. The underspends are offset by increased ERE following the Machinery of Government changes on 1 April 2024 abolishing Destination NSW staff agency and transferring the employees to the Department.
- \$79.8 million lower other operating expenses due to the reprofiling of programs which affected grants and ERE (per above note) and other operational expenses of \$25.7 million.
- \$13.1 million in other losses was the net effect of an unbudgeted impairment write down of \$27.3 million and fair value valuation gains of \$15.1 million in property, plant and equipment.

*Total revenue is reduced by \$459.9 million*

- appropriation was lower by \$455.0 million due to a reduction in drawdowns from the Consolidated Fund for distribution to portfolio agencies and the Department's own funding needs; the latter being the result of significant deferral of grant programs to future years.
- grants and other contributions received is lower by \$22.6 million due to reprofiling of the Powerhouse Parramatta contributions to the Department.
- sale of goods and services and other revenue combined were higher by \$6.6 million predominantly due to increase in annual liquor licensing fees.

#### Net assets

The net assets position was lower than budget by \$194.2 million. Key factors that contributed to the variance include:

- current assets were lower by \$13.0 million due to lower receivables from accrued income for services provided by the Department to agencies in the portfolio of \$46.2 million; this increase was offset by additional cash holding of \$33.2 million attributable to a timing difference between the appropriations draw down and payments for the Department's operations and delivery of programs.
- non-current assets were lower by \$291.3 million primarily due lower than budgeted expenditure on capital projects and other major movements during the year which included the transfer of Create NSW's capital projects to MAAS; Powerhouse Castle Hill and Powerhouse Ultimo,
- current liabilities were lower than budget by \$98.8 million mainly due to decreased payables for accrued expenses of \$41.8 million, and a decrease in other provisions of \$43.7 million driven by a reduction in the provision for grant programs and ERE provisions.
- non-current liabilities lower than budget by \$11.4 million due primarily to the whole of government derecognition of leases with Property NSW.

#### Cash flow

The overall net cash inflow for the period was \$33.2 million higher than the budget because of the following:

- lower net cash inflows from operating activities by \$195.2 million mainly driven by lower appropriation transfers to portfolio agencies of \$455.0 million which was partially offset by lower grants and subsidies and other expenses of \$207.7 million.
- lower net cash outflows from investing activities by \$229.1 million from lower than budgeted expenditure on capital projects.
- higher net cash outflows from financing activities by \$0.7 million primarily due to higher lease repayments.



**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**23. Reconciliation of cash flows from operating activities to net result**

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Net cash from operating activities</b>	143,773	207,416	143,186	206,155
Depreciation and amortisation	(22,661)	(31,214)	(22,661)	(31,214)
Net gain/(loss) on revaluation of property, plant and equipment	15,128	(49,193)	15,128	(49,193)
Impairment of Property, Plant & Equipment	(27,299)	-	(27,299)	-
Non cash grants	(52,955)	-	(52,955)	-
Other gains / (losses)	(879)	(321)	(661)	(284)
Other non cash adjustments	(3,561)	(19,842)	(3,561)	(19,842)
Investment revenue	5,615	4,376	5,615	4,376
Increase / (decrease) in receivables	(45,275)	7,341	(45,498)	7,274
Increase / (decrease) in contract liabilities	2,888	891	2,888	891
Decrease / (increase) in provisions	(4,906)	6,797	(4,905)	6,722
Decrease / (increase) in creditors	49,886	(1,664)	49,874	(1,616)
<b>Net result</b>	<b>59,754</b>	<b>124,587</b>	<b>59,151</b>	<b>123,269</b>

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 24. Financial instruments

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

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

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

#### a) Financial instrument categories

Class	Note	Category	Carrying value			
			Consolidated		Parent	
			2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Financial assets</b>						
Cash and cash equivalents	7	Amortised cost	179,434	237,541	177,585	236,280
Receivables <sup>1</sup>	8	Amortised cost	31,324	77,955	31,324	77,955
		Fair value through				
Financial assets at fair value	9	profit and loss	15,222	15,222	15,222	15,222
Other financial assets	10	Amortised cost	5,912	5,967	5,912	5,967
			<b>231,892</b>	<b>336,685</b>	<b>230,043</b>	<b>335,424</b>
<b>Financial liabilities</b>						
		Financial liabilities				
Payables <sup>2</sup>	16	measured at	77,403	126,614	77,403	126,602
Borrowings	15	amortised cost	2,322	3,385	2,322	3,385
			<b>79,725</b>	<b>129,999</b>	<b>79,725</b>	<b>129,987</b>

<sup>1</sup> Excludes statutory receivables and prepayments (i.e., not within scope of AASB 7).

<sup>2</sup> Excludes statutory payables and unearned revenue (i.e., not within scope of AASB 7).

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 24. Financial instruments (continued)

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

##### b) Derecognition of financial assets and financial liabilities

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

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

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

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

##### 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 a currently 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

###### i. Credit risk

Credit risk arises when there is the possibility of the Department's debtors defaulting on their contractual obligations, resulting in a financial loss to the Department. 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 Department, including cash and receivables. No collateral is held by the Department. The Department has not granted any financial guarantees.

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

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

##### Cash and cash equivalents

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

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 24. Financial instruments (continued)

##### Receivables - trade receivables

Collectability of trade debtors is reviewed on an ongoing basis.

The Department applies the AASB 9 *Financial Instruments* simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics 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.

Trade receivables 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 for a period of greater than 90 days past due.

The Department is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at the reporting date.

##### ii. Liquidity risk

Liquidity risk is the risk that the Department will be unable to meet its payment obligations when they fall due. The Department continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high-quality liquid assets.

During the current period, there were no defaults of borrowing. No assets have been pledged as collateral. The Department's exposure to liquidity risk is deemed insignificant.

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11-12 *Payment of Accounts*. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of 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 the 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. No interest for late payment was made during the period.

The table below summarises the maturity profile of the Department's financial liabilities based on contractual undiscounted payments, together with the interest rate exposure.

Department of Enterprise, Investment and Trade

Notes to the financial statements  
for the year ended 30 June 2024

24. Financial instruments (continued)

Maturity analysis and interest rate exposure of financial liabilities

	Weighted Average Effective %	Nominal Amount <sup>1</sup> \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non- interest bearing \$'000	< 1 year \$'000	1 to 5 years \$'000	> 5 years \$'000
<b>Consolidated</b>								
<b>2024</b>								
Payables <sup>2</sup>	-	77,403				77,403		-
Borrowings	1.42	2,322	2,322			1,925	397	-
		<b>79,725</b>	<b>2,322</b>	-	-	<b>79,328</b>	<b>397</b>	-
<b>Parent</b>								
<b>2024</b>								
Payables <sup>2</sup>	-	77,403				77,403		-
Borrowings	1.42	2,322	2,322			1,925	397	-
		<b>79,725</b>	<b>2,322</b>	-	-	<b>79,328</b>	<b>397</b>	-
<b>Consolidated</b>								
<b>2023</b>								
Payables <sup>2</sup>	-	126,614	-	-	126,614	126,614	-	-
Borrowings	1.42	3,385	3,385	-	-	2,154	1,231	-
		<b>129,999</b>	<b>3,385</b>	-	<b>126,614</b>	<b>128,768</b>	<b>1,231</b>	-
<b>Parent</b>								
<b>2023</b>								
Payables <sup>2</sup>	-	126,602	-	-	126,602	126,602	-	-
Borrowings	1.42	3,385	3,385	-	-	2,154	1,231	-
		<b>129,987</b>	<b>3,385</b>	-	<b>126,602</b>	<b>128,756</b>	<b>1,231</b>	-

<sup>1</sup> The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Department 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.

<sup>2</sup> The amounts disclosed here exclude statutory payables and unearned revenue (not within scope of AASB 7).

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 24. Financial instruments (continued)

##### iii. 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 Department's exposures to market risk are primarily through interest rate risk on the Department's borrowings. The Department has exposure to foreign currency risk which is hedged using forward contracts managed by TCorp. The department does not enter into commodity contracts.

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

##### 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.

A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates (based on official RBA interest rate volatility over the last five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates:

	Carrying amount \$'000	-1% Net result \$'000	Equity \$'000	1% Net result \$'000	Equity \$'000
<b>Actual 2024</b>					
<b>Financial assets</b>					
Cash and Cash equivalents - Consolidated	179,434	(1,794)	(1,794)	1,794	1,794
Cash and Cash equivalents - Parents	177,585	(1,776)	(1,776)	1,776	1,776
<b>Actual 2023</b>					
<b>Financial assets</b>					
Cash and Cash equivalents - Consolidated	237,541	(2,375)	(2,375)	2,375	2,375
Cash and Cash equivalents - Parents	236,280	(2,363)	(2,363)	2,363	2,363

##### Foreign exchange risk

Foreign exchange risk is the risk that a business's financial performance or position will be affected by fluctuations in the exchange rates between currencies. These impacts mostly flow from the sale or purchase of international goods or services and the Department's operations in the overseas markets due to the inherent volatility of foreign exchange markets.

**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**24. Financial instruments (continued)**

**e) Fair value measurements**

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.

ii. Fair value recognised in the Statement of Financial Position

Management assessed that cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their fair values, largely due to the short-term maturities of these instruments.

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 Department 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 Investment NSW 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 Department recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
<b>Actual 2024</b>				
<b>Financial assets at Fair value</b>				
Investment in shares	-	-	15,222	15,222
<b>Actual 2023</b>				
<b>Financial assets at Fair value</b>				
Investment in shares	-	-	15,222	15,222

The investment is recognised by the Department from 1 July 2022 when it was transferred in from Investment NSW. Refer to Note 19.

There were no transfers between level 1, 2 and 3 during the year ended 30 June 2024.

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 25. Related party disclosures

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the Department. KMP of the Department includes the Secretary, and the leadership team.

The Department's KMP compensation are as follows:

Short-term employee benefits:

	2024	2023
	\$'000	\$'000
Salaries	3,835	4,756
Other long-term employee benefits	148	284
Termination benefits	694	1,050
<b>Total remuneration</b>	<b>4,677</b>	<b>6,090</b>

There were no transactions entered into during the year with key management personnel, their close family members and controlled or jointly controlled entities thereof.

During the year, the Department entered into transactions on arm's length terms and conditions with NSW Government related entities that are controlled, jointly controlled or significantly influenced by the NSW Government. These transactions in aggregate are a significant portion of the Department's rendering of services and receiving of services.

The transactions which are significant include:

- Appropriation revenue of \$1.3 billion (2023: \$2.1 billion) received from the Consolidated Fund (Note 4a)
- Portfolio distributions of \$0.5 billion (2023: \$1.1 billion) were paid to agencies within the Enterprise, Investment and Trade portfolio (Note 3d)
- Other grants of \$184.3 million (2023: \$219.3 million) were paid to NSW Government agencies under various Department's grant programs (Note 3d)
- Grant revenue of \$23.4 million (2023: \$57.4 million) from NSW Government agencies. (Note 4c)
- Fee revenue of \$14.8 million (2023: Nil) from NSW Independent Casino Commission for casino regulatory and corporate services
- Rental and outgoings of \$23.2 million (2023: \$22.2 million) paid to Property NSW
- Payment of \$181.5 million (2023: \$159.9 million) to Infrastructure NSW towards capital projects delivered by Create NSW
- Payment of \$19.1 million to Department of Regional NSW for various capital projects and capital grants.



**Department of Enterprise, Investment and Trade**

**Notes to the financial statements  
for the year ended 30 June 2024**

**26. Administered items**

**A) Activities administered by the Department**

**Administered revenue**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Casino duty	184,150	177,919
Casino supervisory levy	-	1,514
TabCorp licence fees	4,613	4,500
<b>Total revenue earned</b>	<b>188,763</b>	<b>183,933</b>

Administered revenue information is presented on a revenue earned (accrual) basis.

Administered revenue is recognised when the underlying past event under statutory requirements results in the right to receive revenue, unless it cannot be reliably measured before the financial statements are signed.

**Administered assets**

**Current**

Casino duty receivable	15,998	13,171
TabCorp licence fees receivable	1,153	1,125
Licence fee receivable <sup>2</sup>	2,500	-

**Non-current**

Licence fee receivable <sup>2</sup>	22,500	25,000
<b>Total administered assets</b>	<b>42,151</b>	<b>39,296</b>

<sup>1</sup> Licence fees, fines, levies collected pending transfer to the Crown

<sup>2</sup> Licence fee receivable under the *Totalizer Act 1997*

In accordance with AASB 9 *Financial Instruments*, taxes and fines are initially recognised where statutory requirements establish a right to receive the financial asset. Such a right arises on the occurrence of a past event. Taxes and fines are initially recognised at the original levied amount. An allowance for impairment is subsequently recognised (where required) under AASB 136 *Impairment of Assets*.

**B) Special Deposit Account administered by the Department**

The Responsible Gambling Fund (the Fund) was established under section 115 (4) of the *Casino Control Act 1992* (the Act) as a Special Deposit Account.

The Fund receives income from a levy, under section 115 of the Act, on each casino licence in NSW as well as community benefit payments and gaming machine lease levies under sections 36A and 25C of the *Gaming Machines Act 2001*. In addition, section 13N of the *Betting Tax Act 2018* allows (and for a defined period, requires) the Treasurer to pay to the Fund certain amounts.

The principal function of the Fund is to make available funds for purposes related to responsible gambling in accordance with the RGF Trust Deed and Policy Guidelines.

Department of Enterprise, Investment and Trade

Notes to the financial statements  
for the year ended 30 June 2024

26. Administered items (continued)

Expenses and revenue of the Fund

	2024 \$'000	2023 \$'000
<b>Expenses</b>		
Grants		
GambleAware provider services <sup>1</sup>	14,507	13,542
GambleAware related services <sup>2</sup>	4,023	2,457
Community benefit payments <sup>3</sup>	5,943	1,994
Other <sup>4</sup>	81	(313)
Personnel and administration services expenses <sup>5</sup>	4,096	2,456
Fees for service	2,529	2,321
Advertising	2,642	3,354
Sponsorship	1,249	1,053
Amortisation expense	215	215
Auditor's remuneration	15	34
Trustee's remuneration	293	291
Other operating expenses	324	551
<b>Total</b>	<b>35,917</b>	<b>27,954</b>
<b>Revenue</b>		
Responsible gambling levy <sup>6</sup>	16,711	18,702
Community benefit payment receipts <sup>7</sup>	5,891	6,953
Gaming machine lease revenue <sup>8</sup>	439	722
Grants appropriated from the <i>Betting Tax Act 2001</i> <sup>9</sup>	5,213	5,000
Other grants <sup>10</sup>	10,000	-
Other revenue	519	577
<b>Total</b>	<b>38,772</b>	<b>31,954</b>

<sup>1</sup> Payments to GambleAware providers in NSW for the delivery of community engagement, support and treatment services.

<sup>2</sup> Payments for other GambleAware services, primarily the GambleAware Helpline, the GambleAware statewide Aboriginal and Multicultural services and the NSW contribution to Gambling Help Online.

<sup>3</sup> Section 36 of the *Gaming Machines Act 2001* requires a proposed increase in the gaming machine threshold for a venue to provide a positive contribution towards the local community where the venue is situated or have an overall positive impact on the local community where the venue is situated. A Community Contribution Panel makes recommendations on the use of the funding, which is generally provided to not-for-profit organisations and registered charities that support the social wellbeing of the local community. This funding is allocated to recipients in the local community and is not available for general expenditure of the Fund.

<sup>4</sup> Payments primarily for research projects and education and awareness programs and projects.

<sup>5</sup> Payment primarily for administrative, operational and secretarial support provided by the Department.

<sup>6</sup> Section 115(1) of the Act authorises the payment of the Responsible Gambling Levy by casino operators to the Fund in respect of each casino licence.

## Department of Enterprise, Investment and Trade

### Notes to the financial statements for the year ended 30 June 2024

#### 26. Administered items (continued)

<sup>7</sup> Community benefit payment receipts are received by the Fund when a venue increases the number of gaming machine entitlements at the venue as per section 36A of the *Gaming Machines Act 2001*. Refer footnote 3 above.

<sup>8</sup> Section 25C of the *Gaming Machines Act 2001* authorises a levy payable based on the lease of a gaming machine entitlement as approved by the Independent Liquor & Gaming Authority at the time of application.

<sup>9</sup> Section 13N of the *Betting Tax Act 2001* authorises the appropriation and payment of revenue to the Fund from the Consolidated Fund appropriated by the Parliament. The amount received is \$5 million per annum, plus indexation applied from 2023-24.

<sup>10</sup> Government grant funding provided to help reduce gambling harm across NSW.

#### Assets and Liabilities of the Fund

	2024	2023
	\$'000	\$'000
<b>Assets</b>		
Cash and cash equivalents	26,716	26,282
Receivables and prepayments	2,100	2,570
Software (including work in progress)	6,727	3,995
<b>Total</b>	<b>35,543</b>	<b>32,847</b>
<b>Liabilities</b>		
Payables <sup>1</sup>	10,012	9,758
Grants payable	200	612
<b>Total</b>	<b>10,212</b>	<b>10,370</b>

<sup>1</sup> Represents liabilities for goods and services provided to the Fund. \$7.3 million of these payables are to GambleAware providers for services delivered, where contracts specify a progress payment to be made by 30 June 2024 (2023: \$8.3 million).

#### 26. Events after the reporting period

Pursuant to the *Administrative Arrangements (Administrative Changes-Miscellaneous) Order (No 2) 2024*, the Office of the Chief Scientist and Engineer group and the Investment NSW group is transferred out to the Premier's Department and the part of the Premier's Department that is responsible for the delivery of Australia Day events and program is transferred into the Department. These changes are effective from 1 July 2024.

There are no other events after the reporting date requiring disclosure.

**End of the financial statements**



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Investment and Trade

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