State Transit Authority

Annual Report

Volume 2

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NSW GOVERNMENT

INDEPENDENT AUDITOR'S REPORT

State Transit Authority of NSW

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the State Transit Authority of NSW (the Authority), 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 the Authority as at 30 June 2019, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *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 the Authority 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

The Authority'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 Chief Executive Officer of the Authority is responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Statement by the 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 Chief Executive Officer's Responsibilities for the Financial Statements

The Chief Executive Officer is 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 Chief Executive Officer determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting except where the Authority will be dissolved by an Act of Parliament or otherwise cease operations.

Auditor's Responsibilities for the Audit of the Financial

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole is 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/ar4.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Authority 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.

Somaiya Ahmed
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

26 August 2019
SYDNEY

State Transit Authority of NSW
Statement by Chief Executive Officer
30 June 2019

Pursuant to section 41(C)(1B) and 41(C)(1C) of the Public Finance and Audit Act 1983, I declare that in my opinion:

1. The accompanying financial statements as at 30 June 2019 exhibit a true and fair view of the financial position and financial performance of the State Transit Authority of New South Wales for the year ended; and

2. The financial statements have been prepared in accordance with the provisions of the Australian Accounting Standards which includes Australian Accounting Interpretations, the Public Finance and Audit Act 1983, Public Finance and Audit Regulation 2015 and the Treasurer's Directions.

Further, at the date of this statement, I am not aware of any circumstances that would render the particulars included in the financial statements to be misleading or inaccurate.

Steffen Faurby
Chief Executive Officer

DATED - 23 August 2019

State Transit Authority of NSW

Audited Financial Statements for the year ended - 30 June 2019

State Transit Authority of NSW
Contents
30 June 2019

State Transit Authority of NSW
Statement of comprehensive income
For the year ended 30 June 2019

	Note	2019 $'000	2018 $'000
Revenue			
Operational revenue	2	428,364	579,472
Other income	3	47,206	61,467
Total revenue		475,570	640,939
Expenses			
Fleet running expenses	4	(67,825)	(89,156)
Personnel services	5	(353,975)	(438,077)
Depreciation and amortisation	6	(2,356)	(12,867)
Finance costs	7	(8,006)	(7,206)
Operating expenses	8	(55,575)	(72,154)
Total expenses		(487,737)	(619,460)
Surplus/(deficit) for the year		(12,167)	21,479
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Increment on revaluation of property, plant and equipment	13	-	18,393
Other comprehensive income for the year		-	18,393
Total comprehensive income for the year		(12,167)	39,872

The above statement of comprehensive income should be read in conjunction with the accompanying notes

State Transit Authority of NSW
Statement of financial position
As at 30 June 2019

	Note	2019 $'000	2018 $'000
Assets			
Current assets			
Cash and cash equivalents	9	49,425	65,984
Trade and other receivables	10	35,655	447,027
Inventories	11	7,839	9,039
Other		93	40
		93,012	522,090
Non-current assets held for sale/distribution	12	-	319,870
Total current assets		93,012	841,960
Non-current assets			
Property, plant and equipment	13	6,210	20,638
Intangibles	14	11,006	6,658
Total non-current assets		17,216	27,296
Total assets		110,228	869,256
Liabilities			
Current liabilities			
Trade and other payables	15	120,016	147,873
Financial liabilities	16	-	13,479
Provisions	17	2,427	3,003
Other	18	-	1,344
Total current liabilities		122,443	165,699
Non-current liabilities			
Trade and other payables	19	190,930	186,950
Financial liabilities	20	-	152,454
Provisions	21	441	274
Total non-current liabilities		191,371	339,678
Total liabilities		313,814	505,377
Net assets/(liabilities)		(203,586)	363,879
Equity			
Reserves	22	-	228,232
Retained surpluses	23	(203,586)	135,647
Total equity/(deficiency)		(203,586)	363,879

The above statement of financial position should be read in conjunction with the accompanying notes

State Transit Authority of NSW
Statement of changes in equity
For the year ended 30 June 2019

	Reserves $'000	Retained surpluses $'000	Total equity $'000
Balance at 1 July 2017	226,502	147,782	374,284
Surplus for the year	-	21,479	21,479
Other comprehensive income for the year	18,393	-	18,393
Total comprehensive income for the year	18,393	21,479	39,872
Decrease in net assets from equity transfers	-	(50,277)	(50,277)
Reserves transferred to retained surpluses on disposal/transfer of assets	(16,663)	16,663	-
Balance at 30 June 2018	228,232	135,647	363,879

	Reserves $'000	Retained surpluses $'000	Total deficiency in equity $'000
Balance at 1 July 2018	228,232	135,647	363,879
Deficit for the year	-	(12,167)	(12,167)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(12,167)	(12,167)
Reserves transferred to retained surpluses on disposal/transfer of assets	(228,232)	228,232	-
Decrease in net assets from equity transfers	-	(555,298)	(555,298)
Balance at 30 June 2019	-	(203,586)	(203,586)

The above statement of changes in equity should be read in conjunction with the accompanying notes

State Transit Authority of NSW
Statement of cash flows
For the year ended 30 June 2019

	Note	2019 $'000	2018 $'000
Cash flows from operating activities			
Receipts from operations		470,244	611,894
Other receipts		70,267	37,496
Interest received		3,138	25,492
Payments to suppliers		(523,980)	(649,257)
Finance costs		-	(8,650)
Net cash from operating activities	32	19,669	16,975
Cash flows from investing activities			
Purchases of property, plant and equipment		(5,473)	(27,350)
Proceeds from disposal of property, plant and equipment		1,227	26
Net cash used in investing activities		(4,246)	(27,324)
Cash flows from financing activities			
Equity transfer of cash		(35,655)	-
Repayment of borrowings		-	(1,462)
Proceeds from finance leases		3,673	42,373
Net cash from/(used in) financing activities		(31,982)	40,911
Net increase/(decrease) in cash and cash equivalents		(16,559)	30,562
Cash and cash equivalents at the beginning of the financial year		65,984	35,422
Cash and cash equivalents at the end of the financial year	9	49,425	65,984

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Summary of significant accounting policies

The State Transit Authority of New South Wales ("Authority") was established by section 20 of the Transport Administration Act 1988. It is domiciled in New South Wales (NSW), Australia.

The Authority is a controlled entity of Transport for New South Wales (TfNSW) and TfNSW is a controlled entity of the Department of Transport which is consolidated as part of the NSW Total State Sector accounts.

The Authority is a not-for-profit public entity for accounting purposes. The Authority is exempt from the National Tax Equivalent Regime and is not required to pay income tax.

The Authority's principal activities are the provision of bus services in metropolitan Sydney under the Sydney Metropolitan Bus Service Contracts.

The Sydney Metropolitan Bus Service Contract for the Southern region expired on 30 June 2018. A new private sector operator was appointed to service this region. The Authority has transferred relevant assets and liabilities to TfNSW. The Authority is operating under new five years contracts with the NSW Government to operate bus services in three contract regions which is effective from 1 July 2018.

The Minister for Transport and Infrastructure, pursuant to section 94 of the Transport Administration Act 1988 (NSW), ordered the transfer of certain assets (all land, buildings, owned buses and buses accounted for as a finance lease, and certain plant and equipment) and liabilities (personnel services liabilities for the Southern region and all financial liabilities) to TfNSW effective from 1 July 2018. The Authority has transferred all relevant assets and liabilities to TfNSW.

The financial statements were authorised for issue by the Chief Executive Officer on the date the accompanying statement was signed.

Basis of preparation
The financial statements have been prepared as general purpose financial statements in accordance with the requirements of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2015, Australian Accounting Standards which include Australian Accounting Interpretations and Financial Reporting Directions mandated by the Treasurer.

The financial statements have been prepared on an accrual accounting basis using historical costs except for certain non-current assets, which are recorded at fair value.

All amounts are expressed in Australian currency.

Going concern
The financial statements have been prepared on a going concern basis which assumes that repayment of debts will be met as and when they fall due, without any intention or necessity to liquidate assets or otherwise wind up the operations. The negative equity has arisen due to the Authority equity transferring the majority of assets and liabilities, with a net value of $555.3M to TfNSW on 1 July 2018 in accordance with the Transport Administration Act 1988. The operations and ability of the Authority to pay its debts are assured, despite total liabilities exceeding total assets at year end, due to monthly payments for bus services contract from TfNSW. Authority has received a Letter of Support from NSW Treasury.

Impairment
The carrying values of assets are reviewed annually for impairment where objective evidence, or changes in circumstances, indicate the carrying values may not be recoverable or the assets previously impaired may be reversible.

If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the impaired assets would be written down to their recoverable amounts. Where the recoverable amounts exceed the values of the impaired assets, a reversal is made to the extent of the previous impairment loss recognised.

An impairment loss is recognised immediately as expense in the statement of comprehensive income unless the relevant asset is carried at a revalued amount in which case the impairment loss is treated as a revaluation decrease.

As a not-for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset. As a not-for-profit entity with no cash generating units, impairment under AASB 136 Impairment of Assets is unlikely to arise.

Note 1. Summary of significant accounting policies (continued)

Financial liabilities
Borrowings are recognised initially at fair value. After initial recognition, borrowings are measured at amortised cost using the effective interest rate method.

Gains and losses are recognised as income or expense respectively in the statement of comprehensive income when the liabilities are derecognised as well as through the amortisation process.

Provisions
Provisions are recognised when it is probable that the Authority has a present legal, equitable or constructive obligation to make a future sacrifice of economic benefits as a result of past transactions or events and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the present value of the estimated liability. The calculation of provisions require various assumptions and estimates to be made. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provisions recognised are periodically reviewed and updated based on the facts and circumstances available at the time.

Personnel services
Staff of the Authority are employed by Transport Service of NSW (TS). The Authority has recognised a personnel services expense and a corresponding liability to TS. The major components of the personnel services liability includes obligations for annual leave, long service leave, workers compensation and the unfunded portion of the defined benefit superannuation schemes.

Equity Transfer
The transfer of net assets between entities as a result of an administrative restructure, transfers of programs / functions and parts thereof between NSW public sector entities and 'equity appropriations' are designated or required by AAS to be treated as contributions by owners and recognised as an adjustment to 'Retained Surpluses'. This treatment is consistent with AASB 1004 and Australian Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities.

Transfers arising from an administrative restructure involving not-for-profit and for-profit government entities are recognised at the amount at which the assets and liabilities were recognised by the transferor immediately prior to the restructure. Subject to below, in most instances this will approximate fair value.

All other equity transfers are recognised at fair value, except for intangibles. Where an intangible has been recognised at (amortised) cost by the transferor because there is no active market, the entity recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, the entity does not recognise that asset.

Accounting for Goods and Services Tax (GST)
Revenues, expenses and assets are recognised net of the amount of GST, except:

- The amount of GST incurred 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.
- 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 in the statement of financial position as an asset or liability.

Cash flows are reported in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities are classified as operating cash flows.

Finance leases
Under the Sydney Metropolitan Bus Service Contracts, the Authority receives payments from TfNSW for buses provided under contract. These are recognised as finance leases and measured at minimum lease payment receivable plus any unguaranteed residual value in accordance with AASB 117 Leases. The Authority has assessed that there is no unguaranteed residual value.

Lease receipts are recognised in two components, one as a reduction of the lease receivable and the other as finance income. The finance income is calculated according to the interest rate implicit in the leases.

Note 1. Summary of significant accounting policies (continued)

Judgement, key assumptions and estimations

In the application of accounting standards, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the current set of circumstances.

Management evaluates these judgements, estimates and assumptions on an ongoing basis. Revisions to estimates are recognised in the period in which the estimate is revised and all periods subsequent to the revision.

Judgements, assumptions and estimates have been applied to Property, Plant & Equipment and Provisions in the financial statements.

Rounding of amounts

Amounts in this report have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

Comparatives

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

Statement of compliance

The financial statements of the Authority, including the notes, comply with Australian Accounting Standards which includes Australian Accounting Interpretations. At reporting date, all new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to the Authority's operations and effective for the current annual reporting period have been adopted.

Accounting standards issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended relevant to the Authority but are not yet effective have not been adopted.

The Authority's assessed the following new standards and interpretations which are not expected to have a significant financial impact:

Applicable for the first time in 2018-19

The Authority 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; impairment of financial assets and hedge accounting. AASB 9 also significantly amends other standards dealing with financial instruments such as the revised AASB 7 Financial Instruments: Disclosures (AASB 7R).

The Authority applied AASB 9 retrospectively but has not restated the comparative information which is reported under AASB 139 Financial Instruments: Recognition and Measurement (AASB 139). Any differences arising from the adoption of AASB 9 have been recognised directly in accumulated funds and other components of equity.

The effect of adopting AASB 9 had nil impact on the statement of financial position.

Note 1. Summary of significant accounting policies (continued)

Applicable for the first time in 2019-20 and beyond
AASB 15 Revenue from Contracts with Customers
AASB 16 Leases
AASB 17 Insurance Contracts
AASB 1058 Income of Not-for-Profit Entities
AASB 1059 Service Concession Arrangements: Grantors
AASB 2017-1 Amendments to Australian Accounting Standards - Transfer of investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments
AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities
AASB 2017-6 Amendments to Australian Accounting Standards -Prepayment Features with Negative Compensation
Annual Improvements to IFRS Standards 21015-2017 Cycle
AASB 2018-6 Amendments to Australian Accounting Standards - Definition of a Business
AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material
AASB 2018-8 Amendments to Australian Accounting Standards - Right-of-Use Assets of Not-for-Profit Entities

Impact on adoption of AASB 16 Leases
Based on the Authority's assessment, it is expected that the first-time adoption of AASB 16 for the financial year commencing 1 July 2019 will not have a material impact on the transactions and balances recognised in the financial statements. Lease assets with corresponding liabilities will increase by $720K and depreciation charge will be $160K approximately in the financial statements.

Note 2. Operational revenue

Revenue is recognised when services are provided by the Authority or when the significant risks and rewards of ownership of assets are transferred to the buyer. It must also be probable that the economic benefits will flow to the Authority and that the amount of revenue gained in respect of the transaction can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable.

Operational Revenue consists of revenue derived from fares, charters and bus service contracts. It is recognised when the services have been provided and is measured in accordance with the relevant contracts and agreements.

	2019 $'000	2018 $'000
Operational revenue	428,364	579,472

The decline in Operation Revenue from 2018 to 2019 is mainly attributed to the reduction of services following the separation of Region 6.

Note 3. Other income

Other income consists of interest, grants, rents, fines and advertising.

Interest income on cash held within the NSW Treasury Banking System is recognised on a time proportion basis using the effective interest method.

Government grants are recognised when control of the cash or other asset (or the right to receive it) is obtained. Grants mainly include contributions to defined benefit superannuation schemes which are a component of the personnel services liability to Transport Service of NSW.

Operating lease income (rent) derived from commercial properties is recognised on a straight-line basis over the lease term. Advertising income with regard to the advertising rights on buses is recognised and measured in accordance with the terms of the contract.

Note 3. Other income (continued)

	2019 $'000	2018 $'000
Interest (includes finance lease income)	839	25,367
Gains on disposal of assets	545	-
Grants and contributions	30,599	11,032
Other (includes rents, fines and advertising)	15,223	25,068
	47,206	61,467

Note 4. Fleet running expenses

	2019 $'000	2018 $'000
Fuel	41,852	51,275
Fleet maintenance	25,973	37,881
	67,825	89,156

Note 5. Personnel services

	2019 $'000	2018 $'000
Personnel services provided by Transport Service of NSW	353,975	438,077

Note 6. Depreciation and amortisation

	2019 $'000	2018 $'000
Depreciation expense	1,356	12,160
Amortisation expense	1,000	707
	2,356	12,867

Refer Note 13 (ii) for measurement policies on depreciation and amortisation.

Note 7. Finance costs

All interest on borrowings, and costs associated with refinancing, are expensed in the period incurred.

	2019 $'000	2018 $'000
Interest expense	8,006	7,206

Note 8. Operating expenses

Insurance

Appropriate insurances are purchased to cover material liability, physical damage, business interruption, and other exposures arising out of normal business operations. Due to the use of deductibles, insurance may not provide 100% cover and the Authority would then retain direct responsibility for some portion of the losses. Provisions are made for future costs associated with liability claims occurring in the financial year for which insurance may not provide cover. These provisions are assessed at their present value by independent actuaries.

Repairs & maintenance

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

Minimum lease payment

Minimum lease payment relates to operating 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.

	2019 $'000	2018 $'000
Insurance expense	17,951	23,241
Losses on disposal of assets	-	666
Minimum lease payment	295	949
Consultants and other contractors	1,593	2,311
Repairs & maintenance	3,240	3,680
Taxes & tolls	4,067	5,798
Cleaning, waste & pest control	4,425	5,921
Other (includes corporate and shared services)	24,004	29,588
	55,575	72,154

Note 9. Current assets - cash and cash equivalents

Cash and cash equivalents include cash at bank within the NSW Treasury Banking System and cash on hand.

	2019 $'000	2018 $'000
Cash at bank and on hand	49,425	65,984

Cash at bank and on hand included $35.7M that the Authority equity transferred to TfNSW, effective 1 July 2018, in accordance with the Ministerial Order (Refer Note 1).

Note 10. Current assets - trade and other receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. Prepayments represent amounts paid in advance for services where the benefit will be realised in a subsequent period.

The collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off as bad debts.

Note 10. Current assets - trade and other receivables (continued)

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

ECLs are recognised in two stages. For credit exposures where there has not been a significant increase in credit risk since initial recognition, ECLs are based on default events possible within the next 12-months (i.e. a 12-month ECL). If there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (i.e. a lifetime ECL). In addition, the Authority considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

Other financial assets are subject to an annual review for impairment. These are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the asset, the estimated future cash flows have been affected. The Authority first assesses whether impairment exists individually for other financial assets that are individually significant, or collectively for those that are not individually significant. Further, other financial assets are assessed for impairment on a collective basis if they were assessed not to be impaired individually.

	2019 $'000	2018 $'000
Trade debtors	25,653	30,202
Sundry debtors	8,244	10,843
Finance leases (Refer note 28)	-	402,799
Prepayments	1,758	3,183
	35,655	447,027

The Authority equity transferred all buses recognised as a Finance lease to TfNSW, effective 1 July 2018, in accordance with the Ministerial Order (Refer Note 1).

Note 11. Current assets - inventories

Inventories are stated at the lower of the weighted average cost and net realisable value.

	2019 $'000	2018 $'000
Mechanical and electrical spares	5,016	6,108
Distillate	562	821
Tyres	221	305
Other	2,040	1,805
	7,839	9,039

Note 12. Current assets - non-current assets held for sale/distribution

Assets withdrawn from service, and awaiting disposal, are disclosed as held for sale/distribution. These are recognised at the lower of carrying value and fair value less costs to sell and are not depreciated or amortised while they are held for sale.

Note 12. Current assets - non-current assets held for sale/distribution (continued)

	2019 $'000	2018 $'000
Plant and equipment held for sale	-	499
Plant and equipment held for distribution	-	1,084
Land held for distribution	-	188,045
Buildings held for distribution	-	110,411
Owned buses held for distribution	-	19,831
	-	319,870

The Authority equity transferred all land, buildings, buses and associated fixed plant and equipment to TfNSW, effective 1 July 2018, in accordance with the Ministerial Order (Refer Note 1).

Note 13. Non-current assets - property, plant and equipment

The following policies apply to property, plant and equipment:

(i) Basis of valuation

The Authority has applied AASB 116 Property, Plant & Equipment in accordance with NSW Treasury Policy and Guidelines (TPP14-01) which requires that non-current assets be measured at fair value, except for Plant & Equipment, Motor Vehicles (other than buses) and Work-in-progress. These assets are measured at historical cost less any accumulated depreciation which is used as a surrogate for fair value and do not require fair value hierarchy disclosures under AASB 13 Fair Value Measurement.

The fair value of an asset is determined having regard to existing use and highest and best use on the basis of current market selling prices for the same or similar assets. Where market selling price is not available, the asset's fair value is valued at current replacement cost. Current replacement cost is based on “incremental optimised replacement cost”. Optimised replacement cost is the minimum cost, in the normal course of business, to replace the existing asset with a technologically modern equivalent asset with the same economic benefits, adjusting for any overdesign, overcapacity and redundant components. Incremental optimisation is limited to the extent that optimisation can occur in the normal course of business with commercially available technology.

Buildings and Buses are specialised assets which are valued at current replacement cost and are revalued at least every five years. Land is valued at market value and is revalued at least every three years. This is to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. When revaluing non-current physical assets, the gross amount and the related accumulated depreciation are separately restated.

Interim revaluations are performed between comprehensive revaluations where cumulative changes to indicators/indices suggest fair value may differ materially from carrying value. Generally, an interim revaluation is performed by management if the cumulative changes in indicators/indices are less than 12%. An interim formal revaluation is performed by external professionally qualified valuers when the cumulative changes in indicators/indices exceed 12%. In circumstances where asset values are deemed material, management may engage external valuers to perform an interim revaluation where changes in indicators/indices are lower than 12%. Management will assess whether comprehensive revaluations are required more frequently if the interim revaluations indicate movements are generally more than 12%. Indices are applied in between comprehensive revaluations and increments/decrements are recognised in the accounts.

Where the carrying amount of an asset class has increased as a result of a revaluation, the net increase is credited directly to the asset revaluation reserve through other comprehensive income. However, the net increase is recognised as income in the statement of comprehensive income to the extent that it reverses a net revaluation decrease of the same asset class previously recognised as expense in the statement of comprehensive income. Where the carrying amount of an asset class has decreased as a result of a revaluation, the net decrease is recognised as expense in the statement of comprehensive income. However, the net decrease is debited directly to the asset revaluation reserve through other comprehensive income to the extent of any credit balance existing in the asset revaluation reserve in respect of that specific asset class.

(ii) Depreciation/Amortisation

Depreciation/amortisation of property, plant & equipment and intangibles, excluding freehold land and work-in-progress is based on the following range of estimated useful lives:

Freehold buildings 10-60 years
Plant and equipment 3-40 years
Intangibles 2-10 years
Owned buses 20-25 years
Motor vehicles 3-10 years

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful life except for buses where it is calculated in line with the pattern of consumption of economic benefits.

The residual values, useful lives, amortisation and depreciation methods of assets are reviewed, and adjusted if appropriate, during each reporting period.

Note 13. Non-current assets - property, plant and equipment (continued)

(iii) Capitalisation policy

Property, plant and equipment are recorded at the cost of acquisition. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition. The capitalisation threshold for a network of property, plant and equipment items or for an individual (non-networked) item is $5,000.

(iv) Work-in-progress

Costs relating to property, plant and equipment under construction, including buses are shown in the financial statements as work-in-progress and are not depreciated.

(v) Repairs & maintenance

The costs of routine maintenance and repairs are charged as expenses as incurred, except where they relate to the replacement of a component of an asset that increases the service potential of the asset, in which case the costs are capitalised and depreciated.

(vi) Disposal policy

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

	2019 $'000	2018 $'000
Plant and equipment	41,125	40,810
Less: Accumulated depreciation	(36,635)	(35,604)
	4,490	5,206
Motor vehicles (other than buses)	1,464	1,588
Less: Accumulated depreciation	(1,304)	(1,312)
	160	276
Work-in-progress	1,560	15,156
	6,210	20,638

Note 13. Non-current assets - property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land $'000	Buildings & Wharf $'000	Plant & Equipment $'000	Owned buses & ferries $'000	Work-in-progress $'000	Total $'000
Balance at 1 July 2017	180,036	103,837	9,038	24,364	4,294	321,569
Additions	-	-	220	-	27,716	27,936
Disposals/derecognition/write-offs	-	(54)	(5)	(589)	(390)	(1,038)
Revaluation increments/(decrements)	6,413	10,943	-	1,037	-	18,393
Transfer to finance lease	-	-	-	-	(16,464)	(16,464)
Classified as held for sale/distribution	(188,045)	(110,411)	(1,583)	(19,831)	-	(319,870)
Other	1,596	-	(1)	677	-	2,272
Depreciation expense	-	(4,315)	(2,187)	(5,658)	-	(12,160)
Balance at 30 June 2018	-	-	5,482	-	15,156	20,638
Additions	-	-	614	-	290	904
Disposals/derecognition/write-offs	-	-	(91)	-	(520)	(611)
Other	-	-	-	-	(13,366)	(13,366)
Depreciation expense	-	-	(1,355)	-	-	(1,355)
Balance at 30 June 2019	-	-	4,650	-	1,560	6,210

The movement in land, buildings and owned buses reflects assets held for distribution to TfNSW (Refer Notes 1 and 12).

In accordance with TPP14-01, Authority has assessed that the difference between fair value and depreciated historical cost for non-specialised assets with short useful lives is unlikely to be material, measurement at depreciated historical cost is an acceptable surrogate for fair value.

Note 14. Non-current assets - intangibles

Intangible assets, comprising computer software, which have finite lives, are recognised at cost and are amortised on a straight-line basis over the period during which the benefits are expected to arise.

The estimated useful life and amortisation method is reviewed on an annual basis with any changes in these accounting estimates being accounted for on a prospective basis.

	2019 $'000	**2018 $'000**
Software	12,581	10,251
Less: Accumulated amortisation	(6,935)	(6,999)
	5,646	3,252
Work-in-progress	5,360	3,406
	11,006	6,658

Note 14. Non-current assets - intangibles (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Software $'000	Work-in-progress $'000	Total $'000
Balance at 1 July 2017	858	3,188	4,046
Additions	3,101	3,405	6,506
Disposals/derecognition	-	(3,187)	(3,187)
Amortisation expense	(707)	-	(707)
Balance at 30 June 2018	3,252	3,406	6,658
Additions	3,424	5,378	8,802
Disposals/derecognition	(30)	(3,424)	(3,454)
Amortisation expense	(1,000)	-	(1,000)
Balance at 30 June 2019	5,646	5,360	11,006

Note 15. Current liabilities - Trade and other payables

Liabilities for trade creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

	2019 $'000	2018 $'000
Trade creditors	13,552	10,496
Personnel services liability to Transport Service of NSW	99,087	119,856
Other creditors and accruals	5,321	12,934
Accrued interest	-	1,939
Goods and services tax	2,056	2,648
	120,016	147,873

Refer to note 24 for further information on financial instruments.

Personnel Services liability to Transport Service of NSW includes entitlements in relation to staff transferred to the new private sector operator for the Southern contract region, from 1 July 2018. The Authority equity transferred these entitlements to TfNSW in accordance with the Ministerial Order (Refer Note 1).

Note 16. Current liabilities - Financial liabilities

	2019 $'000	2018 $'000
Borrowings secured by Government guarantee	-	13,479

Refer to note 24 for further information on financial instruments.

Note 16. Current liabilities - Financial liabilities (continued)

Financing arrangements
Unrestricted access was available at the reporting date to the following lines of credit:

	2019 $'000	2018 $'000
Total facilities		
Short term financing facility	-	45,000
Used at the reporting date		
Short term financing facility	-	-
Unused at the reporting date		
Short term financing facility	-	45,000

A short-term financing credit facility is available to meet daily cash flow requirements that may arise from time to time. Details of the facility used, and unused, at balance date are set out above.

Note 17. Current liabilities - provisions

	2019 $'000	2018 $'000
Others	2,427	3,003

Other provisions
This includes a provision for claims for public liability including third party property damage. Provisions exist when the Authority has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each reporting date, and the cost is charged to the Statement of Comprehensive Income.

Movements in provisions
Movements in provisions during the current financial year are set out below:

2019	$'000
Carrying amount at the start of the year	3,003
Additions	1,911
Payments	(3,102)
Transfer to TfNSW	(1,539)
Actuarial adjustment	2,176
Unused amounts reversed	(22)
Carrying amount at the end of the year	2,427

Note 18. Current liabilities - other

Revenue received in advance relates to prepaid revenue which is not yet earned.

	2019 $'000	2018 $'000
Revenue received in advance	-	1,344

Note 19. Non-current liabilities - Trade and other payables

	2019 $'000	2018 $'000
Personnel services liability to Transport Service of NSW	190,930	186,950

Refer to note 24 for further information on financial instruments.

Personnel Services liability to Transport Service of NSW includes entitlements in relation to staff transferred to the new private sector operator for the Southern contract region, from 1 July 2018. The Authority equity transferred these entitlements, but not includng amounts relating to defined benefit superannuation entitlements, to TfNSW in accordance with the Ministerial Order (Refer Note 1).

Note 20. Non-current liabilities - Financial liabilities

	2019 $'000	2018 $'000
Borrowings secured by Government guarantee	-	152,454

Refer to note 24 for further information on financial instruments.

Total secured liabilities
The total secured liabilities (current and non-current) are as follows:

	2019 $'000	2018 $'000
Borrowings secured by Government guarantee	-	165,933

The Authority equity transferred total Borrowings to TfNSW, effective 1 July 2018, in accordance with the Ministerial Order (Refer Note 1).

Note 21. Non-current liabilities - Provisions

	2019 $'000	2018 $'000
Others	441	274

Other provisions
This includes a provision for claims for public liability including third party property damage.

Movements in provisions
Movements in non-current provisions during the current financial year are set out below:

2019	$'000
Carrying amount at the start of the year	274
Actuarial adjustment	167
Carrying amount at the end of the year	441

Note 22. Equity - Reserves

The reserve comprises asset revaluation increments/decrements recognised upon the revaluation of land, buildings and owned buses. Upon disposal or retirement, any remaining revaluation increment of the asset at the time of disposal is transferred to retained surpluses.

	2019 $'000	2018 $'000
Asset Revaluation Reserve	-	228,232

Note 23. Equity - retained surpluses

	2019 $'000	2018 $'000
Retained surpluses at the beginning of the financial year	135,647	147,782
Surplus/(deficit) for the year	(12,167)	21,479
Transfer from Reserves on disposal/transfer of assets	228,232	16,663
Decrease in net assets from equity transfer	(555,298)	(50,277)
Retained surpluses/(accumulated deficits) at the end of the financial year	(203,586)	135,647

Note 24. Financial instruments

Financial risk management objectives
The Authority's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk. Financial risk management is carried out under policies approved by the Chief Executive Officer. These policies include identification and analysis of the risk exposure of the Authority and appropriate procedures, controls and risk limits.

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

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:

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

When the Authority has transferred its rights to receive cash flows from an asset or has entered into a arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where the Authority has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the Authority's continuing involvement in the asset. In that case, the Authority also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Authority has retained.

Market risk

Foreign currency risk and price risk
The Authority is not exposed to any currency risk nor significant price risk at balance date.

Note 24. Financial instruments (continued)

Interest rate risk
Interest rate risk occurs where the value of the financial liabilities fluctuates due to changes in interest rates. The Authority's interest rate risk policy seeks to minimise the effects of interest rate movements through active management of the exposures by converting between short-term and long-term fixed interest loans. The Authority is not exposed to any interest rate risk at balance date as interest rate is fixed for financial assets and liabilities.

Credit risk
Credit risk arises from the potential failure of counterparties to meet their obligations under the contract. The risk is mitigated by strict adherence to the Authority's credit policy and ongoing assessment of potential default. Except for the amounts previously impaired, it is not expected that any other material counterparties will fail to meet their obligations. The aging analysis detailed below, represents financial assets that have not been impaired. Where financial assets are impaired, they are stated separately below.

The Authority recognises an allowance for ECLs for all debt financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate. For trade receivables, the Authority applies a simplified approach in calculating ECLs. The Authority recognises a loss allowance based on lifetime ECLs at each reporting date. The Authority has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

The impact for Authority on adoption of AASB 9 Financial Instruments is not significant as receivables and liabilities are classified as held at amortised cost and there are no additional impairment provisions for receivables due to the majority of the balance being from TfNSW which enjoys high quality credit rating. The risk associated with default is very low and therefore ECL is nil.

	2019 $'000	2018 $'000
Class of financial assets*		
Cash and cash equivalents	49,425	65,984
Trade debtors (Receivables at amortised cost)	25,653	30,202
Sundry debtors (Receivables at amortised cost)	8,244	10,843
Finance leases (Receivables at amortised cost)	-	402,799
Total	83,322	509,828

*a) Excludes statutory receivables and prepayments (not within scope of AASB 7)
b) Excludes statutory payables and unearned revenue (not within scope of AASB 7)

	2019 $'000	2018 $'000
Class of financial liabilities		
Trade creditors (Financial liabilities measured at amortised cost)	13,553	10,496
Other creditors and accruals (Financial liabilities measured at amortised cost)	5,321	12,934
Accrued interest (Financial liabilities measured at amortised cost)	-	1,939
Borrowings secured by Government guarantee (Financial liabilities measured at amortised cost)	-	165,933
Total	18,874	191,302

Allowance for expected credit losses
The Authority has recognised $nil for the year ended 30 June 2019 in profit or loss in respect of impairment of receivables ($nil for the year ended 30 June 2018).

Note 24. Financial instruments (continued)

Liquidity risk
Vigilant liquidity risk management requires the Authority to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The Authority manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

During the current and prior years, there were no defaults on any loans payable. No assets have been pledged as collateral. The Authority's exposure to liquidity risk is deemed insignificant based on past experience and current assessment of risk. The information relevant to the current assessment appears in Note 1 under "Basis of preparation".

Remaining contractual maturities
The following tables detail the Authority's remaining contractual maturities for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

2019	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives						
Non-interest bearing						
Trade creditors	-	13,553	-	-	-	13,553
Other creditors and accruals	-	5,321	-	-	-	5,321
Total non-derivatives		18,874	-	-	-	18,874

2018	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives						
Non-interest bearing						
Trade creditors	-	10,496	-	-	-	10,496
Other creditors and accruals	-	12,934	-	-	-	12,934
Accrued interest	-	1,939	-	-	-	1,939
Interest-bearing - fixed rate						
Borrowings secured by Government guarantee	3.95%	21,041	30,069	73,392	71,421	195,923
Total non-derivatives		46,410	30,069	73,392	71,421	221,292

The cash flows in the maturity analysis above are not expected to occur significantly earlier than disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 25. Fair value measurement

Fair value hierarchy
The following tables detail the Authority's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being (Nil disclosure in 2019):
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

2018	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Finance leases	-	381,108	-	381,108
Non-current assets held for sale/distribution	-	-	319,870	319,870
Total assets	-	381,108	319,870	700,978
Liabilities				
Borrowings secured by Government guarantee	-	165,933	-	165,933
Total liabilities	-	165,933	-	165,933

Assets and liabilities are measured at fair value on a non-recurring basis.

There were no transfers between levels during the financial year.

Level 3 assets and liabilities
Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

	Land $'000	Buildings & Wharf $'000	Owned buses and Ferries $'000	Non-current assets held for sale/ distribution $'000	Total $'000
Balance at 1 July 2017	180,036	103,837	24,364	21,563	329,800
Disposals	-	(54)	(589)	(21,563)	(22,206)
Depreciation	-	(4,315)	(5,658)	-	(9,973)
Non-current assets held for sale/distribution	(188,045)	(110,411)	(19,831)	319,870	1,583
Others	1,596	-	677	-	2,273
Revaluation increment/(decrement)	6,413	10,943	1,037	-	18,393
Balance at 30 June 2018	-	-	-	319,870	319,870
Disposals	-	-	-	(319,870)	(319,870)
Balance at 30 June 2019	-	-	-	-	-

The effective date of the independent valuation of property, plant and equipment is below:

Description	Date of valuation	Type of valuation
a) Owned buses	31 March 2018	Comprehensive
b) Land	31 March 2018	Comprehensive
c) Buildings	31 March 2018	Comprehensive

Significant increases (decreases) in estimated replacement cost, residual value, or useful life would result in a significantly higher (lower) fair value of the asset.

Note 25. Fair value measurement (continued)

The basis of valuation for Land is Market-based with adjustment for qualitative considerations. Owned Buses and Buildings are valued at Current Replacement Cost.

Note 26. Related party transactions

(a) Key Management Personnel Compensation

During the year, the entity incurred $2.9m in respect of the key management personnel services that are provided by the Transport Service of NSW ($6.2m for the year ended 30 June 2018).

(b) There were no transactions and Outstanding Balances with Key Management Personnel of the entity and its parent during the financial year

(c) There were no transactions and Outstanding Balances with Other Related Parties during the financial year

(d) Transactions with Government Related Entities during the financial year

The Authority is a controlled entity of the Department of Transport. The significant transactions are with TfNSW and TS which are also controlled by DoT. The transactions with TfNSW mainly relate to the Sydney Metropolitan Bus Service Contracts (Note 1). These transactions are reflected in operational revenue. The transactions with TS relate to personnel services and are reflected in personnel services expenses (Statement of Comprehensive Income) and personnel services liability (Note 15 & 19). These transactions are conducted on normal terms and conditions.

Note 27. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Audit Office of NSW, the auditor of the Authority:

	2019 $	2018 $
Audit services - Audit Office of NSW		
Audit of the financial statements	213,000	257,173

Note 28. Finance lease as the lessor

Buses acquired under the Sydney Metropolitan Bus Service Contracts from 1 July 2005 are recognised as finance lease receivables from Transport for NSW (TfNSW) for the term of 15 years.

	2019 $'000	2018 $'000
Gross investment in the lease		
Not later than one year	-	505,375

	2019 $'000	2018 $'000
Present value of minimum lease receipts		
Not later than one year (current)	-	402,799

Note 28. Finance lease as the lessor (continued)

	2019 $'000	2018 $'000
Reconciliation		
Total gross investment	-	505,375
Unearned finance income	-	(102,576)
Total present value of minimum lease receipts	-	402,799

Note 29. Contingencies

The Authority does not have any contingent asset and liability that would significantly impact on the state of affairs of the Authority or have a material effect on these financial statements.

Note 30. Commitments

	2019 $'000	2018 $'000
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	243	204
One to five years	-	74
More than five years	70	2
	313	280
Capital expenditure commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	-	15,330

Operating lease commitments mainly includes includes lease for motor vehicles. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

The commitment totals as shown above include Goods and Services Tax (GST) of $0.03M ($1.419M as at 30 June 2018), which is recoverable from the Australian Taxation Office.

Note 31. Events after the reporting period

No matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the Authority's operations, the results of those operations, or the Authority's state of affairs in future financial years.

Note 32. Reconciliation of surplus/(deficit) to net cash from operating activities

	2019 $'000	2018 $'000
Surplus/(deficit) for the year	(12,167)	21,479
Adjustments for:		
Amortisation of intangible assets	1,000	707
Depreciation	1,356	12,160
Net loss/(gain) on disposal of non-current assets	(545)	666
Personnel services	35,209	(614)
Other non-cash items	14,874	(9,633)
Change in assets and liabilities:		
(Increase)/decrease in receivables	8,573	(1,152)
(Increase)/decrease in inventory	1,200	891
Increase/(decrease) in Goods and Services Tax	(592)	(317)
(Increase)/decrease in other assets	(54)	19
Increase/(decrease) in payables	(27,265)	(10,220)
Increase/(decrease) in revenue received in advance	(1,344)	1,205
Increase/(decrease) in provisions	(576)	1,784
Net cash from operating activities	19,669	16,975