

Annual Report 2021–2022



Annual Report 2021–22

ISSN 0545-3593

State Archives and Records Authority of New South Wales
PO Box 516
Kingswood NSW 2747

Published 2022
Written, edited and designed in-house.

Available in PDF format at www.records.nsw.gov.au

© State of New South Wales through the State Archives and Records Authority of New South Wales, 2022. You may copy, distribute, display, download and otherwise freely deal with this work for any purpose provided that you attribute the State Archives and Records Authority of New South Wales as the owner. However, you must obtain permission if you wish to (1) charge others for access to the work (other than at cost), (2) include the work in advertising or as a product for sale or (3) modify the work.

As at 30 June 2022 the State Archives and Records Authority of New South Wales is a statutory body within the Department of Enterprise, Investment and Trade cluster.

Cover: NSW State Archives: State Rail, NRS22489-1 Acetate Negatives with 'CN' (colour) prefix.
CN0003 Inside of buffet car - Waitress serving three people, 1962.

The Hon Ben Franklin MLC

Minister for Tourism, Minister for Aboriginal Affairs, Minister for the Arts, and Minister for Regional Youth
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Minister

On behalf of the State Archives and Records Authority of New South Wales and in accordance with the provisions of the *Annual Reports (Statutory Bodies) Act 1984*, the Annual Reports (Statutory Bodies) Regulation 2015, the *Government Sector Finance Act 2018* and the Government Sector Finance Regulation 2018, I submit for presentation to Parliament the Annual Report for the year ending 30 June 2022.

Yours sincerely

A handwritten signature in dark ink, enclosed within a hand-drawn oval. The signature appears to read 'Adam Lindsay'.

Adam Lindsay
Chief Executive Officer

Contents

Acknowledgment of Country	6
From the Chief Executive Officer	7
From the Chair	8
1. About NSW State Archives and Records	9
1.1 Our vision	9
1.2 Who we are	9
1.3 Our stakeholders	9
1.4 What we do	10
1.5 How we do this	10
2. Performance, highlights, and achievements	11
2.1 Key achievements	11
2.2 Performance summary	12
2.3 State of public sector recordkeeping	13
2.4 State Archives Collection	19
2.5 Commercial operations	32
2.6 Information management	34
3 Corporate overview	35
3.1 Board of NSW State Archives and Records	35
3.2 Legislation	36
3.3 Organisational structure	37
3.4 Our Executive	37
3.5 Advisory committees	38
4 Governance and accountability	39
4.1 Managing our people	39
4.2 Internal audit and risk management	45
4.3 Cyber security	48
4.4 <i>Public Interest Disclosures Act 1994 (PID Act)</i>	51
4.5 <i>Government Information (Public Access) Act 2009 (GIPA Act)</i>	51
4.6 <i>Privacy and Personal Information Protection Act 1998 (PPIP Act)</i>	56
4.7 Complaints	56
5 Other reporting requirements	57
5.1 Annual report preparation	57
5.2 Events after the reporting period	57
5.3 Nil to report	57
5.4 Accessing SARA's services	58
6 Financial report	59
6.1 Financial highlights	59
6.2 Consultants	60
6.3 Gross revenue raised from the sale of goods and services	60
6.4 Annual reporting of payment of accounts	61

6.5	Accounts due and paid within each quarter	61
6.6	SARA Independent auditor's report	63
6.7	SARA Financial Statements	65
6.8	SARA Independent auditor's report	101
6.9	SARA Financial Statements	103

Acknowledgment of Country

The State Archives and Records Authority of New South Wales acknowledges that our building and collections are located on Darug Country, across a large area of land. We acknowledge the local Aboriginal community and all Elders, past and present. We recognise the important responsibility our institution has in caring for and preserving history. Often, these records of history can be confronting and traumatic for First Nations people. We are committed to ensuring we do all that we can to preserve these important records, to provide the public with safe access to them where possible and to be open and transparent about the content and information they hold. We hope that these historic records can educate all of us about the past, and can inspire change and growth into the future, particularly for First Nations cultures and peoples.

From the Chief Executive Officer

I am pleased to report that the State Archives and Records Authority of New South Wales (SARA) once again seized opportunities and had another successful year delivering services for the people of NSW.

Some of the key highlights and achievements for this year have included an immense digitisation project funded with \$4.25 million in capital stimulus provided by the NSW Government, completed on time and on budget and which saw the creation of over 932,000 digital assets. Through this project we digitised over half of our current photographic negatives holdings and saw key historical manuscript and image material discoverable online for the first time.

Our Recordkeeping Services and Advice team successfully completed a review of 22 disposal authorities and issued two new disposal authorities to ensure that the rules for government records retention were relevant, current and fit for purpose.

Our Commercial Operations division achieved a \$3.8 million operating surplus, saw an increase in commercial holdings, and digitised approximately 10 million images for commercial clients as part of its Scan-on-Demand service. These records are vitally important in delivering patient care and other essential civic services to the people of this state. For us, our Commercial Operations underpin the work of many critical public sector functions as well as generating funds to help SARA fulfil its legislative obligations.

Our State Archives Collection, which increased its asset value by \$10 million in the last financial year, attracted over 18.4 million interactions with the public through digital engagement, visits to the Reading Room and physical exhibitions. This result emphasises its enormous and ongoing value to the public.

This year continued to see further growth in our partnership with Sydney Living Museums, demonstrating strong links and strategic opportunities for both institutions. The most notable of these was the *Sydney Open* program and the exhibitions *How to Move a Zoo*, *Iridescent by Gerwyn Davies* and *History Reflected*, all of which were on display at the Museum of Sydney.

Our partnership grew closer still when in June 2022, the Museums of History NSW Bill was introduced to State Parliament for consideration. Its aim is to establish and confer functions on a single new cultural institution, Museums of History NSW (MHNSW), to repeal the *Historic Houses Act 1980*, and to amend the *State Records Act 1998*. This is the first step in the parliamentary process to combine the archival, collecting, access and commercial roles of SARA and SLM. This policy proposal, in turn, will deliver a focused entity, State Records NSW (SRNSW), to regulate recordkeeping among NSW public offices.

This is an exciting time for our organisation and we look towards our shared vision to make the histories, stories and cultures of NSW discoverable and relevant for all.

It would not be possible for SARA to continue to deliver its exceptional and important services to the people of NSW without the support from the Department of Enterprise, Investment and Trade, and the ongoing advocacy of the Minister for the Arts, the Hon Ben Franklin MLC. A genuine and heartfelt thanks to those who have made and continue to make these achievements possible.

Finally, I would like to thank our Board Chair, Deputy Chair, Board members, staff and volunteers for their ongoing passion and commitment to SARA. As we navigate away from the impacts of the pandemic, and towards the formation of MHNSW and SRNSW, the innovation, expertise, enthusiasm and dedication of the Board, staff and volunteers is more valuable than ever.



Adam Lindsay
Chief Executive Officer

From the Chair

Over the past year, the partnership between the State Archives and Records Authority NSW (SARA) and Sydney Living Museums (SLM) has expanded and matured in significant ways. With the introduction of the Bill to form a single cultural entity, Museums of History NSW, the complexities of their constituent parts will combine to create an even greater whole. Through this period of transition, and through the final challenges presented by the pandemic, SARA's staff and volunteers have continued their important work without interruption.

In each section of the organisation, important adjustments and innovations have been embraced, and the Board continues to be impressed with the skill, dedication, and enthusiasm of everyone involved with SARA's roles and functions.

Together, the Board and the senior staff at SARA have overseen improvements in recordkeeping standards and advice to ensure the enduring value of the state's records. The strategic decision made a couple of years ago to focus on reviewing aged disposal authorities is now paying significant dividends along with a risk-based, practical approach to regulating recordkeeping.

Despite the challenging years only just behind us, the Commercial Operations team, have performed to an exceptional standard and generated 75% of SARA's operating budget. In addition, the team achieved over 8700 metres in net growth of storage holdings, and the storage of over 670 000 metres of non-current records. The revenue produced contributes to the crucial work of building and preserving the archives as well as providing access to one of the state's most significant state assets – our collective cultural memory.

SARA has continued to work with partnering organisations to share the State Archives Collection through engaging physical and online exhibitions. Physical exhibitions across Australia attracted over 32,000 visitors and online exhibition material attracted over more than 21,500 views. Increasing access and the discoverability of our collections continues to go from strength to strength with over 18 million interactions from members of the public through digital engagement, exhibitions and in-person visits to the Reading Room.

In addition to SARA's wonderful staff, a dedicated team of volunteers devoted an impressive 7524 hours to make our collections more accessible through indexing, listing and barcoding items. As ever, we are extremely grateful for the vital service they provide for the people of New South Wales.

I thank the Hon Ben Franklin MLC, Minister for the Arts, for his advocacy and passion for history and the State Archives Collection and for his vision for a vibrant arts sector in NSW. His continued support ensures that the citizens of this state have access to this meaningful and significant collection we hold and preserve on their behalf.

I also thank both Naseema Sparks AM, the Chair of the Board of Trustees for the Historic Houses Trust of NSW, for her ongoing commitment to the partnership between SARA and SLM, and Adam Lindsay, Chief Executive Officer of SARA and SLM, for his exemplary stewardship of both institutions during a period of complex challenges and emerging opportunities. This year saw further and more meaningful interaction between the SARA Board and the SLM Trust and I look forward to another exciting year ahead.

Dr Brian Lindsay
Chair

1. About NSW State Archives and Records

1.1 Our vision

That the people and government of NSW have ready access to records which illuminate history, enrich the life of the community and support good governance and accountability.

1.2 Who we are

The State Archives and Records Authority of New South Wales (SARA) is the NSW Government's archives and records management authority, and the custodian of the nation's oldest archives collection. SARA looks after the largest collection of records documenting the history of NSW, to make sure it can be accessed and enjoyed for all time.

The State Archives Collection (the Collection) has a financial value of over \$1 billion and a cultural worth beyond measure. An important part of our role at SARA is making sure that government, the public sector, universities and local councils meet their recordkeeping obligations under the *State Records Act 1998* (the Act), supporting accountability and contributing to the future of the archives.

SARA is a non-budget dependent executive agency under Schedule 2 Part 1 of the Government Sector Finance Regulation 2018 (GSFR). SARA's core regulatory, archival collection and service delivery functions were funded in 2021–22 through own-source commercial revenue (64%) and a grant from Treasury (36%). SARA's commercial operations arm operates off budget to provide records storage, digitisation and related services to the public sector.

SARA is committed to the following principles, which inform its service delivery strategies:

- maintaining and enhancing services to government and the public;
- maintaining essential services in an environment of fiscal constraint;
- maximising the value obtained from available resources and focusing effort where the greatest impact can be made;
- developing partnerships and sharing resources;
- protecting privacy.

1.3 Our stakeholders

The people of NSW

SARA manages the Collection as custodian for the people of NSW.

While people in NSW are the principal clients of our public-orientated services, people from around Australia and across the world access the Collection for a wide range of purposes.

The government of NSW

SARA services the government of NSW and individual NSW public sector bodies. Government departments and agencies, state-owned corporations, local government, the public health system and universities are covered under the Act.

1.4 What we do

At the Western Sydney Records Centre (WSRC) at Kingswood, we care for the Collection, which comprises more than 88 linear kilometres of state archives – maps, plans, volumes, images, objects and more – dating from before European settlement in 1788. The Collection is the collective memory of NSW.

SARA's responsibilities include:

- setting and monitoring standards for the creation, management and disposal of state records in any format;
- providing practical advice, guidance and training to the NSW public sector on recordkeeping;
- providing cost-effective storage, retrieval and consultancy services for semi-active records of public sector bodies;
- identifying records of enduring value to be retained as state archives and authorising the disposal of records of temporary value;
- in all formats, preserving the Collection in secure purpose-built environments and ensuring that archives stored elsewhere are managed to the necessary standards;
- documenting and cataloguing the Collection to provide context and accessibility;
- providing access to the Collection.

1.5 How we do this

The operational activities of SARA can be broken down into three key functional areas:

- Collections, Access and Engagement
- Recordkeeping Standards and Advice
- Commercial Services

Collections, Access and Engagement is the custodian of and advocate for the Collection, one of the world's most complete and important collections documenting colonisation. This vast cultural collection details the construction of NSW and the wielding of colonial power, with multiple series of documents now included as inscriptions on the UNESCO Memory of the World Register.

The Recordkeeping Standards and Advice team assists public offices to meet their recordkeeping obligations under the Act as a vital part of preserving the memory of government for current and future generations.

Commercial Services provides commercial storage, records management, digitisation and consultancy services to NSW public offices and beyond to generate the majority of SARA's operating revenue.

2. Performance, highlights, and achievements

2.1 Key achievements

The State Archives Collection

- The State Archives Collection is currently valued at \$1.054 billion.
- The value of the Collection increased by \$10 million in 2021–22.
- A \$4.25 million collection digitisation project targeting inaccessible and priority material was completed successfully on time and on budget.

Quality recordkeeping

- Recordkeeping advice pages and resources on the SARA website received 143,549 visits.
- The Recordkeeping e-learning site received 3910 visits.
- SARA completed a review of 22 disposal authorities and issued two new disposal authorities to ensure that disposal rules were relevant, current and fit for purpose.
- SARA conducted its first recordkeeping monitoring exercise in nine years.

Sustainability

- SARA self-funded 64.1% of its operating budget through commercial services and services to the public.
- A \$3.8 million operating surplus was generated through SARA's commercial activities.
- SARA achieved secure recycling of 202 tonnes of paper through its destruction service.

Access, engagement and creative programming

- Our partnership with Sydney Living Museums was highlighted by three exhibitions at the Museum of Sydney: *How to Move a Zoo*, *Iridescent by Gerwyn Davies* and *History Reflected*.
- Physical exhibitions across Australia attracted 32,080 visitors and online exhibition material attracted 21,562 views.
- There were over 18.4 million interactions with the Collection through digital engagement, including online and social media, and visits to the Reading Room and physical exhibitions.
- Over one million new collection items were made discoverable online.

Other highlights

- Volunteers worked 7524 hours to make the Collection more accessible through indexing, listing and barcoding items.
- SARA digitised approximately ten million images for commercial clients as part of its Scan-on-Demand service.
- SARA saw a 1.3% increase in commercial holdings.

2.2 Performance summary

Online presence	<p>1,098,797 website visits</p> <p>6,016,268 page views on main website</p>
Reading Room	<p>6,430 Reading Room visitors (impacted by COVID close-down)</p> <p>10,174 original archives issued in the Reading Room</p> <p>40 community access points to the State Archives Collection across NSW</p>
New access	<p>1,180,160 additional collection items and images made discoverable online during 2021–22</p>
The Collection	<p>1,108 metres of material accessioned, bringing the total to 89,136 metres of paper-based records in the State Archives Collection</p> <p>40,371 digital files accessioned and ingested into our digital preservation storage system</p>
Commercial operations	<p>677,830 metres of non-current records stored</p> <p>27,379 metres of non-current records added to holdings</p> <p>8,769 metres in net growth of storage holdings</p> <p>210,000+ physical and digital deliveries</p> <p>250,000+ files sentenced or indexed</p>
Public engagement	<p>4,769 total participants in public programs, including our regional initiative <i>Archives on Tour</i></p>
Recordkeeping standards and advice	<p>97% of public offices have comprehensive records retention and disposal coverage</p> <p>2 new records retention and disposal authorities approved and 22 existing authorities reviewed</p> <p>65% response rate to the recordkeeping monitoring exercise</p>

2.3 State of public sector recordkeeping

SARA has statutory responsibility for promoting effective and efficient recordkeeping across the NSW public sector through the *State Records Act 1998* (the Act). This is undertaken by setting standards, providing guidance, promoting good practice and monitoring public office performance and compliance.

Standards and code of best practice

One of SARA's roles is to approve and review standards and codes of best practice for all aspects of records management in NSW public offices (under section 13(1) of the Act).

There are currently two standards in operation: *Standard on records management* (Standard no 12, issued 2015, amended 2018) and *Standard on the physical storage of state records* (Standard no 13, issued 2019).

There is currently one code of best practice in operation: *AS ISO 15489.1: 2017 Information and documentation – records management, Part 1: Concepts and principles*.

SARA provides assistance to public offices in implementing the requirements of the standards and the code of best practice.

Regulatory framework for the *State Records Act 1998*

The *State Records Act 1998* establishes SARA as the regulator of records management and recordkeeping within NSW public offices.

The Act provides SARA with regulatory powers, including the authority to issue formal requirements (for example, standards, codes of best practice and retention and disposal authorities) and provide records management services (for example, guidance and training) to assist and support public offices in their compliance with the Act.

The regulatory framework for the Act describes our approach to regulating records management and recordkeeping, and how we use the powers in the Act to support regulatory activities. Our primary objectives in regulating in line with the Act are:

- assisting public offices to be compliant;
- monitoring and reporting on compliance and the state of records management and recordkeeping in public offices;
- promoting excellence in records management and recordkeeping.

At the heart of the regulatory framework is a responsive approach that enables us to use coordinated and risk-informed practices to improve compliance through cooperative and collaborative engagement with public offices.

The regulatory framework is available on our website.

Recordkeeping monitoring exercise

SARA recommenced its formal monitoring activities in April 2022 with the recordkeeping monitoring exercise. The monitoring exercise was conducted with 379 public sector entities and had a response rate of 65%, with an additional 9% of entities that were excused or were not required to respond under the Act. As this was the first whole-of-jurisdiction monitoring activity conducted in nine years, the response numbers and distribution across different sectors of the jurisdiction demonstrate significant engagement with the exercise.

The basis for the monitoring exercise is provided by section 12(4) of the *State Records Act 1998*, which requires each public office to report on its records management program in accordance with arrangements made with the Authority.

The key objective of the exercise was to establish a baseline and overview of the level of maturity and conformity of public offices' records management. Public offices were asked to make assessments using the Records Management Assessment Tool (RMAT) and then provide these assessments to SARA. They were also given the option to comment and advise on the evidence used to support their assessments.

The results show that public offices sit at 2.67 out of 5 on average, slightly below the baseline compliance level of 3. There is variability within and across all groups, showing a diverse set of responses across all questions asked as part of the exercise. Total average scores for each question are presented below in Figure 1.



Figure 1 – Average total score for each RMAT question.

The questions with the lowest scores were Question 9 on performance monitoring, Question 18 on state archives transfer and Question 19 on access directions. All three questions received many comments about the effort and cost needed to comply and the priority these obligations received within their organisation. Additional comments relating to state archives transfer and access directions reveal opportunities for SARA to assist in education and service improvement.

The results indicate that many public offices have been working hard to implement the governance frameworks needed for good records and information management, while also looking at how they implement records management into their systems and businesses. Responses to Questions 15 and 16, relating to the creation, collection, capture and storage, demonstrated strong areas of compliance, with scores above the baseline compliance score of 3. This was followed closely by responses to Question 10 on security and protection.

The results have provided a wealth of information on the state of records management across the jurisdiction. The monitoring exercise has also initiated a range of work in both public offices and at SARA, with requests for disposal authorities, archival transfers, access directions and a review of public office status under the Act. SARA will continue to review the results and the extensive comments supplied by public offices to prioritise its efforts in providing additional guidance and advice.

The recordkeeping monitoring exercise is intended to be an annual monitoring program and the next exercise will be conducted with public offices in March 2023. Data from the 2023 exercise will be compared to the 2022 data to determine if there has been any change. Over time, it is anticipated that improvements in maturity and compliance will be reliably measured.

Efficient retention of public sector records

State records are kept to support frontline customer service delivery, facilitate public sector governance and accountability, and minimise business risk to government. A small number of the total records generated are retained in perpetuity as part of the State Archives Collection.

Public sector records cannot generally be destroyed without the approval of SARA and its Board. The minimum periods for which the records must be kept are identified in records retention and disposal authorities. Significantly these authorities also identify records to be kept as state archives.

Routine implementation of retention and disposal enables the timely transfer of permanently valuable records to the State Archives Collection. Prompt destruction of records that are no longer needed reduces storage costs, assists agencies to manage growth in data and information and minimises risk exposure.

Retention and disposal authority coverage

At the end of this financial year, 373 public offices were required to comply with obligations conferred under the *State Records Act 1998*. Of these offices, 360 (97%) have comprehensive retention and disposal coverage for their records, an increase of 3% in total coverage on the previous year. Of the remaining 13 public offices, nine have some functional records covered and four have no or few functional records covered by retention and disposal authorities.

Each year, SARA aims to increase disposal coverage to enable and promote responsible disposal. As part of the program to increase and improve disposal coverage, SARA worked with:

- Service NSW to develop a new disposal authority covering its service delivery function;
- Cemeteries & Crematoria NSW to develop a new disposal authority covering its cemeteries and crematoria regulation function.

Retention and disposal authority review

SARA focused on reviewing retention and disposal authorities (RDAs) where more than ten years has elapsed since their last review date. The focus on reviewing ageing disposal regulations manages risk; ensures that disposal rules keep pace with changes in public office and government structures, services and functions; and promotes efficient public administration.

At the start of the reporting period, there were 175 active RDAs, of which 82 were due for review. Of the 82 RDAs, 22 have been completed this year comprising:

- 13 RDAs reviewed, redrafted and reissued;
- seven RDAs reviewed and reissued;
- one RDA reviewed and revoked;
- one RDA withdrawn.

Identifying performance issues and complaints about recordkeeping

SARA monitors reports published by the Auditor-General of NSW, the NSW Ombudsman and the Independent Commission Against Corruption (ICAC) to identify recordkeeping performance issues. SARA also takes note of media reports and issues raised by members of the public.

While the *State Records Act 1998* provides no specific complaint-handling provisions or powers, each year SARA handles a small number of complaints concerning recordkeeping in public offices. SARA's Managing Complaints about Recordkeeping in Public Offices policy guides staff in the handling of complaints, including their risk-based triage, assessment and response. The policy and complaint-handling process ensures that SARA accepts only those complaints aligned with its regulatory objectives.

During 2021–22, SARA received four complaints about recordkeeping. All were assessed according to organisational policy and procedures. Three complaints were declined, while the allegations made in the fourth were sufficient to commence a formal assessment process. A recordkeeping assessment was undertaken with the cooperation of the public office and no breach of the *State Records Act 1998* was identified.

Providing records management guidance and advice

SARA provides guidance and resources on a range of records management topics via its website. During 2021–22, SARA:

- published the bimonthly *For the Record* newsletter, which provides updates and advice to recordkeeping professionals within NSW public offices;
- published new guidance on COVID-19-related records; social media recordkeeping for councillors; identifying and managing high-value and high-risk records and information; mitigating common digital information management challenges and risks to records, information and data;
- updated guidance on information management and recordkeeping in Microsoft 365 as a result of feedback from the jurisdiction and the broad use of the suite.

In 2021–22, SARA responded to 1436 inquiries about recordkeeping, and attended 109 meetings with various NSW public offices and 113 meetings with working groups from a range of NSW public offices, non-government organisations, private individuals and organisations, and other jurisdictions.

SARA also provided detailed advice to public offices via presentations and briefings at records management network meetings and forums.

Recordkeeping during COVID-19

The current pandemic had a significant impact on recordkeeping practices across NSW. SARA continued to deliver support to the public sector by:

- providing advice on recordkeeping requirements issued under Public Health Orders, including retention of COVID-19 vaccination records;
- providing recordkeeping advice on new services implemented as part of the NSW Government's response to the pandemic.

SARA continued to liaise with national, state and territory archival and records authorities to ensure that NSW records documenting the Australian and state and territory governments' responses to COVID-19 via the National Cabinet were managed and preserved.

Training program

SARA suite of e-learning modules continued to be well received. During 2021–22, there were 3910 visits to the e-learning site, with 2463 visitors exploring the e-learning modules.

During this period, SARA provided copies of the e-learning modules to three public offices for modification and use as part of their own in-house training programs.

Keyword products program

Keyword AAA (developed 1995) and *Keyword for Councils* (developed 2000–01) are two records management thesauruses developed by SARA. These products were widely used within NSW Government and other government jurisdictions and sold on a commercial basis. Due to the age of the products and concerns about their relevance, it was decided during 2021–22 to discontinue the sale of *Keyword AAA* and *Keyword for Councils* and to close the program that managed them. Licence holders will still be able to continue using the products; however, SARA will no longer support or update the products.

To facilitate ongoing use of the products, SARA made them freely available for download and use from its website under a Creative Commons licence.

Recordkeeping events

During 2021–22, SARA transitioned face-to-face events to online events. The transition enabled participants from 192 public offices in metro and regional locations to engage with SARA. The four online events had a total attendance of 668 participants.

Online events	Date	Attendees
Webinar: What is RMA?	Sept 2022	84
Records Managers Online Forum	Mar 2022	256
Webinar: Assessing risks to records, information and data	Jun 2022	206
Microsoft 365 Roundtable Discussion	Jun 2022	122

Satisfaction survey

In October 2021, SARA conducted a satisfaction survey with public offices. The survey assessed the use of, and levels of satisfaction with, services provided by the Recordkeeping Standards and Advice and Agency Services teams. We received 104 responses from local government, universities, local health districts or health organisations, and agencies.

Survey responses indicated that there has been an increased number of visits to the recordkeeping part of SARA's website. There were high levels of satisfaction with website content and the advice and services provided, and 59% of respondents had downloaded and used the new Records Management Assessment Tool (RMA).

Key insights from the survey indicate a high satisfaction with statutory information provided on the website (standards, disposal, recordkeeping requirements) but lower satisfaction with guidance content (FAQs, webinars). There was mixed satisfaction with transfer requirements, with feedback citing that conservation requirements were too stringent, the process too complex and a need for more support.

Feedback from the satisfaction survey will be incorporated into improvements of our services to public offices.

Collaboration with government and industry

The Recordkeeping Standards and Advice team regularly collaborates with NSW Government departments, cross-agency initiatives and working groups to ensure that messages about good recordkeeping are reaching the widest audiences.

During 2021–22, significant collaborations included:

- Department of Premier and Cabinet, on updating the *Ministers' office handbook*;
- Office of Local Government, on drafting the Model Social Media Policy and Model Councillor and Staff Interaction Policy;
- Public Service Commission, on updating the records management component of the Senior Executive Fundamental website;
- Department of Customer Service, on drafting the NSW AI Assurance Framework.

SARA participates in industry research and standards setting where the outcomes have direct relevance to recordkeeping in the NSW public sector. During 2021–22, SARA participated in the following ways:

- as a member of the Standards Australia IT/21 – Records Management Committee;
- as a member of the Standards Australia IT/21 subcommittee IT21/17 – Compliance Handbook;
- as a member of the International Organization for Standardization ISO/TC 46/SC 11 Archives/records Management Working Group – 19 Risk assessment for records processes and systems.

Australasian Digital Recordkeeping Initiative (ADRI) Partnership

SARA works closely with others on digital recordkeeping and archiving strategies and tools. The Australasian Digital Recordkeeping Initiative (ADRI) is an undertaking of the Council of Australasian Archives and Records Authorities (CAARA), the peak body of government archives and records institutions in Australia and New Zealand. The primary objective of ADRI is to pool resources and expertise to find better ways to ensure that digital records are preserved and made accessible for the future.

Due to the COVID-19 pandemic, most of the ADRI projects were put on hold. SARA continued to collaborate with the working group to draft functional requirements for Microsoft 365, which were published in October 2021.

2.4 State Archives Collection

SARA manages and preserves the State Archives Collection on behalf of the people of NSW. The Collection is more than just the corporate memory of the NSW Government and broader public sector; it is a globally significant cultural collection that illuminates the past and provides insight and context for the present. The Collection includes the earliest government records in Australia, dating from the arrival of the first Europeans, and is used by people across Australia and around the world.

Achievements

During 2021–22, SARA:

- successfully completed a \$4.25 million collection digitisation project;
- successfully completed the revaluation of Sampled Series Format-based valuation categories, such as volumes, boxes and images;
- continued barcoding the Collection, with approximately 80% of the Collection barcoded at container level;
- launched the Public Office Portal to simplify the transfer of records to SARA custody and streamline internal processing workflows.

Adding to the Collection

SARA and its Board identify state records of enduring value through retention and disposal authorities. Identified records are required to be transferred to SARA to be accessioned into the Collection and kept in perpetuity.

SARA works with public offices to transfer this material into its custody when it is no longer in use. Archives not transferred into SARA's custody are at greater risk of loss, accidental destruction or damage.

Once the records are transferred, SARA works to document and describe the material, providing vital information about the context of the archives. This involves providing an overview of the content of each record series and when it was created, including lists of the items held, with links to the agencies that created the records over time and to any indexes or guidance on related archives so that they are discoverable and understood. SARA's digitisation efforts further increase discoverability of the Collection.

The transfer of born-digital material is a growing area, and we now regularly receive transfers of digital records, including documents, images, maps and audiovisual recordings.

Accessing the Collection

We are committed to maintaining a range of access points, and arrangements to preserve and make state archives as accessible as possible, in key locations throughout the state.

We provide access to the Collection through 40 community access points across regional NSW, including seven Regional Archives Centres, as well as via the Western Sydney Reading Room, the SARA website, selected third-party websites and our social media channels.

Transfer of state archives in 2021–22

SARA received 398 consignments from 324 series during the year. This included the transfer of 149 consignments of historic gaol records from Corrective Services NSW and a large consignment of NRS 21081 survey field books and notes from WaterNSW. SARA also received 18 consignments of digital transfers from four public offices.

Standard format archives include files, volumes, microfilm reels, films, audiovisual items and all other archives stored on shelves and counted in linear metres.

Standard format records accessioned into the State Archives Collection (metres)

Location of new accessions	2019–20	2020–21	2021–22
State archives accessioned into the Collection held at WSRC	1,299	1,458	1,102
State archives accessioned into the Collection held at Regional Archives Centres	–	2	593

Number of non-standard format items accessioned into the State Archives Collection

Type of item	2019–20	2020–21	2021–22
Maps and plans	680	93	18

Standard format items in the State Archives Collection (metres)

	2019–20	2020–21	2021–22
Appraised collection volume at WSRC	81,276	82,734	83,836
Yet-to-be appraised collection volume at WSRC	3,195	2,864	2,797
Total collection volume at WSRC	84,471	85,598	86,633
Collection volume at Regional Archives Centres	2,496	2,497	2,503
Total collection volume	86,967	88,095	89,136

These figures do not include 1110 metres of parliamentary archives held by agreement with NSW Parliament.

Preserving the Collection

We actively provide support to agencies to preserve archives still in their custody. The preservation team provides guidance about the appropriate handling, packaging and transportation of records to be transferred. Mould is a common risk and a workplace health and safety hazard faced by archival collections, and its detection and remediation has become a key challenge in the successful intake of records into the Collection. Consequently, in 2021–22 we focused on developing and implementing a mould testing regime.

A mould testing methodology was developed with advice from a commercial testing provider and was trialled over the year. The sampling process was refined with each ingest of potentially contaminated records. Procedures have been drafted detailing a hierarchy of inspections and testing for incoming collections, including quantitative clearance tests. Ongoing work will enable the inclusion of this preservation tool in logistics and quoting for the commercial intake of archives.

A stable storage environment is essential for the preservation of the Collection. An important element of this is the timely and accurate monitoring of temperature and relative humidity. This year, in a collaborative initiative with Sydney Living Museums, a real-time, remote environmental monitoring system was implemented. The Hanwell Environmental Monitoring System was installed with 18 sensor transmitters deployed across five areas of the Western Sydney Records Centre. The system can send alarms when storage environments fail to achieve specified limits, enabling any problems to be identified early and rectified sooner.

Conservation

Multiple vulnerable collections were conserved this year, preserving them for future access. Capital stimulus funding enabled the conservation of at-risk formats, such as glass-plate negatives and fragile manuscripts, so they could be digitised for better access.

An important way to reduce damage to archives during access is the assessment of their physical condition to determine risks and the need for treatment before they are handled. This year some significant and high-use collections and items were assessed and treated, including the main series of Crown plans, surveyor-general sketchbooks and police charge books. A large collection relocation was undertaken to improve the rehousing and storage of large collections of bound records. This involved the triaging of damaged items, making enclosures for vulnerable volumes and the addition of bookshelf supports.

The Conservation team also contributed to the success of our exhibitions by assessing, treating and mounting collection items for *History Reflected* and *Sydney Snapshots*, on display at the Museum of Sydney.

Collection digitisation program

Under our digitisation program, a total of 242,977 digital preservation files were ingested into the State Archives Management System during the year. These included:

- Index to the Colonial Secretary's Papers, 1788–1825;
- Dependent Children Registers, 1883–1923;
- Public Works Staff Cards;
- Stock Brand Cards;
- Public Service Commission Employee History cards;
- Government Printing Office glass-plate negatives.

The digitisation team successfully collaborated with SARA volunteers to achieve this result.

A significant achievement this year was the publication of the Index to the Colonial Secretary's Papers, 1788–1825 with the associated digitised microfilm. This substantial project was achieved through our partnership with Ancestry.

In addition, a collaboration with the State Library of NSW enabled the ingest of 46,368 images digitised from glass-plate negatives created by the former Government Printing Office.

Collection digitisation project

In 2021–22, SARA received \$4.25 million in capital stimulus funding for collection digitisation. The project focused on preserving priority material that would otherwise be inaccessible due to physical deterioration or format obsolescence.

The result of the project was the digitisation of:

- 548,053 acetate negatives comprising
 - images from the Department of Education, State Rail Authority, Electricity Commission of NSW, Maritime Services Board, Newcastle State Dockyard, Department of Urban Affairs and Planning and the Darling Harbour Authority
- 2027 audiovisual items comprising
 - 602 films, 959 videos, 417 magnetic audio items and 49 phonographs
- 363,880 frames of manuscript material comprising
 - 3397 Insolvency files (225,027 frames)

- 226 School files (138,853 frames)
- 19,822 glass-plate negatives comprising
 - 14,905 created by the Government Printing Office depicting NSW society and events from the 1890s to the 1920s
 - 4917 created by the Maritime Services Board showing Sydney Harbour as a place of natural beauty and an industrial hub.

The project delivered preservation outcomes, digitising over half of the Collection's current photographic negatives holdings and completing digitisation of acetate films and Australian-created videos and cassettes.

The project also saw key historical manuscript and image material available online for the first time.

Documenting and cataloguing the Collection

Significant series added to Collection Search in 2021–22 included:

- NRS-21096 Aboriginal Sites Register Archaeological Reports [National Parks and Wildlife], 1918–2001;
- NRS-19940 Mirrool Irrigation Area farm files, 1910–1987 (held at Charles Sturt University);
- NRS-21285 Audio Visual Material [EnergyAustralia/Ausgrid], 1981–2001 (86 megabytes of digital items available);
- records from multiple fire stations and local councils;
- NRS-21689 Images [Government Printing Office], 1885–1987 (64,485 items added).

Agency documentation work this year included the registration and approval of 478 series and 1727 consignments. Also added to Collection Search were 67,719 Crown Plan items (NRS-13859) and 7537 police items (in 894 consignments).

Series and context documented

Type	Approved program 2021–22	Total at 30 Jun 2022
Documented series at WSRC	477	16,072
Documented series at Regional Archives Centres or other locations	1	2,313
Total documented series	478	18,385
Agencies	30	4,672
Persons	3	193
Portfolios	64	387
Ministries	3	102
Organisations	–	97
Activities	–	323
Functions	–	14

State archives (items and images) in the online catalogue

	Result 2018–19	Result 2019–20	Result 2020–21	Result 2021–22
New state archives added to the online catalogue	282,005	913,574	1,021,820	1,180,160
Total state archives in the online catalogue	2,058,589	2,972,163	3,993,983	5,174,143

Valuation of the Collection

A perpetual valuation model was implemented in 2019–20 that complies with audit, government and organisational requirements. This has resulted in the ongoing valuation of the Collection being an integrated component of the business-as-usual process of collection management.

In 2021–22, the State Archives Collection was valued at \$1,054,488,020. This represents an increase of \$10,072,943, being a combination of new transfers and revalued material since 30 June 2021.

Access directions cover all records kept longer than 30 years

The *State Records Act 1998* requires public offices to make access directions for records that are in the open access period (that is, at least 30 years old). Access directions either open records to public access after 30 years or close them for a longer specified period. There is a presumption that records will be open to public access after 30 years. The *Attorney General's Guidelines: Making Access Directions under the State Records Act 1998* identifies types of records that may require a longer period of closure, for example, to protect sensitive information or restrict access to information that could compromise security.

SARA maintains a register of access directions on its website and assists public offices to make access directions. The main trigger for making access directions remains the requirement that all items transferred into the Collection be covered by an access direction.

Public offices making access directions

Coverage	2018–19	2019–20	2020–21	2021–22
Partial coverage	4	3	7	4
Comprehensive coverage	4	4	2	13

The number of access directions made is not indicative of the quantity of records covered.

Temporary recall of state archives

Public offices may recall individual state archives required for official use. SARA may provide temporary custody of the original record or supply a copy. Digital delivery is the preference for fulfilling such requests. In 2021–22, 2411 requests were made for archives and of these, 2108 were delivered digitally.

Use of the State Archives Collection

The purpose of preserving the Collection is to make the records available to enrich the lives of people and communities in NSW and beyond. In addition to their cultural value, archives help people to establish personal or family identity and entitlements.

Inquiries from the public

Format of inquiry	2018–19	2019–20	2020–21	2021–22
Post	28	21	7	11
Email	4,620	4,682	9,902	6,294
Phone	5,060	4,345	1,959	1,630
Total number of inquiries	9,708	9,048	11,868	7,935

Copy order service

	2018–19	2019–20	2020–21	2021–22
Total orders from the public	4,909	4,414	4,945	5,274

Meeting service guarantees

Type	2018–19*	2019–20	2020–21	2021–22
Responses to written inquiries within 20 working days	96%	95.8%	99.74%	93%
Completion of copying orders within 15 working days	85.6%	70.1%	77%	99%

* Advertised target in 2018–19 was 20 working days.

Reading Room services limited due to COVID-19

The Reading Room was open by appointment only with limited capacity for most of 2021–22 to manage COVID-19 requirements and ensure the safety of customers and staff. Reading Room hours were reduced by 30 minutes to allow for cleaning during the middle of the day. Contactless issuing and return of archives to customers continued throughout this period as did cashless financial transactions. The Reading Room closed due to COVID-19 restrictions from 28 June 2021, reopening on 19 October 2021. Critical access to the Collection relating to justice matters, citizens' rights and public office requirements continued to be supported during the closure of the Reading Room.

Reading Room visits

Access to state archives in the Reading Room is free. Original (uncopied) state archives are only accessible at the Western Sydney Records Centre and certain items of regional significance are available at our Regional Archives Centres. A Reader's Ticket is required to access original archives. During the year, 904 Reader's Tickets (valid indefinitely) were issued.

Visits by the public	2018–19	2019–20	2020–21	2021–22
WSRC Reading Room	22,055	15,586*	11,909†	6,430‡

* Reading Room closed due to COVID-19 from 24 March to 2 June 2020.

+ Reading Room open by appointment only with limited capacity in 2020–21 due to COVID-19.

‡ Reading Room closed from 28 June to 18 October 2021 due to COVID-19.

Use of original collection items at the Western Sydney Reading Room

Type	2017–18	2018–19	2019–20	2020–21	2021–22
Original archives issued	24,189	20,971	18,161	19,924	10,174
Customers using original items	4,775	4,449	3,434	3,579	1,971
Average number of original items per customer	5	4.7	5.3	5.6	5.2

Collection usage highlights in 2021–22

- ABC documentary series by Media Stockade – *Debi Marshall investigates: the Family Court Murders*
- Transport for NSW – 2022 calendar
- Penrith Council/Penrith Library – 2022 calendar
- Department of Education's Gibberagong Environmental Education Centre – student work sheets for at-home learning
- Australian Embassy in Jordan – commemorative coffee table book celebrating Jordanian centenary and promoting Australia-Jordan relations
- Localjinni – screening of *Alice in Blunderland* film on a pedal cinema in the Australian Capital Territory to promote the lowering of traffic emissions
- Warner Bros television series *Who do you think you are?*
- Peter FitzSimons's book *The Opera House*
- Exhibition to celebrate the 100th anniversary of the Japanese Junior Red Cross Society
- Wildbear Entertainment documentary series *Iconic Australia* – episode on the history and commission of the Sydney Opera House
- ABC Television documentary series *Australian story* – episode including reference to the Daruk Boys Home
- ABC Television series *Compass* – documentary on Christmas in Australia
- National Art School book – *Captivate: 200 years of Darlinghurst Gaol and the National Art School*
- Transport for NSW – online documentary series celebrating the 90th anniversary of the Sydney Harbour Bridge
- Transport for NSW – projection of images onto the Sydney Harbour Bridge pylons to celebrate the 90th anniversary of the Sydney Harbour Bridge
- NSW National Parks and Wildlife Service – interpretive signage promoting the significance of sites along a new walking track between Middle Head and Georges Head, Sydney

Exhibition loans

In 2021–22, 66 collection items were loaned, as outlined below:

Sydney Living Museums

Museum of Sydney

Exhibition title: *Sydney Snapshots*

Item loaned:

NRS-4481-3-[7/15904]-M5489 'Scarba' Welfare Home for Women, Bondi

Exhibition title: *History Reflected*

Items loaned:

NRS-1021-1-[X24]-1 - New South Wales Charter of Justice 02-04-1787

NRS-22730-1-1 - George Graves' headstone, 1788

NRS-1272-1-[SZ978]-SZ978 - 1828 Census alphabetical returns

NRS-1272-1-[SZ979]-SZ979 - 1828 Census alphabetical returns

NRS-1272-1-[SZ980]-SZ980 - 1828 Census alphabetical returns

NRS-1272-1-[SZ980]-SZ980 - 1828 Census alphabetical returns

NRS-1272-1-[SZ981]-SZ981 - 1828 Census alphabetical returns

NRS-1272-1-[SZ982]-SZ982 - 1828 Census alphabetical returns

NRS-1272-1-[SZ983]-SZ983 - 1828 Census alphabetical returns

NRS-1272 Wooden Cabinet - 1828 Census alphabetical returns cabinet

NRS-19437-1-[SZ1053] - Letter from William Hobbs to Police Magistrate, Invermein concerning the Myall Creek massacre, 1838

NRS-12202-1-[4/4119]-4/4119-38/788 - Ticket of Leave Butt Joseph Milsom

NRS-905-1-[4/2419.3]-38/7394 - Ticket of Leave Joseph Milsom

NRS-7933-[5/3703B]-66/2953 - Petition from Chinese miners at Rocky River, 1866

R301_1_77_1 - Albury Passenger Station elevation to road and plan

R301_1_77_2 - Albury Passenger Station elevation to railway and longitudinal section

NRS-906-1-[4/6029]-4/6029 - Petition for sentence reduction, 6700 signatures, 1879

NRS-905-[1/2651B] extracted from 87/7624 - Key to Rookwood Asylum, 1887

NRS-12487-1-[5/3261]-Vol VI [Whole Volume] - Photographs taken during cleansing operations in quarantine areas, Sydney, 1900

NRS-12487-1-[5/3261]-Vol IV Cottage at rear of No. 8 Francis Street. [1 page] - Photographs taken during cleansing operations in quarantine areas, Sydney, 1900 . -

NRS-12487-1-[5/3258]-Vol I No. 11 Margaret Street. [1 page] - Photographs taken during cleansing operations in quarantine areas, Sydney, 1900 No. 11 Margaret Street. [1 page]

NRS-12487-1-[5/3261]-Vol IV Rear of No. 51 Glebe Street [1 page] - Photographs taken during cleansing operations in quarantine areas, Sydney, 1900

NRS-12487-1-[5/3261]-Vol IV Professional ratcatchers [1 page] - Photographs taken during cleansing operations in quarantine areas, Sydney, 1900

NRS-12487-1-[5/3259]-Vol II Wexford Street [1 page] - Photographs taken during cleansing operations in quarantine areas, Sydney, 1900

NRS-13538-11-[10/27753]-07/301 Intestate estate file for Mr Patrick Birmingham, a grocer from Waterloo who died on 17 June 1907

NRS-4474-1-[1/265]-2 - Empire Day Programmes, 1905-1917

NRS-14511-1-[17/633B]-25/3216 - Cap in the MIA file -sample of a cap worn by the women working in the Leeton cannery c.1925

NRS-13660-16-2458-Series 4_212687 - Probate Packet Charles Edward Kingsford Smith: Report from 17 Nov 1935 from RAF Headquarters Far East Singapore on [the] search for Smith and Captain Pethybridge

NRS-19792-1-[Document202]-Document202 - National Emergency Services posters, 1942. Poster – “Target for tonight”

NRS-12708-1-[SZ104]-SZ104 - Sydney Opera House 'Yellow Book' , 1962

NRS-17459-1-5-[39] - Action in Vietnam, 1966

NRS-17459-1-175-[1504]pt1 - Whatever Happened to Green Valley, 1973 (Part 1)

NRS-17459-1-176-[1513] pt2 - Whatever Happened to Green Valley, 1973 (Part 2)

NRS 13032-5-33-AOP 09961 - Anti-Discrimination Act 1977, No. 48, 1977

NRS-16007-2-1-[1] - Get up, Stand up (anti-smoking film for teenagers, 1981)

NRS-12094-4-[Audio Cass68]-Audio Cass 68 - Musical documentary: The struggle to save the rainforest in the Nightcap National Park, 1982

NRS-13032-4-84-AOP 08675 - Forestry Revocation and National Park Reservation Act 1983, No. 37.

NRS 15933 COM06/015 SA2003 State of Play report (volume) - [Sydney Organising Committee for the Olympic Games]

NRS-16399-7-A2719 Nothing Bigger than this (volume) - [Olympic Coordination Authority]

NRS-15933-8-A3977 Torch Design Concepts Brief (A4 volume) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-8-A3977 Australia on Show (A4 volume) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-8-A3977 Australian Torch Relay route (leaflet) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-11-A5146 Sydney 2000 Press Guide (spiral bound volume) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-11-A5146 Paralympics Games Competition Schedule (A4 volume) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-11-A5146 Broadcaster Handbook (spiral bound volume) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-11-A5146 Official Spectator Guide (A5 volume) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-11-A2757 The Aussie Frog Challenge (volume) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-10-A4778 Opening Ceremony (leaflet) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-10-A4778 Share the spirit (leaflet) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-10-A4778 Olympic Torch Relay invitation 1 - brown (leaflet) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-10-A4778 Olympic Torch Relay invitation 2 - red (leaflet) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-10-A4778 Volunteers 2000 (leaflet) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-10-A4778 Olympic Coin Program (A5 leaflet) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-10-A4778 2000 Volunteers (flyer) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-10-A4778 Olympic Epic (flyer) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-10-A4778 Dreaming (flyer) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-10-A4778 Ticket - [Sydney Organising Committee for the Olympic Games]

NRS-15933-10-A4778 Share the Spirit (flyer) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-10-A4778 Ceremonies Volunteer handbook (A5 leaflet) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-11-A5357 Getting it Right (A4 volume) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-11-A5357 Access Guide to the Ol. And Para. Games (A5 spiral bound volume) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-11-A5357 Olympic Opening Ceremony Rehearsal (A4 volume) - [Sydney Organising Committee for the Olympic Games]

NRS-15933-11-A5357 Opening Ceremony book - [Sydney Organising Committee for the Olympic Games]

NRS-15933-11-A5357 Closing Ceremony book - [Sydney Organising Committee for the Olympic Games]

NRS-15933-11-A5357 Mascot Visual Standards manual (A4 folder) - [Sydney Organising Committee for the Olympic Games]

Community engagement events

SARA is committed to making the State Archives Collection known to a diverse range of communities and individuals across NSW, beyond its existing clients.

To raise awareness and understanding of the Collection, we organise and participate in an outreach program comprising talks, tours, exhibitions, an online newsletter, education programs, stalls, launches and other events. Through our outreach program, we have built strong relationships with many of our public stakeholder groups. This year the program focused primarily on online initiatives due to the impact of COVID-19. Some events were presented in person after restrictions were lifted.

Achievement: organised or contributed to 65 outreach events, attended by 4769 people

Location of engagement events	2018–19	2019–20	2020–21	2021–22
Onsite*	970	2,719	3,084	3,637
Sydney	416	614	159	342
Western Sydney	225	238	24	116
Regional and rural NSW	1,078	401	46	676

* Includes webinars.

Archives on Tour

Archives on Tour is an annual initiative that is designed to bring items from the Collection to regional NSW. This year the program was delivered virtually to four locations across the state: Cooma, Coonabarabran, Ulladulla and West Wyalong. The theme was School records, and a selection of archives relating to the schools of each town and the teachers who taught there was digitised and set out on a webpage. The webpage formed the basis for an interactive live webinar featuring presentations about school archives relating to the town and question and answer sessions. The program was well attended, including by current teachers in the featured schools.

Collaboration with Sydney Living Museums

This year continued to see strong growth in our partnership with Sydney Living Museums, demonstrating the strong links and strategic opportunities for both institutions. The most notable of these was the *Sydney Open* program and the exhibitions *How to Move a Zoo*, *Iridescent by Gerwyn Davies* and *History Reflected*, which were on display at the Museum of Sydney.

Sydney Open

In 2021–22, Sydney Living Museums' [Sydney Open](#) program was again virtual with a range of offerings including live streamed [panel talks](#), self-guided [audio walking tours](#), [podcasts](#) and expert-led [virtual tours](#) of significant buildings. SARA participated in this event via a virtual online tour which allowed participants to navigate through the Western Sydney Records Centre and view online videos from experts in the areas of collection, conservation, sustainability, and logistics.

Exhibitions

Our exhibition program demonstrates the value of the State Archives Collection and our role as a source of evidence and rigorous research as well as a cultural institution that uses the Collection to address contemporary issues.

Each project within the program uses the Collection as its starting point and is delivered across a range of platforms, including onsite in Western Sydney, offsite at a range of venues, on tour through regional NSW and online.

Iridescent by Gerwyn Davies

In the exhibition *Iridescent by Gerwyn Davies*, queer photographic artist and costume maker Gerwyn Davies responded to and reimagined the museums, archives, historic houses and gardens under the care of Sydney Living Museums and SARA. In a series of 12 large-scale photographic works, Davies dramatically transformed each property into a stage on which an extravagant performance was played out for the camera by the artist as a vividly costumed character.

How to Move a Zoo

Over the course of six months in 1916, hundreds of Sydney's favourite animals left behind their dismal and outdated cages at the old Moore Park zoo and were shepherded through the city streets before being ferried across the harbour to their new purpose-built home, Taronga Zoological Park. Specially commissioned illustrations, coupled with rarely seen historical photographs from the State Archives Collection, re-created this incredible story in a playful, thought-provoking interactive exhibition.

History Reflected

This exhibition presented 25 of the most iconic, treasured and curious items from the State Archives Collection alongside bold contemporary reflections from artists, writers, curators and commentators. Challenging, emotionally arresting and surprising, *History Reflected* invited audiences to contemplate the past, present and future, and will change the way we look at history.

Touring exhibitions

This was another challenging year for SARA's touring exhibitions program due to the limitations imposed by COVID-19 on the galleries, libraries, museums and archives sector. However, there were significant achievements, including the exhibition *A Tale of Two Zoos* displayed at NSW Parliament House. Attendance at touring venues totalled 32,080 and the program crossed state borders with *Windows into Wartime* on display at the Hinkler Hall of Aviation in Queensland.

Exhibition	Location	Dates
Windows into Wartime	Rathmines Heritage Centre	4 Dec 2021 – 27 Feb 2022
Captured	Grafton Library	13 Dec 2021 – 31 Jan 2022
Blaze	Grafton Library	31 Jan – 4 Apr 2022
The Queen's Album	Western Plains Cultural Centre Gallery, Dubbo	12 Feb – 29 May 2022
A Tale of Two Zoos	Fountain Court, NSW Parliament House	14 Feb – 3 Mar 2022
Windows into Wartime	Hinkler Hall of Aviation, Bundaberg	22 Apr – 22 May 2022

Key events

Release of the 1991 Cabinet Papers

During 2017–18, SARA initiated an annual release of NSW Cabinet Papers, held as part of the State Archives Collection, to increase public awareness of important milestones in the history of NSW and the state government. The initiative provides an opportunity to publicise the value, richness and contemporary relevance of the Collection.

This year the release of the NSW Cabinet Papers was again a virtual event due to COVID-19. The 1991 Cabinet Papers were released and promoted via a social media campaign throughout the month of February. The papers were digitised and made available online, complemented by web pages featuring a contextual essay written by historian Dr David Clune OAM and a list of notable decisions. Highlights from the 1991 Cabinet year include the charter of reform with Independent Members of Parliament, which included fixed-term parliaments; the corporatisation of the Hunter Water Board and the Electricity Commission; and the conservation of karst areas across NSW and Nattai National Park.

Website activity

Total website traffic during the year was 1,098,797 visits (sessions), 699,764 unique visitors and 6,016,268 page views.

Engagement with the State Archives Collection

Type of engagement	2018–19	2019–20	2020–21	2021–22
Collection, index and exhibition e-catalogue views	1,761,051	2,737,668	3,398,601	3,362,881
Third-party websites containing collection items	6,660,889	7,029,006	8,124,993	6,754,437
Social media	7,172,323	7,901,303	6,525,129	8,287,622
Physical visits to the Reading Room	22,055	15,586*	11,909†	6430‡
Physical visits to exhibitions	477,587	228,270	15,594	32,080
TOTAL	16,093,905	17,911,833	18,065,507	18,443,450

* Reading Room closed due to COVID-19 from 24 March to 2 June 2020.

† Reading Room open by appointment only with limited capacity in 2020–21 due to COVID-19.

‡ Reading Room closed from 28 June to 18 October 2021 due to COVID-19.

2.5 Commercial operations

Secure and efficient records storage

During 2021–22, SARA's off-budget Commercial Services arm continued to provide secure, efficient and compliant records storage and related services to the public sector.

SARA's Commercial Services team primarily services NSW government agencies, but clients also include local councils, public hospitals and universities. Across a year that continued to be impacted by COVID-19, demand for traditional services of storage and physical deliveries was relatively steady, with some transfer between physical services and digital services. Data entry, sentencing, digitisation and hosting services were strong through the year.

Revenue generated through commercial activity supports the wider goals of SARA in a number of ways. This revenue provides the predominant funding source for the organisation and gives SARA significant insight into the challenges and trends that the sector is experiencing. SARA's Commercial Services team works closely with agencies, providing quality records management services to help them efficiently control, manage, access and legally dispose of their records in a timely and compliant fashion (including accessioning records into the State Archives Collection). This enables SARA to leverage its industry experience to assist in achieving its strategic objectives. Further support is provided through direct internal services to SARA (for example, digitisation of collection material), and access to economies of scale and equipment that would otherwise not be possible.

Storage service demand

SARA's Commercial Services team took on the management of 27,379 linear metres of incoming records during the year compared to 21,912 linear metres in 2020–21. With 18,610 linear metres of records being destroyed, transferred or permanently recalled, a net growth of 8769 linear metres was achieved. In 2021–22, total commercial holdings grew to 677,830 linear metres of records.

Net growth of holdings

2018–19	2019–20	2020–21	2021–22
0.5%	1.4%	1.1%	1.3%

Logistics

Total deliveries of records were 12% higher year-over-year. This growth was a result of the relaxation of some COVID-19 restrictions, although the level of operations is still below that of 2018–19 prior to the impact of COVID-19.

Year	Delivery operations	% Increase/decrease from previous year
2018–19	196,792	
2019–20	155,173	-21%
2020–21	146,209	-6%
2021–22	164,322	12.4%

Value-added services

During 2021–22, SARA's Commercial Digitisation team continued to deliver value-added services to customers including:

- project-based services for SARA and external customers. An example is the delivery of archival-quality imaging to the State Library of NSW, involving the imaging of over 10,000 maps and plans (over 21,000 frames) in a 12-month period. This required cross-team coordination with SARA's Conservation unit to prepare the maps and plans for imaging, as well as post-image processing, including colour balancing, to ensure the items met the required archival standard set by the client;
- the continued high use of the specialised indexing and sentencing services, with the Health Sentencing and Indexing team processing over 250,000 files;
- Commercial Services Consulting Archivists providing value-added services, such as archival appraisal, analysis of legacy record holdings, preparation of records for transfer to the State Archives Collection, destruction of records and onsite work at clients' premises to assist with recordkeeping issues. Significantly, this year the consulting archivist team have appraised and conducted preservation work on over 4,500 boxes of records of continuing value, which have subsequently been approved for transfer to the State Archives Collection.

In addition to the commercial services delivered to our external customers, the Digitisation team imaged over 20,000 glass-plate negatives and over 3,600 paper files as part of a capital funded project to digitise and preserve at-risk State Archives Collection items. This resulted in almost 400,000 archival master images being created, with a total batch size of almost 60 terabytes, and has significantly contributed to the preservation of the archival collection.

Financial viability

SARA's Commercial Services unit has operated as an off-budget service unit since 1 July 1990, relying primarily on paper-based records storage fees to generate its operating revenue.

In 2021–22, a net result (before depreciation and amortisation) of \$8.1 million was generated from revenue of \$20.3 million. This equates to an approximate 40% return on earnings.

	Result 2021–22	Budget 2021–22
	\$'000	\$'000
Revenue	20,339	21,400
Expenditure	12,199	12,728
Net result	8,139	8,700

The Western Sydney Records Centre has total storage space of 470 linear kilometres for non-current records and archives, with SARA now utilising an additional 304 linear kilometres in leased satellite repositories in the Penrith area to service its commercial clients.

Environmental impacts

During 2021–22, SARA securely destroyed and recycled 202,378 kilograms of paper.

Fleet kilometres were reduced by 19% to 324,440 kilometres.

2.6 Information management

SARA recognises the value of its information, records and knowledge as corporate assets. These assets include:

- information and records about the State Archives Collection and non-current records in our custody;
- staff knowledge about NSW public sector records and archives;
- an extensive database and information about the administration of the NSW public sector and its recordkeeping practices, from 1788 to the current day;
- a library of government legislation and publications, and works on the history of NSW, for staff and clients to better understand the context of the Collection.

Corporate Information Technology (Corporate IT) focuses on supporting SARA's line-of-business systems (State Archives Management System (SAMS) and the Commercial Services application environment) as well as the technology platforms on which they operate. Additional focus areas include management of cyber security, business resilience, information management and ICT service support for both SARA and Sydney Living Museums.

Several issues throughout the year affected project timelines. The most significant was ongoing supply chain delays due to COVID-19.

Corporate IT achievements in 2021–22 include:

- continued ICT infrastructure replacements for hardware that had reached end-of-service life;
- completion of the Microsoft 365 rollout with the implementation of Teams and Teams Phone;
- commencing implementation of automated workflows using the CM9 records system;
- enhancing the backup recovery testing program to improve business resilience;
- continued deployment of enhanced cyber security capabilities, although progress was delayed due to the high level of business impact that needed to be mitigated;
- continued support for SARA digitisation programs;
- providing support for the development of the Agency Interface project;
- updating management policies and procedures associated with Essential 8 controls.

3 Corporate overview

3.1 Board of NSW State Archives and Records

The Board of NSW State Archives and Records is responsible for the statutory functions of the State Archives and Records Authority of New South Wales, including determining strategic plans and policies, and approving records management standards and protection measures for state records through disposal authorities.

Of the Board's nine members, seven are nominated by various ministers to represent state law enforcement agencies, local government, the private sector, the history profession, public service agencies and state-owned corporations. One member is nominated jointly by the President of the Legislative Council and the Speaker of the Legislative Assembly, and one must be a judge of a court of the state, nominated by the Chief Justice of New South Wales.

Board members are appointed for a maximum of two consecutive terms, each term not exceeding three years.

Board members

Dr Brian Lindsay, Chair

Professional researcher and author
Nominated by the Minister administering the *State Records Act 1998* to represent the history profession
Chair since 24 Feb 2019
First term: 24 Feb 2019 – 23 Feb 2022
Second term: 16 Mar 2022 – 15 Mar 2025

Ms Elizabeth Tydd, Deputy Chair

NSW Information Commissioner
Nominated by the Minister administering the *Government Sector Employment Act 2013* to represent public service agencies
First term: 9 Aug 2017 – 8 Aug 2020
Second term: 9 Aug 2020 – 8 Aug 2023

Mr Reno Lucarini

Group Director Shared Services, NSW Police Force
Nominated by the Minister administering the *State Records Act 1998* to represent state law enforcement agencies, after consultation with the ministers responsible for those agencies
First term: 27 May 2020 – 26 May 2023

The Hon Justice Geoff Lindsay

Judge of the Supreme Court of NSW
Nominated by the Chief Justice of NSW

First term: 1 Jan 2017 – 31 Dec 2019

Second term: 1 Jan 2020 – 31 Dec 2022

Mr Scott Johnston

Deputy Secretary, Revenue NSW
Nominated by the Premier to represent public service agencies
First term: 16 Mar 2020 – 15 Mar 2023

Cr David Walton

Councillor of Northern Beaches Council
Nominated by the Minister administering the *State Records Act 1998* to represent local government
First term: 30 Jan 2019 – 29 Jan 2022
Second term: 16 Mar 2022 – 15 Mar 2025

Ms Amy Beaumont

General Counsel at Port Authority of NSW
Nominated by the Premier to represent state-owned corporations
First term: 20 Oct 2021 – 19 Oct 2024

The Hon Shayne Mallard

Member of the Legislative Council
Nominated jointly by the President of the Legislative Council and the Speaker of the Legislative Assembly
First term: 20 Oct 2021 – 19 Oct 2024

Members who left the Board during the reporting period

Mr Rodney Wallis, Deputy Chair

Executive, Global Head of Resources, Infrastructure and Government, National Australia Bank

Nominated by the Minister administering the *State Records Act 1998* to represent the private sector

First term: 24 Feb 2016 – 23 Feb 2019

Second term: 24 Feb 2019 – 23 Feb 2022

Board meetings

The Board meets every two months. Six meetings were held in 2021–22.

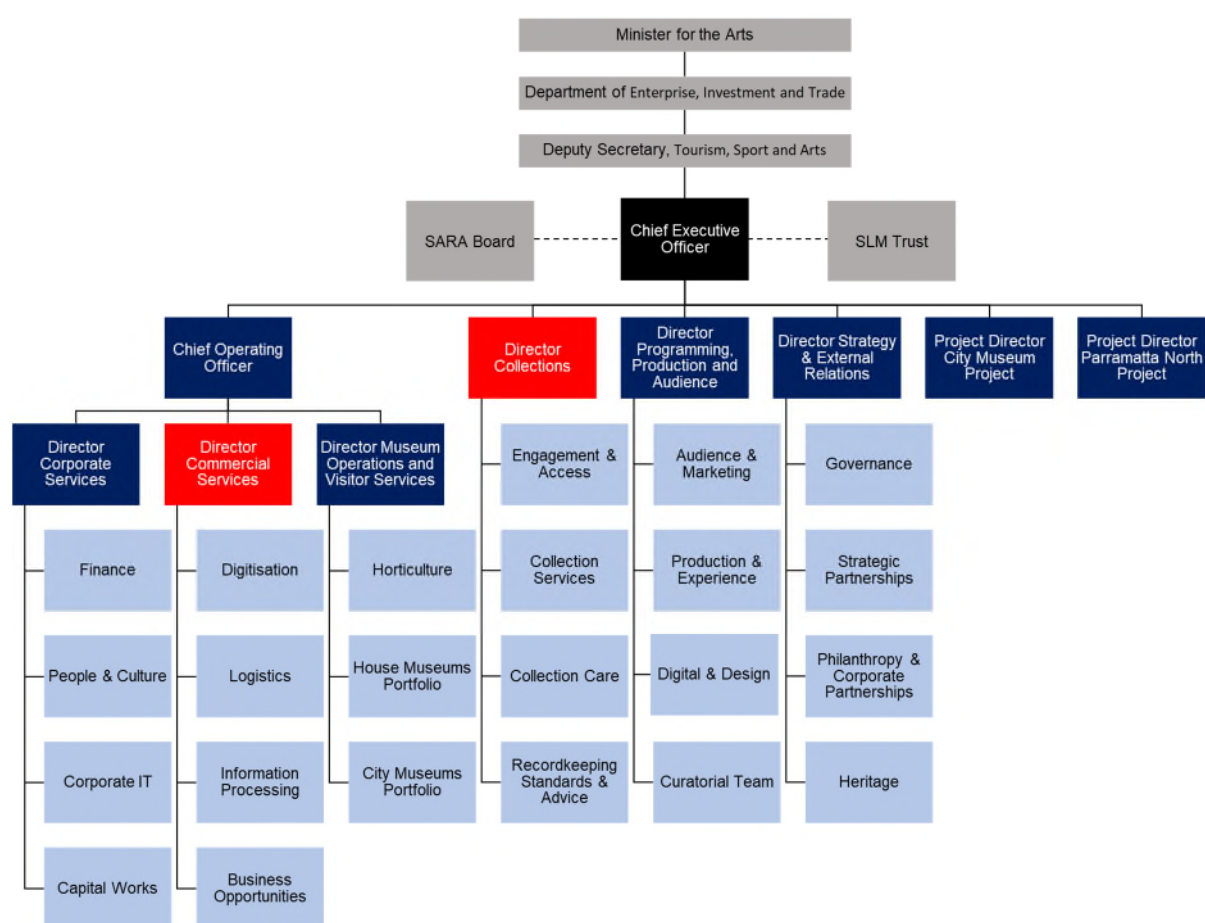
Member	Attended	Eligible
Dr Brian Lindsay (Chair)	6	6
Ms Amy Beaumont	5	5
Mr Scott Johnston	4	6
Hon Geoff Lindsay	5	6
Mr Reno Lucarini	3	6
The Hon Shayne Mallard	3	5
Ms Elizabeth Tydd	6	6
Mr Rodney Wallis	4	4
Cr David Walton	4	5

3.2 Legislation

SARA is a statutory authority representing the Crown under the *State Records Act 1998*, which also sets public offices' obligations regarding their records and governs public access to records more than 30 years old. The Act also established SARA and its Board. SARA's principal functions are found in section 66 of the Act.

A process for the review and improvement of the Act has been progressing since 2019. On 15 October 2020, the NSW Parliamentary Standing Committee on Social Issues released a report titled '[State Records Act 1998 and the Policy Paper on its review](#)'. In November and December 2020, SARA undertook a thorough consultation with NSW public offices to discuss the report's recommendations and implementation of those recommendations. The government provided its response to the report on [14 April 2021](#) and this response committed to further consultation with the Social Issues Committee. On 21 June 2022, the Museums of History NSW Bill was introduced on motion by the Hon James Griffin, Minister for Environment and Heritage, for an Act to establish and confer functions on a single new cultural institution, Museums of History NSW (MHNSW), amend the *State Records Act 1998* and repeal the *Historic Houses Act 1980*. This is the first step in the parliamentary process to combine the archival, collecting, access and commercial roles of SARA and Sydney Living Museums.

3.3 Organisational structure



Key

Dark Blue Directors who sit on the SLM establishment

Red Directors who sit on the State Archives and Records Authority of New South Wales (SARA) establishment

3.4 Our Executive

Adam Lindsay – Chief Executive Officer

(from Feb 2022)

BA/BBus, BA (Hons), MA

Danielle Toga – A/Chief Operating Officer

(from Apr 2022)

Director Corporate Services

(Nov 2021 to Apr 2022)

BSocSc

Yaseen Dean – Director Corporate Services

(from Apr 2022)

BA, CPA, EMPA

Ben Alexander – Director Commercial Services*

Susan Sedgwick – Director Museum Operations and Visitor Services

BA, MA

Martyn Killion – Director Collections*

BA, Grad Dip AppSc (Info), Dip FHS

Rebecca Bushby – Director Programming, Production and Audience

BA, Grad Dip Mgt, Grad Dip AppSc

Kathryn Natoli – Director Strategy and External Relations (from Apr 2022)

LLB, LLM

Ian Innes – Director Capital Programs

BScArch, BLArch

Andrea Ehlers – Director City Museum Project

M.Sus Dev, MBA, Dip Int Des

Beth Hise – Director Parramatta North Project

BA, MA

*Directors who sit on the State Archives and Records Authority of New South Wales (SARA) establishment

Executive movements during the reporting period

Ian Innes – Project Director Capital Programs (left organisation Jun 2022)

Clare Donnellan – Director Corporate Services (left organisation Oct 2021)

Functional realignment

Several reporting lines and divisional realignments occurred during the reporting period to combine complementary functions across SLM and SARA. The new Executive structure as outlined above commenced in April 2022. A summary of the key functional realignments are detailed below:

- The Corporate Services, Commercial Services and Museum Operations divisions now report into the newly established Chief Operating Officer role.
- The governance, philanthropy and fundraising, membership, strategic partnerships, and heritage advisory teams now report into the new Director Strategy and External Relations role.
- The SLM commercial venue hire team was moved into the Commercial Services division to align all SLM and SARA's commercial operations.
- The SLM collections and access team was moved into the broader Collections division.

3.5 Advisory committees

SARA currently convenes one standing advisory committee that comprises a range of representatives from the public sector.

Public Sector Advisory Committee

The Public Sector Advisory Committee was established to ensure that the programs and initiatives for public offices take account of the current issues and needs of the NSW public sector. The committee met three times during the reporting period. Its members include (as at 30 June 2022):

- André Jenkins, Director, Information Management, Clinical Excellence Commission;
- David Pallot, Manager, Information and Records Management, Fire and Rescue NSW;
- Deborah Naray, Head of Corporate Information, The University of Technology Sydney;
- Kate Curr, Manager, Digital Strategy & Innovation, State Library of NSW;
- Lachlan Calvey, Senior Advisor Information Management, Department of Customer Service;
- Lynne Paine, Director Information Management & Organisational Performance, Nepean Blue Mountains Local Health District;
- Michael D Smith, Manager, Information Management, City of Sydney.

The committee:

- advises on initiatives relating to improving recordkeeping compliance within public offices;
- collaborates with SARA to identify and mitigate emerging areas of information risk in the NSW public sector;
- shares experiences and insights on records and information management in the NSW public sector.

4 Governance and accountability

4.1 Managing our people

Social responsibility plan and multicultural department policies and services program

SARA supports the government's social responsibility commitments to culturally and linguistically diverse communities, people with disability, women and First Nations people. Following the machinery of government changes in April 2022, SARA became an executive agency, and relevant plans and strategies were updated to reflect this.

Diversity and inclusion policies and services

SARA is implementing the SARA and Sydney Living Museums (SLM) Diversity and Inclusion Action Plan 2021–2023.

SARA's commitment to inclusion involves creating an environment that is respectful, welcoming and flexible, and where all employees can achieve their full potential. We cultivate an inclusive and collaborative workplace where diversity of lived experience and background informs decision-making and innovation.

SARA is halfway to meeting its commitments for the Diversity and Inclusion Action Plan. The Plan was developed with a specific focus on Diversity and Inclusion as it relates to the staff of SARA and SLM and is supported by a working group comprising staff from both organisations.

Achievements during 2021–22 across the three pillars of Leadership, Workforce and Workplace include:

1. **Leadership** – All SARA Senior Executives and People Leaders undertook Diversity and Inclusion training to ensure that diversity and inclusion is implemented in work plans and strategies.
2. **Workforce** – Diversity and Inclusion was implemented as part of the end-to-end recruitment process, helping to ensure the workforce and leadership is representative of the working population of NSW.
3. **Workplace** – A mentoring program was established that focused on the needs of our diverse workforce to ensure an inclusive workplace and culture, where all employees, irrespective of background, experience high levels of respect and belonging, are empowered to fully contribute to work practices and have opportunities for progression.

A register of Diversity and Inclusion ambassadors, along with special interest groups, was established to promote and champion diversity and inclusion in our workplace. Diversity of lived experience is sought from a range of internal and external sources and is actively integrated into work processes to drive innovative and high-quality service delivery and policy formulation.

By 2023, we will be recognised as a workplace that respects and celebrates diversity and inclusion and makes them a priority in our planning, resourcing and daily work.

Employment relations policies and practices

SARA manages its employees in accordance with NSW Government human resources policies and practices. Its policies and practices were updated to reflect the establishment of SARA as an executive agency, and include:

- ensuring equity in employment opportunities;
- ensuring health and safety at work, and providing return-to-work programs and confidential counselling and advice services;
- embracing diversity and gender balance: for women, people with disability, Aboriginal and/or Torres Strait Islander people, and people with different ethnic backgrounds;
- fostering ethical conduct and individual performance;
- enabling staff to develop their skills, knowledge and careers;
- providing flexibility in working hours to support work-life balance;
- supporting study leave for staff undertaking relevant study;
- ensuring diversity of representation on recruitment panels and the provision of workforce diversity information to job applicants;
- ensuring diversity of representation on internal bodies such as the Health and Safety Committee;
- providing development opportunities through expressions of interest and temporary above-level allowance.

Staff engagement

Staff engagement has been monitored via the People Matter Employment Survey (PMES) for the past several years. The survey conducted in August 2021 provided an opportunity for our staff to have a say about our workplace and to help make it a better place to work. Results from the survey became available in late 2021 and these demonstrated an overall improvement in staff engagement compared to the previous year. In response to the results from the 2021 survey, an Employee Engagement Action Plan was developed for 2021–22. Also contributing to the development of this plan was extensive staff consultation through roundtable discussions, targeted focus group workshops, pre- and post-workshop surveys and presentations to our Executive and Leadership teams.

The plan for 2021–22 focused on four key focus areas: communication and change management, feedback and performance management, leadership, and culture. Although the COVID-19 pandemic continued to impact opportunities for staff engagement, SARA has successfully delivered the following initiatives:

- implemented a change, communication and engagement function to ensure consistent change management across the organisation;
- launched a new intranet (eHub) in conjunction with SLM to ensure relevant information is shared across both organisations;
- updated policies, procedures and tools to support performance management;
- produced division-level engagement plans;
- enhanced workplace grievance policy, procedures and tools to address workplace issues;
- published details of Executive team locations to encourage staff to shadow our senior Executive team, including the Chief Executive Officer;
- provided opportunities for staff to reconnect with one another;

- launched a three-year Health and Wellbeing Strategy (2022–25), in recognition that the health, safety and wellbeing of staff is a shared responsibility and to support our leaders to create safe work environments, drive engagement and support a high-performing culture;
- held information sessions on the public sector recruitment process and the *Government Sector Employment Act 2013*.

Work health and safety and injury management

In accordance with the *NSW Work Health and Safety Act 2011* and the *NSW Work Health and Safety Regulation 2017*, SARA is committed to ensuring the safety of our workers, contractors and visitors.

In practice, this means providing a workplace free of risks to health and safety, ensuring workers have safe systems of work and sufficient training, and consulting with our workers on safety matters.

The Health and Safety Committee (HSC) provides a consultative framework so that decision-making on health and safety reflects the concerns of the whole workplace. In accordance with WHS legislation, the committee undertook an election of new committee members in 2022.

During 2021–22, the HSC continued to meet on a bimonthly basis. The committee comprises representatives from across SARA, including one management representative and the Work Health and Safety (WHS) Coordinator. A workshop for the new HSC members was conducted by the WHS Coordinator. This included details of committee member roles and responsibilities.

The Quality Information Now (QIN) incident notification system was implemented across SARA during 2021–22. QIN has been well utilised, capturing incidents involving both workers, members of the public and contractors. The system allows real-time reporting via a mobile device, enabling a direct response and improved triage of investigations. Ongoing promotion of the system is conducted with work groups across the organisation.

A commitment to timely WHS communication and information has been demonstrated throughout the year with the introduction of regular toolbox talk packs for team leaders and WHS bulletins in response to specific WHS incidents.

Achievements during 2021–22 include:

- completing all actions associated with the Pricewaterhouse Coopers (PwC) WHS audit of SARA sites;
- updating WHS and return-to-work policies and procedures;
- implementing the QIN WHS Management Incident Notification System;
- developing several Safe Work Procedures to address specific operational risks;
- inducting new starters and contractors with an emphasis on WHS responsibilities and processes;
- updating processes to support staff and leaders through the management of non-work-related illness and injury.

COVID-19 response

SARA has been responsive to the COVID-19 pandemic, ensuring that our organisation adheres to Public Health Orders, relevant laws, legislation and government policy requirements.

The SARA Leadership team regularly monitors the situation to ensure that any changes are considered, implemented and communicated to staff. SARA undertakes regular risk assessments and monitoring to minimise potential risk to the health of staff, volunteers, students, contingent workers and the public.

Following a comprehensive risk assessment and consultation process, the Chief Executive Officer mandated COVID-19 vaccination across the organisation during 2021–22.

Workers compensation claims

In 2021–22, SARA recorded a total of 16 incidents, with four workers compensation claims lodged with our fund manager. Of the four claims, two were for time lost and two were for medical expenses. There was a concerted effort to support our injured employees by providing alternative suitable duties, thereby increasing employee wellbeing, reducing our claim liability and ensuring our legislative requirements were met.

Work health and safety report

	2018–19	2019–20	2020–21*	2021–22
Incidents reported	29	20	40	22
New claims*	1	3	3	7

* New claims information has been provided by Allianz.

Employment and senior executive statistics

Exceptional movements in employee wages, salaries and allowances

A 2.04% salary increase granted by the NSW Government for the NSW public sector came into effect on 9 July 2021 for the 2021–22 financial year.

Division	2018 ^{1,2}	2019 ^{1,2}	2020 ^{1,2,3}	2021 ^{1,2,3}	2022
Senior Executive	4	3	2.5	2.5	3
Ongoing	98.7	91.6	103.7	113.47	115.04
Temporary	36.5	38.7	20	40.70	52.35
Total	139.3	133.3	126.2	156.67	168.89

Note 1: Full-time equivalent staff (excludes chairpersons, casuals, contractor/agency staff, statutory appointments, trustees, council committee members, staff on secondment to other agencies and staff on long-term leave without pay).

Note 2: Statistics are based on Workforce Profile census data as at 28 June 2018, 27 June 2019, 25 June 2020, 24 June 2021, and 23 June 2022.

Note 3: The Executive Director/Chief Executive Officer SARA and Sydney Living Museums has provided joint leadership across both organisations since 1 July 2019 and is represented as 0.5 FTE in each respective annual report from 2020-21.

Employee-related costs

	2020	2021	2022 ¹
Executive	\$704,635	\$708,552	\$ 738,786.12
Non-executive	\$10,861,387	\$11,916,149	\$14,227,087.35
Total	\$11,566,022	\$12,624,701	\$ 14,965,873.47
Ratio Senior Executive	6.49%	5.61%	4.94%

Note 1: Figures are from the 2022 Workforce Profile submission.

Senior Executive

Senior Executive Band	2021 ^{1,2,3}				2022 ^{1,2,3}			
	Female	Male	Total	% Representation by women	Female	Male	Total	% Representation by women
Band 3 (Chief Executive)	–	–	–	0%	–	0.5	0.5	0%
Band 2 (Chief Operating Officer)	–	0.5	0.5	0%	0.5	–	0.5	100%
Band 1 (Director)	–	2	2	0%	–	2	2	0%
Total	–	2.5	2.5	0%	0.5	2.5	3	17%

Senior Executive Band	2021 ⁴		2022 ⁴	
	Range \$	Average remuneration \$	Range \$	Average remuneration \$
Band 3 (Chief Executive)	345,551 – 487,050	–	354,201 – 499,250	177,828.5†
Band 2 (Chief Operating Officer)	274,701 – 345,500	303,026	281,551 – 354,200	138,446.5††
Band 1 (Director)	192,600 – 274,700	202,037	197,400 – 281,550	221,779

† The Chief Executive salary is shared equally between SARA and Sydney Living Museums. The average remuneration for the role costed against both entities is \$355,657. The Chief Executive role sits on the establishment of the State Archives and Records Authority of NSW.

†† The Chief Operating Officer salary is shared equally between SARA and Sydney Living Museums. The average remuneration for the role costed against both entities is \$276,893. The Chief Operating Officer role sits on the establishment of Sydney Living Museums.

Note 1: Senior Executive statistics exclude casuals, contractor/agency staff, statutory appointments, staff on secondment to other agencies and staff on long-term leave without pay.

Note 2: Statistics are based on Workforce Profile census data as at 24 June 2021 and 23 June 2022.

Note 3: All employees reported in 2021 and 2022 are appointed under the *Government Sector Employment Act 2013*.

Note 4: Salary ranges effective at the Workforce Profile census dates of 24 June 2021 and 23 June 2022.

Workforce diversity statistics

Trends in the representation of workforce diversity groups					
Workforce diversity group	Benchmark/target	2019	2020	2021	2022
Women	50%	56.6%	56.1%	54.8%	59.9%
Aboriginal and/or Torres Strait Islander people	3.3%	1.4%	0.9%	3.9%	2.8%
People whose first language spoken as a child was not English	23.2%	9.1%	13.9%	13.3%	21.9%
People with disability	5.6%	4.9%	7.2%	4.7%	3.4%
People with disability requiring work-related adjustment	N/A	1.4%	3.2%	1.8%	1.5%

Note 1: The benchmark of 50% for representation of women across the sector is intended to reflect the gender composition of the NSW community.

Note 2: The NSW Public Sector Aboriginal Employment Strategy 2014–17 introduced an aspirational target of 1.8% by 2021 for each of the sector's salary bands. If the aspirational target of 1.8% is achieved in salary bands not currently at or above 1.8%, the cumulative representation of Aboriginal employees in the sector is expected to reach 3.3%.

Note 3: A benchmark from the Australian Bureau of Statistics (ABS) Census of Population and Housing has been included for 'People whose first language spoken as a child was not English'. The ABS Census does not provide information about first language but does provide information about country of birth. The benchmark of 23.2% is the percentage of the NSW general population born in a country where English is not the predominant language.

Note 4: In December 2017, the NSW Government announced the target of doubling the representation of people with disability in the NSW public sector from an estimated 2.7% to 5.6% by 2027. More information can be found at [Jobs for People with Disability: A plan for the NSW public sector](#). The benchmark for 'People with disability requiring work-related adjustment' was not updated.

Trends in the representation for workforce diversity groups					
Workforce diversity group	Benchmark	2019	2020	2021	2022
Women	100	103	104	103	97
Aboriginal and/or Torres Strait Islander people	100	N/A	N/A	N/A	N/A
People whose first language spoken as a child was not English	100	N/A	93	92	82
People with a disability	100	N/A	N/A	N/A	N/A
People with a disability requiring work-related adjustment	100	N/A	N/A	N/A	N/A

Note 1: A Distribution Index score of 100 indicates that the distribution of members of the workforce diversity group across salary bands is equivalent to that of the rest of the workforce. A score less than 100 means that members of the workforce diversity group tend to be more concentrated at lower salary bands than is the case for other staff. The more pronounced this tendency is, the lower the score will be. In some cases, the index may be more than 100, indicating that members of the workforce diversity group tend to be more concentrated at higher salary bands than is the case for other staff.

Note 2: The Distribution Index is not calculated when the number of employees in the workforce diversity group is less than 20 or when the number of other employees is less than 20.

4.2 Internal audit and risk management

The Internal Audit and Risk Management Statement attests to the fact that SARA has complied with core policy requirements in the reporting period.

SARA's Audit and Risk Committee (ARC) is an advisory committee to the Accountable Authority and an integral component of SARA's corporate governance arrangements. The committee's responsibilities include the review of internal controls, risk management, annual financial statements and both internal and external audits. The committee meets annually with an external audit manager from the Audit Office of NSW to discuss findings from the Audit Office's review of SARA's financial statements, which have all been issued with an unmodified audit opinion.

Following SARA's transition to an Executive Agency on 1 April 2022, the shared ARC arrangements with the Department of Premier and Cabinet (DPC) ceased. A new SARA ARC was established in July 2022 to replace this.

Ethical conduct

As a government entity, SARA is potentially exposed to the risk of unethical and corrupt conduct by staff in relation to the use of government information. SARA requires all staff to adhere to its Code of Conduct, which all staff are required to read as part of their induction and annual renewal training. SARA also requires staff to adhere to its Fraud and Corruption Control Policy.

Professional archivists working for SARA who are members of the Australian Society of Archivists are also subject to the Society's code of ethics.

SARA Board members are required to have read and signed the Code of Conduct at induction, provide declarations of interest at each meeting and supply a Key Management Personnel (KMP) Related Party Declaration each financial year.

Insurance premiums and claims

SARA pays premiums to the NSW Treasury Managed Fund (TMF) for all insurance cover. Premiums are subject to a five-year hindsight adjustment process. SARA has carefully assessed major risk areas and believes that its insurance coverage is adequate.

Category	2017–18 Amount \$	2018–19 Amount \$	2019–20 Amount \$	2020–21 Amount \$	2021–22 Amount \$
Workers compensation*	155,197	164,221	148,743	125,942	113,377
Motor vehicles	34,600	36,220	23,110	27,091	21,221
Property	152,530	205,916	277,986	453,353	518,518
Public liability	1,100	1,100	1,100	5,931	7,158
Other	250	250	250	553	571
TOTAL	343,677	407,706	451,189	612,870	660,845

* Workers compensation figures exclude hindsight TMF adjustments.

Internal Audit and Risk Management Attestation Statement for the 2021-2022 Financial Year for the State Archives and Records Authority

I, Adam Lindsay, am of the opinion that the State Archives and Records Authority has internal audit and risk management processes in operation that are, compliant with the seven (7) Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*, specifically:

Core Requirements	For each requirement, please specify whether compliant, non-compliant or in transition
Risk Management Framework	
1.1 The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	Compliant
1.2 The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	Compliant
Internal Audit Function	
2.1 The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.	Compliant
2.2 The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	Compliant
2.3 The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant
Audit and Risk Committee	
3.1 The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
3.2 The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant

Membership

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

Role	Name	Start Term Date	Finish Term Date
Independent Chair	Geraldine Brus	January 2018	October 2021
Independent Chair	Marcia Doheny	November 2021	April 2022
Independent Member	Christine Feldmanis	December 2017	April 2022
Independent Member	Garry Dinnie	October 2017	April 2022

Shared Arrangements

I, Adam Lindsay advise that the State Archives and Records Authority has entered into an approved shared arrangement with the following Department/agencies:

- Parliamentary Counsel's Office
- Greater Sydney Commission
- State Archives and Records Authority

The resources shared include the Audit and Risk Committee, the Chief Audit Executive and the internal audit functions. This Audit and Risk Committee has been established under a Treasury approved principal department led shared arrangement with the following statutory bodies:

- Parliamentary Counsel's Office
- Greater Sydney Commission
- State Archives and Records Authority

Additional Note

From 1 April 2022 State Archives and Records Authority became an Executive Agency under the *Administrative Arrangements (Second Perrottet Ministry—Transitional) Order 2021*. Subsequently, a new Audit and Risk Committee was formed by the agency. The Committee's initial meeting was held on 22 July 2022, outside of the reporting period for the purposes of this attestation.



Adam Lindsay
Chief Executive Officer

Date: 6 September 2022

Agency Contact:
Ellena Foster Constable, A/Head of Governance
Governance@records.nsw.gov.au

Cyber Security Annual Attestation Statement for the 2021-2022 Financial Year for State Archives New South Wales

I, Adam Lindsay, am of the opinion that State Archives NSW (SARA) has assessed its cyber security risks and is managing them in a manner consistent with the Mandatory Requirements set out in the NSW Government Cyber Security Policy.

Management of cyber security was addressed during the period by:

- Assessing cyber security risks and finding that none having a residual rating of High or Extreme
- Governance forums regularly address cyber security issues and initiatives
- The Cyber Incident Response Plan was updated in May 2022 but was not able to be tested before the end of the year. Testing of the upgraded response plan will be carried out in late 2022. ICT staff participated in a cluster Cyber Incident Response Exercise during the year
- Continuous improvement in the management of cyber security governance and resilience has included:
 - Implementation of cybersecurity tools that directly support Essential 8 capabilities
 - Focus on controls and awareness of key risk areas such as phishing and ransomware
 - Participation in Department of Premier and Cabinet (DPC) cluster cybersecurity initiatives
 - Enhanced monitoring and reviewing of controls for user and privileged access
 - Ongoing review and updating of cybersecurity policies and procedures
 - Implementation of a Cyber Security Uplift program to address CSP and Essential 8 focus areas. This program will continue through funding by the Digital Restart Fund (DRF) over the next two years.
- The Information Security Management System (ISMS) and its supporting policies and procedures were reviewed, updated, and tested during the period.



Adam Lindsay
Chief Executive Officer
State Archives and Records Authority of New South Wales

Asset Management Attestation Statement for the 2021-2022 Financial Year for the State Archives and Records Authority of NSW

I, Adam Lindsay, am of the opinion that State Archives and Records Authority of NSW (SARA) has an Asset Management Framework in operation that is, excluding the exemptions or transitional arrangements described below, compliant with Core Requirement 1 and Core Requirement 2 set out in the Asset Management Policy for the NSW Public Sector, specifically:

Core Requirement

For each requirement, please specify whether compliant, non-compliant, or in transition

Core Requirement 1: Asset Management Principles

The Accountable Authority must ensure that all assets within this policy and under the control of the agency are managed with regard to the Government's Asset Management principles

1. Assets exist to provide value by supporting government services	Compliant
2. Agencies act as stewards of public assets on behalf of the government	Compliant
3. Asset management decisions must have regard to the appropriate balance of cost, risk and performance	Compliant
4. Asset management must be integrated with other organisational functions, processes, activities and data	Compliant
5. Asset management decisions must be made using a whole-of-lifecycle approach	Compliant

Core Requirement 2: Asset Management Framework (the framework)

An Asset Management Framework that is appropriate to the agency has been established and maintained and the framework aligns with the requirements of this policy and the relevant international standards (ISO 55001). The four framework elements are:

1. Establishing and managing the Asset Management Framework	Compliant
2. Lifecycle planning and operation	Compliant
3. Integration with other organisation functions, processes, activities and data	In Transition
4. Improving and reporting on performance	In Transition

Departures from the above core requirements

I, Adam Lindsay, advise that the Asset Management Framework for SARA departs from the following core requirements set out in the Asset Management Policy for the NSW Public Sector:

1. The departure from the core requirements is due to the agency implementing measures to achieve compliance with new policy requirements consistent with the permitted transitional arrangements

Departure	Reason for departure and description of practicable alternative measures implemented/being implemented
-----------	--

In Transition	
Integration with other organisation functions, processes, activities and data	SARA's asset management functions are already integrated with internal systems such as the finance and purchasing systems, enterprise risk management framework, enterprise business continuity planning, GREP monitoring and reporting, annual budget planning, environmental monitoring and reporting. The commissioning and implementation of an asset management software tool to facilitate integration of these dimensions within one system is scheduled and funded to occur in FY 2022/23.
Improving and reporting on performance	SARA currently reports on asset performance at a basic level in terms of recurrent expenditure. Asset functionality, capability, suitability, and effectiveness has been evaluated in the development of the Asset Management Framework, based on service requirements and updated condition assessments to be undertaken. The commissioning and implementation of an asset management software tool will mature SARA's ability to improve and report on asset performance. This is scheduled and funded to occur in FY 2022/23.

These processes, including the practicable alternative measures being implemented, demonstrate that the SLM has established and maintained frameworks, including systems, processes and procedures for appropriately managing audit and risk within the SLM asset portfolio.



Adam Lindsay
Chief Executive Officer
Sydney Living Museums and State Archives and Records Authority NSW
adam.lindsay@records.nsw.gov.au

Agency Contact Officer
Ellena Foster Constable
A/Head of Governance
governance@records.nsw.gov.au

4.4 *Public Interest Disclosures Act 1994 (PID Act)*

The *Public Interest Disclosures Act 1994* (PID Act) puts in place a system for dealing with reports of certain types of serious wrongdoing and provides protections for people who make these reports. SARA has an effective internal reporting system which helps to ensure that reports of wrongdoing by staff are properly assessed, investigated and acted on. SARA's Public Interest Disclosures Policy, which is available to all staff, provides guidance about the types of disclosures that should be made under this act and determines key disclosure officers. As of 1 April 2022, under SARA's executive agency status, all PID applications are managed internally by SARA's Governance team. No PIDs were received in the 2021–22 financial year. Prior to 1 April 2022, applications were centrally managed by the DPC, where it was confirmed no PID applications were received.

Statistical information on PIDs

	PIDs made by public officials in performing day-to-day functions (1)	PIDs not covered by (1) that are made under a statutory or other legal obligation	All other PIDs
Number of public officials who made PIDs to SARA	–	–	–
Number of PIDs received in total	–	–	–
Of PIDs received, number primarily about:			
Corrupt conduct	–	–	–
Maladministration	–	–	–
Serious and substantial waste of public or local government money	–	–	–
Government information contraventions	–	–	–
Local government pecuniary interest conventions	–	–	–
Number of PIDs finalised	–	–	–

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

The *Government Information (Public Access) Act 2009* (GIPA Act) requires NSW Government agencies to make mandatory disclosures of information, encourages proactive releases of information and provides mechanisms for individuals to apply to access government information.

Under section 7(1) of the GIPA Act, an agency is authorised to make any government information held by the agency publicly available unless there is an overriding public interest against disclosure of the information. SARA routinely releases information free of charge on its website when it is considered to be in the public interest, such as codes, guides, policies, procedures, reports and statistical information. This is available at www.records.nsw.gov.au/about-state-records/accessing-state-records-information.

In accordance with section 7(3) of the GIPA Act, SARA undertakes a review of this information every 12 months to ensure its currency. SARA has also endeavoured to make the application process easier and more accessible to applicants by adding an EFT option.

As of 1 April 2022, under SARA's executive agency status, all GIPA applications are managed internally by SARA's Governance team. Prior to 1 April, applications were centrally managed by the DPC, and up until that time no GIPA applications were received.

SARA can confirm one GIPA application was received at the end of March from Regional NSW via applicant-initiated transfer (section 46 of the GIPA Act). SARA's Engagement and Access team located a number of records that were available to access free of charge under the *State Records Act 1998*. Information on how to access the records was provided to the applicant; however, with a formal decision needing to be made under the GIPA Act, SARA determined that the responsible agency was Regional NSW. The applicant requested that, under section 46 of the GIPA Act, SARA transfer the application (back) to Regional NSW as the responsible agency. This has been recorded in Table I, below.

Table A: Number of applications received by type of applicant and outcome

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

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome

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

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

Table C: Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	–
Application is for excluded information of the agency (section 43 of the Act)	–
Application contravenes restraint order (section 110 of the Act)	–
Total number of invalid applications received	–
Invalid applications that subsequently became valid applications	–

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to the Act

	Number of times consideration used*
Overriding secrecy laws	–
Cabinet information	–
Executive Council information	–
Contempt	–
Legal professional privilege	–
Excluded information	–
Documents affecting law enforcement and public safety	–
Transport safety	–
Adoption	–
Care and protection of children	–
Ministerial code of conduct	–
Aboriginal and environmental heritage	–
Information about complaints to Judicial Commission	–
Information about authorised transactions under Electricity Network Assets (Authorised Transactions) Act 2015	–
Information about authorised transaction under Land and Property Information NSW (Authorised Transaction) Act 2016	–

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest consideration against disclosure: matters listed in table to section 14 of the Act

	Number of occasions application not successful
Responsible and effective government	–
Law enforcement and security	–
Individual rights, judicial processes and natural justice	–
Business interests of agencies and other persons	–
Environment, culture, economy and general matters	–
Secrecy provisions	–
Exempt documents under interstate freedom of information legislation	–

Table F: Timeliness

	Number of applications
Decided within the statutory time frame (20 days plus any extensions)	–
Decided after 35 days (by agreement with applicant)	1
Not decided within time (deemed refusal)	–
TOTAL	1

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	–	–	–
Review by Information Commissioner*	–	–	–
Internal review following recommendation under section 93 of the Act	–	–	–
Review by NSW Civil and Administrative Tribunal (NCAT)	–	–	–
TOTAL	–	–	–

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

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	–
Applications by persons to whom information the subject of access applications relates (see section 54 of the Act)	–

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)

	Number of applications transferred
Agency-initiated transfers	–
Applicant-initiated transfers	1

4.6 *Privacy and Personal Information Protection Act 1998 (PIIP Act)*

The *Privacy and Personal information Protection Act 1998* (PIIP Act) contains 12 Information Protection Principles regulating the collection, use and disclosure of personal information by NSW public sector agencies. These principles ensure that agencies collect personal information for lawful purposes, and that such information is protected from misuse and unauthorised release.

NSW Government agencies are required to prepare and implement a privacy management plan in accordance with section 33(1) of the PIIP Act. SARA's Privacy Management Plan, updated in September 2021, outlines how SARA complies with the Information Protection Principles with its own records. The plan also outlines how SARA supports the principles through its role as the coordinating agency for standards of official recordkeeping by NSW public offices under the *State Records Act 1998*. The plan is available internally via SARA's intranet and externally via SARA's website.

SARA pursues its role with an understanding of the importance of privacy and the way personal information in official records should be managed.

Applications made under the PIIP Act

Access request applications under section 14 of the PIIP Act

In 2021–22, SARA did not receive any formal access applications by individuals requesting their personal information under the PIIP Act.

Applications for internal review of the conduct of SARA under section 53(1) of the PIIP Act

In 2021–22, SARA did not receive any applications for an internal review under the PIIP Act.

4.7 Complaints

In November 2021, SARA updated its Complaint Handling Policy to ensure a consistent, fair and efficient approach to complaint handling across SARA and SLM. The policy is aligned with the NSW Ombudsman's Complaint Management Framework and Model Policy and outlines the guiding principles and processes that apply when a member of the public makes a complaint about SARA's activities.

SARA's Complaint Handling Policy applies to complaints about all officers, consultants, contractors and outsourced service providers performing work for us. It will also apply to all SARA activities that involve receiving or managing complaints from the public made to or about SARA regarding services, staff and complaint handling.

Complaints made about poor recordkeeping in the NSW public sector, staff grievances and public interest disclosures are dealt with through a separate policy, which is available on the SARA website.

SARA accepts feedback on its services as part of its guarantee of public-oriented services. Feedback can be provided directly to staff, by post or email.

During 2021–22, most of the feedback received came through the Contact Us and Ask an Archivist pages on the website, and concerned records in our online catalogue, Collection Search. The upload of images from the Government Printing Office has proved popular and has resulted in clarifications on image captions being submitted by virtual experts. These issues have been addressed by reviewing the proposed changes and updating the catalogue as required. Other feedback received included thanks for SARA's online outreach during the COVID-19 lockdown.

5 Other reporting requirements

5.1 Annual report preparation

This report was designed, written and edited in-house. There were no external costs for publication of this report. The report is available in PDF format at www.records.nsw.gov.au.

This report complies with the *Government Sector Finance Act 2018* and Government Sector Finance Regulation 2018, *Annual Reports (Statutory Bodies) Act 1984* and Annual Reports (Statutory Bodies) Regulation 2015, *Government Information (Public Access) Act 2009*, Treasury Circulars and Treasurer's Directions, and Premier's memoranda.

5.2 Events after the reporting period

Significant Legislative Changes

An Act to establish and confer functions on the newly created State Cultural Institution, Museums of History NSW, to repeal the *Historic Houses Act 1980*, to amend the *State Records Act 1998* and to transfer certain functions of the State Archives and Records Authority of New South Wales to Museums of History NSW received assent on 4 October 2022. The *Museums of History Act 2022* and amendments to the *State Records Act 1998* will come into effect from 31 December 2022.

5.3 Nil to report

- Overseas travel
- Significant judicial decisions
- Disclosure of controlled entities
- Disclosure of subsidiaries
- Research and development
- Land disposal
- Funds granted to non-government community organisations
- Exemptions
- Implementation of price determination
- Inclusion of unaudited financial statements
- Investment performance
- Requirements arising from employment arrangements
- Liability management performance

5.4 Accessing SARA's services

Contact us

Website: www.records.nsw.gov.au

Email: info@records.nsw.gov.au

Phone: (02) 9673 1788

Postal address: PO Box 516, KINGSWOOD NSW 2747

Visit us

Western Sydney Records Centre (including public Reading Room)

161 O'Connell Street, Kingswood, NSW 2747

Opening hours*

Tuesday to Friday: 9am to 5pm

Saturday: 10am to 4pm

Sunday, Monday and public holidays: Closed

* Please visit the SARA website for the most up-to-date opening hours

The Reading Room and public facilities are wheelchair accessible.

6 Financial report

6.1 Financial highlights

SARA's financial statements were prepared on an accrual accounting basis for 2021–22.

SARA's net surplus for the year was \$16.6 million, exceeding the budgeted net result of \$6.6 million by \$10 million.

The net surplus and positive variance to the budget is due to the State Archives Collection accessions of \$15.3 million, compared to the budgeted \$6.2 million. This favourable variance of \$9.1 million is largely due to \$8.8 million in contributions from WaterNSW.

	Budget 2021–22 (\$'000)	Revised budget 2021–22 (\$'000)	Budget 2022–23 (\$'000)
Expenditure			
Personnel services expenses	17,233	11,086	2,005
Employee-related expenses	–	9,628	40,359
Operating expenses	8,132	10,648	10,962
Depreciation and amortisation	8,041	7,278	7,616
Finance costs	491	137	511
Total expenditure	33,897	38,778	61,453
Revenue			
Recurrent grant	4,581	5,144	7,936
Capital grant	6,557	5,061	4,354
Sale of goods and services	23,151	25,364	46,129
Grants and contributions	–	5,955	866
Other revenue	6,209	16,082	6,212
Total revenue	40,498	57,606	65,497
Gains/(losses) in disposal of non-current assets	–	–	–
Other gains/(losses)	–	–	–
Net result	6,601	18,829	4,044

SARA revenue by category

Category	%
Treasury funded	27.5
Revenue from sale of goods and services	36.7
Other revenue – acceptance by Crown entity of personnel services benefits and other liabilities	8.4
Other revenue – state archives	27.4

SARA's operating expenses were \$39.3 million against a budget of \$33.9 million, \$5.4 million unfavourable.

SARA expenses by category

Category	%
Personnel services	49.7
Depreciation and amortisation	18.5
Contingent labour	7.2
Corporate charges	2.7
Other expenses	21.7
Finance costs	0.2

6.2 Consultants

Engagements < \$50,000

Number of engagements	Amount
3	\$50,462

Engagements ≥ \$50,000

Name of consultant	Project title	Amount
KPMG Australia	Development of the Securing our History Detailed Business Case	\$954,732
Pollen Digital Pty Ltd	Digital content strategy development for the undertaking of SLM and SARA's Digital Partnership & Integrated Website for MHNSW	\$143,155
Spedding Torres & Associates	Development of the Securing our History Strategic Business Case	\$468,900
Noble Ambition Pty Ltd	Philanthropic Strategy Development	\$75,000

6.3 Gross revenue raised from the sale of goods and services

	2019–20 (\$'000)	2020–21 (\$'000)	2021–22 (\$'000)
Total consolidated funds programs*	470	251	224
Commercial services revenue	21,196	20,930	20,340
Total revenue	21,666	21,181	20,564

* Gross revenue for total consolidated funds programs excludes recurrent grants and Crown assumed liabilities.

6.4 Annual reporting of payment of accounts

Quarter	Current (ie within due date) (\$'000)	Less than 30 days overdue (\$'000)	Between 30 and 60 days overdue (\$'000)	Between 61 and 90 days overdue (\$'000)	More than 90 days overdue (\$'000)	Total (\$'000)
All suppliers						
September	832	23	–	–	–	855
December	1,162	59	97	3	–	1,321
March	600	37	1	–	–	638
June	1,209	22	1	–	–	1,232

6.5 Accounts due and paid within each quarter

All suppliers	Jul–Sept 2021	Oct–Dec 2021	Jan–Mar 2022	Apr–Jun 2022
Number of accounts due for payment	286	304	270	338
Number of accounts paid on time	279	285	251	326
Actual percentage of accounts paid on time (based on number of accounts)	98%	94%	93%	96%
Dollar amount of accounts due for payment (\$'000)	8,568	8,650	10,317	11,587
Dollar amount of accounts paid on time (\$'000)	8,544	8,490	10,280	11,564
Actual percentage of accounts paid on time (based on \$)	100%	98%	100%	100%
Number of payments for interest on overdue accounts	–	–	–	–
Interest paid on overdue accounts	–	–	–	–

Small business suppliers	Jul–Sept 2021	Oct–Dec 2021	Jan–Mar 2022	Apr–Jun 2022
Number of accounts due for payment to small businesses	5	8	7	11
Number of accounts due to small businesses paid on time	3	8	7	11
Actual percentage of small business accounts paid on time (based on number of accounts)	60%	100%	100%	100%
Dollar amount of accounts due for payment to small businesses (\$'000)	6	21	22	19
Dollar amount of accounts due to small businesses paid on time (\$'000)	5	21	22	19
Actual percentage of small business accounts paid on time (based on \$)	82%	100%	100%	100%
Number of payments to small businesses for interest on overdue accounts	–	–	–	–
Interest paid to small businesses on overdue accounts	–	–	–	–



INDEPENDENT AUDITOR'S REPORT

State Archives and Records Authority of New South Wales

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the State Archives and Records Authority of New South Wales (the Authority), which comprise the Statement by the Accountable Authority, the Statement of Comprehensive Income for the year ended 30 June 2022, the Statement of Financial Position as at 30 June 2022, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a Statement of Significant Accounting Policies, and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2018* (GSF Regulation) and the Treasurer's Directions
- present fairly the Authority's financial position, financial performance and cash flows.

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 (including Independence Standards)' (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.

Executive Director's Responsibilities for the Financial Statements

The Executive Director is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and Treasurer's Directions. The Executive Director's responsibility also includes such internal control as the Executive Director determines 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 Executive Director 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.

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/ar4.pdf The description forms part of my auditor's report.

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

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



David Daniels
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

27 October 2022
SYDNEY

Financial statements 2021–22

Statutory financial statements for the year ended 30 June 2022

State Archives and Records Authority of New South Wales

Statement by the Accountable Authority in accordance with section 7.6 of the *Government Sector Finance Act 2018*

Pursuant to section 7.6 of the *Government Sector Finance Act 2018* (the GSF Act), we state that, in our opinion:

- a) The accompanying financial statements and notes thereto exhibit a true and fair view of the financial position of the State Archives and Records Authority of New South Wales as at 30 June 2022 and its financial performance and cash flows for the year then ended.
- b) The accompanying financial statements and notes thereto have been prepared in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations), the provisions of the GSF Act, the Government Sector Finance Regulation 2018 and Treasurer's Directions issued under the Act.
- c) We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Adam Lindsay
Chief Executive Officer

Dated 25 October 2022

BEGINNING OF AUDITED FINANCIAL STATEMENTS
State Archives and Records Authority of New South Wales
Statement of comprehensive income
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Consolidated entity			Parent entity	
		Actual 2022 \$'000	Budget* 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Continuing operations						
Expenses excluding losses						
Personnel services expenses	2(a)	19,569	17,233	14,336	14,684	14,336
Operating expenses	2(b)	12,434	8,132	10,278	12,434	10,278
Depreciation and amortisation	2(c)	7,278	8,041	6,836	7,278	6,836
Finance costs	2(d)	89	491	126	89	126
Total expenses excluding losses		39,370	33,897	31,576	34,485	31,576
Revenue						
Sale of goods and services	3(a)	20,564	23,151	21,181	20,564	21,181
Grants and contributions	3(b) & 5	15,385	11,138	12,461	15,385	12,461
Acceptance by the Crown in right of the state of NSW of personnel services benefits and other liabilities	3(c)	(205)	-	194	(205)	194
Personnel services revenue	3(d)	4,885	-	-	-	-
State archives revenue	9	15,343	6,209	16,538	15,343	16,538
Total revenue		55,972	40,498	50,374	51,087	50,374
Operating result		16,602	6,601	18,798	16,602	18,798
Gain/(loss) on disposal	4	4	-	(1)	4	(1)
NET RESULT		16,606	6,601	18,797	16,606	18,797
Other comprehensive income						
Items that will not be reclassified to net result in subsequent periods						
Changes in revaluation surplus of property, plant and equipment	9	(3,148)	-	2,032	(3,148)	2,032
Total other comprehensive income		(3,148)	-	2,032	(3,148)	2,032
TOTAL COMPREHENSIVE INCOME		13,458	6,601	20,829	13,458	20,829

* Refer to Note 20.

The accompanying notes form part of these financial statements.

Statement of financial position
AS AT 30 JUNE 2022

	Notes	Consolidated entity			Parent entity	
		Actual 2022 \$'000	Budget* 2022 \$'000	Actual 2021 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
ASSETS						
Current assets						
Cash and cash equivalents	6	5,301	7,793	3,540	5,301	3,540
Receivables	7	5,928	3,689	3,775	3,291	3,775
Inventories	8	22	12	34	22	34
Total current assets		11,251	11,494	7,349	8,614	7,349
Non-current assets						
Property, plant and equipment	9					
Land and buildings		68,328		65,264	68,328	65,264
Plant and equipment†		7,627	73,495	8,551	7,627	8,551
Collection assets		1,054,488	1,050,226	1,044,415	1,054,488	1,044,415
Total property, plant and equipment		1,130,443	1,123,721	1,118,230	1,130,443	1,118,230
Right-of-use assets	10	4,101	18,155	5,664	4,101	5,664
Intangible assets	11					
– Collection		5,036		1,279	5,036	1,279
– Software		1,071	2,219	2,116	1,071	2,116
Total intangible assets		6,107	2,219	3,395	6,107	3,395
Total non-current assets		1,140,651	1,144,095	1,127,289	1,140,651	1,127,289
Total assets		1,151,902	1,155,589	1,134,638	1,149,265	1,134,638
LIABILITIES						
Current liabilities						
Payables	13	3,727	6,408	4,324	5,331	4,324
Contract liabilities	14	2,268	165	541	2,268	541
Lease liabilities	15	2,051	2,012	1,982	2,051	1,982
Provisions	16	4,145	-	-	-	-
Total current liabilities		12,191	8,585	6,847	9,650	6,847
Non-current liabilities						
Contract liabilities	14	163	169	169	163	169
Lease liabilities	15	2,422	17,191	4,050	2,422	4,050
Provisions	16	264	157	168	168	168
Total non-current liabilities		2,849	17,517	4,387	2,753	4,387
Total liabilities		15,040	26,102	11,234	12,403	11,234
NET ASSETS		1,136,862	1,129,487	1,123,404	1,136,862	1,123,404
EQUITY						
Asset revaluation surplus		785,437	788,585	788,585	785,437	788,585
Accumulated funds		351,425	340,902	334,819	351,425	334,819
Total equity		1,136,862	1,129,487	1,123,404	1,136,862	1,123,404

* Refer to Note 20.

† The budget against this is the total budget including plant and equipment.

The accompanying notes form part of these financial statements.

Statement of changes in equity
FOR THE YEAR ENDED 30 JUNE 2022

		Consolidated and parent entity		
		Accumulated	Asset	
	Notes	funds	revaluation	
		\$'000	surplus	Total
		\$'000	\$'000	\$'000
Balance as at 1 July 2021		334,819	788,585	1,123,404
Net result for the year		16,606	-	16,606
Other comprehensive income				
Net change in revaluation surplus of property, plant and equipment	9	-	(3,148)	(3,148)
Total other comprehensive income		-	(3,148)	(3,148)
Total comprehensive income for the year		16,606	(3,148)	13,458
Balance as at 30 June 2022		351,425	785,437	1,136,862
Balance as at 1 July 2020		316,022	786,552	1,102,574
Net result for the year		18,797	-	18,797
Other comprehensive income				
Net change in revaluation surplus of property, plant and equipment	9	-	2,032	2,032
Total other comprehensive income		-	2,032	2,032
Total comprehensive income for the year		18,797	2,032	20,829
Transactions with owners in their capacity as owners				
Increase/(decrease) in net assets from equity transfers		-	-	-
Balance as at 30 June 2021		334,819	788,585	1,123,404

The accompanying notes form part of these financial statements.

Statement of cash flows
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Consolidated entity			Parent entity	
		Actual 2022	Budget* 2022	Actual 2021	Actual 2022	Actual 2021
CASH FLOWS FROM OPERATING ACTIVITIES		\$'000	\$'000	\$'000	\$'000	\$'000
Payments						
Personnel services expenses		(14,645)	(17,233)	(13,668)	(14,645)	(13,668)
Finance costs		-	(491)	(22)	-	(22)
Other		(13,602)	(7,875)	(14,853)	(13,602)	(14,853)
Total payments		(28,247)	(25,599)	(28,543)	(28,247)	(28,543)
Receipts						
Sale of goods and services		24,712	23,051	23,380	24,712	23,380
Grants and contributions	3(b)	15,385	11,138	12,461	15,385	12,461
Other		-	70	-	-	-
Total receipts		40,097	34,259	35,841	40,097	35,841
NET CASH FLOWS FROM OPERATING ACTIVITIES	21	11,850	8,660	7,298	11,850	7,298
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of land and buildings, plant and equipment, and collections assets	9	(4,135)	(5,380)	(6,373)	(4,135)	(6,373)
Purchases of intangible assets	11	(4,113)	-	(1,286)	(4,113)	(1,286)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(8,248)	(5,380)	(7,659)	(8,248)	(7,659)
CASH FLOWS FROM FINANCING ACTIVITIES						
Repayment of principal portion of lease liabilities		(1,841)	(2,060)	(1,788)	(1,841)	(1,788)
NET CASH FLOWS FROM FINANCING ACTIVITIES		(1,841)	(2,060)	(1,788)	(1,841)	(1,788)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,761	1,220	(2,149)	1,761	(2,149)
Opening cash and cash equivalents		3,540	6,573	5,689	3,540	5,689
CLOSING CASH AND CASH EQUIVALENTS	6	5,301	7,793	3,540	5,301	3,540

* Refer to Note 20.

The accompanying notes form part of these financial statements.

**Notes to and forming part of the financial statements
FOR THE YEAR ENDED 30 JUNE 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Reporting entity

The State Archives and Records Authority of New South Wales (the Authority) is a statutory body of the NSW Government established by the *State Records Act 1998*, and includes the Government Records Repository. The Authority is a not-for-profit entity (as profit is not its principal objective) and has no cash-generating units. The Authority is consolidated as part of the NSW Total State Sector Accounts.

The Authority has determined that no liability arises to pay superannuation on annual leave loading. This position has been formed based on current inquiries, other information currently available to management, and after considering the facts from a decision in the Federal Court of Australia: *Finance Sector Union of Australia v Commonwealth Bank of Australia* [2022] FedCFamC2G 409. That decision confirmed that, in relation to the industrial agreement considered in that case, annual leave loading did not form part of ordinary time earnings and therefore, did not require superannuation contributions to be made under superannuation guarantee legislation because the obligation to pay annual leave loading was not referable to ordinary hours of work or to ordinary rates of pay. Rather, it was paid by reference to the period of annual leave, and for the purpose of compensating employees for their loss of opportunity to work additional hours at higher rates during this period.

This position will be re-assessed in future reporting periods as new information comes to light on this matter.

On 1 April 2022, under the Administrative Arrangements (Administrative Changes—Miscellaneous) Order 2022, the Authority transitioned into the Department of Enterprise, Investment and Trade under the Minister for the Arts, with the Minister for Enterprise, Investment and Trade (the Hon Stuart Ayres MP) as cluster minister.

The State Archives and Records Authority of NSW Staff Agency (SARASA) was created by Administrative Arrangements, which confers the ability for the agency head to employ staff directly, rather than this delegation sitting with the department. Therefore, at the commencement of the Staff Agency, the employees of the Authority transitioned from the Department of Premier and Cabinet to SARASA, with the agency head, rather than the departmental secretary, holding the employment relationship and associated responsibilities. The staff of the Historic Houses Trust of New South Wales also transitioned to SARASA as of 1 April 2022. In the process of preparing the consolidated financial statements for the Authority, consisting of the controlling entity and controlled entities, all inter-entity transactions and balances have been eliminated.

b) Basis of preparation

The Authority's financial statements are general-purpose financial statements which have been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
- the requirements of the GSF Act;
- Treasurer's Directions issued under the GSF Act.

The Authority's financial statements have been prepared on a going concern basis. The Authority received grant funding from the Department of Premier and Cabinet (DPC) and the Department of Enterprise, Investment and Trade (DEIT), which receive appropriations from the Consolidated Fund. The allocated grant funding, combined with the Authority's existing cash reserves and other revenue expected to be earned, are adequate to pay debts as and when they become due and

payable for at least the next 12 months. The Authority held cash on hand and at bank as at 30 June 2022 of \$5.3 million.

Property, plant and equipment, including the State Archives Collection, and assets held for sale are measured at fair value using the valuation methodology outlined in Note 12. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

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

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the Authority's presentation and functional currency.

c) Statement of compliance

The financial statements and notes comply with AAS, 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 where:

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

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

e) Comparative information

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

f) Changes in accounting policy, including new or revised Australian Accounting Standards

i) Effective for the first time in 2021–22

While several amendments and interpretations apply for the first time in 2021–22, they do not have an impact on the financial statements of the Authority.

ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new AAS, unless Treasury determines otherwise.

The following new AAS have not been applied and are not yet effective:

- AASB 17: *Insurance Contracts*
- AASB 2020-1: *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current*
- AASB 2020-3: *Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments*
- AASB 2020-5: *Amendments to Australian Accounting Standards – Insurance Contracts*
- AASB 2020-6: *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current – Deferral of Effective Date*

- AASB 2021-2: *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*

There are no expected significant impacts of the standards in the period of application.

g) Taxation status

The activities of the Authority are exempt from income tax.

h) Impact of COVID-19 on financial reporting for 2021–22

The COVID-19 pandemic had a material impact on the Authority's retrieval income during the financial year due to the majority of clients working from home, and only accessing and retrieving archives if absolutely necessary during lockdown. There was no other material impact on the financial statements including valuation of property, plant and equipment, and collections.

2. a) Personnel services expenses

Salaries and wages (including annual leave)	13,000	12,087	13,000	12,087
Superannuation – defined contribution plans	1,133	989	1,133	989
Long service leave	(205)	194	(205)	194
Workers compensation insurance	111	126	111	126
Payroll tax and fringe benefits tax	645	876	645	876
Redundancy termination payments	-	64	-	64
	14,684	14,336	14,684	14,336
Employee-related expenses				
Salaries and wages (including annual leave)	4,319	-	-	-
Superannuation – defined benefit plans	426	-	-	-
Long service leave	(104)	-	-	-
Workers compensation insurance	28	-	-	-
Payroll tax and fringe benefits tax	216	-	-	-
Redundancy termination payments	-	-	-	-
	4,885	-	-	-
	19,569	14,336	14,684	14,336

Personnel services expenses of \$245,114 have been capitalised in buildings and improvements (2020–21: \$244,891) and \$2.28m have been capitalised in intangibles (2020–21: \$484,328) and therefore excluded from the above.

b) Operating expenses

Auditors' remuneration – external	117	101	117	101
Auditors' remuneration – internal	60	29	60	29
Cost of sales – boxes and publications	80	69	80	69
Short-term leases	208	262	208	262
Maintenance	1,386	1,254	1,386	1,254
Insurance	547	487	547	487
Electricity, gas, rates	710	789	710	789
Minor stores, stationery	86	87	86	87
Motor vehicle running costs	161	158	161	158
Postage, telephone, printing	378	208	378	208
Promotional advertising, exhibition expenses	154	157	154	157
Rental expense – records storage (offsite)	55	67	55	67
Training	72	44	72	44
Cleaning	228	256	228	256
Contractors	2,815	3,647	2,815	3,647
Corporate services cost allocation	1,065	500	1,065	500
Professional fees	2,239	232	2,239	232
IT expenses	1,668	1,646	1,668	1,646
Travel	17	3	17	3
Other expenses	388	273	388	273
Bad debt write-off	-	9	-	9
	12,434	10,278	12,434	10,278

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.

Insurance

The Authority's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for government entities. The expense (premium) is determined by the fund manager based on past claims experience.

Lease expense

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

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

Variable lease payments are not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate, initially measured using the index or rate as at the commencement date). These payments are recognised in the period in which the event or condition that triggers those payments occurs.

c) Depreciation and amortisation expense

	Consolidated entity		Parent entity	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Depreciation				
Buildings and improvements	2,367	2,337	2,367	2,337
Plant and equipment	1,753	1,546	1,753	1,546
Right-of-use assets	1,760	1,847	1,760	1,847
Amortisation				
State Archives Collection	119	58	119	58
Computer software	1,279	1,048	1,279	1,048
	7,278	6,836	7,278	6,836

Refer to Notes 9, 10 and 11 for recognition and measurement policies on depreciation and amortisation.

d) Finance costs

	Consolidated entity		Parent entity	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Interest expense from lease liabilities	89	126	89	126
	89	126	89	126

Finance costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's Mandate to not-for-profit NSW General Government Sector entities.

3. a) Sale of goods and services

	Notes	Consolidated entity		Parent entity	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Sale of goods					
Publications		10	9	10	9
Boxes		103	129	103	129
		113	138	113	138
Rendering of services					
Photocopies		137	126	137	126
Storage		15,230	15,225	15,230	15,225
Retrieval		1,850	2,173	1,850	2,173
Consultancy		3,013	2,730	3,013	2,730
Destruction		132	364	132	364
Other		89	425	89	425
		20,451	21,043	20,451	21,043
		20,564	21,181	20,564	21,181

i) Sale of goods

Revenue from the sale of goods is recognised as revenue when the Authority satisfies a performance obligation by transferring ownership of assets. The Authority typically satisfies its performance obligations when an order is confirmed and invoiced. The payments are typically due when an invoice is generated and credit terms calculated.

Revenue from these sales is recognised based on the price specified in the contract, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present, as the sales are made with a short credit term.

ii) Rendering of services

Revenue from rendering of services is recognised when the Authority satisfies the performance obligation by transferring the promised services. The Authority typically satisfies its performance obligation when the service is provided or by reference to the stage of completion. The payments are typically due when an invoice is generated and credit terms calculated. Services activities include storage of third-party records and retrieval of those records, destruction of records, and project work offered as consultancy.

Revenue is measured at the transaction price agreed under the contract. No element of financing is deemed present, as payments are due when service is provided.

b) Grants and contributions

	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Recurrent grant income from NSW Department of Premier and Cabinet	3,289	5,082	3,289	5,082
Recurrent grant income from Department of Enterprise, Investment and Trade	1,234	-	1,234	-
Recurrent grant income from government agencies – Create NSW	1,500	300	1,500	300
Capital grant income from NSW Department of Premier and Cabinet	5,271	6,479	5,271	6,479
Capital grant income from Department of Enterprise, Investment and Trade	21	-	21	-
Capital grant income from government agencies – Create NSW	4,070	600	4,070	600
	15,385	12,461	15,385	12,461

Following the machinery of government change effective 1 April 2022, the Authority receives its grant funding from the Department of Enterprise Investment and Trade (DEIT). For the period 1 July 2021 to 31 March 2022, the Authority received grant funding from the Department of Premier and Cabinet (DPC). DEIT and DPC receive appropriations from the Consolidated Fund.

Income from grants to acquire/construct a recognisable non-financial asset to be controlled by the Authority is recognised when the Authority satisfies its obligations under the transfer. The Authority satisfies the performance obligations under the transfer to construct assets over time as the non-financial assets are being constructed. The percentage of cost incurred is used to recognise income, because this most closely reflects the progress to completion.

Income from grants without sufficiently specific performance obligations is recognised when the entity obtains control over the granted assets.

Volunteer services are measured at fair value and are recognised only when the fair value of those services can be reliably determined and the services would have been purchased if not donated.

The Authority receives volunteer services to make the State Archives Collection more accessible. The activities include listing, indexing, transcribing and digitising. Receipt of these services is not recognised because the services would not have been purchased if not donated. The value of these services in 2021–22 is \$208,000 (2020–21: \$210,818).

c) Acceptance by the Crown for personnel services benefits and other liabilities

	Consolidated entity		Parent entity	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Long service leave	(205)	194	(205)	194
	(205)	194	(205)	194

d) Personnel services revenue

Personnel services revenue	4,885	-	-	-
	4,885	-	-	-

Personnel services revenue relates to the Authority's Staff Agency arrangements from 1 April 2022. The SARA Staff Agency provides personnel services to both the Authority and the Historic Houses Trust of New South Wales (HHT).

e) Deemed appropriations

The *Appropriation Act 2021* (Appropriation Act) appropriates the sum of \$2.97 billion to the Premier out of the Consolidated Fund for the services of the DPC for the year 2021–22. The spending authority of the Premier from the Appropriations Act has been delegated or subdelegated to officers of the DPC and entities that it is administratively responsible for, including the Authority.

Effective 1 April 2022, machinery of government changes were enacted through the Administrative Arrangements (Administrative Changes—Miscellaneous) Order (No 3) 2022, transferring appropriations out of the Consolidated Fund related to the Authority under the Appropriations Act from the Premier to whom the former principal department was related to the Minister for Enterprise, Investment and Trade. For the period 1 April 2022 to 30 June 2022, the spending authority of the Minister for Enterprise, Investment and Trade was delegated or subdelegated to officers of the DEIT and entities that it is administratively responsible for, including the Authority.

The responsible minister for each GSF agency is taken to have been given an appropriation out of the Consolidated Fund under the authority section 4.7 of the GSF Act, at the time the GSF agency receives or recovers any deemed appropriation money, for an amount equivalent to the money that is received or recovered by the GSF agency. The spending authority of the responsible minister(s) from deemed appropriation money has been delegated or subdelegated to officers of the Authority for its own services.

A summary of compliance is disclosed in the financial statements of the annual report of the DPC and the DEIT. They have been prepared on the basis of aggregating the spending authorities of both the Premier and the Minister for Enterprise, Investment and Trade for the services of the DPC and the Minister for Enterprise, Investment and Trade, respectively, and the responsible Ministers for the services of the entities the principal departments are administratively responsible for that receive or recover deemed appropriation money. It reflects the status at the point in time this disclosure statement is being made. The Authority's spending authority and expenditure is included in the summary of compliance of both the DPC and the DEIT.

The delegation/subdelegations for 2021–22 and 2020–21, authorising officers of the Authority to spend Consolidated Fund money, impose limits to the amounts of individual transactions, but not the overall expenditure of the Authority. However, as it relates to expenditure in reliance on a sum appropriated through an annual Appropriations Act, the delegation/subdelegations are referable to the overall authority to spend set out in the relevant Appropriations Act. The individual transaction limits have been properly observed. The information in relation to the limit in the Appropriations Act is disclosed in the summary of compliance table included in the financial statements of the annual report of the DPC and the DEIT.

4. Gain/(loss) on disposal

	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Property, plant and equipment	4	(1)	4	(1)
	4	(1)	4	(1)

5. CONDITIONS ON CONTRIBUTIONS

There are no conditions placed on contributions other than to carry out the programs and activities of the Authority.

6. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Cash at bank and on hand	5,301	3,540	5,301	3,540
	5,301	3,540	5,301	3,540
Cash and cash equivalents (per statement of financial position)	5,301	3,540	5,301	3,540
Closing cash and cash equivalents (per statement of cash flows)	5,301	3,540	5,301	3,540

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank and cash on hand.

Refer to Note 22 for details regarding credit risk and market risk arising from financial instruments.

7. CURRENT ASSETS – RECEIVABLES

	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Trade receivables from contracts with customers	2,620	2,985	2,620	2,985
Personnel services receivables	2,637	-	-	-
Accrued income	12	-	12	-
Prepayments	587	472	587	472
Net GST receivable	72	318	72	318
	5,928	3,775	3,291	3,775

Details regarding credit risk of trade debtors that are neither past due nor impaired are disclosed in Note 22.

Recognition and measurement

All 'regular way' purchases or sales of financial assets 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

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

Impairment

For trade receivables, the Authority applies a simplified approach to calculating expected credit losses (ECLs). The Authority recognises a loss allowance based on the lifetime ECL 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 those receivables. No allowance for ECL was recognised for 2021–22 (2020–21: \$9000).

8. CURRENT ASSETS – INVENTORIES

	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Stock on hand – at cost	22	34	22	34
	22	34	22	34

Inventories held for distribution are stated at cost, adjusted when applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of a current replacement cost that is lower than the carrying amount. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. Cost is calculated using the 'first in first out' method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost as at the date of acquisition. Current replacement cost is the cost the Authority would incur to acquire the asset.

9. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

	Consolidated entity		Parent entity	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Land and buildings				
Gross carrying amount – fair value	112,683	105,846	112,683	105,846
Accumulated depreciation and impairment	(44,355)	(40,582)	(44,355)	(40,582)
Land and buildings at fair value	68,328	65,264	68,328	65,264
Plant and equipment				
Gross carrying amount – fair value	17,069	16,350	17,069	16,350
Accumulated depreciation and impairment	(9,442)	(7,799)	(9,442)	(7,799)
Plant and equipment at fair value	7,627	8,551	7,627	8,551
Collection assets				
Gross carrying amount – fair value	1,054,488	1,044,415	1,054,488	1,044,415
Accumulated depreciation and impairment	-	-	-	-
Collection assets at fair value	1,054,488	1,044,415	1,054,488	1,044,415
Total property, plant and equipment at fair value	1,130,443	1,118,230	1,130,443	1,118,230

Reconciliation

A reconciliation of the carrying amount of each class of property and equipment at the beginning and the end of the reporting period is shown below.

Consolidated and parent entity	Land and buildings	Plant and equipment	Collection assets	Total
	\$'000	\$'000	\$'000	\$'000
Year ended 30 June 2021				
Net carrying amount at start of year	65,264	8,551	1,044,415	1,118,230
Additions	3,308	829	-	4,137
Increase in State Archives Collection	-	-	15,343	15,343
Assets held for resale	-	-	-	-
Disposals	-	-	-	-
Acquisitions/transfers through administrative restructures	-	-	-	-
Net revaluation increments less revaluation decrements	2,123	-	(5,271)	(3,148)
Depreciation expense	(2,367)	(1,753)	-	(4,120)
Depreciation written back on disposals	-	-	-	0
Net carrying amount at end of year	68,328	7,627	1,054,488	1,130,443
Year ended 30 June 2020				
Net carrying amount at start of year	62,722	8,078	1,026,373	1,097,173
Additions	4,347	2,021	5	6,373
Increase in State Archives Collection	-	-	16,537	16,537
Assets held for resale	-	-	-	-
Disposals	-	(490)	-	(490)
Transfer between asset class	-	-	-	-
Net revaluation increments less revaluation decrements	532	-	1,500	2,032
Depreciation expense	(2,337)	(1,546)	-	(3,883)
Depreciation written back on disposals	-	488	-	488
Net carrying amount at end of year	65,264	8,551	1,044,415	1,118,230

Further details regarding the fair value measurement of property, plant and equipment are disclosed in Note 12.

Acquisition of assets

Property, plant and equipment are initially measured at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other AAS.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted over the period of credit.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Capitalisation thresholds

Property, plant and equipment and intangible assets costing \$5000 and above individually (or forming part of a network costing more than \$5000) are capitalised.

Major inspection costs

When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

Restoration costs

The present value of the expected cost for the restoration or cost of dismantling of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation of property, plant and equipment

Except for land and the State Archives Collection, depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Authority.

All material identifiable components of assets are depreciated separately over their useful lives.

Land is not a depreciable asset. Certain heritage assets, including original artworks, the State Archives Collection and heritage buildings, may not have a limited useful life because appropriate curatorial and preservation policies are adopted. Such assets are not subject to depreciation. The decision not to recognise depreciation for these assets is reviewed annually.

The depreciation rates have been reviewed and have remained unchanged from the previous year.

Major category	Depreciation rate
Buildings and improvements	1.7%–13.1%
Plant and equipment	10%–25%
Shelving	2.5%–17.6%
Computer equipment	25%–33.3%

Revaluation of property, plant and equipment, excluding the State Archives Collection

Physical non-current assets are valued in accordance with the policy and guidelines paper TPP 21-09: Valuation of Physical Non-Current Assets at Fair Value. This policy adopts fair value in accordance with AASB 13: Fair Value Measurement and AASB 116: Property, Plant and Equipment.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote, and take into account the characteristics of the asset being measured, including any sociopolitical restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Fair value of property, plant and equipment is based on a market participant's perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer to Note 12 for further information regarding fair value.

Revaluations are made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The Authority conducts a comprehensive revaluation at least every three years for its land and buildings where the market or income approach is the most appropriate valuation technique and at least every five years for other classes of property, plant and equipment. The last comprehensive revaluation of land and buildings was completed on 31 March 2020. Refer to Note 12.

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

Revaluation of property, plant and equipment – State Archives Collection

The Authority recognises the State Archives Collection at fair value. The State Archives Collection is made up of a series of archives. A series is a group of records that results from the same business or recordkeeping activity, relates to a particular subject or function, has a similar format, or another relationship arising out of the records' creation, receipt and use. When records are transferred from NSW government organisations to the control of the Authority, they become state archives. Each new transfer within a series becomes a separate consignment and is recorded in the State Archives Management System (SAMS).

The Authority engages independent valuers to value the collection on the basis of fair value in accordance with AASB 13 and AASB 116. Additional guidance is given in Accounting Policy TPP 21-09: Valuation of Physical Non-Current Assets at Fair Value as applicable to heritage and cultural assets.

The SAMS, a complete listing of archives by consignment, is used as the basis of the valuation. The valuation process classifies the SAMS into seven categories and those categories contain indicative rates based on record type, format or other criteria. The categories are:

- **Iconic** – archives that have or are expected to have significant monetary value. Valued individually.
- **Large Series** – series containing a large number of related material or like records. Valued according to accepted statistical methods.
- **Sampled Series Type** – archives categorised by standardised record type. Valued according to accepted statistical methods.
- **Sampled Series Format** – archives categorised by generic format. Valued according to accepted statistical methods.
- **Objects** – objects not containing written or recorded information. Valued individually.
- **AV Material** – audiovisual archives formats. Valued according to accepted statistical methods.
- **Maps and Plans** – all maps and plans that are not part of a designated Large Series. Valued according to accepted statistical methods.

The Authority revalues all of the State Archives Collection at least every five years as part of the five-year rolling valuation to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The table below sets out the categories and when they were last comprehensively valued.

Category	Last valued
Sampled Series Format	March 2022
Objects	March 2021
AV Material	March 2021
Sampled Series Type	March 2021
Iconic	March 2020
Large Series	March 2020
Maps and Plans	March 2018

Revaluation of property, plant and equipment, and archives

When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated.

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

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

Revaluation decrements are recognised immediately as a loss in the net result, except to the extent that they offset an existing revaluation surplus on the same class of assets, in which case the decrement is debited directly to the revaluation surplus.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the revaluation surplus in respect of that asset is transferred to accumulated funds.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

Impairment of property, plant and equipment

As a not-for-profit entity, with no cash-generating units, impairment under AASB 136: Impairment of Assets is unlikely to arise. As property, plant and equipment are carried at fair value or an amount that approximates fair value, impairment can only arise in the rare circumstances where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-cash-generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

10. LEASES

SARA as a lessee

The Authority leases storage facilities, material handling equipment and motor vehicles. Lease contracts are typically for fixed periods of three to six years, but may have extension options. Lease terms are negotiated on an individual basis and have different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. The Authority does not provide residual value guarantees in relation to leases.

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

The Authority elected to recognise payments for short-term leases and low-value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less. Low-value leases are assets with a fair value of \$10,000 or less when new, and mainly comprise equipment.

Right-of-use assets under leases

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

Consolidated and parent entity	Buildings and improvements \$'000	Plant and equipment \$'000	Total \$'000
Balance as at 1 July 2021	5,464	200	5,664
Additions	-	206	206
Disposals	-	(9)	(9)
Depreciation expenses	(1,622)	(138)	(1,760)
Balance as at 30 June 2022	3,842	259	4,101
Balance as at 1 July 2020	7,367	267	7,634
Additions	(187)	64	(123)
Depreciation expenses	(1,716)	(131)	(1,847)
Balance as at 30 June 2021	5,464	200	5,664

Lease liabilities

The following table presents liabilities under leases.

	Note	2022 \$'000	2021 \$'000
Balance at the start of the year		6,032	7,831
Additions		206	(123)
Adjustments		(14)	-
Interest expenses		89	115
Payments		(1,840)	(1,791)
Balance at the end of the year	15	4,473	6,032

The following amounts were recognised in the statement of comprehensive income for the year ending 30 June 2022 in respect of leases where the entity is the lessee:

	2022 \$'000	2021 \$'000
Depreciation expense of right-of-use assets	1,760	1,847
Interest expense on lease liabilities	89	115
Expenses relating to short-term leases	-	71
Variable lease payments, not included in the measurement of lease liabilities	404	399
Total amount recognised in the statement of comprehensive income	2,253	2,432

The Authority had total cash outflows for leases of \$2.25 million (2020–21: \$2.43 million).

i) Right-of-use assets recognition and measurement

The Authority assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

The Authority recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially measured at

the amount of initial measurement of the lease liability (refer to (ii) below), adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

The right-of-use assets are subsequently measured at cost. They are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- buildings: one to six years;
- motor vehicles and material handling equipment: three to six years.

If ownership of the leased asset transfers to the Authority at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. The Authority assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the entity estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, or exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the net result.

ii) Lease liabilities

At the commencement date of the lease, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- exercise price of a purchase option reasonably certain to be exercised by the Authority; and
- payments of penalties for terminating the lease, if the lease term reflects the entity exercising the option to terminate.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the entity's leases, the lessee's incremental borrowing rate is used, being the rate that the entity would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or a rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

11. INTANGIBLE ASSETS

	Consolidated entity		Parent entity	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
State Archives Collection (digitised)				
Cost (gross carrying amount)	5,813	1,937	5,813	1,937
Accumulated amortisation and impairment	(777)	(658)	(777)	(658)
Net carrying amount	5,036	1,279	5,036	1,279
Software				
Cost (gross carrying amount)	4,684	4,450	4,684	4,450
Accumulated amortisation and impairment	(3,613)	(2,334)	(3,613)	(2,334)
Net carrying amount	1,071	2,116	1,071	2,116
Total intangible assets fair value	6,107	3,395	6,107	3,395

Reconciliation

Consolidated and parent entity	State Archives Collection (digitised)	Software	Total
	\$'000	\$'000	\$'000
Year ended 30 June 2022			
Net carrying amount at start of year	1,279	2,116	3,395
Additions	3,784	327	4,111
Transfer	93	(93)	-
Amortisation	(120)	(1,279)	(1,399)
Net carrying amount at end of year	5,036	1,071	6,107
Year ended 30 June 2021			
Net carrying amount at start of year	1,337	1,878	3,215
Additions	-	1,286	1,286
Amortisation	(58)	(1,048)	(1,106)
Net carrying amount at end of year	1,279	2,116	3,395

Intangible assets

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

The State Archives Collection's (digitised) intangible assets are activities that preserve the state archives and improve public access to the State Archives Collection (digitised), particularly online. These activities include:

- Cataloguing of the state archives**, which allows details of the items in the State Archives Collection (digitised) and digital images of them to be accessed online; and
- Digitisation**, which converts physical items into digital objects for online access and for preservation.

Amortisation of the State Archives Collection's (digitised) intangible assets is at a rate of 33.33% (no change from prior year).

The Authority's intangible software assets are amortised using the straight-line method over a period of not more than four years.

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

12. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

Fair value measurement and hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the Authority categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted (unadjusted) prices in active markets for identical assets/liabilities that the Authority can access at the measurement date;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly;
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

The Authority recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

a) Fair value hierarchy

Consolidated and parent entity				
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total fair value \$'000
2022				
Property, plant and equipment (Note 9)				
Land	-	11,731	-	11,731
Buildings and improvements	-	-	56,597	56,597
State archives	-	-	1,054,488	1,054,488
	-	11,731	1,111,085	1,122,815
2021				
Property, plant and equipment (Note 9)				
Land	-	11,172	-	11,172
Buildings and improvements	-	-	54,092	54,092
State archives	-	-	1,044,415	1,044,415
	-	11,172	1,098,507	1,109,679

There were no transfers between Levels 1 and 2 during the period.

Plant and equipment, shelving, and computer equipment are carried at depreciated historical cost. Generally for these assets, the carrying amount is unlikely to be materially different from their fair value.

b) Valuation techniques, inputs and processes

i) Land is based on observable inputs (Level 2)

The Authority engaged an independent professional valuer to provide a comprehensive valuation update in 2020. Land assets have been valued using the market approach with adjustment for condition, location and comparability.

ii) State archives are based on unobservable inputs (Level 3)

The Authority has adopted a five-year rolling valuation schedule, similar to the approach taken by other collecting institutions, ensuring all archives material is revalued at least every five years. During the 2021–22 financial year the Authority engaged an independent professional valuer to perform a comprehensive valuation of Sampled Series. This was completed in March 2022.

Input data for the valuation was derived by research of records of Australian and international sales, purchases and other forms of acquisition, knowledge of prices paid by other institutions, and valuation experience at other major archives.

Adjustments were made to the market value references to take into account the unique characteristics of the items being valued. Adjustments were made for age, nature, historical significance or other factors that impact on the item being valued. As those adjustments could not be observed and are significant to the fair value measurement, they have been categorised into Level 3 of the fair value hierarchy.

The collection was valued from physical inspection of items, either in full or through sampling, combined with previous knowledge of collection material and examination of item descriptions on SAMS.

The independent professional valuation resulted in a decrease of \$5.27 million in the fair value of state archives as at 31 March 2022.

iii) Buildings and improvements are based on unobservable inputs (Level 3).

The Authority engaged an independent professional valuer to perform a comprehensive valuation on 31 March 2020. Where there are natural, legal or financial or other conditions imposed by government on the use and disposal of an asset such that there is no feasible alternative use in the relatively near future, such asset should be valued at fair (market) value for its existing use. Where the current market buying prices could not be observed, an asset's fair value is best measured by its depreciated replacement cost. However, when current market buying prices can be observed the asset is valued using the direct comparison method of valuation, which references current market transactions of comparable properties in the surrounding area. The Western Sydney Records Centre is considered a specialised asset, where current market buying prices cannot be observed; therefore, the depreciated replacement cost method of valuation is adopted.

Depreciated replacement cost is the current replacement cost of an asset, less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

The unobservable input in relation to buildings and improvements is the useful life. There is a considerable degree of subjectivity involved in establishing the useful life, particularly in relation to specialised asset buildings. The assumptions applied in this valuation are generally

based on adopted life spans used in general commercial practice and for assets owned by various state government departments, local government and statutory authorities.

Management considers it unlikely that any change to the inputs will significantly affect the net result for the year. Instead, the impact will be on the asset revaluation reserve of the underlying asset class.

c) Reconciliation of recurring Level 3 fair value measurements

Consolidated and parent entity	Buildings and improvements \$'000	State archives \$'000	Total recurring Level 3 fair value \$'000
Fair value as at 1 July 2021	54,092	1,044,415	1,098,507
Additions	3,308	15,343	18,651
Revaluation increments/(decrements) recognised in other comprehensive income	1,564	(5,271)	(3,707)
Impairment	-	-	-
Depreciation	(2,367)	-	(2,367)
Fair value as at 30 June 2022	56,598	1,054,487	1,111,085
Fair value as at 1 July 2020	52,082	1,026,373	1,078,455
Additions	4,347	16,542	20,889
Revaluation increments/(decrements) recognised in other comprehensive income	-	1,500	1,500
Impairment	-	-	-
Depreciation	(2,337)	-	(2,337)
Fair value as at 30 June 2021	54,092	1,044,415	1,098,507

13. CURRENT LIABILITIES – PAYABLES

	Consolidated entity		Parent entity	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Accrued salaries, wages and on-costs	790	2,150	2,394	2,150
Creditors	2,288	1,590	2,288	1,590
Accrued expenses	649	584	649	584
Net GST payable	-	-	-	-
	3,727	4,324	5,331	4,324

Details regarding credit risk, liquidity risk and market risk are disclosed in Note 22.

i) Payables

These amounts represent liabilities for goods and services provided to the Authority and other amounts. Payables are recognised initially at fair value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

ii) Personnel services benefits and other payables

The Authority received personnel services from the Department of Premier and Cabinet (DPC) up to 1 April 2022. The DPC is not a Special Purpose Service Entity and does not control the Authority under this arrangement.

The State Archives and Records Authority of NSW Staff Agency (SARASA) was created on 1 April 2022 by the Administrative Arrangement Order 2021, which confers the ability for the agency head to employ staff directly, rather than this delegation sitting with the DPC. Therefore, at the commencement of the SARASA, the employees of the Authority transitioned from the DPC to the SARASA with the agency head, rather than the departmental secretary, holding the employment relationship and associated responsibilities. The staff of the Historic Houses Trust of New South Wales also transitioned to the SARASA as of 1 April 2022.

14. CONTRACT LIABILITIES

	Consolidated entity		Parent entity	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Contract liabilities – current	2,268	541	2,268	541
Contract liabilities – non-current	163	169	163	169
	2,431	710	2,431	710

Contract liabilities relate to consideration received in advance from customers in respect to services to be provided. The contract liability balance has increased during the year due to the provision of services such as digitisation and consultancy paid in advance.

	2022 \$'000	2021 \$'000
Revenue recognised during the year that was included in the contract liability balance at the beginning of the year	468	112

The transaction price allocated to the remaining performance obligations relates to digitisation and consultancy services. Ninety-three per cent is expected to be recognised as revenue in the 2023–24 financial year and 7% in future years.

15. CURRENT/NON-CURRENT LIABILITIES – LEASE LIABILITIES

	Notes	Consolidated entity		Parent entity	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Lease liability – current	10	2,051	1,982	2,051	1,982
Lease liability – non-current	10	2,422	4,050	2,422	4,050
		4,473	6,032	4,473	6,032

Lease liabilities are determined in accordance with AASB 16.

Changes in liabilities arising from financing activities	Leases \$'000
As at 1 July 2021	6,032
Cash flows	(1,752)
Adjustments	(13)
New leases	206
As at 30 June 2022	4,473
As at 1 July 2020	7,831
Cash flows	(1,676)
New leases	(123)
As at 30 June 2021	6,032

16. PROVISIONS

	Consolidated entity		Parent entity	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Employee benefits and related on-costs				
Annual leave	3,038	-	-	-
Long service leave	1,107	-	-	-
	4,145	-	-	-
Non-current				
Long service leave obligations expected to be settled after 12 months	96	-	-	-
Other provisions				
Restoration costs	168	168	168	168
Total provisions	4,409	168	168	168

The restoration cost relates to make good cost for the property leases which the Authority expects to be liable for in a future period. The amount is based on an estimated make good amount of \$168,000 in 2022 discounted using the Australian Government bond rate of 1.32%.

Aggregate employee benefits and related on-costs				
Provisions	4,241	-	-	-
Accrued salaries, wages and on-costs (Note 13)	790	-	2,394	2,150
	5,031	-	2,394	2,150

Recognition and measurement

Employee benefits and related on-costs

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119: Employee Benefits (although short-cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave can be used to approximate the present value of the annual leave liability. The entity has assessed the actuarial advice based on the entity's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the entity does not expect to settle the liability within 12 months, as the entity does not have an unconditional right to defer settlement.

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

Long service leave and superannuation

The agency's liabilities for long service leave and defined benefit superannuation are assumed by the Crown. The entity accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown of employee benefits and other liabilities'.

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using the Australian Government bond rate at the reporting date.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and Aware Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers compensation insurance premiums and fringe benefits tax.

Other provisions

Provisions are recognised 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;
- a reliable estimate can be made of the amount of the obligation.

When the Authority expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented net of any reimbursement in the statement of comprehensive income.

Any provisions for restructuring are recognised only when the Authority has a detailed formal plan and the entity has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

17. EQUITY

i) Revaluation surplus

The revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. This accords with the Authority's policy on the revaluation of property, plant and equipment as discussed in Note 9.

ii) Accumulated funds

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

iii) Reserves

Separate reserve accounts are recognised in the financial statements only if such accounts are required by specific legislation or Australian Accounting Standards (e.g. revaluation surplus and foreign currency translation reserve).

18. COMMITMENTS

	Consolidated entity		Parent entity	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Capital commitments				
Aggregate capital expenditure for acquisitions contracted for at balance date and not provided for:				
– Not later than one year (under one year)	131	109	131	109
Total (including GST)	131	109	131	109

The potential total of input tax credits recoverable from the Australian Taxation Office for the above commitments is \$11,885 (2020–21: \$9897).

19. CONTINGENT ASSETS AND LIABILITIES

The Authority is unaware of any contingent assets or contingent liabilities at the date of this report (2020–21: nil).

20. BUDGET REVIEW

The budgeted amounts are drawn from the original budgeted financial statements presented to NSW Parliament in respect of the reporting period. Subsequent adjustments to the original budget are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the primary financial statements are explained below.

Net result

The net result for the financial year was \$16.6 million against a budget of \$6.6 million, a favourable result of \$10 million. This is due to an increase in non-cash revenue due to greater amounts of accessions of collection items mainly from WaterNSW. The sale of service income was lower by \$2.59 million to budget because of a reduction in retrieval income due to the COVID-19 pandemic. The grant income was higher by \$4.2 million from budget as the Authority received capital stimulus funding. Operating expenses were higher by \$4.3 million to the budget and this is mainly related to stimulus funding expenses which were not reflected in the budget and increased ICT costs.

Assets and liabilities

The total assets for the Authority were \$6.3 million below the budget, which is largely due to lower right-of-use assets (\$14 million) and cash (\$2.5 million) offset by an increase in property, plant and intangible assets (\$6.7 million).

Total liabilities are below the budget by \$13.7 million and this is due to a \$14.8 million difference in lease liabilities caused by no new storage lease agreements being entered into in the financial year. Contract liabilities increased at year end and this is related to a project invoice raised in June 2022 related to works for the financial year 2022–23. Payables were \$1 million lower than the budget, as creditor payments were made prior to the financial year end.

Cash flows

The Authority's closing cash balance of \$5.3 million is below the budget by \$2.5 million and this is due to higher than budgeted payments made at year end in line with the reduction in payables.

21. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

Reconciliation of cash flows from operating activities to the net result as reported in the statement of comprehensive income as follows:

	Consolidated entity		Parent entity	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Net cash flows from operating activities	11,850	7,298	11,850	7,298
Depreciation and amortisation expenses	(7,278)	(6,836)	(7,278)	(6,836)
Finance costs	(89)	(126)	(89)	(126)
State archives revenue	15,343	16,537	15,343	16,537
Increase/(decrease) in trade and other receivables	(484)	449	(484)	449
Increase/(decrease) in inventories	(12)	22	(12)	22
(Increase)/decrease in trade and other payables	(1,007)	1,830	(1,007)	1,830
(Increase)/decrease in contract liabilities	(1,721)	(376)	(1,721)	(376)
Net gain/(loss) on sale of property, plant and equipment	4	(1)	4	(1)
Net result	16,606	18,797	16,606	18,797

22. FINANCIAL INSTRUMENTS

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

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

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

a) Financial instrument categories

Class	Note	Categories	Consolidated entity		Parent entity	
			2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial assets						
Cash and cash equivalents	6	Amortised cost	5,301	3,540	5,301	3,540
Receivables (1)	7	Amortised cost	2,382	2,714	2,382	2,714
Financial liabilities						
Payables (2)	13	Financial liabilities measured at amortised cost	3,460	4,126	3,460	4,126
Lease liabilities	15	Financial liabilities measured at amortised cost	4,473	6,032	4,473	6,032

Notes:

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7: Financial Instruments: Disclosures).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7: Financial Instruments: Disclosures).

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.

b) Financial risk

i) Credit risk

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

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

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

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

Cash and cash equivalents

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

Receivables – trade debtors

The 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.

Expected credit losses are recognised by considering the default risks from past experience, current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30-day terms. The Authority 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. The Authority has identified the debtor profile (predominantly NSW government agencies) to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, a failure to make contractual payments for a period of greater than 90 days past due.

In the current financial year, there was no bad debt write-off (2020–21: \$9000) on assessment of the Sundry debtor account.

The loss allowance for trade debtors as at 30 June 2022 was determined as follows:

	Consolidated entity \$'000			Parent entity \$'000		
	Total	Expected credit loss rate	Expected credit loss	Total	Expected credit loss rate	Expected credit loss
2022						
<30 days overdue	2,742	0%	-	2,742	0%	-
30 days to 90 days overdue	166	0%	-	166	0%	-
>90 days over due	21	0%	-	21	0%	-

2021

<3 months overdue	2,644	0%	-	2,644	0%	-
3 months to 6 months overdue	206	0%	-	206	0%	-
>6 months over due	129	0%	-	129	0%	-

The analysis excludes statutory receivables and prepayments, as these are not within the scope of AASB 7. Therefore, the 'total' will not reconcile to the receivables total in Note 7.

The Authority is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2022.

ii) Liquidity risk

Liquidity risk is the risk that the Authority will be unable to meet its payment obligations when they fall due. The Authority 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 years, there were no defaults on borrowings. No assets have been pledged as collateral. The Authority'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 no 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 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 Chief Executive Officer (or a person appointed by the Chief Executive Officer) may automatically pay the supplier simple interest.

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

Maturity analysis and interest rate exposure of financial liabilities

Consolidated entity	\$'000 Interest rate exposure				Maturity dates		
	Nominal amount	Fixed interest rate	Variable interest rate	Non-interest bearing	<1 year	1–5 years	>5 years
2022							
Payables							
Personnel services payable	790	-	-	790	790	-	-
Creditors	2,937	-	-	2,937	2,937	-	-
	3,727	-	-	3,727	3,727	-	-

	\$'000 Interest rate exposure				Maturity dates		
	Nominal Amount	Fixed Interest Rate	Variable Interest Rate	Non-interest bearing	<1 year	1–5 years	>5 years
2021							
Payables							
Personnel services payable	2,150	-	-	2,150	2,150	-	-
Creditors	2,174	-	-	2,174	2,174	-	-
	4,324	-	-	4,324	4,324	-	-

Parent entity	\$'000 Interest rate exposure				Maturity dates		
	Nominal amount *	Fixed interest rate	Variable interest rate	Non-interest bearing	<1 year	1–5 years	>5 years
2022							
Payables							
Personnel services payable	2,394	-	-	2,394	2,394	-	-
Creditors	2,937	-	-	2,937	2,937	-	-
	5,331	-	-	5,331	5,331	-	-

	\$'000 Interest rate exposure				Maturity dates		
	Nominal amount	Fixed interest rate	Variable interest rate	Non-interest bearing	<1 year	1–5 years	>5 years
2021							
Payables							
Personnel services payable	2,150	-	-	2,150	2,150	-	-
Creditors	2,174	-	-	2,174	2,174	-	-
	4,324	-	-	4,324	4,324	-	-

* The amounts disclosed are contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Authority can be required to pay. The tables include both interest and principal cash flows and therefore may not reconcile to the amounts in 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. The Authority's exposure to market risk is primarily through interest rate risk. The Authority has no exposure to other price risk or foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Authority 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 date. The analysis is performed on the same basis as for 2020–21. The analysis assumes that all other variables remain constant.

iv) 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.

The Authority's exposure to interest rate risk is set out in the table below. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates (based on official RBA interest-rate volatility over the past five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest-rate volatility.

Consolidated and parent entity	\$'000				
	Carrying amount	-1% Profit	Equity	1% Profit	Equity
2022					
Financial assets					
Cash and cash equivalents	5,301	(53)	(53)	53	53
2021					
Financial assets					
Cash and cash equivalents	3,540	(35)	(35)	35	35

c) Fair value measurement

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

23. RELATED PARTY DISCLOSURES

The Authority's key management personnel compensation is as follows:

	2022 \$'000	2021 \$'000
Short-term employee benefits:		
Salaries	527	529
Other monetary allowances*	1	1
Post-employment benefits	49	55
Total remuneration	577	585

* This amount is the sitting fees for Board attendance.

Key management personnel (KMP) are those persons having the authority and responsibility for planning, directing and controlling the activities of the Authority, directly or indirectly, including any director (whether executive or otherwise) of the Authority. For monetary benefits, the Authority's KMP are considered to be the Executive.

The key management personnel compensation excludes the Minister for the Arts. Ministerial compensation is paid by the NSW Legislature, not the Authority. It also excludes long service leave amounts, which are assumed by the Crown.

During the year, the Authority did not enter into any transactions with KMP, their close family members and controlled or jointly controlled entities thereof.

Other related party transactions

During the year, the Authority entered into transactions with other entities that are controlled/jointly controlled/significantly influenced by the NSW Government. These transactions, which are conducted as arms-length transactions, are a significant portion of the Authority's rendering of services/receiving of services, and are in aggregate as follows:

Nature of transaction	2022		2021	
	Transaction value \$'000	Net receivable/ (payable) \$'000	Transaction value \$'000	Net receivable/ (payable) \$'000
Rendering of services	20,361	2,633	20,566	2,907
Receiving of services	15,662	(89)	14,405	(619)
Purchase of goods	-	-	-	-

Since 1 July 2019, the Authority and the Historic Houses Trust of New South Wales (HHT), trading as Sydney Living Museums, have shared the Chief Executive Officer. This precipitated inter-company transactions, which include corporate services provided by the HHT to the Authority. The aggregate value of the transactions and outstanding balances are as follows:

Nature of transaction	2022		2021	
	Transaction value \$'000	Net receivable/ (payable) \$'000	Transaction value \$'000	Net receivable/ (payable) \$'000
Receiving of services				
Corporate services costs	986	-	864	-
Property rental and on-costs	-	-	78	-
Groundskeeping costs at Kingswood	41	-	33	-
	1,027	-	975	-

24. EVENTS AFTER THE REPORTING PERIOD

The Museums of History NSW Bill 2022 was passed in parliament on 21 September 2022 and establishes the Museums of History NSW (MHNSW) on 31 December 2022. The Act sets to establish and confer functions on MHNSW and repeal the *Historic Houses Act 1980*; to amend the *State Records Act 1998* to transfer certain functions of the State Archives and Records Authority of New South Wales to MHNSW and consequently rename the Authority; and for other purposes. MHNSW will be formed by the coming together of the vast collection held by the NSW State Archives (SARA), one of Australia's pre-eminent archives and records authorities, and the 12 museums and associated collections cared for by Sydney Living Museums (SLM).

END OF AUDITED FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

State Archives and Records Authority Staff Agency

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the State Archives and Records Authority Staff Agency (the Staff Agency), which comprise the Statement by the Accountable Authority, the Statement of Comprehensive Income for the period 1 April 2022 to 30 June 2022, the Statement of Financial Position as at 30 June 2022, the Statement of Changes in Equity and the Statement of Cash Flows for the period then ended, notes comprising a Statement of Significant Accounting Policies and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2018* (GSF Regulation) and the Treasurer's Directions
- present fairly the financial position, financial performance and cash flows.

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 Staff Agency in accordance with the requirements of the:

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

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.

The Executive Director's Responsibilities for the Financial Statements

The Executive Director is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the GSF Act, GSF Regulation and Treasurer's Directions. The Executive Director's responsibility also includes such internal control as the Executive Director determines 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 Executive Director is responsible for assessing the ability of the Staff Agency 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/ar4.pdf. The description forms part of my auditor's report.

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

- that the Staff Agency 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.



David Daniels
Directors, Financial Audit Services

Delegate of the Auditor-General for New South Wales

27 October 2022
SYDNEY

Financial statements 2021–22

Statutory financial statements for the period ended 30 June 2022

State Archives and Records Authority Staff Agency

Statement by the Accountable Authority in accordance with section 7.6 of the *Government Sector Finance Act 2018*

Pursuant to section 7.6 of the *Government Sector Finance Act 2018* (the GSF Act), we state that, in our opinion:

- a) The accompanying financial statements and notes thereto exhibit a true and fair view of the financial position of the State Archives and Records Authority Staff Agency as at 30 June 2022 and its financial performance and cash flows for the period then ended.
- b) The accompanying financial statements and notes thereto have been prepared in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations), the provisions of the GSF Act, the Government Sector Finance Regulation 2018 and Treasurer's Directions issued under the GSF Act.
- c) We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Adam Lindsay
Chief Executive Officer

Dated 25 October 2022

State Archives and Records Authority Staff Agency
Statement of comprehensive income
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Actual 2022 \$'000
Expenses		
Salaries and wages (including recreation leave)		7,734
Superannuation		710
Payroll tax and fringe benefits tax		388
Long service leave		(201)
Workers compensation insurance		56
Total expenses		8,687
Revenue		
Personnel services		8,888
Acceptance by the Crown of personnel services benefits and other liabilities		(201)
Total income		8,687
Net result		-

The accompanying notes form part of these financial statements.

Statement of financial position
As at June 2022

	Notes	Actual 2022 \$'000
ASSETS		
Current assets		
Receivables		5,031
Total current assets		5,031
Total assets		5,031
LIABILITIES		
Current liabilities		
Payables	3	790
Provisions	4	4,145
Total current liabilities		4,935
Non-current liabilities		
Provisions	4	96
Total non-current liabilities		96
Total liabilities		5,031
Net assets		

The accompanying notes form part of these financial statements.

Statement of changes in equity
For the period ended 30 June 2022

	Notes	Accumulated funds 2022 \$'000
Balance at the beginning of the period		
Net result for the period		-
Other comprehensive income		-
Total comprehensive income for the period		-
Transactions with owners in their capacity as owners		
Increase/(decrease) in net assets from equity transfers	2	-
Balance at the end of the period		-

The accompanying notes form part of these financial statements.

Statement of cash flows
For the period ended 30 June 2022

	Notes	Actual 2022 \$'000
Net cash flows from operating activities		-
Net cash flows from investing activities		-
Net cash flows from financing activities		-
Net increase/(decrease) in cash and cash equivalents		-
Opening cash and cash equivalents		-
Closing cash and cash equivalents		-

The accompanying notes form part of these financial statements.

Notes to the financial statements for the period ended 30 June 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Reporting entity

The State Archives and Records Authority Staff Agency (SARASA) was created by Administrative Arrangement Order 2021 on 1 April 2022. The objective of the SARASA is to provide personnel services to the State Archives and Records Authority of New South Wales (SARA) and the Historic Houses Trust of New South Wales (HHT).

The SARASA is a reporting entity controlled by SARA, and these financial statements are consolidated into the financial statements of SARA.

These financial statements for the period ended 30 June 2022 have been authorised for issue by the Chief Executive Officer and Trust Board on 5 October 2022.

b) Basis of preparation

The SARASA financial statements are general-purpose financial statements that have been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
- the requirements of the Government Sector Finance Act 2018 (GSF Act);
- Treasurer's Directions issued under the GSF Act.

SARASA's financial statements have been prepared on a going concern basis, considering the realisation of net assets and the settlement of liabilities in the normal course of operations.

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

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the Authority's presentation and functional currency.

c) Statement of compliance

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

d) Comparative information

SARASA was formed on 1 April 2022, so there is no comparative period to disclose.

e) Revenue recognition and measurement

Income is measured at the fair value of the consideration received or receivable. Revenue from the rendering of personnel services is recognised when the service is provided and only to the extent that the associated recoverable expenses are recognised.

f) Receivables

A receivable is recognised when it is probable that the future cash inflows associated with it will be realised and it has a value that can be measured reliably. It is derecognised when the contractual or other rights to future cash flows from it expire or are transferred.

A receivable is measured initially at fair value and subsequently at amortised cost using the effective interest rate method, less any allowance for impairment. A short-term receivable with no stated interest rate is measured at the original invoice amount where the effect of discounting is immaterial.

g) Payables

Payables include accrued wages, salaries and related on-costs (such as payroll tax, fringe benefits tax and workers compensation insurance) where there is certainty as to the amount and timing of settlement.

A payable is recognised when a present obligation arises under a contract or otherwise. It is derecognised when the obligation expires or is discharged, cancelled or substituted.

h) Audit fees

Fees for the audit of the financial statements are met by SARA.

i) Accounting standards issued but not yet effective

At the reporting date, all the new and revised standards and interpretations issued by the Australian Accounting Standards Board that are relevant to Staff Agency operations and effective for the current annual reporting period have been adopted.

The SARASA has not applied any new accounting standards or interpretations that are not yet effective, and the expected impact of standards not yet adopted is not expected to be significant.

2. EQUITY TRANSFERS

	Notes	Actual 2022 \$'000
Transfers in arising from Administrative Arrangements Order 2021		
Transfer in – HHT and SARA personnel services		
ASSETS		
Current assets		
Receivables		4,445
Total current assets		4,445
Total assets		4,445
LIABILITIES		
Current liabilities		
Provisions		4,445
Total current liabilities		4,445
Total liabilities		4,445
Net assets		-

The transfer in at 1 April 2022 involved employee provisions of \$2.39 million related to HHT and \$2.05 million related to SARA, and personnel services receivable of the same.

3. PAYABLES

	Notes	Actual 2022 \$'000
Accrued salaries, wages and on-costs – SARA		298
Accrued salaries, wages and on-costs – HHT		492
Total payables		790

4. PROVISIONS

Current		
Employee benefits and related on-costs		
Annual leave		3,038
Long service leave		1,107
		4,145
Non-current		
Long service leave obligations expected to be settled after 12 months		96
Total provisions		4,241
Aggregate employee benefits and related on-costs		
Provisions		4,241
Accrued salaries, wages and on-costs (Note 3)		790
		5,031

Employee benefits and related on-costs salaries and wages, annual leave and sick leave

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits

Annual leave is not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119: Employee Benefits (although short-cut methods are permitted). All annual leave is classified as a current liability even where the SARASA does not expect to settle the liability within 12 months, as the SARASA does not have an unconditional right to defer settlement.

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

The SARASA's liabilities for long service leave and defined benefit superannuation are assumed by the Crown. The SARASA accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown of employee benefits and other liabilities'.

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using the Australian Government bond rate at the reporting date.

The superannuation expense for the financial period is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit) is calculated as a percentage of the employees' salary. For other superannuation schemes, the expense is calculated as a multiple of the employees' superannuation contributions.

The SARASA assumes on-costs for long service leave liabilities. All annual leave and any long service leave on-costs (whether or not they are expected to be settled within 12 months) are presented as a liability in the statement of financial position in accordance with AASB 101: Presentation of Financial Statements.

3. CONTINGENT ASSETS AND LIABILITIES

The Treasury Managed Fund normally calculates hindsight premiums each year. However, in regard to workers compensation, the final adjustment calculations are in arrears.

The SARASA has no material contingent assets or liabilities as at 30 June 2022.

4. FINANCIAL INSTRUMENTS

The SARASA's 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.

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

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

Category**Actual
2022
\$'000****Financial liabilities class:**Payables¹

Financial liabilities measured at amortised cost

790

1. Excludes statutory payables and unearned revenue (ie not within scope of AASB 7: Financial Instruments: Disclosure).

a) Credit risk

Credit risk arises when there is the possibility that the counterparty will default on their contractual obligations, resulting in a financial loss to the entity. 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. No collateral is held by the entity. The entity has not granted any financial guarantees.

b) Liquidity risk

Liquidity risk is the risk that the entity will be unable to meet its payment obligations when they fall due. The entity's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The 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.

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

Maturity analysis and interest rate exposure of financial liabilities

	Weighted average Effective interest rate	Nominal Amount	Non- interest bearing	< 1yr \$000	1–5 yrs \$000	> 5 yrs \$000
Payables						
Accrued salaries, wages and on-costs	0%	790	790	790	-	-
		790	790	790	-	-

Note 1. The amounts disclosed are the contractual undiscounted cash flows of each class of financial liability, therefore the amounts disclosed above will not reconcile to the statement of financial position.

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The entity has no exposure to interest rate risk or foreign currency risk and does not enter into commodity contracts.

d) Fair value measurement

Financial instruments are 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.

5. COMMITMENTS FOR EXPENDITURE

The SARASA does not have any commitments for expenditure as at 30 June 2022.

6. EVENTS AFTER THE REPORTING PERIOD

The Museums of History NSW Bill 2022 was passed in parliament on 21 September 2022 and establishes the Museums of History NSW (MHNSW) on 31 December 2022. The Act sets to establish and confer functions on MHNSW and repeal the *Historic Houses Act 1980*; to amend the *State Records Act 1998* to transfer certain functions of the State Archives and Records Authority of New South Wales to MHNSW and consequently rename the Authority; and for other purposes. MHNSW will be formed by the coming together of the vast collection held by the NSW State Archives (SARA), one of Australia's pre-eminent archives and records authorities, and the 12 museums and associated collections cared for by Sydney Living Museums (SLM).

END OF AUDITED FINANCIAL STATEMENTS