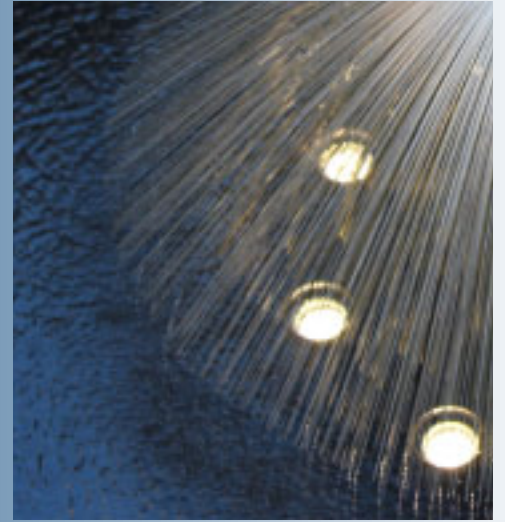




DEPARTMENT OF PARLIAMENTARY SERVICES



**ANNUAL REPORT
2009/2010**



The Department of Parliamentary Services Annual Report 2009-2010

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The Presiding Officers' Foreword

We are very pleased to commend the third Annual Report for the Department of Parliamentary Services, for the year ending 30th June 2010.

This past year has been one of significant achievements across Parliament, with the Department of Parliamentary Services working hard to enhance security and facilities services, IT and library resources, catering services, human resources and Members' services.

The level of service provided has been of a consistently high standard and has helped ensure the successful operation of the Parliament of New South Wales.

We are pleased to report that the New South Wales Parliament is becoming a benchmark for other Parliaments in areas such as the promotion of a renewable and sustainable Parliament. This year has also seen substantial advancement in the use of technology and the resources provided to Members and staff in the performance of their Parliamentary duties.

We extend our sincerest thanks to the Department of Parliamentary Services teams for their ongoing commitment and hard work in supporting the Members and the House Departments in the operation of our Parliament.

We look forward to another successful year of growth and development as the Department continues to consolidate and enhance its teams and services.

The Hon. Amanda Fazio MLC
President, The Legislative Council



The Hon. Richard Torbay MP
Speaker, The Legislative Assembly



Letter to the President and Speaker

I am pleased to submit to you the annual report for the Department of Parliamentary Services for the year ended 30 June 2010.

The Department has been well served by the dedication and professionalism of its staff and this report takes the opportunity to highlight not just the achievements of the various branches within DPS, but also a few of the many individuals that have contributed to the success of the Department over this financial year.

The Department has come to be recognised as delivering a high level of professional service. The achievements of the Department are many and varied and demonstrate the commitment and innovation of staff.

Looking forward, we are already planning many new projects to continue to improve on the level of service we deliver to the House Departments and Members and we are confident that we will continue to contribute to the successful operation of the NSW Parliament over the coming year.

On behalf of the Executive Team I congratulate all members of staff on their accomplishments and look forward to working together to meet the challenges that lie ahead.

Kim Smith
Acting Executive Manager
Department of Parliamentary Services



Who We Are and What We Do

The Department of Parliamentary Services (DPS) is a specialist support and service Department working to support the operation of the New South Wales Parliament, by providing logistical support and advice to the Members of Parliament and the Departments of the Legislative Council, Legislative Assembly and the NSW community.

The services we provide play an important role in equipping Members and staff not only with the tools and information necessary to perform their Parliamentary duties, but also the physical environment in which much of their work takes place during the year.

In brief, some of the responsibilities of the Department include:

- Maintaining and developing the parliamentary buildings and precinct
- Providing information and technology services such as IT infrastructure, Hansard and library and research services
- Providing financial support and advice, including the management of Members' Entitlements
- Providing support in the areas of human resources and advice on industrial relations matters, as well as recruitment, training and staff development
- Providing Parliamentary catering, function and dining services
- Managing and implementing education and community outreach programs on behalf of the Parliamentary institution

Achieving all of this requires a highly specialised team of professionals from a broad range of disciplines.

To this end, DPS brings together six branches responsible for much of the administration, maintenance and development of the Parliament. These branches are:

- Executive Management
- Parliamentary Facilities
- Finance and Members' Services
- Information Services
- Organisational Development
- Parliamentary Catering

The following report provides an overview of how these teams work together to successfully manage the service and support needs of the Parliament, and also provides an outline of the key achievements, improvements and innovations of the Department for this financial year.

teamwork

professionalism

integrity

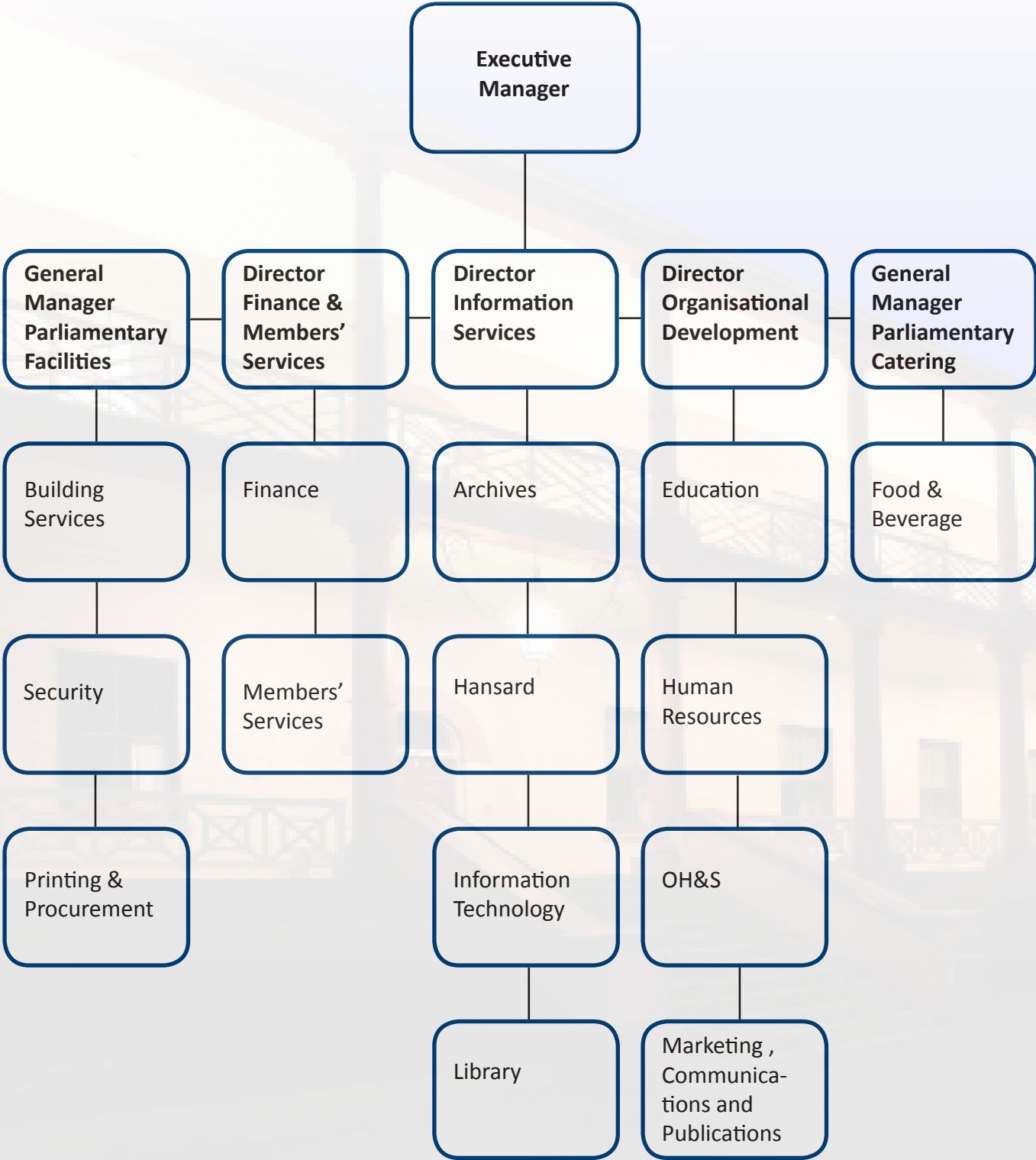
communication

service

safety

respect

Organisational Chart



The Leadership Team

The success of DPS depends entirely on its people. From administration, to ITS, engineering, maintenance, human resources, finance, catering, cleaning, education, Members' services, OH&S, research, library, archives and communications - there are some 200 staff members working in the Department.

Managing such a large and diverse group requires strong leadership, and fortunately, DPS boasts a strong and committed team of managers, directors and officers, responsible for driving innovation, teamwork, service delivery and a strong work ethic. Below are just some of those that provide leadership to the Department's teams.



Clockwise from front left: Robert Stefanic, Director Information Services; Philip Freeman, General Manager Parliamentary Catering; Robert Lawrie, Manager Archives; Kim Smith, Acting Executive Manager; Stuart Lowe, Manager Members' Services; Dean Fechner, Security Manager; Deborah Brown, Manager Reference and Information Services (Library); Robert Nielsen, General Manager Parliamentary Facilities; Christine Schlesinger, OH&S and Injury Management Officer; Colin Brown, Manager Human Resources; Craig Wheeler, Manager Human Resources; Dr Gareth Griffith, Manager Research Services (Library); Jan Mullin, Financial Controller; Carlos Andrade, Operations Manager (Catering); Denise Driscoll, Executive Officer; Scott Clark, Head Chef; ; Neil Dammerel Manager Network and Support (ITS); Judith Somogyi, Editor of Debates (Hansard); Samantha Brown, Marketing & Communications Officer; Brett Wright, Operations Manager (Facilities); Graham Spindler, Manager Education.

Our Achievements : A Snapshot

Projects completed in 2009-2010	Projects underway in 2009-2010
<p>New security gatehouse...to improve front of house security and help to further ensure a safe working environment for Members of Parliament, staff and visitors to Parliament House. The gatehouse has been operational since December 2009.</p>	<p>Development and roll-out of the NSW Parliament - Sustainability Strategic Action Plan (Roadmap)... to continue to build upon achievements of the Parliament House Sustainability Program and pave the way forward for Parliament to reduce green house emissions by 2020.</p>
<p>Revisions to the Members' Entitlements Framework... with a view to providing a service based on more efficient consideration and processing of Members' claims.</p>	<p>Installation of perimeter strengthening measures and security bollards along the Hospital Road side to Parliament.</p>
<p>Digitisation of historic Hansard records...making available online the record of Parliamentary Debates from 4th December 1973 to 30th March 1976 (44th Parliament) and from 25th May 1976 to 7th September 1978 (45th Parliament).</p>	<p>Completion of a new purpose-built Committee Hearing Room on Level 7...providing a new forum for interaction between the Parliament and the people of NSW.</p>
<p>Upgrade of Parliamentary IT networks from Microsoft Office 2000 to 2007...including an extensive training program for Members and staff.</p>	<p>Upgrades to the Parliament's Cooling Towers...involving the installation of newer, more energy and water efficient models.</p>
<p>Installation of Wireless Internet access in the Legislative Council and Legislative Assembly Chambers.</p>	<p>Migrating Hansard to an XML-based Hansard production and web-publishing system.</p>
<p>Development of a web portal through which radio and TV content can be downloaded...enabling the library to access content from regional NSW and Canberra.</p>	<p>Upgrade of Electorate Office PC & network infrastructure... including the replacement of existing computers and the provision of data storage devices.</p>
<p>Roll-out of additional online resources (full-text databases) for Members and staff.</p>	<p>Replacement of the Legislative Assembly's Chamber Broadcast System...and a review and analysis of the Legislative Council's Chamber Broadcast System.</p>
<p>Implementation of a budget savings plan for Parliament.</p>	<p>Development of a suite of corporate identity materials for DPS...to help with communication and corporate image with regards to external parties.</p>
<p>Development and implementation of induction and training sessions for Members' staff.</p>	<p>Online OHS Management System structure and framework completed for implementation in 2010/2011.</p>
<p>Creation of an OHS Policy Statement and an OHS Consultation Statement.</p>	<p>Preparations to host the Parliamentary Educator's Conference in October 2010...a meeting of education staff from Australasian parliaments to share ideas and programs.</p>
<p>Successfully conducted more than 30 community engagement events for the year, with over 7,000 participants.</p>	<p>Redevelop key education and public access tools following the March 2011 election...including Parliamentary DVDs and publications (where appropriate).</p>
<p>Upgrades to catering venues...including the purchase of 500 new banquet chairs, 40 new round banquet tables, 30 trestle tables and 10 new waiter stations.</p>	<p>Maintenance to the Members' Dining Rooms and Level 7 public areas.</p>

The Teams

Parliamentary Facilities

The Parliamentary Facilities team is responsible for providing for, and maintaining the physical environment of the Parliament. That is, the buildings and grounds that comprise the parliamentary precinct on Macquarie Street.

Led by the General Manager, Robert Nielsen, the team brings together a wide range of service professionals from disciplines as varied as administrative through to engineering, security and building maintenance staff.

Key areas managed by Parliamentary Facilities staff include:

- Maintenance of the parliamentary buildings and grounds (including cleaning, gardening, building fabrics and structure, furniture and fittings, works of art and antiques)
- Precinct Security
- Engineering Services (which include major electrical installations, emergency power generation, the central energy plant, refrigeration plant, air conditioning, hydraulics and fire equipment)
- Electrical services
- Kitchen equipment
- Telecommunications
- Lifts
- Printing and procurement.

Precinct security has been a particular focus in recent months, with a safe and secure environment vital to the operation of Parliament. The Security Services team is managed by a dedicated Security Manager, Dean Fechner, and members of the NSW Police Security Management Unit Special Constables.

The NSW Special Constable Unit has been in operation for two years at Parliament and there are a total of 32 Special Constables currently providing security services throughout the precinct.

Achievements in 2009-2010

- Security Gatehouse. Since 17th December 2009, security screening at Parliament has operated via a new purpose-built Gatehouse located on the northern end of the front courtyard, which now serves as the only entrance to Parliament House from Macquarie Street.

Increasing front of house security has helped to further ensure the safety and security of Members of Parliament, Parliamentary employees, and visitors to Parliament House.

This project also included a significant upgrade to the CCTV program, with new cameras installed on smart poles across Macquarie Street, looking back at the Parliament.

- Installation of Continuum and PASS Security information systems, allowing Parliament's security operators to use a variety of technological devices to help control access to the building from one single user interface.
- Upgrades to the internal CCTV system, via the latest Digital Video Management System (DVMS) technology. Images from IP cameras and encoders around the building are now streamed to the Parliament's ITS servers, and networked to security personnel.
- Fire Suppression System Installed in ITS Server Room. The newly installed system combines two integrated products – the VESDA system and the HI-FOG® water mist (which uses up to 90% less water than traditional sprinklers for the same application with equivalent or better performance).
- Emergency Lighting Upgrade. Parliamentary Facilities completed the first stage of the emergency lighting upgrade program in 2009/10. Levels 6, 7 and 8 of the building have been completed, with additional levels to be upgraded over the following 12 months.

Looking ahead to 2010-2011

The Facilities team will be focused on new and continuing efforts to maintain and improve the parliamentary precinct. Some of the key projects will include:

- Completing the new purpose-built Committee Hearing Room on Level 7, which will help to improve the connection between Parliament and the people of New South Wales
- Undertaking works to strengthen the perimeter of the precinct, including the installation of new security bollards along the Hospital Road side of the Parliament
- Upgrades to the Parliament's Cooling Towers, involving newer energy and water efficient models
- Implementing recommendations from the Fire Safety Exit Sign Audit
- Implementing Parliament's Conservation Management Plan and Sustainability Action Plan.

Did you know...

...Parliament's Air Conditioning Plant supplies energy in the form of hot and chilled water to the Sydney Eye Hospital and the State Library of New South Wales?

Meet the team: PEDRO SANTIAGO, CLEANING COORDINATOR

Pedro Santiago is at the helm of a team of cleaners and building assistants dedicated to maintaining the cleanliness standards of the NSW Parliament, whether it be cleaning areas in around the building, moving furniture, assembling desks, cleaning carpets, scrubbing the carpark, cleaning the windows or assisting with event setups where required.

Pedro started working at the Parliament in early 1991 as a Building Assistant, before taking the helm as supervisor in 2001.

"I enjoy working at the Parliament with our cleaners and building assistants," he says. "I was born in Spain, which has many historic buildings, so it is satisfying to lead a team of people who have pride in their work. It is especially satisfying when jobs are completed and it all works out well for the people we are helping."



Case study: Building a Sustainable Parliament

Since late 2008, Parliamentary Facilities has undertaken to conduct an extensive facilities and engineering program to improve solar, water and energy consumption at Parliament. Dubbed the 'Parliament House Sustainability Program', the project has seen Parliament prevent approximately 72 tonnes of CO₂, and conserve over 5,000,000 litres of water through its potable tank water system.

Following on from these encouraging results, in 2009/10 the Parliamentary Facilities team (along with the House Departments) sought to further develop a program of sustainable activity for the Parliament, engaging the Department of Environment, Climate Change and Water (DECCW) to assist with developing an environmental sustainability strategy for Parliament as part of the DECCW Advantage Program.

The first stage of the Advantage Program was to carry out an audit of sustainable practice (Parliament NSW One-2-Five Sustainability Report 10.12.2009), which identified the Parliament's past achievements with reducing energy and water consumptions whilst also indicating the need to develop a sustainability strategy and a culture of environmental awareness.

The resulting *NSW Parliament – Sustainability Strategic Action Plan (Road Map)* is a collaborative document developed by three departments in consultation with the DECC.

The Road Map assists the Parliament in achieving mandatory requirements by the NSW Government to reduce green house emissions by 2020. It is an action plan that helps set the strategic direction for reaching the Parliament's sustainability goals, and helps set an example for other Parliamentary institutions moving towards a more sustainable future.

For more on the Sustainability Program, visit www.parliament.nsw.gov.au



The solar panels installed on top of the Parliament. There are 162 modules in all, measuring 200 square metres and generating approx. 25.9 kilowatts of power.

Parliament's Access Measurements for 2009-2010

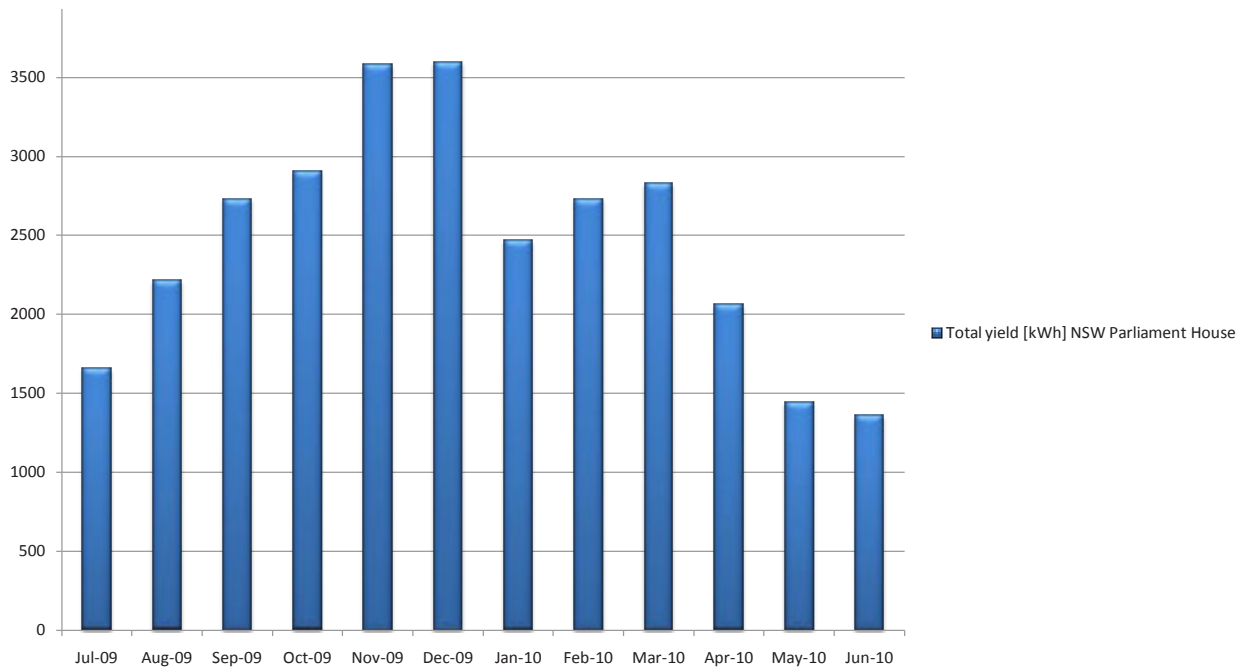


Fig 1. Power generated by solar panels (total yield in Kilowatts per hour)

Yearly solar power production (megawatt hours)	
2008-2009	2009-2010
24,03 MWh	30,59 MWh

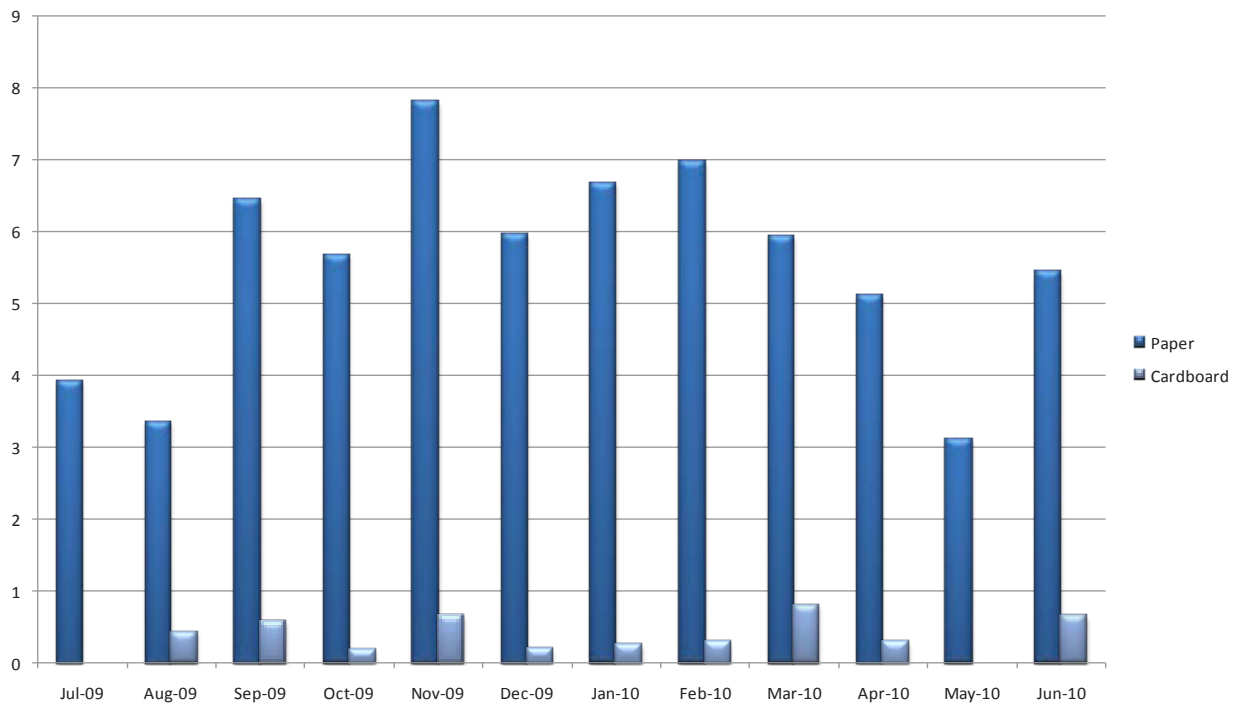


Fig 2. Paper/cardboard recycled (in tonnes)

The Teams cont...

Members' Services

The Members' Services Unit (MSU) is one of the branches within DPS that is in constant and direct contact with the Members of Parliament, offering advice and guidance to new and existing Members seeking to interpret determinations and rulings of the Parliamentary Remunerations Tribunal (PRT) as well as other policies and/or legislation.

A highly specialised team, they are also responsible for ensuring that Members and staff are equipped with the tools and information required to perform their Parliamentary duties in accordance with legislative and other provisions.

Achievements in 2009-2010

The MSU continued to support and assist Members in managing their entitlements throughout 2009-2010, processing approximately 100 enquiries per day from Members and Members' staff.

Efforts were also made by the team to further develop the framework within which Members' entitlements are administered, following on from recommendations made in the Report of the Internal Audit Bureau (IAB) entitled 'Review of the Management of Members' Entitlement'.

Revisions to the framework were made with a view to providing a service based on more efficient consideration and processing of claims, and an enhanced level of communication between staff working in the section, Members and Members' staff.

In other MSU news, monthly expenditure reports now contain information on a wider range of entitlements and are transmitted in a timelier manner using electronic mail.

Customised spreadsheets have also been developed and delivered to all Members' offices to assist Members and their staff in budgeting and monitoring entitlements balances. Online or telephone support is available to resolve queries with the reports, spreadsheets or on any other matter relating to the receipt and use of entitlements.

Looking ahead to 2010-2011

Moving forward, the MSU will seek to further improve the flow of information and to promote more understanding amongst all stakeholders about the provision and use of entitlements, including the production of a series of comprehensive documents and tools such as the Department of Parliamentary Services Members' Entitlements Handbook, as well as new guidelines and help sheets around the production and publication of Members' community newsletters.

This will be of particular importance for the team as we move towards the State Election. To this end, there will also be a renewed focus on customer support and education.

Did you know...

The number of items claimed and dealt with by Members' Services

can exceed a total of **50,000** each year?

Meet the Members' Services Unit

The Members' Services Unit (MSU) operates at the frontline of relations between the Department of Parliamentary Services and the Members of Parliament. With regular direct contact with Members, they are one of the teams that represent the many faces of DPS to the Members.

There are two main 'arms' of the MSU – Entitlements and Advice.

The Entitlements team receives and assesses Members' claims against additional entitlements and provides Members or their staff with advice and guidance in the interpretation of Determinations and Rulings of the PRT or guidelines of the Parliament's Administration.

The Advice team consolidates, reviews and develops policy relating to use of entitlements and provides recommendations to the Manager on operational matters. This team also provides advice to Members and their staff in the same manner as the Entitlements team, particularly in relation to more complicated or policy related matters.

Both arms provide advice to the House Departments, advising the Clerks and Presiding Officers on matters affecting Members' entitlements. The number of enquiries received per day is usually in excess of 100. No mean feat for such a compact team!

Keeping up with the workload and interpreting the various requests are the main challenges faced by the team, who are constantly looking for ways to enhance the way they service their client base.

But the role also comes with some positives, including dealing with a very diverse group of clients and meeting lots of new people. "We bring our sense of humour to work with us every day," says Manager Stuart Lowe. "It's very important to do this."



The MSU (clockwise from back left): Lucy Gonano, Catharine Pruscino, Stuart Lowe, Ian Clayton, Ashley Toms, Kirsty Eggmolese
Absent: Ramia O'Connor

The Teams cont...

Information Services

Information Services delivers information related support to the NSW Parliament through Archives, Hansard, Information Technology Services and Library functions. Information Services supports Members of Parliament to perform their legislative and representative duties as well as the corporate function of parliamentary administration in meeting strategic and operational priorities.

Hansard

Hansard is the official report of the debates in the New South Wales Legislative Council and Legislative Assembly, producing and publishing the impartial and accurate record of the debates and proceedings of the Parliament, its committees, and ministerial conferences.

The concept of a Hansard Team is as old as the Parliament itself and today's team continues to play an important part in supporting the Parliament, harnessing years of expertise and knowledge, as well as embracing new technologies to help streamline the reporting process.

Achievements in 2009-2010

- Full-text daily proofs were uploaded to the Parliament of New South Wales website within 3 hours of the last Houses rising. Performance achieved: 98%
- Weekly pamphlets were published within seven days of the last day of each sitting week. Performance achieved: 97%
- Bound Volumes were published for the First Session of the 54th Parliament for sitting up to 4th December 2008. The 2009 bound volumes were submitted for binding in June 2010
- Committee transcripts were prepared daily for hearings conducted within Parliament House, and within 48 hours for regional hearings. Performance achieved: 97%
- In 2009-10, an additional 28,372 pages of Parliamentary Debates were scanned, making available online the record of Parliamentary Debates from 4th December 1973 to 30th March 1976 (44th Parliament) and from 25th May 1976 to 7th September 1978 (45th Parliament). Since the project commenced, a total of 131,020 Hansard printed pages have been made available online.

Looking ahead to 2010-2011

Moving forward, the Hansard Team will continue to focus on upgrades to technology and on evaluating new programs and software to help improve the efficiency of their reporting and publishing systems.

Projects will include:

- Continuing to work with the Information Technology Services team to migrate to an XML-based Hansard production and web publishing system, including upgrading the Hansard production system to Office 2007
- Upgrading the current digital recording system with the installation of a new built-in digital feed in the Waratah and Jubilee Rooms. This will help obviate the need to transport and set up equipment before a Committee Hearing
- Testing and evaluating the next version of voice recognition software.

Did you know...

**Hansard produced a total of
12,045 pages**

for Houses and Committees in 2009-2010?

Information Technology Services

The ITS team plays a crucial role in developing and maintaining the technology systems of Parliament, including the Parliamentary Intranet and Internet and 95 electorate offices around NSW.

A core focus for the ITS team over the financial year was implementing a range of technology upgrades focussed on updating infrastructure, user hardware and improving accessibility and mobility of services.

Achievements in 2009-2010

- Upgrade of Microsoft Office 2000 to 2007, and Lotus Notes from R5 to R8.5
- Upgrade of Electorate Office PC & network infrastructure (due for completion in 2010/11). The ongoing project included the replacement of all existing computers and updating communications infrastructure to provide each office with maximum flexibility in business grade services
- Replacement of computers for Legislative Council Members and Members' staff
- Wireless Internet access implemented in the Chambers
- Implementation of a new online leave system.

Looking ahead to 2010-2011

Moving forward, the ITS team will continue to focus on implementing important upgrades across the range of services it provides. Plans include:

- Upgrade operating systems to Windows 7 server
- Virtualisation of the Server
- Upgrades to data storage systems and establishment of a business recovery facility
- Upgrade of Parliament's enterprise resource planning and financial system (SAP) and records management practices and systems (TRIM)
- Upgrade to the Parliament's public website, including reviews of the site navigation, accessibility, design and content
- Replacement of the Legislative Assembly's Chamber Broadcast System and a review and analysis of the Legislative Council's Chamber Broadcast System
- Review and analysis of the Hansard and House paper document production system
- Implementation of a digital signage system in public areas of Parliament House, with a view to promoting general awareness of public events and business before the Houses.

Meet the team: MELINDA MCINTYRE, Systems Analyst

As a Support Analyst, Melinda operates at the frontline of customer service for ITS by responding to all manner of IT related queries and concerns from Members and staff about Parliament's computers, software and other equipment.

Melinda also played a pivotal role in helping to train Parliamentary and Electorate Office staff in the use of Microsoft Office 2007, as part of the wider technology upgrade project.

Melinda has been with the Parliament for 17 years in various roles with both IT and the Parliamentary Library. A veteran of customer relations, she says one of the most enjoyable aspects of her role is interacting with the clients, and travelling to regional Electorate Offices.



The Teams cont...

Parliamentary Library

The NSW Parliamentary Library was founded in 1840, making it the oldest Parliamentary library in Australia. Today, it is comprised of three operational areas: Research Service, Reference and Information and Information Resources.

In 2009-2010, the Library's focus was on harnessing new technologies across areas such as database management and media monitoring, as well as streamlining the management of printed and historical collections.

Achievements in 2009-2010

- A partial re-design of the Library's jobs database, to remove redundant fields, simplify data entry and provide more effective sorting and searching functionality
- The development of a web portal through which radio and TV content can be downloaded simply and quickly, enabling the Library to access TV and radio content from metropolitan and regional NSW
- The roll-out of additional online resources (full-text databases) for Members and staff including Academic Search Complete, Environment Complete, Business Source Complete and the Australia/New Zealand Reference Centre
- The launch of two new electronic publications including 'Economic Indicators: NSW', which provides a snapshot of selected aspects of the NSW economy over the last four or five years and 'Issues Backgrounders', which set out key sources on major issues of current interest
- Improvements to the layout of the Parliamentary Library including the rearrangement of serials, fiction, newspapers, Members' biographical files, client reading areas. New armchairs, signage, televisions and the creation of a concealed 'utilities' area have improved the usability of the Library, both for staff and clients;
- Re-design of covers for Research Papers and other Library publications, including bookmarks and information brochures

Looking ahead to 2010-2011

Moving forward, Library staff will continue to improve convenience and usability of library services for clients. Projects will include:

- Develop a Library Strategic Plan to plan holistically for the Library's services for 2010 and beyond
- Providing more intuitive access for Library clients to e-journals and databases via an A-Z browsable list of e-journals on the Library's intranet site
- Continuing to develop and implement technologies to 'push' targeted content to users both from our own databases and from content available in the public domain (e.g. using alerts and RSS feeds)
- Updating key Library policies related to disaster preparedness, deaccessioning of items, and the collection development policy
- As part of the new 'Statistical Indicators' series of publications, provide regular statistical bulletins on social issues including health, education, criminal and environmental indicators. Comparative data will be presented for New South Wales and the other States and Territories
- In time for the opening of the 55th Parliament, publish a booklet titled 'Key Issues for the New Parliament' for distribution to all Members. The booklet will set out core facts and figures on selected political, economic, legal and social matters.

Fast fact:

In 2009-2010 Library staff completed

approximately **4,307** media monitoring requests and digitally archived

approximately **51,273** press clippings

and **6,896** press releases

Library service indicators

Service	2008-2009	2009-2010
In-depth information requests completed	589	659
Brief information requests completed	6,183	5,787
Media monitoring requests completed	3,187	4,307
Inter-Library loans acquired for clients	299	236
Press clippings digitally archived	26,459	51,273 (includes addition of regionals and suburban)
E-clips (digital news clippings) distributed	16,085	16,139
Press releases added to database	5,343	6,896
Loans of items	1,285	1,391
Individual research requests	82	84
Individual research papers	40	44
Serials indexing records on APLIS	669	705

Fig 3



The Teams cont...

Parliamentary Archives

The New South Wales Parliamentary Archives is the only legislative archives in Australia and one of a small number of legislative archives in the world. The records kept at Parliament are the actual documentary evidence of the legislative activity of Parliament and the administration which services that activity.

In particular, records of the Legislative Council and Legislative Assembly are processed and progressively transferred to the State Records Authority of NSW under a Memorandum of Agreement.

Archives also manages the records of Parliament, including the disposal, access and retrieval of records in any format.

They fall into a number of distinct categories. First, there are the records of each House, which are both divided into the categories of Chamber and Office records. Secondly, there are the records of the various Standing, Sessional and Select Committees, which are a combination of the types of records to be found in Chamber and Office. Finally there are the ancillary and support departments of Parliament, such as the Library and Hansard

Achievements in 2009-2010

- Completion of a Digital Disks Project - involving the download of 600 floppy disks (containing mainly Committee records) into the Parliaments' network drive, preparatory to processing them for a digital archive
- Processed a number of significant archival series including LA Committee Bills (1856-1898; 107 boxes; 21.4 shelf metres); and LA Tabled Papers 51st Parliament (1995-1999; 157 boxes; 31.4 shelf metres)
- Worked with the Records Project Manager to begin installing EDRMS and applying records and archives management principles to Parliaments' records

Looking ahead to 2010-2011

Moving forward, the archives team will focus on harnessing new technologies and refining policies. Specifically, plans are to:

- Make available to the public the digital archive of Committee archives (through online platforms)
- Develop a new suite of records management and archive policies to ensure industry best practice and legislative requirements are met.

Fast fact:

In 2009-2010 the Archives team processed...

209 reference inquiries,

136 record requests,

65 separate accessions of records,

142 photographs,

2 audio tapes, 3 VHS tapes,

4 CDs and 12 volumes

Case study: Parliament's historic collections

The NSW Parliamentary Library traces its history back to 1840, when it was charged with collecting materials to support Parliamentary decision-making and the legislative process.

Increasingly today this mission is fulfilled by the Library subscribing to databases and online tools which clients are able to search from their desktops through the Parliamentary network.

However the Parliamentary Library still maintains a rich historical collection of Australiana, much of which was acquired in the mid 19th century when books were selectively purchased from the private collections of several Members of Parliament and Chief Justices.

One of the treasures of the collection is the beautifully illustrated seven volume series by John Gould, *The Birds of Australia*, which depicts in hand-coloured lithographs the 681 species of birds known when it was published in the 1840s.

In 2010 *The Birds of Australia* was put on display in the Library, giving Members and the staff of Parliament a glimpse of the breadth and depth of the Library's collections.



One of the hand-coloured lithographs from 'The Birds of Australia', depicting species of the Black Cockatoo

The Teams cont...

Organisational Development

The Organisational Development (OD) unit of the DPS brings together a team committed to the management of Parliament's human resources, industrial relations, recruitment, OH&S management systems and training and development. In addition, the unit also provides professional services in relation to education and community engagement, and in the production of internal and external publications and communications strategies.

The OD team provides these services to a range of clients and stakeholders including the Presiding Officers, the Clerks, the DPS Executive Manager, Members, Members' staff, Parliamentary staff, the PSA and the Media, Entertainment and Arts Alliance, the Department of Premier and Cabinet and other government and non-government departments and agencies, educational institutions, visitors and the general community.

In relation to the Human Resources section, the unit delivers the following services:

- Provision of timely and accurate advice on human resources and industrial relations
- Maintenance of accurate personnel records, including processing employee entitlements for appointments, leave, allowances, study assistance, and salary increments
- Co-ordinating the recruitment processes including creation and evaluation of position descriptions, advertising, convening selection panels, pre-employment checks and screening
- Development and delivery of induction and training for Members and their staff and Parliamentary staff
- Management of negotiations for Award variations and reviews
- Management of payroll processes
- Management of the Parliament's savings implementation process
- Services related to investigations and resolutions of grievances and facilitation of mediation with both internal and independent mediators
- Development and coordination of a performance development program
- Research, development and review of corporate policies
- Development, implementation and review of OH&S strategic plans and policies to ensure compliance

with relevant legislation and regulation

- Support and advice to the Parliament House OH&S committee.

In relation to Education, the unit delivers the following services:

- Provision of support services to members, particularly to assist them in their role in servicing the information and education needs of their constituent
- Development and dissemination of education resources, activities and support for schools and other educational institutions and the community
- Organise events at the Parliament, including Open Days, school visits, Night Sittings and Tours
- Provision of curriculum and resource support to schools and adult students and development of seminar programs for educators
- Management of intern, volunteer and school student programs with Members, and Parliamentary staff.

In relation to the Communications and Marketing function, the unit delivers the following services:

- Development and production of various corporate publications including Annual Reports, strategic plans and information brochures
- Development and implementation of corporate identity and style guides
- Advice and support in relation to the promotion of events and activities associated with the Parliament.

Achievements in 2009-2010

In 2009-10 the OD team was particularly active in the areas of restructure and recruitment in the DPS, development of OH&S strategies and policies, induction programs for Members' staff and a range of community access and engagement activities.

- **Restructure and Recruitment in DPS.** During the reporting period, the team provided considerable assistance and support to other DPS sections in relation to the restructure proposals and changed management plans. The team also provided support with the consultation and negotiations with the relevant union bodies in relation to these actions. Over the reporting period, OD provided the support services for the recruitment, training and development of 19 new DPS staff members.

- **Parliament's budget savings plan.** As in previous years the Parliament was required to implement a savings implementation plan (SIP) to fund the 1.5% per annum component of the 4% per annum salary increase received at 1 July 2008, 2009 and 2010. The OD team managed the process of negotiating the terms of the SIP between Parliamentary management, Department of Premier and Cabinet and the PSA. Together with senior LA and LC staff, OD staff represented the Parliament at the Industrial Relations Commission to finalise the terms of the Parliament's Savings Implementation Plan.
- **Induction and training for Members' staff.** In 2009-10, the OD team expanded and delivered a comprehensive training and induction program for Legislative Assembly and Legislative Council Members' staff. The program consisted of a number of sessions including induction training and introduction to the Parliament, a 'vital information' course and a session focused on 'thriving in the workplace'. Important information on OH&S responsibilities was also provided at these sessions.
- **OH&S.** Considerable progress was made in the area of OH&S policy and procedure including the reestablishment of Parliament's OH&S Committee, consisting of 12 members. The committee was reconvened with a new Constitution, with OD staff providing administrative support to the committee and its members. Other significant achievements in the area of OH&S included the review and implementation of OH&S Policy (review and revision); OH&S Consultation Statement; New Work Safe Method Statement; Risk Assessment and Control Form and Injury Management flowcharts.
- **'Inside NSW Parliament'.** In this reporting period a new online resource 'Inside NSW Parliament' was launched and placed on the home page of the Parliament's website. 'Inside NSW Parliament' is a virtual tour program offering an interactive learning tool for students and members of the public. The Parliamentary Education unit, in conjunction with the Department of Education and Training made a significant contribution to the development of this program. 'Inside NSW Parliament' is also available on a touch screen console located in the Fountain Court of Parliament.
- **Events and tours.** As in previous years, the Education unit managed a large number of extremely successful events and activities at Parliament House. Overall, 35 community events were conducted attracting over 7,000 participants. These events included new initiatives such as the 'Art Treasures of Parliament House' and 'Behind the Scenes' tours. In addition, the Education unit managed 78 education-specific events, with approximately 4,000 students and teachers from metropolitan and regional schools participating.
- **Communications and Marketing.** With the recruitment of a specialist Communications and Marketing Officer, the Parliament was able to develop a range of external and internal publications and tools. In particular, work commenced on revising various corporate documents both in the DPS and for the House Departments. The unit also assisted Parliamentary Catering in the development of a comprehensive marketing plan, including a greater online presence.

The Teams cont...

Looking ahead to 2010-2011

In the next reporting period, the Organisational Development team will be focusing on new ways to improve and enhance service delivery and will deliver on a range of major projects, including:

- Review of the team structure, with plans to recruit additional specialist staff (including a dedicated Manager of Industrial Relations)
- Preparations for the March 2011 general election including support programs for departing members and their staff, and induction and training for new members and their staff
- Commence project to introduce an e-learning program to support education and access to corporate information, particularly for Electorate Offices
- Proceed with the development and implementation of an online OH&S Management system
- Prepare and implement a new records system – EDRMS
- Test and implement the SAP upgrade
- Commence a project to standardise, review and update Parliament-wide corporate policies
- Assist with recruitment, advice and support for other restructures and recruitment actions in DPS and the House Departments
- New community engagement initiatives, including an inaugural Family Fun /Open House Day for families of Members, staff and the general community
- Investigate additional technologies to assist with the delivery of education programs (in consultation with the Department of Education and Training)
- Redevelop key education and public access tools, following the March 2011 election
- Together with the House Departments, develop new streamlined internal communication tools, such as a staff newsletter for the whole of Parliament
- Work through a more detailed corporate identity program for the Department.

Meet the team: GRAHAM SPINDLER, Manager, Education

“With most things we run – and corny as it might sound – we genuinely have a sense of helping at least some citizens (especially young ones) to gain insights and a sense of involvement with parliament and our democratic system.”

Graham Spindler is the Manager of the Parliamentary Education Team and for the past 16 years has been at the forefront of establishing, maintaining and strengthening the relationship between Parliament and the wider community.

“I’m happy with what we’ve done here,” he says. “We are a tiny team of three positions, but we get a lot done, and that’s because of the fantastic people I work with.”

“We are the first Australian Parliament, and we try to make it one of the friendliest and most open. It belongs in every sense to the people so it is important for us to engage positively and informatively with people.”



Case study: Engaging the Community

One of the great challenges for all Australian parliaments is engaging with, and educating the community about who we are and what we do. A by-product of the media scrutiny of government and elected representatives – in itself vital to the health of our democracy – is that it can impact on the ability of citizens to understand the role of Parliament in contributing to the upkeep of our democratic systems.

The Parliament's Education Team plays a vital role in attempting to bridge these gaps between Parliament and the community by managing and conducting education and community relations programs on behalf of Members, staff and the public.

In recent months, the team has been working hard to build its community program repertoire, and now averages around 30-40 community events annually. These have included community college courses; off-site tours and talks as requested by community groups, and behind the scenes tours of Parliament House.

This year alone, the team successfully conducted a total of 35 events, with an estimated 7,125 participants. Programs included Australia Day, lunchtime tours of Parliament, and special events such as 'A Little Night Sitting', 'Visit Before You Vote', 'Art Treasures of Parliament House' and 'Behind the Scenes'.

In addition to these programs are the education events, which engage and educate students of primary, secondary and tertiary institutions. On average, the team conducts over 70 school tours a year, with many of the visitors coming from rural and regional areas of New South Wales.

For more information on school and public tours and events at Parliament, visit the website -

www.parliament.nsw.gov.au



Department of Parliamentary Services Staff Numbers by Level

Level	TOTAL Staff	Men	Women	Aboriginal and 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
< \$38,144		0	0	0	0	0	0	0
\$38,144 - \$50,099	44	15	29	0	8	8	0	0
\$50,100 - \$56,008	20	12	8	0	3	3	1	0
\$56,009 - \$70,873	32	13	19	0	6	3	0	0
\$70,874 - \$91,652	55	21	34	0	3	2	3	0
\$91,653 - \$114,566	29	21	8	0	3	2	1	0
> \$114,566 (non SES)	5	4	1	0	1	1	0	0
> \$114,566 (SES)	0	0	0	0	0	0	0	0
TOTAL	185	86	99	0	24	19	5	0

Fig 4

Percent of Total Department of Parliamentary Services Staff by Level

Level	TOTAL Staff	Men	Women	Aboriginal and 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
< \$38,144								
\$38,144 - \$50,099	44	34%	66%		18%	18%		
\$50,100 - \$56,008	20	60%	40%		15%	15%	5%	
\$56,009 - \$70,873	32	41%	59%		19%	9%		
\$70,874 - \$91,652	55	38%	62%		5%	4%	5%	
\$91,653 - \$114,566	29	72%	28%		10%	7%	3%	
> \$114,566 (non SES)	5	80%	20%		20%	20%		
> \$114,566 (SES)	0							
TOTAL	185	46%	54%		13%	10%	3%	

Fig 5

Case study: Promoting the Arts

As part of its responsibility to the people of New South Wales, the Parliament plays an important role in helping to celebrate and promote artistic communities, regularly featuring displays of local works of art in the Parliament's Fountain Court.

The exhibits are free of charge to the public, and provide an important means through which artists can access new and diverse audiences visiting the NSW Parliament.

During the year 2009-2010 Parliament was privileged to play host to some truly exceptional art works and exhibits, the installation and care of which was managed in part by specialists in the Parliamentary Facilities team, often in concert with the House Departments and Members of Parliament. Some of these exhibits included:

- **The 2009 Plein Air Painting Prize**

An acquisitive art prize of \$20,000, awarded for the best 'plein air' painting of a NSW subject by an Australian artist.

- **The 2009 Parliament of NSW Aboriginal Art Prize**

An acquisitive art prize of \$20,000, awarded annually to one of the many outstanding NSW born Aboriginal artists. In 2009, 52 works by 37 individual artists were selected as finalists.

- **The Hannah Cabinet**

In 2009, Parliament played host to one of the most extraordinary and exquisite pieces of furniture in Australia: The Hannah Cabinet (below). Created by master craftsman, Geoff Hannah, it is a beautiful and painstaking labour of love, taking over 5000 hours to complete and featuring 34 fine timbers and veneers, 17 types of stone, four types of shell and 23-carat gold leaf.



Master craftsman, Geoff Hannah, introduces his latest creation - the Hannah Cabinet - to the NSW Parliament

The Teams cont...

Parliamentary Catering

Parliamentary Catering provides in-house dining and function facilities for Members, their guests, Parliamentary staff and, increasingly, corporate bodies and community groups. This highly specialised team brings together experts in catering administration and event organisation, and pairs them with first-class chefs, baristas and wait staff.

There are 6 catered venues in Parliament including dining rooms, the cafe, conference rooms, theatrettes and the gardens.

Food services are operated out of two large kitchens, and provide food for the dining rooms, cafe, room service and individual catered functions.

Achievements in 2009-2010

The focus of the Catering Team was first and foremost on providing high standards of service to the many important functions hosted at Parliament throughout the year. Some of these functions included:

- the Green Globe Awards
- Margaret Fultons' 85th Birthday,
- the Father of the Year Awards
- fundraising events for groups such as the National Breast Cancer Foundation and the Cancer Council of Australia
- several diplomatic functions and embassy events
- events hosted by the Department of Premier and Cabinet
- events hosted by Members of Parliament.

Other areas of focus for the team included looking at ways of continuing to improve on the venues and services offered, and to further streamline administrative practices and policies.

For the venues, this included a re-vamp of Members and staff dining facilities. 500 new banquet chairs, 40 new round banquet tables and 30 trestle tables were purchased, as were 10 new waiter stations.

The kitchens also received an upgrade with the purchase of two new rational ovens to replace older models which were nearing the end of their life cycles.

The new ovens have helped to improve the quality and efficiency of meal preparation - particularly important when catering to functions of 200 or more.

On the administration side, the team completed a revised set of internal terms and conditions for Members, which will again improve efficiency around the organisation of internal functions.

Finally, some forays were made into external marketing of the Parliament as a corporate catering and venue service, with a particular focus on engaging with corporate and professional bodies within the CBD.

This included the launch of a new dedicated website to showcase the venues, services and catering menus of the Parliament:

www.parliamentarycatering.com.au

Fast fact:

In 2009-2010, over 100,000 guests were booked into Parliaments' Function Rooms, and over 300,000 dishes were plated

Looking ahead to 2010-2011

In 2010-2011, the team will continue to focus on providing high standards of service, which will include new and innovative menus developed by our team of first class chefs, as well as improvements to regular services such as the Parliament's Cafe - Cafe Quorum.

There will also be continued improvements made to the venues themselves, as part of an ongoing plan of maintenance, improvement and renewal.

Specifically, there are plans to replace the current wall coverings in the dining rooms, and some areas of carpeting.

Particular attention will be paid to the Members' Dining Room, with quotes and samples being sought to re-upholster the traditional Members' chairs.

The team will also explore new avenues for marketing to corporate bodies, with plans to develop a comprehensive marketing and communications plan.

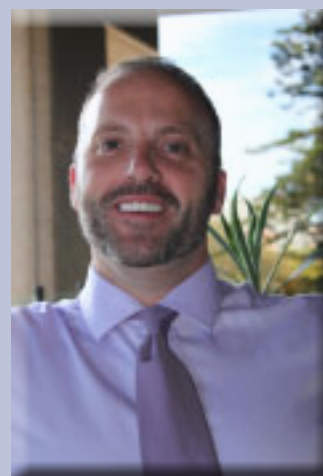
As part of this, the Catering Team will participate for the first time in the RSVP Trade Show (July 2010) - an industry event designed to showcase catering services and venues to corporate event planners from the CBD and interstate.

Meet the team: PHILIP FREEMAN, General Manager, Parliamentary Catering

Philip and his team of event managers, chefs and wait staff are responsible for managing the kitchens, dining rooms and function areas of Parliament, which regularly play host to anything from an intimate gathering of 50 people, to full-scale functions for 800 guests.

The types of events hosted at Parliament range from Ministerial events to award ceremonies, cocktail functions, exhibition launches, functions for visiting dignitaries and charity fundraisers. Guests have included royalty, international dignitaries, Prime Ministers, Premiers and Governors.

Philip, however, handles it all with a level of professionalism and aplomb born from 20 years' experience in catering and venue management, during which time he has catered to everyone from The Queen of England, to former Australian Prime Ministers, to corporate suits and now Members of Parliament.



Case study: Parliaments Venues

The New South Wales Parliament is one of the oldest buildings in New South Wales, having started out life as Sydney's Rum Hospital in 1816, before being appropriated for Parliamentary purposes in 1829.

Over the years, the building has undergone many changes and transformations, with the most recent being the restoration project of the 1980s, which included also the addition of a block of modern offices along the Hospital Road side of Parliament.

Today, it provides the setting for some of the most

unique catering venues in the Sydney CBD including the Parliamentary Dining Rooms; the magnificent Fountain Court (with a water feature designed by the late Robert Woodward); the Rooftop Garden; Jubilee Room (with its spectacular stained glass ceiling); Cafe Quorum and conference rooms including the Waratah Room and Theatrette.

Principally, the venues play host to Members' functions, however they are increasingly booked by corporate bodies and community groups wishing to entertain in Parliament's historic halls.



Clockwise from top: Stranger's Dining Room, Jubilee Room, Rooftop Garden, Fountain Court

If you are interested in finding out more about hosting an event at the NSW Parliament, please feel free to get in touch with our catering team.

P: 02 9230 2248

F: 02 9230 2860

E: catering@parliament.nsw.gov.au

You can find more information about the venues, as well as our catering menus at: www.parliamentarycatering.com.au



Financial Commentary

The Parliament

The budgeted net cost of services of the Parliament for 2009/2010 was \$118.602 million. This budget was later revised for an approved variation of \$185,000 to \$118.787 million. The actual net cost of services of the Parliament for 2009/2010 was \$121.312 million. This variation arose from unbudgeted redundancy and termination payments, restatement of depreciation and amortisation charges, an unbudgeted hindsight adjustment for workers compensation premium and higher than budgeted temporary employment arrangements (contractors, higher duties and temporary staff).

Department of Parliamentary Services

The Department of Parliamentary Services accounts for 21% of the Net Cost of Services of the Parliament - \$24.456 million.

Total employee costs of the Department (see Fig 6) were \$20.269 million, mainly applied to maintenance and facility support, as well as Hansard services to the House Departments.

Total expenses (see Fig 6) of the Department were \$29.590 million, mainly applied to the delivery of direct services to Members and the House Departments through the provision of information services and facilities.

As the Department completes the restructures associated with the establishment of DPS, and temporary employment positions are permanently filled, employee-related costs are expected to reduce.

The Department generates revenue from catering activities including the hosting of functions. This revenue supports the operations of the Parliament and encourages community access.

Total revenue for the Department was \$4.181 million, mainly from catering activities and the recovery of costs in relation to air conditioning from the NSW State Library and Sydney Hospital (see Fig 7).

Total book value of assets for the Parliament was \$184.671 million. These assets are managed by DPS

to ensure the efficient functioning of Parliament and include collection assets in excess of \$43 million (see Fig 8).

Outlook

The Parliament's net cost of services budget for 2010/2011 is \$124.295 million. This includes some additional funding for staff and equipment as well as an increased allocation for telecommunication charges to reflect the wider deployment of technology to Members.

The capital allocation for 2010/2011 includes an additional \$8.247 million for projects to improve security, information technology and plant replacement. This allocation also includes an upgrade of the Parliament's SAP ERP system. These capital projects will be managed by DPS to support Members and the House Departments as part of an ongoing commitment to asset management.

Fig 6 - DPS Employee Costs and Total Expense

DPS Branch	Employee costs (%)	Department expense (%)
Executive Management	2.00	1.99
Organisational Development	5.00	4.73
Financial Services	10.00	8.5
Information Services	11.00	10.04
Library	12.00	10.66
Catering	13.00	16.55
Hansard	15.00	11.91
Parliamentary Facilities	32.00	35.62

Fig 7 - DPS Revenue

Revenue Source	Contribution to total revenue (%)
Publications	1.00
Miscellaneous	2.00
Interest	4.00
Parking	7.00
Cost recovery	14.00
Catering	72.00

Fig 8 - DPS Asset Classes

Asset Class	Contribution to total book value of assets (%)
Antiques	2.06
Artworks	3.72
Library	4.82
Plant & Equipment	6.54
Archives	12.80
Land	26.37
Buildings	43.68

The Legislature and Financial Statements





GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

The Legislature

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of The Legislature, which comprise the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity, statement of cash flows, service group statements and a summary of compliance with financial directives for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial statements:

- present fairly, in all material respects, the financial position of the Legislature as at 30 June 2010, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010

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

The Clerks' and Executive Manager's Responsibility for the Financial Statements

The Clerk of the Legislative Assembly, the Clerk of the Parliaments and the Executive Manager Parliamentary Services are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

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.
- about the assumptions used in formulating the budget figures disclosed in the financial statements.

Independence

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

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- 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 of New South Wales are not compromised in their role by the possibility of losing clients or income.



Peter Achterstraat
Auditor-General

16 November 2010
SYDNEY



12 November 2010

File ref: DPS490


The Legislature

**Financial Statements for the Year ended
30 June 2010**

Statement by Department Heads

We state that:

- 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;
- the statements exhibit a true and fair view of the financial position and transactions of The Legislature; and
- 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


Lynn Lovelock
Clerk of the Parliaments


Kim Smith
Acting Executive Manager
Parliamentary Services

Date: 12/11/2010

Date: 12-11-10

Date: 12-11-10

THE LEGISLATURE

Statement of comprehensive income for the year ended 30 June 2010

	Notes	Actual 2010 \$'000	Budget 2010 \$'000	Actual 2009 \$'000
Expenses excluding losses				
Operating expenses				
Employee related	2(a)	56,258	53,173	53,582
Other operating expenses	2(b)	24,929	25,200	25,785
Depreciation and amortisation	2(c)	5,219	4,541	5,184
Other expenses - Members' remuneration	2(d)	40,294	40,578	39,337
Total Expenses excluding losses		126,700	123,492	123,888
Revenue				
Sale of goods and services	3(a)	4,915	4,515	4,241
Investment revenue	3(b)	140	120	237
Grants and contributions	3(c)	17	-	832
Other revenue	3(d)	363	255	1,194
Total Revenue		5,435	4,890	6,504
Gain / (loss) on disposal	4	(47)	-	(30)
Net Cost of Services	18	121,312	118,602	117,414
Government Contributions				
Recurrent appropriation	5	104,073	104,322	101,753
Capital appropriation	5	5,522	3,836	5,557
Acceptance by the Crown Entity of employee benefits and other liabilities	6	10,461	9,981	10,377
Total Government Contributions		120,056	118,139	117,687
SURPLUS/(DEFICIT) FOR THE YEAR		(1,256)	(463)	273
Other comprehensive income				
Net increase / (decrease) in property, plant and equipment asset revaluation reserve		5,355	-	(14,627)
Other comprehensive income for the year		5,355	-	(14,627)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		4,099	(463)	(14,354)

The accompanying notes form part of these statements.

THE LEGISLATURE

Statement of financial position as at 30 June 2010

	Notes	Actual 2010 \$'000	Budget 2010 \$'000	Actual 2009 \$'000
ASSETS				
Current Assets				
Cash and cash equivalents	8	2,457	4,066	3,318
Receivables	9	1,810	1,652	1,732
Inventories	10	95	199	105
Total Current Assets		4,362	5,907	5,155
Non-Current Assets				
Property, plant and equipment	11			
- Land and buildings		129,361	139,202	124,855
- Plant and equipment		12,085	12,917	12,104
- Collection assets		43,225	40,111	41,862
Total property, plant and equipment		184,671	192,230	178,821
Intangible assets	12	27	23	111
Total Non-Current Assets		184,698	192,253	178,932
Total Assets		189,060	198,160	184,087
LIABILITIES				
Current Liabilities				
Payables	13	5,857	4,073	5,541
Provisions	14	5,455	4,950	4,903
Total Current Liabilities		11,312	9,023	10,444
Non-Current Liabilities				
Provisions	14	50	35	44
Total Non-Current Liabilities		50	35	44
Total Liabilities		11,362	9,058	10,488
Net Assets		177,698	189,102	173,599
EQUITY				
Reserves		32,554	41,826	27,199
Accumulated Funds		145,144	147,276	146,400
Total Equity		177,698	189,102	173,599

The accompanying notes form part of these statements.

THE LEGISLATURE**Statement of changes in equity for the year ended 30 June 2010**

	Accumulated Funds	Asset Revaluation Surplus	Total
	\$'000	\$'000	\$'000
Balance at 1 July 2009	<u>146,400</u>	<u>27,199</u>	<u>173,599</u>
Surplus / (deficit) for the year	<u>(1,256)</u>	<u>-</u>	<u>(1,256)</u>
Other comprehensive income			
Net increase / (decrease) in property, plant and equipment	<u>-</u>	<u>5,355</u>	<u>5,355</u>
Total other comprehensive income for the year	<u>-</u>	<u>5,355</u>	<u>5,355</u>
Total comprehensive income for the year	<u>(1,256)</u>	<u>5,355</u>	<u>4,099</u>
Balance at 30 June 2010	<u>145,144</u>	<u>32,554</u>	<u>177,698</u>
Balance at 1 July 2008	<u>146,127</u>	<u>41,826</u>	<u>187,953</u>
Surplus / (deficit) for the year	<u>273</u>	<u>-</u>	<u>273</u>
Other comprehensive income			
Net increase / (decrease) in property, plant and equipment	<u>-</u>	<u>(14,627)</u>	<u>(14,627)</u>
Total other comprehensive income for the year	<u>-</u>	<u>(14,627)</u>	<u>(14,627)</u>
Total comprehensive income for the year	<u>273</u>	<u>(14,627)</u>	<u>(14,354)</u>
Balance at 30 June 2009	<u>146,400</u>	<u>27,199</u>	<u>173,599</u>

THE LEGISLATURE

Statement of cash flows for the year ended 30 June 2010

	Notes	Actual 2010 \$'000	Budget 2010 \$'000	Actual 2009 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(52,146)	(50,549)	(50,468)
Other		(61,190)	(60,607)	(60,506)
Total Payments		<u>(113,336)</u>	<u>(111,156)</u>	<u>(110,974)</u>
Receipts				
Sale of goods and services		4,824	4,797	4,098
Interest received		152	120	232
Other		3,562	2,655	4,949
Total Receipts		<u>8,538</u>	<u>7,572</u>	<u>9,279</u>
Cash Flows From Government				
Recurrent appropriation	5	104,073	104,322	101,753
Capital appropriation	5	5,522	3,836	5,557
Net Cash Flows From Government		<u>109,595</u>	<u>108,158</u>	<u>107,310</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	18	<u>4,797</u>	<u>4,574</u>	<u>5,615</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of land and buildings, plant and equipment		-	-	-
Purchases of land and buildings, plant and equipment		(5,658)	(3,836)	(6,223)
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>(5,658)</u>	<u>(3,836)</u>	<u>(6,223)</u>
NET INCREASE / (DECREASE) IN CASH		(861)	738	(608)
Opening cash and cash equivalents		3,318	3,318	3,926
CLOSING CASH AND CASH EQUIVALENTS	8	<u>2,457</u>	<u>4,056</u>	<u>3,318</u>

The accompanying notes form part of these statements.

THE LEGISLATURE

Supplementary Financial Statements

Summary of compliance with financial directives

	2010				2009			
	RECURRENT APP'N \$'000	EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND \$'000	CAPITAL APP'N \$'000	EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND \$'000	RECURRENT APP'N \$'000	EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND \$'000	CAPITAL APP'N \$'000	EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND \$'000
ORIGINAL BUDGET APPROPRIATION / EXPENDITURE								
• Appropriation Act Additional Appropriations	104,322	103,888	3,836	3,836	102,443	101,783	5,557	5,557
• §21A PF&AA – special appropriation	-	-	-	-	-	-	-	-
• §24 PF&AA – transfers of functions between departments	-	-	-	-	-	-	-	-
• §26 PF&AA – Commonwealth specific purpose payments	104,322	103,888	3,836	3,836	102,443	101,783	5,557	5,557
OTHER APPROPRIATIONS / EXPENDITURE								
• Treasurer's Advance	185	185	2,309	1,686	-	-	-	-
• Section 22 – expenditure for certain works and services	-	-	-	-	-	-	-	-
• Transfers to/from another agency (§2B - Appropriation Act)	185	185	2,309	1,686	-	-	-	-
Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	104,507	104,073	6,145	5,522	102,443	101,783	5,557	5,557
Amount drawn down against Appropriation Liability to Consolidated Fund*	-	-	-	-	-	-	-	-

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

Supplementary Financial Statements

Service group statements for the year ended 30 June 2010

	Chamber and Committee Support *		Members' Support *		Community Access *		Not Attributable		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
THE LEGISLATURE'S EXPENSES & REVENUES										
Expenses excluding losses										
Operating expenses	7,426	7,073	45,794	43,616	3,038	2,882	-	-	56,258	53,581
- Employee related	3,281	3,404	20,292	20,869	1,346	1,302	-	-	24,629	25,785
- Other operating expenses	689	684	4,248	4,220	282	280	-	-	5,219	5,184
Depreciation and amortisation	5,310	5,192	32,750	32,020	2,178	2,126	-	-	40,294	39,338
Other expenses	16,725	16,353	103,133	100,845	6,842	6,690	-	-	126,700	123,888
Total expenses excluding losses										
Revenue	640	590	4,001	3,453	265	229	-	-	4,915	4,242
Sale of goods and services	16	31	114	193	8	13	-	-	140	237
Investment revenue	2	110	14	677	1	45	-	-	17	832
Grants and contributions	48	158	265	971	20	64	-	-	363	1,193
Other revenue	717	859	4,424	5,294	294	351	-	-	5,435	6,504
Gain / (loss) on disposal	(6)	(4)	(38)	(24)	(3)	(2)	-	-	(47)	(30)
Net Cost of Services	16,014	15,488	98,747	95,575	6,551	6,341	-	-	121,312	117,414
Government contributions**	(16,014)	(15,488)	(98,747)	(95,575)	(6,551)	(6,341)	120,056	117,687	120,056	117,687
SURPLUS/(DEFICIT) FOR THE YEAR										
Other Comprehensive Income	707	(1,931)	4,359	(11,905)	269	(790)	-	-	5,355	(14,627)
Increase / (decrease) in asset revaluation reserve	707	(1,931)	4,359	(11,905)	269	(790)	-	-	5,355	(14,627)
Total Other Comprehensive Income										
TOTAL COMPREHENSIVE INCOME	(15,307)	(17,429)	(94,388)	(107,481)	(6,282)	(7,131)	120,056	117,687	4,999	(14,354)

*The names and purposes of each program are summarised in note 7.

**Appropriations are made on an agency basis and not to individual service groups. Consequently, government contributions must be included in the "Not Attributable" column. The assets and liabilities of The Legislature are such that they cannot be attributed to specific service groups.

THE LEGISLATURE

Supplementary Financial Statements

Service group statements (continued)

	Chamber and Committee Support *		Members' Support *		Community Access *		Not Attributable		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
THE LEGISLATURE'S EXPENSES & REVENUES										
Current Assets										
Cash and cash equivalents	-	-	-	-	-	-	2,457	3,318	2,457	3,318
Receivables	-	-	-	-	-	-	1,010	1,732	1,810	1,732
Inventories	-	-	-	-	-	-	95	105	95	105
Total current assets	-	-	-	-	-	-	4,362	5,155	4,362	5,155
Non-current Assets										
Property, plant and equipment	-	-	-	-	-	-	184,671	178,821	184,671	178,821
Intangibles	-	-	-	-	-	-	27	111	27	111
Total non-current assets	-	-	-	-	-	-	184,698	178,932	184,698	178,932
TOTAL ASSETS	-	-	-	-	-	-	189,060	184,087	189,060	184,087
Current liabilities										
Payables	-	-	-	-	-	-	5,857	5,541	5,857	5,541
Provisions	-	-	-	-	-	-	5,455	4,903	5,455	4,903
Total current liabilities	-	-	-	-	-	-	11,312	10,444	11,312	10,444
Non-current liabilities										
Provisions	-	-	-	-	-	-	50	44	50	44
Total non-current liabilities	-	-	-	-	-	-	50	44	50	44
TOTAL LIABILITIES	-	-	-	-	-	-	11,362	10,488	11,362	10,488
NET ASSETS	-	-	-	-	-	-	177,698	173,599	177,698	173,599

*The names and purposes of each service group are summarised in Note 7.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2010

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 Clerk of the Parliaments, the Clerk of the Legislative Assembly and the Executive Manager Parliamentary Services. It includes all the functions of parliamentary representation undertaken by the Legislative Council and the Legislative Assembly, and the Department of Parliamentary Services. 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 not a NSW government department. 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 Accounts.

This financial statement for the year ended 30 June 2010 has been authorised for issue by the Clerk of the Legislative Assembly, the Clerk of the Parliaments and the Acting Executive Manager Parliamentary Services on 12 November 2010.

(b) Basis of preparation

The Legislature's financial statements are general purpose financial statements which have been prepared in accordance with:

- Applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- 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, or issued by the Treasurer.

Property, plant and equipment, 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 has made are disclosed in the relevant notes to the financial statements.

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

(c) Statement of compliance

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

(d) 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.

(e) Accounting for the Goods and Services Tax (GST)

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

- 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.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2010

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

(f) 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

Except as specified below, parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as income when The Legislature obtains control over the assets comprising the appropriations / contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash. Appropriations are not recognised as income in the following circumstances:

Unspent appropriations are recognised as liabilities rather than income, as the authority to spend the money lapses and the unspent money must be repaid to the Consolidated Fund.

(ii) Sales of goods

Revenue from the sale of goods is recognised as revenue when The Legislature 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 AASB 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.

(g) Assets

(i) 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 asset 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.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2010

(ii) 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.

(iii) 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 07-1). 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 revalues 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 2010	D P Martin Pty Ltd
Buildings	30 June 2010	D P Martin Pty Ltd
Plant & Equipment (Building Technical Services Assets)	30 June 2009	D P Martin Pty Ltd
Collection Assets:		
Library Collection	30 June 2009	Simon Storey Valuers
Archives Collection	30 June 2009	Simon Storey Valuers
Antiques	30 June 2010	Simon Storey Valuers
Artworks	30 June 2010	Simon Storey Valuers

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.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2010

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.

(iv) 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.

(v) 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 Legislature.

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

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

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

(vi) Major inspection costs

When each major inspection is performed, the labour cost of performing major inspections for faults is recognized in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

(vii) Restoration costs

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognized as a liability.

(viii) 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.

(ix) 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 statement of comprehensive income in the periods in which they are incurred.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2010

(x) Intangible assets

The Legislature recognises intangible assets only if it is probable that future economic benefits will flow to The Legislature 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 Legislature'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 three years.

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

(xi) Loans and receivables

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 recognized in the surplus / (deficit) for the year when impaired, derecognized or through the amortization process.

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

(xii) Inventories

Inventories held for distribution are stated at cost, adjusted when applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of a current replacement cost that is lower than the carrying amount. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. Cost is calculated using the "first in first out" method.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(xiii) 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 surplus / (deficit) for the year.

When an available for sale financial asset is impaired, the amount of the cumulative loss is removed from equity and recognised in the surplus / (deficit) for the year, 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 surplus / (deficit) for the year.

Any reversals of impairment losses are reversed through the surplus / (deficit) for the year, 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.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2010

(h) Liabilities

(i) Payables.

These amounts represent liabilities for goods and services provided to The Legislature and other amounts. 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.

(ii) Employee benefits and other provisions

(a) 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 twelve months is measured at present value in accordance with AASB 119 *Employee Benefits*. Market yields on government bonds of 4.44% 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.

(b) 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 09/04) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

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.

(c) 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.

(i) Equity and reserves

(i) 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 property, plant and equipment as discussed in note 1(g)(iii).

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2010

(ii) Accumulated Funds

The category accumulated funds includes all current and prior period retained funds.

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

(j) 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 statement of comprehensive income and the statement of cash flows are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the statement of financial position, 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 statement (rather than carried forward estimates).

(k) Comparative information

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

The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2010

2. Expenses Excluding Losses

(a) Employee Related Expenses	2010	2009
	\$'000	\$'000
Salaries and wages (including recreation leave)	42,579	41,244
Superannuation – defined benefit plans	1,241	1,217
Superannuation – defined contribution plans	2,974	2,802
Payroll tax and fringe benefits tax	2,620	2,697
Long service leave	1,460	1,494
Worker's compensation insurance	1,176	838
Employment agency staff	4,208	3,132
Other	-	158
	<u>56,258</u>	<u>53,582</u>
(b) Other Operating Expenses including the following:	2010	2009
	\$'000	\$'000
Auditor's remuneration		
– audit of the financial statements	55	57
– audit of Members' additional entitlements under Parliamentary Remuneration Tribunal Determination	53	56
Cost of Sales - House Committee	1,094	917
Operating Lease Rental Expense-Minimum Lease Payments	5,166	4,993
Maintenance	1,414	1,663
Insurance	288	243
Printing and stationery	6,063	6,634
Telecommunication costs	1,058	1,126
Travel expenses	1,566	1,821
Computer costs	2,093	2,295
Stores	297	566
Postage	709	761
Miscellaneous	1,550	1,763
Energy charges	1,320	1,064
Cleaning and laundry	650	620
Contract and other fees	1,553	1,206
	<u>24,929</u>	<u>25,785</u>
	2010	2009
	\$'000	\$'000
<i>Reconciliation – Total maintenance</i>		
Maintenance expense – contracted labour and other (non-employee related), as above	1,322	1,663
Employee related maintenance expense included in Note 2 (a)	5,334	3,582
Total maintenance expenses included in Note 2(a) + 2(b)	<u>6,656</u>	<u>5,245</u>

The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2010

(c)	Depreciation and amortisation expense	2010	2009
		\$'000	\$'000
	Depreciation:		
	– buildings	1,446	1,422
	– plant and equipment	2,648	2,594
	– collection assets	28	174
		<u>4,122</u>	<u>4,190</u>
	Amortisation:		
	– leasehold improvements	1,013	928
	– intangibles	84	66
		<u>1,097</u>	<u>994</u>
	Total Depreciation and Amortisation Expense	<u>5,219</u>	<u>5,184</u>
(d)	Other Expenses – Members' Remuneration	2010	2009
		\$'000	\$'000
	Salaries and allowances of Members of Parliament	29,779	28,988
	Superannuation entitlements – Members	7,872	7,671
	Payroll tax & fringe benefits tax – Members' entitlements	2,343	2,300
	Special Projects	300	378
		<u>40,294</u>	<u>39,337</u>
3.	Revenue		
(a)	Sale of Goods and Services	2010	2009
	<u>Sale of Goods</u>	\$'000	\$'000
	House Committee sales of food and beverages	2,990	2,641
	Energy recoup from Sydney Hospital and State Library	604	470
	Sale of publications	27	21
		<u>3,621</u>	<u>3,132</u>
	<u>Rendering of Services</u>		
	Rent on Parliament House ministerial offices	943	909
	Miscellaneous	351	200
		<u>1,294</u>	<u>1,109</u>
		<u>4,915</u>	<u>4,241</u>

The Legislature**Notes to and forming part of the Financial Statements for year ended 30 June 2010**

(b)	Investment Revenue	2010	2009
		\$'000	\$'000
	Interest revenue on operating accounts	140	237
		<u>140</u>	<u>237</u>
(c)	Grants and Contributions	2010	2009
		\$'000	\$'000
	Department of Environment – energy and water savings project	-	832
	Twinning Project - Pacific Public Sector Linkage's Program No.1	17	-
		<u>17</u>	<u>832</u>
(d)	Other Revenue	2010	2009
		\$'000	\$'000
	Increment from asset valuation offsetting prior decrement	-	494
	Assets recognised for first time	19	358
	Miscellaneous	344	342
		<u>363</u>	<u>1,194</u>
4.	<i>Gain / (Loss) on Disposal</i>	2010	2009
		\$'000	\$'000
	Loss on disposal of plant and equipment	-	-
	Proceeds from disposal	-	-
	Written down value of assets disposed	(47)	(30)
	Net gain/(loss) on disposal of plant and equipment	<u>(47)</u>	<u>(30)</u>

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2010

5. Appropriations	2010	2009
Recurrent appropriations	\$'000	\$'000
Total recurrent draw-downs from NSW Treasury (per Summary of compliance)	104,073	101,753
Less: Liability to Consolidated Fund (per Summary of compliance)	-	-
	104,073	101,753
Comprising:		
Recurrent appropriations (per Statement of comprehensive income)	104,073	101,753
	2010	2009
Capital Appropriations	\$'000	\$'000
Total capital draw-downs from NSW Treasury (per Summary of compliance)	5,522	5,557
Less: Liability to Consolidated Fund (per Summary of compliance)	-	-
	5,522	5,557
Comprising:		
Capital appropriations (per Statement of comprehensive income)	5,522	5,557
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:		
	2010	2009
	\$'000	\$'000
Employees		
Superannuation	1,331	1,217
Long service leave	1,460	1,494
Payroll tax on superannuation	68	74
	2,859	2,785
Members		
Superannuation	7,201	7,171
Payroll tax on superannuation	401	421
	7,602	7,592
	10,461	10,377

The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2010

7. Service Groups of The Legislature

Service Group 1.1 Chamber and Committee Support

Service Description: This service group covers procedural support (specialist advice, information and research services to Members); chamber support (operational support for the chambers to carry out their business); committee support (the provision of a secretariat for each committee, the provision of advice and information on its operation and on its enquiry and the provision of mechanisms to allow for public consultation) and Parliamentary reporting (Hansard services to the Houses and to committees).

Linkage to Results: This service group contributes to the Parliament of New South Wales fulfilling its role as a representative and legislative body by working towards a range of intermediate results that include the effective functioning of the Parliament and its committees and supporting Members of Parliament to fulfill their Parliamentary roles.

Service Group 1.2 Members' Support

Service Description: This service group covers Members' services (the provision of human resources services to Members and the administration of Members' entitlements), facilities management (maintenance of Members' offices, the Parliament House building and associated services such as security, catering, building services) financial services and information services. With regard to the Legislative Assembly Members, it includes management of electorate offices lease, fitout and maintenance of equipment and amenities.

Linkage to Results: This service group contributes to the Parliament of New South Wales fulfilling its role as a representative and legislative body by working towards a range of intermediate results that include the effective functioning of the Parliament and its committees and supporting Members of Parliament to fulfill their Parliamentary roles.

Service Group 1.3 Community Access

Service Description: This service group covers community education services such as school tours, visitor tours and open days and education in service sessions for teachers; exhibition services (historical displays, art exhibitions, expositions); public events and functions, particularly utilising the building's function rooms; webstreaming of the proceedings in both Houses and Members' newsletters to constituents.

Linkage to Results: This service group contributes to the Parliament of New South Wales fulfilling its role as a representative and legislative body by working towards the intermediate result of Community access and awareness of the role and functions of the Parliament.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2010

8. Current Assets – Cash and Cash Equivalents

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

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

	2010	2009
	\$'000	\$'000
Cash at Bank and on hand	2,457	3,318
	<u>2,457</u>	<u>3,318</u>

Refer to Note 19 for details regarding credit risk, liquidity risk and market risk arising from financial statements,

	2010	2009
	\$'000	\$'000
9. Current Assets - Receivables		
Sales of goods and services	835	797
Less: Allowance for impairment	36	35
	<u>799</u>	<u>762</u>
G.S.T. recoverable from A.T.O.	706	650
Other debtors	29	10
Prepayments	194	215
Investment income	82	95
	<u>1,810</u>	<u>1,732</u>

	2010	2009
	\$'000	\$'000
<i>Movement in the allowance for impairment</i>		
Balance at July	35	8
Amounts written off during the year	(32)	-
Amounts recovered during the year	-	(1)
Increase/ (decrease) in allowance recognised in profit or loss	<u>33</u>	<u>28</u>
Balance at 30 June	<u>36</u>	<u>35</u>

The Legislature**Notes to and forming part of the Financial Statements for year ended 30 June 2010****10. Current Assets - Inventories**

	2010	2009
	\$'000	\$'000
Held for resale		
Food and beverage stock at cost	95	105
	<u>95</u>	<u>105</u>

11. Non-Current Assets – Property, Plant and Equipment

	Land and Buildings	Plant and Equipment	Collection Assets	Total
	\$'000	\$'000	\$'000	\$'000
At 30 June 2009 – fair value				
Gross carrying amount	174,568	48,875	51,322	274,765
Accumulated depreciation and impairment	49,713	36,771	9,460	95,944
Net Carrying Amount	<u>124,855</u>	<u>12,104</u>	<u>41,862</u>	<u>178,821</u>
At 30 June 2010 – fair value				
Gross carrying amount	180,983	51,304	52,713	285,000
Accumulated depreciation and impairment	51,622	39,219	9,488	100,329
Net Carrying Amount	<u>129,361</u>	<u>12,085</u>	<u>43,225</u>	<u>184,671</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 2010				
Net carrying amount at start of year	124,855	12,104	41,862	178,821
Additions	3,012	2,631	34	5,677
Disposals	-	(203)	(126)	(329)
Net revaluation increments less revaluation decrements	3,953	-	1,483	5,436
Accumulated depreciation written back on disposal	-	201	-	201
Internal transfers	-	-	-	-
Depreciation Expense	(2,459)	(2,648)	(28)	(5,135)
Net carrying amount at end of year	<u>129,361</u>	<u>12,085</u>	<u>43,225</u>	<u>184,671</u>

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2010

	Land and Buildings	Plant and Equipment	Collection Assets	Total
	\$'000	\$'000	\$'000	\$'000
At 30 June 2008				
Gross Carrying Amount	185,376	46,630	49,767	281,773
Accumulated depreciation and impairment	44,866	36,074	9,287	90,227
Net Carrying Amount	140,510	10,556	40,480	191,546
At 30 June 2009				
Gross Carrying Amount	174,568	48,875	51,322	274,765
Accumulated depreciation and impairment	49,713	36,771	9,460	95,944
Net Carrying Amount	124,855	12,104	41,862	178,821

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 2009				
Net carrying amount at start of year	140,510	10,556	40,480	191,546
Additions	3,280	2,912	363	6,555
Disposals	-	(1,267)	-	(1,267)
Net revaluation increments less revaluation decrements	(16,808)	1,483	1,193	(14,132)
Accumulated depreciation written back on disposal	-	1,237	-	1,237
Internal transfers	223	(223)	-	-
Depreciation Expense	(2,350)	(2,594)	(174)	(5,118)
Net carrying amount at end of year	124,855	12,104	41,862	178,821

The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2010

12. Intangible Assets

Software

At 1 July 2009	S'000
Cost (gross carrying amount)	2,468
Accumulated amortisation and impairment	<u>2,357</u>
Net carrying amount	<u>111</u>

At 30 June 2010	
Cost (gross carrying amount)	2,468
Accumulated amortisation and impairment	<u>2,441</u>
Net carrying amount	<u>27</u>

Reconciliation

Year ended 30 June 2010	
Net carrying amount at start of year	111
Additions	-
Disposals	-
Accumulated amortisation written back on disposal	-
Amortisation (recognised in depreciation and amortisation)	<u>(84)</u>
Net carrying amount at end of year	<u>27</u>

At 1 July 2008

Cost (gross carrying amount)	2,442
Accumulated amortisation and impairment	<u>2,291</u>
Net carrying amount	<u>151</u>

At 30 June 2009

Cost (gross carrying amount)	2,468
Accumulated amortisation and impairment	<u>2,357</u>
Net carrying amount	<u>111</u>

Reconciliation

Year ended 30 June 2009	
Net carrying amount at start of year	151
Additions	26
Disposals	-
Accumulated amortisation written back on disposal	-
Amortisation (recognised in depreciation and amortisation)	<u>(66)</u>
Net carrying amount at end of year	<u>111</u>

The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2010

13. Current Liabilities - Payables	2010	2009
	\$'000	\$'000
Accrued wages, salaries and on-costs	2,254	2,000
Trade creditors	2,858	3,054
Other payables	745	487
	<u>5,857</u>	<u>5,541</u>
14. Current / Non- Current Liabilities - Provisions	2010	2009
	\$'000	\$'000
(a) Current		
Recreation leave	4,267	3,787
On-cost on employee benefits	1,188	1,116
	<u>5,455</u>	<u>4,903</u>
(b) Non-Current		
On-cost on employee benefits	50	44
	<u>50</u>	<u>44</u>
(c) Aggregate employee benefits and related on-costs:		
Provisions – Current	5,455	4,903
Provisions - Non-Current	50	44
Accrued salaries, wages and on-costs (note 13)	2,254	2,000
	<u>7,759</u>	<u>6,947</u>

Of employee benefits for recreation leave \$3,286,000 is expected to be settled within twelve months and \$981,000 is expected to be settled after twelve months. All accrued wages and salaries are expected to be settled within twelve months.

The Legislature**Notes to and forming part of the Financial Statements for year ended 30 June 2010****15. Commitments for expenditure****(a) Operating Lease Commitments**

Future non-cancellable operating lease rentals not provided for and payable:

	2010	2009
	\$'000	\$'000
Not later than one year	4,899	4,786
Later than one year but not later than five years	4,583	6,848
Later than five years	39	90
Total (including GST)	<u>9,521</u>	<u>11,724</u>

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 \$842,000 (\$1,036,000 – 2009), which will be recoverable from Australian Taxation Office (ATO).

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

	2010	2009
	\$'000	\$'000
Not later than one year	4,477	4,093
Later than one year but not later than five years	3,966	5,843
Later than five years	39	90
Electorate Office Lease Commitments (including GST)	<u>8,482</u>	<u>10,026</u>

The above total includes GST input tax credits of \$748,000 (\$882,000 – 2009), which will be recoverable from the ATO.

(b) Other Expenditure Commitments

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

	2010	2009
	\$'000	\$'000
Not later than one year	261	95
Total (including GST)	<u>261</u>	<u>95</u>

The above total for 2010 includes GST input tax credits of \$24,000 (\$9,000 – 2009) that will be recoverable from the ATO.

The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2010

16. Contingent Liabilities and Contingent Assets

The Legislature had no contingent assets or contingent liabilities at reporting date.

17. Budget Review

Net cost of services

Net Cost of Services was \$2,710,000 higher than budget because of higher employee and depreciation expenses.

Assets and liabilities

Total assets were less than budget by \$9,266,000 as the extent of increase in the valuation of the land and building asset class did not occur as planned. Liabilities exceeded budget by \$2,138,000 due to higher trade creditors and an increase in the value of employee entitlements.

Cash flows

Net cash inflows from operating activities exceeded budget by \$242,000 due to an increase in catering revenue. Net cash outflows from operating activities exceeded budget by \$1,841,000 to meet the cost of replacing the broadcast system, equipment in Members' offices and strengthening security at the back of Parliament House.

18. Reconciliation of cash flows from operating activities to net cost of services

	2010	2009
	\$'000	\$'000
Net cash used in operating activities	4,297	5,615
Depreciation	(5,219)	(5,184)
(Increase) / decrease in provisions	(558)	(402)
(Decrease) / increase in receivables, inventories and other assets	68	(93)
(Increase) / decrease in creditors and other liabilities	(316)	(485)
Gain / (Loss) on sale of non-current assets	(47)	(30)
Valuation increment recognised in statement of comprehensive income	-	494
Assets recognised for first time	19	358
Long service leave	(1,460)	(1,494)
Superannuation	(8,532)	(8,387)
Payroll tax on superannuation	(469)	(496)
Less cash flows from government:		
Capital allocation	(5,522)	(5,557)
Recurrent allocation	(104,073)	(101,753)
Net cost of services	<u>(121,312)</u>	<u>(117,414)</u>

The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2010

19. 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, including derivative financial instruments, for speculative purposes.

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

The Clerks of both Houses and the Executive Manager have overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by The Legislature, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Audit and Risk Committee and internal auditors on a regular basis.

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
			2010	2009
Class:			\$'000	\$'000
Cash and cash equivalents	8	N/A	2,457	3,318
Receivables ¹	9	Loans and receivables (at amortised cost)	910	867
Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
			2010	2009
Class:			\$'000	\$'000
Payables ²	13	Financial liabilities measured at amortised cost	3,403	3,541

Notes

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

(b) Credit risk

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

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

Credit risk associated with The Legislature's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Authority deposits held with NSW TCorp are guaranteed by the State.

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 NSW Treasury.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2010

Receivables - trade debtors

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 uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. Interest is earned on House Committee Sales after 60 days at 2% per month. No interest is charged on any other debtors. House Committee sales are made on 30-day terms. Other sales are made on either 14 or 30-day terms.

The only financial assets that are past due or impaired are "sales of goods and services" in the "receivables" category of the statement of financial position.

		\$'000	
	Total ^{1,2}	Past due but not impaired ^{1,2}	Considered impaired ^{1,2}
2010			
< 3 months overdue	282	282	0
3 months – 6 months overdue	22	16	6
> 6 months overdue	96	66	30
2009			
< 3 months overdue	294	294	0
3 months – 6 months overdue	79	79	0
> 6 months overdue	58	23	35

Notes

1. Each column in the table reports "gross receivables".
2. The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the "total" will not reconcile to the receivables total recognised in the statement of financial position.

(c) Liquidity Risk

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

The Legislature has the following banking facilities as at 30 June 2010:

- 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 \$731,000.

During the current and prior years, there were no defaults or breaches on any loans payable. No assets have been pledged as collateral. The Legislature's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in 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. Treasurer's Direction 219.01 allows the Minister to award interest for late payment.

The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2010

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

Maturity analysis and interest rate exposure of financial liabilities

	S'000					Maturity Dates		
	Weighted Average Effective Int. Rate	Nominal Amount ¹	Interest Rate Exposure			< 1 yr	1-5 yrs	> 5 yrs
			Fixed Interest Rate	Variable Interest Rate	Non- interest bearing			
2010								
Trade Payable	-	3,403	-	-	3,403	3,403	-	-
Total Financial Liabilities	-	3,403	-	-	3,403	3,403	-	-
2009								
Trade Payables	-	3,541	-	-	3,541	3,541	-	-
Total Financial Liabilities	-	3,541	-	-	3,541	3,541	-	-

Notes

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

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Legislature's exposures to market risk are primarily through interest rate risk on The Legislature's borrowings and other price risks associated with the movement in the unit price of the Hour Glass Investment Facilities. The Legislature has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which The Legislature operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis as for 2009. The analysis assumes that all other variables remain constant.

Interest rate risk

Exposure to interest rate risk arises primarily through The Legislature's interest bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with NSW TCorp. The Legislature does not account for any fixed rate financial instruments at fair value through profit or loss or as available-for-sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Legislature's exposure to interest rate risk is set out below:

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2010

		S'000			
	Carrying		-1%		1%
	Amount	Profit	Equity	Profit	Equity
2010					
<i>Financial assets</i>					
Cash and cash equivalents	2,454	(25)	(25)	25	25
2009					
<i>Financial assets</i>					
Cash and cash equivalents	3,315	(33)	(33)	33	33

20. After Balance Date Events

There are no after balance sheet date events.

End of audited financial statements

Appendix A

Audit and Risk Commentary

The Audit and Risk Committee of the Parliament oversees risk management, corporate governance, external and internal audit and other assurance functions that operate within the Parliament.

From the 2009/2010 year this includes the audit program of Members' Entitlements. The Parliament is committed to ensuring better practice by its Audit & Risk Committee.

The Audit & Risk Committee comprises four members:

- Mr Jim Mitchell, the Independent Chairperson
- The Clerk of the Legislative Assembly
- The Clerk of the Parliaments
- The Executive Manager, Department of Parliamentary Services

Internal Audit

At the commencement of 2009/2010 internal audit and Members' entitlement audit services were outsourced to an external provider under a three year contract.

A risk based three year strategic Internal Audit plan is in progress. The following projects were performed and reported to the Audit and Risk Committee:

- Data Analysis of Accounts Payable
- Budget Planning and Management
- New Security Arrangements - Post Implementation Review
- Public Access to Parliamentary Information and Website Design

During the year, the Committee also considered progress against Business Continuity Management objectives and Fraud and Corruption Risk Assessments for Members and Employees.

Audit findings were generally satisfactory. Recommendations to improve internal controls, performance and processes, and management's responses to them are documented in an Issue Tracking Register that is monitored by the Committee.

Members' Entitlements Audits

2009/2010 was the first year of the Members Entitlements Audit Plan. The agreed approach includes an annual sample check of Members' claims and documentation as well as a theme audit of a particular entitlement in each year.

During this year a pilot audit of the records of 10 Members and an annual audit of the records of 20 Members was completed, as well as a themed audit of the Logistic Support Allocation (LSA) entitlement.

Audit results are reported to individual Members as well as in summary reports to the Audit and Risk Committee.

Preparation commenced to audit the records of 40 members in the first half of 2010/2011.

Appendix B

OH&S and Injury Management Incidents

2009/2010 Incidents										
DPS Branch	No. of reported incidents	No. of Lost Time Injuries	No. of Re-hab only injuries	Nature of Lost Time / Rehab Injuries					No. of Claims Opened	Total Cost of Claims
				STF	Strain	Cuts	Jrny	Othr		
Parliamentary Facilities	7	0	0	-	-	-	-	-	0	\$0
Organisational Development	2	0	0	-	-	-	-	-	0	\$0
Catering	5	0	2*	1	1	-	-	-	0*	\$0
Finance	2	0	0	-	-	-	-	-	0	\$0
Information Services	8	0	0	-	-	-	-	-	0	\$0
Contractors	6	1	0	1	0	-	-	-	n/a	\$0
DPS Total	30	1	2*	2	1	0	0	0		\$0
Overall Totals	52	8	6	2	5	0	2	5	15	\$39,399.88

* reoccurrence of injury - reopened claim

STF = Slips/Trips/Falls

Strain = Includes manual handling

Jrny = Journey to/from work

Othr = All other injuries not categorised by the above

Appendix C

Parliamentary education resources currently available

Title	Detail
'Australia's First Parliament'	Full colour, bound soft-cover 'coffee table' book (152pp). First published 1987. Third edition (2002)
Bookmark: 'Parliament of NSW'	Colour celloglazed bookmark featuring outline of Parliament House. First edition 2010
Colour Brochure: 'Parliament of NSW'	Trifold colour brochure. First edition 1999, current edition 2005. During 2009-2010 community language versions were increased from 20 to 22, available in both colour and black and white
DVD: 'Playing your part'	DVD and CD: 2nd edition 2008, further updates in November 2008 and March 2010
Ephemerals: Parliamentary rulers; Parliamentary recycled tote bags	New versions produced in 2010
History Bulletins	8 Trifold A4 pamphlets featuring aspects of the history of Parliament and Parliament House. Series begun in 1990, and constantly revised and reprinted. 'Women in Parliament' now a separate publication
Information About School Tours	Single page (double-sided) A4 information sheet. Constantly revised and reprinted
Information Sheets	11 A4 (or double A4) page sheets with information on aspects of Parliament's role, operation and history. First editions in 1994. Constantly revised and reprinted
'Inside NSW Parliament'	Interactive website accessed from front page of www.parliament.nsw.gov.au . Developed in partnership with Department of Education and Training - launched November 2009
'Parliament of NSW'	A5 saddle stitched booklet (12 pages). First edition 1995. Current edition 2008, printed to meet requests from Members
'Parliament of NSW Information Kit'	Compilation of most items above, presented in a folder.
'Playing Your Part'	A4 sized spiral bound book (82 pages). First edition 2005. Frequently revised
'Educational Programs and Services	The A5 size 8 page brochure was replaced by a single page (double-sided) A4 sheet in 2008. Constantly revised and reprinted
'The Textile Art Collection of the NSW Parliament'	Colour A5 24 page booklet + supplement. First edition 2006, current edition 2009.

Parliamentary education resources cont

Title	Detail
'USA: Australia'	4 page A4 information sheet. First edition 1996. Current edition 2009
Women in the Parliament of NSW'	Online book, version supplemented by updated A5 saddle stitched booklet (28 pages) in 2009. Original book published 2002. Updated to be current to 2010.

For more information, and to see a full list of resources available online, please visit www.parliament.nsw.gov.au, or contact the Education Team on:

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Appendix D

Library Research Service Publications

Title	Type	Author	Paper No.
Mining and the Environment	Briefing Paper	Stewart Smith	6/09
Tasers - developments, findings & recommendations	E-Brief	Dr. Gareth Griffith	9/09
The NSW Public Sector Statistical Overview 1999-2008	E-Brief	Dr. Gareth Griffith	8/09
Industrial Relations: The Referral of Powers	Briefing Paper	Jason Arditi	7/09
NSW Electorate Profiles: 2007 Redistribution	Briefing Paper	Research Service	4/09
NSW State Electoral Districts Ranked by 2006 Census Characteristics	Background Paper	Research Service	3/09
Rail Freight Transport in NSW	Briefing Paper	Holly Park	8/09
Regional NSW - Economic Survey and Development Initiatives	Briefing Paper	Dr. John Wilkinson	9/09
Managerial Federalism - COAG and the States	Briefing Paper	Dr. Gareth Griffith	10/09
Criminal Trial Efficiency	E-Brief	Jason Arditi	11/09
Business Cycles	E-Brief	John Wilkinson	10/09
Political Donations and Electoral Finance	E-Brief	Jason Arditi	01/10
Industrial relations update: The referral of powers and the Fair Work Act 2009	E-Brief	Lenny Roth	02/10
Recall Elections	E-Brief	Dr. Gareth Griffith & Lenny Roth	03/10
Agriculture, Landscapes and Carbon	E-Brief	Stewart Smith	04/10
New Recommendations to Share GST Revenue	E-Brief	Dr. John Wilkinson	06/10
Residential Tenancy Law Reforms	E-Brief	Lenny Roth	05/2010
Minority Governments in Australia 1989-2009: Accords, Charters and Agreements	Background Paper	Dr. Gareth Griffith	01/10
Minority Governments in Australia - Texts of Accords, Charters and Agreements	Issues Backgrounder	Dr. Gareth Griffith	01/10
Home Warranty Insurance	E-Brief	Lenny Roth	07/10
Health Reform	Briefing Paper	Stewart Smith	01/10
Economic Indicators: NSW (April 2010)	Statistical Indicators	Talina Drabsch	01/10
Australian Federal and State Budgets - An Overview	Briefing Paper	Dr John Wilkinson	02/10
Biodiversity: Regulatory Frameworks	Briefing Paper	Holly Park	03/10

Library Research Service Publications Cont

Title	Type	Author	Paper No.
Water: Regulatory Frameworks in Rural NSW	Briefing Paper	Daniel Montoya	04/10
Mining and the Economy	E-Brief	Daniel Montoya	08/10
Murray-Darling Basin: water management issues	Issues Backgrounder	Research Service	02/10
Biodiversity Certification	E-Brief	Holly Park	09/10
Coal Mining in NSW	Issues Backgrounder	Research Service	03/10
Bail law: developments, debate and statistics	Briefing Paper	Lenny Roth	05/2010
Coastal Erosion & Sea Level Rise	Briefing Paper	Stewart Smith	06/10
NSW Planning Framework: History of Reforms	E-Brief	Holly Park	10/10

Glossary

Below is a list of ordinary terms and more technical terminology used in this report.

Clerk of the Legislative Assembly

The senior permanent officer in the Legislative Assembly responsible for ensuring that correct procedure is followed and administration and records are properly maintained.

Clerk of the Parliaments

The senior permanent officer in the Legislative Council, responsible for ensuring that correct procedure is followed and administration and records are properly maintained.

Electorate Office

An Electorate is the geographic area represented by a Member of Parliament. In NSW there are currently 93 electorates for the Legislative Assembly. An Electorate Office is the Members' office located in a particular Electorate.

General Election

An election in which, in New South Wales, all Legislative Assembly seats and half the Legislative Council seats are declared vacant and contested.

Hansard

The written record of Parliamentary debates, kept in NSW since 1879-80. Also the name of the Parliamentary Department which produces this record. T. C. Hansard was given authority to publish summaries of debates in the British House of Commons in 1803.

Legislation

Laws enacted by a Parliament.

Legislative Assembly (LA)

The Lower House of the New South Wales Parliament which first met in 1856.

Legislative Council (LC)

The Upper House of the New South Wales Parliament. The first Council was created in 1823 to advise the Governor. It was expanded to include a majority of elected members in 1843. In 1856 the new bicameral Parliament included a new Legislative Council with members appointed for life. From 1934 to 1978 Legislative Council members were elected by the Members of both Houses, after which time the House became fully elected by New South Wales voters.

Parliament

The Parliament of New South Wales consists of the Queen (i.e. her representative, the Governor) and the two Houses of Parliament. The term 'parliament' was in use from medieval times in England to describe talks between the English King and his nobles, deriving from

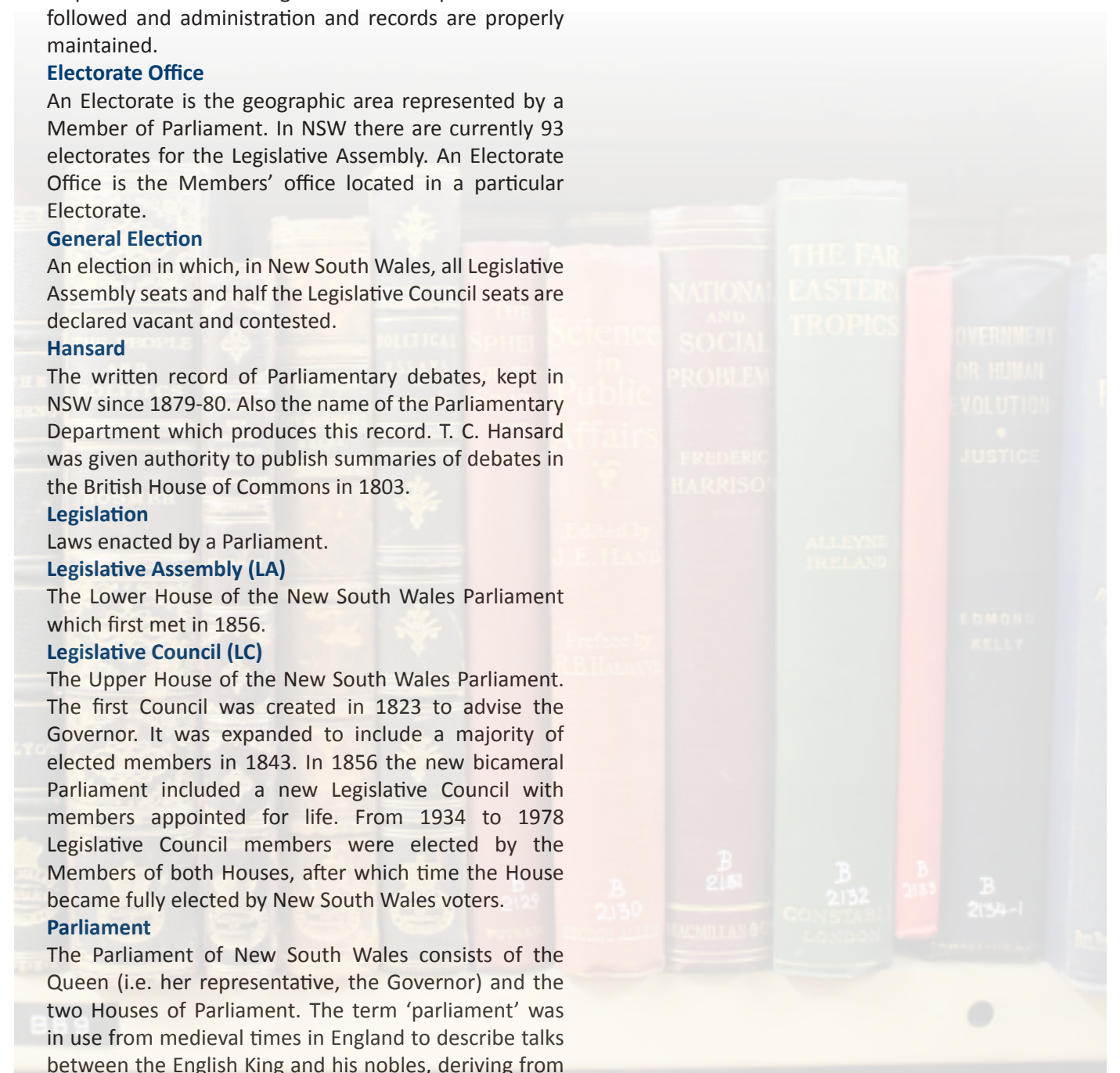
the old French word 'parlement' (speaking).

Parliament House

In New South Wales, the building in Macquarie Street, Sydney, containing the Chambers of the two Houses of Parliament, and offices, administrative and support services for Members of Parliament.

Presiding Officers

The Members of Parliament elected by each House to preside over the meetings of that House (President in the Legislative Council, Speaker in the Legislative Assembly). They are also responsible for the administration of the Parliamentary departments and services.



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Parliament House is open to the public between 9.00am and 5.00pm every weekday except public holidays

For more information about tours of Parliament (for both students and the general public), special events and public art exhibits in the Fountain Court, please visit the website, or contact the Education Team on the details below:

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