



# Cemeteries & Crematoria NSW Annual Report 2018-19

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Published by NSW Department of Planning, Industry and Environment

[dpie.nsw.gov.au](http://dpie.nsw.gov.au)

Title: Cemeteries & Crematoria NSW Annual Report 2018-19

ISBN/ISSN: 2207-4171

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# Cemeteries & Crematoria NSW

31 October 2019

The Hon Melinda Pavey MP  
Minister for Water, Property and Housing  
GPO Box 5341  
Sydney NSW 2001

Dear Minister

## **Submission of the Cemeteries and Crematoria NSW Annual Report 2018–2019**

In accordance with the *Annual Reports (Statutory Bodies) Act 1984*, the *Government Sector Finance Act 2018*, and the Regulations under these Acts, we are pleased to submit to you the 2018–2019 Annual Report for Cemeteries and Crematoria NSW for presentation to Parliament.

During the reporting year, there were various highlights including –

- Part 4 of the *Cemeteries and Crematoria Act 2013* was implemented enabling a uniform statutory interment rights system to commence in NSW
- A major projects launch held in Sydney in August 2018 which brought together key industry and community stakeholders to discuss key issues in the sector
- The commencement of the IPART investigation into interment sector costs and prices which is expected to report by December 2019.

With a number of key projects commenced during this financial year, the Board looks forward to bringing these to fruition over the next 12 months.

Yours sincerely

Stepan Kerkyasharian AO  
Chair of the Board

Steffanie von Helle  
Chief Executive Officer

## Message from the Chair

In 2018-2019, Cemeteries & Crematoria NSW's (CCNSW) small team made impressive achievements and successfully managed major organisational changes.

Proclamation of Part 4 of the *Cemeteries and Crematoria Act 2013* (the Act) was a substantial milestone in establishing a coherent and consistent regime to govern the provision of interment rights and services for the first time in NSW. CCNSW also approved a Code of Practice for cemetery and crematorium operators, a key first step in implementing Part 3 of the Act.

Significant achievements were made in terms of foundational work which will bear fruit over the next few years for CCNSW. Strategic planning was undertaken to review, revise and update CCNSW's priorities. This led to the commissioning of major research and planning projects, including to establish CCNSW's regulatory framework and planning to enable CCNSW to confidently exercise regulatory functions in line with best practice; research into the future of interment through new and innovative interment practices; the development of a communications and engagement policy, and a voluntary code for cemetery maintenance.

CCNSW initiated broader engagement with stakeholders through a major seminar in August 2018 and restructured its consultative structures, with a refreshed Community and Consumer Consultative Group and Industry Consultative Group to be operational early in the next financial year.

This progress occurred in a year which was notable for major internal organisational changes against a backdrop of an election, change in Minister and departmental restructure. With the expiry of their terms, two new voting members were appointed with the Chair and another existing member being reappointed. Three highly capable individuals held the role of CEO on a temporary basis over the course of the year, leading to the permanent appointment of Ms Steffanie von Helle as the new CEO in March 2019. Further, a modest and much needed increase in staff was achieved in this financial year with additional growth secured for the future.

One can confidently state that the year in review has been one of outstanding success. The contribution of all the Board members, and the 'temporary' CEOs who stepped in at extremely short notice, set the scene for organisational change which is now being successfully spearheaded and developed by Ms Steffanie von Helle and our dedicated staff who work very hard.

The support from the Department and our Ministers has been an invaluable catalyst for the renewed vigour and progress of CCNSW.

On behalf of the Board of CCNSW, I am pleased to present this Annual Report.



**Dr Stepan Kerkyasharian AO**

Chair of the Board

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## Summary Highlights for 2018–19

Cemeteries & Crematoria NSW (CCNSW) has a strategic focus on the priority areas of Respect, Affordability and Sustainability, Land Availability and Governance. The year was one of significant achievements and major organisational changes including:

- appointing a new permanent Chief Executive Officer
- reconstituting the Board with two new Board members
- reviewing and setting new strategic directions through planning
- initiating a broader engagement with stakeholders through a major seminar and restructuring of consultative structures
- commissioning major research into options for interment, regulatory approach, cemetery maintenance and communications and engagement strategy
- approving the CCNSW Cemetery and Crematorium Operator Code of Practice
- commencing the new interment rights system following proclamation on 25 June 2018 with various industry guides and consumer information Quick Guides for it published.

## Legislation and Charter

Cemeteries & Crematoria NSW (CCNSW) is the statutory body with strategic and regulatory oversight of the interment industry and responsibility for administering the *Cemeteries and Crematoria Act 2013* (the Act). The Act has nine key objects which provide the framework in which CCNSW operates and include:

- recognising the right of all individuals to a dignified interment and treatment of their remains with dignity and respect
- ensuring the interment practices and beliefs of all religious and cultural groups are respected
- ensuring sufficient land is acquired and allocated for current and future generations to have equitable access to interment services
- providing for a consistent and coherent regime for the governance and regulation of cemeteries and crematoria
- ensuring operators of cemeteries and crematoria demonstrate satisfactory levels of accountability, transparency and integrity
- ensuring cemeteries and crematoria on Crown land are managed in accordance with the principles of Crown land management
- promoting environmental sustainability in the interment sector
- promoting transparent cost structures for burials and cremations
- promoting affordable and accessible interment practices.

The Act was passed in November 2013 and contains a number of key provisions including:

- the creation and maintenance of the Cemeteries and Crematoria Register with specific prescribed information
- development and approval of industry schemes and codes of practice to provide guidelines regarding the activities of participants in the interment industry or sectors of the industry
- provision of regulatory powers to enable CCNSW to issue improvement notices, short-term orders and enforceable undertakings to cemetery operators or persons who are considered to have contravened the Act

- creation of a standard form of authority for interment rights for perpetual interment and a renewable interment right with a minimum term of 25 years up to a total of 99 years for non-cremated remains and an initial term of 99 years for cremated remains
- requirements for the operation of Crown cemeteries and crematoria covering the appointment of Crown cemetery operators, conduct of operator Board members, strategic plans, plans of management, audits, financial statements and annual reports.

The Act is complemented by the Cemeteries and Crematoria Regulation 2014, which prescribes which operators of cemeteries are required to pay a general levy, the level which is payable for interment services each year and specific provisions relating to interment rights under Part 4 of the Act. The Regulation was amended on 25 June 2018 with the inclusion of a number of specific provisions for interment rights under Part 4 of the Act covering price and fee disclosure for cemetery operators, notification procedures, record-keeping, cemetery register information requirements and the operation of heritage advisory committees.

## Aims and Objectives

In 2018 there were 53,633 deaths in NSW for which cemetery and crematoria operators provided a range of interment options state-wide to service community and cultural needs and expectations for burial, cremation, ash interment and memorialisation. Under section 12 of the Act, CCNSW has responsibilities to:

- assess current and future interment needs and develop planning strategies for cemetery space to meet those needs
- provide advice or make recommendations to the Minister in relation to the sustainable use of cemetery and crematoria space and capacity
- promote environmentally sustainable practices in the interment industry
- develop, approve and promote codes of practice for cemeteries and crematoria and report on adoption of those codes by the interment industry
- provide advice or make recommendations to the Minister on the establishment, implementation or alteration of interment industry schemes
- regulate the provision of services in relation to interment matters that are subject to interment industry schemes
- keep under review the policies, operating procedures and activities of the interment industry, including cemeteries, crematoria, providers and operators of funeral goods and services, and operators of funeral funds
- collect information and carry out research as is necessary to exercise its functions.

## Access

Cemeteries & Crematoria NSW can be contacted at:

**Address:** 10 Valentine Avenue, Parramatta NSW 2150

**Postal:** Locked Bag 5123, NSW 2124

**Phone:** 61 2 9842 8473

**Email:** [ccnsw.info@cemeteries.nsw.gov.au](mailto:ccnsw.info@cemeteries.nsw.gov.au)

**Website address:** [www.industry.nsw.gov.au/ccnsw](http://www.industry.nsw.gov.au/ccnsw)



## The Board and Governance

CCNSW is led by an independent, skills-based board appointed by, and responsible to the Minister for Water, Property and Housing, the Hon Melinda Pavey MP.

The Board consists of four voting members being:

**Dr Stepan Kerkyasharian AO, Hon D.Litt**, the Chair of the Board, was Chair and CEO of the Community Relations Commission of NSW and its predecessor the Ethnic Affairs Commission of NSW from 1989 to 2014, and concurrent President and CEO of the Anti-Discrimination Board from 2003 to 2016. From 1980 to 1989 he was the foundation head of SBS Radio. He received the Gold Cross of Merit of Poland in 1990. He was made a Member of the Order of Australia (AM) in 1992 and an Officer of the Order of Australia (AO) in 2011. In 1995 he received the Premier's Community Service Award and a second one in 2016; the Olympic Order was conferred on him by the I.O.C in 2000 and he received a medal for 'Services to National Security' in 2014. Dr Kerkyasharian was made a Fellow of the University of Technology Sydney in 1995, a Doctor of Letters (Honoris Causa) by the University of Sydney in 2007 and a Doctor of Letters (Honoris Causa) by the University of Western Sydney in 2013. In 2014 the NSW Government introduced an annual medal after his name, the Stepan Kerkyasharian Award for Community Harmony. He is at present Chair of the NSW Community Languages Schools Board, the Deputy Chair of the Federation of Community Language Schools of NSW, Vice Chair of the Diocesan Council of the Armenian Apostolic Church of Australia and New Zealand, Chair of the Armenian Community Welfare Centre, and a member of the PM Glynn Institute Advisory Board.

**Mr Christopher Zinn**, Board member, has worked for 30 years within the print media, broadcasting and consumer organisations in Australia and overseas as a journalist, presenter, producer, spokesman and campaign director. Mr Zinn is CEO of the Private Health Insurers Intermediaries Association and active in consumer campaigns with The FiftyUp Club and several start-ups. He has previously worked at CHOICE and been Director of Campaigns for One Big Switch, a consumer network. Mr Zinn runs a consumer empowerment initiative, Determined Consumer, and is a Board Member of The School Food Project and Kidsafe NSW. Mr Zinn holds a MA Geography (Oxford) and a Postgraduate Diploma in Journalism (University of Wales).

**Ms Danielle Woolley** is a partner in management consulting with KPMG Australia. Prior to joining KPMG in January 2019, Danielle had worked for 25 years with the NSW Government across a range of portfolios. She most recently led the Western Sydney City Deal Delivery Office to drive the implementation of the Western Sydney City Deal between the Australian and NSW Governments and eight councils of the Western Parkland City. Danielle has also held a number of senior leadership roles at the NSW Department of Premier and Cabinet including Acting Deputy Secretary Economic Policy, Executive Director Resources and Land Use and Executive Director Justice and Community Safety. In these roles, Danielle was responsible for driving the delivery of government priorities in the areas of domestic and family violence, refugee resettlement, countering violent extremism, energy security and affordability, biodiversity conservation and reducing re-offending. Danielle holds a Bachelor of Economics and Bachelor of Laws (Hons) from the University of Sydney.

**Mr Michael Bullen** is Executive Director Investment Attraction and AgriBusiness within the Western City and Aerotropolis Authority. This role is responsible for the attraction of new business and jobs for the new Western Sydney Aerotropolis including the establishment of the AgriBusiness Precinct. The intent for the AgriBusiness Precinct is to establish a food production, processing and supply chain that can deliver fresh produce, pharma and food globally within 24 hours.

Prior to this role Michael was Deputy Director General Investment and Business Development in the NSW Department of Primary Industries (DPI), and prior to this, led DPI Agriculture, including as Chief Executive of the Rural Assistance Authority.

Michael was responsible for developing DPI's framework for Research and Development, including commercialisation of DPI's Intellectual Property, new business structures and funding as well as the establishment of the GATE (Global Ag-Tech Ecosystem - [www.thegate.org.au](http://www.thegate.org.au)) at Orange NSW. Before joining DPI Michael was Chief Executive of the Sydney Catchment Authority (now Water NSW) and prior to this worked for Forests NSW across both plantation and native forest management. Michael chaired the Primary Industries National Research and Innovation Committee while with DPI, which is charged with overseeing strategy and investment in Primary Industries Research and Development Framework.

In October 2018, two voting Board members retired being:

**Ms Abigail Goldberg**, Deputy Chair, has over thirty years of experience in planning, property, infrastructure and transport across both the private and public sectors. She was formerly CEO of Metro Transport Sydney, General Manager of South Sydney Development Corporation and Assistant Director of the Urban Design Advisory Service. Ms Goldberg currently serves as a Chair and Non-Executive Director on several boards, is an Associate of the UTS Centre for Excellence in Local Government, a Fellow of the Australian Institute of Company Directors and a Fellow of the Planning Institute of Australia. She has recently completed the maximum six-year term as a Commissioner at the NSW Independent Planning Commission. Ms Goldberg holds an Executive MBA (UNSW), a Master of Urban Design (Oxford Brookes) and a Bachelor of Science (Witwatersrand).

**Mr Scott Hawker**, Board Member, has extensive financial and risk management expertise having held a number of senior executive positions in Perpetual, Macquarie Private Bank, Commonwealth Bank, PricewaterhouseCoopers, UBS and Salomon Brothers. He is also a former Director of the Nature Conservation Trust of NSW, a Trustee Fellow of the Association of Superannuation Funds of Australia and a Graduate of the Australian Institute of Company Directors. Mr Hawker holds a Master of Applied Finance (Macquarie), a Bachelor of Commerce (Rhodes) and a Diploma in Financial Planning (Mentor Education).

During the 2018–2019 year the Board also had seven non-voting Board Members being:

- A person appointed by the Minister as a person with knowledge and expertise relevant to local government matters:
  - Mr Bill Gillooly AM, the former Chief Executive of Local Government NSW (to 30 October 2018).
- The head of, or a person nominated by the head to represent each of the following:
  - NSW Department of Industry (Ms Helen Day then Ms Jill Pattison).
  - NSW Department of Planning & Environment (Mr Richard Griffiths then Ms Elizabeth Kinkade)
  - NSW Fair Trading (Ms Rose Webb then Ms Kathy Townsend)
  - NSW Health (Dr John Birkett then Mr Geoffrey Prendergast)
  - NSW Office of Environment and Heritage (Dr Siobhan Lavelle OAM).
- The Chief Executive Officer of Cemeteries & Crematoria NSW (Ms Catherine Manuel from May 2018 to October 2018 (seconded): Ms Liz Moore (Acting) 22 Oct – 16 Nov 2018: Ms Ria Pryce (Acting) 22 Nov 2018 - 28 Feb 2019) and then Ms Steffanie von Helle (ongoing) from March 2019 onwards).

Each voting board member had been appointed for a period of four years commencing 1 November 2014 and concluding on 31 October 2018. Two existing Board members, Dr Stepan Kerkyasharian AO and Mr Christopher Zinn were reappointed for a further two-year term with two new members, Ms Danielle Woolley and Mr Michael Bullen also appointed for a two-year term concluding in October 2020. Attendance of Board members at meetings is shown in Table 1 below.

**Table 1. Attendance at Board meetings**

Board member	No of Board Meetings eligible	Attended #
Stepan Kerkyasharian ^	9	9
Abigail Goldberg ^	2	1
Scott Hawker ^	2	2
Christopher Zinn ^	9	7
Danielle Woolley ^	7	7
Michael Bullen ^	7	7
Bill Gillooly	1	0
Helen Day	6	4
Jill Pattison	1	1
Richard Griffiths	6	3
Elizabeth Kinkade	1	0
Siobhan Lavelle	7	5
John Birkett	2	2
Geoffrey Prendergast	3	3
Rose Webb	4	3
Kathy Townsend	3	3
Catherine Manuel	2	2
Ria Pryce	4	4
Steffanie von Helle	3	3

*^ voting board members*

*# quorum for the Board is three of the four voting members*

## CCNSW Board governance – Board manual

As part of improving governance and on-boarding of new board members, a CCNSW Board manual was developed and provided to the new CCNSW Board in December 2018. The Board manual sets out the:

- role of the Minister and Department in respect of CCNSW
- role of the Board and its members in ensuring CCNSW exercises its functions
- role of the CEO of CCNSW
- role of the consultative groups
- Board meeting procedure
- Board conduct and conflicts of interest
- financial matters relevant to the Board.

## Strategic Planning workshop

The CCNSW Board held a strategic planning workshop with an independent facilitator on 28 February 2019. The planning day identified three key priority risks to be addressed over the near term of 12 to 18 months being:

1. land availability - metropolitan Sydney runs out of cemetery land
2. governance - under-developed regulatory framework for NSW's cemeteries and crematoria operators
3. respect - poor public knowledge of interment issues (and CCNSW) across NSW.

A range of strategies were developed to address these priority risks.

## Stakeholder consultation group renewal

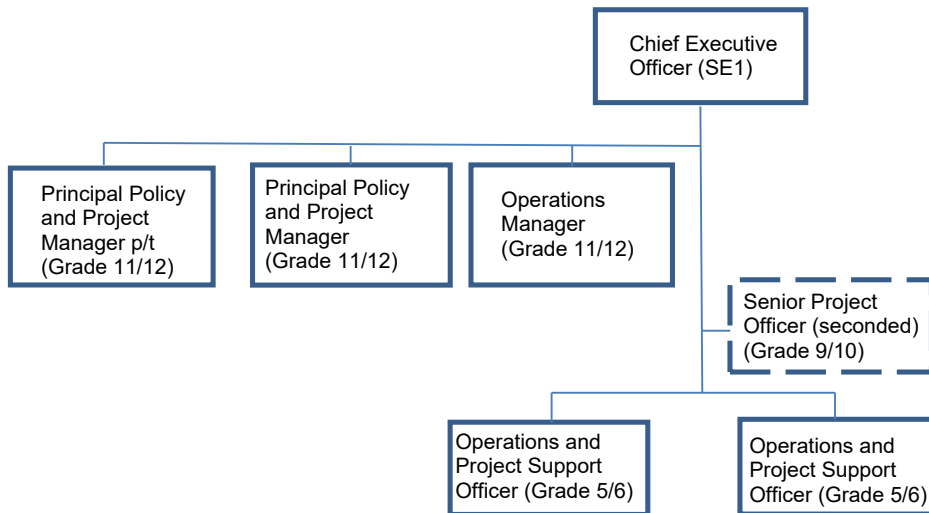
During 2018–2019, the two consultative groups previously established by the CCNSW Board, the Industry Consultative Group (ICG) and the Community and Consumer Consultative Group (CCCG) were endorsed by the CCNSW Board in May 2019 to be re-convened under renewed Terms of Reference and membership terms.

The ICG is a high-level committee, convened to ensure an industry- wide strategic focus on current and emerging issues. This forum provides an efficient approach for CCNSW to understand industry views and enables enhanced decision-making and transparency. The Industry Consultative Group also provides advice regarding cemetery and crematorium policy to the CCNSW Board. The group is comprised of representatives from the funeral industry, Crown cemetery operators, private sector cemetery and crematoria operators and local government. The industry group will be chaired by the CCNSW CEO, Ms Steffanie von Helle.

The CCCG also remains a high-level committee, convened in an advisory capacity to ensure that the diverse views of communities and consumers are taken into account in policy development. The CCCG provides advice from community, cultural, faith, environmental, non-religious and service delivery perspectives to the CCNSW Board, on a range of matters including key objectives of the Act and key priority areas of the CCNSW Strategic Plan 2015-2020. The group previously was comprised of representatives of major religious and cultural groups and included general community members. The group will continue to be chaired by CCNSW Board member, Mr Christopher Zinn.

## Management and structure

During 2018–19, the CCNSW business unit was headed by Ms Catherine Manuel, on secondment from NSW Treasury to October 2018, then by Ms Liz Moore, Ms Ria Pryce and then Ms Steffanie von Helle from 4 March 2019 whose appointment is on an ongoing basis. The CEO leads a small specialist staff as shown in Figure 1 below.



**Figure 1. Business unit structure of CCNSW**

During 2018–19, the key activities of the business unit of CCNSW have focussed on progressing major projects including research and publication of activity data; progressing implementation of the framework underpinning the new interment rights system; and commencement of work on an overall regulatory regime for the interment sector to support the agency’s activities under the Act.

During the year, there were changes in staffing with recruitment undertaken for managerial roles and a new senior project officer position created.

The role of the business unit is to support the Board to implement the various stages of reform in a progressive, staged process while giving effect to the Act.

## Summary review of operations

### Strategic Plan 2015–2020

The Cemeteries and Crematoria NSW Strategic Plan 2015–2020 was launched at Waverley Cemetery in October 2015 by the then Minister for Primary Industries and Minister for Lands, Niall Blair MLC. The plan has a number of key priority areas and deliverables (see Table 2).

**Table 2. Strategic plan priority areas and deliverables**

Priority area	Deliverable
<b>Respect</b>	All people in NSW have access to a range of interment services that preserve dignity and respect and support cultural diversity.
<b>Affordability and sustainability</b>	All people in NSW have access to affordable and sustainable interment options.
<b>Land availability</b>	Sufficient and suitable land is available to meet future demand for interment services.
<b>Governance</b>	All cemetery and crematorium operators in NSW function in a consistent, transparent and accountable manner.

### Priority Actions in 2018-19

During the reporting period, work continued on remaining projects which were either finalised or incorporated into ongoing work. Consumer information in interment services, reports on annual activity surveys of NSW cemeteries and crematoria, monitoring and reporting on the governance and management of the Crown cemetery sector have all been completed.

### Major Projects Launch

CCNSW hosted a 'Major Projects Launch' on 1 August 2018 at the Justice and Police Museum in Sydney. The purpose of the launch was to enhance and build stronger relationships among CCNSW and its stakeholders as well as promote the CCNSW profile. The launch was focussed on the following four major projects and attendees workshopped possible issues which could be included in the scope of these projects:

1. implementation of the new interment rights system under Part 4 of the Act
2. Cemetery Land Working Group
3. implementation of Part 3, regulation of the interment sector
4. Independent Pricing and Regulatory Tribunal (IPART) investigation into interment industry costs under section 145 of the Act.

The launch was attended by cemetery and crematoria operators, local government cemetery operators, key community and religious groups, representatives of other government departments and IPART.

## Implementation of Part 3 including regulation of the interment sector

CCNSW undertook preliminary steps towards the implementation of Part 3 of the Act (Regulation of interment industry) by approving and publishing a Code of Practice for Cemetery and Crematoria Operators, in November 2018. While this code is currently voluntary and dynamic, it is the first step in the staged development of an industry scheme that is envisaged by the legislation (Part 3, Division 3). The groundwork also commenced for the development of CCNSW's strategy to comprehensively exercise its regulatory functions into the future, including the launch of a project to be completed in the year 2019-20.

## Implementing the new interment rights system under Part 4 of the Act

The new interment rights system commenced on 25 June 2018 and CCNSW carried out a number of actions to support the implementation of the new system. From September 2018 onwards a series of regional information workshops for cemetery and crematoria operators were held in multiple locations including Tamworth, Lismore, Port Macquarie (in conjunction with the biannual conference of the Cemeteries and Crematoria Association of NSW), Parramatta, Wollongong, Maitland, Wagga Wagga and Orange. Additional support by teleconference was also organised for cemetery operators in more distant locations with the process concluding in early December 2018.

A range of guides and other resources for industry and consumers were published on the CCNSW website in December 2018 and January 2019 including:

- Guide to the interment rights system in NSW
- Guide to a cemetery operator's register
- Guide to records: certificates and forms
- Guide to heritage advisory committees
- Templates for the interment rights system for cemetery operators
- General Consumer Guide.

In addition, eight Quick Guides in six languages on various interment topics and a listing of religious and community authorities for interment advice was also published on the CCNSW website.

## Investigation into prices and costs in the interment sector by IPART

Concurrent with the proclamation of the new interment rights system, Section 145 of the Act also came into operation which authorises the Independent Pricing and Regulatory Tribunal (IPART) to investigate interment costs and pricing of interment rights in the sector including the funeral industry. The first part of the IPART investigation covers cemetery and crematoria operators and an Issues Paper was published on 6 May 2019. It is expected this first investigation will be completed by the end of 2019 with the funeral industry being reviewed in 2020.

## Review of the Cemeteries and Crematoria Amendment Regulation 2018

The Regulation Committee of the NSW Legislative Council conducted a review of the impact and implementation of the Cemeteries and Crematoria Amendment Regulation 2018 in October 2018. The provisions in this amending regulation support various legislative provisions for the new interment rights system in Part 4 of the Act. Public submissions were invited and a public hearing was held on 21 September 2018. CCNSW provided a range of documents and the then CEO, Catherine Manuel appeared before the Committee. The Committee published its Report on 9 November 2018 which provided three recommendations: first, a public education campaign about the voluntary nature of renewable interment rights be initiated; second, CCNSW publish a contact list of key religious authorities for interment on its website; and third strengthening an existing clause in the Regulation which requires consultation with religious authorities before disturbing human remains. Action has been taken to address two of the three recommendations and one is to be addressed in the review of the Act.

## CCNSW 2017–18 Activity information

Annual activity reporting on cremation and interment services provided in all regions of NSW and by all sectors of industry with the associated information regarding the utilisation level of cemetery land provides essential information to guide planning for the future provision of services to the community of NSW. Data obtained includes over a four-year period (Table 3) and by sector in the most recent statistical reporting year (Table 4).

**Table 3. Whole of NSW, burial and cremation volumes**

Service type	2017-18	2016-17	2015-16	2014-15
	No. of services (%)	No. of services (%)	No. of services (%)	No. of services (%)
Total number of burials	18,335 (32.1%)	18,415 (33.4%)	18,079 (33.3%)	17,883 (33.1%)
Total number of cremations	38,768 (67.9%)	36,704 (66.6%)	36,257 (66.7%)	36,112 (66.9%)
<b>Total number of services</b>	<b>57,103</b>	<b>55,119</b>	<b>54,336</b>	<b>53,995</b>



**Table 4. Burial and cremation volumes by operator sector 2017-18**

Operator sector	No. of burials	% of NSW burials	No. of cremations	% of NSW cremations	Total no. of services	% of NSW total
Local Government	8,486	46.3%	3,010	7.8%	11,496	20.1%
Crown	6,579	35.9%	5,173	13.3%	11,752	20.6%
Private	3,012	16.4%	30,585	78.9%	33,597	58.8%
Church	176	1.0%	0	N/A	N/A	N/A
Community	82	0.4%	0	N/A	82	0.1%
<b>Total number of services</b>	<b>18,335</b>		<b>38,768</b>		<b>57,103</b>	

## Cemeteries and Crematoria Register

During 2018–19 CCNSW continued the ongoing updating of the NSW Cemeteries and Crematoria Register, in accordance with Section 27 of the Act. A public version of the Register is updated each year and published for use by the community and industry.

The Register can be found online at:

<https://www.industry.nsw.gov.au/lands/what-we-do/crown-land/cemeteries-crematoria/locations>

The Register's purpose is to provide public access to information about cemetery and crematorium facilities in NSW, and to identify cemetery and crematorium operators subject to the Act and Regulations. Information on the Register includes:

- a) the name and location of the cemetery or crematorium
- b) the name, address and telephone number of the cemetery or crematorium, and operator details
- c) any other information required by the regulations to be included in the Register.

CCNSW's involvement with NSW cemetery and crematorium operators is centred on operational facilities that are the focus of the Act. Councils operate the great majority of cemetery facilities in regional areas. Cremation services in regions are provided by private operators and by councils, with distribution of facilities generally to regional towns where there is sufficient population and service demand.

During 2018–19 CCNSW continued to refine the Register identifying additional cemeteries, cemetery operators and where necessary determining the current cemetery operator for a site. Many historic cemeteries in rural and regional areas were set aside late in the nineteenth century to provide for towns and villages across New South Wales and become overlooked over time often falling into disuse due to demographic changes, the trustees becoming deceased or the cemetery being in the name of entities that no longer exist, such as former churches or local councils. CCNSW works with current cemetery operators to identify an appropriate future manager for such cemeteries and to ensure these cemeteries are recorded in the Register.

The following table (Table 5) summarises data maintained in the Register in respect of operational cemeteries and crematoria as at June 2019.

**Table 5. Operational cemetery and crematorium facilities in NSW by region – as at 30 June 2019**

Planning region	No of Cemeteries Operational	No of Cemeteries Closed	No of Cemeteries Inactive	No of Crematoria Operational	No of Crematoria Closed
Central Coast	17	5		2	
Central West & Orana	158	88		5	
Far West	39	28		2	
Hunter	178	44		6	
Illawarra Shoalhaven	37	19		4	1
Metropolitan Sydney	128	38	1	13	
New England North West	97	53		4	
North Coast	99	37		11	
Riverina Murray	118	38		7	
South East & Tablelands	130	58		3	
<b>TOTAL</b>	<b>1001</b>	<b>408</b>	<b>1</b>	<b>57</b>	<b>1</b>

## Planning for future cemeteries

CCNSW continued to ensure that cemeteries and crematoria were considered during drafting of various land use planning proposals that were referred to or otherwise reviewed by CCNSW during 2018–19.

In 2019, the Premier requested the Greater Sydney Commission (GSC) to provide advice on the strategic planning considerations for the provision of new cemeteries. The request was made under Section 10 (1)(a) of the *Greater Sydney Commission Act 2015* and the Commission's advice will inform the NSW Government on the key planning criteria to be considered in assessing cemetery proposals. The Commission anticipates reporting to the Premier in the second half of 2019. CCNSW has provided information for this work.

The outcomes of the GSC inquiry will inform CCNSW's collaborative work across government to deliver cemetery capacity in the medium and longer terms.

## Planning and management of existing cemeteries

CCNSW has continued to provide advice for the preparation of plans of management (POM) by cemetery operators during 2018–19. CCNSW has developed a Plans of Management Evaluation Framework for continued use in administration of Section 96 of the Act, which governs only the Crown cemetery operators. The evaluation framework establishes a consistent basis for the regulation of POMs and a common set of requirements which can be used by any cemetery operator not only the Crown sector. The evaluation framework has been provided to cemetery operators on request and was formally gazetted in November 2018.

## Crown cemetery operator reporting

Part 5 of the Act places responsibility on CCNSW for the oversight of the performance of Crown cemetery operators (who are also Crown Land Managers under the Crown Lands Management Act 2016). The governance framework imposes annual reporting requirements for all Crown cemetery operators, except local government operators, including independently audited financial statements. Annual reports must include a report on operations including the operator's strategic plan and any plans of management.

During 2018–19 CCNSW received and evaluated annual reports, financial statements and proposed fees and charges for the metropolitan Crown cemetery operators, and completed follow-up enquiries as appropriate. Crown cemetery operator annual reports may be accessed from the websites of the respective cemetery operators.

The Board of CCNSW has extended the reporting exemption under Part 5 of the Act, granted to the Council-run cemeteries on Crown land, to 2020 due to the extensive equivalent reporting requirements under the Local Government Act 1993 and the Integrated Planning and Reporting framework.

## Regulatory and compliance monitoring activity in 2018–2019

Regulatory activities which were undertaken by CCNSW in 2018–19 are summarised in Table 6, and included:

- the review of the 2018–19 Annual Reports submitted by the metropolitan Crown cemetery operators
- the review of fees and charges set by the metropolitan Crown cemetery operators
- responding to complaints that related to cemetery matters regulated by CCNSW inquiries into the affairs of Crown cemetery operators.

CCNSW was involved in active regulatory inquiries concerning the operations of three Crown cemetery operators during the year. One of these was a voluntary disclosure by the cemetery operator with the other two matters arising from information provided by other persons. Two of these matters have been fully resolved with one matter remaining under active management.

**Table 6. 2018–19 Reporting and compliance data**

<b>Activity - <i>Cemeteries and Crematoria Act 2013</i></b>	<b>2018–19</b>	<b>Section of the Act</b>
<b>Part 3</b>		
Total number of registrations	1,468	S. 27
Cemeteries registered	1,410	S. 27
Crematoria registered	58	S. 27
New registrations in period	92	S. 27
Cemeteries and Crematoria Register publication updates	3	S. 27
Codes of Practice developed	-	S. 28
Codes of Practice approved	1	S. 30
Interment Industry Schemes in effect	-	S. 31
Improvement notices issued	-	S. 33
Improvement notice interventions	-	S. 35
Short Term Orders issued	-	S. 36
Enforceable undertakings in effect	-	S. 39
Enforceable undertaking enforcement actions	-	S. 40
Cemetery/crematoria facility activity performance reports	-	S. 41
<b>Part 5</b>		
Crown cemetery operator Board appointments	3	S. 74
Crown cemetery operator Administrator appointments	1	S. 77
Crown cemetery operator significant event notifications	1	S. 85
Crown cemetery operator Strategic Plans assessed	-	S. 90
Crown cemetery operator Strategic Plans adopted	-	S. 92
Crown cemetery operator Plans of Management assessed	-	S. 93
Crown cemetery operator Plans of Management referred for exhibition	-	S. 95
Crown cemetery operator Plans of Management adopted	-	S. 96
Crown cemetery operator Annual Reports assessed	5	S. 99
Fees and charges interventions	0	S. 107

## Research and development

During 2018-19 two research reports commissioned by CCNSW were completed. These were:

### **Cemetery Land Use – Contribution to Environmental and Heritage Values**

In October 2017, CCNSW engaged Carolyn Tallents, Landscape Architect to undertake a literature review and engagement with selected operators to source information on land management practice, and a report on the demonstrated capacity of metropolitan Sydney cemetery land managers to manage and preserve heritage and environmental site features and values within metropolitan cemeteries. The report has been completed for Government consideration.

### **Sydney Cemetery Supply and Demand Assessment**

In October 2018 CCNSW engaged Urbis Pty Ltd to conduct a Sydney Cemetery Supply and Demand Assessment. The purpose of the study is to build on the Metropolitan Sydney Cemetery Capacity Report (published November 2017) and to identify:

- the projected number of additional grave sites that will be required in Sydney over the next 100 years;
- identify catchments of major cemeteries within Sydney and assess when burial space is projected to be exhausted in each catchment;
- identify key areas in Sydney facing cemetery space shortages; and
- identify sites within Sydney that meet the key criteria for new cemeteries.

A draft report has been prepared for Government consideration.

## Legal changes

Consequential amendments to the Act commenced from 1 July 2018. The consequential amendments were a result of the commencement of the *Crown Lands Management Act 2016* (the CLM Act) on this date. The changes primarily related to how managers of Crown cemeteries are appointed and manage cemeteries under Crown land legislation. Those parts of the Act relating to cemeteries on Crown land and Crown cemetery operators were amended to align terminology and the application of the legislation with the CLM Act.

The CLM Act is a new Act, relating to the management of Crown land and applies to cemeteries on Crown land and Crown cemetery operators. Crown cemetery operators became 'Crown land managers' under the CLM Act.

There were no amendments to the provisions of the Act that relate to other cemetery and crematoria operators such as private, church, community and local council-owned cemeteries and crematoria and their operators. There were also no changes to burial rights or how consumers use and access cemeteries on Crown land as part of the CLM Act.

Section 5(2) of the Act states that if a provision is made both under the CLM Act and the Act in relation to the exercise of functions of a Crown cemetery operator in the same or substantially the same circumstances, the function is not exercisable under the CLM Act. Facts sheets were made available on the CCNSW website to explain the amendments.

Part 4 of the Act commenced on 25 June 2018, with a 12-month transition period to June 2019. Part 4 introduces a new interment rights system in NSW. The transition period enabled implementation in a measured and systematic manner. Part 4 of the C&C Act applies to all cemeteries in NSW, ensuring a consistent and transparent system throughout NSW.

CCNSW maintains a legislative and regulatory compliance register and any changes applicable to the agency are reported to the Board on an annual basis or more frequently if required.

## Workforce diversity, multicultural and disability policies

During 2018-19, CCNSW staff were employed by the Department of Industry and the agency was part of the Lands & Water Division of the department. CCNSW falls under departmental policies in respect of disability inclusion plans, workforce diversity, multicultural policies and services program. The agency was covered under the Work, Health and Safety Strategic Plan of Crown Lands in the Lands & Water Division of the Department. The agency has only six and a half FTE staff with 16% of the workforce having a non-English speaking background.

## Human resources

In accordance with the Act, CCNSW does not directly employ staff. Staff were engaged by the NSW Department of Industry and domiciled within the Department of Industry-Lands & Water Division during 2018–19. The composition and salary bands of staff are shown in the table below (Table 7).

**Table 7. Staff composition and salary levels**

Salary Level	\$0– \$41,679	\$41,679– \$54,742	\$54,742– \$61,198	\$61,198– \$77,441	\$77,441– \$100,145	\$100,145– \$125,181	\$125,181> Non-ES	\$125,181> ES	Total
Female					2	1#		1	4
Male							2.5		2.5
<b>Total</b>					<b>2</b>	<b>1#</b>	2.5	1	6.5

# seconded officer

\*ES: refers to the Executive Service of the NSW Public Service

Staff turnover during 2018–19 were three members of staff or 46% of total headcount.

## Numbers and remuneration of senior executives

The total number of executives employed at the end of the 2018–19 financial year was 1 being the Chief Executive Officer (see Table 8).

**Table 8. Number and remuneration of senior executives**

	Band	Female	Male	TRP band (\$)
2017-18	SE1	1	-	\$183,300-\$261,950
2018-19	SE1	1	-	\$187,000-\$268,000

## Compensation paid to Key Management Personnel

In accordance with AASB 124, CCNSW is required to disclose compensation paid to those persons (defined as Key Management Personnel) who have the authority and responsibility for planning, directing and controlling the activities of the agency, directly or indirectly. The financial statements provide the required information.

## Consultants

Consultant use by CCNSW is recorded in Tables 9 and 10. A number of major projects commenced in mid-2019, with the bulk of delivery planned for FY 2019/20. None of the commencement payments exceeded \$50,000, and the overall commitments for these projects will be recorded in the next annual report. They are outlined below:

- RECAP Consultants was appointed to work with CCNSW in developing CCNSW's best practice regulatory policy and framework, establish its regulatory priorities and to confidently exercise its regulatory functions into the future. This project is due to be completed in the year 2019/20.
- UTS Institute for Sustainable Futures was appointed to deliver research and analysis services for the CCNSW project, Future interment in NSW: a study of new and innovative models for managing human remains in the 21st century and beyond.

The study commenced in June 2019 and will scope existing alternative and environmentally sustainable interment models around the world and highlight innovative practices that have feasibility in the future for NSW.

- Urbis was appointed to deliver communication strategy, research and analysis services for the CCNSW project, Strategies for education and public awareness campaigns: Cemeteries & Crematoria NSW communication needs. The project commenced in June 2019 and will provide communication and engagement strategies to improve understanding about cemetery land availability, cemetery proposals and interment rights, and empower the public to make death-related arrangements.
- Locale Consulting was appointed to develop a Voluntary Code of Cemetery Maintenance in June 2019. A priority action in the CCNSW Strategic Plan 2015-2020 commits CCNSW to 'develop and publish best practice approaches for maintaining cemetery grounds and facilities that take into account community expectations and the diverse scale and nature of facilities in NSW'. The Code is expected to be completed in late 2019.

### Consultants over \$50,000

**Table 9. Consultants over \$50,000**

Consultant	Costs \$	No of engagements
Executive recruitment for Board members	\$61,989	2
<b>Total</b>	<b>\$61,98912</b>	<b>2</b>

## Consultants under \$50,000

**Table 10. Consultants under \$50,000**

Consultant	Costs \$	No of engagements
Heritage review	\$28,600	1
Investigations	\$28,185	2
Cemetery supply and demand assessment	\$34,238	1
<b>Total</b>	<b>\$91,023</b>	<b>4</b>

## Promotion—Overseas travel

There were no overseas visits by staff of CCNSW during 2018–19.

## Consumer response

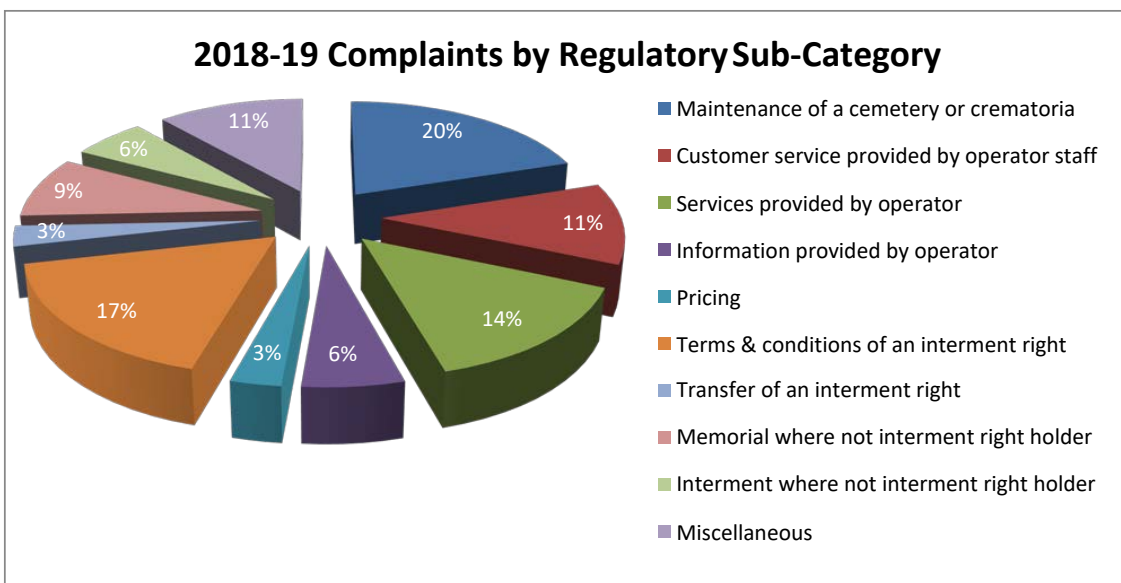
CCNSW has a customer service charter and publicly available complaints management policy and procedure which are published on the agency's website. During 2018-19 a number of consumer complaints regarding cemetery operators were received and acted upon. Consumers are encouraged first to contact the cemetery or crematoria operator to resolve the matter. CCNSW only has specific power to direct resolution where the complaint is in relation to the Act or provisions in Crown lands legislation that relate to cemeteries on Crown land. CCNSW can oversee and work with a cemetery or crematoria operator to resolve a complaint consistent with best practice and community expectations.

The total number of complaints in 2018–19 was 35. The categories of complaint are shown in Table 11 and Figure 2.



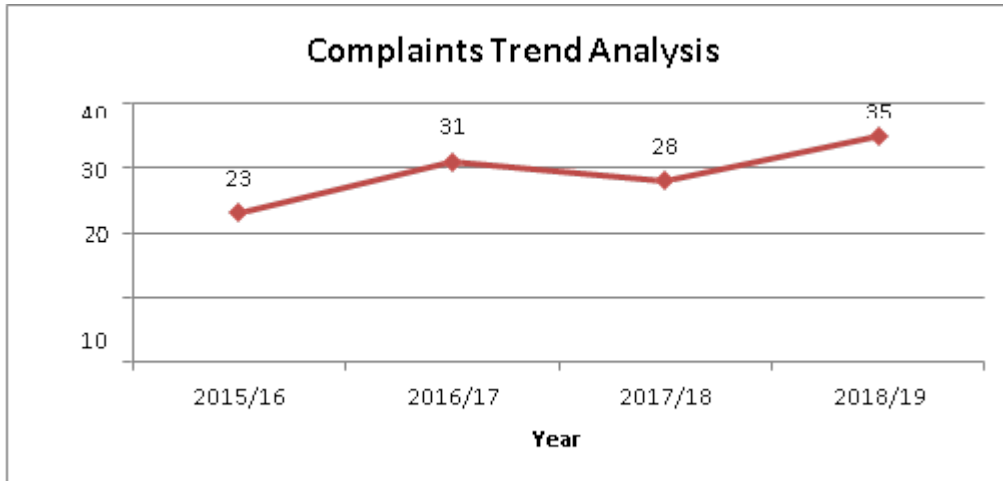
**Table 11. Categorisation of complaints by sub-category 2018-19**

Category	Sub-classification	Number	
<b>Regulatory</b>	Maintenance of a cemetery or crematoria	7	
	Customer service provided by operator staff	4	
	Services provided by operator	5	
	Information provided by operator	2	
	Pricing	1	
	Terms & conditions of an interment right	6	
	Transfer of an interment right	1	
	Memorial where not interment right holder	3	
	Interment where not interment right holder	2	
	Miscellaneous	4	
	<b>Total number of complaints 2018–19 (regulatory)</b>	<b>35</b>	
	<b>Governance</b>	-	0
	<b>Total number of complaints 2018–19 (governance)</b>	<b>0</b>	



**Figure 2. Categorisation of complaints by regulatory sub-category 2018-19**

The trend of complaints received by CCNSW has remained constant (Figure 3). All of the complaints were of a regulatory nature and seven of these were received as representations direct to the Minister from Members of Parliament.



**Figure 3. Complaint trends 2015-16 to 2018-19**

During 2018–19 there were 14 representations to the Minister (the Hon Paul Toole MP to March 2019, thereafter the Hon Melinda Pavey MP) in their capacity as Minister for Lands which were related to cemeteries and crematoria matters.

## Payment of accounts

Various accounting and corporate services, including account payments, were provided to CCNSW by the Department of Industry through its Corporate Partnerships Division. CCNSW operates under a formal corporate and shared services agreement with the Division which covers all corporate functions and services including legal advice.

Reporting on account payment performance is provided at a Departmental level. Under Machinery of Government changes this arrangement will revert to the newly created Department of Planning, Industry and Environment from 1 July 2019.

## Risk management and insurance activities

CCNSW is located at 10 Valentine Avenue, Parramatta, NSW 2150 - formerly part of the Department of Industry but now the Department of Planning, Industry and Environment. Risk management is jointly managed at an agency and departmental level with insurance covered at a departmental level.

## Work, health and safety

CCNSW was represented on the Department of Industry— Lands, Work Health and Safety committee and is included in the Crown lands Work Health and Safety Plan. CCNSW has contributed to the WHS risk register for Lands and the annual workplace inspection was conducted at the agency's office at 10 Valentine Avenue, Parramatta in December 2018.

## Budget

The budget for CCNSW is broken down in Table 12.

**Table 12. CCNSW Budget 2018–2019**

Expenditure area	Function of budget allocation	Actuals 2018-19	Total budget 2018–19
Employee related	Salaries and board remuneration	1,214,566	1,311,000
Consultants	Research and development, investigations and projects	123,228	715,011
Advertising & promotion	Website development, recruitment and reporting printing	-	10,000
Travel & entertainment	Travel, airfares, car parking, taxi/public transport catering and accommodation	14,183	11,004
Occupancy & maintenance	Property and utilities	69,957	96,012
Training and development	Staff professional development	26,347	21,000
Legal fees	Legal fees	28,986	-
Other operating expenses	Audit fees, printing, translations postage & couriers, motor vehicle, stationery & office consumables, subscriptions	135,595	40,001
Other fees	Events, computer leasing, computer software, conference seminar, membership, other fees, equipment & furniture hire	5,787	58,000
<b>Total</b>		<b>1,618,649</b>	<b>2,262,028</b>

## Privacy

CCNSW complies with the Privacy and Personal Information Protection Act 1998 through the use of privacy declarations and restricted access to personal information. CCNSW only collects personal information for a lawful purpose which directly relates to our primary regulatory function as a NSW Government agency and such information is secured with restricted access. CCNSW will not disclose personal information to any party without the information owner's consent unless legally required to do so.

## Public Interest Disclosures

There were no public disclosures under the Public Interest Disclosures Act 1994 during 2018–19.

## Applications under the *Government Information (Public Access) Act 2009*

During 2018–19 CCNSW provided information and records to the Department of Industry for formal applications for information made under the *Government Information (Public Access) Act 2009* (the GIPA Act). The Department of Industry centrally manages and determines the release of information under the GIPA Act.

## Digital information security policy

Digital information and information systems security is encompassed on platforms by the NSW Department of Industry with CCNSW data and information is held on the servers of the Department of Industry. The agency has no independent information and communications technology function, and complies with IT security directives and protocols as required by the Department of Industry.

## Issues of significance raised by the Auditor-General

No issues of significance were raised by the Auditor-General during the audit of Cemeteries & Crematoria NSW for 2018–2019.

## Annual Report cost and availability

The CCNSW Annual Report 2018–19 has been prepared in compliance with Premier's Memorandum 2013–09 with zero external cost. The Annual Report 2018–19 is available on the CCNSW website and on the NSW Government's OpenGov NSW website. Electronic copies have been deposited with State Library of NSW, NSW Parliamentary Library and the National Library of Australia.

## Appendices

- Independent Auditor's Report
- Financial Statements 2018–19

# Independent Auditor's Report



## INDEPENDENT AUDITOR'S REPORT

### Cemeteries and Crematoria NSW

To Members of the New South Wales Parliament

#### Opinion

I have audited the accompanying financial statements of Cemeteries and Crematoria NSW (CCNSW), which comprise the Statement of Comprehensive Income for the year ended 30 June 2019, the Statement of Financial Position as at 30 June 2019, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a Summary of Significant Accounting Policies and other explanatory information.

In my opinion, the financial statements:

- give a true and fair view of the financial position of CCNSW as at 30 June 2019, and of its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

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

#### Basis for Opinion

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

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

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

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

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

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

## Other Information

CCNSW's annual report for the year ended 30 June 2019 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The members of the Board of CCNSW are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Statement by Chair and Chief Executive Officer.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

## The Board and Chief Executive's Responsibilities for the Financial Statements

The members of the Board of CCNSW and the Chief Executive are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the members of the Board and the Chief Executive determine is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of the Board and the Chief Executive are responsible for assessing the ability of CCNSW to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). The description forms part of my auditor's report.

My opinion does *not* provide assurance:

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



C J Giumelli  
Director, Financial Audit Services

Delegate of the Auditor-General for

New South Wales

10 October 2019  
SYDNEY



# Financial Statements 2018–19

# Cemeteries and Crematoria NSW

## Financial Statements

JUNE 2019

**CEMETERIES AND CREMATORIA NSW  
STATEMENT BY CHAIR AND CHIEF EXECUTIVE OFFICER**

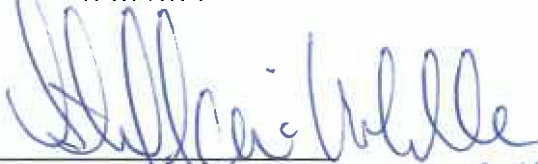
Pursuant to section 41C (1B) and (1C) of the *Public Finance and Audit Act 1983*, we state that:

- (a) the accompanying financial statements have been prepared in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations), the provisions of the *Public Finance and Audit Act 1983*, the applicable clauses of the *Public Finance and Audit Regulation 2015*, and the Treasurer's Directions issued under the Act;
- (b) the accompanying financial statements exhibit a true and fair view of the financial position and the financial performance of Cemeteries and Crematoria NSW for the year ended 30 June 2019;
- (c) at the date of signing we are not aware of any circumstances that would render the financial statements misleading or inaccurate.



Dr Stepan Kerkyasharian AO  
Chair

Date: 8 10 2019



Steffanie Von Helle  
Chief Executive Officer

8.10.19

Date:

## Beginning of audited financial statements

## CEMETERIES AND CREMATORIA NSW

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 \$	2018 \$
<b>Expenses excluding losses</b>			
Personnel services	2(a)	1,214,566	1,125,433
Other operating expenses	2(b)	404,083	250,476
<b>Total Expenses excluding losses</b>		<b>1,618,649</b>	<b>1,375,909</b>
<b>Revenue</b>			
Retained levies	3(a)	644,060	672,780
Investment revenue	3(b)	27,417	26,043
In-kind contribution - Department of Industry	3(c)	911,087	677,086
Other revenue	3(d)	36,085	-
<b>Total Revenue</b>		<b>1,618,649</b>	<b>1,375,909</b>
<b>Net Result</b>	7	-	-
<b>Total other comprehensive income</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>

The accompanying notes form part of these financial statements.

**CEMETERIES AND CREMATORIA NSW**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019**

	Notes	2019 \$	2018 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	1,840,329	1,835,494
Receivables	5	167,462	210,359
<b>Total Current Assets</b>		<b>2,007,791</b>	<b>2,045,853</b>
<b>Total Assets</b>		<b>2,007,791</b>	<b>2,045,853</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	6	382,274	420,336
<b>Total Current Liabilities</b>		<b>382,274</b>	<b>420,336</b>
<b>Total Liabilities</b>		<b>382,274</b>	<b>420,336</b>
<b>Net Assets</b>		<b>1,625,517</b>	<b>1,625,517</b>
<b>EQUITY</b>			
Accumulated funds		1,625,517	1,625,517
<b>Total Equity</b>		<b>1,625,517</b>	<b>1,625,517</b>

The accompanying notes form part of these financial statements.

**CEMETERIES AND CREMATORIA NSW**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019**

	Note	Accumulated Funds \$	Total Equity \$
<b>Balance at 1 July 2018</b>		1,625,517	1,625,517
Net result for the year		-	-
<b>Balance at 30 June 2019</b>		<u>1,625,517</u>	<u>1,625,517</u>
<b>Balance at 1 July 2017</b>		1,625,517	1,625,517
Net result for the year		-	-
<b>Balance at 30 June 2018</b>		<u>1,625,517</u>	<u>1,625,517</u>

The accompanying notes form part of these financial statements.

**CEMETERIES AND CREMATORIA NSW**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Personnel services		(322,040)	(322,219)
Other		(397,737)	(183,006)
<b>Total Payments</b>		<u>(719,777)</u>	<u>(505,225)</u>
<b>Receipts</b>			
Retained levies		661,111	631,823
Interest received		27,417	39,326
Other		36,084	-
<b>Total Receipts</b>		<u>724,612</u>	<u>671,149</u>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	7	<u>4,835</u>	<u>165,924</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
Opening cash and cash equivalents		1,835,494	1,669,570
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	4	<u>1,840,329</u>	<u>1,835,494</u>

The accompanying notes form part of these financial statements.

**CEMETERIES AND CREMATORIA NSW****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(a) Reporting entity**

Cemeteries and Crematoria NSW (Cemeteries) is a separate reporting entity constituted under the *Cemeteries and Crematoria Act 2013* to assess current and future interment needs and develop planning strategies for cemetery space to meet those needs. Cemeteries is a not-for-profit entity (as profit is not its principal objective) and does not have a cash generating unit. Cemeteries was established on 1 November 2014.

Cemeteries and Crematoria NSW is a NSW Government entity and is controlled by the State of New South Wales.

A Cemeteries and Crematoria NSW Fund (the Cemeteries Agency Fund) has been established into which is to be paid the following:

- (a) all money advanced to the Cemeteries Agency by the Treasurer or appropriated by Parliament for the purposes of the Cemeteries Agency,
- (b) all money directed or authorised to be paid into the Cemeteries Agency Fund by or under this or any other Act,
- (c) levies or other payments made under section 24 of the *Cemeteries and Crematoria Act 2013*,
- (d) payments directed to be paid to the Cemeteries Agency under section 40 of the *Cemeteries and Crematoria Act 2013*,
- (e) the proceeds of the investment of money in the Cemeteries Agency Fund,
- (f) all money received by the Cemeteries Agency from any other source.

Money may be paid from the Cemeteries Agency Fund for the following purposes:

- (a) enabling the Cemeteries Agency to exercise its functions,
- (b) the acquisition of land under section 14 of the *Cemeteries and Crematoria Act 2013*.

All expenditure incurred by the Cemeteries Agency is to be paid from the Cemeteries Agency Fund.

These financial statements for the year ended 30 June 2019 have been authorised for issue by the Chair and Chief Executive Officer on the date the accompanying statement by the Chair and Chief Executive Officer was signed.

**(b) Basis of preparation**

Cemeteries financial statements are general purpose financial statements which have been prepared on an accrual basis in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2015* and
- Treasurer's Directions issued under the Act.

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

All amounts are rounded to the nearest dollar and are expressed in Australian currency.

**(c) Statement of compliance**

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

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

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

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

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables respectively.

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

**(e) Services provided by Department of Industry**

The Department of Industry provides the following services to Cemeteries free of charge:

- financial statement preparation



## CEMETERIES AND CREMATORIA NSW

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(f) Comparative information**

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

**(g) Adoption of new and revised accounting standards**

The accounting policies applied in the preparation of this financial report are consistent with those of the previous financial year unless otherwise stated. The following new Australian Accounting Standards are mandatorily applicable for the first time at 30 June 2019 and have not had any material effect on the accounting policies adopted by Cemeteries:

- AASB 9 *Financial Instruments* (1 July 2018)
- AASB 2016-6 *Amendments to Australian Accounting Standards - Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts* (1 July 2018)
- AASB 2017-3 *Amendments to Australian Accounting Standard - Clarifications to AASB 4* (1 July 2018)

**(h) Changes in accounting policies, including new or revised Australian Accounting Standards***(i) Effective for the first time in 2018-19*

Cemeteries has adopted AASB 9 *Financial Instruments* (AASB 9), which resulted in changes in accounting policies in respect of recognition, classification and measurement of financial assets and financial liabilities; derecognition of financial instruments and impairment of financial assets. AASB 9 also significantly amends other standards dealing with financial instruments such as the revised AASB 7 *Financial Instruments: Disclosures* (AASB 7R).

Cemeteries applied AASB 9 retrospectively but has not restated the comparative information which is reported under AASB 139 *Financial Instruments: Recognition and Measurement* (AASB 139).

Cemeteries' classification and measurement of financial assets and financial liabilities under AASB 9 is substantially the same as in AASB 139. There were no differences recognised in accumulated funds and other components of equity in adopting AASB 9.

*Classification and measurement of financial instruments*

On 1 July 2018 (the date of initial application of AASB 9), Cemeteries' management has assessed which business models apply to the financial assets held by the entity and has classified its financial instruments into the appropriate AASB 9 categories.

Under AASB 9, subsequent measurement of debt financial assets is based on assessing the contractual cash flow characteristics of the debt instrument and Cemeteries' business model for managing the instrument.

The assessment of Cemeteries' business model was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of AASB 9 did not have a significant impact to Cemeteries. Cemeteries continued measuring at fair value, all financial assets previously held at fair value under AASB 139.

The following are the changes in the classification of Cemeteries' financial assets:

- Trade and other financial assets classified as 'Loans and receivables' under AASB 139 as at 30 June 2018 are held to collect contractual cash flows representing solely payments of principal and interest. At 1 July 2018, these are classified and measured as debt instruments at amortised cost.
- Cemeteries has not designated any financial liabilities at fair value through profit or loss. There are no changes in the classification and measurement for Cemeteries' financial liabilities.

## CEMETERIES AND CREMATORIA NSW

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## (h) Changes in accounting policies, including new or revised Australian Accounting Standards (continued)

*(ii) Issued but not yet effective*

The following new Australian Accounting Standards have been issued but are not yet effective. NSW Public Sector entities are not permitted to early adopt new Australian Accounting standards unless Treasury determines otherwise. The Trust has not early adopted any of these new standards or amendments. When applied in future periods, they are not expected to have a material impact on the financial position or performance.

- AASB 16 *Leases* (1 July 2019)
- AASB 2018-8 *Amendments to Australian Accounting Standards - Right-of-use Assets of Not-for-profit-Entities* (1 January 2019)
- AASB 15 *Revenue from Contracts with Customers* (1 July 2019)
- AASB 2016-3 *Amendments to Australian Accounting Standards – Clarifications to AASB 15* (1 July 2019)
- AASB 2016-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities* (1 July 2019)
- AASB 2018-4 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensors* (1 January 2019)
- AASB 1058 *Income of Not-for-Profit Entities* (1 July 2019)
- AASB 1059 *Service Concession Arrangements - Grantors* (1 July 2019)
- AASB 2017-1 *Amendments to Australian Accounting Standards - Transfer of Investment Property, Annual Improvements 2014 -2016 Cycle and Other Amendments* (1 July 2019)
- AASB 2017-6 *Amendments to Australian Accounting Standards - Prepayment Features with Negative Compensation* ( 1 July 2019)
- AASB 2018-1 *Annual Improvements to IFRS Standards 2015-2017 Cycle* (1 January 2019)
- AASB 2018-3 *Amendments to Australian Accounting Standards - Reduced Disclosure Requirements* (1 January 2019)
- AASB 2018-6 *Amendments to Australian Accounting Standards - Definition of a Business* (1 January 2020)
- AASB 2018-7 *Amendments to Australian Accounting Standards - Definition of Material* (1 January 2020)
- AASB 17 *Insurance Contracts* (1 January 2021)

## CEMETERIES AND CREMATORIA NSW

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

**2. EXPENSES EXCLUDING LOSSES**

	2019	2018
	\$	\$
<b>(a) Personnel services expenses include the following:</b>		
Personnel services		
Board members salaries	121,499	155,000
Salaries and wages (including annual leave)	936,572	817,152
Superannuation - defined contribution benefits	87,371	94,051
Payroll tax	61,009	59,230
Workers' compensation insurance	8,115	-
	<b>1,214,566</b>	<b>1,125,433</b>
<b>(b) Other operating expenses include the following:</b>		
Advertising and promotion	-	1,950
Assets under \$5,000	1,588	6,606
Auditor's remuneration – audit of financial statements	13,450	13,120
Catering	6,846	2,673
Computer software fees	2,186	844
Consultancy	212,618	101,000
Contractors and other fees	14,947	2,761
Consumables	795	299
Legal - other	28,986	3,662
Motor vehicle expenses	579	1,253
Operating lease rental expense – minimum lease payments	69,957	88,537
Other operating	1,485	4,039
Printing	14,242	6,722
Stationery & office supplies	2,169	2,006
Telecommunication	471	1,468
Training and staff development	26,347	6,276
Travel	7,417	7,260
	<b>404,083</b>	<b>250,476</b>

**Recognition and Measurement****Operating leases**

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

**Insurance**

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

## CEMETERIES AND CREMATORIA NSW

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## 3. REVENUES

## Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Comments regarding the accounting policies for the recognition of income are discussed below.

	2019	2018
	\$	\$
<b>(a) Retained levies</b>		
Crown Cemeteries levy	644,060	672,780
	<b>644,060</b>	<b>672,780</b>

## Recognition and Measurement

**Retained levies**

Retained levy revenue is based on interment and cremation figures at the end of each quarter when amounts can be reliably measured.

	2019	2018
	\$	\$
<b>(b) Investment revenue</b>		
Interest	27,417	26,043
	<b>27,417</b>	<b>26,043</b>

## Recognition and Measurement

**Interest income**

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

	2019	2018
	\$	\$
<b>(c) In kind contributions - Department of Industry</b>		
Personnel services contribution	911,087	677,086
	<b>911,087</b>	<b>677,086</b>

## Recognition and Measurement

**Personnel services**

Cemeteries do not have any employees and receives administrative, secretarial support and operational assistance from Department of Industry. Cemeteries has an arrangement with Department of Industry to reimburse them for a proportion of personnel services. The proportion is calculated based on achievement of a break-even net result.

	2019	2018
	\$	\$
<b>(d) Other revenue</b>		
Recoup administrative fees	36,085	-
	<b>36,085</b>	-

## CEMETERIES AND CREMATORIA NSW

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

**4. CURRENT ASSETS - CASH AND CASH EQUIVALENTS**

	2019	2018
	\$	\$
Cash at bank and on hand	1,840,329	1,835,494
	<b>1,840,329</b>	<b>1,835,494</b>

For the purpose of the statement of cash flows, cash and cash equivalents include cash at bank, cash on hand, and short term deposits.

Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows as follows:

Cash and cash equivalents (per statement of financial position)	1,840,329	1,835,494
Closing cash and cash equivalents (per statement of cash flows)	<b>1,840,329</b>	<b>1,835,494</b>

Refer Note 9 for details regarding credit risk and market risk arising from financial instruments.

**5. CURRENT ASSETS - RECEIVABLES**

	2019	2018
	\$	\$
<b>CURRENT</b>		
Accrued income	161,741	164,654
Trade debtors	-	35,787
Net GST receivable	5,721	9,918
	<b>167,462</b>	<b>210,359</b>

Details regarding credit risk of trade debtors that are neither past due nor impaired, are disclosed in Note 9.

**Recognition and Measurement**

All 'regular way' purchases or sales of financial asset are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

**Subsequent measurement under AASB 9 (from 1 July 2018)**

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

**Subsequent measurement under AASB 139 (for comparative period ended 30 June 2018)**

Subsequent measurement is at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

**6. CURRENT LIABILITIES - PAYABLES**

	2019	2018
	\$	\$
<b>CURRENT</b>		
Accruals	59,669	105,112
Accruals - salaries and wages	533	1,061
Creditors	4,192	-
Creditors - Department of Industry	317,880	314,163
	<b>382,274</b>	<b>420,336</b>

Details regarding liquidity risk, including a maturity analysis of the above payables are disclosed in Note 9.

**Recognition and measurement**

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

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

## CEMETERIES AND CREMATORIA NSW

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## 7. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

	2019	2018
	\$	\$
<b>Net cash used on operating activities</b>	<b>4,835</b>	<b>165,924</b>
Increase / (decrease) in receivables	(42,897)	34,159
Decrease / (increase) in creditors	38,062	(200,083)
<b>Net result</b>	<b>-</b>	<b>-</b>

## 8. ACCUMULATED FUNDS

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

## 9. FINANCIAL INSTRUMENTS

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

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

The Chair has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by Cemeteries, to set risk limits and controls and to monitor risks.

## (a) Financial instrument categories

(i) As at 30 June 2019 under AASB 9<sup>3</sup>

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
			2019	2018
Class:			\$	\$
Cash and cash equivalents	4	N/A	1,840,329	
Receivables <sup>1</sup>	5	Amortised cost	-	
Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
			2019	2018
Class:			\$	\$
Payables <sup>2</sup>	6	Financial liabilities measured at amortised cost	382,274	

## Notes

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).
3. Comparatives not required (shaded area).

## CEMETERIES AND CREMATORIA NSW

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## 9. FINANCIAL INSTRUMENTS (continued)

## (a) Financial instrument categories (continued)

(ii) As at 30 June 2018 under AASB 139 (comparative period) <sup>3</sup>

Financial Assets	Note	Category	Carrying Amount 2019	Carrying Amount 2018
Class:			\$	\$
Cash and cash equivalents	4	N/A		1,835,494
Receivables <sup>1</sup>	5	Loans and receivables (at amortised cost)		35,787

Financial Liabilities	Note	Category	Carrying Amount 2019	Carrying Amount 2018
Class:			\$	\$
Payables <sup>2</sup>	6	Financial liabilities measured at amortised cost		420,336

**Notes**

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).
3. Comparatives not required (shaded area).

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

**(b) Derecognition of financial assets and financial liabilities**

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

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

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

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

**(c) Financial risks****(i) Credit risk**

Credit risk arises when there is the possibility of Cemeteries' debtors defaulting on their contractual obligations, resulting in a financial loss to Cemeteries. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the entity, including cash, receivables, and authority deposits. No collateral is held by Cemeteries. Cemeteries has not granted any financial guarantees.

Credit risk associated with the entity's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Cemeteries has no deposits held with NSW TCorp.

*Cash and cash equivalents*

Cash comprises cash on hand and bank balances within NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average Tcorp 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

## CEMETERIES AND CREMATORIA NSW

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

**9. FINANCIAL INSTRUMENTS (continued)****(c) Financial risks (continued)**

*Accounting policy for impairment of trade debtors and other financial assets under AASB 9*

*Receivables - trade debtors*

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand.

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

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

The expected loss rates are based on historical observed loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade debtors are written off when there is no reasonable expectation of recovery.

There was no allowance for expected credit losses for the trade debtors as at 30 June 2019.

*Accounting policy for impairment of trade debtors and other financial assets under AASB 139 (comparative period only).*

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debtors which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors.

Cemeteries had no financial assets past due or impaired as at 30 June 2018.

**(ii) Liquidity risk**

Liquidity risk is the risk that Cemeteries will be unable to meet its payment obligations when they fall due. Cemeteries continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of loans and other advances.

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

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Head of an authority (or a person appointed by the Head of an authority) may automatically pay the supplier simple interest. The rate of interest applied during the year was 0% (2018– 0%).



## CEMETERIES AND CREMATORIA NSW

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## 9. FINANCIAL INSTRUMENTS (continued)

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

**Maturity analysis and interest rate exposure of financial liabilities**

	Weighted Average Effective Int. Rate	Nominal Amount <sup>1</sup> \$	Interest Rate exposure			Maturity Dates		
			Fixed Int. Rate \$	Variable Int. Rate \$	Non-interest Bearing \$	< 1 yr	1 - 5 yrs	> 5 yrs
<b>2019</b>								
Payables	0.0%	382,274	-	-	382,274	382,274	-	-
		<b>382,274</b>	-	-	<b>382,274</b>	<b>382,274</b>	-	-
<b>2018</b>								
Payables	0.0%	420,336	-	-	420,336	420,336	-	-
		<b>420,336</b>	-	-	<b>420,336</b>	<b>420,336</b>	-	-

**Notes:**

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

## (iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Cemeteries' exposure to market risk are primarily through interest rate risk on Cemeteries' bank balance.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the entity operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position reporting date. The analysis is performed on the same basis as for 2018. The analysis assumes that all other variables remain constant.

*Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through Cemeteries' cash balances and loan receivables. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

Cemeteries exposure to interest rate risk is set out below.

	Carrying Amount \$	-1% Result \$	Equity \$	+1% Result \$	Equity \$
<b>2019</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	1,840,329	(18,403)	(18,403)	18,403	18,403
<b>Financial Liabilities</b>					
Payables	382,274	-	-	-	-
<b>2018</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	1,835,494	(18,355)	(18,355)	18,355	18,355
Receivables	35,787	-	-	-	-
<b>Financial Liabilities</b>					
Payables	420,336	-	-	-	-

*Other price risk - Tcorp Hour Glass Investment facilities*

Cemeteries holds no units in Hour-Glass investment trusts.

**CEMETERIES AND CREMATORIA NSW****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019****9. FINANCIAL INSTRUMENTS (continued)****(d) Fair value measurement****(i) Fair value compared to carrying amount**

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value, because of the short-term nature of many of the financial instruments.

**10. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Cemeteries is unaware of the existence of any contingent assets or liabilities as at balance date, except for a dispute over general levies received from one of their customers. The maximum liability is estimated not to exceed \$180,000.

**11. COMMITMENTS**

	2019	2018
	\$	\$
<b>Operating lease commitments</b>		
Future non-cancellable operating lease rentals not provided for and payable not later than 1 year	19,422	-
Later than 1 year, but not later than 5 years	—	—
	—	—
	<u>—</u>	<u>—</u>

Commitments above include input tax credits of \$2,354 (2018: NIL) that are expected to be recovered from the Australian Taxation Office.

**12. RELATED PARTY DISCLOSURE**

During the period, Cemeteries expensed \$369,864 (2018: \$376,091) in respect of the key management personnel services that are provided by a separate management entity, Department of Industry. Of the \$369,864 (2018: \$376,091) expensed \$162,857 (2018: \$151,937) was provided in-kind and equal revenue recognised.

During the year, Cemeteries did not enter into transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

During the year, Cemeteries entered into transactions with other entities that are controlled / jointly controlled / significantly influenced by NSW Government. These transactions (incurred in the normal course of business) in aggregate are a significant portion of Cemeteries revenue and expenses, and the nature of these significant transactions are detailed below;

Entity	Nature of Transaction
Audit Office of NSW	Provision of independent audit services of Cemeteries financial statements
Department of Industry	Provision of administrative, secretarial support and operational assistance
Crown Solicitors Office of NSW	Provision of legal services
Multicultural NSW	Provision of translation services
Department of Finance, Services and Innovation	Provision of valuation services
Southern Metropolitan Cemeteries Land Manager	Levies received based on interment and cremation services
Catholic Metropolitan Cemeteries Trust	Levies received based on interment and cremation services
Northern Metropolitan Cemeteries Land Manager	Levies received based on interment and cremation services
Rookwood General Cemeteries Reserve Land Manager	Levies received based on interment and cremation services

**13. EVENTS AFTER REPORTING DATE**

On 1 July 2019 the Department of Industry was abolished and a new Department of Planning, Industry and Environment was established. All the payables to and receivables from Department of Industry as at 30 June 2019 are payable to and receivable from the Department of Planning, Industry and Environment.

Other than the event noted above, there are no events subsequent to the balance that affect the financial information disclosed in these financial statements.

**End of audited financial  
statements.**