

**NEW SOUTH WALES
PARLIAMENT
JOINT SERVICES**



**ANNUAL REPORT
2005/2006**

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New South Wales Parliamentary Library cataloguing-in-publication data:

New South Wales. Parliament.

Parliament of New South Wales Joint Services Annual Report, 2005–2006. [Sydney, N.S.W.]: The Parliament, 2006. – 88 p; 30 cm.

ISSN 1325–2925

1. New South Wales. Parliament.
 2. Legislative bodies-New South Wales-Periodicals (LCSH)
 3. PARLIAMENT—NEW SOUTH WALES—YEARBOOKS AND ANNUAL REPORTS Parl. Thesaurus
- I. Title
328.944 (DDC21)

Published by the New South Wales Parliament

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Contents

Presiding Officers' Forward.....	i
Letter to the President and the Speaker.....	ii
Parliamentary Archives.....	1
Parliamentary Building Services.....	5
Parliamentary Education and Community Relations.....	9
Parliamentary Food & Beverage Services.....	15
Parliamentary Information Technology Services.....	18
Parliamentary Library.....	23
Parliamentary Printing Services.....	28
Parliamentary Reporting Staff (Hansard).....	30
Parliamentary Security Services.....	35
Joint Services Financial Reports 2005/2006.....	40
Audited Financial Statements.....	53
Equal Employment Opportunity Statistics.....	83
Risk Management.....	87



NEW SOUTH WALES
PARLIAMENT

PRESIDING OFFICERS FORWARD

We are pleased to present this Annual Report from the Joint Services of the Parliament. As always the staff of the Joint Services have done an admirable job of maintaining and improving service to Members and to the public in the face of the budget constraints.

The report highlights the achievements in both special projects and the on-going service delivery. Considerable work and projects were completed for the celebration of the Sesquicentenary of Responsible Government in New South Wales 1856 – 2006 and we congratulate and thank the staff involved in those projects.

We would like to thank all staff in the Joint Department and Sections of the Parliament of the New South Wales. Without their hard work and commitment the Parliament could not work effectively.

Handwritten signature of John Aquilina in cursive.

John Aquilina MP
Speaker of the Legislative Assembly

Handwritten signature of Meredith Burgmann in cursive.

Meredith Burgmann MLC
President of the Legislative Council



NEW SOUTH WALES
PARLIAMENT

LETTER TO THE PRESIDENT AND THE SPEAKER

We wish to submit the Annual Report of the Joint Departments and Sections of the Parliament of New South Wales for the year ending 30 June 2006.

Some highlights of the reporting period have been:

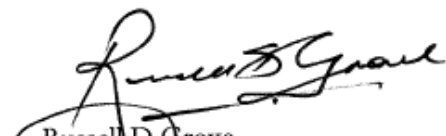
- Parliamentary Archives has completed the on-line Biographical Register of all Members of the New South Wales Parliament from 1824 to date as a Sesquicentenary of Responsible Government in New South Wales project.
- Parliamentary Building Services implemented an on-line maintenance job request and database and a new cleaning plan for the building.
- Parliamentary Education and Community Relations delivered increased programs for the community and new professional development programs for primary and secondary teachers.
- Food and Beverage Services undertook the planning for a total restructure and review of services and functions, while improving business and staffing practices.
- Information Technology Services undertook projects to assist the Procedure Offices of both the Legislative Assembly (Questions and Answers database) and the Legislative Council (Tabled papers database).
- The Parliamentary Library completed the Sesquicentenary of Responsible Government in New South Wales project to make available electronically the parliamentary debates published in the Sydney Morning Herald from 1843 to 1879.
- Parliamentary Reporting Services (Hansard) began a project to digitise the *Hansards* of the 49th Parliament.
- An external review of the Security Services was undertaken in response to the changed security environment and risks.

Several of the Joint Services have again experienced difficulties as a result of budget constraints and over expended their budgets in 2005/2006. The total over expenditure for Joint Services was \$360,000. The Parliament's budget will continue to shrink in the next reporting period and a major challenge for the Joint Services in 2006/2007 will be the development and implementation of a savings plan which will review operations and service delivery to identify potential savings and efficiencies.

The review of the Parliament's strategic planning framework, referred to in last year's annual report, was commenced. Although the automation of reporting by Joint Services has not been implemented, the project has assisted the preparation of the Parliament's Results and Services Plan required by Treasury as part of the budget process. The project has also enhanced developments in corporate planning, including meetings between the Clerks and individual heads of Joint Services and the formalisation of a Reference Group comprising officers of the Legislative Council and Legislative Assembly to progress the Parliament's savings plan and other corporate planning issues.

The past year has been successful in both the delivery of usual services and the completion of special projects. 2006/2007 will be a challenging year in the context of the budget cuts imposed on the Parliament.

We thank the staff of the Parliamentary Joint Services for their continued efforts and contribution to support Members and the Parliament.



Russell D Grove
Clerk of the Legislative Assembly



John Evans
Clerk of the Parliaments

PARLIAMENTARY ARCHIVES

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AIMS AND OBJECTIVES

The role of the Parliamentary Archives is to collect, maintain, preserve and provide access to the archival records of the Parliamentary establishment, which range from the Chamber records of both Houses (including the records of all Parliamentary Committees) to the administrative records of each Parliamentary agency.

The Mission of the Parliamentary Archives is to preserve valuable Parliamentary records as part of the archival resources of the State and make them accessible to present and future generations. To achieve this, the Parliamentary Archives:

- makes arrangements for the intellectual control and physical storage of Parliamentary records;
- helps Members of Parliament manage their records;
- helps Parliamentary agencies manage their records;
- selects valuable records for permanent preservation as archives;
- stores and preserves archives in repositories; and
- makes archives and semi-current records accessible to users within and outside Parliament to meet their needs.

The clients of the Parliamentary Archives Section are the Parliamentary Departments and Sections, Members of Parliament, and the general public worldwide.

REVIEW OF OPERATIONS

The Inventory Control Program:

1. Records Acquisition: The records of Parliamentary Departments and Sections are appraised and records of archival worth identified. There are three sub-programs: Accessions; Disposal; and Processing. We are unable to fully achieve targets in the Disposal and Processing sub-programs due to lack of resources.
2. Accessions: In the 2005 - 2006 year the Archives accessioned 75 separate sets of records totalling 289 boxes (49.13 shelf metres); 26 volumes, 5 bundles; 31 video tapes; 5 floppy disks and 66 photographs. This compares with 101 (406 standard boxes / 86 shelf metres) in 2004 – 2005. Since 1991 there have been 1,738 accessions, totalling 6, 235 standard boxes, equivalent to 1059.95 shelf metres – over one kilometre of records.
3. Disposal: Records are scheduled for retention or destruction. A complete schedule for all Parliamentary records is not finalised yet. Some work in this respect is being done by the Records Officers of each House Department.
4. Processing: 'Processing' is the work of identifying, naming and numbering series and other archives so as to achieve intellectual and physical control. In addition to the intellectual description, a physical process also takes place whereby the records are wrapped and boxed,

ready for storage. They are 'value-added' records. Under this program the selected records are arranged and described. Three series were registered in the 2005 - 2006 year and have been processed. Other processing work is done on an 'ad hoc' basis and whenever a small amount of time can be devoted to it. For instance, the photographs are being placed in appropriately sized 'Mylar' envelopes in small quantities over time.

5. Records Management: This entails the design and operation of programs to achieve economy and efficiency in the creation, distribution, organisation, maintenance, retrieval, use, protection and disposal of all types of records. The demand for hands-on records management is growing exponentially, driven by demand and the State Records Act; as is the demand for secondary records (semi-current) records storage from all Departments and Sections (especially the Parliamentary Accounts Section) as well as from Members.

The Managerial Control Program:

1. Policy Support - The State Records Act: The Manager, Parliamentary Archives has been liaising since 1998 with various representatives from State Records to draft an Agreement between State Records and the Parliament. The review of the State Records Act which took place at the beginning of 2004 did not take the Parliament's submission into account and more meetings have taken place between the Parliament and State Records, resulting in draft Agreements being considered.
2. Membership of Committees: The Manager, Parliamentary Archives attends the monthly meetings of the Heads of Departments and Sections. He is a member or convenor of the following administrative committees: the Thesaurus Development Committee (Convenor); the Artworks Committee; and the Parliament House Celebration of the Sesquicentenary of Responsible Government Committee, a committee comprising both Members and staff, of which he was the Secretary.
3. Public Relations and Education: The Section has published Guides in hard format and online. As well as the Parliamentary History Bulletins published in conjunction with the Education and Community Relations Section, the Parliamentary Archives mounts exhibitions. Last year the Parliamentary Archives had two exhibitions mounted in the Fountain Court. They were:
 - a) *George Richard Dibbs – Adventurer, Businessman, Politician – An Exhibition to Commemorate the Centenary of the Death of Sir George Dibbs, Premier of New South Wales*. This exhibition was mounted with the assistance of Mr Richard Dibbs, a descendant of Sir George, who very kindly loaned or facilitated the loan of many items from the Dibbs family collections. This exhibition was mounted in 2004 and demounted in April 2006, being replaced by the Sesquicentenary Exhibition.
 - b) *The First Parliament 1856 – An Exhibition to Celebrate the Sesquicentenary of Responsible Government in New South Wales*. This Exhibition was mounted in the Fountain Court in the month of May 2006 as part of the Parliament's Sesquicentenary celebrations. They were the centrepiece of the Open Weekend on May 20 – 21.
4. Reference Services: This program includes making archives available for access, providing copies and providing written or oral information. In 2005 - 2006 there were 342 telephone inquiries; 120 written reference inquiries involving detailed research; and 37 reference visitors who came to look at archives for purposes of research or study. The Parliamentary Archives also made 136 internal loans of archives to nearly all parts of the Parliamentary administration.

The Physical Security Control Program (Repository Management):

1. The Government Records Repository: At the end of June 2005 there were 2,702 standard boxes (the same as the previous year) and 10 non-standard items in storage at Kingswood; and there were 6 retrieval requests. The costs of the use of the Government Records Repository, Kingswood for 2005 – 2006 were approximately \$15,000.
2. The Parliament House Store at Ultimo: The Ultimo repository contains all the non-current records of the Accounts Section which await a Disposal Project; they total about 1,400 standard archive boxes (240 shelf metres). About 700 boxes of other records are also shelved there. At the beginning of 2006 the Building Manager foreshadowed the closing of the Ultimo Repository, which means that the Disposal Project will take place early in the 2006 – 2007 financial year and the remainder of the records will be brought back to Parliament House for storage.

The Preservation Control Program:

Conservation Management: This program entails both preventative conservation activities in the Archives; and overseeing the Conservation Program where items are sent to the Conservation Consultants. The Conservation Consultant is Heather McPherson Pty Ltd. In the 2005 - 2006 year, one batch of archives, comprising 2 boxes of papers of the first Legislative Council (comprising approximately four thousand separate pages) were sent to the Conservation Consultant at a cost of approximately \$29,000. The total cost of the Conservation and Preservation Program in 2005 - 2006 was \$32,082.

MAJOR INITIATIVES AND PROJECTS

1. In the 2003 – 2004 financial year two Lotus Notes Databases were created to improve control and access: the PRS Database, which comprises the entire Series List, the Accessions List, the Documents, Plans (including maps), and the Artefacts; and the Pictures Database, which comprises all the photographs and other images in the Parliamentary Archives. In the last financial year two new Databases have been created, making a total of four. One was created for the video tapes, audio tapes, CDs and DVDs created by the Parliament, especially the recordings of each House in Session; and another for the Correspondence series of the Legislative Assembly and the Legislative Council.
2. Sesquicentenary of Responsible Government in New South Wales 1856 – 2006: In this financial year the Archives Section was given special funding by the Government's Committee for the Sesquicentenary of Responsible Government (1856-2006). A grant of \$60,000 was used to employ a Project Officer to research biographies of Members of Parliament for an on-line Biographical Register of all Members of the New South Wales Parliament from 1824 to date, a total of 2,076 men and women.
3. The Parliamentary Archives was a very important source for many of the Sesquicentenary projects funded by the Government's Sesquicentenary Program. The Manager liaised closely with the State Library in its project relating to the private papers of Members held by the Library; the producers of the website relating to women candidates in New South Wales elections; and with Antony Green, who has produced a database relating to New South Wales elections since 1856. The Guide on the Parliamentary Standing Committee of Public Works 1888 – 1930 was a vital resource for the book produced on that Committee. The

Archives also supplied photographs for the publications “The Premiers of New South Wales”, “Decision and Deliberation: The Parliament of New South Wales 1856 – 2003”; and “The Electoral Atlas of New South Wales”.

MANAGEMENT AND PERSONNEL:

The Section employs two staff members, the Manager and the Administrative Assistant.

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PARLIAMENTARY BUILDING SERVICES

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AIMS AND OBJECTIVES

To provide an environment in which the Parliament may carry out its function and to provide excellent service equal to our clients' expectations.

We recognise our social responsibility of protecting the environment and preserving the cultural and heritage assets of the State.

DESCRIPTION OF SERVICES

Parliamentary Building Services (PBS) provides the complete range of services needed to maintain and operate Parliament House and its assets.

The Property Management group is responsible for the maintenance of the Parliamentary building and grounds, furniture and fittings, works of art and antiques, and cleaning.

The Engineering group is responsible for the operation and maintenance of engineering services, including air conditioning, hydraulics, fire fighting equipment, plant records and administration, electrical services, kitchen equipment, telecommunications, and lifts.

REVIEW OF OPERATIONS

To ensure suitable actions are identified, programmed and implemented to enable the Parliament building to be fit for its prestigious role for the next 10–20 years, the Department has commissioned from the Department of Commerce a Strategic Asset Management Plan, which identifies the asset maintenance requirements of Parliament until 2085. The Plan is utilised to identify programmed cycles of maintenance for all parts of the building.

Financial Management

The Department ended the financial year \$55,919 (1.36%) over-budget from a cash allocation of \$4,098,000. Budget for employee expenditure was exceeded by \$138,426 (4.6%), a result of excessive sick leave and the hiring of temporary assistance.

Budget for other operating expenses was under-spent by \$82,507 (7.52%). Savings were made in items such as energy cost, insurance, consultancy fees and contract fees.

The Parliament building is ageing - almost twenty-five years old - and has not undergone any major refurbishment work due to insufficient funds. Future maintenance work will be in accordance to the Strategic Asset Maintenance Plan, and increased maintenance expenditure is expected as a result.

Asset Management

Parliament's energy cost for the year amounted to \$623,457, representing a net increase of \$33,023 from last year's figure. During the year Chiller No. 2A, which runs on gas, was not operated, resulting in an increase in electricity consumption of about 77,320 KWH and a decrease in gas usage of 4,231 GJ. There was also a decrease in water consumption.

Parliament continued to supply energy in the form of hot and chilled water to the Sydney Hospital and Sydney Eye Hospital and the State Library of NSW.

A project completed during the year aimed at energy conservation was the upgrade of lighting on Levels 11 and 12. A water leak in the main chilled water system was also repaired.

Investigation is currently being undertaken to determine both the possibility of lighting and water saving enhancements to further reduce energy consumption, including retention of water from rainfall for cleaning and garden use and using sensors in the car parks and other low-use areas to reduce electricity costs.

Waste Management

The Parliament's recycling program continued during the year.

A total of 47.3 tonnes of paper for recycling were collected, cardboard collected totalled 4.9 tonnes, a 45% decrease. These figures resulted in 209 cubic meters of landfill being avoided.

The original design of the building does not allow for the collection of food scraps. Hence, during the year, food scraps were sent to landfill.

The purchase of paper with significant recycled content for use by Parliament continued as well as the recycling of used toner cartridges. Also during the year, a total of 1,196 used fluorescent tubes were disposed at a cost of \$1,705.

Parliament House currently purchases six per cent of energy from renewable sources.

Environment

The Department's activities were in accordance with the aims for a clean environment.

Regular air monitoring has continued throughout the year. Reports received from the air monitoring service indicate the quality of air within Parliament House meets or exceeds recognised standards.

MANAGEMENT AND PERSONNEL

Organisation

Parliamentary Building Services has two main groups, with a total number of eighty-two staff. The Manager and two Assistant Managers oversee the Property Management and the Engineering groups.

Senior Management

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Assistant Manager: Engineering

Alistair Leonard

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During the financial year, a number of established positions were not filled permanently.

A competency-based Asset Maintenance (Cleaning) Course was conducted on-site for the Part-Cleaners and Building Assistants, and four staff attended the OH&S Training for Managers and Supervisors conducted by Employers First.

A total of eleven staff received the annual Parliamentary Service Awards, including two staff for 25-year's service, two for 20-year's service, two for 15-year's service and five for ten-year's service.

Efforts to reduce staff sick leave continued during the year. Staff took an average of nine days, or a total of 742 days for the whole Department, at a cost of \$86,734. This amount contributed to the 4.6% over-budget for the employee-related expenses.

There was an increase in the number of workers compensation claims from 2004/05. During the year, 16 workers compensation claims were received, including three journey claims and two re-occurrence of previous injury. Thirteen Rehabilitation Programs were undertaken, including four new ones.

Equal Employment Opportunity

The Department maintained its commitment to EEO principles. A high percentage of EEO target groups were on its staff. In 2005/06, more than fifty-five of the total staff were female while staff from non-English speaking backgrounds comprised fifty-three per cent of the total number of employees.

PROJECT MANAGEMENT

The following projects were undertaken during the year:

Recurrent Expenditure for Public Buildings (REPB)

The 2005/06 REPB Works Program was implemented during the year. Some of the major works undertaken were:

- Restoration of the Macquarie St. sandstone verandah
- Refurbishment of the Drivers' Room on Level 4
- Replacement of sprinkler tanks and additional fire hydrant service
- Upgrade of lighting on Levels 11 and 12
- Installation of domestic water and fire services tanks on Levels 2 and 13
- Installation of additional smoke detectors on Levels 8 and 9.

Other Projects

A number of Parliament House-funded projects were undertaken during the year, including:

- Changes to office accommodation for Parliamentary Building Services and Parliamentary Security Services
- Installation of archway above the Macquarie St. main entrance
- Replacement of the Parliament's Emergency Evacuation System
- Annual maintenance of chillers and boilers
- Service and recharging of fire extinguishers
- Installation of the Sir Thomas More statue in the Speaker's Garden
- Art restoration of Max Dupain's photo series of NSW public buildings.

On-Line Request for Repair Works

During the year, a new system of lodging on-line requests for repair work in Parliament House was implemented.

New Cleaning Program

A new cleaning program was implemented on a trial basis during the year. The program was aimed at streamlining the operations of Building Assistants and Part-Time Cleaners. It involved the even distribution of workload and setting a standard level of cleaning throughout the building, improving efficiency by documenting cleaning outcomes, and improving OH&S staff awareness.

Asset Tracking System

In coordination with the Accounts Section, the Radio Frequency ID (RFID) bar coding asset tracking system was implemented during the year. This involved placing a bar code on every asset in Parliament House to facilitate asset auditing. Project implementation will continue during the next financial year

PARLIAMENTARY EDUCATION AND COMMUNITY RELATIONS

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AIMS AND OBJECTIVES

The Parliamentary Education and Community Relations Section aims to serve the interests of the Members and the people of New South Wales by originating and implementing programs aimed at increasing the knowledge and understanding of the roles and functions of the Parliament and its Members, and at developing civics skills necessary for active citizenship. As such, its objectives are to meet all established Parliamentary goals, although its principal focus will be in support of Goal 3: *Promote awareness of the purposes and functions of the Parliament and facilitate community access.*

The Parliamentary Education and Community Relations Section is responsible for the management, administration, planning and conduct of education and community relations programs for Members, staff and the public. It operates cooperatively with and provides support for other sections and officers of the Parliament in:

- providing support services to Members, particularly to assist their role in servicing the information and education needs of their constituents;
- providing educational resources, activities and support for schools, other educational institutions and the community;
- extending community knowledge and understanding of Parliament's role and operation;
- offering professional development and seminar programs for educators, government and non-government and community organisations;
- writing, developing and publishing in various formats to meet a range of education, community and visitor needs;
- supporting and resourcing the Parliamentary visitors' program.

As with all Departments and Sections within Parliament House, major customers or clients of the Section are the Members. However, the Parliamentary Education and Community Relations Section also has as major customers, school, tertiary and adult students and members of the public.

REVIEW OF OPERATIONS

The Section's performance targets are not set in terms of statistics but operate within the four broad programs described below, aiming for a reasonable balance between each program and a range of activities within them which meet the needs of a wide range of target groups. Section planning for activities is mostly on a calendar, rather than financial year, basis, with a schedule set where possible by end of the previous year. However, additional activities emerge through each year and some dates cannot be set until sitting days or other critical factors are known.

In 2005-06 Education and Community Relations maintained a similar high level of activity to the previous year and achieved both an extensive variety of activities and a broad balance between programs. Almost all approved activities went ahead, were successful and usually fully subscribed. The few activities cancelled were cooperative ones with other organisations unable to proceed with their initial proposal. Most activities were ongoing but several new ones were developed and all ongoing activities constantly updated. Similarly, resources activity was primarily implementation and revision of existing materials. Member involvement in programs was high and supportive with more than 160 Members involved.

Community Programs

The Section continued to expand its range of community programs. In all, more than 30 public activities were conducted with upwards of 5,000 participants.

- *Sesquicentenary of Parliament* – The Section was extensively involved in the planning and program to celebrate 150 years of Responsible Government in NSW, 1856-2006, producing a brochure and information sheet, and assisting with planning and conducting an Open Weekend in May 2006 attended by about 1,000 members of the public.
- *Corridors of Power*, a six-week community college course, was run again in the first half of 2006 at Parliament House.
- *A Little Night Sitting* – our sitting evening programs continue to be fully subscribed (max 50) – 7 were run in 2005-06, plus two day-time versions (*Parliament in Progress*) for other groups such as community colleges, with almost 300 participants.
- *Lunchtime programs* – Lunchtime monthly tours were initiated in mid 2005 and have proved popular, averaging about 35 participants.
- *Australia Day* – The Section coordinated the annual Australia Day opening of Parliament House which attracted some 3,000 visitors.
- *Film evening* – the Section ran a one-off public interest film (*Rocking the Foundations*).
- *State Government Familiarisation Program* – a seminar program for senior business executives which returns income to the Section. Now in its 23rd year, it still attracts significant numbers. Two programs were conducted during the reporting period.
- The Section conducted three special programs for government agencies. In addition, some 85 special tours for community and professional groups with at least 1600 participants were conducted by the Section in 2005-06.

Student Programs

In 2005-06, the Section conducted the following student activities (mostly full day events):

- School Leadership Program – 11 days of visits by secondary school leaders in 2005-06 to Parliament and Government House – 1170 students from 513 schools.
- Young Women's Leadership program – 3 programs involving approximately 300 Year 11 girls. A proposal to conduct a Young Men's Leadership Program was not supported.
- Henry Parkes Primary Schools Citizenship Convention – focussed on Social Justice.

- The annual *Our Place in Reconciliation* program for primary schools was again conducted with support from organisations such as Aboriginal Education Consultative Group, Reconciliation Australia, and the Botanic Gardens.
- The annual Schools Constitutional Convention was conducted at Parliament House for Year 11 students and the Section supervised the NSW delegates to the National Convention in 2006.
- Two sessions of the Year 10 Forum (an issues-based, parliamentary program for Year 10 students) were conducted at Parliament House with 40 schools and 160 students.
- The annual Henry Parkes Civic Action Awards were conducted.
- The *Great Debate*, involving 12 schools and 60 students was conducted as part of *Celebrating Democracy week*.
- The Section provides resources and other support for the school tours program.
- The Section coordinates work experience placements for Years 10 and 11 students (11 students in 2005-06).

The above activities in 2005-06 amounted to 20 major events involving almost 2,000 students.

Travel assistance for students from non-metropolitan areas is provided for most of these programs, through the Section budget, The Henry Parkes Foundation or, in the case of the Constitutional Convention, from the education sectors.

The Section provided support for or helped conduct:

- The YMCA Youth Parliament
- A State SRC meeting
- A School Parliament meeting

For tertiary institutions, the Section also conducted:

- 14 English as Second Language parliamentary and elections workshops for 22 groups (approximately 500 students) of adult English learners from TAFE or AMES or Community Colleges
- Four tailor-made workshops or forums for tertiary groups (130 students)
- Internship programs involving three universities (12 students)

Professional Development Programs

In 2005-06 the Section conducted 10 days of civics and citizenship professional development activities for approximately 400 teachers. These included:

- Primary teachers *Playing Your Part* programs (3 programs)
- Secondary History programs (4 programs, including one on Aboriginal Perspectives)
- Secondary Commerce (2 programs)

- Secondary Geography (1 program)
- Interactive video workshop – a trial workshop on civics resources, conducted through the Department of Education and Training Distance Education network with approximately 10 sites and 25 teachers.

A teacher internship program (*Parliamentary Partnerships Program*) failed to attract interest.

The Section hosted or assisted with 15 activities involving about 750 teachers at Parliament House primarily conducted by other educational bodies. These included:

- Teaching Aboriginal History K-6 (Primary) (2 events) – Cross-sectoral professional development program
- Financial Literacy (2 events) – Cross-sectoral professional development program
- China Downunder (2 events) – Cross-sectoral professional development program
- Your Vote Counts – (1 event) - Australian Electoral Commission
- Aboriginal Studies Conference (2 days) – NSW Department of Education and Training
- Pacific Circle Consortium International Education Conference (2 days)
- Geography Teachers Conference
- MESSTA teachers conference
- History Teachers Association events
- HSIE Primary Teachers event.

The Section assisted with other Parliamentary activities including:

- Electorate Officer and staff induction programs (5 presentations)
- Commonwealth Association Youth Seminar.

During the period from mid 2005 to January 2006, the Parliamentary Education Officer developed and wrote the National Consistency in Curriculum Outcomes for Civics and Citizenship. The resulting documents have now received ministerial approval.

Publications and Information Programs

- The Section responded to about 500 information enquiries by email, phone and mail as well as resourcing the Parliamentary Information Booth from which about 100,000 items are distributed annually.
- New publications for 2005-06 were a sesquicentenary brochure and an information sheet. New posters and a book, *Playing Your Part*, were implemented from June 2005. Most existing resources were revised and/or reprinted as required.
- Further community language versions of the parliamentary colour brochure were developed and made available in 11 community languages (Arabic, Chinese modern and traditional,

Dari, Dinka, Greek, Italian, Japanese, Korean, Russian, Spanish, Vietnamese).

- Six articles were contributed to professional teachers' journals.
- The Section is also responsible for part of the parliamentary website with almost all publications directly downloadable from the web.
- The Parliamentary video, which runs constantly in the Parliament foyer, was updated and captioned and also made available as a DVD.

FINANCIAL MANAGEMENT

In 2005-2006 the Section operated within a budget of \$285,000, of which 82.1% was expended. The Section attracted revenue of more than \$10,000 through State Government Familiarisation seminars, a community course, and some sales. The Section continued to have a Parliamentary Education Officer seconded from and paid by the Department of Education and Training. Some activities were funded or supported through other organisations such as the Department of Education and Training or the Henry Parkes Foundation.

MANAGEMENT AND PERSONNEL

Organisation

During 2005-2006, the Section maintained its staffing of Manager, Parliamentary Education and Community Relations; Parliamentary Education Officer (seconded to the Section from and paid by the Department of Education and Training) and an Administrative Assistant/Clerical Officer. During much of the period, at the request of the Department of Education and Training, the Parliamentary Education Officer was involved on a part-time basis as Civics Project Officer for the National Curriculum Consistency Project managed by the Curriculum Corporation.

Senior Management

The Section has one senior officer as follows:

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Staff Development

Staff undertook a number of minor (one day or less) staff development activities - some of them requirements for Parliament or Department of Education personnel in 2005-06, to support work, technology or statutory requirements. Major activities in 2005 included the annual Parliamentary Educators' Conference (in Canberra); and the part-time secondment of the Parliamentary Education Officer to the Curriculum Corporation over the period July 2005 to February 2006. The latter was a major staff development opportunity as well as an important contribution to national statements of learning in civics and citizenship. Both education personnel participated in and assisted the conduct at Parliament House of the Pacific Circle Education Conference in July 2005.

The Section has a significant role in providing staff development for teachers and, to a lesser extent, parliamentary staff. In the latter role it presented at staff induction programs and opened its *Corridors of Power* and other courses to interested parliamentary staff.

Consultants

One consultant was engaged by the Section during 2005-06 to organise and conduct two State Government Familiarisation Seminars. Ms Jackie Petersen successfully conducted two one-day seminars (November 2005 and March 2006) which, after costs, returned a surplus of approximately \$10,000 to the Parliament.

PARLIAMENTARY FOOD & BEVERAGE SERVICES

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AIMS AND OBJECTIVES

Parliamentary Food and Beverage Services was established to provide Members with in-house catering facilities that would offer efficient and professional service and quality meals at a reasonable cost.

Services are provided to various customers including Members of Parliament, former Members, staff of the Parliament, ministerial staff, educational organisations, visiting dignitaries, as well as charitable organisations and other business and community associations.

PRICING AND FINANCIAL PERFORMANCE

Food and Beverage Services has historically operated to provide services to Members of Parliament, staff and visitors on a not-for-profit basis. The pricing of food and beverages services has reflected this philosophy. There is now a focus on increasing revenue through additional sales, such as increased functions, to partially offset the overheads (eg staff) required to operate Food and Beverage Services.

At the end of the reporting period, a number of initiatives were being developed to ensure the sustainability of the operation into the future, including strategies to increase patronage (including improved menus and customer service, and transparent function costing), and reduce costs (including by the use of government suppliers for fresh produce and human services, and reductions in other operational expenditure).

PLANNING FOR RESTRUCTURE

On 23 February 2006, the NSW Treasurer announced that an \$800,000 funding reduction would apply for the 2006/2007 financial year. Subsequently, NSW Treasury officials advised that the entire budget of \$1.4 million funding would be removed from 1 July 2006. While making representations for a phased funding reduction, parliamentary officers commenced planning and implementing changes to provide core and basic service levels without government funding.

Planned changes include reduction in the number of staff, restructure of service areas and reorganisation of the staff structure. In June, expressions of interest were called from all permanent FBS staff to take a voluntary redundancy package under the NSW public sector Managing Displaced Employees policy. At the same time negotiations commenced with the Public Service Association to manage the voluntary redundancy process.

To assist with cost reduction in the interim, a range of services were suspended from Tuesday 13 June 2006.

INVESTIGATION OF ALLEGATIONS AGAINST THE MANAGER

In March, April and May 2005 protected disclosures were received by the Clerk of the Parliaments involving allegations against the Manager of Food and Beverage Services and other staff in the Department. An independent investigator was appointed to advise and undertake investigations in relation to the allegations and on the same day, the Manager was suspended on pay while the investigation proceeded. A casual employee was also suspended from his casual engagement and was advised that a number of allegations had been made against him. An investigation report was subsequently received and the Presiding Officers are considering the report and further action.

INTERNAL AUDIT AND IMPLEMENTATION OF INTERNAL CONTROLS

On 11 April 2005 the Parliament's Internal Audit Committee requested that Deloitte Touche Tohmatsu, the Parliament's internal auditors, conduct a review of the financial operation of Food and Beverage Services. The first stage of this review was to assess the existing internal controls in Food and Beverage Services.

From July 2005, the Parliament dedicated substantial resources to reform the operation of Food and Beverage Services. Significant costs were incurred by the Parliament through accounting and auditing fees associated with advice guiding the reform process. The process of reform has included:

- provision of a senior officer of the Legislative Council to support the reform process
- engagement of the Parliament's internal auditors to review internal controls
- implementation of internal audit recommendations concerning personnel and human resources and internal controls to ensure a more accountable and robust administrative operation
- implementation of initiatives to improve the cost effectiveness and budget performance of the operation including improved rostering of casual and changed agency staff arrangements and reviews of supplier arrangements.

LIQUOR LICENCE

The *Liquor Amendment (Parliamentary Precincts) Act 2004* removed Parliament's exemption from the *Liquor Act 1982* and made provision for a Governor's licence to be issued for the Parliamentary precincts. A Governor's licence was granted to the Parliament in September 2005. A range of initiatives were implemented to prepare for the introduction of the licence including appropriate policies and protocols for the booking of functions and ordering of liquor; signage; refresher training in the Responsible Service of Alcohol for all Food and Beverage Services staff; and the provision of information for members and staff.

MANAGEMENT AND PERSONNEL

Departmental Officers

Acting Manager - Joseph Rokoqo

Acting Assistant Manager - Carlos Andrade

Head Chef - Scott Clark (on leave from November 2005)

Acting Head Chef - Vanessa Jones (from November 2005)

Parliamentary Service Awards

Six staff members were presented with a service award at the November 2005 Parliamentary Service Awards ceremony:

Twenty five years service

Jillian McGavick

Jose de Sousa

Fifteen Years' Service

Joseph Rokoqo

Ten Years' Service

Gary Chan

Anne Leslie

Tim Prewer

PARLIAMENTARY INFORMATION TECHNOLOGY SERVICES

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AIMS AND OBJECTIVES

Information Technology Services (ITS) has the responsibility of developing the strategic and tactical plan and services for the Parliament's use of information technology to achieve corporate goals. The ITS client group is comprised of Members, Members' staff, Committees and Parliament House support services staff. Through the provision of a contemporary and reliable electronic workplace environment, ITS enables Members and the broad Parliamentary community to better serve the citizens of New South Wales.

To facilitate the achievement of the Parliament's goals, ITS commits to a range of projects in accordance with the 'Information and Communication Technology Strategic Plan 2003-2007'. In the 2005/2006 financial year, ITS via the setting of goals and application of strategies, delivered on its IT commitments. These objectives and strategies were as follows:

STRATEGIES

ITS strives to improve and extend the services necessary for both houses of Parliament to perform their duties as required. As part of an overall strategy to continue to improve its use of information management & technology (IM&T), the Parliamentary ITS reviewed this Information and Communication Technology (ICT) Strategic Plan. This plan was developed to identify information technology initiatives that will support the Parliament's corporate objectives. This plan was developed in consultation with Members, Clerks and Managers. The plan was then submitted to the Treasury and Department of Commerce for review.

The IT strategy areas in the plan are focused across Parliament as a whole:

- Parliament Business Systems (financial system, records system, security system, etc)
- Information Management
- Mobile/Roaming Computing
- Communications & Infrastructure
- Community Information Services (Web, Hansard)
- Parliament Service Management
- Governance
- Security
- Business Continuity.

Corporate Goal 1

Provide the procedural support advice and research necessary for the effective functioning of both Houses and their committees.

The following initiatives were undertaken in 2005/2006:

Question & Answers Database

This project was undertaken to deliver improvements to the Q&A Paper and its production process, in the following areas:

- Provide an environment for drafting the Q&A Paper which is stable and supports multiple operators working on different parts of the document simultaneously.
- Reduce the data entry workload on Procedure Office staff, by providing a means of receiving questions and answers from Members, in a structured electronic form.
- Provide an efficient means of tracking questions and searching for questions & answers by member, question, date.
- Automate the production of the Q&A Paper indexes.

ITS completed the majority of the development in the new system. However further work is required to ensure a stable and reliable system.

Tabled Papers Database

The Tabled Papers database is used by the Legislative Council Procedure Office to allocate reference numbers, report on and track documents that are formally tabled in the House. This system was extended to include:

- new information in respect of “Orders for Papers”.
- new information in respect of “privileged documents” received by the Procedure Office.
- provision for linkages between “Orders for Papers” and any documents received by the Procedure Office pursuant to those orders.
- provision to record details of disputed claims of privilege in respect of privileged documents, and consequently provision to change a “privileged document” to a normal “Tabled Paper”.
- reorganisation of certain data in the database which has been added using the standard “Tabled Paper” form, but which requires reclassification as either an “Order for Papers” or a “privileged document”.
- web - enable certain parts of the database for public viewing on Parliament’s website.

Video Stream

Video Stream - The streaming servers originally managed by the Australian Centre for Advanced Computing and Communications (ac3) were upgraded and is now managed by the Parliamentary ITS. This has reduced the response time for start and finish of streams which is managed internally.

Corporate Goal 2

Provide effective support to Members and other client groups.

Members Entitlement System - ITS employed a temporary System Analyst/Programmer to analyse and improve the additional functional requirement in the Members’ Entitlement System (MES). The majority of the enhancements were on travel functions in particular changes to the travel booking arrangements through a new supplier.

- As part of the strategy to provide all Members and their staff with reliable and robust computers and peripherals, Legislative Council Members received a new computer for their staff. All computers at the electorate offices were also replaced and a new SOE was

developed for the electorate offices. A major change in the electorate offices was the introduction of a unique centralised backup system for all local data.

- As part of a new data communication strategy for Parliament and electorate offices, a new contract was signed with SOUL and Earthwave to provide a broadband link to all electorate offices. The existing link of 128Kbyte was increased to 512kbyte to improve communications in these offices.
- To increase flexibility of information access for members of Parliament, a secure access to Parliament's intranet, library, email and files was setup through the Internet. Members are now able to use a secure token provided by Parliament to access information from anywhere with access to the Internet.

Corporate Goal 3

Promote awareness of the purposes and functions of the Parliament and facilitate community access.

Sesquicentenary Project - ITS supported a number of activities in relation to the marking of the 150th anniversary (sesquicentenary) of responsible government in New South Wales. These included:

- Online publication via the Parliament's website, of a searchable biographical register of former Members of the Parliament dating back to 1824 (in conjunction with Parliamentary Archives, and funded by the Committee for the Sesquicentenary of Responsible Government).
- Online publication via the Parliament's website, of scanned copies of the Parliamentary Debates published in the 'Sydney Morning Herald' for the period 1843–1879. The next phase of this project which will soon be completed, will also deliver an integrated electronic version of the index to reports of that period, such that users will be able to search the index by keyword, and directly access the relevant reports. (Undertaken in conjunction with the Parliamentary Library, and funded by the Committee for the Sesquicentenary of Responsible Government).
- Special year-long feature on the Parliament's intranet and website, "Sesquicentenary of Responsible Government in New South Wales" to promote all events and activities being undertaken across the Parliament in connection with the sesquicentenary.
- Support during the Open Day weekend 20 - 21 May 2006, during which computer kiosk facilities were provided.

Review of Internet and Intranet Search Engine - The Parliament's Internet and Intranet site project was completed and the new site was launched by Presiding Officers in September 2004. As part of the original commitment, ITS continued on improvements to provide better searching facility for Parliament's Internet and Intranet. Parliament is now using a local product ISYS as a search engine.

Corporate Goal 5

Enhance organisational capability in planning and service delivery

- **Identity Management** – ITS started a project to develop a centralised identity system which manages members and staff identities when accessing Novell directory, GroupWise mail and Lotus Notes. This will enhance security to ensure access is provided simultaneously and users are retired promptly when leaving Parliament while reducing management. This project was completed in 2005/6 financial year.
- Major upgrades to the existing Parliamentary network hardware and software were completed as part of the Parliament's Total Asset Management. These upgrades have greatly assisted the usability and functionality of the services provided over the

Parliamentary network. ITS has taken the opportunity to enhance network security during upgrades of its servers. This is an ongoing project to ensure that prior to upgrade of servers, network operating systems are reviewed for its reliability and security.

- A new Standard Operating Environment (SOE) was developed based on Microsoft Windows XP. The new SOE was a precursor for replacement of Member's staff computers.

YEARLY HELPDESK CALL STATISTICS

ITS records all issues raised for resolution through its call management system "HEAT". This information is used to not only keeping records of the activities but to monitor trends and service quality. The following table provides a breakdown of issues raised in 2004/05 and 2005/06. Password reset remains the highest call type. ITS is planning to introduce a self service system to reduce these calls.

Yearly Call Statistics - 2005-2006

	July 2004 - June 2005	Call No's	July 2005 - June 2006	Call No,s
Total Calls	Total Calls	7999	Total Calls	9422
Top Four Call Categories	GroupWise	1265	Network	1660
	Network	1265	GroupWise	1447
	Printing	601	Tasks *	839
	Tasks *	513	Printing	634
Top Four Calls Types	Password Reset	401	Password Reset	489
	Network Connection	262	Network Connection	369
	New User Logins	224	Remove User Logins	257
	Email	215	New User Logins	256
Top Three Network Issues	Password Reset	401	Password Reset	489
	Network Connection	262	Network Connection	369
	Access Rights	182	Access Rights	200
Top Three Hardware Issues	Keyboard	47	Mouse	46
	Mouse	40	Monitor	45
	Monitor	33	Keyboard	35
Top Three Word Issues	Macros	70	Envelopes	47
	Mail Merge	44	Macros	38
	Word Frozen	36	Mail Merge	36
How calls were placed with the Helpdesk top 4				
	HelpDesk Phone	5239	HelpDesk Phone	5556
	Email	684	Email to HelpDesk	1079
	Heat/ Helpdesk Req.	557	Email to Support Analyst	439
	On site	346	Message Left on Queue	395
Top LSA Calls				
	Digital Camera	51	Digital Camera	54
	Palm Pilot	38	Electrac	53
	Electrac	31	BlackBerry	43
	Excel	30	Not Listed	43

REVIEW OF OPERATIONS

Financial Performance

The total expenditure for the year was under the budget by 0.63%. A total of \$970,000 was spent on IT purchases through Parliaments capital funding.

Management Activities

Regular meetings of the IT Projects Steering Committee monitor progress on major issues and projects. The Manager, ITS also represents Parliament in IT Forums held by the Government Chief Information Office.

Post implementation reviews of major projects are carried out by ITS staff and independent external consultants. Reviews and findings on the extent to which project objectives have been met are reported to the Projects Steering Committee.

Outsourcing and Contracting In

Parliament outsourced the delivery and management of its Internet and network perimeter security to Earthwave Corporation P/L, data communications to SOUL Communications and hosting of the web server and webcasting services to ac3.

Several contractors were used to assist with Lotus Notes development and roll out of new computers to members, their staff in electorate offices and Parliament House.

Staff

Information Technology Services is comprised of 18 positions of which only 14 were filled in this year. Where possible, systems development and support tasks have been outsourced.

Manager, Parliamentary Information Services Ali Shariat:

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PARLIAMENTARY LIBRARY

Tel: 9230 2383 ~ Fax: 9231 1932
E-mail: libreq@parliament.nsw.gov.au

AIMS AND OBJECTIVES

Mission

To identify and fulfil the information needs of Members of Parliament and the Parliamentary Institution.

Vision

To be the centre of excellence for the provision of reference, information, documentation and research services for Members of the New South Wales Parliament

SPECIAL PROJECTS 2005-2006

Sesquicentenary of Responsible Government

In 2002, in anticipation of the forthcoming 150th anniversary of Responsible Government, the then Premier, the Hon Bob Carr, established a committee to allocate funds for research projects and publications on parliamentary government, political parties, elections and the public service. The Manager, Research Services, Dr David Clune, was appointed to the committee. Specific projects completed are:

- Dr Clune, and his colleague, Dr Gareth Griffith, Senior Research Officer, wrote a history of the NSW Parliament, "Decision and Deliberation" which was published in early 2006.
- Dr Clune, with Ken Turner, edited a two volume work of biographies of the NSW Premiers, "The Premiers of NSW".

Both books were launched in the Legislative Assembly chamber by a former Premier, the Hon Neville Wran, on 1 March 2006. At this launch, and at the launches of other books supported by the committee, authors spoke of their appreciation of the rich resources of the Parliamentary Library and the expertise and knowledge of Library staff. It is a fitting recognition of the importance of the Parliamentary Library and of Dr Clune's role as Parliamentary Historian, that he was appointed to the Sesquicentenary Committee and has contributed to a number of the publications sponsored by the committee.

MANAGEMENT AND STRUCTURE

The Library has been divided into three sections headed by a Manager:

- Parliamentary Librarian: Greig Tillotson
- Reference and Information: Victoria-Vaughan Smith (Acting).
- Research: David Clune.
- Library Systems and Information Resources: Kate Curr.

The Parliamentary Librarian's position had been vacant since April 2004. From that date Kate Curr and Greig Tillotson shared the position of Acting Parliamentary Librarian on rotating

periods of three months. On 28 February 2006, following recruitment action, Greig Tillotson was appointed Parliamentary Librarian.

There are 35 staff.

BUDGET ALLOCATION

The Parliamentary Library's allocation for 2005-2006 was \$3,037,000. This amount included \$2,639,000 for staff and staff related expenditure and \$398,000 for non-salary items. The Library finished the year \$166,327 or 5.47% under budget.

The position of Parliamentary Librarian was kept vacant until the end of February 2006.

REVIEW OF OPERATIONS

Description	2004/ 2005	2005/ 2006
Newspaper clippings imaged	39,871	39,070
Clipping retrieved from APLIS	25,265	27,348
Media monitoring requests	2,372	2,837
Breaking news stories sent out on the e-clips service	11,640	11,981
Reference enquiries handled	12,554	10,058
Lengthier reference enquiries carries out	869	706
Press releases handled, imaged and filed	3,070	3,882
Books loaned	1,910	2,006
Overdue loans recalled by telephone	117	198
Overdue loans recalled by letter or email	695	826
Letters sent to Accounts to charge people for the non-return of books	8	4
Books discovered to be missing from the collection	5	4

Reference and Information

Reference and Information Services provides a wide range of information and document delivery services directly to Members and other clients through its reference and information services, collections and databases, and supports the research and policy analysis role of the Parliamentary Research Services.

The Section is divided into four Sub-Sections:

- Reference and Information Section
- Media Monitoring
- Newspaper Clippings
- Loans and Stack Service

RESEARCH SERVICE

The Research Service once again had a busy year fulfilling its role of enhancing information services available to Members by providing in-depth analysis and advice. In the publications area, 20 general distribution publications were produced, slightly less than last financial year's total of 24. There were 18 Briefing Papers and two Background Papers issued. Subjects covered included majority jury verdicts; sedition, incitement and vilification; Election Finance law; affordable housing; Federal workplace relations system; native vegetation; tourism in NSW; legal recognition of same sex relationships. The Research Service also provides analysis and advice to Members on an individual basis. In 2005/06, 17 individual request papers were written, compared to last year's 27. Responses were provided to 57 shorter, direct requests for information, a significant increase on last year's 37. The total number of individual requests was greater than last year, 74 compared to 64.

The Research Service continues to maintain a database of journal articles on topics of relevance to the NSW Parliament, with 527 articles being selected and indexed by Research Officers and added to the serial indexing database compared to 425 in 2004-05.

Description	2004/ 2005	2005/ 2006
Briefing papers produced	21	18
Background papers produced	9	2
Individual research requests carried out	37	57
Papers produced in response to individual requests	27	17
Serial indexing records added to APLIS	425	427

The Research Service continued to provide support to other parts of the Parliament. Assistance was provided to the Legislative Council Select Committee on Juvenile Offenders, the Legislative Council Law and Justice Committee for its Report on Community Based Sentencing Options for remote Areas and Disadvantaged Populations, and for the report of the Joint Select Committee on the Cross City Tunnel.

Feedback on the quality of Research Papers continued to be good, including:

- Papers were cited in Hansard on four occasions.
- Two Research Service Papers were cited in the NSW Law reform Commission's Report on Majority Verdicts in August 2005.
- Extracts from four papers were reproduced in textbooks and on websites. A further paper was cited in an article in Current Issues in Criminal Justice.

Library Systems and Information Resources Section

Library Systems

Library Systems is responsible for the Automated Parliamentary Library Information System [APLIS], library network and for organising access by clients to the many databases on this network via the Parliament House network. It liaises closely with the Parliamentary Information Technology Services Section. Staff of the section train, or organise training for, Members and staff on how to use the various library databases.

In consultation with clients this Section defines library systems requirements and coordinates systems development for the Library. It has a significant role to play in the setting up and

development of on-line access to external databases, the Internet, and use of CD-ROM resources. This Section arranges the purchase of all computer related hardware and software for the Library and maintains appropriate records.

Information Resources

The Information Resources Sub-Section is responsible for the identification, selection, acquisition, cataloguing, classification, processing, binding and preservation of an extensive

Description	2004/ 2005	2005/ 2006
Interlibrary loans handled	363	376
Individual Government publications acquired and processed	18,084	14,928
Government publications catalogued	1,313	1,236
Orders placed for books	313	384
Titles received under the NSW Copyright Act 1879 (legal deposit)	1,261	1,460
Titles received by way of gift	531	647
Monograph titles added to the collection	2,396	1,294
Monograph titles catalogued (including retrospective cataloguing of books already held but not in the Library's electronic catalogue)	6,654	614
Downloading of records from the National Database	3,432	2,426
Serial issues received and processed	10,865	10,584
Serial titles catalogued	186	254
Loose-leaf pages filed into loose-leaf 191 services	1,563	1,563

collection of information resources, including official and non-official monographs and serials, both in print and in non-print form, such as microfiche, CD-ROMs, audio and videotapes. The main task of the sub-section is the organisation and maintenance of these specialised and relevant collections.

A future challenge for the Information Resources Section is the preservation and maintenance of the collections is an ongoing task. In order to maximise available space resources and to keep the collections relevant and current, systematic culling programs are conducted on a regular basis. Preservation of materials requires a considerable input of staffing and monetary resources. A strategy has been developed to ensure that what is worthwhile for the Parliament from our inherited collections is properly cared for and preserved for future generations. The lack of any definitive policy from government departments about committing to keeping links to important publications live on their websites makes the long-term maintenance of collections more difficult than ever before. This coupled with the moving of websites and urls and the subsequent "link-rot" means that maintenance of a catalogue of digital resources requires much more staff time than the more traditional library catalogues ever did.

PUBLICATIONS

The Internet Home Page hosts the following resources:

- The Library's on-line catalogue*.
- Press releases from all Members*.
- *Compendium of New South Wales Parliamentary and Political Facts*. The material in the Compendium has been compiled by the Library to provide answers to Frequently Asked Questions about the Parliament, its history and its Members.

- *NSW Parliamentary Library Publications.* The Library Research Service prepares a range of publications that are available for sale through the State Library of New South Wales Shop, Macquarie Street, Sydney. *Briefing Papers* and *Background Papers* now appear on the Internet in full text as well. Even so some \$3,000 worth of sales were made through the State Library Bookshop.
- *Index of Links to Other Useful Internet Resources.* This is a menu link to sites which are of value to the operation of the NSW Parliamentary Library and have been found useful by others.
- Index to the Library's newspaper clippings*.
- Index to articles indexed by Library staff.
- *Mission, Aims and Objectives and History.* This section includes email contact lists, a brief history of the Library and an outline of the Library's Programs.

* These databases temporarily not available at time of publication due to transfer of data to new server.

PUBLICATIONS AND CONFERENCE ATTENDANCE

Publications

D Clune, and G Griffith, *Decision and Deliberation: the Parliament of NSW, 1856-2003.* Sydney, The Federation Press, 2006

D Clune, and K Turner (editors) *The Premiers of NSW: Vols 1 and 2* Sydney, The Federation Press, 2006

D Clune also the author of the chapters on SA Donaldson, CG Wade, GW Fuller and JJ Cahill

D Clune, "Elections, policy and politics: an overview" in T Bramston, *The Wran Era*, The Federation Press, 2006

G Griffith and D Clune *Decision and Deliberation: the Parliament of NSW, 1856-2003* Sydney, The Federation Press, 2006-08-28

G Griffith "Parliament and Accountability; the role of oversight committees", *Australian Parliamentary Review*, Autumn 2006, Vol 21 (1) pp7-46

Conferences

Greig Tillotson attended the Conference and AGM of the Association of Parliamentary Libraries of Australasia at Parliament House, Brisbane, on 15 and 16 June 2006.

Kate Curr attended the VALA (Victorian Association for Library Automation) Conference in Melbourne in February.

Gareth Griffith, Talina Drabsch, Lenny Roth and Karina Anthony attended the Constitutional Law Conference at the Art Gallery of NSW on 24 February, 2006.

PARLIAMENTARY PRINTING SERVICES

Tel: 9230 2026 ~ Fax 9230 2877

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AIMS AND OBJECTIVES

The Parliamentary Printing Services Section primarily services the digital printing and copying needs of Members, parliamentary committees and the departments and sections of the Parliament.

The specific functions undertaken by the Section include:

- Digital printing both colour and black and white
- Colour photocopying
- Black and white photocopying
- Binding of documents in a variety of ways
- Desk top publishing
- High speed scanning in black and white up to A3 in size
- Scanning colour documents up to A3 in size
- Scanning to CD
- Maintaining the convenience copiers on levels 9, 10, 11 and 12 in Parliament House
- Providing a printing consulting service for Members and Parliamentary committees and departments
- Processing administration and billing of all printing requisitions from Members, departments and sections.

REVIEW OF THE YEAR

The position of Business Unit Manager has continued to remain unfilled during the reporting year, pending a review of the most appropriate management reporting arrangements for the unit. In the interim the two printing officers have been rotating in the position on higher duties, under the supervision of the Clerks-Assistant of the two Houses, with occasional assistance from the Legislative Assembly Procedure Office as required.

Despite the section carrying a vacant position during the reporting period, printing of House papers and committee reports met required deadlines to a very high degree.

During the financial year 1,141 printing and photocopying requisitions were processed. This figure is fewer than the total number of jobs as it includes requisitions bundled together for easier billing.

In-house printing has been evaluated as being the most efficient method of producing high quality House papers and Hansard in extremely short turn-around times. Members are free to

outsource their offset printing to external print suppliers, through their Logistic Support Allocation.

Printing Services produced a total of 6,420,493 impressions for 2005-2006 and the convenience copiers located on levels 9 to 12 recorded 535,028 impressions for 2005-2006.

PARLIAMENTARY REPORTING STAFF (HANSARD)

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AIMS AND OBJECTIVES

The charter of the Parliamentary Reporting Staff is to deliver to the Parliament and its users the highest professional standard of Hansard reporting services, which include producing:

- daily and weekly pamphlets, and bound volumes of the official reports of the debates and proceedings of both Houses of Parliament
- transcripts of parliamentary committees, summits and ministerial conferences
- subject and member indexes

The users of Hansard services include:

- members of parliament
- parliamentary committees
- government departments
- education institutions, libraries, researchers, historians, and the media
- law courts and legal professionals
- special interest groups and members of the public.

Principal Objectives

Objective 1 — Provide members and their staff with procedural support, advice and research necessary for the effective functioning of both Houses, by:

- identifying and fulfilling the reporting requirements of the Parliament;
- producing an accurate and timely official record of the debates and proceedings of both Houses, transcripts of parliamentary committees, special summits, ministerial conferences, and sessional subjects and members indexes; and,
- maintaining knowledge of reporting services and benchmarks by exchanging information with other Australian and overseas Hansard organisations and parliaments

Objective 2 — Provide effective and professional administrative support and services to Members and other client groups, and maintain appropriate reporting mechanisms, by:

- producing daily, weekly and bound volume *Hansards*
- publishing *Hansard* on the Intranet and the Internet
- managing the weekly and bound volume subscriptions
- developing and implementing training programs
- advising on reporting policy and practices
- ensuring that *Hansard* is an accurate and impartial report

REVIEW OF OPERATIONS

Financial Performance

In 2005-06 the Parliamentary Reporting Staff overspent its budget by 4.26% (compared to 6.38% in 2004-05), including the costs associated with meal allowances, taxi fares, overtime and casual payments.

The overexpenditure for the financial year was \$103,672 (compared to \$145,920 in 2004-05) over the controllable net cost of services.

The following factors contributed to the budget overrun:

- Reduced budget allocations of \$50,000 (compared with previous years) in employee related expenses.
- A higher than usual percentage of sick leave was taken (not work-related), which resulted in a shortfall of \$30,376 and workers compensation premiums were increased by an unfunded \$8,000.
- The printing budget in 2005-06 was under funded by \$28,900 compared to 2004-05, and Information Technology increased network charges of \$3,706 compared with the previous year also contributed to the budget overrun.

Capital Works

Funding of \$54,000 was approved in 2004-05 to implement Stage 1 of the digital recording installation; however, similar funding to implement Stage 2 of the project was not approved. Hansard met capital requirements from its maintenance and working allocation.

Revenue

The number of bound volume subscribers remained the same as in the previous year. The number of subscriptions will continue to decline in future years, as more subscribers opt for the free access to Hansard on the Internet.

OPERATIONAL PERFORMANCE

Publications

The Parliamentary Reporting Staff produces a daily proof of the proceedings of the Legislative Council and the Legislative Assembly. It is available on the Internet before 9.00a.m. the next working day following the proceedings.

The proof Hansard is progressively replaced with the corrected copy on the Intranet and Internet. The Parliament House Printing Section prints and distributes the official weekly pamphlet within seven days of the last sitting day of the week.

A progressive draft index of the First Session of the Fifty-Third Parliament up to June 2006 is available in the Hansard office.

Service Delivery Targets and Performance

Parliament sat in the spring sitting from 13 September 2005 to 15 December 2005 and in the autumn sitting from 28 February 2006 to 9 June 2006. The Parliamentary Reporting Staff

provided Hansard services on 47 sitting days in the Legislative Council and 49 sitting days in the Legislative Assembly.

In addition, the Parliamentary Reporting Staff provided services to parliamentary committees that sat both within and outside Parliament House. On occasion, it was necessary to engage private contractors when committee hearings were held concurrently with sittings of Parliament. Reporting and transcription services were provided to 139 committee hearings, including Estimates Committee hearings.

On non-sitting days, the Parliamentary Reporting Staff prepared bound volumes and indexes, updated information sheets and instruction manuals, maintained computer files, and evaluated software and relevant technologies.

The Parliamentary Reporting Staff continues to meet service targets for timeliness, as shown below:

- Hansard proofs were provided on the Intranet and Internet before 9.00 a.m. on the following working day. Performance achieved: 100%
- The daily Proof was provided electronically by email and in hard copy to the Printing Section within 3 hours of the last House rising, to enable the Printing Section to print and distribute the printing daily Proof on the following morning. Performance achieved: 99%
- Hansard proofs, prepared as articles and indexed by speech titles and member names, were available on the Intranet between 10.00 a.m. and 11.00 a.m. on the following working day. Performance achieved: 99%
- Corrected weekly pamphlets were available within seven days of the last day of each sitting week. Performance achieved: 100%
- Bound volumes for the 1st Session of the 53rd Parliament up to June 2004, Volumes 306-309 were delivered to subscribers by June 2005. The performance is assessed based on trend over time. Performance achieved: 100%.
- Committee transcripts were prepared daily for hearings conducted within Parliament House, and on the next day for hearings conducted away from Parliament House. Performance achieved: 100%.

Estimates Committee Hearings

As happened in previous years, a number of the 2005-06 budget estimates committee hearings coincided with sittings of the Legislative Assembly, which meant that Hansard did not have the staffing resources to report all estimates hearings. Consequently, the Legislative Council had to engage and fund private reporting companies to cover 5 hearings—Hansard reported 26 of the 31 estimates hearings, including supplementary hearings.

MANAGEMENT ACTIVITIES

Training and Self-Development

Sessional duties were reviewed and reassigned to ensure that staff share an equal workload and have the opportunity to acquire skills and experience in the range of Hansard tasks and responsibilities.

Subeditors oversighted the work of Hansard staff on the House and committees and provided feedback and advice to individual reporters. All reporters have read-only access to the subedited file on the network, which allows them to check changes to their work and to facilitate self-monitoring and improve quality. In addition, 5 reporters acted in the position of subeditor, which was vacant since December 2005 pending the retirement of the position holder effective 14 July 2006.

Manuals and Reference Guides

Reference guides were updated regularly. These guides include *Hansard* Gleanings and English Notes, and common *Hansard* Forms. In addition, Hansard publishes a Guide to Reporting Parliamentary Committees and Conferences, Guide to Contractors Reporting Parliamentary Committees, Index Guidelines, and Info sheets. The Members' Guide to Hansard Services was also reviewed and updated

Conferences

One Hansard reporter attended the 13th International Conference of the Shorthand Reporters Association of Australia, which was held in Sydney on 4-5 February 2005.

The Deputy Editor attended the Eighth Triennial Conference of the Commonwealth Hansard Editors Association conference in Edmonton Canada from 7-12 August 2005, at a cost of \$4,965.

NEW INITIATIVES

Voice Recognition Technology

Hansard worked closely with the Parliament's Information Technology Section and the voice-recognition software provider to improve product performance and productivity. Upgrade was deferred, pending the release and evaluation of Version 9 in September 2006.

Video *Hansard*

Video Hansard is a digitised video of the parliamentary proceedings of the Legislative Assembly that provides a searchable repository of video, audio and text of Parliamentary proceedings. The service is joint project between the Legislative Assembly, Hansard, and Parliamentary Information Technology Services and a private Australian company, Visionbytes Pty Ltd.

Members and parliamentary staff can access Video *Hansard* services of proceedings in the Legislative Assembly from the Intranet. A full archive of Video *Hansard* articles from 2002 onward is available.

Digitisation of Pre-1991 Hansards

In February 2006, an in-house project to digitise the *Hansards* of the 49th Parliament, involving some 35,000 pages, commenced. The target date for completion was set as August 2006.

Digital Recording, Storage and Retrieval

The digital recording system purchased in 2004-05 was implemented to provide a backup recording of parliamentary debates in both Houses. Hansard staff use the back-up recordings as reference for checking the accuracy of the report of proceedings. Funding to extend the project to committee hearings was not provided in 2005-06. The Editor will resubmit the proposal in 2006-07.

Management and Staffing

The positions of office manager and administration officer were reclassified in 30 June 2006. The job reclassifications were cost neutral.

The Parliamentary Reporting Staff has 22 full-time positions and 2 part-time positions—the office manager and administrative officer, fifteen Hansard reporters (two of whom job share one equivalent full-time position), two senior reporters, four subeditors, the senior subeditor, the deputy editor of debates and the editor of debates. A sessional formatter and word processing operator are also employed during sittings.

PARLIAMENTARY SECURITY SERVICES

Tel: 9230 2198 ~ Fax 9230 2983

E-mail: security@parliament.nsw.gov.au

AIMS AND OBJECTIVES

1. To ensure a safe and secure environment for Parliamentary operations.
2. Improve the current security team structure.
3. Improve the service delivery to our clients.
4. To administer the Parliamentary Precincts Act

FUNCTION AND ROLE

Parliamentary Security operates 24 hours a day from the control room at Parliament House. Officers carry out such vital duties as monitoring the electorate office security alarms, operating the building security systems, managing out of course events such as demonstrations, providing access support to staff, managing access points to Parliament to ensure the security of the precinct, monitoring and controlling the CCTV systems, scanning items that arrive at the Parliament and dealing with incidents and threats to Members and staff.

HIGHLIGHTS

During 2005/2006 Parliamentary Security Services continued with the institutional change necessary to operate in the current security environment. Counter Terrorism Coordination Command worked closely with Parliamentary Security Services to raise security awareness and ensure that the security of the Parliamentary Precinct was suitable for the current security environment.

The NSW Parliament is categorised by the Government as Critical Infrastructure and there is a need to mitigate against the threat of terrorism. In response to this the Presiding Officers authorised a number of key new directions for Parliamentary Security Services to increase security in the future.

A full evaluation of the security operations at Parliament occurred during 2005/2006 and over the next financial year the resulting report will be implemented in order to ensure that the Parliament is operating at the requirements of "Medium" with the ability to move to a "High" or "Extreme" threat level if necessary.

Parliamentary Security Services also reviewed and updated the Parliament's Business Continuity Plan (BCP). The Manager, Parliamentary Security Services is now the Recovery Coordinator for any BCP event and also ensures that the plan remains current for the resumption of core services due to a business interruption event.

The Parliament increased the level of security provision and investigation provided by the Section. Electorate Officers now receive specific training in security during both their induction training and the 'thriving in the electorate office' course and the amount of security risk

assessments undertaken by the Section increased significantly with experienced staff available to undertake those duties.

From the work conducted on the Security Management Plan a number of new policies and procedures were documented and provided on the Parliamentary Intranet to allow for all staff to have a better understanding of Parliamentary Security Services' function and role.

Committees

Parliamentary Security has a primary role in the administration and organisation of the Parliamentary Precincts Act 1997. The Manager Parliamentary Security Services is the chair of the committee that discusses the operation of the legislation. This committee also provides a forum for the member organisations to discuss issues relevant to the strategic security planning for the area. The member organisations are the N.S.W. Police, the Botanic Gardens Trust, Sydney Hospital and Sydney Eye Hospital and the State Library of New South Wales.

OPERATIONAL REPORT

During 2005/2006 Parliamentary Security Services dealt with and finalised 191 specific incidents as detailed in the table.

Incidents by Type	2004/ 2005	2005 2006
Aggressive / Threatening Behaviour	36	20
Alarm Activation	131	34
Anonymous Threatening Call / Letter / Package	6	9
Demonstration / Political Action	15	17
Issues with Alarm Systems / Keys / Access Control	32	12
Lost / Found Property	2	6
Malicious / Vexatious Harassment	109	9
Other Issues (Non Specific)	21	63
Request for Security Investigation / Assistance		10
TOTAL INCIDENTS		191

FINANCIAL SUMMARY

The Sections budget of \$1,751,000 was exceeded by 13.77% over the 2005/2006 financial year compared with an overexpenditure of 23.5% in 2004/2005. This is primarily due to the need to increase the role and function of the Parliamentary Security Services without the ability to increase the funding to the section due to the tight fiscal restraints placed on the Parliament.

While a large proportion of the overrun can be attributed to the extra cost of utilising contractors to fulfil the scanning role within Parliament, a significant proportion of the over-run can be attributed to emergency repairs and increased maintenance and installation cost for essential security repairs and replacements for faulty equipment that have not been fully funded by Treasury, causing the security section to run over budget.

These systems, if non-functional, present a major security risk for the Parliament that is thought to be unacceptable.

PERSONNEL MANAGEMENT

Parliamentary Security Services has maintained its substantive positions at 28 comprised of 22 full time equivalent positions and 6 contractors.

The team structure comprises 2 Administrative Officer positions, 2 Security Co-ordinator positions, and 2 substantive officers and 2 acting officers currently fill the 4 senior officer positions under the title of Leading Hands.

Currently there are 16 full time security officers with the private contractors filling 6 extra positions at the scanning operations.

CONTACT DETAILS

Manager, Parliamentary Security Services: Morgan Andrews, BSSc, BA (Hons), MA (Public Policy).

Tel: (02) 9230 2842

Fax: (02) 9230 2983

Email: morgan.andrews@parliament.nsw.gov.au

General Contact Details

Control Room (24 hour contact number): (02) 9230 2600

Tel: (02) 9230 2198 (02) 9230 2983

Email: security@parliament.nsw.gov.au

Joint Services Financial Reports

2005/2006



JOINT SERVICES FINANCIAL REPORTS 2005/2006

Supplementary finance reports and accompanying explanations for each joint department and section have been extracted from the Parliament's Financial Statements.

These reports have not been subject to individual audit by the New South Wales Audit Office and do not include a Financial Position Statement, which is prepared and audited on a global basis for the whole Parliament.

Non Controllable Cost of Services is a New South Wales Treasury concept which measures an agency's operational expenditure against budget after eliminating those employee entitlements whose cost is carried by Treasury and depreciation.

A preliminary budget allocation for each joint service is also provided for the 2005/06 financial year and reflects the amounts contained in Treasury's Budget Paper No. 6-7.

AGGREGATE JOINT SERVICES

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	15,204	14,738	14,945
Other Operating Expenses	5,527	4,150	6,090
Depreciation	2,388	2,297	2,433
Other Expenses	-	-	1,013
Total Expenses	23,119	21,185	24,481
Revenue			
Sale of Goods and Services	3,511	3,630	3,326
Grants and Contributions	1,277	-	1,871
Other Revenue	342	100	9,974
Total Revenue	5,130	3,730	15,171
Gain/Loss on sale of assets	(19)	-	(10)
NET COST OF SERVICES	18,008	17,455	9,320
Less:			
Depreciation	2,388	2,297	2,433
Long Service Leave	453	287	529
Superannuation	710	774	1,301
NET CONTROLLABLE COST OF SERVICES	14,457	14,097	5,057
CAPITAL WORKS EXPENDITURE	1,083	115	262

Estimated Expenditure and Revenue for 2006/2007:

JOINT SERVICES

Description	\$ 000's
Salaries and related payments	14,755
Other operating expenses	3,969
Depreciation and amortisation	2,250
<i>Total Expenses</i>	20,974
Less Retained revenue	4,110
Less Non-controllable items	3,498
Net Controllable Cost of Services	13,366

PARLIAMENTARY ARCHIVES

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	223	158	197
Other Operating Expenses	59	59	69
Depreciation	2	5	4
		-	
Total Expenses	284	222	270
Revenue			
Sale of Goods and Services	-	-	-
Grants and Contributions	19	-	45
Other Revenue	-	-	-
Total Revenue	19	-	45
Gain/Loss on sale of asset	-	-	-
NET COST OF SERVICES	265	222	225
Less:			
Depreciation	2	5	4
Long Service Leave	13	6	7
Superannuation	13	12	16
NET CONTROLLABLE COST OF SERVICES	237	199	198
CAPITAL WORKS EXPENDITURE	-	-	-

Estimated Expenditure and Revenue for 2006/2007:

ARCHIVES

Description	\$000
Salaries and related payments	165
Other operating expenses	59
Depreciation and amortisation	5
<i>Total Expenses</i>	229
Less Retained revenue	-
Less Non-controllable items	26
Net Controllable Cost of Services	203

Parliamentary Building Services

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	3,431	3,223	3,437
Other Operating Expenses	2,560	1,097	3,024
Depreciation	1,816	1,690	1,737
Other Expenses-Revaluation Decrement	-	-	1,013
Total Expenses	7,807	6,010	9,211
Revenue			
Sale of Goods and Services	513	525	543
Grants and Contributions	1,224	-	1,718
Other Revenue	264	50	9,915
Total Revenue	2,001	575	12,176
Gain/(Loss) on sale of asset	-	-	1
NET COST OF SERVICES	5,806	5,435	(2,966)
Less:			
Depreciation	1,816	1,690	1,737
Long Service Leave	128	60	110
Superannuation	158	162	308
NET CONTROLLABLE COST OF SERVICES	3,704	3,523	(5,121)
CAPITAL WORKS EXPENDITURE	723	55	188

Estimated Expenditure and Revenue for 2006/2007

BUILDING SERVICES

Description	\$000
Salaries and related payments	3,476
Other operating expenses	1,228
Depreciation and amortisation	1,719
<i>Total Expenses</i>	6,423
Less Retained revenue	595
Less Non-controllable items	2,008
Net Controllable Cost of Services	3,820

PARLIAMENTARY EDUCATION AND COMMUNITY RELATIONS

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	183	170	178
Other Operating Expenses	94	139	111
Depreciation	3	6	6
Total Expenses	280	315	295
Revenue			
Sale of Goods and Services	-	30	-
Grants and Contributions	-	-	-
Other Revenue	18	10	24
Total Revenue	18	40	24
Gain/Loss on sale of asset	-	-	-
NET COST OF SERVICES	262	275	271
Less:			
Depreciation	3	6	6
Long Service Leave	11	6	11
Superannuation	18	18	21
NET CONTROLLABLE COST OF SERVICES	230	245	233
CAPITAL WORKS EXPENDITURE	-	-	-

Estimated Expenditure and Revenue for 2006/2007

EDUCATION & COMMUNITY SERVICES

Description	\$000
Salaries and related payments	178
Other operating expenses	141
Depreciation and amortisation	4
<i>Total Expenses</i>	323
Less Retained revenue	40
Less Non-controllable items	32
Net Controllable Cost of Services	251

PARLIAMENTARY FOOD AND BEVERAGE SERVICES

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	2,869	2,623	2,696
Other Operating Expenses	1,714	1,809	1,756
Depreciation	32	42	51
Total Expenses	4,615	4,474	4,503
Revenue			
Sale of Goods and Services	2,790	2,835	2,574
Grants and Contributions	-	-	-
Other Revenue	22	5	9
Total Revenue	2,812	2,840	2,583
Gain/(Loss) on sale of asset	(19)	-	-
NET COST OF SERVICES	1,803	1,634	1,920
Less:			
Depreciation	32	42	51
Long Service Leave	45	49	99
Superannuation	105	112	221
NET CONTROLLABLE COST OF SERVICES	1,621	1,431	1,549
CAPITAL WORKS EXPENDITURE	8	-	-

Estimated Expenditure and Revenue for 2006/2007:

CATERING

Description	\$000
Salaries and related payments	2,032
Other operating expenses	1,460
Depreciation and amortisation	29
<i>Total Expenses</i>	3,521
Less Retained revenue	3,200
Less Non-controllable items	212
Net Controllable Cost of Services	109

INFORMATION TECHNOLOGY SERVICES

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	1,230	1,338	1,133
Other Operating Expenses	309	191	336
Depreciation	62	54	145
Total Expenses	1,601	1,583	1,614
Revenue			
Sale of Goods and Services	-	-	-
Grants and Contributions	15	-	-
Other Revenue	5	20	4
Total Revenue	20	20	4
Gain/(Loss) on sale of asset	-	-	(11)
NET COST OF SERVICES	1,581	1,563	1,610
Less:			
Depreciation	62	54	145
Long Service Leave	36	25	35
Superannuation	55	62	92
NET CONTROLLABLE COST OF SERVICES	1,428	1,422	1,338
CAPITAL WORKS EXPENDITURE	131	40	0

Estimated Expenditure and Revenue for 2006/2007:

INFORMATION TECHNOLOGY SERVICES

Description	\$000
Salaries and related payments	1,384
Other operating expenses	189
Depreciation and amortisation	24
<i>Total Expenses</i>	1,597
Less Retained revenue	20
Less Non-controllable items	120
Net Controllable Cost of Services	1,457

PARLIAMENTARY LIBRARY

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	2,730	2,933	2,671
Other Operating Expenses	460	398	480
Depreciation	163	185	186
Total Expenses	3,353	3,516	3,337
Revenue			
Sale of Goods and Services	-	5	4
Grants and Contributions	19	-	108
Other Revenue	20	5	5
Total Revenue	39	10	117
Gain/Loss on sale of asset	-	-	-
NET COST OF SERVICES	3,314	3,506	3,220
Less:			
Depreciation	163	185	186
Long Service Leave	104	65	73
Superannuation	154	201	260
NET CONTROLLABLE COST OF SERVICES	2,893	3,055	2,701
CAPITAL WORKS EXPENDITURE	23	20	0

Estimated Expenditure and Revenue for 2006/2007:

LIBRARY

Description	\$000
Salaries and related payments	2,965
Other operating expenses	394
Depreciation and amortisation	155
<i>Total Expenses</i>	<i>3,514</i>
Less Retained revenue	10
Less Non-controllable items	434
Net Controllable Cost of Services	3,070

PARLIAMENTARY PRINTING SERVICES

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	110	211	249
Other Operating Expenses	(116)	61	(128)
Depreciation	82	96	87
Total Expenses	76	368	208
Revenue			
Sale of Goods and Services	-	-	-
Grants and Contributions	-	-	-
Other Revenue	-	-	-
Total Revenue	-	-	-
Gain/Loss on sale of asset	-	-	-
NET COST OF SERVICES	76	368	208
Less:			
Depreciation	82	96	87
Long Service Leave	(25)	4	39
Superannuation	34	34	42
NET CONTROLLABLE COST OF SERVICES	(15)	234	40
CAPITAL WORKS EXPENDITURE	-	-	0

Estimated Expenditure and Revenue for 2006/2007:

PRINTING

Description	\$000
Salaries and related payments	218
Other operating expenses	62
Depreciation and amortisation	82
<i>Total Expenses</i>	362
Less Retained revenue	-
Less Non-controllable items	122
Net Controllable Cost of Services	240

PARLIAMENTARY REPORTING STAFF (HANSARD)

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	110	211	249
Other Operating Expenses	(116)	61	(128)
Depreciation	82	96	87
Total Expenses	76	368	208
Revenue			
Sale of Goods and Services	-	-	-
Grants and Contributions	-	-	-
Other Revenue	-	-	-
Total Revenue	-	-	-
Gain/Loss on sale of asset	-	-	-
NET COST OF SERVICES	76	368	208
Less:			
Depreciation	82	96	87
Long Service Leave	(25)	4	39
Superannuation	34	34	42
NET CONTROLLABLE COST OF SERVICES	(15)	234	40
CAPITAL WORKS EXPENDITURE	-	-	0

Estimated Expenditure and Revenue for 2006/2007:

HANSARD

Description	\$000
Salaries and related payments	2,661
Other operating expenses	167
Depreciation and amortisation	40
<i>Total Expenses</i>	2,868
Less Retained revenue	48
Less Non-controllable items	325
Net Controllable Cost of Services	2,495

PARLIAMENTARY SECURITY SERVICES

	2005/2006 ACTUAL \$000	2005/2006 BUDGET \$000	2004/2005 ACTUAL \$000
Expenses			
Staff Salaries and Related Payments	1,714	1,550	1,748
Other Operating Expenses	293	222	272
Depreciation	195	190	189
Total Expenses	2,202	1,962	2,209
Revenue			
Sale of Goods and Services	175	190	163
Grants and Contributions	-	-	-
Other Revenue	13	7	15
Total Revenue	188	197	178
Gain/Loss on sale of asset	-	-	-
NET COST OF SERVICES	2,014	1,765	2,031
Less:			
Depreciation	195	190	189
Long Service Leave	4	12	18
Superannuation	10	9	99
NET CONTROLLABLE COST OF SERVICES	1,805	1,554	1,725
CAPITAL WORKS EXPENDITURE	198	-	74

Estimated Expenditure and Revenue for 2006/2007:

SECURITY

Description	\$000
Salaries and related payments	1,676
Other operating expenses	269
Depreciation and amortisation	192
<i>Total Expenses</i>	<i>2,137</i>
Less Retained revenue	197
Less Non-controllable items	219
Net Controllable Cost of Services	1,721

Audited Financial Statements

2005/2006



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDIT REPORT

The Legislature

To Members of the New South Wales Parliament

Audit Opinion

In my opinion, the financial report of The Legislature presents fairly The Legislature's financial position as at 30 June 2006 and its performance for the year ended on that date, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia.

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

Scope

The Financial Report and the Clerks' Responsibility

The financial report comprises the operating statement, statement of changes in equity, balance sheet, cash flow statement, program statement - expenses and revenues, summary of compliance with financial directives and accompanying notes to the financial statements for The Legislature, for the year ended 30 June 2006.

The Clerk of the Legislative Assembly and the Clerk of the Parliaments are responsible for the preparation and true and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I conducted an independent audit in order to express an opinion on the financial report. My audit provides *reasonable assurance* to Members of the New South Wales Parliament that the financial report is free of *material* misstatement.

My audit accorded with Australian Auditing Standards and statutory requirements, and I:

- assessed the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Clerks in preparing the financial report, and
- examined a sample of evidence that supports the amounts and disclosures in the financial report.

An audit does *not* guarantee that every amount and disclosure in the financial report is error free. The terms 'reasonable assurance' and 'material' recognise that an audit does not examine all evidence and transactions. However, the audit procedures used should identify errors or omissions significant enough to adversely affect decisions made by users of the financial report or indicate that the Clerks had not fulfilled their reporting obligations.

My opinion does *not* provide assurance:

- about the future viability of The Legislature,
- that it has carried out its activities effectively, efficiently and economically,
- about the effectiveness of its internal controls, or
- on the assumptions used in formulating the budget figures disclosed in the financial report.

Audit Independence

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The Act further promotes independence by:

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



A T Whitfield
Deputy Auditor-General

SYDNEY
20 October 2006

RUSSELL D. GROVE
CLERK OF THE LEGISLATIVE ASSEMBLY



JOHN EVANS
CLERK OF THE PARLIAMENTS

**NEW SOUTH WALES
PARLIAMENT**

18 October 2006

File ref: A700

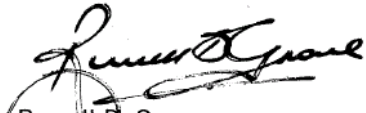
THE LEGISLATURE


**FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2006**

Statement by Department Heads

We state that:

- a. the accompanying financial statements have been prepared on an accrual basis in accordance with applicable Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Urgent Issues Group Consensus Views and the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies;
- b. the statements exhibit a true and fair view of the financial position and transactions of The Legislature; and
- c. there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.


Russell D. Grove
Clerk of the Legislative Assembly


John Evans
Clerk of the Parliaments

THE LEGISLATURE

Operating Statement for the Year Ended 30 June 2006

	Notes	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
Expenses excluding losses				
Operating expenses				
Employee related	2(a)	47,659	44,748	44,950
Other operating expenses	2(b)	25,382	22,314	23,732
Depreciation and amortisation	2(c)	4,262	4,708	4,838
Other expenses	2(d)	<u>36,187</u>	<u>34,923</u>	<u>35,845</u>
Total Expenses excluding losses		<u>113,490</u>	<u>106,693</u>	<u>109,365</u>
Less:				
Revenue				
Sale of goods and services	3(a)	4,321	4,475	4,111
Investment revenue	3(b)	58	60	94
Grants and contributions	3(c)	1,277	-	1,871
Other revenue	3(d)	<u>507</u>	<u>285</u>	<u>10,167</u>
Total Revenue		<u>6,163</u>	<u>4,820</u>	<u>16,243</u>
Gain / (loss) on disposal	4	<u>(16)</u>	<u>-</u>	<u>(10)</u>
Net Cost of Services	20	<u>107,343</u>	<u>101,873</u>	<u>93,132</u>
Government Contributions				
Recurrent appropriation	5	88,340	86,019	82,689
Capital appropriation	5	2,878	2,075	2,280
Acceptance by the Crown Entity of employee benefits and other liabilities	6	<u>11,726</u>	<u>11,146</u>	<u>13,823</u>
Total Government Contributions		<u>102,944</u>	<u>99,240</u>	<u>98,792</u>
SURPLUS / (DEFICIT) FOR THE YEAR		<u>(4,399)</u>	<u>(2,633)</u>	<u>5,660</u>

The accompanying notes form part of these statements.

THE LEGISLATURE

Statement of Changes in Equity for the Year Ended 30 June 2006

	Notes	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
Net increase / (decrease) in property, plant and equipment asset revaluation reserve		<u>8,401</u>	<u>-</u>	<u>8,118</u>
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY		8,401	-	8,118
Surplus / (Deficit) for the year		<u>(4,399)</u>	<u>(2,633)</u>	<u>5,660</u>
TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR	16	<u>4,002</u>	<u>(2,633)</u>	<u>13,778</u>

The accompanying notes form part of these statements.

THE LEGISLATURE

Cash Flow Statement for the Year Ended 30 June 2006

	Notes	Actual 2006 \$000	Budget 2006 \$000	Actual 2005 \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(44,195)	(42,467)	(41,664)
Other		<u>(53,467)</u>	<u>(50,887)</u>	<u>(50,058)</u>
Total Payments		<u>(97,662)</u>	<u>(93,354)</u>	<u>(91,722)</u>
Receipts				
Sale of goods and services		4,255	4,520	4,607
Interest received		89	30	58
Other		<u>2,867</u>	<u>2,670</u>	<u>2,515</u>
Total Receipts		<u>7,211</u>	<u>7,220</u>	<u>7,180</u>
Cash Flows From Government				
Recurrent appropriation	5	88,346	86,019	82,694
Capital appropriation	5	2,868	2,075	2,280
Cash reimbursements from the Crown Entity		<u>-</u>	<u>-</u>	<u>2,319</u>
Net Cash Flows From Government		<u>91,214</u>	<u>88,094</u>	<u>87,293</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	20	<u>763</u>	<u>1,960</u>	<u>2,751</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of property, plant and equipment		9	-	1
Purchases of property, plant and equipment		<u>(2,377)</u>	<u>(2,075)</u>	<u>(2,079)</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>(2,368)</u>	<u>(2,075)</u>	<u>(2,078)</u>
NET INCREASE / (DECREASE) IN CASH		(1,605)	(115)	673
Opening cash and cash equivalents		<u>2,408</u>	<u>2,408</u>	<u>1,735</u>
CLOSING CASH AND CASH EQUIVALENTS	8	<u>803</u>	<u>2,293</u>	<u>2,408</u>

The accompanying notes form part of these statements.

The accompanying notes form part of these statements.

THE LEGISLATURE

Program Statement - Expenses and Revenues for the year ended 30 June 2006

	Program 1.1.1* Legislative Council		Program 1.1.2* Legislative Assembly		Program 1.2.1* Joint Services		Not Attributable		Total	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000	2006 \$000	2005 \$000
THE LEGISLATURE'S EXPENSES & REVENUES										
Expenses excluding losses										
Operating expenses										
• Employee related	9,119	8,095	22,246	20,865	16,294	15,990	-	-	47,659	44,950
• Other operating expenses	2,955	2,590	16,672	14,873	5,755	6,269	-	-	25,362	23,732
Depreciation and amortisation	236	368	1,433	1,822	2,593	2,648	-	-	4,262	4,838
Other expenses	11,200	10,836	24,987	23,996	-	1,013	-	-	36,187	35,845
Total Expenses excluding losses	23,510	21,889	65,338	61,556	24,642	25,920	-	-	113,490	109,365
Revenue										
Sale of goods and services	405	393	405	393	3,511	3,325	-	-	4,321	4,111
Investment revenue	-	-	-	-	58	94	-	-	58	94
Grants and contributions	-	-	-	-	1,277	1,871	-	-	1,277	1,871
Other revenue	51	52	111	135	345	9,980	-	-	507	10,167
Total Revenue	456	445	516	528	5,191	15,270	-	-	6,163	16,243
Gain / (loss) on disposal	-	-	3	-	(19)	(10)	-	-	(16)	(10)
Net Cost of Services	23,054	21,444	64,819	61,028	19,470	10,660	-	-	107,343	93,132
Government contributions**	-	-	-	-	-	-	102,944	98,792	102,944	98,792
NET EXPENDITURE /(REVENUE) FOR THE YEAR	23,054	21,444	64,819	61,028	19,470	10,660	(102,944)	(98,792)	4,399	(5,660)

*The name and purpose of each program is summarised in note 7.

**Appropriations are made on an agency basis and not to individual programs. Consequently, government contributions must be included in the "not attributable" column.

THE LEGISLATURE

SUMMARY OF COMPLIANCE WITH FINANCIAL DIRECTIVES

	2006				2005			
	Recurrent Appropriation \$000	Expenditure / Net Claim on Consolidated Fund \$000	Capital Appropriation \$000	Expenditure / Net Claim on Consolidated Fund \$000	Recurrent Appropriation \$000	Expenditure / Net Claim on Consolidated Fund \$000	Capital Appropriation \$000	Expenditure / Net Claim on Consolidated Fund \$000
ORIGINAL BUDGET APPROPRIATION / EXPENDITURE								
• Appropriation Act Additional Appropriations	85,956	85,950	2,075	2,037	80,760	80,760	2,244	2,244
• s21A PF&AA – special appropriation	-	-	-	-	-	-	-	-
• s24 PF&AA – transfers of functions between departments	-	-	-	-	-	-	-	-
• s26 PF&AA – Commonwealth specific purpose payments	85,956	85,950	2,075	2,037	80,760	80,760	2,244	2,244
OTHER APPROPRIATIONS / EXPENDITURE								
• Treasurer's Advance	2,390	2,390	846	841	1,934	1,929	682	36
• Section 22 – expenditure for certain works and services	-	-	-	-	-	-	-	-
• Transfers from another agency (s28 – Appropriation Act)	-	-	-	-	-	-	-	-
	2,390	2,390	846	841	1,934	1,929	682	36
Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	88,346	88,340	2,921	2,878	82,694	82,689	2,926	2,280
Amount drawn down against Appropriation		88,346		2,921		82,694		2,280
Liability to Consolidated Fund		6		43		5		-

The summary of compliance is based on the assumption that Consolidated Fund monies are spent first (except where otherwise identified or prescribed). The Liability to Consolidated Fund represents the difference between the "Amount drawn down against Appropriation" and the "Total Expenditure / Net Claim on Consolidated Fund".

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Legislature as a reporting entity comprises all the operating activities of the Parliament of New South Wales, including the House Committee, under the joint direction and control of the President of the Legislative Council and the Speaker of the Legislative Assembly. It includes all the functions of parliamentary representation undertaken by the Council and the Assembly, and their various supporting Departments and Sections. The House Committee provides food and beverage services for Members of Parliament, their guests and staff. It also caters for functions held at Parliament House. The Legislature is a not-for-profit entity (as profit is not its principal objective) and has no cash generating units.

The reporting entity is consolidated as part of the NSW Total State Sector. This financial report has been authorised for issue by the Clerk of the Legislative Assembly and the Clerk of the Parliaments on 18 October 2006.

(b) Basis of Preparation

The Legislature's financial report is a general purpose financial report which has been prepared in accordance with:

- ❖ Applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AEIFRS));
- ❖ The requirements of the Public Finance and Audit Act 1983 and Regulation, and
- ❖ The Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies.

Property, plant and equipment, investment property, assets (or disposal groups) held for sale and financial assets held at fair value through profit or loss and available for sale are measured at fair value. Other financial report items are prepared in accordance with the historical cost convention.

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

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of Compliance

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

This is the first financial report prepared based on AEIFRS and comparatives for the year ended 30 June 2005 have been restated accordingly, except as stated below.

In accordance with *AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards and Treasury Mandates*, the date of transition to *AASB 132 Financial Instruments: Disclosure and Presentation* and *AASB 139 Financial Instruments: Recognition and Measurement* has been deferred to 1 July 2005 and, as a result, comparative information for these two Standards is presented under the previous Australian Accounting Standards which applied to the year ended 30 June 2005.

The basis used to prepare the 2004/2005 comparative information for financial instruments under previous Australian Accounting Standards is discussed in Note 1(w) below. The financial instrument accounting policies for 2005/06 are specified in Notes 1(p)–(t). There were no changes to equity balances as reported in the 30 June 2005 financial report.

(d) Income Recognition

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

(i) Parliamentary Appropriations and Contributions from Other Bodies

Parliamentary Appropriations and contributions from other bodies (including grants and donations) are recognised as income when The Legislature obtains control over the assets comprising the

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

appropriations/contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

An exception to the above is when appropriations are unspent at year end. In this case, the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, unspent appropriations are accounted for as liabilities rather than revenue. The liability is disclosed in note 15 as part of "Current liabilities – Other". The amount will be repaid and the liability will be extinguished next financial year.

Maintenance work on Parliament House undertaken and paid for by the Department of Commerce has been recognised as income with the corresponding expenditure reflected in maintenance costs. (Refer notes 2(b) and 3(c)).

(ii) Sales of Goods

Revenue from the sale of goods is recognised as revenue when the agency transfers the significant risks and rewards of ownership of the assets.

(iii) Rendering of Services

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

(iv) Investment Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*. Rental revenue is recognised in accordance with AAS 117 *Leases* on a straight-line basis over the lease term.

(v) Other Revenue

Those items classified as other revenue are recognised as revenue according to the most applicable policy listed above, having regard for the type of revenue received.

(e) **Employee Benefits and other provisions**

(i) Salaries and Wages, Annual Leave, Sick Leave and On- Costs

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Long-term annual leave that is not expected to be taken within 12 months is measured at present value in accordance with *AASB 119 Employee Benefits*. Market yields on government bonds of 5.88% are used to discount long-term annual leave.

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

(ii) Long Service Leave and Superannuation

The Legislature's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Legislature 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 Entity of employee benefits and other liabilities". Prior to 2005/06 the Crown Entity also assumed the defined contribution superannuation liability.

Long service leave is measured at present value in accordance with *AASB 119 Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 06/09) to employees with 5 or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

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 First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(iii) **Other Provisions**

Other provisions exist when: The Legislature has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

(f) **Insurance**

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

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

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

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

(h) **Acquisitions of Assets**

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by The Legislature. 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 specific requirements of other Australian Accounting Standards.

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

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where payment for an item is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

(i) **Capitalisation Thresholds**

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

(j) **Revaluation of Property, Plant and Equipment**

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 05-3). This policy adopts fair value in accordance with *AASB 116 Property, Plant and Equipment*.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

The Legislature values each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation for each class of asset is set out below and was based on an independent assessment.

Land	30 June 2006	Derek Hill Property Valuer & Consultant
Buildings	30 June 2006	HP Consultants Pty Ltd
Plant & Equipment (Building Technical Services Assets)	30 June 2006	HP Consultants Pty Ltd
Collection Assets:		
Library Collection	30 June 2006	Simon Storey Valuers
Archives Collection	30 June 2006	Simon Storey Valuers
Antiques	30 June 2006	Simon Storey Valuers
Artworks	30 June 2006	Art Gallery of NSW

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, 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 credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus / deficit, the increment is recognised immediately as revenue in the surplus / deficit.

Revaluation decrements are recognised immediately as expenses in the surplus / deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

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 asset revaluation reserve in respect of that asset is transferred to accumulated funds.

(k) Impairment of Property, Plant and Equipment

As a not-for-profit entity with no cash generating units, The Legislature is effectively exempted from *AASB 136 Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(l) Depreciation of Property Plant and Equipment

Except for the archive, antique and artwork collections, 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 agency.

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

Land is not a depreciable asset. Certain heritage assets have an extremely long useful life, including original artworks and collections and heritage buildings. Depreciation for these items cannot be reliably measured because the useful life and the net amount to be recovered at the end of the useful life cannot be reliably measured. In these cases, depreciation is not recognised. The decision not to recognise depreciation for these assets is reviewed annually.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

The Parliament House Building	1.64-20 percent
Plant and Machinery	5-50 percent
Office Equipment	5-20 percent
Computer Equipment	10-50 percent
Library Monograph Collection	5 percent

(m) Maintenance

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

(n) Leased Assets

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the commencement of the lease term. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Operating Statement in the periods in which they are incurred.

(o) Intangible Assets

The agency recognises intangible assets only if it is probable that future economic benefits will flow to the agency 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.

The useful lives of intangible assets are assessed to be finite.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the agency's intangible assets, the assets are carried at cost less any accumulated amortisation.

The Legislature's intangible assets are amortised using the straight line method over a period of 3 years.

In general, intangible assets are tested for impairment where an indicator of impairment exists. However, as a not-for-profit entity with no cash generating units, the agency is effectively exempted from impairment testing (refer Note (k)).

(p) Loans and Receivables – Year ended 30 June 2006 (refer Note 1(w) for 2004/05 policy)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the Operating Statement when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(q) Inventories

Inventories held for distribution are stated at the lower of cost and current replacement cost. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost or "first in first out" method.

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 agency would incur to acquire the asset on the reporting date. 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 Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

(r) Other Assets

Other assets are recognised on a cost basis.

(s) Impairment of financial assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the Operating Statement.

When an available for sale financial asset is impaired, the amount of the cumulative loss is removed from equity and recognised in the Operating Statement, based on the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss previously recognised in the Operating Statement.

Any reversals of impairment losses are reversed through the Operating Statement, where there is objective evidence, except reversals of impairment losses on an investment in an equity instrument classified as "available for sale" must be made through the reserve. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

(t) Payables

These amounts represent liabilities for goods and services provided to The Legislature and other amounts, including interest. Payables are recognised initially at fair value, usually based on the transaction cost or face 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.

(u) Budgeted Amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effects of additional appropriations, *s 21A, s 24 and / or s 26 of the Public Finance and Audit Act 1983*.

The budgeted amounts in the Operating Statement and the Cash Flow Statement are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the Balance Sheet, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts; i.e. per the audited financial report (rather than carried forward estimates).

(v) Comparative Information

Comparative figures have been restated based on AEIFRS with the exception of financial instruments information, which has been prepared under the previous AGAAP Standard (AAS 33) as permitted by *AASB 1.36A*. The transition to AEIFRS for financial instruments information was 1 July 2005. The impact of adopting *AASB 132 / 139* is further discussed in Note 22.

(w) Financial instruments accounting policy for 2004/05 comparative period

Investment income

Interest revenue is recognised as it accrues. Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement. Dividend revenue is recognised when the agency's right to receive payment is established.

Receivables

Receivables are recognised and carried at cost, based on the original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

Other Financial Assets

“Other financial assets” are generally recognised at cost, with the exception of TCorp Hour-Glass Facilities and Managed Fund Investments, which are measured at market value.

For non-current “other financial assets”, revaluation increments and decrements are recognised in the same manner as physical non-current assets.

For current “other financial assets”, revaluation increments and decrements are recognised in the Statement of Financial Performance.

Payables

These amounts represent liabilities for goods and services provided to the agency and other amounts, including interest. Interest is accrued over the period it becomes due.

(x) New Australian Accounting Standards issued but not effective

The Legislature early adopts Accounting Standard AASB 2005-4 regarding AASB 139 fair value adoption. Any initial impacts on first time adoption are discussed as part of Note 22, along with the other AIFRS impacts. The following new Accounting Standards have not been applied and are not yet effective:

AASB 119 (December 2004) Employee Benefits;

AASB 2004-3 amendments to AASB 119 Employee Benefits;

AASB 7 Financial Instruments: Disclosures;

AASB 2005-10 amendments to AASB 7.

The impact of these Standards in the period of initial application is uncertain.

2. EXPENSES

(a) Employee Related Expenses	2006	2005
	\$000	\$000
Salaries and wages (including recreation leave)	38,271	35,995
Superannuation – defined benefit plans	1,341	1,281
Superannuation – defined contribution plans	2,410	2,319
Payroll tax and fringe benefits tax	2,692	2,522
Long service leave	1,404	1,446
Workers compensation insurance	490	450
Employment agency staff	1,087	919
Other	(36)	18
	<u>47,659</u>	<u>44,950</u>

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

(b) Other Operating Expenses	2006	2005
	\$000	\$000
External Auditor's remuneration		
- Audit of the financial reports	52	50
- Audit of Members' additional entitlements under Parliamentary Remuneration Tribunal Determination	55	55
Cost of Sales - House Committee	1,437	1,447
Operating Lease Rental Expense-Minimum Lease Payments	4,189	4,012
Maintenance	1,815	2,250
Insurance	373	423
Printing and stationery	6,014	5,038
Telecommunication costs	1,338	1,340
Travel expenses	2,110	1,808
Computer costs	2,272	2,010
Stores	640	687
Postage and state mail charges	852	768
Miscellaneous	1,876	1,614
Energy charges	1,052	1,032
Cleaning and laundry	548	492
Contract and other fees	759	706
	<u>25,382</u>	<u>23,732</u>
	2006	2005
	\$000	\$000
<i>Reconciliation – Total maintenance</i>		
Maintenance expense – contracted labour and other (non-employee related), as above	1,815	2,250
Employee related maintenance expense included in Note 2 (a)	3,325	3,247
Total maintenance expenses included in Note 2(a) + 2(b)	<u>5,140</u>	<u>5,497</u>
(c) Depreciation and Amortisation expense	2006	2005
	\$000	\$000
Depreciation on buildings	1,369	1,058
Depreciation on plant and equipment	1,750	2,578
Depreciation on collection assets	102	99
	<u>3,221</u>	<u>3,735</u>
Amortisation of leasehold costs	680	811
Amortisation of intangibles	361	292
	<u>1,041</u>	<u>1,103</u>

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

(d)	Other Expenses	2006	2005
		\$000	\$000
	Salaries and allowances of Members of Parliament	25,396	24,332
	Superannuation entitlements – Members	8,397	8,076
	Payroll tax & fringe benefits tax – Members’ entitlements	2,128	2,059
	Decrement on revaluation of assets	-	1,013
	Special Projects	266	365
		36,187	35,845
		36,187	35,845
3.	REVENUES		
(a)	Sale of Goods and Services	2006	2005
		\$000	\$000
	<u>Sale of Goods</u>		
	House Committee sales of food and beverages	2,398	2,193
	Energy recoup from Sydney Hospital and State Library	503	537
	Sale of publications	33	45
		2,934	2,775
	<u>Rendering of Services</u>		
	Rent on Parliament House ministerial offices	809	784
	House Committee functions	377	370
	Miscellaneous	201	182
		1,387	1,336
		4,321	4,111
(b)	Investment Income	2006	2005
		\$000	\$000
	Interest on operating accounts	58	94
		58	94
		58	94
(e)	Grants and Contributions	2006	2005
		\$000	\$000
	Sesquicentenary of Responsible Government	38	112
	Legal Deposit Scheme	-	42
	Department of Commerce – Enhancement to electorate office network	15	-
	Department of Commerce maintenance work	1,224	1,717
		1,277	1,871
		1,277	1,871

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

(d) Other Revenue	2006	2005
	\$000	\$000
Increment from asset valuation offsetting prior decrement	188	9,135
Collection assets recognised for the first time	-	706
Miscellaneous	249	326
Contribution of assets	70	-
	<u>507</u>	<u>10,167</u>

4. GAIN/(LOSS) ON DISPOSAL

	2006	2005
	\$000	\$000
Loss on disposal of plant and equipment		
Proceeds from disposal	9	1
Written down value of assets disposed	(25)	(11)
Net gain/(loss) on disposal of assets	<u>(16)</u>	<u>(10)</u>

5. APPROPRIATIONS

	2006	2005
	\$000	\$000
Recurrent Appropriations		
Total recurrent drawdowns from Treasury (per Summary of Compliance)	88,346	82,694
Less: Liability to Consolidated Fund (per Summary of Compliance)	6	5
	<u>88,340</u>	<u>82,689</u>

Comprising:

Recurrent Appropriations (per Operating Statement)	88,340	82,689
---	--------	--------

	2006	2005
	\$000	\$000
Capital Appropriations		
Total capital drawdowns from Treasury (per Summary of Compliance)	2,921	2,280
Less: Liability to Consolidated Fund (per Summary of Compliance)	43	-
	<u>2,878</u>	<u>2,280</u>

Comprising:

Capital Appropriations (per Operating Statement)	2,878	2,280
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The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

6. ACCEPTANCE BY THE CROWN ENTITY OF EMPLOYEE BENEFITS AND OTHER LIABILITIES

The following liabilities and/or expenses have been assumed by the Crown Entity :

	2006	2005
	\$000	\$000
Employees		
Superannuation	1,341	3,600
Long service leave	1,404	1,446
Payroll tax on superannuation	80	216
	<u>2,825</u>	<u>5,262</u>
Members		
Superannuation	8,397	8,076
Payroll tax on superannuation	504	485
	<u>8,901</u>	<u>8,561</u>
	<u><u>11,726</u></u>	<u><u>13,823</u></u>

7. PROGRAMS/ACTIVITIES OF THE LEGISLATURE

Program 1.1.1 Parliamentary Government - Legislative Council

Objective: To represent the people of New South Wales in the Upper House. To support the functions of the Legislative Council and its forty-two Members.

Activities:

- Members of the Legislative Council Representation
- Salaries and allowances of Members of the Legislative Council
- Secretarial and research services for Members of the Legislative Council
- Procedural and administrative support
- Committee advisory, research and administrative support
- Overseas delegations

Program 1.1.2 Parliamentary Government - Legislative Assembly

Objective: To represent the ninety-three electorates throughout New South Wales and support the functions of the Legislative Assembly.

Activities:

- Members of the Legislative Assembly Representation
- Salaries and allowances of Members of the Legislative Assembly
- Secretarial and research services for Members of the Legislative Assembly
- Procedural and administrative support
- Committee advisory, research and administrative support
- Commonwealth Parliamentary Association
- Overseas delegations

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

Program 1.2.1	Parliamentary Support Services - Joint Services
Objective:	To provide support services to both Houses of Parliament.
Activities:	<ul style="list-style-type: none"> - Accounting and financial services - Archival services - Building services - Catering services - Education and community relations - Hansard - Information technology services - Library services - Printing services - Security services

8. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand and cash at bank. Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to cash and cash equivalents in the Balance Sheet as follows:

	2006	2005
	\$000	\$000
Cash at Bank and on hand	803	2,408
	<u>803</u>	<u>2,408</u>

Cash at bank and on hand includes restricted Consolidated Fund Monies of \$49,000. Refer to Note 15.

The Legislature has the following banking facilities as at 30 June 2006:

- Cheque cashing authority of \$20,000, which is the total encashment facility provided to enable recoupment of advance account activities.
- Tape negotiation authority of \$3,000,000. This facility authorised the bank to debit The Legislature's operating bank account up to the above limit when processing the electronic payroll and vendor files.
- MasterCard facility of \$490,500, which is the total credit limit for all issued credit cards.

	2006	2005
	\$000	\$000
9. CURRENT ASSETS – RECEIVABLES		
Sales of goods and services	484	420
Less: Allowance for impairment	8	1
	<u>476</u>	<u>419</u>
G.S.T. recoverable from A.T.O.	524	448
Other debtors	199	128
Prepayments	525	428
Investment income	25	56
	<u>1,749</u>	<u>1,479</u>

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

10. CURRENT ASSETS – INVENTORIES	2006	2005
	\$000	\$000
Food and beverage stock at cost	257	285
	<u>257</u>	<u>285</u>

11 NON-CURRENT ASSETS - PROPERTY, PLANT & EQUIPMENT

	Land and Buildings	Plant and Equipment	Collection Assets	Total
	\$000	\$000	\$000	\$000
At 1 July 2005				
Gross Carrying Amount	186,216	36,294	43,258	265,768
Accumulated depreciation and impairment	<u>54,612</u>	<u>26,673</u>	<u>8,913</u>	<u>90,198</u>
Net Carrying Amount at fair value	<u>131,604</u>	<u>9,621</u>	<u>34,345</u>	<u>175,570</u>
At 30 June 2006				
Gross Carrying Amount	196,914	37,535	45,019	279,468
Accumulated depreciation and impairment	<u>59,382</u>	<u>28,423</u>	<u>9,015</u>	<u>96,820</u>
Net Carrying Amount at fair value	<u>137,532</u>	<u>9,112</u>	<u>36,004</u>	<u>182,648</u>

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

	Land and Buildings	Plant and Equipment	Collection Assets	Total
	\$000	\$000	\$000	\$000
Year ended 30 June 2006				
Net carrying amount at start of year	131,604	9,621	34,345	175,570
Additions	1,325	992	98	2,415
Disposals	(311)	(1,187)	-	(1,498)
Net Revaluation Increments	6,738	188	1,663	8,589
Accumulated depreciation written back on disposal	306	1,167	-	1,473
Internal transfers	(81)	81	-	-
Depreciation Expense	<u>(2,049)</u>	<u>(1,750)</u>	<u>(102)</u>	<u>(3,901)</u>
Net carrying amount at end of year	<u>137,532</u>	<u>9,112</u>	<u>36,004</u>	<u>182,648</u>

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

	Land and Buildings	Plant and Equipment	Collection Assets	Total
	\$000	\$000	\$000	\$000
At 1 July 2004				
Gross Carrying Amount	145,206	41,286	42,336	228,828
Accumulated depreciation and impairment	<u>29,909</u>	<u>28,987</u>	<u>8,597</u>	<u>67,493</u>
Net Carrying Amount at fair value	<u>115,297</u>	<u>12,299</u>	<u>33,739</u>	<u>161,335</u>
At 30 June 2005				
Gross Carrying Amount	186,216	36,294	43,258	265,768
Accumulated depreciation and impairment	<u>54,612</u>	<u>26,673</u>	<u>8,913</u>	<u>90,198</u>
Net Carrying Amount at fair value	<u>131,604</u>	<u>9,621</u>	<u>34,345</u>	<u>175,570</u>

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

	Land and Buildings	Plant and Equipment	Collection Assets	Total
	\$000	\$000	\$000	\$000
Year ended 30 June 2005				
Net carrying amount at start of year	115,297	12,299	33,739	161,335
Additions	872	924	50	1,846
Disposals	(106)	(3,303)	-	(3,409)
Net Revaluation Increments	17,304	(1,013)	(51)	16,240
Assets not previously recognised	-	-	706	706
Accumulated depreciation written back on disposal	106	3,292	-	3,398
Depreciation Expense	<u>(1,869)</u>	<u>(2,578)</u>	<u>(99)</u>	<u>(4,546)</u>
Net carrying amount at end of year	<u>131,604</u>	<u>9,621</u>	<u>34,345</u>	<u>175,570</u>

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

12. INTANGIBLE ASSETS

	Software \$000	
At 1 July 2005		
Cost (gross carrying amount)	2,340	
Accumulated amortisation and impairment	1,432	
Net carrying amount	<u>908</u>	
At 30 June 2006		
Cost (gross carrying amount)	2,355	
Accumulated amortisation and impairment	1,792	
Net carrying amount	<u>563</u>	
Year ended 30 June 2006		
Net carrying amount at start of year	908	
Additions	16	
Amortisation (recognised in depreciation and amortisation)	(361)	
Net carrying amount at end of year	<u>563</u>	
At 1 July 2004		
Cost (gross carrying amount)	2,139	
Accumulated amortisation and impairment	1,140	
Net carrying amount	<u>999</u>	
At 30 June 2005		
Cost (gross carrying amount)	2,340	
Accumulated amortisation and impairment	1,432	
Net carrying amount	<u>908</u>	
Year ended 30 June 2005		
Net carrying amount at start of year	999	
Additions	201	
Amortisation (recognised in depreciation and amortisation)	(292)	
Net carrying amount at end of year	<u>908</u>	
13. CURRENT LIABILITIES – PAYABLES		
	2006	2005
	\$000	\$000
Accrued wages, salaries, on-costs	1,750	1,448
Creditors	<u>3,412</u>	<u>2,791</u>
	<u>5,162</u>	<u>4,239</u>

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

14. CURRENT AND NON-CURRENT LIABILITIES – PROVISIONS

	2006	2005
	\$000	\$000
(a) Current		
Recreation leave	3,800	3,449
On-cost on employee benefits	1,015	325
	<u>4,815</u>	<u>3,774</u>
(b) Non-Current		
On-cost on employee benefits	37	677
	<u>37</u>	<u>677</u>
(c) Aggregate employee benefits and related on-costs:		
Provisions – Current	4,815	3,774
Provisions - Non-Current	37	677
Accrued salaries, wages and on-costs (note 14)	1,750	1,448
	<u>6,602</u>	<u>5,899</u>

Of employee benefits for recreation leave \$2,799,000 is expected to be settled within twelve months and \$1,001,000 is expected to be settled after twelve months. All accrued wages and salaries are expected to be settled within twelve months.

The Legislature pays for rail travel benefits for the spouses/approved relatives of certain former members of Parliament. The cost of this travel is generally less than \$20,000 per annum.

15. CURRENT LIABILITIES – OTHER

	2006	2005
	\$000	\$000
Liability to Consolidated Fund	49	5
	<u>49</u>	<u>5</u>

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

16. CHANGES IN EQUITY

	Accumulated		Asset		Total Equity	
	Funds		Revaluation			
	2006	2005	2006	2005	2006	2005
	\$000	\$000	\$000	\$000	\$000	\$000
Balance at the beginning of the financial year	147,158	141,498	24,797	16,679	171,955	158,177
<u>Changes in equity - other than transactions with owners as owners</u>						
Surplus/(Deficit) for the year	(4,399)	5,660	-	-	(4,399)	5,660
Increment on revaluation of:						
• Land and Buildings	-	-	6,738	8,169	6,738	8,169
• Plant and Equipment	-	-	-	-	-	-
• Collection Assets	-	-	1,663	(51)	1,663	(51)
<u>Total</u>	<u>(4,399)</u>	<u>5,660</u>	<u>8,401</u>	<u>8,118</u>	<u>4,002</u>	<u>13,778</u>
<u>Transfers within equity</u>						
Asset revaluation reserve balance transferred to accumulated funds on disposal of asset	12		(12)		-	-
<u>Total</u>	<u>12</u>		<u>(12)</u>		<u>-</u>	<u>-</u>
Balance at the end of the financial year	142,771	147,158	33,186	24,797	175,957	171,955

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. This accords with the Legislature's policy on the revaluation of physical non-current assets and investments, as discussed in note 1(j).

17. COMMITMENTS FOR EXPENDITURE

(a) Operating Lease Commitments

Future non-cancellable operating leases not provided for and payable:

	2006	2005
	\$000	\$000
Not later than one year	3,787	3,889
Later than one year but not later than 5 years	3,821	5,597
Later than 5 years	247	69
Total Lease Commitments (including GST)	7,855	9,555

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

The Legislature is the lessee of 96 properties throughout N.S.W., 94 being electorate offices and 2 being office accommodation for parliamentary committee staff. The leases are mostly standard commercial leases based on the Law Society template and are generally for four years with a four year option.

The above total includes GST input tax credits of \$673,000 (\$846,000 – 2005), which will be recoverable from Australian Taxation Office (ATO).

Legislative Assembly Electorate Offices included in the above figures represent the following commitments:

	2006	2005
	\$000	\$000
Not later than one year	3,256	3,317
Later than one year but not later than 5 years	3,164	4,380
Later than 5 years	<u>247</u>	<u>69</u>
Electorate Office Lease Commitments (inc GST)	<u>6,667</u>	<u>7,766</u>

The above total includes GST input tax credits of \$565,000 (\$686,000 – 2005), which will be recoverable from the ATO.

(b) Other Expenditure Commitments

Aggregate other expenditure contracted for at balance date and not provided for:

	2006	2005
	\$000	\$000
Not later than one year	<u>152</u>	<u>134</u>
Total Other Expenditure Commitments including GST	<u>152</u>	<u>134</u>

The above total for 2006 includes GST input tax credits of \$14,000 (\$12,000 – 2004/5) that will be recoverable from the ATO.

18. CONTINGENT ASSETS AND LIABILITIES

At reporting date The Legislature had an outstanding matter relating to two employees. This matter has been settled since reporting date. The terms of settlement preclude The Legislature from disclosing any settlement details.

19. BUDGET REVIEW

Net Cost of Services

Net Cost of Services exceeded budget by \$5,470,000 due to higher than estimated employee related, other operating and other expenses which includes Members' salaries. These higher expenditures were slightly offset by lower depreciation and amortisation expenses. Other operating expenses includes an amount of \$1,224,000 which was the value of maintenance and restoration work carried out by the Department of Commerce. The same amount was credited to the income category, grants and contributions.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

Assets and Liabilities

Total assets were higher than budget by \$8,328,000 due to a net increment to the revaluation reserve of \$8,389,000 which was partially offset by lower than estimated current assets.

Cash Flows

Net cash inflows from operating activities were \$1,197,000 less than budget due to higher than estimated salary, other operating and other expenses which were partially offset by higher than estimated cash flows from government.

20 RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES:

	2006	2005
	\$000	\$000
Net Cash used in operating activities	763	2,751
Depreciation	(4,262)	(4,838)
(Increase) / decrease in provisions	(401)	(462)
(Decrease) / increase in receivables, inventories and other assets	242	(375)
(Increase) / decrease in creditors and other liabilities	(987)	(270)
Gain / (Loss) on sale of non-current assets	(16)	(10)
Asset acquired via grant / donation	70	41
Valuation increment recognised in Operating Statement	188	8,828
Long Service Leave	(1,404)	(1,446)
Superannuation	(9,738)	(9,357)
Payroll tax on superannuation	(584)	(701)
Less cash flows from government:		
Capital Allocation	(2,868)	(2,280)
Recurrent Allocation	(88,346)	(82,694)
Cash reimbursements from the Crown Transactions Entity	-	(2,319)
Net Cost of Services	(107,343)	(93,132)

21. FINANCIAL INSTRUMENTS

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

Cash

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

At period end the deposits were earning 4.75% (4.50% in 2004/2005) while the effective interest rate during the reporting period was 4.54% (4.33% in 2004/2005).

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2006

Receivables

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts, which are known to be un-collectable, are written off. An allowance for impairment is raised when there is objective evidence that the Legislature will not be able to collect all amounts.

The credit risk is the carrying amount (net of any provision for doubtful debts). As at balance date, the greatest risk was represented by receivables, totaling \$98,000 (\$49,000 in 2004/2005), which had been outstanding for more than 90 days.

Interest is charged on House Committee trade debtors after 60 days at 2% per month. No interest is charged to any other debtors.

The carrying amount approximates net fair value. House Committee sales are made on 7 or 60 day terms. Other sales are made on either 14 or 30 day terms.

Bank Overdraft

The Legislature does not have any bank overdraft facility.

Trade Creditors and Accruals

These 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 not secured) are settled in accordance with Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received.

Fair value

Financial instruments are carried at cost which approximates their fair value.

22. The Financial Impact of Adopting AEIFRS

i Key Differences in Accounting Policies

The Legislature has determined that there are no areas where changes in accounting policies are likely to impact the financial report.

There are no changes that affect equity under existing AGAAP compared to equity under AIFRS.

ii Grant recognition for *not-for profit* entities

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

23. After Balance Sheet Date Events

There are no after balance sheet date events.

**Appendix A – Equal Employment Opportunity
Statistics**

2005/2006

EQUAL EMPLOYMENT OPPORTUNITY STATISTICS

Equal Employment Opportunity – NSW Parliament 30 June 2006

Representation	The Parliament (LA, LC & Joint Depts)	Benchmark or Govt Target
Women	64%	50%
Aboriginal People & Torres Strait Islanders	2.8%	2%
People Whose Language First Spoken as a Child was not English	16%	20%
People with a Disability	6%	12%
People with a Disability Requiring Work-related Adjustment	1.0%	7%

Table 1.3 Percent of Total Staff by Level

LEVEL	TOTAL STAFF (Number)	Subgroup as Percent of Total Staff at each Level				Subgroup as Estimated Percent of Total Staff at each Level				
		Respondents	Men	Women	Aboriginal People & Torres Strait Islanders	People from Racial, Ethnic, Ethno-Religious Minority Groups	People Whose Language First Spoken as a Child was not English	People with a Disability	People with a Disability Requiring Work-related Adjustment	
< \$32,606	27	56%		100%		73%	80%			
\$32,606 - \$42,824	201	39%	39%	61%	5.1%	9%	9%	5%		
\$42,825 - \$47,876	49	37%	31%	69%	11.1%	50%	39%			
\$47,877 - \$60,583	207	42%	29%	71%	1.2%	13%	12%	5%	2.3%	
\$60,584 - \$78,344	95	45%	44%	56%		19%	14%	9%		
\$78,345 - \$97,932	64	52%	48%	52%		18%	9%	9%	3.0%	
> \$97,932 (non SES)	10	80%	80%	20%		13%	13%	25%		
TOTAL	653	43%	36%	64%	2.8%	18%	16%	6%	1.0%	
Estimate Range (95% confidence level)					1.2% to 4.4% 0% to 21.5% 7% to 18.8% 6% to 7.7% 0.5% to 1.9%					

Appendix B – Risk Management

2005/2006

RISK MANAGEMENT

INTERNAL AUDIT

The Parliament's internal audit services are provided by Deloitte Touche Tohmatsu under a four year contract arrangement, which is due to expire in May 2007. Audits are undertaken throughout the year in accordance with the Parliament's audit plan, which is approved by the Parliament's Audit Committee. During the reporting year four audits were undertaken that impacted directly or indirectly on the Parliament's various Joint Service areas. These audits were -

- Members' of Parliament and Staff payrolls;
- Internal audit control processes in Food and Beverage Services;
- FBT, GST, PAYG Withholding and Payroll Tax and Related Processes Audit;
- Heritage Assets and Asset Management Follow Up; and
- Systems Supporting Members' of Parliament Offices.

AUDIT COMMITTEE

The Parliament's Audit Committee comprises of three members. Ms Helen Bauer the Independent Chairperson, who is a private business consultant specialising in the public sector, Mr Russell Grove Clerk of the Legislative Assembly and Mr John Evans Clerk of the Parliaments. The committee met on three occasions during the year and dealt with a range of issues including –

- reviewing the terms of engagement for both internal and external audits undertaken during the year;
- reviewing the findings and recommendations made in both internal and external audit reports that were issued;
- following up on the progress made in implementing the significant recommendations made in those reports;
- commissioning internal audit to conduct a new business risk assessment of the Parliament's operations followed by a review of the findings and the proposed audit plan for the ensuing three years based on that risk assessment

RISK MANAGEMENT

At the direction of the Audit Committee, the Parliament's internal auditors Deloitte Touche Tohmatsu, undertook a new business risk assessment to identify changes that have occurred since the initial assessment was undertaken by KPMG in 2001. This risk assessment was completed in May 2006 following workshops being held with senior Parliamentary managers to assess the likelihood and consequences associated with those inherent risks. These workshops

also covered what controls are currently used, what capacity is in place to manage these risks currently and to the extent to which they reduce the residual risk.

A comparison with the risk assessment undertaken in 2001 by KPMG, revealed similar risk exposures although a number of risk ratings have changed, thus reflecting action taken since 2001 to mitigate these risks. Some other identified risks however showed increased exposure that require management's attention.

The Parliament's internal audit plan is currently being updated to reflect this latest business risk assessment. This updated audit plan is to be considered by the Audit committee at its first meeting in 2006/2007.

INSURANCE

The Parliament's insurance cover is provided by the NSW Treasury Managed Fund, which in turn contracts out the day to day management to specialised insurers. Since July 2005 the management of Parliament's Workers' Compensation insurance cover has been provided by Allianz whilst GIO Australia continues to manage the other four insurance categories, comprising -

- Liability;
- Motor Vehicle;
- Property; and
- Miscellaneous.

For the 2005/2006 reporting year 38 Workers' Compensation insurance claims were lodged by Parliamentary employees, an increase of five over the previous financial year. The average cost of each claim was \$9,986 per employee, compared with \$3,873 in 2004/2005. Of these 38 claims, 23 involve Joint Service Departments or Sections at an average cost of \$6,805 per claim, as documented in the following table.

Department/Section	No of Claims	Total Cost \$	Average Cost Per Claim \$
Parliamentary Building Services	11	82,642	7,513
Parliamentary Food and Beverage Services	6	46,660	7,777
Hansard	1	2,525	2,525
Parliamentary Security Services	5	24,681	4,936
Total	23	156,508	6,805

Body stressing sprains and strains were the cause of injury in 16 of the 23 claims lodged, whilst 5 claims were stress related.

For the other four categories of insurance, no claims were lodged apart from two minor property claims, relating to loss and accidental damage of portable equipment by ITS staff at an average cost per claim of \$581.