

Measures that matter



Transport Infrastructure
Development Corporation

Annual Report 2007

Contents

1	Letter to the Minister
2	Chairman's Report
3	Chief Executive Officer's Report
4	Who we are <ul style="list-style-type: none">> Our role> Our objectives> Our key stakeholders> The breadth and depth of what we do
6	Delivering results for the people of NSW matters <ul style="list-style-type: none">> Our projects 2006-2007> Previously completed projects> Our growth<ul style="list-style-type: none">> Epping to Chatswood Rail Line> Chatswood Transport Interchange> Parramatta Transport Interchange> Rail Clearways Program> North Sydney Station Upgrade> Newcastle Rail Corridor Project> Metropolitan Rail Expansion Program
22	Knowing our workplace is safe matters <ul style="list-style-type: none">> Key achievements> Case study: safety
26	Our environment matters <ul style="list-style-type: none">> Key achievements> Case study: environment
30	Engaging the community matters <ul style="list-style-type: none">> Key achievements> Case study: community engagement
34	Our people matter <ul style="list-style-type: none">> Key achievements> Case study: developing the skills of our people
38	Corporate governance <ul style="list-style-type: none">> TIDC Board of Directors> Executive Management Team> Corporate structure
42	Financial statements <ul style="list-style-type: none">> Directors' declaration> Financial statements
67	Appendices



Front and back cover: The new aerial concourse and footbridge at Epping Station was opened to the public in April 2007.

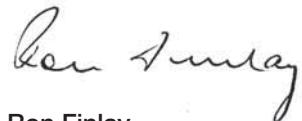
The Hon. J A Watkins MP
Deputy Premier
Minister for Transport
Minister for Finance
Level 30, Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Dear Minister

We are pleased to present the Annual Report of Transport Infrastructure Development Corporation for the year ending 30 June 2007.

The Report has been prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984*, the applicable provisions of the *Public Finance and Audit Act 1983* and the *State Owned Corporations Act 1989*. It is submitted for presentation to Parliament.

Yours sincerely



Ron Finlay
Chairman



Chris Lock
Chief Executive Officer

Chairman's Report

"TIDC's commitment to safety, community engagement, environmental management and its employees continued to be the Corporation's supporting cornerstones"



I am pleased to report that in 2006-2007 Transport Infrastructure Development Corporation (TIDC) performed exceptionally in managing a project portfolio that has increased significantly in size and complexity since the Corporation was established in 2004.

TIDC's commitment to safety, community engagement, environmental management and its employees continued to be the Corporation's supporting cornerstones as the team focused on successfully delivering its expanded portfolio of projects.

I am particularly proud of a remarkable milestone achieved in February 2007 on the Epping to Chatswood Rail Line; 10 million hours worked. It was a significant achievement and I thank the many people involved for their contribution.

TIDC's focus on safety was again demonstrated by a lost time injury frequency rate well below industry average. Our commitment to maintaining a strong safety culture is unwavering and exists at every level of TIDC.

Our efforts to engage local communities and mitigate impacts on the environment drove strong performance in each of these areas. This year's achievement of recording no major environmental incidents on projects in the construction phase and our ongoing engagement of local communities throughout each stage of the project lifecycle bears testament to our success.

The Corporation implemented a wide range of corporate governance initiatives to assist in measuring TIDC's performance. These measures will be increasingly important as the Corporation marshals its resources and capabilities to manage a substantial increase in workload and expenditure.

I thank my fellow Board members for the experience and wisdom they have contributed to TIDC over the year. In particular, I acknowledge the work of John Barraclough, Board Member and former Chief Executive Officer, who resigned from the Board in early 2007. His contribution to the growth and success of TIDC over the past three years has been invaluable.

On behalf of the Board, I congratulate TIDC's employees for their efforts during the year and thank them for their continued commitment. I look forward to another year of achievement in 2007-2008.

A handwritten signature in black ink that reads "Ron Finlay".

Ron Finlay
Chairman

Chief Executive Officer's Report



The 2006-2007 reporting year has been one of achievement and delivery. TIDC has been charged with developing some of the largest transport infrastructure projects in Australia. In 2006-2007 the Corporation was responsible for 11 projects under construction, collectively worth over \$3.2 billion, with another nine projects in the planning phase. Project expenditure for the year totalled \$629 million.

TIDC's achievements this year included the opening of the new Epping Station aerial concourse and footbridge, part of the \$2.3 billion Epping to Chatswood Rail Line (ECRL). Other significant work on ECRL included the completion of track laying within the new tunnels and the opening of the new western island platform at Chatswood Transport Interchange.

TIDC has made significant progress on the delivery of the \$1.8 billion Rail Clearways Program with the completion of the Berowra Station Platform 3 project in August 2006. Construction also commenced on a further four Stage 1 Clearways projects in this reporting period and planning has commenced on four projects in Stage 2.

Important milestones were reached this year in the planning of the Metropolitan Rail Expansion Program, which involves new rail lines through

Sydney's CBD and to North West and South West Sydney. Environmental assessments and concept plans for both the North West and South West Rail Links were completed and submitted to the Department of Planning for approval.

“TIDC has been charged with developing some of the largest transport infrastructure projects in Australia”

An integral part of TIDC's achievement in delivering its projects is the strength of our relationships with industry partners and suppliers. TIDC has responded proactively to the changing environment in which we operate and has taken advantage of the benefits of relational contracts for large and complex projects. This year TIDC entered into two significant alliance contracts; one for the \$450 million Kingsgrove to Revesby Quadruplication project and the

other for the commissioning of the Epping to Chatswood Rail Line.

TIDC has evolved from a single project entity to a multi-project organisation. Critical to delivering our increasingly complex project portfolio are the organisational resources and systems that were implemented during the year. This included the development of our leadership and project management capabilities, both vital to achieving successful outcomes.

An organisational reconfiguration was implemented in early 2007 to realign our workforce and better place TIDC to respond to the challenges ahead. Other initiatives included the establishment of a Program Management Office and the execution of a Project Management Maturity assessment which will help us strengthen our project management capabilities.

I am extremely proud of the team at TIDC and their achievements this year. I thank everyone involved for their efforts and commitment to helping TIDC deliver such a diverse range of projects in the challenging environment of live rail. Through their hard work TIDC is set to deliver new, redeveloped and upgraded stations, interchanges, rail lines and other public transport facilities that will benefit the people of New South Wales now and in the years to come.

Chris Lock

Chris Lock
Chief Executive Officer

Who we are

Transport Infrastructure Development Corporation (TIDC) is a State owned corporation responsible for developing and delivering major transport infrastructure projects for the NSW Government.

TIDC was established in 2004 under the *Transport Administration Act 1988*. TIDC is governed by a Board responsible to two Shareholder Ministers; the Premier of NSW and the Minister for Finance.

TIDC's Portfolio Minister is the Minister for Transport, the Hon. John Watkins MP.

Our role

TIDC's principal role is to develop and deliver major transport infrastructure projects as directed by the Minister for Transport in an efficient, effective and financially responsible manner.

Our goal is to cost effectively develop and deliver transport solutions that support the growth of NSW, enhancing its natural and urban environments to provide tangible benefits for all transport users whilst representing value to government and the people of NSW.

Our objectives

TIDC's objectives are to:

- > Provide a contractual framework for a safe working and operating environment for the construction workforce, rail personnel, transport users, pedestrians and the wider community.
- > Implement and maintain sustainable environmental practices.
- > Demonstrate excellence in design and appropriate use of technology.
- > Have transparent and accountable planning approval and environmental processes.

- > Ensure sound construction methodology is adopted.
- > Provide value for money in the delivery of infrastructure.
- > Use transparent contract procurement processes.
- > Engage in a high level of community and stakeholder involvement.
- > Deliver high quality transport infrastructure outcomes.

Our key stakeholders

In achieving successful project development and delivery, TIDC is committed to understanding and meeting the needs of its stakeholders. TIDC has five key stakeholder groups:

- > The NSW public – in particular transport users and the local communities in which we work.
- > The NSW Government – in particular the Portfolio Minister and Shareholder Ministers.
- > Associated government agencies – including RailCorp as the future asset owner of our current projects.
- > Partners and suppliers.
- > TIDC employees.

The breadth and depth of what we do

KEY DRIVERS OF OUR BUSINESS

NSW Government transport initiatives

- > State Plan
- > Metropolitan Strategy
- > Urban Transport Statement



ROLE

- > From initial concept planning through to operational readiness TIDC helps make the NSW Government's public transport goals a reality.
- > TIDC develops and delivers new, redeveloped and upgraded stations, interchanges, rail lines and a range of other public transport facilities for the benefit of the NSW public.



PORTFOLIO OF SERVICES

Feasibility

- > Analysis of options
- > Scoping
- > Preliminary environmental assessment

Planning & Design

- > Analysis of user requirements
- > Design, including safety in design
- > Cost estimation and budgeting
- > Risk assessment
- > Environmental assessment and planning approvals
- > Community and stakeholder engagement
- > Property acquisition and disposal

Procurement

- > Tender packaging, evaluation and negotiation

Delivery (construction)

- > Project management
- > Technical management
- > Contract management
- > Community and stakeholder engagement
- > Environmental and safety compliance

Commissioning

- > Ensuring product functionality and readiness
- > Handover to asset owner
- > Community and stakeholder liaison

OUTCOMES

- > Maximisation of stakeholder value

- > Fiscal accountability

- > Achievement of environmental and safety goals

- > Effective engagement of community and stakeholders

- > Delivery of high quality transport infrastructure that benefits the people of NSW

\$**629**

million in total
project expenditure
in 2006-2007

Over
\$3.2

billion worth of
projects currently under
construction, with an
additional nine projects
in the planning phase



**'delivering results
for the people of
NSW matters'**

The new aerial concourse at Epping Station was opened to the public in April 2007.

Opened new facilities to the public at

3 stations

Commenced construction on **5** new projects, bringing the total to 11 projects under construction in 2006-2007



"Sydney's population is forecast to increase by more than one million people to over five million in the next 25 years. This growth presents a significant transport challenge. By delivering some of the largest transport infrastructure projects in Australia, TIDC will assist in increasing the availability and reliability of public transport and help ensure Sydney is a great place to live and work – now and well into the future."

Chris Lock, Chief Executive Officer

Delivering results for the people of NSW matters

Key drivers for TIDC include the NSW Government's State Plan, Metropolitan Strategy and Urban Transport Statement.

The table below shows how TIDC plays an integral role in helping the NSW Government achieve its objectives to improve and expand Sydney's rail system.

Our projects 2006-2007

- > Epping to Chatswood Rail Line
- > Chatswood Transport Interchange
- > Rail Clearways Program
 - Berowra Station Platform 3
 - Cronulla Line Duplication
 - Homebush Turnback
 - Hornsby Station Platform 5 and Stabling
 - Lidcombe Turnback
 - Macdonaldtown Stabling
 - Revesby Turnback

- Carlingford Line Passing Loop
- Kingsgrove to Revesby Quadruplication
- Liverpool Turnback
- Macarthur Station Upgrade and Interchange
- Quakers Hill to Vineyard Duplication
- Sydenham to Erskineville Extra Tracks

> Metropolitan Rail Expansion Program

- CBD Rail Link
- North West Rail Link
- South West Rail Link

> North Sydney Station Upgrade

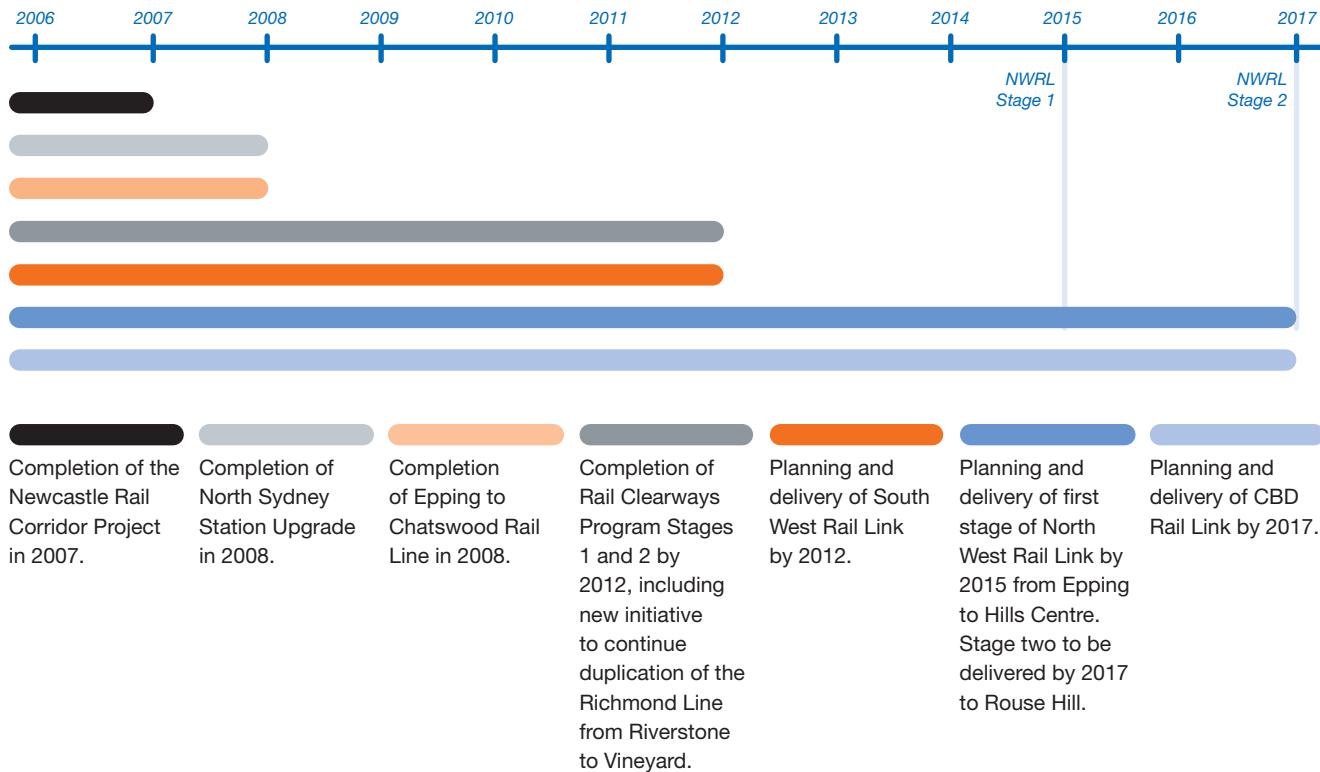
> Newcastle Rail Corridor Project

Previously completed projects

- > Parramatta Transport Interchange
- > Bondi Junction Turnback

Improving and expanding Sydney's rail system

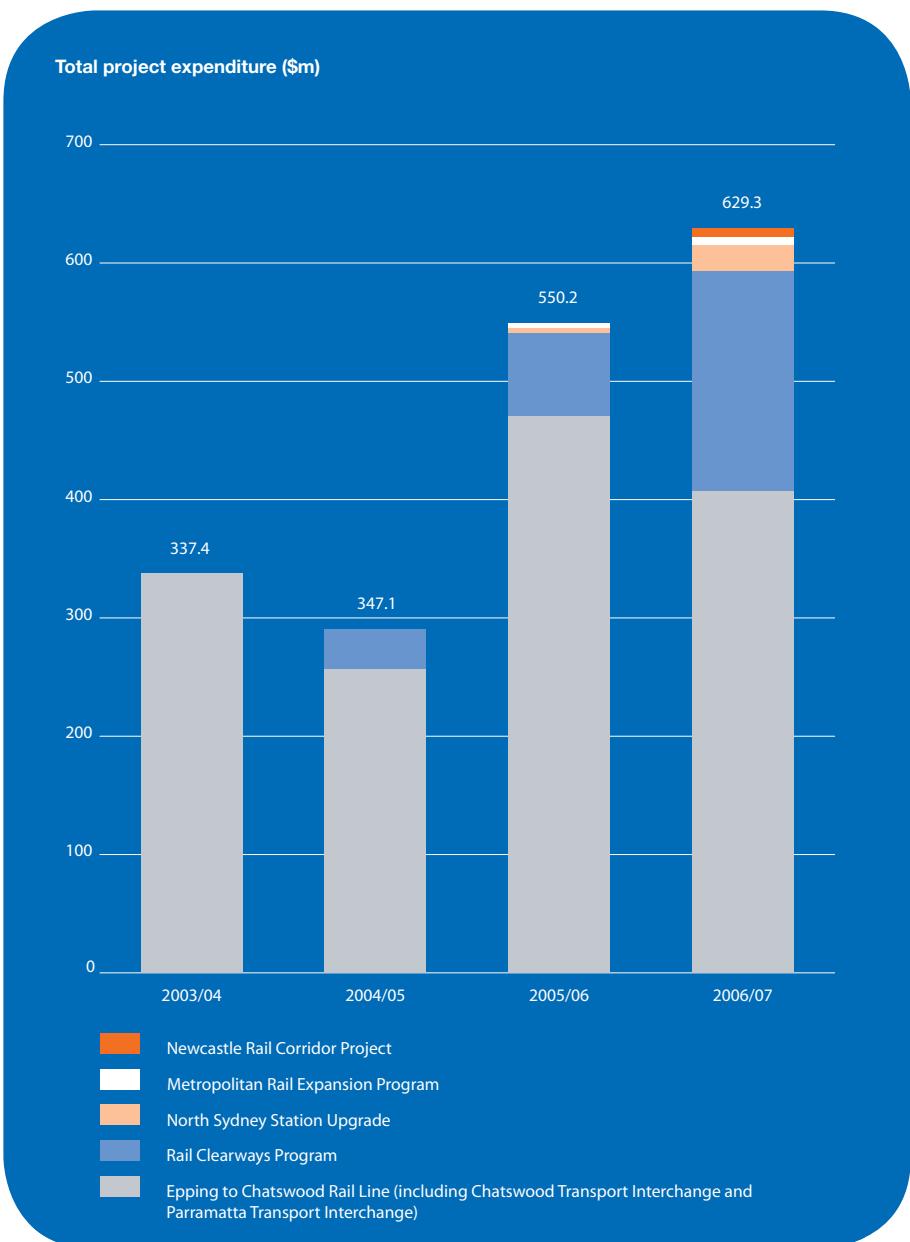
TIDC has an important role to play in the expansion of Sydney's rail system. This timeline has been adapted from information in the Urban Transport Statement released in November 2006. It outlines the key initiatives TIDC is responsible for developing and delivering over the next ten years to improve the metropolitan rail network and provide rail services to new areas of Sydney.



Delivering
results for the
people of NSW
matters

Our growth

TIDC has grown from delivering Epping to Chatswood Rail Line, Chatswood Transport Interchange and Parramatta Transport Interchange to delivering 20 projects in 2006-2007. Our project expenditure has grown accordingly as more projects move into the construction phase. The graph adjacent shows the growth in project expenditure since 2003-2004.



The framework for the entrance canopy at the new North Ryde Station was erected during the year.

Delivering results for the people of NSW matters

Epping to Chatswood Rail Line

Epping to Chatswood Rail Line (ECRL) will be a new, 12.5 kilometre underground passenger rail service connecting Epping to Chatswood via North Ryde. As part of the project, three new stations are being built at Macquarie University, Macquarie Park and North Ryde. To accommodate the new line, Epping Station is being upgraded and Chatswood Transport Interchange is being redeveloped.

Construction of ECRL commenced in November 2002 and is due to be completed in 2008. ECRL will help to alleviate congestion and increase capacity on the CityRail network. It will also deliver improved public transport access to the growing education and employment centres of Macquarie Park and North Ryde.

Key achievements

- Completed the installation of the permanent way (rail track) within the new tunnels.
- Completed 75 percent of the installation of the operating systems within the rail tunnels.
- Completed the new Epping Station aerial concourse and new Beecroft Road footbridge and opened the new facilities to the public.
- Erected the framework for station entrance canopies and commenced installation of lifts, escalators and platform finishes at the three new stations.
- Commissioned the Water Treatment Plant at Lady Game Drive and the Beecroft sub-station.
- Established the Commissioning Management Alliance to manage the commissioning of the project.
- Reached 10 million hours worked in February 2007.

Key focus 2007-2008

- Completion of major construction works.
- Completion of stations and surrounding public domain works.
- Testing and integrating systems and communications.
- Completing safety and environmental reports and plans.



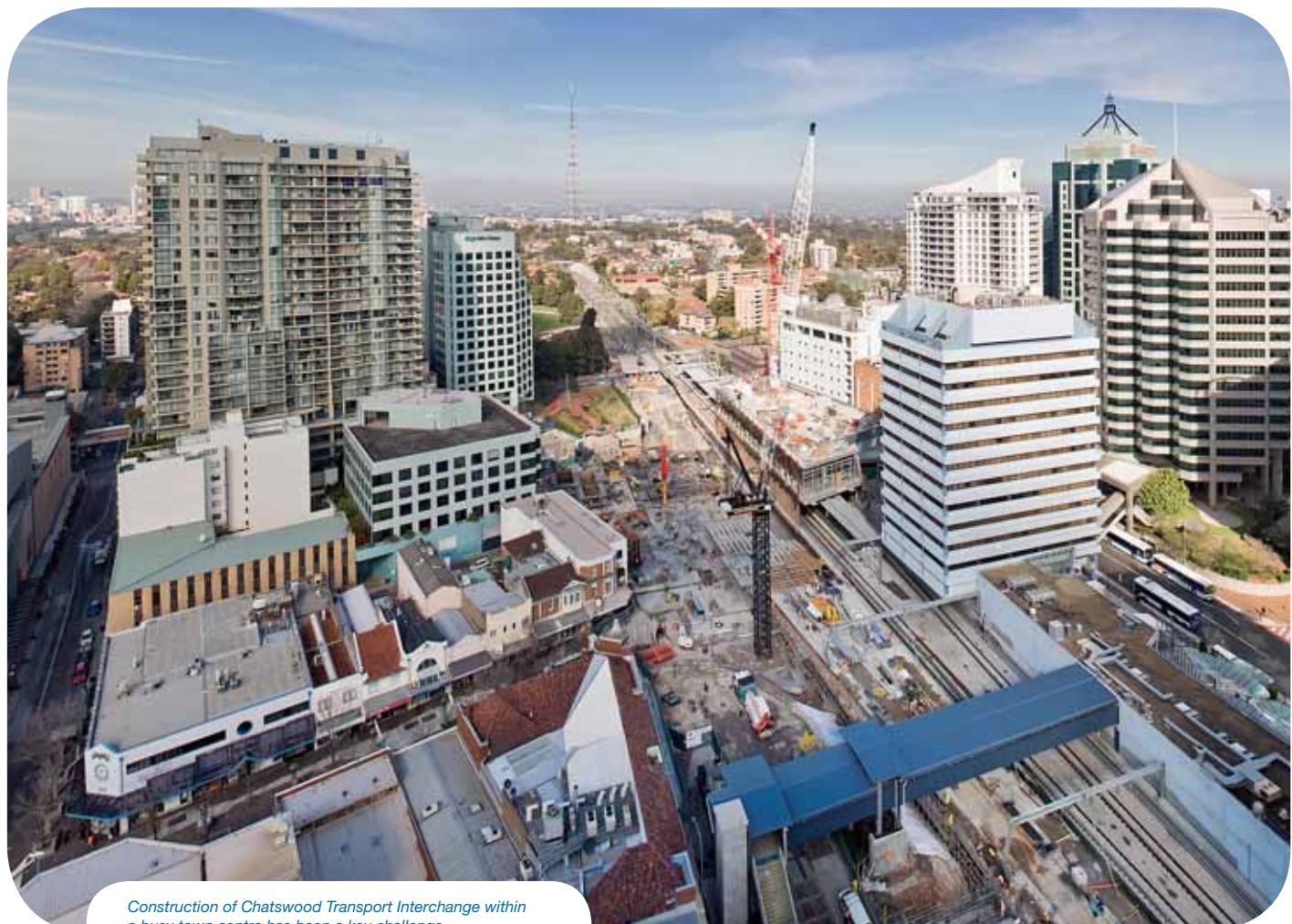
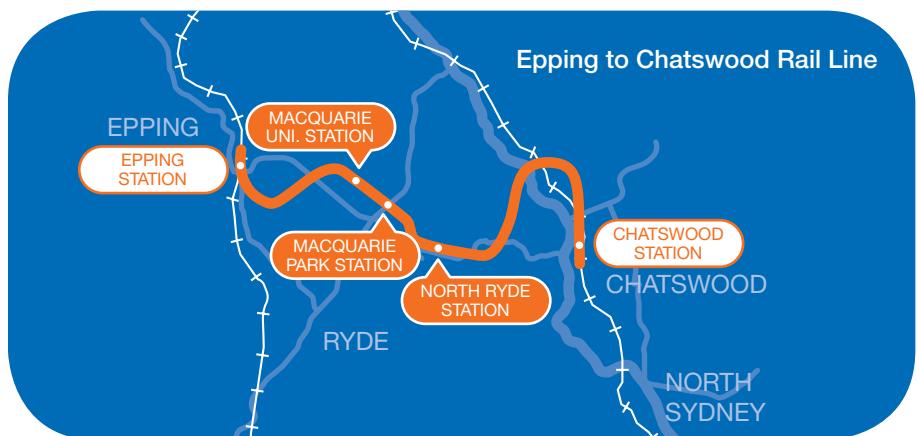
The new concourse at Epping Station is modern and spacious, providing improved passenger movement and amenity.



**Delivering
results for the
people of NSW
matters**

Chatswood Transport Interchange

Chatswood Transport Interchange (CTI) is being redeveloped as part of ECRL. The station is the ninth busiest on the CityRail network, accommodating 35,000 people per day, a figure which is forecast to rise to more than 50,000 by 2021. In addition to improving passenger facilities, the redevelopment will increase the station's capacity to cater for this growth in patronage.



Construction of Chatswood Transport Interchange within a busy town centre has been a key challenge.

Delivering results for the people of NSW matters

The redevelopment of the precinct includes:

- The redevelopment of Chatswood Station including the construction of two new island platforms.
- A new pedestrian and rail concourse with improved passenger amenities.
- Relocation and upgrade of the bus interchange, taxi ranks and kiss-and-ride zone.
- Raising and widening of the Albert Avenue and Help Street bridges to accommodate the new rail tracks.
- 10,000m² of retail development.
- Three new residential buildings with underground car parking.

Key achievements

- Completed the new permanent western island platform and associated track and signalling works and opened the new facilities to the public.
- Completed construction of the new bridges and demolition of the existing bridges over Albert Avenue and Help Street.
- Completed excavation for the underground car parking on the eastern side of the site and significantly advanced construction of structural elements.
- Completed the trackform within the rail enclosure structure to the north of the station.
- Relocated major services around the site, including significant telecommunications assets.



The new western platform at Chatswood Station was opened to the public in October 2006. Work focused on the eastern side during 2007 and structural elements were significantly advanced.

Key focus 2007-2008

- Removal of the temporary pedestrian access bridge.
- Opening of the new east-west pedestrian link from Chatswood Mall to Railway Street.
- Completion of the structure on the eastern side of the site including the new eastern island platform.
- Completion of the new bus interchange.
- Rail and building systems integration.



Delivering results for the people of NSW matters

Parramatta Transport Interchange

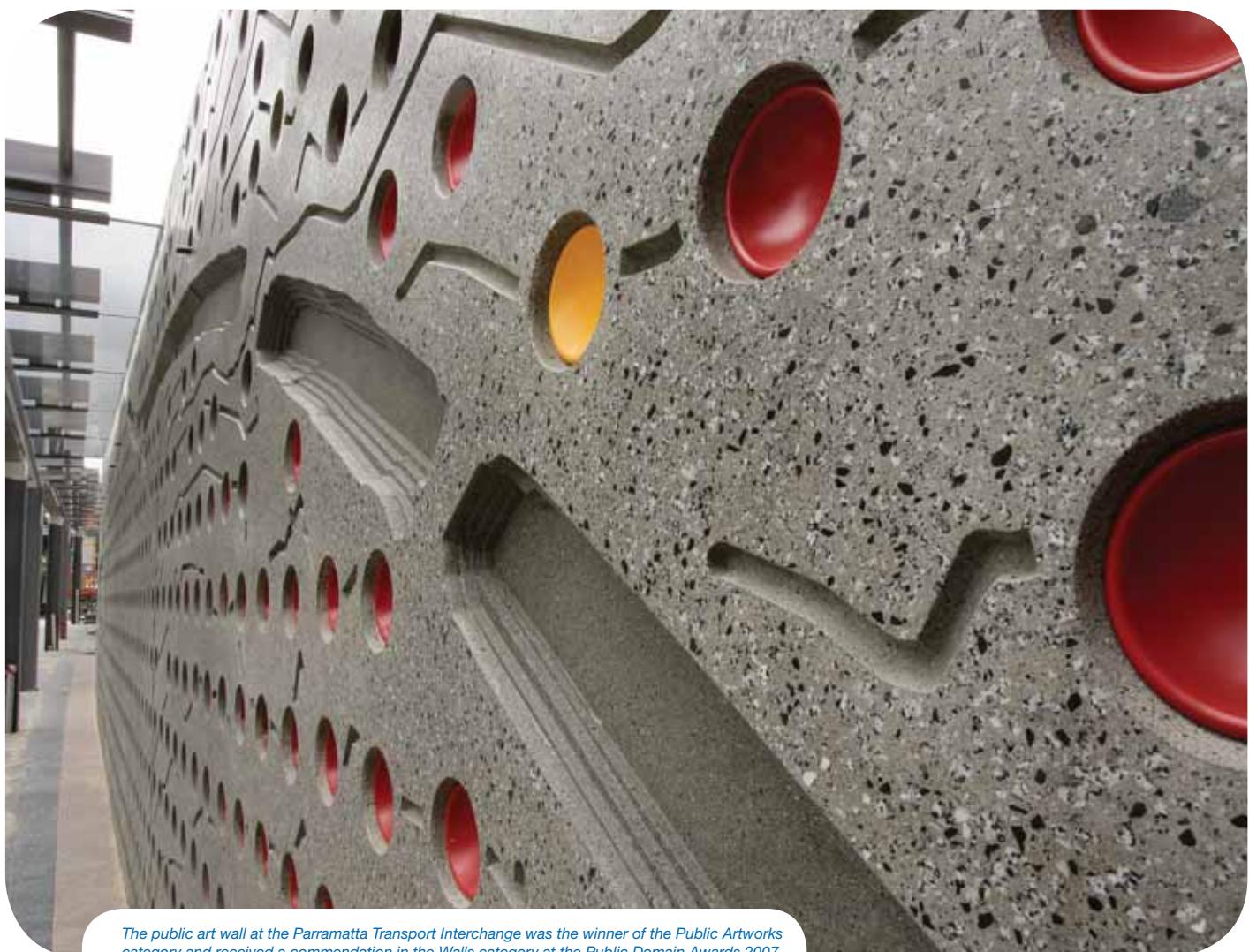
In February 2006 (previous reporting year), TIDC opened its first project to the public, the redeveloped Parramatta Transport Interchange (PTI).

PTI provides an improved transport gateway to western Sydney and supports Parramatta as Sydney's second major employment and commercial centre.

PTI makes accessing transport services easier and safer by connecting Parramatta Station, one of the busiest on the CityRail network, with the Western Sydney Transitway network, local buses, taxis and private kiss-and-ride facilities.

Since its completion, PTI has received a number of awards including:

- > *Excellence in Design – Infrastructure category awarded to Arup at the Australian Consulting Engineers Association (ACEA) Engineering Excellence Awards 2006.*
- > *Energy Australia Award: Conservation – Energy Management awarded to Hassell at the Energy Australia National Trust Heritage Awards.*
- > *Winner of the Public Artworks category and commendation in the Walls category awarded to Peter Macgregor's design for the Parramatta Transport Interchange public art wall at the Public Domain Awards 2007, from Cement, Concrete and Aggregates Australia.*



The public art wall at the Parramatta Transport Interchange was the winner of the Public Artworks category and received a commendation in the Walls category at the Public Domain Awards 2007.

Delivering results for the people of NSW matters

Rail Clearways Program

The Rail Clearways Program is designed to improve capacity and reliability on CityRail's metropolitan network.

TIDC is responsible for delivering the Rail Clearways Program, which involves the construction of additional track, platforms, turnbacks, stabling facilities and train passing loops.

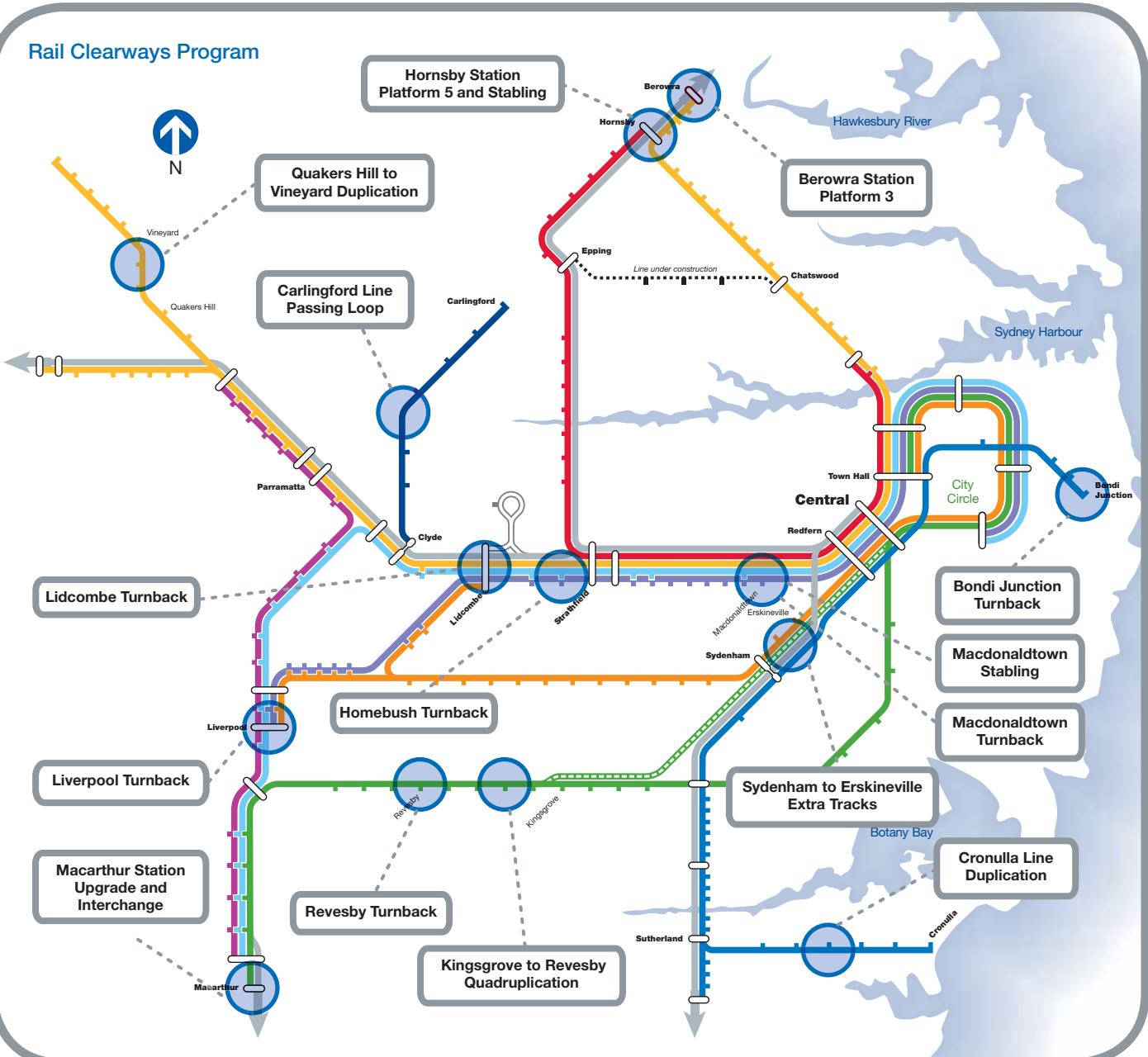
When completed, the Program will significantly reduce the sharing of critical infrastructure and train paths among the various existing lines in the Sydney suburban area.

The 15 projects in the Program will create five independent clearways and remove bottlenecks and

junctions, reduce congestion and delays and allow for simpler timetables for more reliable and frequent services. Separating the routes means an incident on one part of the network will have a limited effect on services on other parts of the network.

Delivery of the Rail Clearways Program will also increase the capacity of the CityRail network to meet continuing patronage growth from both suburban and intercity areas.

Rail Clearways Program



Delivering results for the people of NSW matters

The Program's 15 projects have been split into two stages.

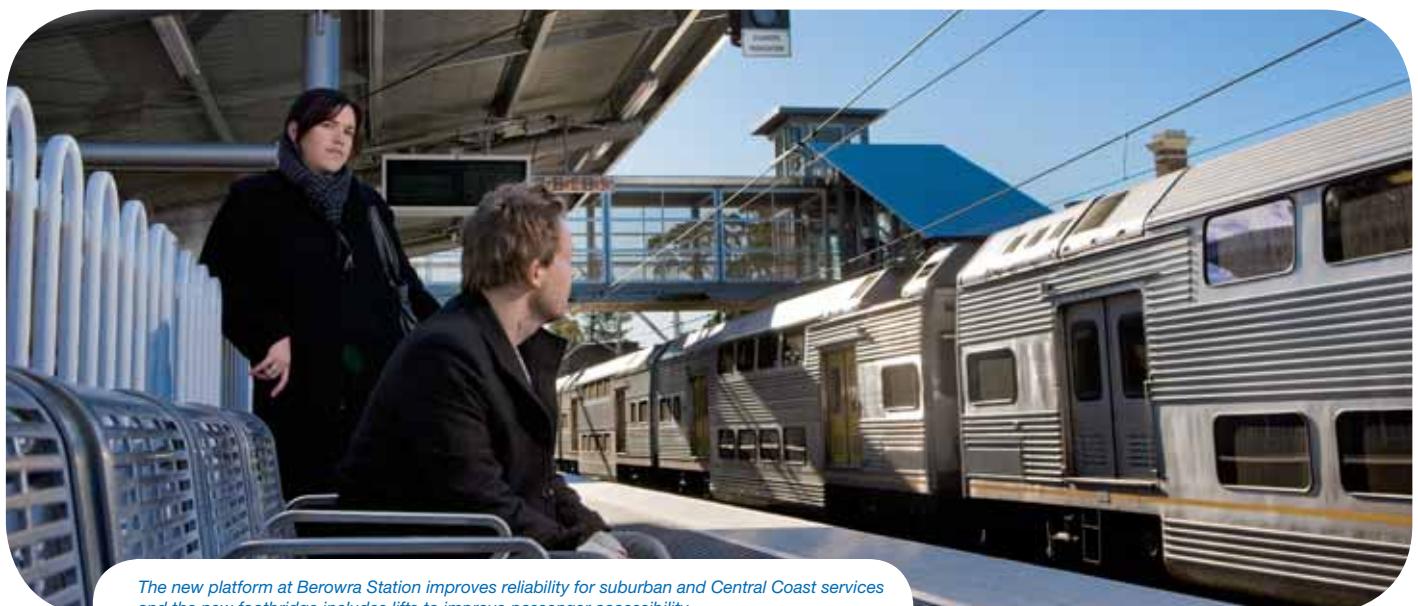
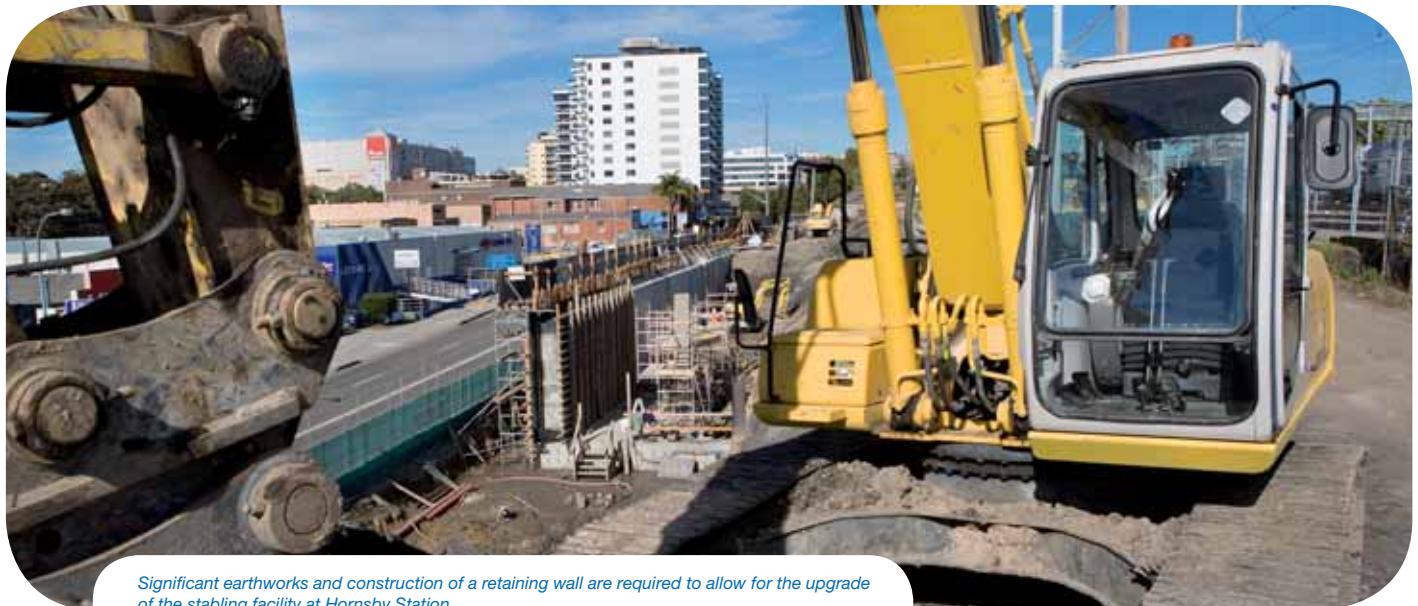
Clearways Stage 1:

- > Berowra Station Platform 3 (completed August 2006)
- > Bondi Junction Turnback (completed May 2006)
- > Cronulla Line Duplication
- > Homebush Turnback
- > Hornsby Station Platform 5 and Stabling
- > Lidcombe Turnback
- > Macdonaldtown Stabling

- > Macdonaldtown Turnback (delivered by RailCorp, completed 2004)
- > Revesby Turnback

Clearways Stage 2:

- > Carlingford Line Passing Loop
- > Kingsgrove to Revesby Quadruplication
- > Liverpool Turnback
- > Macarthur Station Upgrade and Interchange
- > Quakers Hill to Vineyard Duplication
- > Sydenham to Erskineville Extra Tracks

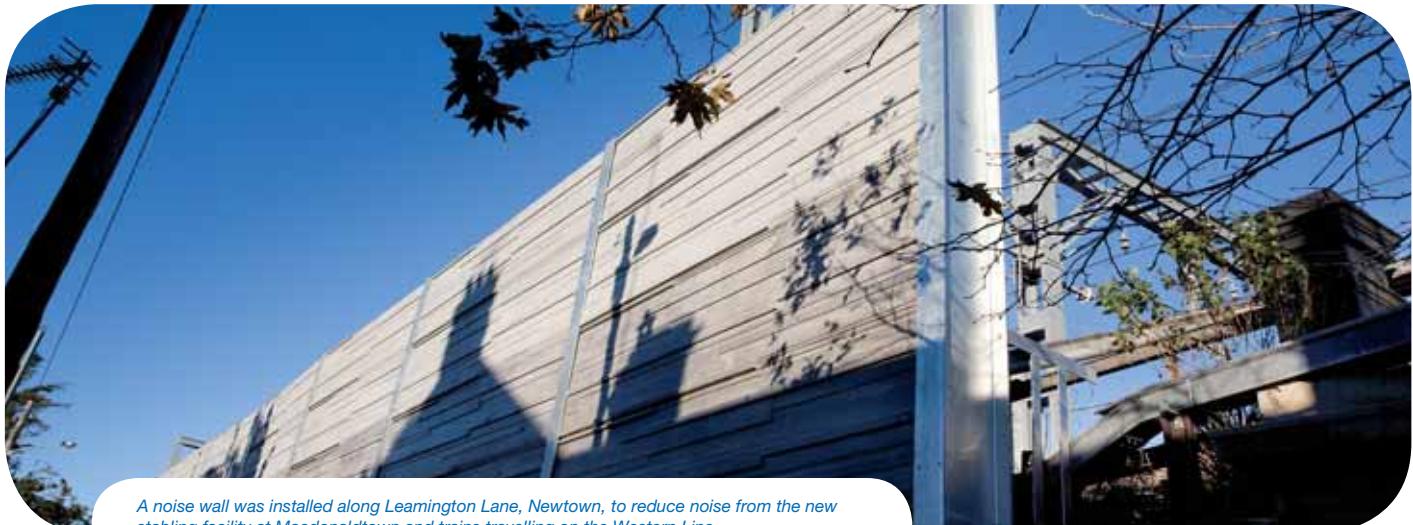


Clearways Stage 1

Project	Key achievements	Key focus 07/08
Cronulla Line Duplication	<ul style="list-style-type: none"> > Obtained planning approval in August 2006. > Awarded contract in September 2006. > Major construction commenced in February 2007 including establishment of site compounds, enabling works at bridges and stations and major civil works. > No lost time injuries. 	<ul style="list-style-type: none"> > Construction of civil, building and track work well advanced.
Homebush Turnback	<ul style="list-style-type: none"> > Major construction commenced in September 2006 including platform works, trackwork, overhead wiring and signalling works. > Successfully dismantled and commenced relocation of part of heritage wall adjacent to station. > Construction 55% complete. > No lost time injuries. 	<ul style="list-style-type: none"> > Completion of civil and rail work.
Hornsby Station Platform 5 and Stabling	<ul style="list-style-type: none"> > Completed the Pretoria Parade bridge extension. > Commenced implementing the offset strategy for regeneration of Blue Gum High Forest. > Re-configured the RailCorp works depot at Hornsby Station including significant civil and earthworks. > Commenced platform works and work on the Pacific Highway bridges near Hornsby Station. > Construction work 60% complete. > No lost time injuries. 	<ul style="list-style-type: none"> > Completion of construction work.
Lidcombe Turnback	<ul style="list-style-type: none"> > Major construction commenced in September 2006. > Commissioned the concourse extension and new lift and stairs in May 2007. > Successfully re-configured the traffic flow around Lidcombe town centre. > Construction 55% complete. > No lost time injuries. 	<ul style="list-style-type: none"> > Completion of civil and rail work.
Macdonaldtown Stabling	<ul style="list-style-type: none"> > Major construction 90% complete including major civil works and drainage, all trackwork, retaining walls, noise walls, acoustic enclosure and staff amenities building. > Extensive community consultation about urban design and landscaping. 	<ul style="list-style-type: none"> > Completion of construction by end of 2007. > Commissioning of stabling yard by end of 2007.
Revesby Turnback	<ul style="list-style-type: none"> > Major construction commenced in October 2006 including platform works, trackwork, overhead wiring and signalling works. > Completed works in and around Little Salt Pan Creek to improve precinct drainage. > Construction 50% complete. > No lost time injuries. 	<ul style="list-style-type: none"> > Completion of civil and rail work.
Berowra Station Platform 3	<ul style="list-style-type: none"> > Completed project in August 2006. > New platform, overhead footbridge and lifts officially opened by the Premier and the Minister for Transport. > No lost time injuries. 	

Clearways Stage 2

Project	Key achievements	Key focus 07/08
Carlingford Line Passing Loop	> Work on this project is due to commence in the next reporting year.	> Commencing concept design and environmental impact assessment.
Kingsgrove to Revesby Quadruplication	> Submitted Project Application to Department of Planning in January 2007. > Established the Alliance and executed a Project Alliance Agreement in May 2007. > Commenced the detailed design. > Held two community information sessions.	> Obtaining planning approval. > Completing detailed scope.
Liverpool Turnback	> Completed the concept design. > Commenced an environmental impact assessment in January 2007. > Received submissions for Registration of Interest from design and construct contractors. > Held community information session.	> Completing design and construct documentation. > Tendering for and selecting design and construct contractor. > Obtaining planning approval.
Macarthur Station Upgrade and Interchange	> Completed the concept design. > Commenced an environmental impact assessment in February 2007. > Received submissions for Registration of Interest from design and construct contractors.	> Completing design and construct documentation. > Tendering for and selecting design and construct contractor. > Obtaining planning approval.
Quakers Hill to Vineyard Duplication	> Completed an options study. > Commenced the concept design. > Commenced an environmental impact assessment in June 2007.	> Completing concept design. > Obtaining planning approval.
Sydenham to Erskineville Extra Tracks	> Completed a feasibility study.	> Further analysis with RailCorp.



Delivering results for the people of NSW matters

North Sydney Station Upgrade

The North Sydney Station Upgrade will establish the station as a gateway to North Sydney with a modern and spacious design. The upgrade will increase passenger comfort and safety by alleviating crowding and reducing conflicting pedestrian movements within the station. This is of particular significance as patronage of North Sydney Station is expected to increase when Epping to Chatswood Rail Line becomes operational.

Key features include:

- An expanded concourse.
- Enhanced station safety and security systems.
- New fire detection and protection safety systems.
- New lifts and escalators.
- 16 additional ticket barriers.

Construction commenced in April 2006 and is due to be completed in 2008.

Key achievements

- Completed design work.
- Demolished the existing roof.
- Demolished and reconstructed the new platform surface on Platform 1/2.
- Installed escalators and new stairs between Platform 1/2 and the lower concourse.
- Relocated the ticket office to a temporary facility at the Blue Street level.
- Erected portal columns and roof beams to the new high level station roof canopy.
- Constructed and commissioned the new platform Control Room on Platform 1/2.
- No lost time injuries.



The new escalators on Platform 1/2 at North Sydney Station became operational in June 2007 while work continues on the upgrade of the Station.

Key focus 2007-2008

- Construction of all platform and concourse surfaces and roofing, guttering and glazing.
- Construction of new staff facilities, new ticket office and ticket barriers.
- Operation of escalators and new stairs on Platform 3/4 and lifts on Platform 1/2 and 3/4.
- Construction works on Platform 3/4 including construction of new Control Room.



Delivering results for the people of NSW matters

Newcastle Rail Corridor Project

The Newcastle Rail Corridor Project is a series of projects that will collectively reduce waiting times for motorists, pedestrians and cyclists at level crossings, reduce train queuing across level crossings and help maintain efficient passenger train services to Newcastle. The Project involves the:

- Extension of Hamilton, Wickham and Civic Station platforms.
- Construction of new pedestrian access ramps and stairs at Wickham and Civic stations.
- Relocation of signalling at Hamilton, Wickham and Civic stations.
- Construction of new pedestrian crossings and improvements to vehicle level crossings at Railway and Merewether streets.

Significant construction work on the Newcastle Rail Corridor Project commenced in January 2007. Construction work was substantially completed in May 2007, with some finishing works and commissioning activities still to be undertaken.

Key achievements

- Received planning approval in January 2007.
- Established an alliance contract.
- Completed design for signalling, overhead wiring, civil and electrical packages.
- Completed all platform structures and level crossing civil works.
- No lost time injuries.

Key focus 2007-2008

- Complete all work packages including platforms and level crossings.



Completion of the Newcastle Rail Corridor Project will reduce waiting times for vehicles and pedestrians at level crossings.

Delivering results for the people of NSW matters

Metropolitan Rail Expansion Program

In November 2005, the NSW Government directed TIDC to progress with the development of the Metropolitan Rail Expansion Program (MREP).

MREP is a key element of the NSW Government's Metropolitan Strategy for Sydney. The Program aims to provide links between the major new growth and employment areas of the metropolitan region. It consists of three new passenger rail lines:

- North West Rail Link (NWRL)
 - a 22 kilometre passenger rail line between Epping and Rouse Hill, including approximately 16 kilometres of tunnel, six new underground stations and an interim train stabling facility at Rouse Hill.

> South West Rail Link (SWRL)

- a 13 kilometre passenger rail line between Glenfield and Leppington including two new stations at Edmondson Park and Leppington, redevelopment of Glenfield Station and a train stabling facility to the west of Leppington.

> CBD Rail Link (CBDRL)

- a 12.5 kilometre passenger rail line between Redfern and Chatswood, including a tunnel under the Sydney CBD and harbour, new stations in the CBD and north shore, and two additional tracks between St Leonards Station and Chatswood.



Delivering results for the people of NSW matters

Key achievements

- > Completed an Environmental Assessment and Concept Plan for both NWRL and SWRL and submitted to the Department of Planning in November 2006.
- > Prepared a Station Precinct Planning Report for NWRL.
- > Held over 60 stakeholder meetings and 11 Community Information Sessions.
- > Submitted Preferred Project Report for NWRL and Submissions Report for SWRL to the Department of Planning in May 2007.
- > Completed a pre-feasibility report for CBDRL in October 2006.

Key focus 2007-2008

- > Obtaining approval of the concept plans from the Minister for Planning for NWRL and SWRL.
- > Preparing reference designs and construction tender documentation for NWRL and SWRL.
- > Preparing documentation to obtain further approvals for NWRL and SWRL.
- > Commencing the tender process for Glenfield Junction and early works construction packages for SWRL.
- > Undertaking site investigations and survey for all projects.
- > Undertaking community and stakeholder consultation particularly in relation to station precinct plans and design for NWRL and SWRL.
- > Undertaking a feasibility study and environmental impact assessment for CBDRL.



Artist's impression of the new Edmondson Park Station as part of the South West Rail Link.

Lost Time Injury Frequency Rate
rolling twelve month average of

3.6

across all projects compared with
construction industry average of 20.3



A large photograph showing two construction workers in orange vests and hard hats working on a subway station platform. One worker is in the foreground, looking down at a clipboard, while another is blurred in motion in the background. The platform has a curved escalator and wall cladding under construction.

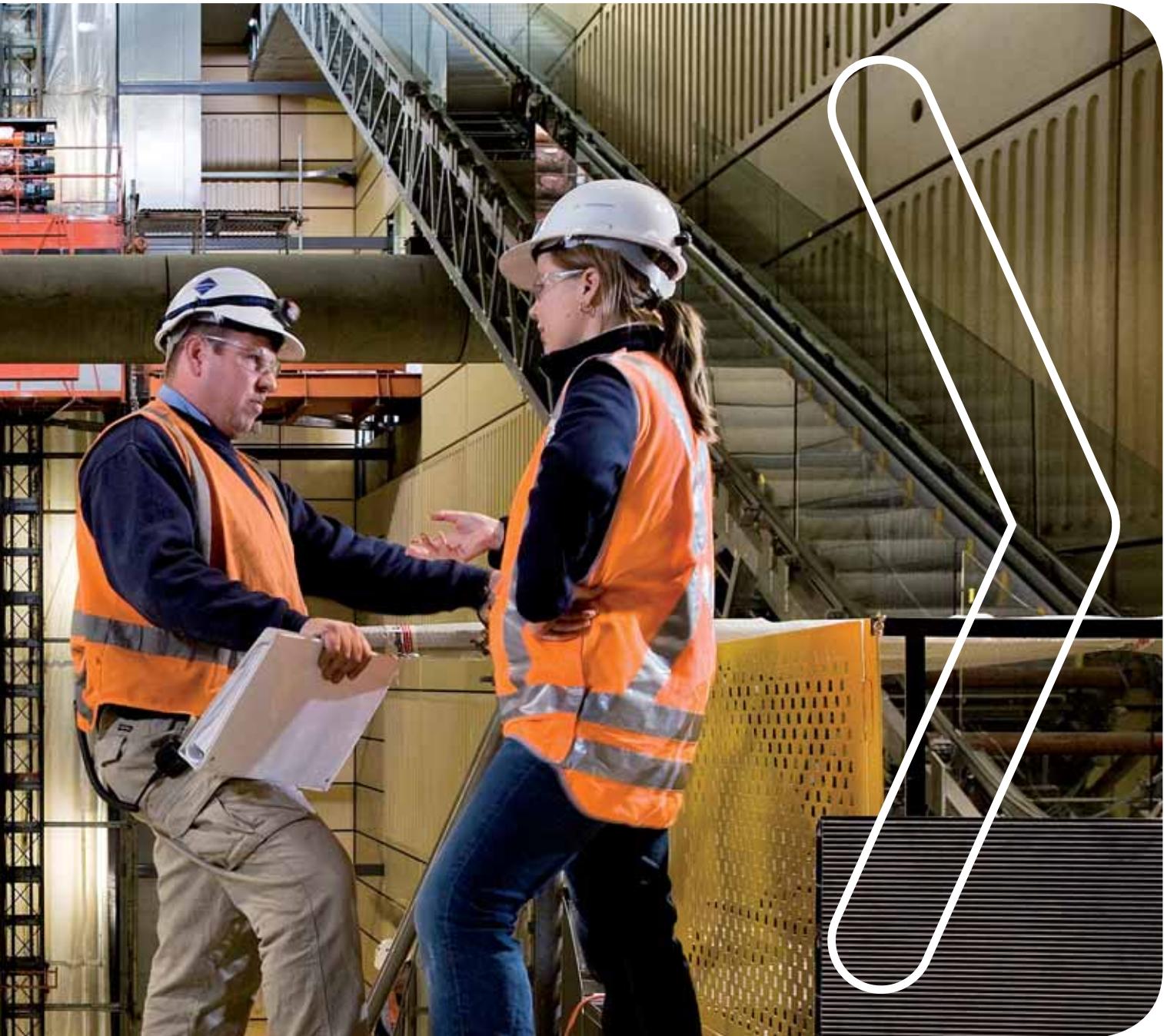
‘knowing our
workplace
is safe matters’

Substantial work was undertaken this year on the fit-out of the new underground stations on the Epping to Chatswood Rail Line, including the installation of lifts, escalators and wall cladding.

120 safety consultative
inspections conducted

6 out of 7 Rail Clearways projects in the construction phase recorded zero lost time injuries in 2006-2007

132 safety audits completed



"Our focus on safety as an everyday issue is a key contributor to the success of TIDC. We have a proactive approach that ensures everyone in the TIDC team knows that safety matters. We are committed to providing ongoing education and training to the team and our contractors. Our goal is to lead the industry through innovative safety solutions."

Ken Kelman, General Manager Safety

Knowing our workplace is safe matters

Health and safety is a core business activity and key contributor to the success of TIDC. During the reporting year, TIDC's Safety Management Plan continued to provide the framework, systems and measurements to protect employees. The Plan outlines the processes and procedures to achieve safety goals and comply with the requirements of the NSW Government's Occupational Health Safety Management System Guidelines and the Australian Standard for Rail Safety Management.

Key achievements

Safety performance was monitored using employee and project safety statistics. Compliance with occupational health and safety requirements was included in the scope of audits undertaken with TIDC's major contractors. In addition, specific safety audits were also conducted at all project sites.

The success of TIDC's safety initiatives were highlighted by the following achievements:

- > A lost time injury frequency rate rolling 12 month average of 3.6 across all projects compared with an industry average of 20.3 (2005-2006).

> Six out of seven Rail Clearways projects in the construction phase recorded zero lost time injuries in 2006-2007 (Macdonaldtown Stabling project recorded two lost time injuries).

> 10 million hours worked on ECRL reached in February 2007 with a lost time injury rate of 5.8.

Ongoing initiatives

> Conducted 132 safety audits and 120 safety consultative inspections to monitor safety issues and resolve any potential safety concerns.

> The Staff Consultative Committee provided consultation on health, safety and welfare matters, assisted with the continuous improvement of health and safety processes, and helped promote safety awareness culture and responsibility across all TIDC projects and offices.

> All employees were encouraged to participate in a range of training programs and safety initiatives.

New initiatives

> Completed a Safety Interface Agreement for all Rail Clearways projects in the construction phase with regular rail safety interface meetings held between TIDC, RailCorp and contractors.

> TIDC Board endorsed the new Safety Policy setting the strategic direction for achieving safety goals and results.

> Established a steering committee to manage the introduction of new rail safety legislation.



Zero lost time injuries were recorded on the Hornsby Station Platform 5 and Stabling Project in 2006-2007.

Knowing our workplace is safe matters

Case study: safety

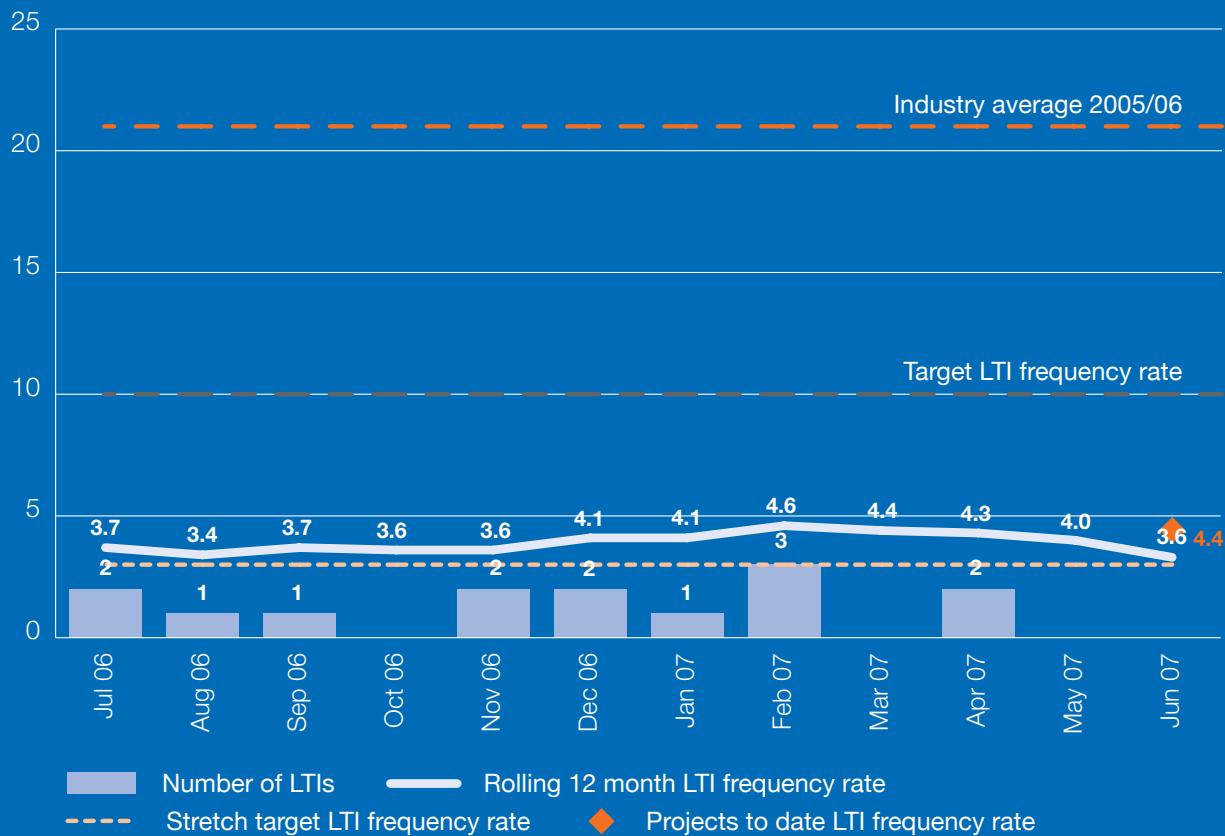
Construction work on ECRL has been ongoing since November 2002. With a fantastic effort from everyone involved, hours worked on the project hit 10 million in February 2007. This achievement was made even more exceptional by reaching this milestone with a lost time injury frequency rate of only 5.8, compared with the industry average of 20.3 (2005-2006).

Safety has always been at the forefront of this huge infrastructure project. Safety activities undertaken throughout the life of the project

included site inductions for all workers and visitors, toolbox sessions on key safety issues, regular site inspections/audits and hearing and eye protection initiatives. With work on the project progressing into 2008, TIDC will strive to lower the lost time injury rate even further by continuing its focus on safety.

The project's exemplary safety record is echoed across all of TIDC's projects; the rolling twelve month average lost time injury frequency rate across all projects in 2006-2007 was 3.6 (see graph below).

Lost Time Injuries (LTIs) – 12 month view



200+

environmental
inspections and
audits conducted

Zero

major environmental
incidents occurred



‘our environment
matters’

TIDC ensures that regeneration works are undertaken where appropriate to mitigate the impacts of vegetation removal during construction of projects.

Agreements in place to replant and regenerate almost

17,000m²

of endangered ecological communities



"TIDC takes its responsibility to safeguard the environmental and community assets within its care very seriously. We aim to set the bar high in our industry for environmental performance. It matters to us that we leave a positive environmental legacy behind on all of our projects."

Steve Fermio, Director Environment and Planning



Our environment matters

TIDC is committed to achieving the highest standard of environmental performance in the delivery of our projects. Environmental management is integrated into all aspects of our business and decision-making and we maintain a culture of environmental excellence and leadership.

By developing environmental management plans and systems, implementing mitigation measures for construction activities and integrating sustainable development principles into project delivery, TIDC strives to sustain the health, diversity and productivity of the environment for future generations.

Key achievements

In 2006-2007 TIDC continued to achieve excellent results in environmental planning and management. Highlights of the year included:

- > Zero major environmental incidents.
- > Conducting over 200 environmental inspections and audits.
- > Introducing an environmental performance incentive payment scheme on two Rail Clearways projects.
- > Developing a Construction Noise Strategy (Rail Projects) for implementation across all projects.
- > Collaborating with other government agencies in the development of the "Interim Guideline for the Assessment of Noise from Rail Infrastructure Projects".
- > Approving the Newcastle Rail Corridor project and Cronulla Line Duplication project.
- > Commencing Blue Gum High Forest regeneration works in the Hornsby area to offset vegetation lost due to the construction of the Hornsby Station Platform 5 and Stabling project.
- > Commencing Sydney Turpentine Ironbark Forest regeneration works to offset vegetation lost due to the construction of the Cronulla Line Duplication project.
- > Providing financial assistance for the regeneration of 2,400 square metres of Sydney Turpentine Ironbark Forest (STIF) within the Hornsby local government area to offset the removal of STIF due to the construction of the Beecroft sub-station.
- > Developing planning processes and practices for MREP, one of the first set of linear transport major projects to progress through the concept approval requirements of the new Part 3A of the *Environmental Planning and Assessment Act 1979*.
- > Submitting documents to the Department of Planning for planning approval for the North West Rail Link and South West Rail Link.
- > Managing out of hours work at a number of construction sites to minimise impacts on surrounding residents and businesses, including managing the introduction of non-tonal reversing beepers on machinery where possible.
- > Landscaping recreation areas and river banks of Lane Cove River including restoration of heritage stone walls lining the river banks.
- > Commencing environmental impact assessments for Liverpool Turnback, Kingsgrove to Revesby Quadruplication, Macarthur Station Upgrade and Interchange, and Quakers Hill to Vineyard Duplication projects.

Our environment matters

Case study: environment

Delivering practical environmental solutions matters to TIDC. We undertake rigorous environmental assessment of our projects and actively seek to identify appropriate mitigation measures to reduce or ameliorate environmental impacts.

The Hornsby Station Platform 5 and Stabling project involves the construction of an additional rail line and associated works to widen the rail corridor to accommodate the new line. These works required the removal of vegetation from within the rail corridor, including approximately 3,300 square metres of Blue Gum High Forest.

As Blue Gum High Forest is listed as an endangered ecological community under the *Threatened*

Species Conservation Act 1995, TIDC has commenced implementing an offset strategy to mitigate the impact of the project on this important community.

Part of the offset strategy involved TIDC purchasing a 5,500 square metre property in St Ives that contains Blue Gum High Forest. The ownership of this property was transferred to the Department of Environment and Climate Change in July 2006 for protection. In addition, TIDC is responsible for enhancement works of a number of other sites including preparing vegetation management plans and providing funding to Hornsby Shire Council to undertake ongoing management.



The banks of the Lane Cove River were revegetated and landscaped following completion of construction works for the Epping to Chatswood Rail Line.

38

Community
Liaison Group
meetings held for
six projects in
the construction
phase

300,000+

newsletters
distributed
to local
communities
and stakeholders



TIDC ensures the community is provided with opportunities to discuss issues with representatives face-to-face, as well as by phone, letter or email.

More than

1,650

community and stakeholder
submissions considered

16

community information sessions held to keep the community informed during planning and construction

2,000+

telephone enquiries responded to through the Project Infoline



'engaging the community matters'

"TIDC is responsible for developing and delivering projects in a diverse range of communities. It matters to us that members of those communities have an opportunity to be engaged in the process. TIDC aims to provide high quality, relevant information and communication channels to ensure the community is involved and advised about issues important to them. Successful communication with the community is crucial to delivering a successful project."

Deirdre McCue, General Manager Communications

Engaging the community matters

TIDC understands that the support of the community and stakeholders is one of the most important measures of the success of a project. TIDC's projects will help to deliver benefits to public transport users across the Sydney metropolitan area. However it is important that strategies to involve people in decisions that may affect them and measures to mitigate the short-term localised impacts of construction activities are implemented.

TIDC engages with the community and stakeholders from the planning phase through to the final delivery of a project. TIDC has a dedicated free call number for enquiries and concerns, produces regular publications to provide information and holds sessions where interested people can meet with team members from a variety of disciplines to discuss issues.

Key achievements

2006-2007 was a significant year for community engagement as a number of projects moved into the construction phase and planning commenced on many more. Highlights of the year included:

- Holding three public exhibition periods for projects in the planning phase.
- Holding 16 community information sessions for projects in the planning and construction phase.
- Holding 38 community liaison group meetings for projects in the construction phase.

- Implementing communications strategies to advise local communities and transport users of the opening of new station facilities at Epping, Chatswood and Berowra stations.
- Providing opportunities for local communities and stakeholders to provide input into decisions on urban design and landscaping plans.
- Providing advice and assistance to the Planning team in addressing issues raised in 1,682 community submissions.
- Holding three stakeholder workshops to obtain input into the design process for the North West Rail Link.
- Distributing over 300,000 newsletters to local communities and stakeholders.
- Placing 26 information advertisements in suburban newspapers.
- Giving 15 presentations to local community and business groups.
- Receiving over 2,000 telephone enquiries via the Project Infoline.
- Holding a Construction Industry Briefing information session for over 125 contractors.
- Receiving over 75,000 hits on the TIDC website.



Newsletters, advertisements, signage and information staff were used to advise passengers of the opening of the new platform at Chatswood Station.

Engaging the community matters

24 hour construction response line

TIDC has a dedicated 24 hour construction response line where members of the community can contact TIDC about construction related issues, such as noise or traffic concerns.

Calls are required to be returned within two hours and the caller receives a written response to their issue within seven days.

In 2006-2007, TIDC received and managed calls for all projects under construction, excluding the Berowra Station Platform 3 project. Calls received included:

Project	Calls
Epping to Chatswood Rail Line	68
Chatswood Transport Interchange	59
Cronulla Line Duplication	24
Homebush Turnback	11
Hornsby Station Platform 5 and Stabling	38
Lidcombe Turnback	62
Macdonaldtown Stabling	42
Revesby Turnback	7
Newcastle Rail Corridor Project	1
North Sydney Station Upgrade	25

The most common issues raised were noise, traffic and parking impacts, out of hours work, vegetation removal and vandalism of construction sites. 93 percent of calls were responded to within the two hour timeframe. The remaining calls were responded to as soon as possible after the two hours. In the next reporting period, TIDC aims to increase compliance with the two hour timeframe and will develop a strategy to improve the effectiveness of the response procedure to achieve this.

Case study: community engagement

TIDC strives to achieve community and stakeholder satisfaction throughout the project lifecycle. In the case of the Metropolitan Rail Expansion Program (MREP), action was taken to engage with the community early in the planning phase, prior to the completion of the environmental assessment process.

TIDC distributed newsletters to the local community at the commencement of the

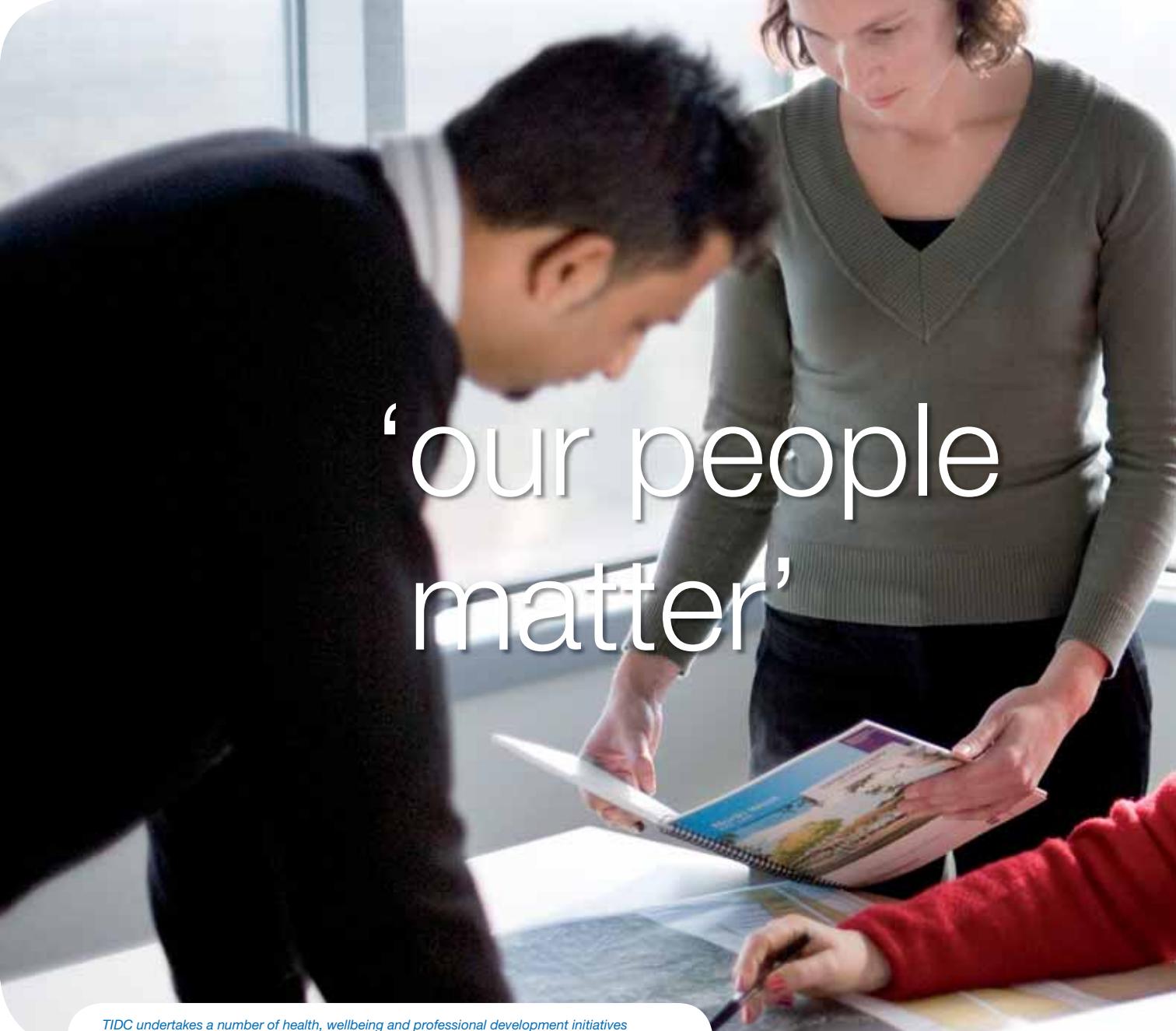
environmental assessment process, and organised stakeholder meetings and community information sessions to provide information about the process and elicit feedback for consideration in the environmental assessment.

Undertaking the environmental assessment for MREP under Part 3A of the *Environmental Planning and Assessment Act 1979* also provided opportunities for the community to be involved in the process at an early stage.

The preparation of concept plans for the North West Rail Link and South West Rail Link meant that affected or other interested community members were able to learn about the project and provide comments and suggestions prior to the detailed design being undertaken. This allowed the community to consider a number of alternatives and to suggest other options. This process will help to deliver a positive outcome both for the project and for the community.

Below industry average
staff turnover of

5%



‘our people
matter’

TIDC undertakes a number of health, wellbeing and professional development initiatives to help employees achieve their best.

1,421 training hours conducted involving 133 staff



"TIDC competes on a global basis to attract and retain its highly skilled and specialist workforce. We place an extremely high value on our employees and it matters to us that we create the right environment for them to excel and deliver great results."

Rebecca Doyle, Human Resources Manager

Our people matter

TIDC is responsible for the delivery of some of the largest transport infrastructure projects in Australia. The teams working on each project and in corporate and specialist support functions are all integral to TIDC's successful delivery outcomes. The employee health, wellbeing and professional development initiatives undertaken during the year were designed to help employees achieve their best and formed the core tenets of TIDC's human resources strategy.

Key achievements

2006-2007 saw an increase of over 35 percent in the number of permanent employees. This was a reflection of the increase in the complexity of projects under TIDC's management.

In response to this growth a new organisational structure was implemented in January 2007. The reconfiguration included the appointment of an Executive Team and the organisation of the Corporation's specialist services into a matrix model. The new structure better aligns TIDC to support:

- > Future direction
- > Good governance
- > Program and project delivery
- > Scalability
- > Manageable workloads
- > Capability and professional development
- > Succession planning.

The reconfiguration also saw the establishment of the Program Management Office and implementation of an ongoing Project Management Maturity assessment program. Both initiatives are designed to strengthen TIDC's complex project management skills.

The high level of competition for skilled employees created by the infrastructure boom saw an increased focus on selection and retention strategies. To improve the selection process, enhanced recruitment practices were implemented and strategic alliances developed with

recruiters offering national and international networks.

The effectiveness of TIDC's retention program was demonstrated by a below construction industry average turnover rate of five percent. The program was supported by a number of health and wellbeing initiatives including the provision of flu vaccinations, health checks and access to discounted gym membership. A corporate care survey was also conducted to determine the care and family responsibilities of employees. Survey data will be used in 2007-2008 to determine how TIDC can assist staff in meeting this obligation and further improve their work life balance.

TIDC places a particular emphasis on training and development. Staff are encouraged to participate in training and development activities to expand their knowledge base. In 2006-2007, TIDC conducted over 1,400 hours in internal and external training and development sessions.

Key initiatives 2007-2008

As TIDC's project portfolio expands, the human resources team will continue its focus on selection and retention, improving employee work life balance and formalising professional development plans. Key strategic initiatives will include:

- > A performance management system to provide each employee with a clearly articulated professional development plan.
- > Workforce planning to ensure staffing levels are appropriate to project needs.
- > Training in key areas that focus on professional development of employees such as interviewing and selection.
- > A graduate program to attract high-level recruits so that TIDC can develop employees as part of its succession planning.
- > Refreshing the Corporation's values.

Our people matter

Case study: developing the skills of our people

In 2006-2007, TIDC focused on improving its processes and building the skills of its employees to support its growth from a single project entity to one that delivers multiple, complex infrastructure projects. This included strengthening TIDC's complex project management capabilities.

In March 2007, a Program Management Office (PMO) was established to provide support to TIDC's project managers. One of the PMO's first initiatives was to conduct a Project Management Maturity assessment to benchmark TIDC's performance in project management against industry standards with the goal of improving performance.

The assessment involved conducting interviews with TIDC employees from five different projects. Based on this information TIDC's capabilities were assessed against nine project management knowledge areas and found to be slightly above the industry benchmark.

As a result of this process, a new target for Project Management Maturity and an implementation plan have been developed to provide a framework to further build on the capabilities of our project managers. Initiatives in the next reporting period include the establishment of a project management community of practice as well as improved project management methodology and project governance frameworks.



In 2006-2007, TIDC focused on improving its processes and building the skills of its employees.

Corporate governance



Workers suspended from a crane carrying out work on the entrance canopy at the new North Ryde Station.

TIDC Board of Directors



Corporate governance encompasses the structures and processes by which TIDC directs its business practices both strategically and in the day-to-day delivery of its projects.

TIDC strives to achieve an exemplary standard of corporate governance in all of its activities. Leadership, accountability, disclosure and probity are key factors in achieving this outcome.

Ongoing strong guidance by TIDC's Board and Executive Management Team will ensure corporate governance continues to remain central at all levels of the Corporation.

Ron Finlay LLB (Sydney)

Ron Finlay was appointed as Chairman of the TIDC Board in December 2004. Mr Finlay is a lawyer and the Chief Executive of Finlay Consulting. He has had over 30 years experience in negotiating and leading infrastructure, construction and property development projects in Australia and overseas for both public and private sector organisations.

Throughout his career Mr Finlay has served on public and private sector boards, including two years on a publicly listed energy company, six years on the Darling Harbour Authority, three years on the Central Sydney Planning Committee, 10 years on the board of a major airport asset owner as well as providing strategic advice to chief executive officers and boards of major public and private institutions.

Sue Holliday

BA (ECON), Mphil (Town and Country Planning), MPIA

Sue Holliday was appointed to the TIDC Board on December 2004. She chairs the Board Safety Committee.

Ms Holliday is an economist and city planner with extensive experience in managing the urban environment. She is Managing Director of Strategies for Change, an urban strategy consultancy. She is currently National President of the Planning Institute of Australia.

Ms Holliday held senior positions in the NSW Government before joining the private sector. She was Director General of Planning from 1997 to 2003. She represented the Government on many Boards including the Heritage Council, the Sydney Harbour Foreshore Authority, the Central Sydney Planning Committee and the Australian Green Building Council. She now works with governments, infrastructure providers and developers advising on the changing nature of cities and communities.

**Vince Graham**

B Eng (Civil), Grad.Dip.Mgmt, FAICD

Vince Graham is Chief Executive Officer of RailCorp. Mr Graham was appointed to the TIDC Board in January 2004 and previously served as a member of the Parramatta Rail Link Company Board from July to December 2003.

Mr Graham has over 30 years experience in the rail industry. He has previously held the position of Managing Director of National Rail Corporation, Chief Operating Officer of State Rail Authority and Managing Director of Grain Handling Authority of NSW. In each of these senior executive positions, Mr Graham's role has been to develop and lead a strategic reform program with a focus on customer service, quality improvement and safety and risk management.

**Chris Lock**

B Sc (Hons), MRICS, ACIArb, AIAMA

Chris Lock was appointed Chief Executive Officer of TIDC and a member of the TIDC Board in April 2005. Previously, Mr Lock held the position of Principal and Director at Evans & Peck management consultants, providing expertise in business planning and commercial and project management issues to both private and public sector clients.

Mr Lock has more than 30 years experience in the construction industry both in Australia and overseas and has been a director of two of Australia's major construction companies. Notable Australian projects with which he has been associated include Darling Harbour, the Sydney Harbour Tunnel, Anzac Bridge and Melbourne City Link.

John Barracough

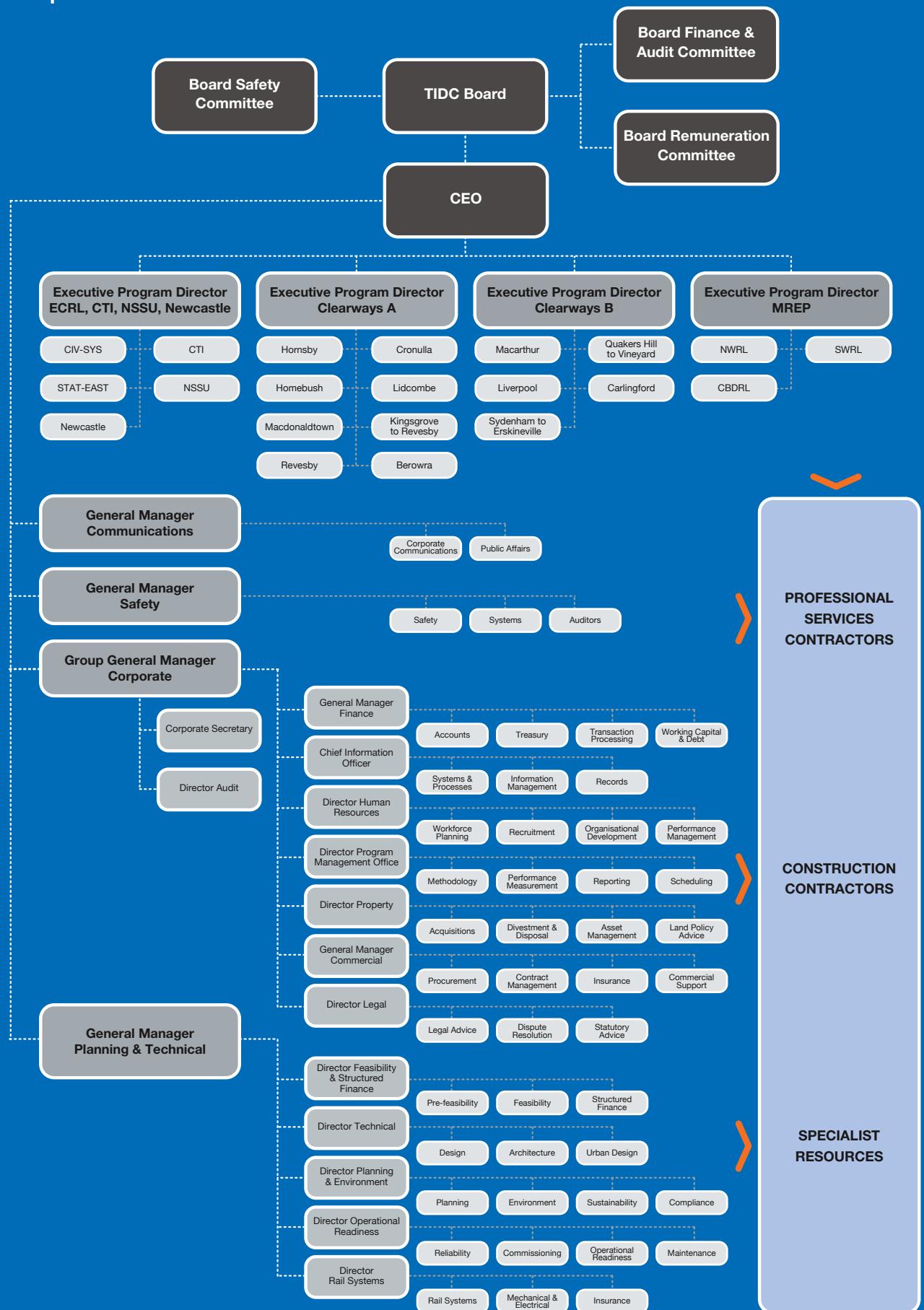
B Eng (Civil) (Hons)

John Barracough was appointed to the TIDC Board as a non-executive Director in April 2005. He was the Project Director for the Parramatta Rail Link Company from 2001 to 2003 and subsequently the Chief Executive Officer of TIDC until March 2005. Mr Barracough resigned from the Board effective 1 March 2007.

Executive Management Team (as at 30 June 2007)

Chris Lock	Chief Executive Officer	B Sc (Hons)
Amanda Jones	Group General Manager Corporate	B Social Science
Scott Lyall	Executive Program Director, ECRL	B Eng (Civil) (Hons)
Tim Parker	Executive Program Director, MREP	B Sc (Hons), MBA
Glenn Bentley	Executive Program Director, Clearways A	B Eng (Civil) (Hons)
Deirdre McCue	General Manager Communications	BA
Martin Halliday	General Manager Planning and Technical Services	BA, MTCP
Joseph Leung	General Manager Finance	BCom, CPA
Ken Kelman	General Manager Safety	Grad Dip OHM, Master App Sc OStJ, CFSIA, AFAIRM, JP
Bevan Brown	General Manager Commercial	B Eng (Civil)

Corporate structure



Financial statements



Laying of the track within the Epping to Chatswood Rail Line tunnel was completed in 2006-2007.

The attached financial report has been prepared for the financial year ended 30 June 2007. It comprises the following:

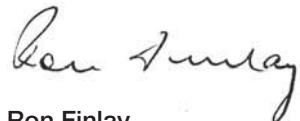
- > Directors' declaration
- > Income statement
- > Balance sheet
- > Statement of changes in equity
- > Cash flow statement
- > Notes to the financial statements
- > Independent auditor's report

Directors' declaration**For the year ended 30 June 2007**

In accordance with a resolution of the Board of Transport Infrastructure Development Corporation and pursuant to Section 41C(1B) of the *Public Finance and Audit Act 1983* and Clause 11 of the *Public Finance and Audit Regulation 2005*, we state that:

1. The attached general purpose financial report presents a true and fair view of the financial position of the Corporation as at 30 June 2007, the financial results of its operations and the cash flows of the Corporation for the year then ended.
2. The financial report has been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983* and the *Public Finance and Audit Regulation 2005*.
3. The financial report has been prepared in accordance with applicable Australian Accounting Standards, including Australian Accounting Interpretations.
4. We are not aware of any circumstances which would render any particulars included in the financial report to be misleading or inaccurate.
5. There are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board.



Ron Finlay
Chairman



Chris Lock
Director

Sydney, 27 September 2007

Income Statement

For the year ended 30 June 2007

	Note	Year Ended 30 June 07 \$000	Year Ended 30 June 06 \$000
Revenue from operations	2(a)	229,609	92,372
Expenses from operations	2(b)	(222,657)	(80,808)
Surplus from operations before Government Grants		6,952	11,564
Government Grants	2(c)	1,107,419	201,137
Surplus for the year		1,114,371	212,701

The above Income Statement should be read in conjunction with the accompanying notes.

Balance Sheet

As at 30 June 2007

	Note	As at 30 June 07 \$000	As at 30 June 06 \$000
ASSETS			
Current Assets			
Cash and cash equivalents	3	29,041	70,090
Trade and other receivables	4	45,562	27,814
Non-current assets classified as held for sale	5	9,216	9,216
Total Current Assets		83,819	107,120
Non-Current Assets			
Property, plant and equipment	6	1,889,059	1,523,084
Total Non-Current Assets		1,889,059	1,523,084
Total Assets		1,972,878	1,630,204
LIABILITIES			
Current Liabilities			
Trade and other payables	7	116,596	138,874
Short-term borrowings	8	59,759	186,916
Current portion of long-term borrowings	8	1,194	–
Short-term provisions	9	1,312	1,001
Total Current Liabilities		178,861	326,791
Non-Current Liabilities			
Long-term borrowings	8	161,789	720,707
Long-term provisions	10	306	174
Other non-current liabilities	11,15	62	66
Total Non-Current Liabilities		162,157	720,947
Total Liabilities		341,018	1,047,738
Net Assets		1,631,860	582,466
EQUITY			
Capital	12(a)	36,182	135,257
Reserves	12(b)	46,641	12,543
Retained earnings	12(c)	1,549,037	434,666
Total Equity		1,631,860	582,466

The above Balance Sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2007

	Note	Year Ended 30 June 07 \$000	Year Ended 30 June 06 \$000
Surplus for the year		1,114,371	212,701
Net income recognised directly in Equity			
Gain/(loss) on revaluation of land and buildings	12(b)	34,098	12,543
Total recognised revenue and expense for the year		1,148,469	225,244
Total Equity at the beginning of the year		582,466	549,426
Transactions with equity holders in their capacity as equity holders			
Contributions of equity	12(a)	(99,075)	(192,204)
Total Equity at the end of the year		1,631,860	582,466

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Cash Flow Statement

For the year ended 30 June 2007

	Note	Inflows/ (Outflows) Year Ended 30 June 07 \$000	Inflows/ (Outflows) Year Ended 30 June 06 \$000
Cash Flows from Operating Activities			
Government grants received		1,107,419	201,137
Payments to suppliers and employees		(257,369)	(103,970)
Receipts from customers		227,299	119,656
Interest income received		1,303	790
Net cash used in operating activities	21(a)	1,078,652	217,613
Cash Flows from Investing Activities			
Payment for capital work-in-progress		(404,021)	(477,530)
Proceeds from sale of assets		–	7,500
Net cash used in investing activities		(404,021)	(470,030)
Cash Flows from Financing Activities			
Repayment of borrowings		(960,000)	–
Proceeds from borrowings		244,320	315,319
Net cash used in financing activities		(715,680)	315,319
Net Increase/(Decrease) in Cash and Cash Equivalents		(41,049)	62,902
Cash and Cash Equivalents at the Beginning of the Year		70,090	7,188
Cash and Cash Equivalents at the End of the Year	3	29,041	70,090

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the financial year ended 30 June 2007

1. SIGNIFICANT ACCOUNTING POLICIES

The following significant policies have been adopted in the preparation of the financial statements:

(a) Reporting Entity

Transport Infrastructure Development Corporation (TIDC) was established on 1 January 2004 as a statutory State owned corporation by the *Transport Administration Act 1988* to deliver major transport infrastructure projects for the Government as directed by the portfolio Minister.

As at 30 June 2007, projects being delivered by TIDC are:

- (i) Epping to Chatswood Rail Line (including the Parramatta Transport Interchange) – Minister's Direction dated 1 January 2004
- (ii) North Sydney Station Upgrade, Concept Design and Planning Approval Process – Minister's Direction dated 21 October 2004
- (iii) 2008 Rail Clearways Program – Minister's Direction dated 21 October 2004
- (iv) 2010 Rail Clearways Program – Minister's Direction (conditional) dated 21 October 2004 and subsequent approval by the Budget Committee of Cabinet on 14 December 2005
- (v) Metropolitan Rail Expansion Program Preparatory Work – Minister's Direction dated 22 May 2006
- (vi) Southern Sydney Freight Line Alignment Study – Minister's Direction dated 20 June 2006
- (vii) Newcastle Rail Corridor – Minister's Direction dated 10 October 2006.

TIDC is a not-for-profit entity as its principal objective is not the generation of profit.

TIDC's capital comprises two (2) fully paid \$1.00 ordinary shares issued to the Premier and the Minister for Finance.

The financial report was authorised for issue by the TIDC Board on the date on which the accompanying Directors' Declaration was signed.

(b) Basis of Accounting

This financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and Interpretations, the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2005* and specific directions issued by the Treasurer.

The financial report has been prepared on an accrual accounting basis using historical cost conventions. Except where stated, it does not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The presentation of the Income Statement has been amended for 2006/2007 in order to include subtotals for the Surplus from Operations before Government Grants. This presentation has been adopted as it is a more appropriate representation of the operating result with reference to TIDC's sources of funding.

Notes to the Financial Statements

For the financial year ended 30 June 2007

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(c) Recognition of Revenue

Total revenue from operations comprise:

(i) Government Grants

Consolidated funds received and disclosed as Government Grants are recognised as revenue on a cash basis. TIDC receives Consolidated funds for the delivery of the Epping to Chatswood Rail Line (ECRL) project only.

(ii) Third Party Contributions

Third party contributions are monies received from stakeholders to build transport infrastructures being delivered by TIDC.

(iii) Interest Income

Interest income is recognised on an accrual basis using the interest applicable to the financial asset.

(iv) Other Income

Other income includes the recovery of the full cost of delivery of projects other than the ECRL project from the respective eventual asset owners.

Other income also includes profit on sale of properties surplus to construction activities.

(d) Cash and Cash Equivalents

Cash comprises cash on hand and credit funds held at call with the Corporation's banker. Cash equivalents include money market investments readily convertible to cash within two working days.

Deposits at call with the NSW Treasury Corporation Hourglass facility are recognised in the accounts at their principal amount which is considered to be their fair value due to the short-term nature of these funds. Interest is recognised in the Income Statement as it accrues.

For the purposes of the Cash Flow Statement, cash and cash equivalents are also as defined above.

(e) Trade and Other Receivables

Trade and other receivables are recorded at amounts due less any allowance for impairment.

(f) Non-Current Assets Classified as Held for Sale

Non-current assets classified as held for sale comprise the hotel site at Parramatta and hotel and gaming licences and permits held as part of the proposed sale of the hotel site in 2007/08. These assets have been valued at the lower of cost and net fair value.

(g) Property Plant and Equipment

(i) Construction Work in Progress

All TIDC expenditure (both direct and indirect), other than properties surplus to construction activities, relating to the ECRL project is capitalised as construction work in progress at cost. The remaining TIDC expenditures (both direct and indirect) relating to other projects are expensed when incurred and recovered from the respective eventual asset owners on a full cost recovery basis.

All TIDC indirect costs are apportioned between projects being delivered at the time based on their estimated costs to completion.

Properties acquired for construction activities have been treated as construction work in progress and recorded at cost.

Construction work in progress also includes capitalised borrowing costs related to the funding of the ECRL project.

Notes to the Financial Statements

For the financial year ended 30 June 2007

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(ii) Land and Buildings

Properties surplus to construction activities have been treated as TIDC corporate assets and were re-classified as Land and Buildings during 2005/06. Land and Buildings are stated at fair value by reference to external market valuations at least every three years. When a revaluation increases the carrying value of a property, the increase is credited directly to the Asset Revaluation Reserve for that class of asset. Buildings acquired to date were incidental to construction activities and will not be depreciated as they are held for sale at the completion of the project.

(h) Trade and Other Payables

Trade payables and other payables are recognised when TIDC becomes obliged to make future payments resulting from the purchase of goods and services.

(i) Borrowings

TIDC has approval under the *Public Authorities (Financial Arrangements) Act 1987* to borrow funds to meet project expenditure for the ECRL project. As at 30 June 2007, borrowings for the other projects were not the responsibility of TIDC.

In accordance with Treasury directions, all loans are valued at Current Capital Value. Borrowing costs incurred for the purpose of construction of qualifying assets are capitalised.

(j) Discounts and Premiums on Loans

Discounts and premiums on loans are netted against the appropriate interest bearing liabilities.

(k) Employee Entitlements

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave. A liability is recognised when an employee has provided service in exchange for employee benefits to be paid in the future and these benefits are capable of being measured reliably.

Provisions made in respect of wages and salaries and annual leave expected to be settled within 12 months were measured at the remuneration rates the Corporation expected to pay as at the reporting date.

Provisions made in respect of long service leave which were not expected to be settled within 12 months were measured at the present value of the estimated future cash outflows to be made by the Corporation in respect of services provided by employees up to the reporting date. Government bond rates as at the reporting date were used to arrive at the present value.

In accordance with Australian Equivalents to International Financial Reporting Standards, all annual leave and unconditional long service leave are classified as current liabilities in the Balance Sheet because TIDC does not have an unconditional right to defer settlement. Only conditional long service leave is shown as a non-current liability.

(l) Other Non-Current Liabilities

Other non-current liabilities are represented by accrued superannuation liabilities in various superannuation schemes. Refer Notes 11 and 15.

Notes to the Financial Statements

For the financial year ended 30 June 2007

(m) Goods and Services Tax (GST)

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

- (i) the amount of GST incurred that is not recoverable from the ATO is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- (ii) receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as part of Receivables or Payables in the Balance Sheet. Cash flows are included in the Cash Flow Statement on a gross basis. 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.

(n) Income Tax

TIDC has received an exemption from the Treasurer from liability for income tax equivalent under section 20T of the *State Owned Corporations Act 1989*.

(o) Dividend

TIDC is not required to pay dividends under section 20S of the *State Owned Corporations Act 1989*.

(p) Going Concern Basis

The financial report has been prepared on a going concern basis which assumes that the Corporation is expected to be able to pay its debts as and when they fall due and continue in operation without any intention or necessity to liquidate or otherwise wind up its operations.

RailCorp, under the authority of the RailCorp Board, has provided an undertaking that at the completion of the Epping to Chatswood Rail Line project, RailCorp will acquire the project from TIDC and also assume or otherwise procure the discharge of the borrowing liabilities including capitalised interest carried by TIDC in respect of the project.

The Treasurer has confirmed under Section 22A of the *Public Authorities (Financial Arrangements) Act 1987* a Statutory Guarantee for TIDC. Under this guarantee, the State of New South Wales guarantees all financial accommodation obligations of TIDC with the New South Wales Treasury Corporation.

(q) Comparative Figures

Unless otherwise stated, comparative figures have been reclassified this year to incorporate changes required by new or revised accounting standards, and/or to provide a meaningful comparison with the current year amounts.

(r) Rounding

All amounts have been rounded to the nearest thousand dollars unless indicated otherwise and are expressed in Australian currency.

Notes to the Financial Statements

For the financial year ended 30 June 2007

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Adoption of Australian Equivalents to International Financial Reporting Standards

Australian Equivalents to International Financial Reporting Standards (AEIFRS) were adopted from 1 July 2005. To ensure consistency at the whole of government level, NSW Treasury has advised agencies of mandated options for the NSW Public Sector. The impacts disclosed below reflect Treasury's mandates issued to date.

AASB 119 "Employee Benefits" requires the defined benefit obligation to be discounted using the government bond rate as at each reporting date rather than the long-term expected rate of return on Plan assets. Since TIDC's unfunded superannuation liability has not been assumed by the Crown, increases in the amount and the future volatility of the unfunded liability and the volatility of the employee benefit expense will occur.

AASB 123 "Borrowing Costs" provides the option to expense or capitalise borrowing costs. NSW Treasury's mandate allows all Public Trading Enterprises (PTE's) to either expense or capitalise borrowing costs directly attributable to a qualifying asset. TIDC has elected to capitalise borrowing costs directly attributable to the ECRL project.

(t) Statement of Compliance

The financial report complies with the Australian Accounting Standards, which include the Australian Equivalents to International Financial Reporting Standards (AEIFRS).

The following Australian Accounting Standards that have recently been issued or amended (but are not yet effective) have not been adopted for the reporting period ending 30 June 2007:

AASB Amendments:	Affected Standard(s)	Application date*
2007-7	AASB 5 Non-Current assets Held for Sale and Discontinued Operations	1 July 2007
	AASB 7 Financial Instruments: Disclosures	
	AASB 107 Cash Flow Statements	
	AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors	
	AASB 110 Events after Balance Date	
	AASB 116 Property Plant and Equipment	
	AASB 117 Leases	
	AASB 119 Employee Benefits	
	AASB 120 Accounting for Government Grants and Disclosure of Government Assistance	
	AASB 132 Financial Instruments: Disclosure and Presentation	
	AASB 132 Financial Instruments: Presentation	
	AASB 139: Financial Instruments: Recognition and Measurement	
AASB 101	Presentation in Financial Statements	1 July 2007

*Application date is the reporting period beginning on or after the dates shown above.

When adopted, the impact of these standards on TIDC's financial position, profit for the year and cash flows will not be material.

Notes to the Financial Statements

For the financial year ended 30 June 2007

	Year Ended 30 June 07 \$000	Year Ended 30 June 06 \$000
2. SURPLUS BEFORE INCOME TAX EXPENSE		
Surplus before income tax expense includes the following items of revenue and expenses:		
(a) Revenue from operations comprise:		
Third party contributions – ECRL	991	9,197
Interest income – ECRL	1,187	789
Interest Income – Clearways	116	1
Other income – ECRL	2,156	1,647
Other income – Clearways program	163,318	70,359
Other income – North Sydney Station upgrade concept design and planning approval	22,503	4,504
Other income – Newcastle Rail Corridor	8,315	–
Other income – Metropolitan Rail Expansion Program preparatory work	4,800	5,625
Other income – Southern Sydney Freight Line alignment study	–	250
Gain on the Repayment of Fixed Term Debt	26,223	–
	229,609	92,372
(b) Expenses from operations comprise:		
Loss on sale of land – ECRL	–	2,185
Project expenditure – Clearways program	186,094	70,359
Project expenditure – North Sydney Station upgrade concept design and planning approval	22,524	4,504
Project expenditure – Newcastle Rail Corridor	7,835	–
Project expenditure – Metropolitan Rail Expansion Program preparatory work	6,124	3,664
Project expenditure – Southern Sydney Freight Line alignment study	80	96
	222,657	80,808
(c) Government Grants comprise:		
Government Grants for capital expenditure – ECRL	147,419	201,137
Government Grants for the repayment of borrowings	960,000	–
	1,107,419	201,137

Notes to the Financial Statements

For the financial year ended 30 June 2007

	As at 30 June 07 \$000	As at 30 June 06 \$000
3. CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	25,046	1,033
NSW Treasury Corporation – Hourglass facility at market value	3,995	69,057
	29,041	70,090
4. TRADE AND OTHER RECEIVABLES		
Net GST receivable from ATO	6,237	13,944
Other Receivables – Government	39,318	13,531
Other Receivables – Other	7	339
	45,562	27,814
5. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE		
Non-current assets held for sale as at 1 July 2006	9,216	9,685
Transfer from land and buildings “held for sale”	–	9,216
Sale of land	–	(9,685)
Non-current assets held for sale as at 30 June 2007	9,216	9,216
6. PROPERTY, PLANT AND EQUIPMENT		
Construction work-in-progress – ECRL project expenditure – at cost	1,637,785	1,362,930
Construction work-in-progress – ECRL capitalised interest – at cost	133,555	76,533
Total construction work-in-progress – at cost	1,771,340	1,439,463
Land and buildings – at fair value	117,719	83,621
	1,889,059	1,523,084

Land and buildings as at 30 June 2007 are stated at Directors' valuation based on valuations by an internal qualified valuer with reference to independent valuations conducted in June 2007 by Knight Frank and Laing & Simmons.

Notes to the Financial Statements

For the financial year ended 30 June 2007

	As at 30 June 07 \$000	As at 30 June 06 \$000
6. PROPERTY, PLANT AND EQUIPMENT (continued)		
Movements in construction work-in-progress:		
Construction work-in-progress as at 1 July 2006	1,439,463	1,088,973
Transfer of completed assets to RailCorp	(99,075)	(192,224)
Additions to ECRL project expenditure	373,930	503,599
Additions to ECRL capitalised interest	57,022	39,115
Construction work-in-progress as at 30 June 2007	1,771,340	1,439,463
Movements in land and buildings:		
Land and buildings as at 1 July 2006	83,621	80,294
Transfer to current assets "held for sale"	–	(9,216)
Revaluation of land	34,098	12,543
Land and buildings as at 30 June 2007	117,719	83,621
7. TRADE AND OTHER PAYABLES		
Trade creditors and accruals	114,002	138,740
PAYG tax payable	20	–
Payroll tax payable	82	55
Amounts payable to NSW Government Agencies	2,382	–
Other amounts payable	110	79
	116,596	138,874
8. BORROWINGS		
(a) Short-term borrowings:		
Loans	42,618	186,916
Come and Go Facility	17,141	–
	59,759	186,916
(b) Long-term borrowings:		
Loans – current portion	1,194	–
Loans – non-current portion	161,789	720,707
	162,983	720,707
Total borrowings	222,742	907,623

All borrowings are guaranteed by the NSW Government.

Notes to the Financial Statements

For the financial year ended 30 June 2007

	As at 30 June 07 \$000	As at 30 June 06 \$000
8. BORROWINGS (continued)		
(c) Maturity profile		
Not later than one year	60,953	186,916
Later than one year but not later than two years	20,693	146,563
Later than two years but not later than five years	65,635	141,478
Later than five years	75,461	432,666
	222,742	907,623

(d) Financing Arrangements

Unrestricted access to the following Credit Standby Arrangement was available at balance date:

	As at 30 June 2007			As at 30 June 2006		
	Total Facilities \$000	Used \$000	Unused \$000	Total Facilities \$000	Used \$000	Unused \$000
Come and Go Facility – TCorp	100,000	17,141	82,859	50,000	–	50,000
Total	100,000	17,141	82,859	50,000	–	50,000

	As at 30 June 07 \$000	As at 30 June 06 \$000
9. SHORT-TERM PROVISIONS		
Employee entitlements – annual leave	985	722
Employee entitlements – long service leave	327	279
	1,312	1,001

10. LONG-TERM PROVISIONS

Employee entitlements – long service leave	306	174
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On the basis of past payment experience, annual leave and long service leave balances as at 30 June 2007 are expected to be settled in the following pattern:

	Within 12 months \$000	Later than 12 months \$000	Total \$000
Annual leave	626	359	985
Long service leave	–	633	633
	626	992	1,618

Notes to the Financial Statements

For the financial year ended 30 June 2007

	As at 30 June 07 \$000	As at 30 June 06 \$000
11. OTHER NON-CURRENT LIABILITIES		
Accrued superannuation liabilities (see also Note 15)	62	66
12. EQUITY		
(a) Capital		
Capital as at 1 July 2006	135,257	327,461
Share capital – two issued ordinary shares of \$1 each fully paid	–	–
Transfer of completed assets to RailCorp	(99,075)	(192,224)
Adjustment to the value of assets and liabilities vested from Rail Infrastructure Corporation	–	20
Capital as at 30 June 2007	36,182	135,257
(b) Reserves		
Asset revaluation reserve as at 1 July 2006	12,543	–
Gain/(loss) on revaluation for the year	34,098	12,543
Asset revaluation reserve as at 30 June 2007	46,641	12,543
(c) Retained earnings		
Retained earnings as at 1 July 2006	434,666	221,965
Profit for the year	1,114,371	212,701
Retained earnings as at 30 June 2007	1,549,037	434,666
13. COMMITMENTS		
(a) Capital Expenditure Commitments:		
Not longer than one year	327,204	359,545
Longer than one year and not longer than five years	53,917	211,616
	381,121	571,161
GST Input Tax Credits included above	34,648	51,924
(b) Operating Expenditure Commitments:		
Not longer than one year	403,337	243,063
Longer than one year and not longer than five years	628,308	981,020
	1,031,645	1,224,083
GST Input Tax Credits included above	93,786	111,280

Notes to the Financial Statements

For the financial year ended 30 June 2007

	As at 30 June 07 \$000	As at 30 June 06 \$000
13. COMMITMENTS (continued)		
(c) Operating Lease Commitments:		
Not longer than one year	1,616	997
Longer than one year and not longer than five years	40	935
	1,656	1,932
GST Input Tax Credits included above	151	176

Operating leases relate to:

- A lease for Head Office accommodation on Level 7, Tower A, Zenith Centre in Chatswood. The lease is for four years, commencing on 12 July 2004, with an annual rental escalation fixed at 4% p.a.
- A lease for Head Office accommodation on Level 1, Tower A, Zenith Centre in Chatswood. The lease is for three years, commencing on 1 October 2005, with an annual rental escalation fixed at 4% p.a.
- Other leases of office accommodation with varying lease periods and rental escalation.
- Various leases of photocopiers and other electronic office equipment. The photocopier and other leases are over varying periods from 18 months to three years and have no review point. TIDC does not have an option to purchase the leased assets at the expiry of the leases.

In accordance with AASB117, the leasehold rental expenses on all of the above leases have been converted on a straight-line basis over the relevant years of the leases.

14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

In the ordinary course of business, contract disputes have been notified to TIDC in relation to its construction activities. As the outcomes of these disputes remain uncertain, it is not practicable to estimate any potential financial effect from these disputes.

Apart from the contract disputes mentioned above, TIDC does not have any contingent liability or contingent asset that would significantly impact on the state of affairs of TIDC or have a material effect on these financial statements.

Notes to the Financial Statements

For the financial year ended 30 June 2007

15. SUPERANNUATION – RETIREMENT BENEFITS AND RESERVES

The Corporation's superannuation liabilities as at 30 June 2007 as an employer of members of the State Authorities Superannuation Scheme (SASS) and the State Authorities Non-Contributory Superannuation Scheme (SANCS) forming part of the Pooled Fund have been assessed by the Fund's actuary. Details of the actuary's assessments disclosed below are in accordance with AASB119 unless otherwise stated.

	SASS \$000	SANCS \$000	Total \$000
As at 30 June 2007			
Reconciliation of assets and liabilities:			
Present value of defined benefit obligations	(173)	(22)	(195)
Fair value of plan assets	122	11	133
Net asset/(liability)	(51)	(11)	(62)
Movement in net asset/(liability):			
Net asset/(liability) at start of year	(54)	(12)	(66)
Net income/(expense) for the year	(4)	(1)	(5)
Contributions	7	2	9
Net asset/(liability) at end of year	(51)	(11)	(62)

As at 30 June 2006

Reconciliation of assets and liabilities:			
Present value of defined benefit obligations	(152)	(20)	(172)
Fair value of plan assets	98	8	106
Net asset/(liability)	(54)	(12)	(66)
Movement in net asset/(liability):			
Net asset/(liability) at start of year	(66)	(17)	(83)
Net income/(expense) for the year	5	3	8
Contributions	7	2	9
Net asset/(liability) at end of year	(54)	(12)	(66)

All Fund assets are invested by STC at arm's length through independent fund managers. Actuarial gains and losses are recognised in the Income Statement in the year they occur. The recommended contribution rates for the entity are a multiple of 1.90 of member contributions for SASS and 2.50% of member salary for SANCS.

Notes to the Financial Statements

For the financial year ended 30 June 2007

15. SUPERANNUATION – RETIREMENT BENEFITS AND RESERVES (continued)

	SASS \$000	SANCS \$000	Total \$000
As at 30 June 2007			
Total losses/(gain) recognised in income statement:			
Current service cost	8	2	10
Interest on obligation	9	1	10
Expected return on plan assets	(8)	(1)	(9)
Net actuarial losses/(gains) recognised in year	(5)	(1)	(6)
Total losses/(gains)	4	1	5
Actual return on plan assets	15	1	16
Financial position of the Fund calculated in accordance with AAS25:			
Accrued benefits	172	21	193
Net market value of Fund assets	(122)	(10)	(132)
Net deficit/(surplus)	50	11	61
As at 30 June 2006			
Total losses/(gain) recognised in income statement:			
Current service cost	15	4	19
Interest on obligation	20	3	23
Expected return on plan assets	(21)	(4)	(25)
Net actuarial losses/(gains) recognised in year	(19)	(6)	(25)
Total losses/(gains)	(5)	(3)	(8)
Actual return on plan assets	21	2	23
Financial position of the Fund calculated in accordance with AAS25:			
Accrued benefits	147	19	166
Net market value of Fund assets	(98)	(8)	(106)
Net deficit/(surplus)	49	11	60

Notes to the Financial Statements

For the financial year ended 30 June 2007

The calculations of the SASS and SANCS liabilities above are based on the requirements of AASB119.

The economic assumptions adopted for the actuarial reviews of the Fund were:

	2005/06	2006/07	2007/08	2008/09 and thereafter
Rate of return on Fund assets	7.6% pa	7.6% pa	7.6% pa	7.6% pa
Rate of salary increase	4.0% pa	4.0% pa	4.0% pa	3.5% pa
Rate of CPI increase	2.5% pa	2.5% pa	2.5% pa	2.5% pa

The discount rate used was 6.4% (5.9% in 2006/07).

16. REMUNERATION OF DIRECTORS

The following persons were Board Directors during the entire financial year unless indicated otherwise:

R A Finlay	Non-executive Chairman
S M Holliday	Non-executive Director
J S Barraclough	Non-executive Director (resigned 28 February 2007)
V J Graham	Chief Executive Officer of RailCorp
C D Lock	Chief Executive Officer of TIDC

Only non-executive directors received remuneration for the services as a board director from the Corporation.

During the year to 30 June 2007, total remuneration paid to non-executive directors amounted to \$158,161 (\$164,142 in 2006).

17. AUDITORS' REMUNERATION

Amounts received or due and receivable by the auditors for auditing the financial report totalled \$64,000 (\$61,500 in 2006).

18. ECONOMIC DEPENDENCY

TIDC was established on 1 January 2004 as a statutory State Owned Corporation by the *Transport Administration Act* 1988. TIDC relies substantially on State Government funding.

19. SEGMENT INFORMATION

TIDC operates predominantly in the transport infrastructure development industry. The actual construction work will be contracted out to private construction companies or consortia although the management of the various interfaces will remain with the Corporation. TIDC's operations are conducted in Sydney, Australia. TIDC's principal office address is Level 7, Tower A, 821 Pacific Highway, Chatswood.

20. POST BALANCE DATE EVENTS

There are no known post balance date events that would impact on the state of affairs of TIDC or have a material impact on these statements.

Notes to the Financial Statements

For the financial year ended 30 June 2007

	Year Ended 30 June 07 \$000	Year Ended 30 June 06 \$000
21. NOTES TO THE CASH FLOW STATEMENT		
(a) Reconciliation of Surplus for the year after tax to Net Cash used in Operating Activities:		
Surplus for the year after tax	1,114,371	212,701
Add/(subtract) non-cash items:		
Loss on sale of land	–	2,185
Gain on repayment of borrowings	(26,223)	–
	1,088,148	214,886
Add/(subtract) changes in assets and liabilities:		
Receivables relating to operating activities	(17,748)	(15,987)
Payables relating to operating activities	7,809	18,522
Provisions relating to operating activities	443	192
Net cash used in operating activities	1,078,652	217,613

(b) Financing Facilities

The Corporation has no bank overdraft facility. PAFA approval to borrow an amount not exceeding \$300 million for the financial year up to 30 June 2007 and to use the "Come and Go" facility with TCorp for an amount not exceeding \$100 million (\$50 million each for the ECRL and Clearways programs) was received from Treasury in June 2006.

During the reporting period, borrowings totalled \$274 million. The Clearways Come and Go facility had an outstanding balance at 30 June 2007 of \$17.1 million.

Notes to the Financial Statements

For the financial year ended 30 June 2007

22. FINANCIAL INSTRUMENTS

(a) Significant Accounting Policies

Details of significant accounting policies including the criteria for recognition of each class of financial asset and financial liability are disclosed in Note 1 to the financial statements.

(b) Interest Rate Risk

Interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in market interest rates. The following table details TIDC's exposure to interest rate risk as at 30 June 2007:

	Average Interest Rate %	Variable Interest Rate \$000	Fixed Interest Rate \$000	Non-Interest Bearing \$000	Total \$000
30 June 2007					
Financial Assets:					
Cash at bank and in hand	6.15	25,045	–	1	25,046
NSW Treasury Corporation Hourglass	6.40	3,995	–	–	3,995
Trade and other receivables	–	–	–	45,562	45,562
		29,040	–	45,563	74,603
Financial Liabilities:					
Borrowings – TCorp	5.48	222,742	–	–	222,742
Trade and other payables	–	–	–	116,596	116,596
		222,742	–	116,596	339,338
30 June 2006					
Financial Assets:					
Cash at bank and in hand	5.63	1,032	–	1	1,033
NSW Treasury Corporation Hourglass	5.70	69,057	–	–	69,057
Trade and other receivables	–	–	–	27,814	27,814
		70,089	–	27,815	97,904
Financial Liabilities:					
Borrowings – TCorp	6.30	907,623	–	–	907,623
Trade and other payables	–	–	–	138,874	138,874
		907,623	–	138,874	1,046,497

Notes to the Financial Statements

For the financial year ended 30 June 2007

22. FINANCIAL INSTRUMENTS (continued)

(c) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Corporation. The Corporation has only a small exposure to credit risk as cash at bank, investments held with the NSW Treasury Corporation and GST receivable from the Australian Taxation Office represented the total financial assets recoverable from counterparties as at 30 June 2007.

(d) Net Fair Value

The carrying amounts of financial assets and financial liabilities disclosed in the financial statements as at 30 June 2007 are stated at their respective net fair values.

23. EXTENT AND NATURE OF FINANCIAL INSTRUMENTS

TCorp manages the borrowings of TIDC under a Risk Management Agreement. TCorp on behalf of TIDC enters into interest rate swaps and exchanges variable and fixed interest rate payment obligations to protect long-term borrowings from the risk of interest rate fluctuations. The swap contracts are settled on a net basis and the net amount receivable or payable at the reporting date is included in either debtors or creditors.

There were swap contracts in place as at 30 June 2007 totalling \$4.8 million.

24. GRANT RECOGNITION FOR NOT-FOR-PROFIT ENTITIES

TIDC will apply the requirements in AASB 1004 Contributions regarding contributions of assets (including grants) and forgiveness of liabilities. There are no differences in the recognition requirements between the new AASB 1004 and the current AASB 1004. However, the new AASB 1004 may be amended by proposals in Exposure Draft (ED) 125 Financial Reporting by Local Governments. If the ED 125 approach is applied, revenue and / or expense recognition will not occur until either TIDC supplies the related goods and services (where grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied. ED 125 may therefore delay revenue recognition compared with AASB 1004, where grants are recognised when controlled. However, at this stage, the timing and dollar impact of these amendments is uncertain.

End of Audited Financial Statements

Independent Auditor's Report

For the financial year ended 30 June 2007



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT TRANSPORT INFRASTRUCTURE DEVELOPMENT CORPORATION

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the Transport Infrastructure Development Corporation (the Corporation), which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Transport Infrastructure Development Corporation as of 30 June 2007, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005

The Responsibility of Directors for the Financial Report

The directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independent Auditor's Report

For the financial year ended 30 June 2007

My opinion does not provide assurance:

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

Independence

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

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



S R Stanton
Director, Financial Audit Services

28 September 2007
SYDNEY

Appendices

68 APPENDIX A: Board of Directors

- > Directors terms of appointment
- > Board meetings
- > Board committees
- > Finance and audit committee
- > Safety committee
- > Remuneration committee

70 APPENDIX B: Corporate governance

- > Internal and external performance reviews
- > Management improvement plans
- > Risk management and insurance activities
- > Freedom of Information
- > Legal change
- > Departures from Subordinate Legislation Act
- > Exemptions
- > Land divestment
- > Annual report

74 Appendix C: Organisational services and support

- > Promotion
- > Ethnic Affairs Priorities Statement
- > Consumer response
- > Guarantee of service
- > Delivery of electronic services
- > Waste reduction and purchasing policy
- > Energy management policy
- > Heritage assessment management strategy
- > Economic and other factors
- > Research and development

76 APPENDIX D: Human Resources

- > Number of permanent employees by category
- > Number of executive officers
- > Statement of performance and remuneration for senior executive officers
- > Overseas visits
- > Personnel plans, policies and practices
- > Code of conduct
- > Equal employment opportunity
- > EEO statistics
- > Disability plans
- > Industrial relations policies and practices
- > Occupational health and safety performance

81 APPENDIX E: Financial information

- > Consultants
- > Payment of accounts
- > Time for payment of accounts
- > Total project budgets
- > After balance date events
- > Investment performance
- > Loan portfolio performance
- > Disclosure of controlled entities
- > Program evaluation results
- > Credit card certification
- > Funds granted to non government community organisations



APPENDIX A: Board of Directors

TIDC Board of Directors

The TIDC Board is accountable to its Shareholder Ministers, the Premier and Minister for Finance, for developing and delivering major transport infrastructure projects in an efficient, effective and financially responsible manner.

The role of the Board is to set the strategic direction of the Corporation, establish performance targets set out in the Statement of Corporate Intent (negotiated annually between TIDC and the Shareholder Ministers) and to monitor the Corporation's progress in achieving targets. The Board also oversees the Corporation's plans for acquiring and organising financial and human resources to achieve its objectives.

The *Transport Administration Act 1988* and the *State Owned Corporations Act 1989* provide the legislative basis for the structure of the TIDC Board. The term of each Director's appointment is determined by the Shareholder Ministers following consultation with the Portfolio Minister, the Minister for Transport.

The TIDC Board may consist of no fewer than three and not more than seven directors. At 30 June 2007, the Board comprised four members – two non-executive Directors plus the Chief Executive Officers of RailCorp and TIDC. The RailCorp and TIDC Chief Executive Officers are appointed to the Board by virtue of their positions.

Directors terms of appointment

The non-executive Directors were appointed to the Board by the Shareholder Ministers and all non-executive Directors' terms expire on 30 June 2008.

The remuneration of the non-executive Directors is determined by the Voting Shareholders. For the reporting year, this remuneration totalled \$164,142.

Board meetings

During 2006-2007, the Board held ten meetings.

Attendance by Board members is detailed below:

Board member	Meetings eligible to attend	Meetings attended
Ron Finlay	10	10
Sue Holliday	10	9
John Barraclough (resigned 1 March 2007)	6	6
Vince Graham	10	10
Chris Lock	10	10

In addition to Board meetings, the Board considered a number of out-of-session Board papers.

Board committees

The Board established several committees to assist in the effective governance of the Corporation by allowing more detailed consideration of complex issues than is possible at general Board meetings. The following Board committees operated in 2006-2007:

- Finance and Audit Committee
- Safety Committee
- Remuneration Committee.

Membership of Board committees is made up of a minimum of three TIDC Directors. Senior executives attend meetings at the discretion of the committee. The Corporate Secretary, in consultation with the Chairman of the committee and management, prepares agendas for committee meetings.

Each committee has its own Terms of Reference as approved by the Board. Board Committees assist the Board to discharge their responsibilities and provide recommendations to the Board on issues relevant to their Terms of Reference.

Finance and audit committee

The Finance and Audit Committee's role is to:

- Provide advice to the Board on financial reporting practices, business ethics practices, accounting policies management and internal controls.
- Consider matters relating to TIDC's internal and external audit functions.
- Provide a forum for communication between the Board, senior management and both the internal and external auditors.
- Review and monitor TIDC's compliance program in the areas of risk management, legal compliance and TIDC's Code of Conduct.

The Committee comprises:

Allan Cook (Chair)	Independent
Dale Cooper	Independent
Ron Finlay	Board Chairman and Director
Chris Lock	Chief Executive Officer, Board Director
John Barraclough	Board Director (resigned 1 March 2007)
Richard Lumley	Chief Financial Officer – RailCorp
Peter Scarlett	Chief Financial Officer – Ministry of Transport

TIDC would like to acknowledge the contribution of Mr Lumley to the Finance and Audit Committee during his tenure. Mr Lumley passed away in August 2007.

Audit functions

The Committee considers the appropriateness of TIDC's accounting policies and practices and assesses if the quality of financial reporting to the Board is adequate. Internal and external auditors monitor compliance with these policies. The Committee reviews TIDC's annual financial statements including a written statement signed by the Chief Executive Officer and General Manager Finance stating that the reports present a true and fair view, in all material respects, of TIDC's financial condition and operational results.

At each scheduled Committee meeting, management reports on the outcome of the audit work. The Committee reviews the scope of both the external and internal audit plan each year. Auditors from the NSW Audit Office are invited to attend Committee meetings.

Risk management functions

Management is responsible for identifying and managing TIDC's risks with review by the Finance and Audit Committee to ensure that the Board can be satisfied that Management has implemented an appropriate system of risk management. TIDC's Risk Management Plan has been designed and implemented in compliance with AS 4360 Risk Management.

The Committee's key responsibilities include overseeing the process for identifying and managing risks in TIDC and assessing the adequacy and appropriateness of TIDC's risk policies to promote a risk management culture within TIDC.

The Committee met on five occasions during 2006-2007.

Safety committee

The Safety Committee's role is to:

- > Assist the Board in discharging its corporate governance obligations with respect to safety related issues arising from design, procurement, construction, commissioning, interface planning and operations of the nominated projects.
- > Provide a forum for communication between the Board and senior management in respect to safety related matters.
- > Ensure the integrity of the safety management function.

The Committee comprises:

Sue Holliday (Chair) Board Director

Ron Finlay Board Chairman and Director
(commenced 1 March 2007)

John Barraclough Board Director
(resigned 1 March 2007)

Chris Lock Chief Executive Officer,
Board Director

Mr David Harvey provides technical advice to the Committee based on his considerable rail safety experience.

During 2006-2007, the Committee met five times. Significant activities included:

- > The completion of an accreditation audit on TIDC's safety systems by the Independent Transport Safety and Reliability Regulator.
- > The completion of a Rail Safety Performance Annual Report for the Independent Transport Safety and Reliability Regulator.
- > A review of the draft Rail Safety Bill.
- > The preparation of a new Safety Policy by management which was endorsed by the Board.
- > The endorsement of the implementation of defibrillators across all projects, with support from contractors.
- > The completion of a Crisis Management Plan for TIDC and its projects.

Remuneration committee

The Remuneration Committee's role is to review and provide recommendations to the TIDC Board on:

- > The recruitment, retention, remuneration arrangements and termination of the Chief Executive Officer and senior executives.
- > The performance measurement arrangements for Directors, the Chief Executive Officer and senior executives.
- > TIDC's remuneration practices.
- > TIDC's superannuation arrangements.

The Committee comprises:

Ron Finlay (Chair) Board Chairman and Director

Allan Cook Independent, Chair Finance and Audit Committee

Chris Lock Chief Executive Officer,
Board Director

APPENDIX B: Corporate governance

Internal and external performance reviews

TIDC has third party certification of its management system, which is certified as fulfilling the requirements of the Quality Management Standards AS/NZS ISO 9001:2000. During the reporting period, TIDC successfully completed two audits from an independent third party certification body, SAI Global, that verified the suitability and effective implementation of the Corporate Management System.

The audit of the TIDC Corporate Management System covers the management of occupational health and safety, environment, risk and rail safety. In 2007, an audit will be undertaken by SAI Global to certify the TIDC Corporate Management System to International and Australian Management System Standards AS 4801/ISO 18001 for occupational health and safety management and AS/NZS ISO 14001 for environmental management.

TIDC holds accreditation under the *NSW Rail Safety Act 2002* to manage the delivery of Epping to Chatswood Rail Line, Chatswood Transport Interchange, the Rail Clearways Program, Newcastle Rail Corridor Project and North Sydney Station Upgrade. TIDC successfully completed an accreditation audit of the compliance of the rail safety management component of the Corporate Management System with National Rail Safety Accreditation requirements. The audit was conducted by the Independent Transport Safety and Reliability Regulator. The audit resulted in four non-conformances which will be addressed during the 2007-2008 financial year.

TIDC's performance review mechanisms include:

- External audit by independent third party certifiers to validate compliance with management system standards.
- Internal audits to review compliance with management system processes.
- External audits on contractors, suppliers and consultants on their performance in complying with contract requirements.
- Six-monthly staff performance reviews, incorporating a review of staff training needs to maximise employee opportunities and output.

TIDC operates a collaborative audit process that involves each major design, professional services and construction contractor in the planning and conducting of compliance audits. During the year, 78 audits were conducted on major design, professional services and construction contractors. In addition, TIDC participated in 86 internal audits held by contractors. These audits resulted in 1,072 findings of which 95 percent were closed out within the determined timeframe.

Management improvement plans

The TIDC Corporate Management System contains a strategy for continual improvement, including a process of regular review by the Executive Management Team of the risks to the Corporation and the suitability and adequacy of the Corporation's management processes to treat these risks.

During the reporting period, TIDC conducted a Project Management Maturity assessment in order to benchmark itself against similar organisations, identify strategies for improvement and to set goals to increase its Project Management Maturity. The resulting implementation plan to achieve these goals will be actioned during the 2007-2008 financial year.

In parallel with the review of Project Management Maturity, a number of functional management plans and associated processes were reviewed and the revised plans implemented. These include:

- Risk Management
- Planning and Environmental Management
- Technical Management
- Procurement Management
- Safety (OH&S and Rail Safety) Management
- Operational Readiness Management
- Communications Management.

The following functional management plans are undergoing final management review and approval prior to implementation:

- Property Management
- Audit Management.

The suitability and effectiveness of the implemented management plans and processes, except for that of technical management, was confirmed by the Independent Third Party Certification Body for management systems, SAI Global, in an audit during May 2007. The audit confirmed that the revised management plans and processes comply with the requirements of AS 4360 for risk management, ISO 9001 for quality management, ISO 14001 for environmental management, AS4801 for occupational health and safety management and AS 4292 for rail safety management.

Risk management and insurance activities

TIDC's Risk Management Plan has been designed and implemented in compliance with AS 4360 Risk Management.

The Risk Management Plan comprises:

- > Processes for identifying, assessing and devising measures to manage risk for TIDC and its projects.
- > Allocation of responsibility for risk mitigation actions.
- > Continual assessment of project risks and improvement of the effectiveness of risk mitigation actions.
- > Processes for collaboration with asset owners and operators and management of integration with TIDC design consultants, contract managers, contractors and independent verifiers.

A risk database is used to identify and manage corporate risks as well as project and safety risks. The database facilitated the quarterly review and reporting of mitigation actions and the sharing and transfer of information between the responsible parties. At each review, consideration was given to the removal of extinguished risks or inclusion of new risks in the database and any necessary changes to the priority or scale of each risk.

The key risks identified in the Annual Risk Management Statement relate to:

- > Potential construction accidents.
- > Key resource shortages particularly in the rail environment.
- > Commercial relationship issues arising in complex construction contracts.

TIDC's risk processes, including those risks ranked as highest priority, are reported to the relevant Project Control Group, the Board and the Board Finance and Audit Committee.

TIDC uses the Treasury Managed Fund for its non-construction insurance purposes. A principal controlled insurance program is in place to provide Material Damage and Third Party Liability cover for major construction contracts on the Epping to Chatswood Rail Line and Chatswood Transport Interchange. Insurances for TIDC's other projects are covered by the respective eventual asset owners. TIDC has maintained adequate insurance coverage for the reporting period. There were no claims against the Material Damage or Third Party Liability Insurance during the reporting period.

Freedom of Information

During the reporting year, TIDC received four new applications and had four carried forward applications for access to documents under the *Freedom of Information Act 1989 (NSW)*.

Of the eight applications, one was granted in full, two were released in part, three were refused, two were withdrawn and none were carried forward.

Compliance with the provisions of the *Freedom of Information Act 1989 (NSW)* had no significant impact on the administration of the Corporation during the reporting period.

No major issues have arisen with Freedom of Information (FOI) applications and no requests referred to personal records. The statistical breakdown of FOI requests received during the reporting year is shown on the following page.

Requests for TIDC records or documents under the *Freedom of Information Act 1989 (NSW)* should be made in writing and forwarded along with the applicant's postal address and the appropriate fee to the following address:

The Freedom of Information Officer
Transport Infrastructure Development Corporation
Locked Bag 6501
St Leonards NSW 2065

Details of procedures, fees and reductions may be obtained by calling TIDC's FOI Officer during business hours on (02) 9200 0200. Business hours are 8.30am-5.30pm Monday to Friday (excluding public holidays).

Members of the public seeking access to documents are requested to telephone the FOI Officer before visiting the TIDC office as the documents may be available on the TIDC website or by mail, free of charge or for a small fee.

Freedom of Information Requests (1 July 2006 – 30 June 2007)

New Requests				
	2006-07		2005-06	2004-05
FOI requests				
A1 New	4		9	11
A2 Brought forward	4		1	0
A3 Total to be processed	8		10	11
A4 Completed	6		6	10
A5 Transferred out	0		0	0
A6 Withdrawn	2		0	0
A7 Total processed	6		6	10
A8 Unfinished (carried forward)	0		4	1
Completed Requests				
Result of FOI request				
B1 Release in full	1		1	1
B2 Release in part	2		3	3
B3 Refused	3		2	6
B4 Deferred	0		1	0
B5 Completed	6		6	10
Ministerial Certificates				
Ministerial certificates issued				
C1 Granted in full	0		0	0
Formal Consultations				
D1 Number of requests requiring formal consultation	1		6	5
Amendment of Personal Records				
E1 Number of requests for amendment	0		0	0
Notation of Personal Records				
F1 Number of requests for notation	0		0	0
FOI Request Granted in Part or Refused				
Basis of disallowing or restricting access				
G1 Section 19 Application incomplete, wrongly directed	0		0	0
G2 Section 22 Deposit not paid	0		1	0
G3 Section 25(1) (a1) Diversion of resources	0		0	1
G4 Section 25(1) (a) Exempt	5		3	5
G5 Section 25(1) (b),(b1),(c),(d) Otherwise available	0		1	2
G6 Section 28(1) (b) Documents not held	0		0	1
G7 Section 24(2) Deemed refused, over 21 days	0		0	0
G8 Section 31(4) Released to Medical Practitioner	0		0	0
G9 Totals	5		5	9
Costs of fees and requests processed				
	2006-07		2005-06	
	Assessed costs	FOI fees received	Assessed costs	FOI fees received
H1 All complaints requested	\$1,960	\$1,195	\$13,500	\$7,190
Discounts allowed				
	2006-07		2005-06	
I1 Type of discount allowed		1		0
Days to process				
	2006-07		2005-06	
J1 0-21 days		2		1
J2 22-35 days		1		0
J3 Over 35 days		2		5
J4 Totals	6		6	

Processing time		2006-07	2005-06
K1	0-10 hours	4	2
K2	11-20 hours	1	1
K3	21-40 hours	1	2
K4	Over 40 hours	0	1
K5	Totals	6	6
Reviews and Appeals			
Number finalised during period		2006-07	2005-06
L1	Number of internal reviews finalised	1	1
L2	Number of Ombudsman reviews finalised	1	0
L3	Number of ADT appeals finalised	0	0
Details of internal reviews			
Basis of internal review		2006-07	2005-06
		Upheld	Varied
L4	Access refused	0	0
L5	Deferred	0	0
L6	Exempt matter	1	0
L7	Unreasonable charges	0	0
L8	Charge unreasonably incurred	0	0
L9	Withdrawn	0	0
L10	Totals	1	0

Legal change

During the reporting year, TIDC was affected by a change to the *Transport Administration Amendment (Portfolio Minister) Act 2007*. This Act removed provisions in the *Transport Administration Act 1988* prohibiting the Portfolio Minister (the Minister for Transport) from being a voting shareholder of Rail Corporation New South Wales, Transport Infrastructure Development Corporation, Rail Infrastructure Corporation or Sydney Ferries Corporation. The Act commenced on 6 June 2007.

TIDC was also impacted by the following legal action; Chino Pty Limited v Transport Infrastructure Development Corporation & Another (2006) NSWLEC 768 and Chino Pty Limited v Transport Infrastructure Development Corporation & Another (No. 2) (2007) NSWLEC 99.

In 2004 and 2005, TIDC compulsorily acquired certain land and other interests at Chatswood for the purposes of the Chatswood Transport Interchange (CTI), which included an easement for support. The easement for support conferred legally enforceable rights for the upper storeys of a building adjoining the CTI site known as 430 Victoria Avenue, Chatswood. TIDC's position both before and after the relevant acquisitions was that support for 430 Victoria Avenue has been maintained and, on completion of the CTI project, an easement for support would be granted in similar terms to that which was extinguished.

Chino Pty Limited, the owner of interests in 430 Victoria Avenue objected to the amount of compensation determined by the Valuer-General to be payable by TIDC for the acquisitions (including the extinguishment of the easement) and commenced proceedings in the Land and Environment Court. Willoughby City Council was later joined as a party to the proceedings, as it has (lesser) interests in 430 Victoria Avenue.

Justice Pain held that 430 Victoria Avenue now lacks legal rights to support and there is a risk that the support might be removed in the future, with the result that future rental income from the entire building cannot be guaranteed, significantly reducing the value of 430 Victoria Avenue.

The value of 430 Victoria Avenue before the acquisition was agreed by the parties' experts to be \$6,875,000. Justice Pain ordered TIDC to pay compensation amounting to \$3,671,954.94 to Chino and \$147,000 to the Council, reflecting the reduction in the value of 430 Victoria Avenue plus disturbance costs.

Departures from Subordinate Legislation Act

There were no departures from the *Subordinate Legislation Act 1989 (NSW)* during the reporting period.

Exemptions

TIDC received no exemptions from the Reporting Provisions of the *Annual Reports (Statutory Bodies) Act 1984* for this reporting period.

Land divestment

No properties were divested during the reporting period.

Annual report

TIDC's 2007 Annual Report is available on request by calling 1800 684 490 or emailing mail@tidc.nsw.gov.au. The cost incurred in the production of the report was \$24,930. 200 copies were printed.

Appendix C: Organisational services and support

Promotion

Actively informing and engaging the local communities in which it operates is a key focus of TIDC.

There are a number of channels employed to provide information about TIDC's projects. These include the TIDC website, on-site signage, printed materials for the community, minutes of community liaison group meetings and advertisements in relevant local newspapers.

Publications produced by TIDC during the reporting period include:

Epping to Chatswood Rail Line

- Chatswood Transport Interchange – Guide to access during construction (brochure)
- Epping to Chatswood Rail Line Project Update (newsletter)
- Epping to Chatswood Rail Line – New Epping Aerial Concourse and Footbridge Opening (newsletter)

Rail Clearways Program

- Berowra Station Platform 3 Project Update (newsletter)
- Cronulla Line Duplication Project Update (newsletter)
- Homebush and Lidcombe Turnbacks Project Update (newsletter)
- Hornsby Platform 5 and Stabling Project Update (newsletter)
- Kingsgrove to Revesby Quadruplication – Project Application and Preliminary Environmental Assessment
- Kingsgrove to Revesby Quadruplication Project Update (newsletter)
- Liverpool Turnback Project Update (newsletter)

North Sydney Station Upgrade

- North Sydney Station Upgrade – Temporary Closure of Platform 3 (flyer)

Newcastle Rail Corridor Project

- Newcastle Rail Corridor Project Update (newsletter)

Metropolitan Rail Expansion Program

- North West Rail Link – Planning Update No. 2 (newsletter)
 - North West Rail Link – Planning Update No. 3 (newsletter)
 - North West Rail Link – Environmental Assessment and Concept Plan
 - North West Rail Link – Environmental Assessment and Concept Plan summary
 - South West Rail Link – Planning Update No. 2 (newsletter)
 - South West Rail Link – Planning Update No. 3 (newsletter)
 - South West Rail Link – Environmental Assessment and Concept Plan
 - South West Rail Link – Environmental Assessment and Concept Plan summary
- Corporate
- TIDC 2006 Annual Report

Ethnic Affairs Priorities Statement

TIDC adheres to the principles of multiculturalism and acknowledges the different needs of a culturally diverse society. TIDC is committed to meeting the needs of the varied communities in which it operates.

During project development stages, TIDC identifies the cultural and linguistic characteristics of the project's area and where appropriate provides information about the interpreter service on the community notifications in languages deemed appropriate for that area. Languages are chosen based on the results of the Australian census. People in the community can use the interpreter service to contact TIDC and seek further information through an interpreter in a three-way discussion.

TIDC encourages community participation through consultation processes, meetings and open forums. It adopts a plain English approach when liaising with the public to maximise communication.

During the next reporting year, TIDC will ensure that Ethnic Affairs Priorities Statement principles are embedded, where appropriate, within communications plans and corporate planning processes.

Consumer response

TIDC is committed to providing courteous and prompt assistance to stakeholders and members of the public. To facilitate this, TIDC maintains the following free call services:

Free call service	Purpose	Number of calls during 2006-07	TIDC response measures
> Project Information Line	> Provides a direct point of contact for the community to obtain information about the Corporation or its projects.	> 2,083 enquiries	> Within 24 hours from the time of enquiry during construction times or on the next working day during all other times.
> 24 Construction Response Line	> Provides a direct point of contact for anyone in the community with an urgent enquiry or complaint regarding construction.	> 340 complaints	> Within two hours.

The majority of complaints were associated with construction related noise, traffic and parking impacts and out of hours work. 93 percent of complaints were responded to within two hours.

Guarantee of service

TIDC's guarantee of service aims to respond to the needs of stakeholders and the community efficiently, promptly, courteously and fairly. In dealing with stakeholders and the community, TIDC staff:

- > Identify themselves in all verbal and written communications.
- > Return telephone calls as quickly as possible.
- > Respond to requests for information as quickly as possible.
- > Respond to all complaints received in a timely and courteous manner.

Delivery of electronic services

TIDC's website, www.tidc.nsw.gov.au, is a key communication channel for stakeholders and the community. Over 75,000 hits were recorded on the website during the reporting year.

The TIDC website includes information on all projects, and publications such as newsletters and reports are available to download. The website also provides a link to enable users to email TIDC with any questions or comments.

TIDC aims to ensure its website is a user-friendly information source that provides accurate and current information on the Corporation and its projects. During

the reporting year the website was reviewed and modified to improve both functionality and navigation.

Waste reduction and purchasing policy

TIDC is committed to minimising waste generation as an essential contribution toward the preservation and maintenance of a healthy and ecologically sustainable environment.

TIDC's framework and performance for waste reduction is detailed in its Waste Reduction and Purchasing Policy (WRAPP) Report, which will be submitted to the Department of Environment and Climate Change by 31 August 2007.

In accordance with WRAPP principles, TIDC is committed to the reduction of waste in four scheduled areas:

- > Paper products
- > Office equipment and components
- > Vegetation material
- > Construction and demolition material.

TIDC undertook a detailed waste audit in its head office building in February 2007. Results of this audit were included within the WRAPP report and provided the Corporation with baseline data that will be used in the development of a TIDC WRAPP plan.

Other initiatives implemented in this reporting period to improve waste avoidance, reuse and recycling included:

- > Introduction of refillable pens and pencils to reduce disposal.
 - > Collection of Christmas cards for Planet Ark's recycling scheme.
 - > Purchase of recycled-content diaries.
 - > Re-use of wood chips from trees removed as a result of construction activities in local school playgrounds.
 - > Incorporation of mulch from felled trees within erosion and sediment controls on site.
 - > Inclusion of waste reduction items in contracts, resulting in improved management of waste on construction sites including the use of commingled bins.
 - > Reuse and recycling of bricks and concrete from demolition of structures.
 - > Use of recycled-content ballast where appropriate.
- TIDC will continue to identify further measures to reduce the waste that it generates. Examples of measures TIDC is investigating for its head office include:
- > Removing plastic cups from drinking water coolers.
 - > Using retractable cotton hand towels as an alternative to paper towels in bathrooms.
 - > Training sessions on use of photocopiers and printers.

- > Leasing of new office equipment rather than purchasing, enabling equipment to be returned and upgraded rather than disposed of.
- > Reviewing the method of circular distribution around the office and promoting electronic forms of communication.

TIDC will also continue to work closely with contractors to develop and implement waste management strategies on construction sites.

Energy management policy

TIDC continues its commitment to reducing greenhouse gas emissions and achieving energy cost savings where possible, without adversely affecting its ongoing core business activities.

The TIDC energy management policy sets out the processes in place for energy management of TIDC office facilities. This includes procedures to manage energy and to collect and report on consumption and use data.

In implementing this policy, TIDC strives to:

- > Minimise energy consumption in the workplace.
- > Purchase energy efficient office equipment and white goods.
- > Monitor and report on energy usage on a monthly basis.
- > Report its achievements and challenges.

During the reporting period, TIDC's electricity consumption included eight percent from non coal-derived green power. Additionally, in fitting out new office space, white goods and computer equipment were purchased with high energy-saving ratings.

Heritage assessment management strategy

In accordance with the requirements of the *NSW Heritage Act 1977*, TIDC, as a State owned corporation, is required to prepare a Heritage Asset Management Strategy (HAMS). This strategy is designed to fulfil the obligations of government agencies to manage their heritage assets on behalf of the community.

In commissioning this report, TIDC is following good conservation management practice as well as complying with its statutory obligation under the *NSW Heritage Act 1977*.

The focus of TIDC's HAMS is mainly on a process for managing future potential acquisitions of heritage items by TIDC in the course of its work.

The HAMS contains:

- > Identification of heritage assets held by TIDC.
- > An asset maintenance plan.
- > An asset acquisition and transfer plan.
- > Performance and reporting requirements.

At present TIDC holds four heritage assets.

The four heritage assets are:

- > Seymour's Service Station – Chatswood
- > Riverbank walls – Lane Cove National Park
- > Delhi Road fencing – Lane Cove National Park
- > Delhi Road stone seat – Lane Cove National Park.

The items at Lane Cove National Park have been reinstated and will be transferred to the National Parks and Wildlife Service during 2007.

A Conservation Management Plan was prepared for the Seymour's Service Station and modifications that were immediately required were undertaken.

Further information about the heritage assets held by TIDC is available on the TIDC website at www.tidc.nsw.gov.au under "Environment".

It is possible that future heritage items will temporarily come under the management of TIDC.

Economic and other factors

Major economic factors impacting TIDC include the continued high level of infrastructure investment activity occurring on a local and global level as well as ongoing increases in steel, oil and copper prices. The impact of these factors is translated into increased cost pressures, labour shortages and increased competition for construction resources.

TIDC has responded to these market conditions by:

- > Establishing an Employer of Choice program to attract high quality employees.
- > Adopting a variety of contracting and procurement strategies.

Research and development

TIDC did not undertake any research or development activities during the reporting year.

APPENDIX D: Human Resources

Number of permanent employees by category

Category	June 2007	June 2006	June 2005	June 2004
Management	21	16	13	9
Other employees	114	67	49	44

Number of executive officers

In accordance with legislative requirements, the following table shows the number of officers who earned above \$137,800 as at 30 June 2007.

Category	June 2007	June 2006
Total executive officers	44	37
Female executive officers	4	2

Statement of performance and remuneration for senior executive officers

Position title	Officer	Total remuneration package	Performance review summary	Period in position and person responsible for review
Director CIVSYS-1 & STAT-EAST	Michael Barnfield	\$255,000	<ul style="list-style-type: none"> > Managed the ongoing delivery of ECRL including administration of the major civil and rail systems, station fit-out contracts and minor works contracts. > Administration of the project management contract. > Managed the implementation of time, cost and risk management plans for ECRL. 	All of reporting year Executive Program Director, ECRL
Executive Program Director, Clearways A	Glenn Bentley	\$300,000	<ul style="list-style-type: none"> > Managed the ongoing delivery of the Rail Clearways Stage 1 projects. > Managed completion of Berowra Station Platform 3 project. > Managed the ongoing delivery of the Rail Clearways Stage 2 projects in the project planning and concept design phase. > Managed the formation of alliance contract for the Kingsgrove to Revesby Quadruplication project. > Managed the implementation of time, cost and risk management plans in construction. 	All of reporting year* CEO
General Manager Commercial	Bevan Brown	\$307,000	<ul style="list-style-type: none"> > Successfully procured three alliance contracts for TIDC projects. > Managed the tendering process, contract documentation and negotiations for TIDC contracts. > Successfully concluded commercial matters with contractor in administration. > Managed TIDC commercial affairs. > Provided assistance in the resolution of contractual claims. > Developed and implemented guidelines for TIDC contracting strategies. > Assisted the CEO in discussion with RailCorp to progress a commercial framework. 	All of reporting year Group General Manager Corporate
Director, Rail/PTI/ NSSU	Neil Bulgin	\$260,800	<ul style="list-style-type: none"> > Managed the ongoing delivery of the rail interface works for ECRL. > Managed the administration of all construction contracts for PTI. > Managed NSSU works as the Principal's Representative for all construction and design contracts. > Managed the implementation of time, cost and risk management plans in construction. 	All of reporting year Executive Program Director, ECRL
Chief Information Officer	Stephen Dunkerley	\$260,000	<ul style="list-style-type: none"> > Commenced development of the Corporate Information and Communications Technology (ICT) Strategic Plan. > Commenced development of corporate methodologies, ICT governance frameworks, process and architectural standards. > Commenced development of the business, information and technology architectures to underpin the delivery of proposed ICT infrastructure. 	Commenced 21 May 2007 Group General Manager Corporate

Statement of performance and remuneration for senior executive officers (continued)

Position title	Officer	Total remuneration package	Performance review summary	Period in position and person responsible for review
General Manager Planning and Technical Services	Martin Halliday	\$270,000	<ul style="list-style-type: none"> > Executive management of Planning and Technical Services Group. > Undertook functional reviews of all directorates in the group and managed organisational changes. > Established new Rail Systems Directorate. > Ensured that program timeframes for delivery of major Environmental Assessments including three Part 3A projects for MREP (NWRL and SWRL) and Clearways Stage 2 (Kingsgrove to Revesby Quadruplication) were achieved. > Conducted a review of environmental compliance management and reporting systems. > Participated in reviews and preparation of State Environmental Planning Policies and Plans as well as preparation of revised rail noise policy. > Review and preparation of revised commissioning procedures for handover of projects to RailCorp. > Commenced review of technical design procedures and approval processes. > Contribution to development of rail transport policy and programs. > Established and maintained key stakeholder relationships. 	All of reporting year* CEO
Director, Reliability and Operational Readiness	Michael Hickey	\$240,788	<ul style="list-style-type: none"> > Completed Safety and Reliability Hazard Reports for six Rail Clearways projects in the construction phase and four Rail Clearways projects in the planning phase. > Achieved operational readiness for the Berowra Station Platform 3 project, the new Epping aerial concourse, the extended Lidcombe aerial concourse, Stage 2 works for CTI, the Beecroft and Chatswood North Substation and the new escalators at North Sydney Station. > Produced Lessons Learnt documentation. > Implemented cyclic monthly Consultative Reliability Inspections for all active construction projects, with over 220 inspections completed. 	All of reporting year General Manager Planning and Technical Services
Group General Manager Corporate	Amanda Jones	\$320,000	<ul style="list-style-type: none"> > Developed 2007/08 TIDC Business Plan. > Initiated business improvements to support implementation of the Business Process modelling, including Project Management Maturity assessment, Business Process modelling, ICT Strategy and the Performance Development Framework. > Developed new corporate functions including the Program Management Office. 	Commenced 16 April 2007 CEO
General Manager Safety	Ken Kelman	\$260,000	<ul style="list-style-type: none"> > Maintained Rail Safety Accreditation for TIDC. > Updated the Safety Strategic Plan. > Established the TIDC Board Safety Committee. > Developed and implemented TIDC Risk Management Plan and processes including CURA database with corporate and project risks. > Implemented the Safety Assurance process into TIDC projects. > Implemented Safety Interface Agreements on all TIDC projects. > Developed a new Safety Policy endorsed by the Board. > Implemented roll-out of defibrillators across all TIDC sites. 	All of reporting year* CEO

Position title	Officer	Total remuneration package	Performance review summary	Period in position and person responsible for review
General Manager Finance	Joseph Leung	\$221,000	<ul style="list-style-type: none"> ➢ Managed treasury functions. ➢ Managed debt portfolio through NSW Treasury Corporation. ➢ Managed government reporting functions. ➢ Managed the preparation and audit of statutory accounts, resulting in unqualified audit reports. ➢ Managed the accounts payable and payroll functions. ➢ Managed the monthly management accounting functions. ➢ Managed financial internal audits. 	All of reporting year Group General Manager Corporate
Chief Executive Officer	Chris Lock	\$420,000	<ul style="list-style-type: none"> ➢ Oversaw the delivery of all TIDC projects ➢ Administered the management of TIDC's risk profile including the implementation of mitigation strategies ➢ Supervised TIDC's commercial affairs and corporate governance on behalf of the Board ➢ Provided a continued focus on safety – including instituting a review of TIDC's safety framework and procedures ➢ Restructured TIDC to suit a multiple project environment with an increasing workload ➢ Drove the Corporation's focus on developing enhanced corporate systems and services to address organisational growth ➢ Maintained relations with key stakeholders ➢ Oversaw the development of two alliance relationships with contractors 	All of reporting year TIDC Board
Executive Program Director, ECRL	Scott Lyall	\$335,000	<ul style="list-style-type: none"> ➢ Oversaw delivery of all contracts in ECRL and also ongoing delivery of the North Sydney Station Upgrade project, and Newcastle Rail Corridor project. ➢ Resolution of major contractual disputes on CIVSYS and STAT-EAST contracts. ➢ Major milestones achieved within agreed dates. ➢ Ongoing risk management in construction. ➢ Achieved target for safety statistics. ➢ Achieved targets for rail reliability and safety. ➢ Oversaw administration of time and cost management plans across the program of works. ➢ Acting CEO for a period during the year. 	All of reporting year* CEO
Director, Program Management Office	Ross Parker	\$228,900	<ul style="list-style-type: none"> ➢ Managed the establishment of TIDC's Program Management Office (PMO) to support portfolio governance of multiple complex programs. ➢ Conducted a Project Management Maturity assessment of TIDC's delivery operations and established benchmarks and strategies for improvement. 	Commenced 19 March 2007 Group General Manager Corporate
Executive Program Director, MREP	Tim Parker	\$335,000	<ul style="list-style-type: none"> ➢ Led the completion of feasibility studies for NWRL and SWRL. ➢ Led the completion of the Pre-feasibility Study for CBDRL. ➢ Led the design management team responsible for ECRL, North Sydney Station Upgrade and Clearways projects. ➢ Led the MREP project team responsible for NWRL, SWRL and CBDRL. ➢ Led the concept planning approval process including exhibition of the environmental assessment reports, community consultation and preparation of Submissions Report for the SWRL and Preferred Project Report for the NWRL. ➢ Led the ongoing pre-feasibility studies associated with CBDRL. 	All of reporting year* CEO

* Please note: Position titles for these senior executive officers changed on 1 January 2007 as a result of the new organisational structure.

Overseas visits

Name	Position	Country	Date	Purpose
Chris Lock	Chief Executive Officer	UK, Singapore, Hong Kong	December 2006	Attend industry meetings

Personnel plans, policies and practices

TIDC continued to maintain a fair workplace with transparent and consistent human resources management practices. The Corporation is committed to Equal Employment Opportunity and complying with relevant legislation including the *Anti-Discrimination Act 1977 (NSW)* and the *NSW Occupational Health and Safety Act 2000*.

TIDC's personnel policies are regularly reviewed to ensure currency.

Policies in place during reporting year	New policies implemented
<ul style="list-style-type: none"> > Employee code of conduct > Grievance resolution procedure > Harassment prevention > Equal employment opportunity > Alcohol and other drugs > Higher duties allowance > Email and internet usage > Protected disclosures > Training and development > Study assistance policy. 	<ul style="list-style-type: none"> > Payment of professional membership > Working in a possession or special event > Overtime > Remuneration.

Code of conduct

TIDC believes that acting ethically is central to its public accountability and the successful achievement of its corporate objectives. This commitment is reflected in TIDC's Employee Code of Conduct, which establishes an ethical and behavioural framework that helps maintain the Corporation's integrity and reputation.

The Employee Code of Conduct is included in TIDC's revised employee induction. No changes were made to the Employee Code of Conduct during the reporting year. In 2007-2008 the Employee Code of Conduct will be reviewed and refreshed to reflect the Corporation's values.

The TIDC Board operates within the 'Conduct Guidelines for Members of NSW Government Boards and Committees' prepared by the NSW Premier's Department.

Equal employment opportunity

TIDC is committed to a workplace which is free of discrimination and offers all staff equal access to training, development, promotion opportunities and higher duties. TIDC is acutely aware that a healthy organisational culture requires diversity of people.

During the reporting period a number of initiatives and programs were undertaken that supported equal employment opportunity (EEO) principles and practices including the:

- > Implementation of TIDC's EEO Plan.
- > Staff briefings for all new employees on discrimination and harassment prevention.
- > Formalised and structured exit interview process.
- > Development of new policies and provision of education and training to staff.

In 2007-2008 TIDC will continue reviewing and improving its EEO policies and procedures. This will encompass:

- > Training of appropriate staff and management in grievance handling and as contact officers.
- > Assessing the relevance and effectiveness of EEO training.
- > Ensuring all new employees are provided with EEO training within the first 60-90 days of their employment.

EEO statistics

Trends in the representation of EEO Groups¹

EEO group	Benchmark or target %	% of total staff ²		
		2007	2006	2005
Women	50	36	35	43
Aboriginal people and Torres Strait Islanders	2	n/a	n/a	n/a
People whose first language was not English	19	9	8	13
People with a disability	12	5	10	7
People with a disability requiring work-related adjustment	7	1	1	n/a

Notes: 1 Based on staff numbers at 30 June 2007

2 Excludes casual staff

Disability plans

The HR Directorate works closely with the Property Directorate and Office Management in determining the requirements of employees with a disability.

The maintenance of disabled facilities and consideration with regards to office relocation is ongoing.

Industrial relations policies and practices

TIDC operates within a highly flexible industrial relations environment. All employees have individual employment contracts. Employees are also provided with information regarding their rights and obligations as applicable under the Work Choices legislation.

Members of the HR Directorate and Office Management were trained in 2006-2007 by the Anti-Discrimination Board in grievance handling with additional staff identified for training in 2007-2008.

Occupational health and safety performance (1 July 2006 – 30 June 2007)

These statistics can be compared to the construction industry average Lost Time Injury Frequency Rate of 20.3 (2005-2006).

TIDC Office	
Number of lost time work related injuries	0
Number of work related illnesses	0
Number of prohibition notices issued by WorkCover	0
Number of improvement notices issued by WorkCover	0
Number of prosecutions from WorkCover	0
Lost Time Injury Frequency Rate (rolling 12 months)	0
Epping to Chatswood Rail Line and Chatswood Interchange	
Number of lost time work related injuries	12
Number of work related illnesses	0
Number of prohibition notices issued by WorkCover	0
Number of improvement notices issued by WorkCover	7
Number of prosecutions from WorkCover	1*
Lost Time Injury Frequency Rate (rolling 12 months)	5.2
Rail Clearways Program – Stage 1	
Number of lost time work related injuries	2
Number of work related illnesses	0
Number of prohibition notices issued by WorkCover	0
Number of improvement notices issued by WorkCover	1
Number of prosecutions from WorkCover	0
Lost Time Injury Frequency Rate (rolling 12 months)	1.5
Rail Clearways Program – Stage 2	
Number of lost time work related injuries	0
Number of work related illnesses	0
Number of prohibition notices issued by WorkCover	0
Number of improvement notices issued by WorkCover	0
Number of prosecutions from WorkCover	0
Lost Time Injury Frequency Rate (rolling 12 months)	0
North Sydney Station Upgrade	
Number of lost time work related injuries	0
Number of work related illnesses	0
Number of prohibition notices issued by WorkCover	0
Number of improvement notices issued by WorkCover	0
Number of prosecutions from WorkCover	0
Lost Time Injury Frequency Rate (rolling 12 months)	0
Newcastle Rail Corridor Upgrade	
Number of lost time work related injuries	0
Number of work related illnesses	0
Number of prohibition notices issued by WorkCover	0
Number of improvement notices issued by WorkCover	0
Number of prosecutions from WorkCover	0
Lost Time Injury Frequency Rate (rolling 12 months)	0

* Prosecution related to construction contractor.

APPENDIX E: Financial information

Consultants

Details of amounts paid to consultants to 30 June 2007 are as follows:

Consultants	Number of engagements	Description of engagement	Total amount (\$)
Sparke Helmore	1	Safety Advisor	61,752
Australian Quality Assurance & Superintendent P/L	1	Project Compliance Audits	78,064
Deloitte Touche Tohmatsu	1	Probity Audit	202,321
Consultants costing \$30,000 or less	4	Various	26,952
Total	7		369,089

TIDC also engages numerous contractors for professional services not classified as consultancies. These services include design, technical studies, feasibility studies, survey and geotechnical studies, masterplanning, property valuation, financial services, legal services, environmental assessment and contract management.

Payment of accounts

Total dollar amount paid each quarter.

Quarter	0-30 days (paid within terms)	31-60 days	61-90 days	>90 days
September 2006	178,262,103	2,022,205	743,047	490,369
December 2006	144,392,619	4,512,173	918,516	2,525,246
March 2007	140,860,295	10,182,494	1,058,912	709,492
June 2007	164,360,354	5,810,842	1,034,071	1,867,030

Accounts paid on time within each quarter.

Quarter	Total \$ amount paid on time	Total \$ amount paid in quarter	Actual %	Target %
September 2006	178,262,103	181,517,724	98.2	90
December 2006	144,392,619	152,348,554	94.8	90
March 2007	140,860,295	152,811,193	92.2	90
June 2007	164,360,354	173,072,297	95.0	90

Time for payment of accounts

During the reporting period there were no instances where TIDC paid interest due to late payments.

Total project budgets

Forecast project costs (on an accrual basis) for each of the projects being delivered by TIDC are shown below:

	Budget 06/07 \$	Forecast 07/08 \$
Epping to Chatswood Rail Line	420,526,542	304,635,807
Rail Clearways Program	202,807,172	298,454,825
North Sydney Station Upgrade	21,421,700	42,352,001
Metropolitan Rail Expansion Program	6,774,106	56,649,531
Newcastle Rail Corridor Project	10,200,402	3,260,940
Total	661,729,922	705,353,104

After balance date events

There were no after balance date events which had a significant effect in the succeeding year on TIDC's financial operations, other operations, or the clientele/community served.

Investment performance

TIDC invests with the TCorp Hourglass Cash Facility. During the financial year, the facility returned 6.41% against a benchmark established by TCorp of 6.42%. This is compared with a return for the 2005-2006 financial year of 5.7% against a benchmark of 5.7%.

Loan Portfolio Performance

TIDC was vested the borrowings for the Epping to Chatswood Rail Line in September 2004. The portfolio of borrowings is managed by TCorp under a Risk Management Agreement that was entered into from 1 November 2004.

At 30 June 2007, the portfolio, totalling \$209.3 million, had made gains of \$0.3 million in market value terms.

The TIDC portfolio (4.15% market value change) outperformed the Benchmark Portfolio (4.11%) in the financial year to 30 June 2007.

Disclosure of controlled entities

TIDC had no controlled entities during the reporting period.

Program evaluation results

TIDC implemented no programs worth more than 10% of expenses during the reporting period.

Credit card certification

During the year, certified credit card usage was in accordance with the Premier's Memoranda and Treasury Circular together with the provisions of the State Owned Corporations Act 1989.

Funds granted to non government community organisations

There were no funds granted to non government community organisations during the reporting period.

Notes

Notes

TIDC thanks its contractors for coordinating worksite access for the photos captured in this report.
Photography within the report was taken by Studio Commercial and Bob Peters Photography.

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