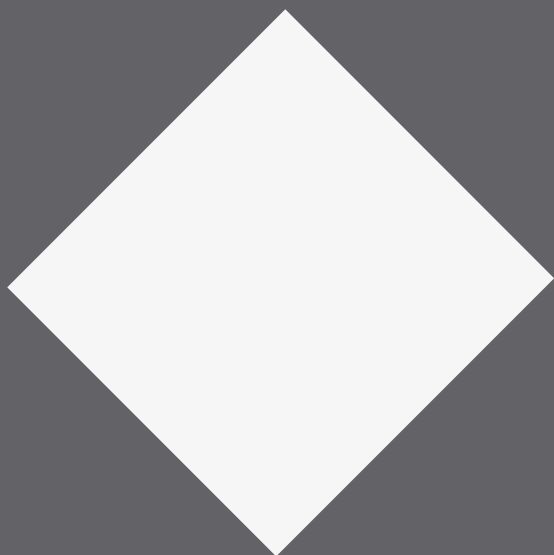




Department of Lands

Reliable from the ground up



Annual Report

2003/2004

Including
Board of Surveying and Spatial Information



Department of Lands

*Land Administration & Management
Property & Spatial Information*

DIRECTOR GENERAL
1 Prince Albert Road
Queens Square
SYDNEY NSW 2000
AUSTRALIA

GPO Box 15
SYDNEY NSW 2001
AUSTRALIA

T (612) 9236 7600
F (612) 9236 7631

www.lands.nsw.gov.au

The Hon Tony Kelly MLC
Minister for Rural Affairs,
Minister for Local Government,
Minister for Emergency Services and
Minister for Lands
Level 34
Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Dear Minister

I am pleased to submit the Department of Lands (Lands) Annual Report for the year ending 30 June 2004 for your information and presentation to Parliament.

This report has been prepared in accordance with the *Annual Reports (Departments) Act 1985*, the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*.

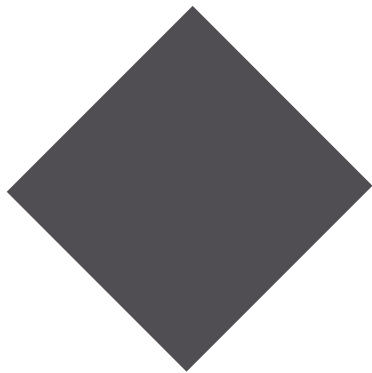
This publication has been prepared to include the reports from all administrative areas of the Department and the annual report of the Board of Surveying and Spatial Information of NSW.

I commend this report to you.

Yours sincerely

Warwick Watkins
Director General
warwick.watkins@lands.nsw.gov.au





Director General's Foreword	4
The Department	5
Report from the Surveyor General	10
Report from the Registrar General	15
Report from the Valuer General	18
Land and Property Information Division	22
Land and Property Information Division Financial Statements	38
Crown Lands Division	60
Soil Services Division	70
Office of Rural Affairs	72
Department of Lands Financial Statements	74
The Board of Surveying and Spatial Information of New South Wales Annual Report 2003/2004	106
The Board of Surveying and Spatial Information of New South Wales Financial Statements	113
Appendices, Glossary and Index sections contain information from the Department of Lands, the Geographical Names Board and the Board of Surveying and Spatial Information of New South Wales.	
Appendices	126
Glossary	153
Index	156

The Director General's Foreword

The Department of Lands has seen a year of significant change, growth and development. During the reporting year, Lands consolidated the integration of its constituent agencies and improved its quality and service delivery coverage.

We set new policy and operational directions, established new structures and provided the resources to meet our internal and customer needs. We established core values, and continued respect for the individual cultures that brought the organisation together whilst focusing on inclusiveness within the new agency.

The Department of Lands is a steward for land and property information, spatial information and the Crown lands of New South Wales (NSW). In being accountable for the policy and strategic development of these areas, we hold in trust for the current and future generations the management and care of the Crown Land estate, and the information relating to the titling, valuation, surveying and mapping of land and property and the cadastral and spatial data infrastructure for NSW.

Importantly, we also continued the consolidation of the valuable historical contribution made by the Soil Conservation Service earthmoving teams and consultancy staff to the protection and management of the states natural resources. This activity continues to meet the diverse needs of rural and urban environments for advice, assistance and specialist services whilst working within a commercial environment.

Through the Office of Rural Affairs there is a focus on the social, economic and environmental well being and prosperity of the rural areas of NSW, its people, communities and future. The focused staff of this area continued their tireless efforts to provide direction and coordination to key projects and initiatives.

The principle of stewardship is a driving imperative underpinning all our activities. Translated to our organisational context, stewardship is the willingness to be accountable for the well-being of the larger organisation by operating in the service, rather than in control, of those around us – it is the ability to empower, trust and partner.

We are building a clear and concrete connection between the concept of stewardship and achieving targeted and measurable outcomes for the organisation (value for money). The new Department of Lands will be an organisation which we structure, mould and nurture, and an organisation that reflects government and client needs. It will be one organisation with many services.

We will be focused on people, programs and performance. We will underpin our activities with clear strategic directions of customer service, value for money, inclusiveness (from the social, economic and political perspective), transparency and innovation.

We will not only strive for the triple bottom line outcomes – economic, environmental and social – but will seek to achieve a quadruple bottom line where capacity building and organisational knowledge, staff health and development are equally valued. We will seek to identify, value and demonstrate the Knowledge Capital within the department.

The year has been one of consolidation and significant achievement for Lands and we will continue to respond to the challenges of the future with innovation, share our knowledge and lead by example to build sustainable outcomes for the people of NSW.

Finally, I would like to thank the management and staff for their continued commitment and contribution to Lands during the past year and for their willingness to embrace change and development within an ever changing and challenging financial and broader operating environment.



Warwick Watkins
Director General
Surveyor General
Registrar General

Department of Lands
Level 3, 1 Prince Albert Road
Queens Square
Sydney NSW 2000

GPO Box 15
Sydney NSW 2001

T: 61 2 9228 6666
F: 61 2 9236 7632
E: feedback@lands.nsw.gov.au
www.lands.nsw.gov.au

The Department

The Department of Lands was established by the Public Sector Employment and Management (General) Order 2003 on 2 April 2003. It is responsible to the Minister for Lands.

The Department of Lands (Lands) is comprised of three operational divisions:

- Land and Property Information Division (LPI);
 - Crown Lands Division;
 - Soil Services Division;
- and the Office of Rural Affairs.

The Department also provides administrative support to the:

- Board of Surveying and Spatial Information of New South Wales; and the
- Geographical Names Board.

LPI operates as a NSW Government Business Enterprise providing land, property and valuation information and services including deeds and parcel based land registration, land title consultancy, surveying, mapping and spatial information and land valuation for rating and taxation purposes.

Crown Lands Division manages and administers Crown lands held under lease, licence or permit for a vast array of public, private and community-based uses; community and Council managed reserves; lands retained in public ownership for environmental purposes; lands within the Crown public roads network; vacant Crown land and administration of minor ports, river entrances and other coastal and river-based assets on Crown land in New South Wales.

Soil Services Division is a specialist conservation earthmoving and soil consultancy business, specialising in:

- The planning, design and construction of soil and water conservation earthworks; and
- The planning and implementing of practical and realistic solutions to common land degradation problems.

The Office of Rural Affairs provides support to the Minister for Rural Affairs and the Government with the identification of key issues and needs of rural people, and improved awareness and access to information and services provided to rural NSW by working with the Regional Community Consultative Committee and collaboratively with government agencies and the broader community.

These areas are serviced by internal corporate support areas, including Financial Services, People and Performance Development Group, Administrative Services, Legal Services, Information Communications and Technology and the Communication Solutions Group.

Our Purpose

To provide quality, timely and reliable spatial information and land administration and management products and services to meet client needs.

Strategic Priorities for 2003-2004

- At the whole of Department level – the development of strategic alliances and partnerships across the public and private sectors. These will include those with commerce and academia, through the work of the Australian New Zealand Land Information Council (ANZLIC), the Board of Surveying and Spatial Information, the Geographic Names Board, the work around the development of the Australian and NSW Spatial Data Infrastructures, and research alliances with universities on such issues as Knowledge/Intellectual Capital and the Spatial Information Cooperative Research Centre, the proposed CRC on Security, Risk and Data Intelligence and other CRC and Center of Excellence initiatives.
- Land and Property Information Division – the development and adoption of a one land cadastre policy, holistic title recognition of each parcel of land within the state and progressive implementation of the Spatial Data Infrastructure for NSW. Further technological adoption to achieve business transformation, the coordination of spatial data information strategies and data in the emergency services, planning and natural resource information areas, and reform in the area of Valuations.
- Crown Lands Division – the implementation of the Government Business Enterprise (GBE) structure, significant policy reforms in Crown land management – including the areas of tenures, land assessment and, workflow reform. A focus on our land management responsibilities, including fire prevention and risk mitigation, and revised reserves and commercial strategies.
- Soil Services Division – the development and implementation of a market and user needs analysis, business planning framework and adoption of a targeted business plan which reflects a turnaround strategy with established commercial and profitability targets.

- Office of Rural Affairs – the identification of key issues and needs of rural people, and improved awareness and access to information and services provided to rural NSW by working with the Regional Community Consultative Committee and collaboratively with government agencies and the broader community.
- Corporate support – alignment of services and the support of the business areas of the department to meet business needs as reflected in improved and enhanced service level agreements, implementation of corporate governance, internal controls and management reporting systems and the adoption of key staff development and renewal strategies – including a workforce management plan to address age and skill anomalies.

The Lands Scorecard

The Balanced Scorecard has been adopted as the key instrument for measuring and reporting the Department of Lands performance in 2003-2004.

Our corporate plan is based upon the Balanced Scorecard methodology and therefore reflects the four perspectives of identifying and addressing customer and community needs, improving financial outcomes, progressing internal reform of processes and systems, and promoting learning and growth in the organisation. The perspectives have been developed to integrate the environmental and social dimensions of sustainability.

This Annual Report provides the scorecard results for 2003–2004 against each of the key measures.

Our Scorecard measures are:

Customer/Community

Meet the needs of customers, other stakeholders and the broader community by delivering responsive and accessible land information and management processes.

Financial

Contribute to the economic sustainability of NSW by efficiently using human, financial and physical assets and delivering better value to customers in a transparent manner.

Internal Processes

Drive continuous reform and improvements through innovation and good governance to achieve quality products, customer services, environmental and social outcomes.

Learning and Growth

Develop an integrated and dynamic organisation by sharing, retaining and build corporate knowledge,

adopting “smart” systems and solutions, and by embracing professionalism, innovation and teamwork in all our activities.

Refining the Scorecard

Refining the Scorecard will be an important challenge for the Department in 2004-2005, identifying further opportunities to improve organisational alignment, planning and performance reporting.

Goals for 2004/2005

Building upon the work undertaken in the 2003/2004 financial year, the Department of Lands proposes to develop the implementation of a combined Balanced Scorecard and reflecting measures for external factors, including social, environmental and financial indicators, as well as internal indicators relating to the sustainable management of the organisation.

This work, undertaken with the assistance of the Macquarie Graduate School of Management, relates to the management, measurement and reporting of intellectual capital – with the intention of including the Department’s first Intellectual Capital Report in the Department’s 2004–2005 Annual Report.

Principal Officers

Director General, Surveyor General and Registrar General

Warwick Watkins AMP:ISMP (Harv), MNatRes, DipScAgr, HDA (Hons), FAPI, JP

Warwick Watkins was appointed Director General of the Department of Lands on 2 April 2003 formerly being appointed Director General of the Department of Information Technology and Management (DITM) in April 1999 and Surveyor General in December 2000. He has held a number of public service management positions in NSW including Executive Director of the Electricity Reform Task Force, Commissioner of Soil Conservation, Director General of Department of Conservation and Land Management, Director General of State and Regional Development and Chief Executive of the Waterways Authority.

Mr Watkins is Deputy Chair and a Director of Land and Water Australia; President of the Board of Surveying and Spatial Information; Chair of the Geographical Names Board and Chair of the Australian and New Zealand Land Information Council (ANZLIC), and a Director of the Cooperative Research Centre for Spatial Information. He is also a Pro Chancellor of the University of Technology, Sydney.

Deputy Director General and General Manager, Land and Property Information Division Des Mooney MBA (Syd), BSurv (Hons), MIS Aust, FAICD Dip FAIM,

Des Mooney was appointed as the General Manager, Land and Property Information (LPI) in February 2001 and appointed as Deputy Director General on 3 April 2003. He has extensive senior management experience in both the public and private sectors including experience in surveying, mapping and valuation activities. In his role as Executive Director of Management Services with the NSW Police Service, Mr Mooney's responsibilities included the management of IT, finance, legal, infrastructure, corporate service and commercial service areas.

Mr Mooney is a Director of PSMA (Public Sector Mapping Agencies) Australia Ltd and a member of the ANZLIC Spatial Data Infrastructure Standing Committee. He is also an alternate Director of the Governing Board of the Cooperative Research Centre for Spatial Information (CRCSI) and Chair of the Data and Information Management Working Group (DIMWG).

Valuer General

Philip Western B.Agric Com (VFM) FAPI, AIMM, ANZPI, NZIM

Philip Western was appointed Valuer General in September 2003. He is the principle advisor to the New South Wales government on valuation issues. His responsibilities include the regulatory functions relating to statutory land valuations, professional conduct of and ensuring the integrity of the valuation system and processes.

The Valuer General is also responsible for the determination of compensation under the *Land Acquisition (Just Terms) Compensation Act 1991*.

Mr Western was previously General Manager, Quotable Value Australia with responsibility for driving business growth for rating, taxation and valuation consultancy work in New South Wales.

Mr Western was also General Manager, Rating and Taxation for Quotable Value New Zealand. His focus was on development of valuation business with local government customers throughout New Zealand.

General Manager Crown Lands Division Graham Harding

Graham Harding joined the Department of Lands with the transfer of Crown land responsibilities from the former Department of Land and Water Conservation (DLWC). Mr Harding was formerly General Manager Land NSW in DLWC.

Mr Harding has led the realignment of several Crown Lands programs into a single service delivery unit, enabling the development of a Public Trading Enterprise.

With a diversity of experience in public land management spanning 36 years, Mr Harding is focusing the division on implementing the Government's reform program and delivering improved environmental, social and economic outcomes from a complex and strategically important portfolio of assets.

Mr Harding chairs the interstate working party for the Tweed Heads Sand By-Pass Project, the Interdepartmental Committee for Roads, and he also holds positions on the National Standing Committee of Land Administration, the NSW Coastal Comprehensive Assessment Council and the NSW Coastal Acquisition Task Force.

**General Manager Soil Services Division
Paul Jones B Engineering (Civil), CPESC**

Paul Jones joined the Department of Lands as acting General Manager, transferring from the former Department of Land and Water Conservation (DLWC) with Soil Services Division in April 2003. He was appointed to the General Manager position in February 2004.

Mr Jones has led the drive to improve the financial position of the group with a range of new marketing strategies, Soilfleet rationalisation and upgrading, and environmental consultancy expansion.

With 25 years experience in civil engineering, Mr Jones brings extensive knowledge and experience to the management of the Department’s soil conservation, commercial earthmoving and environmental consultancy services. During his career, he has also worked with various government departments in a range of engineering positions involving river, flood mitigation, coast and ports works and government facilities.

Corporate Governance

Corporate governance is one of today’s most prominent business challenges. The Department of Lands’ Corporate Governance Unit (CGU) is responsible for monitoring the Department’s business operations. The objectives are to establish processes through which management remains accountable to stakeholders, and implementing a framework to assure stakeholders that the Department is fulfilling its responsibilities with due diligence and accountability.

Corporate Governance within the Department of Lands is also a mechanism to ensure that the Boards and Committees of the Department and all business components of the Government Business Enterprise, Land and Property Information Division (LPI) and the Crown Lands and Soil Services Divisions support units are operating in a manner which is consistent with government policy and reasonably meets the diverse expectations of stakeholders and recipients of its products and services.

The internal audit function, which the CGU manages, is a fundamental element of the corporate governance structure within the Department. It operates primarily to provide assurance to executive management that the internal control structure of the Department is effective. The CGU, also through internal audit, assists the Lands Audit Committee in discharging its governance responsibilities.

Audit Committee

The Lands Audit Committee objective is to assist the Director General to fulfill his corporate governance and overseeing responsibilities in relation to the Department’s financial reporting, internal control structure, risk management systems, legal compliance, and the external and internal audit functions.

The Committee comprises two independent members, one of whom presides as Chairman, and three internal members. The five members provide expertise in financial management, business development, legal matters, audit and property information. The Committee held five formal meetings during the year.

Members

- Joanne Rees, Chair, External Member
- Ron Cunningham, External Member
- Des Mooney, Deputy Director General
- Philip Western, Valuer General
- Eduardo Alegado, Director Corporate Governance
- Julie King, Acting Manager Audit and Corporate Governance (Resigned)
- Esther Chesterman, Director Corporate Strategy and Reform (Resigned)

Attendance at Meetings

Committee Members	Meetings Attended
Joanne Rees	5
Ron Cunningham	5
Des Mooney	4
Philip Western	1
Eduardo Alegado	4
Julie King	1
Esther Chesterman	4

Auditing of the Organisation

The Corporate Governance Unit managed the Internal Audit function provided by external contractors, Deloitte Touche Tohmatsu for the Department. A total of fourteen reviews were completed during the financial year 2003/2004.

The CGU is also responsible for overseeing a structured program of external audits undertaken by the Audit Office of New South Wales.

Some of the key internal audit reviews conducted during the period includes:

- Financial reporting integrity – external reporting
- Delivery of valuation services, contract management and objection process.
- Revenue assurance reviews for LPI, Crown Lands and Soil Services Divisions.
- SAP general computer controls

The reviews undertaken for the period were identified from a comprehensive business operations risk assessment performed by Deloitte Touche Tohmatsu.

Corporate Governance Outcomes

- Managed and implemented a comprehensive internal audit program.
- Supported and assisted with the Department's response to issues arising from the external audit process.
- Successfully managed matters referred by the Independent Commission Against Corruption.
- Developed key performance indicators to improve the efficiency and effectiveness of the internal audit function.
- Supported the functions of the Lands Audit Committee.
- Provided strategic advice on a number of key projects.
- Developed a strategic audit plan for 2004/2005.
- Developed Audit Committee and Internal Audit Charters.

Future Challenges

- Develop an in-depth understanding of each substantial segments of the Department's business.
- Develop a comprehensive audit methodology process.
- Develop the Department's 'Fraud Prevention' policy and framework.
- Co-ordinate the development of the Department's Risk Management policy and framework.
- Establish a Risk Committee to monitor the Department's risks.
- Enhance the Department's Protected Disclosure policy, and provision of training to nominated Protected Disclosure Officers.
- Co-ordinate the performance of the Audit Committee self-assessment and develop recommendations for improvements.

LPI Advisory Group

The role of the LPI Advisory Group is to give counsel, not govern, on issues regarding LPI's goals, oversee strategic plans and review LPI's progress towards attaining goals. The General Manager, as CEO of LPI, makes all choices consistent with the policy defined by the Director General and has cumulative accountability for the performance of all staff and for compliance with executive limitations.

The Group consists of seven persons and is chaired by the Director General. The three external counsellors have expertise in financial management, business development and property information. The Group meets five times a year, with meetings coinciding with critical times in the planning cycle.

Report from the Surveyor General

Geographical Names Board Report

Geographical names form an essential part of our physical and administrative infrastructure helping society to identify individual features across the landscape. They are part of our culture in that they reflect the values, spiritual beliefs, lifestyles and names of people who have inhabited an area.

The terms "geographical names" and "place names" refer to the names of geographical or topographical features within the territories and waters of New South Wales – such as parks, rivers, mountains and towns. They also include administrative districts and suburbs or localities, but not the names of roads, local government areas or electoral districts.

The *Geographical Names Act 1966* was enacted to address the serious inconsistencies in the recording and use of place names that existed at the time. The Geographical Names Board (the Board) was constituted to administer this Act.

Membership

The Board is chaired by the Surveyor General of New South Wales (NSW) and has members representing the Royal Australian Historical Society, the Local Government and Shires Association, the State Library of NSW, the Community Relations Commission, the Geographical Society of NSW, the NSW Aboriginal Land Council and the Department of Infrastructure Planning and Natural Resources.

Members of the Board for the current year are.

Mr Warwick Watkins
AMP:ISMP (Harv), MNatRes
DipScAgr,HDA (Hons), JP
Surveyor General

Mr Paul Harcombe
B Surv (UNSW), M Geom
Chief Surveyor

Ms Cheryl Evans
Nominee of the State Librarian

Mr Paul Hartley
Nominee of the Executive Director,
Department of Infrastructure, Planning and Natural
Resources

Cr Peter Woods
OAM,CMC,JP,BA,MLitt,TTC,MACE
Councillor of City of Canada Bay
Immediate Past President of the Local Government
Association of NSW, nominee of the Local Government
and Shires Association of New South Wales

Mr Alan Ventress
BA DIPLIB
Nominee of the governing body of the Royal Australian
Historical Society

Mr Jack Devery
BSc,MTCP
Nominee of the governing body of the Geographical
Society of New South Wales

Cr Les Trindall
Nominee of the NSW Aboriginal Land Council

Mr Michael Marx AM / Mr Stepan Kerkyasharian AM
Nominee of the Community Relations Commission

Counsellors to the Board are:

Dr Peter Orlovich
PhD,MA,MLib,DipEd

Attendance at Meetings

The Board met formally on five occasions during the year. Five members form a quorum. The person presiding at the meeting has a deliberative vote and casting vote. The list below shows the number of meetings attended by each Board Member and Counsellor.

Mr Stepan Kerkyasharian AM, Chairperson of the Community Relations Commission replaced Mr Michael Marx AM as a nominee of the Commission in March 2004.

Board Member / Counsellor	Meetings Attended
Mr Watkins	5
Mr Harcombe	5
Ms Evans	5
Mr Hartley	3
Cr Woods	4
Mr Ventress	5
Mr Devery	5
Mr Marx -(Mr Kerkyasharian)	2
Mr Trindall	0
Dr Orlovich	5

Assigning, Altering and Discontinuing Names

The Geographical Names Act gives the Board the power to alter, discontinue or assign names of geographical features. A total of 650 names were officially gazetted during the reporting year.

Determination of Address Localities

One important program of the Board is the formalisation of the names and extents of address localities, in urban areas known as suburbs. Having a unique, definitive address is fundamental to the efficient delivery of services and vital to sending emergency services to the correct location.

With the increasing use of call centres for emergency and other services, confusion about an address can lead to increased property damage and potentially loss of life in an emergency situation.

To date, the Board has consulted many local councils and communities and assigned address localities to over 120 Local Government areas. These officially defined address localities are then adopted into Local and State Government databases and records, street directories and Emergency Service Systems – ensuring a safer, more ordered system of property and locality identification.

Commemorative Naming

The Board also acknowledges the important role of everyday Australians through its commemorative naming policy. For every named reserve, hill, mountain or creek in New South Wales there is a substantial number of un-named features. The Board can and does name these types of features after everyday Australians whose contribution to the local community is deemed to be outstanding.

Naming of Roads, Schools and National Parks

Section 12 of the Act empowers the Board with a concurrence role for all geographical names that fall outside the Act. In fulfilling this requirement, the Board has developed several procedures and policies to deal with this concurrence role. During the reporting year, the Board used these procedures and policies to concur with 19 proposals to name Schools and National Parks and deal with 7 separate objections to various road names within New South Wales.

Index of Place Names in New South Wales

The Act states that the Board should publish a gazetteer of geographical names. All geographical names are recorded in the Geographical Names Register, available at www.gnb.nsw.gov.au. The Register is an important reference tool for cartographers, researchers, publishers, government authorities and the public.

Committee for Geographical Names in Australasia

The Geographical Names Board of New South Wales is a member of the Committee for Geographical Names in Australasia (CGNA). The Board has been involved in the Committee's production of a national gazetteer, "The Gazetteer of Australia" which is available at: www.auslig.gov.au/mapping/names/names.htm and includes some 240,000 geographical names covering Australia's land and offshore areas.

Dual Naming

All Australians share a relationship to land and the names we give to places convey their significance, sense of history, and identity. The NSW Government is committed to recognising our indigenous cultural heritage by registering original place names given by indigenous people so that they sit side by side with existing European names. Since June 2001, the government has supported a dual naming policy for geographical features and cultural sites. This community-driven system acknowledges the significance of indigenous Australian culture and, in doing so, represents a meaningful contribution to the process of reconciliation in NSW.

The Sydney Dual Naming Workshop

The Sydney dual naming workshop – co-ordinated by the Australian National Placenames Survey and hosted by the NSW Aboriginal Languages Research and Resources Centre at Tranby Aboriginal College in Sydney on Friday 31st October 2003 – was a great success. As Dr Jaky Troy (ALRRC Director) noted during the workshop, the gathering at Tranby was unique in that it involved community members and representatives from all over the Sydney basin and beyond, including Darug, Tharawal, Yuin and Guringai people, as well as people from communities all over NSW who have, for many years now, called Sydney home.

The two main aims of the workshop were for the Board to raise awareness amongst Aboriginal communities of its Dual Naming Policy and to consult with members of Aboriginal communities regarding a case study set of Sydney Harbour dual name proposals. The workshop

involved leaders and members of Aboriginal communities determining which Aboriginal placenames in the case study are best made available for public use and how these placenames are to be pronounced and spelt in the present-day situation.

In the lead up to, and during, the workshop, much research and sorting through the evidence was required in order to propose the case study set of dual names in Sydney Harbour.

Workshop participants then weighed the evidence, considered the process of historical and linguistic reconstruction and decided which names had the strongest evidence. They determined the best way to spell these names, by considering and selecting from a set of spellings proposed by David Blair and designed to elicit from speakers of Australian English today the best pronunciation possible to honor the original names.

The workshop participants stated strongly that there is more to Aboriginal placenames than pronunciation and spelling. The cultural meanings of placenames, and the ways in which these connect land and language, are important elements to include in dual naming in NSW. Workshop participants and organisers are keen to see the current set of dual naming proposals as a springboard. Knowledge of places and meanings of placenames in the Sydney case study, and also across NSW, need to be collected and preserved wherever possible. Restoration of and research into placenames and their meanings can contribute to the language and culture revitalisation movement which has been gaining momentum in recent years in NSW.

Aboriginal Placename Workshops

As a direct result of the success of the Sydney Aboriginal Placename Workshop, the Department of Aboriginal Affairs Major Grants Program has funded a further set of workshops for Aboriginal communities across NSW. These workshops will be held in each of the six ATSiC regions within NSW. Each workshop will be widely publicised, and the participation of Elders and community members from as many language groups as possible within each region will be sought. The workshops are intended to train members of the communities in the processes of recording Aboriginal placenames and researching their linguistic and cultural background.

The Tri-State Placenames Forum

The Board met with the Victorian Names Registrar and the Australian Capital Territory's Names Committee in Canberra on the morning of 12 December 2003. This group discussed issues pertaining to cross border-naming policy, progress reports on cross border naming proposals,

policies and strategies dealing with Indigenous names within each jurisdiction and each jurisdiction's legislation, policies and procedures to ascertain best practice.

Among other outcomes, the group developed the following commitment statement for dealing with cross-jurisdictional Aboriginal place naming matters:

"Recognising that Aboriginal Tribal Areas of influence cross jurisdictional borders – consultation on naming issues should not be constrained by such borders."

Goals for 2004/2005

- To expedite the determination of suburb and locality boundaries for those Local Council Areas yet to complete this program.
- To enhance the Board's community profile through the provision of more decentralised meetings.
- To improve the data quality of the Geographical Names Register of NSW through continued data audits.
- To recognise Aboriginal issues relating to geographical names within New South Wales through the Dual Naming policy and the Aboriginal Geographical Naming Strategy by the engagement of key stakeholders.
- To establish policies and procedures ensuring consistency with other agencies with naming responsibilities.
- To continue support for the implementation of policies and initiatives that protects geographical names as second level domain names for community use.
- To gazette in excess of 700 geographical names in the next reporting year.
- To improve the efficiency of naming procedures through streamlined legislation and procedures.
- To encourage the standardisation and promotion of geographical names on a State, National and International basis.

Publications

The following publications are available from the Board's website or from the Secretariat.

- Geographical Names Board – Preserving the history, culture and identity of New South Wales
- Determining Suburbs and Localities in NSW
- Dual Naming – Supporting cultural recognition
- Road Naming in NSW
- Commemorative Naming
- Glossary of Status Values in the Geographical Names Register
- Guidelines for the Determination of Placenames
- Naming Proposal Package
- Determination of Locality/Suburb Names and Boundaries
- Introduction of New Suburb Names
- Suburb and Locality Boundaries
- Proposed Geographical Name Commemorating a Person
- Guidelines for the Naming of Roads

Electronic Service Delivery

The Board offers a full range of service on its website, including an online gazetteer of placenames, maps showing address locality boundaries within NSW and a full range of related information. The Board's site can be viewed at www.gnb.nsw.gov.au.

The Board is committed to the ongoing development of this site with planned improvements for the upcoming year.

Committees

In the reporting year, the Board continued its Technical and Scientific sub-committee to investigate issues pertaining to linguistic consistency for regional dual name proposals; the development and implementation of the Aboriginal Geographical Naming Strategy and the investigation of other issues affecting Indigenous geographical names.

The sub committee consists of experts in the areas of archival research, linguistics, history and toponymy and was also constituted as the State Executive Committee of the Australian National Placename Survey.

Contact

Geographical Names Board
Panorama Avenue
PO Box 143
Bathurst NSW 2795

T: 61 2 6332 8214
F: 61 2 6332 8217
E: gnb@lands.nsw.gov.au
www.gnb.nsw.gov.au

Facts and Figures

Naming and boundary determinations by category completed during the reporting year.

Designation	2000-2001	2001-2002	2002-2003	2003-2004
Airfield	0	0	0	22
Amphitheatre	0	1	0	0
Anabranch	0	0	0	0
Bay	0	4	0	0
Beach	2	4	2	5
Bluff	0	0	0	0
Breakwater	0	1	0	2
Canyon	0	0	0	1
Cave	0	0	0	0
Butte	0	0	1	0
Cemetery	0	1	0	3
Channel	0	3	1	4
Chasm	0	0	0	1
Clearing	0	1	0	0
College	0	0	0	1
County	0	0	0	0
Cove	0	5	0	2
Creek	2	9	10	4
Crossing	0	0	0	0
Dam	0	2	0	2
Dock	1	0	0	0
Falls	0	0	2	1
Flat	0	0	0	2
Ford	1	1	0	1
Forest	0	9	0	1
Gap	0	0	0	1
Gradient	0	0	0	1
Gully	0	1	6	1
Head	0	2	0	2
Headland	1	1	0	1
Hill	6	5	1	2
Historic Area	17	62	29	0
Historic Locality	34	1	1	2
Historic Site	6	33	29	1
Inlet	0	2	1	0
Islet	1	0	0	0
Island	0	3	0	1

Lagoon	0	0	0	0
Lake	1	4	1	1
Locality	133	150	268	84
Lookout	0	0	2	1
Mountain	2	3	2	1
Parish	0	0	0	0
Pass	0	0	0	1
Peak	0	0	10	0
Peninsula	2	0	0	0
Point	0	14	1	2
Post Office	0	0	0	1
Railway Station	0	4	0	2
Ramp	1	0	1	0
Range	0	4	0	1
Region	0	0	0	2
Reef	0	0	1	0
Reserve	107	88	176	224
Reservoir	0	0	0	0
Ridge	0	3	1	0
River	0	0	0	1
River Bend	0	1	1	0
Rock	1	0	1	0
Rural Place	93	74	89	2
Saddle	0	0	0	0
School	1	20	1	20
Spring	0	0	0	0
State	0	1	0	0
Stream	0	0	0	0
Suburb	45	70	25	46
Swamp	0	2	1	1
Town	1	6	9	0
Track	1	0	1	1
Trig. Station	5	61	122	38
Urban Locality	0	0	0	0
Urban Place	18	0	8	4
Valley	0	0	0	0
Village	24	13	47	10
Walking Track	0	0	0	0
Waterfall	0	0	1	1
Water Feature	0	32	0	0
Waterhole	0	1	0	6
Weir	0	5	0	0
Wharf	0	3	1	19
Total	506	710	853	533

Dual Names Assigned	0	0	2	0
----------------------------	----------	----------	----------	----------

Survey Services
Level 2, 1 Prince Albert Road
Queens Square
Sydney NSW 2000

GPO Box 15
Sydney NSW 2001

T: 61 2 8258 7500
F: 61 2 8258 7555

Business Hours: 8:30 am - 4:30 pm Mon to Fri.



Warwick Watkins
Surveyor General

Report from the Registrar General

The administration of the Torrens system, (which vested in the Registrar General in 1863) represents the largest of my Statutory functions. I have an operational arrangement with LPI by which it undertakes administrative and regulatory functions on my behalf. The maintenance of the legislative framework for property conveyancing in NSW also falls within my responsibilities.

During the reporting year, the following legislation was enacted:

Legislation and Legal Change

Powers of Attorney Act 2003

The *Powers of Attorney Act 2003*, which commenced on 16 February 2004, made a number of changes to the law governing Powers of Attorney in NSW. It repealed *Part 16 of the Conveyancing Act 1919* and re-enacted those provisions, with changes, in a new Act.

The Act:

- replaced the present statutory short form of power of attorney with a “**prescribed power of attorney**” that can be amended by regulation,
- clarified the extent to which an attorney under a prescribed power of attorney may take a benefit, confer a benefit on a third party, or make a gift of the principal's property,
- renamed protected powers of attorney, which have effect despite the subsequent mental incapacity of the person giving the power (“**the principal**”), as “enduring powers of attorney”,
- stipulated that an enduring power of attorney does not operate to confer any authority on a proposed attorney under the power until the attorney accepts an appointment by signing the instrument creating the power,
- protected the interest of a beneficiary under the will of a principal who makes an enduring power of attorney where a proposed gift of property to the beneficiary under the will has been disposed of by the attorney before the principal's death,
- expanded the jurisdiction of the Supreme Court and Guardianship Tribunal to deal with enduring powers of attorney and issues of incapacity, and
- recognised enduring powers of attorney made in other States and Territories.

Statute Law Revision

The *Statute Law (Miscellaneous Provisions) Act 2003*, which commenced on 22 July 2003, amended the following Acts:

- The *Real Property Act 1900*:
 - to provide that the method of lodgment or re-lodgment of dealings or caveats should be in the manner approved by the Registrar General, rather than prescribed by Regulation (s.36(6));
 - to provide that when the Registrar General grants an extension of time for a person to serve a Lapsing Notice in respect of a Caveat, the extension runs from the date of issue of the notice granting the extension (s.74 I, s74J and s74JA).
- Strata Schemes (Freehold Development Act) 1973* and the *Strata Schemes (Leasehold Development Act) 1986* to replace references to sections which have been repealed.
- Community Land Development Act 1989* to update a reference to a section which had been re-numbered.

The *Statute Law (Miscellaneous Provisions) Act (No.2) 2003*, which commenced on 23 November 2003, amended the *Community Land Development Act 1989* to correct an anomaly regarding the contents of a notice of resumption which affects land under the Act.

Real Property Regulation 2003

The Real Property Regulation 2003, which commenced on 1 September 2003, replaced the Real Property Regulation 1998, which was automatically repealed under the *Subordinate Legislation Act 1989*. The new Regulation deals with, among other things, the lodgment of dealings and caveats under the *Real Property Act 1900*.

Conveyancing (General) Regulation 2003

The Conveyancing Regulation 2003, which also commenced on 1 September 2003, replaced the Conveyancing (General) Regulation 1998 which was automatically repealed under the *Subordinate Legislation Act 1989*. The new Regulation deals with, among other things, the lodgment and registration of instruments in the General Register of Deeds and the lodgment of plans (both manually and electronically).

Significant Decisions by the Courts

The following matters were litigated before the Supreme Court of NSW and Orders made relative thereto:

Registrar General *ats* Westfield Court of Appeal - Judgment 15 December 2003

This case involved an appeal against a boundary determination by the Registrar General pursuant to section 135J of the Real Property Act.

The registered proprietors of that property appealed to the Land and Environment Court against the determination by the Registrar General of the common boundary. In his decision of 23 July 2002, Justice Bignold dismissed the Westfield's appeal.

The Westfield's subsequently appealed the decision to the Court of Appeal, and on 15 December 2003, in a unanimous decision the Court dismissed their appeal. However, the Court made some observations about the need for the legislation to ensure that the adjoining land owners are joined in all proceedings before the Court. The requisite legislative amendment to the Real Property Act was effected by the *Statute Law (Miscellaneous Provisions) Act 2004*.

Challenger Managed Investment Pty Ltd & Ors -v- Direct Money Corporation Pty Ltd & Ors Supreme Court - Judgment 28 November 2003

This litigation arose from a fraudulent scheme discovered by officers from the Department's Legal Services in mid 2002. As the link between the suspect transactions was a NSW solicitor, Legal Services reported the matter to the Law Society. After conducting a preliminary enquiry the Law Society reported the matter to the Police. The frauds remain the subject of investigations by the Fraud Squad and a number of charges have been laid against various persons involved in the fraud.

In the present case, the fraudsters impersonated the registered proprietors of various parcels of land and obtained new certificates of title on false applications made under the Real Property Act. The fraudsters then borrowed \$500,000 from a mortgagee corporation which registered its mortgage.

The fraudsters then negotiated a loan of \$816,000 from the plaintiffs on the basis that part of the advance would be used to discharge the mortgage to the mortgagee corporation. When the plaintiffs lodged the discharge and a new mortgage, registration of the new mortgage was refused on the basis that it was forged.

His Honour Bryson J delivered a judgment on 28 November 2003 finding, among other things, that:

- (a) The proprietors were bound by the registered mortgage to the mortgagee corporation because of the operation of s.42 of the Real Property Act and the corporation was protected by s.42 because it was not involved in the frauds that brought their mortgage into existence;
- (b) The plaintiffs were subrogated to the corporation's mortgage and that as a result the proprietors were entitled to compensation of \$500,000 from the Torrens Assurance Fund (TAF) to free their land from the burden of the mortgage;
- (c) As a result of the issue of the fraudulently obtained certificates of title, the plaintiffs were entitled to compensation from the TAF for any part of the mortgage advance not otherwise recovered;
- (d) The TAF should pay the costs of the plaintiffs, the registered proprietors and the mortgagee corporation.

Chard *ats* Registrar General & Others Supreme Court - Settlement of 31 March 2004

This was an administrative claim pursuant to section 131 of the Real Property Act in respect of the land at Monterey.

The claimant alleged that she was defrauded of her property by registration of a forged Transfer and the subsequent registration of a Mortgage in favour of a mortgagee corporation.

On 31 March 2004, the Registrar General, with the approval of the Minister, settled the matter by paying out the mortgage in favour of that corporation.

However, the property remained in the name of the alleged fraudster who had fled the country. As the Registrar General did not have the power to transfer the property back to the claimant, proceedings were commenced in the Supreme Court, with the consent of all parties, to have the property transferred back.

Torrens Assurance Fund

During 2003/04, the Registrar General made several payments in response to claims against the Torrens Assurance Fund totalling \$1.46 million. This sum includes compensation payments and disbursements, such as Counsel's fees.

Boundary Determination

LPI surveyors have continued to carry out cadastral surveys to resolve discrepancies and disputes. During the period, 33 surveys were made of which 15 were Boundary Determinations which were lodged under Part 14A of the *Real Property Act 1900*.

Licensing of Real Property Act Forms

LPI is working towards the electronic lodgment and automatic registration of Real Property Act dealings, a project known as ELARD. To prepare the way for ELARD, LPI has embarked on a series of interlocking initiatives known as the Moving Forward Program. One of these initiatives is the redesign of Real Property Act (RPA) dealing forms to facilitate data collection. As changes will ultimately be made to the format of RPA dealing forms and possibly the way forms are licensed and delivered, form licensees have been offered the opportunity to extend their existing licence agreement until 30 June 2005.



Warwick Watkins
Registrar General

Report from the Valuer General

The Valuer General is a statutory position responsible for land valuations made under the *Valuation of Land Act 1916*.

As Valuer General, I am the principal valuation adviser to the NSW Government.

The position reports administratively to the Minister of Lands and the Director General of the Department of Lands and is accountable to the Joint Parliamentary Committee on the Office of the Valuer General.

The Valuer General is also responsible for the determination of compensation under the *Land Acquisition (Just Terms Compensation) Act 1991* and valuation opinions in relation to other State legislation.

Mr Peter Cunningham retired from the position of Valuer General in 2003 after 13 years service in the position.

Following an external recruitment process, I was appointed to the role of Valuer General in September 2003.

Vision

The Valuer General's vision is to ensure the delivery of valuation services that are **"Customer Focused and Outcome Driven"**.

As the Valuer General, I am committed to providing a valuation system that is focused on meeting the needs of a range of stakeholders and to deliver outcomes that are transparent, consistent and provide value for money.

This involves:

- Provision of a quality, cost effective valuation process.
- Providing an open and transparent valuation system.
- Implementing measurable standards for valuation services.
- Developing good working relationships with stakeholders through regular consultation and an open communication strategy.
- Improved communication with all stakeholders including members of the public.
- Providing professional leadership to and liaison with, the valuation industry.

Parliamentary Committee

The New South Wales Government established the Joint Committee on the Office of the Valuer General on 22 July 2003 under section 85 of the *Valuation of Land Act 1916*. The primary function of the committee is to monitor and review the exercise of the Valuer General's functions with respect to land valuations under the *Valuation of Land Act 1916*, the *Land Tax Management Act 1956* and the *Premium Property Tax Act 1998*. In particular, the committee will monitor the methodologies employed for the purpose of conducting valuations, monitor the arrangements under which valuation service contracts are negotiated and entered into and monitor the standard of valuation services provided under the contracts.

Land Valuation Specialist Advisory Group

The Land Valuation Specialist Advisory Group, made up of valuation industry groups and stakeholders, was formed as a result of the 1999 Walton Report. The group's primary focus is to provide advice to the Valuer General on the application of mass land appraisal techniques. The group also provides feedback to the Valuer General on general valuation matters.

The Group met once during the year. The principle outcomes of this meeting were:

- Developed an understanding with the group of the new Valuer General's philosophy.
- Instigated further research to identify and examine factors that should be taken into account in deciding whether property valuations should be handcrafted.
- Commenced discussions with an appropriate university to undertake further work on statistical analysis and improving the quality of valuation outcomes.
- Development of provisions for contractors to assume greater accountability and responsibility for risk in the compilation of land values.

Relationship with Land and Property Information

Land and Property Information (LPI) provide the link between the Valuer General and the valuation service contractors, rate/taxpayers and the public.

LPI provides a range of valuation services to the Valuer General, including valuation contract management, auditing of valuations, processing of objections, provision of property information and data to valuation service

contractors and the day to day management of valuations completed under the *Land Acquisition (Just Terms Compensation) Act 1991*.

LPI's services to the Valuer General are formalised through a Service Level Agreement.

The Service Level Agreement has undergone extensive review to provide greater focus on key performance areas and ensure the continuous development of a quality valuation system. The agreement covers the areas of valuation services, managing valuation contracts, provision of other valuation services, customer service, external communication and the management of the valuation data and systems.

The new Service Level Agreement will take effect on the 1 July 2004.

The Valuation Process

Currently within New South Wales there are approximately 2.4 million land valuations produced annually by the Valuer General. These are provided principally for rating and land tax purposes.

Land value refers to the value of the land only and does not include the value of improvements to the property such as a home. It does not generally reflect the price that could be obtained for the sale of the property.

Most land in NSW is valued using the "component method" of valuation, where properties are placed together and valued in groups called components. The properties in each component are similar, or are likely to change in value in a similar way.

Valuers will inspect and analyse a large number of sales in an area to gain an in depth understanding of the real estate market. To assess land value, valuers may consider both vacant and improved property sales, making adjustments for the added value of improvements. Unsuitable sales, for example sales between related parties or those with special circumstances are discarded.

Representative properties are selected from components and are individually valued each year to determine how much the land value has changed from the previous year. This factor is then applied to all properties in the component to determine their new value. Sample valuations are then checked to confirm that the new values are supported by the market evidence.

The comparison between the sales and the land being valued will relate to the size of the land, the services available to it and the uses to which it may be or is being put.

Other factors relating to comparability could include surrounding developments and amenities. These would

include both positive factors, such as parks or views, as well as negative factors such as frontage to a busy road in a residential situation.

The contract valuers undertaking the valuations for the Valuer General use a range of material and information, including sales evidence, town planning information maps and deposited plans that allow them to determine accurate valuations.

Each valuation is recorded in the Register of Land Values and to keep valuations consistent, land is valued as at 1 July each year.

The *Valuation of Land Act 1916* contains provisions for an objection to be made to both a rating and a land tax land value.

Tendering of Valuation Service Contracts

The Valuer General has the responsibility to enter into and monitor valuation contracts as part of his statutory duties. All valuations for rating and taxing purposes are undertaken by contractors. The Valuer General retains the statutory responsibility for the final valuation.

The eighth round of Valuation Service Contracts were let in 2004 for contracts commencing as at 1 May 2004. This involved eleven contract areas:

Area	Contractor
Sydney East	Crown Valuations
Parramatta	Crown Valuations
Sydney City	Quotable Value Australia
Campbelltown	Quotable Value Australia
Burwood	Quotable Value Australia
Bathurst	State Projects and Regional Services
Wollondilly	State Projects and Regional Services
Bathurst	State Projects and Regional Services
Byron/Tweed	State Projects and Regional Services
Muswellbrook	State Projects and Regional Services
Wagga Wagga	State Projects and Regional Services

A tender evaluation panel, made up of various stakeholder groups, is responsible for evaluating the tenders and providing a recommendation as to the preferred valuation service provider.

Communication Strategy

I have put in place a new communications strategy that applies to all stakeholders, including ratepayers and taxpayers. The strategy ensures communication is open and transparent. In addition, the strategy encourages the provision of more information to stakeholders on the valuation process and more detailed information on the property market.

Positive feedback has come from stakeholders, including the Office of State Revenue, Local Government and Shires Association, Department of Local Government, the Association of Mining Related Councils and individual councils, concerning the more consultative approach to valuation matters.

An open and informative approach has been implemented for all correspondence. In addition, priority has been placed on the provision of timely responses to Ministerial enquiries as well as letters received from rate and taxpayers.

I am investigating additional ways to better inform members of the public about the valuation process and the property market. The option of a regular newsletter, sent out to rate and taxpayers, is being considered.

Legislative Reform

The Valuer General regularly reviews the *Valuation of Land Act 1916* to ascertain where amendments are required.

Section 37 of the *Valuation of Land Act 1916* has been amended to give rating and taxing authorities the provision to appeal valuations beyond the objection stage to the Land and Environment Court and higher courts.

Further amendments to the Act are being considered and include the addition of a formalised objection form.

Implementation of Walton Report

The recommendations adopted by Government following the 1999 Walton Report have been implemented. The Valuer General continues to build upon these recommendations to continually improve the valuation system and the valuation deliverables to all stakeholders.

Annual Review of Land Tax Thresholds

As part of the statutory requirements under the *Premium Property Tax Act 1998* and the *Land Tax Management Act 1956*, the Valuer General ensured that the annual review of the land tax thresholds was undertaken in line with the formulas laid down in the provisions of these Acts.

In accordance with section 12 of the *Premium Property Tax Act 1998*, the amount of \$1,970,000 was determined as the premium tax threshold for the 2004 land tax year.

In accordance with section 62TB(2) of the *Land Tax Management Act 1956*, the amount of \$317,000 was determined as the land tax threshold for the 2004 land tax year.

Changes to the premium property tax and the removal of land tax thresholds announced in the April 2004 Mini Budget will remove the need to calculate thresholds for the 2005 land tax year.

Challenges for the future

Pricing of Valuation Services

The Valuer General in consultation with local government and the Independent Pricing and Regulatory Tribunal is reviewing the pricing of valuation services to local government. The last review occurred in July 1996.

The Valuer General, in consultation with local government and the Independent Pricing and Regulatory Tribunal, is developing processes for the consideration of future pricing of valuation services. This will be followed by a pricing review.

The Valuer General proposes to have the review completed for the commencement of the 2005/06 financial year.

Objection Process

The Valuer General has implemented a review of objection management and associated processes. It is expected the review will be finalised in late 2004. The outcome of the review will ensure that objections received are completed as efficiently and as promptly as possible.

Water Management Act 2000

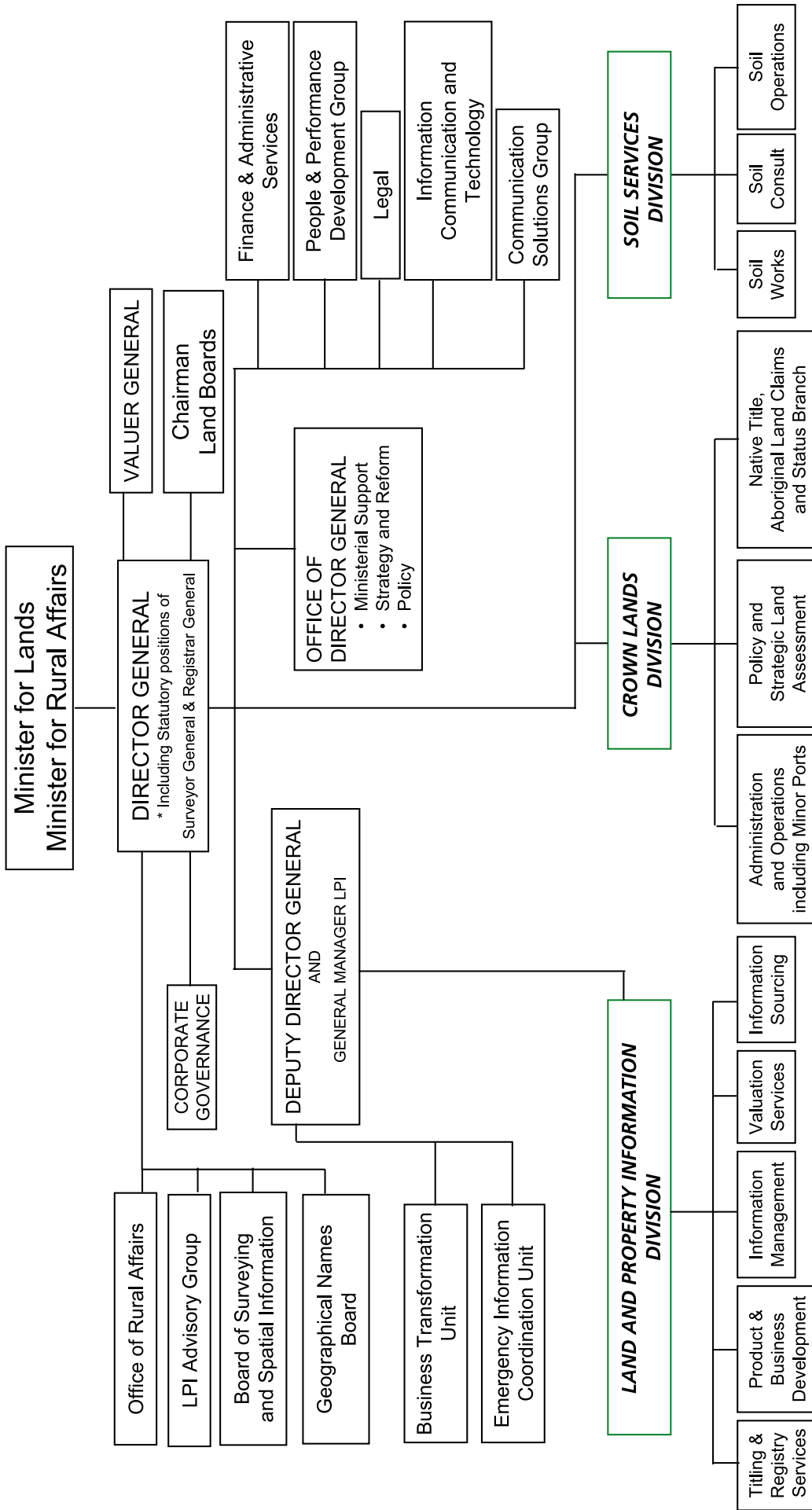
The *Water Management Act 2000* allows for the separation of water rights from the land title. Currently water rights are included in valuations prepared under the *Valuation of Land Act 1916*. There is a need to ensure that valuations, where the water right is currently included in the land valuation, have the value attributable to the water right removed, to reflect the new legislation. With limited established market evidence for the trading of water rights, valuations will not be adjusted until 1 July 2005 at the earliest.

Review of Tendering Process

The Valuer General implemented in May 2004, a review of the existing tender and contract documentation for rating – taxation valuations. It is proposed to develop a document in plain English, that gives tenderers and administrators clear guidelines and parameters of what is required. The enhanced documentation will be utilised for tendering of valuation service contracts as at 1 May 2005.



Philip Western
Valuer General



20 April 2004 Version 2.6

Land and Property Information Division

Land and Property Information Division (LPI) is the key provider of land and property information for NSW. LPI provides mapping, titling, valuation, survey and related land information services to individuals, businesses, government agencies and non profit organisations throughout NSW, Australia and internationally.

As a Government Business Enterprise, LPI:

- sources information from organisations and individuals to compile maps, databases and registers of land and property information including information on locations, parcel descriptions, values, ownership, restrictions and financial interests;
- provides services to the Registrar General, the Surveyor General and the Valuer General who have responsibilities for administering various Acts of Parliament related to land administration;
- administers the systems which support the State guarantee of Torrens title;
- makes information available to the public and organisations for conveyancing, historical research, land development, land management purposes, for state economic and social development and for planning and providing government services to the community, including event and emergency management; and
- licenses, sells, exchanges or gives the data it collects to organisations or individuals, to facilitate the above purposes.

LPI's vision is "Recognition as the leading provider of land and property information and custodian of the spatial data infrastructure for NSW".

Its mission is "to maintain and provide access to definitive information on land and property which meets the needs and expectations of our customers and provides value to our stakeholders".

Objectives for 2003-04 were to continue the development of:

- definitive information sets;
- integrated information and services;
- accessible and cost effective service delivery;
- customer-driven service;
- value for money service pricing; and
- better use of government funding.

Outcomes sought by LPI are:

- a stronger market position;
- richer services;
- increased demand for services;
- client support;
- a new reputation; and
- stakeholder approval.

Senior Managers

Des Mooney, General Manager

Warrick Beacraft, Executive Manager, Information Sourcing

Ross Cleary, Executive Manager, Information Management

Barry Douse, Executive Manager, Production and Business Development

Doug Walsham, Executive Manager, Titling and Registration Services

Simon Gilkes, Chief Valuer, Valuation Services.

Report on Operations

Information Sourcing

This unit sources and verifies data for incorporation into LPI's land and property databases. Staff include surveyors, spatial information officers and administrative staff located throughout LPI's network of regional offices as well as offices in Queens Square, Sydney, and Bathurst. Survey services, mapping, aerial photography, and maintenance of topographical and cadastral data are managed within the Division.

Survey Services

LPI ensures that statutory requirements for survey practice are met and is responsible for providing and maintaining the state control survey network.

Real Property Act 1900

One hundred and thirty nine (139) Survey Audits were undertaken to ensure the professional service of surveyors and that the recorded survey plan represents the title and physical characteristics of the site.

Survey Advice

A new Surveyor General's Direction – Number 11 "Preservation of Survey Infrastructure" was released during 2003/04 to preserve survey marks from damage during construction.

Monitoring of Survey Plans

Two thousand seven hundred and thirty (2,730) survey plans were monitored for Survey Control compliance under the Surveying Regulation 2001. Over 80 percent of survey plans used the Survey Control Network to gain orientation on the Map Grid of Australia (MGA).

Exemptions from the Surveying Regulation 2001

One hundred and forty eight (148) exemptions (compared to 177 for last year) from complying with certain parts of the Surveying Regulation 2001 were granted. Three applications to defer the placement of survey marks were granted.

Verifying Authority

The Surveyor General as a Verifying Authority for length standards in NSW under the *National Measurement Act 1960* is responsible for the calibration of surveyors' steel bands and provision of eighteen Electronic Distance Measuring (EDM) baselines throughout the State for the verification of surveyors' EDM equipment. During the year, EDM baselines were verified at the following locations: Armidale, Blacktown, Nowra, Goulburn, Moruya, Newcastle, Tamworth, Taree, Wagga Wagga, Wakehurst, Wollongong.

Survey Operations

Projects completed to supply survey control to external clients included:

- Eden Navy Project – control extension for armaments access road.
- Eurobodalla Shire cadastral upgrade control framework.
- Fosters Bay (Narooma) survey control and asset capture (Crown Lands co-operative project).
- Nowra to Braidwood 40km of control survey.
- Parramatta River Trust Control survey mark placement for flood study.
- Stockton Beach aboriginal land claim survey (for Crown Lands Division).
- Penrith Lakes and Marsden Park Subdivisions (2 x 4,000 blocks).

Survey Control work to upgrade precise GDA94 values of permanent survey marks was undertaken in the following local government areas: Bathurst, Blue Mountains, Greater Lithgow, Wagga Wagga, Coffs Harbour, Tweed, Nambucca, Newcastle, Gloucester, Port Stephens, Great Lakes and Taree.

A survey east of Barrington was carried out to re-establish the NSW/QLD border over an 80 kilometre section. A 30 kilometre section along the west side of NSW/ACT

border was restored after bushfires destroyed a majority of the existing border monuments.

Map control surveys were performed around Wagga Wagga, Bathurst and Armidale for the topographic mapping program.

Pen computer technology running geographic information system software integrated with differential GPS systems was introduced to improve field verification of topographic mapping. This year, the technology was used to survey 269 control points for 14 scenes of SPOT imagery for DIPNR. In addition, the pen system was adapted to enable a pilot study to be carried out in Cobar Shire to capture and assess rural address information. The technology was utilised for the capture of oyster leases.

As part of its responsibility for survey audits and standards of measurement, Survey Services carried out an audit of real time positioning systems to test compliance with the Passenger Transport (Taxi-Cab Services) Regulation 2001 in Newcastle, Central Coast, Wollongong and Manly Warringah systems. Under a contract to the NSW Department of Transport, the process involved verifying the positional accuracy of Taxi vehicle tracking systems.

Real time kinematic (RTK) GPS Technology has been tested and deployed within Survey Services to quickly and accurately survey DCDB control points. A total of 398 new cadastral reference marks were surveyed using this technology in areas around Queanbeyan, Peak Hill, Griffith, Young and Nowra.

The GDA Implementation Project was completed ensuring that a majority of NSW government and private sector organisations involved in surveying and mapping activities have accommodated the new national datum into their systems.

Survey Services continued to contribute to National Surveying and Mapping initiatives through representation on the ICSM Geodesy Subcommittee.

State Control Network

During the year:

- 6,070 control survey marks were issued.
- 4,650 new marks were added to the SCIMS database.
- 1,640 heights were upgraded.
- 20,590 MGA co-ordinates were upgraded from transformed values.

Survey Information

7,213 enquiries were serviced and over 94,000 survey mark details provided.

Geocoded Urban and Rural Address System (GURAS)

The GURAS project is building an authoritative, accurate and current geocoded address and road centreline dataset for NSW. Every urban and rural address will be linked to a geocoded access point, a property identifier and title identifier.

Geocoded addresses enable linkages between residential address information and all spatial data. Completion of the project will contribute to the ability of residents in regional NSW to access both government and private sector services and will enhance the ability of emergency services to efficiently respond to crises such as bushfires or floods.

Rural Address Acceleration Project (RAAP)

The project commenced this year to accelerate the implementation of Rural Addressing in New South Wales with the intention of completing the assignment of all rural addresses by 2008. There are about 340,000 rural properties in NSW of which only 50% have been allocated a rural address by local councils. The project provides assistance to councils to complete the assignment and provide Lands with the rural address data. The data is loaded directly into GURAS for validation and geocoding the address data.

SydNET

The SydNET project is building a network of 10 permanently operating high quality Global Positioning System (GPS) reference stations to be located in the Sydney Metropolitan area with data links to a control, processing and data distribution centre at Australian Technology Park (ATP). Three stations were established this year along with network control centre facilities at ATP and data is being logged from three sites at Chippendale, Waterfall and Mulgrave. In the second phase, it is planned to link these sites to those in regional centres and country areas, particularly those already operated by Local Councils. The system is designed to receive data from up to 100 sites.

SydNET will enable suitably equipped users (dual frequency RTK capable GPS receiver and mobile phone) operating in the coverage area to receive data processed from the combined GPS base stations and provide centimetre level positioning in real time.

SydNET will be an efficient resource for producing a greater density of cadastral control to improve the spatial accuracy of the Digital Cadastre Database (DCDB). It is expected that over time, SydNET will replace the need to maintain a significant portion of the existing physical survey control infrastructure.

Topographic Data

The Digital Topographic Database (DTDB) comprises digital data derived from the State series of topographic maps, enhanced by collection and maintenance of data from current aerial photography to provide a comprehensive topographical dataset across NSW. It comprises six major themes: Transport, Hydrography, Habitation, Utility, Landform and Land Cover.

LPI completed 46 maps (25 new editions and 21 new series reprints) in 2003/04. Approximately 50% of the Eastern Division, which comprises those areas adjacent to the coast, has now been completed. Data for the Western Division of the State is being collected by stereo-photogrammetric techniques with approximately 75 percent completed or in progress to date.

Hardcopy map output was affected during the year by the changeover to new operating technologies. However, the capture and maintenance of the DTDB was sustained (approximately 750,000 features added or changed) which will enable the recovery of map output volumes in the coming year.

Aerial photography (approximately 17,000 frames) was taken at scales from 1:25,000 to 1:50,000 covering an area of 220,000 square kilometres. In addition, special purpose photography was undertaken for four Local Government Authorities, Mid Coast Water, DIPNR, State Forests and the Commonwealth Government.

Cadastral Data

The Digital Cadastral Database (DCDB) comprises over four million polygons depicting the various interests and aspects of land administration. Included are over three million legal cadastral parcels of land, which represent the legal framework of land ownership in NSW together with 17 ancillary layers of information, such as administrative boundaries and Crown land.

In 2003/04:

- 120,619 new polygons were collected.
- The spatial accuracy of 7,021 polygons was improved.
- 1,826 plans over unidentified Crown land were prepared for registration.
- 36 metes and bounds descriptions were written for altered Local Government Area and Local Aboriginal Land Council boundaries.
- Rural road name updates were made to the DCDB using data supplied by Councils covering thirteen Local Government Areas.
- 21 Councils undertaking or considering implementing rural addressing received training and technical

advice. To date training has been supplied to 106 Councils.

- 16,769 cadastral parcels were investigated to resolve referencing issues identified in matching the DCDB with the Integrated Titling System (ITS).

Spatial Maintenance System Project (SMS)

The SMS Project was initiated to replace the Department’s legacy cadastral and topographic spatial data maintenance systems with leading edge, standards compliant solutions enabling superior management, integration, dissemination and access for the State’s spatial infrastructure data sets. The maintenance and data delivery systems are built using ESRI Geodatabase technology based on data stored within spatially extended IBM Informix relational databases.

The topographic maintenance system has been operational for just over 12 months providing a seamless picture of the State, conforming to National Standards, and accessible over the Web via the Lands Geospatial Portal.

The Cadastral maintenance system will be deployed later in 2004 providing enhanced data intelligence, web accessibility for the importing and exporting of data including electronic plan data and enabling cadastral accuracy upgrade. Crown Lands, titling, addressing and valuation systems will leverage the work done within the SMS Project.

The completion of the SMS project will increase the inherent value and utility of State SDI datasets by improving accuracy, content, currency and accessibility. Adherence to open standards will deliver the system inter-operability required to reduce duplication across applications and services dependent on SDI datasets with clients able to receive online incremental updates based on the model of their choice.

Single Land Cadastre (SLC)

The SLC is central to LPI’s intent to consolidate its position in NSW as the primary source of State-wide authoritative, accessible property information datasets. The upgrade of LPI’s Spatial Maintenance Systems will provide an enhanced capability for a SLC. The SLC base data will provide the fundamental data underpinning the NSW spatial data infrastructure enabling others to map assets and plan service delivery strategies.

A memorandum of understanding between Sydney Water Corporation (SWC) and LPI is in place to create one cadastre and business strategies are being developed that will enable both organisations to deliver an improved service to their clients. In creating the single cadastral dataset LPI will adjust its cadastre to positionally align with the cadastre of SWC. A full working trial will

commence in February 2005 with full implementation scheduled for July 2005. Once operational there will be no duplication of effort between the organisations. LPI will maintain the SLC as part of the State DCDB, which SWC will use. The SLC will provide an opportunity for other cadastre custodians to follow a similar approach to data maintenance.

The development of the SLC will provide opportunities for participants to benefit from:

- Data sharing with partners such as local government and utilities.
- Improved data content through ingestion of external datasets.
- Improved survey control.
- Upgraded positional accuracy.
- Elimination of duplication in cadastral maintenance activity.

The Department of Lands

Land and Property Information Division

LPI Division Financial Statements

Crown Lands Division

Soil Services Division

Office of Rural Affairs

The Department of Lands Financial Statements

BOSSI Financial Statements

Appendices

Glossary

Index

Information Management

This unit directs and manages key LPI Information Technology (IT) and Information Management (IM) business related projects. Other activities include: managing all aspects of LPI's acquisition of IT services, and attendant Service Level Agreements; providing strategic advice on IT matters to the LPI Executive Management Group; and managing LPI's audit program relating to IT/IM matters. The Division Head also fills the role of Group Product Manager in LPI with responsibility for co-ordination of activities of product and relationship managers to achieve a consistent approach with all LPI customers.

Significant Projects

A **Local Government Portal** (LGP) is being introduced to better service the needs of Local Councils State-wide. The portal will provide local council staff with direct, easy access to a comprehensive range of property information offering enhanced functionality and security for all users.

At present councils access newly registered plan images, Notice of Sale and valuation information on a daily basis. This information will continue to be provided free of charge through the single access portal with the added option of subscribing to a number of additional services such as Title Searches, Images and Integrated Property Inquiry (some offered free of charge, and some are offered on a fee-for-service basis).

LPI should realise productivity benefits from the LGP, through a reduction in the number of telephone inquiries from council staff. The portal will be available to councils in August 2004.

Land Value Search is being developed for delivery via the Lands website and authorised information brokers, to meet an expected increase in demand for Certificates of Land Value (CLV) amongst proprietors of newly land-taxable properties. Currently CLVs are available from the Office of State Revenue and LPI via a manual process. The development of an online Land Value Search is in line with LPI's electronic service delivery strategy and will significantly improve service to the public by satisfying a long identified demand.

Enhanced and/or new electronic services introduced in 2003/04 include:

- Certificate Authentication Code Inquiry, by which customers can check the authenticity of any Certificate of Title issued since January 2004.
- Supply of baseline data sets from Spatial Data Warehouse in preparation for the introduction of incremental online updates. The initial supply was to State Forests.

- The delivery of large volume data supplies to such customers as emergency service organisations and others taking whole-of-State datasets has been enhanced through the introduction of large capacity, transportable disks.
- An Internet - based property inquiry service to Department of Infrastructure Planning and Natural Resources.
- An Internet delivery service to supply property and sales data to Energy Australia to assist them in the maintenance of ownership details in respect of land parcels affected by transmission lines.

As part of its role in governance of acquisition and management of ICT Services, the Division developed a Service Level Agreement with Lands Information Communications & Technology Services, expected to come into force in September 2004.

The Division also conducted a review of Strategic Information Architecture (SIA), in collaboration with ICT to deliver an enterprise information management model, business model, IM Thesaurus and a register of improvement opportunities.

The SIA project was completed on schedule in Q1 2004. The recommendation for development of an education program for staff on the outcomes and benefits of the SIA project was endorsed and is being developed by the Program Office.

Projects planned to commence in 2004/05 include:

- Converting all manual Torrens Titles and Old System land to the Integrated Titling System (ITS), within 2 years. This project constitutes a key component of the LPI Business Plan 2004-05. It also directly relates to LPI's new business model in that it addresses the fundamental requirements of our business to provide services, which create value.
- Development of an Integrated Image Management Strategy for Lands, taking into account Whole of Government issues. A review of the existing configuration of systems and servers, the uses made of them, and the purposes seeking to be met by LPI's image management systems will be undertaken to determine a cohesive information architecture that will deliver information integrity as well as systems security, redundancy and resilience, and complement LPI's Data Quality Program, currently under way.
- Implementation of Electronic Data Interchange with Councils to enable Local Councils to more easily create property address and address for service of notice (ASON) files for supply to LPI in a standard format that complies with the Australian standard.

The facility will be built for Councils to provide new or changed addresses from a certain date only, rather than to re-supply all address data.

Production & Business Development

This area identifies, develops and pursues new markets and products for LPI. It also manages the identification, planning and delivery of major new initiatives in service and systems improvement as well as mass production of existing information products.

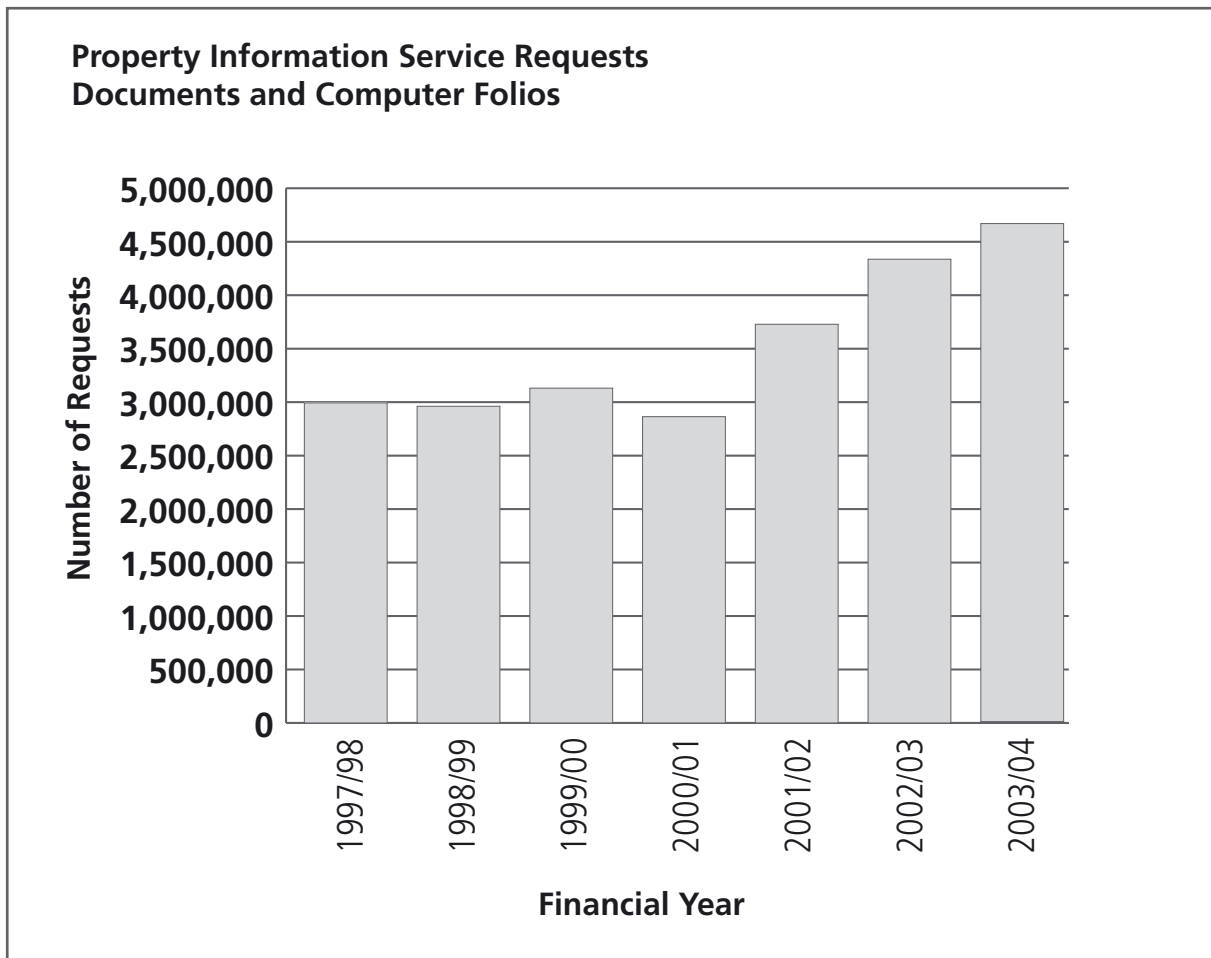
Information Services Branch

Information Services Branch manages the production and delivery of title searches, plan and dealing images and other title related documents sourced from LPI's datasets. The Image Capture Section scans all newly registered Plans and Dealings on a daily basis and stores them on the Document and Integrated Imaging Management System (DIIMS). In 2003/2004, over 14,000 plan and 1,000,000 dealing images were loaded to DIIMS and made available for electronic access and service delivery. Approximately 80% of information requests are satisfied through online delivery channels sourced from DIIMS.

Traditional over-the-counter information services to the conveyancing community and the public also remain available at Queens Square, the majority of which are processed within 15 minutes.

In 2003/04, demand for this information remained high. Over 4.7 million requests were satisfied, 85 percent of these online. The graph below indicates patterns of demand from 1997/98 to the present.

The Cadastral Records Directory electronically captures land titling notations information traditionally recorded on paper reference maps. Since September 2002, notations have been captured electronically through system interaction with the titling system and the cadastral database. Use of the CRD has now increased to 63,000 searches per annum. Later in 2004, a Cadastral Records Viewer (CRV) will replace the existing CRD. It will allow the display of data relevant to the cadastre and permit manipulation (zoom/pan) of the nominated display of data as required. It will also permit the interaction between cadastre (or map) and the supporting data sources like plan, dealing and charting map images as well as computer titles.



Property Information Inquiry Service (PIIS) and the Central Register of Restrictions (CRR)

PIIS is a commercial service operated by LPI. The service enables the public to use a single inquiry form to obtain certificates and clearances for conveyancing purposes from nominated government authorities that may have an interest in any specified land parcel. PIIS collects and distributes the applications for clearances and certificates directly to authorities together with the fees set by the authorities and paid by the clients to LPI. A small handling fee is levied by LPI on users of this service. In 2003/2004, PIIS Applications processed averaged 136.5 per day with an annual total of 34,412.

The service also provides the public with a means of accessing the Central Register of Restrictions (CRR). The CRR simplifies the conveyancing process by allowing a single inquiry point within LPI, in relation to government and semi-government interests in land. It allows government agencies and semi-government authorities to record details of land over which they have an actual or potential interest. The responsibility for updating and maintaining the data details stored in the database rests with the participating authority. At present, nine organisations participate in the CRR. Access to the CRR is being utilised by twelve Information Brokers.

Graphic Services Branch

Graphic Services Branch produces maps, charts, stationery, photographic enlargements, contacts, diapositives, digital scanning, films, book binding, electronic publishing, graphic design, dyelines, colour and black & white copying, laminating, and map framing and mounting. Departmental forms, brochures, reports, catalogues and guides are also printed.

A new large-format printing press and Computer-to-Plate direct imaging along with FM screening and dot-for-dot reproduction was acquired during the year. This new equipment is state-of-the art and is resulting in higher quality map printing than was previously possible. Using ICC colour control methods for color matching provides a greater degree of image clarity.

Graphic Services:

- Continued to produce valuation notices for distribution to ratepayers and is gaining experience in digital variable printing.
- Produced commercial mapping for State, Commonwealth and other government agencies as well as private contractors.
- Digitally captured the land title related hard copy charting maps. A number of other digital capture projects are underway, aimed at providing better access to Departmental data including the aerial photo key diagrams.

Topographic map printing production fell by 58 percent due to a drop in supply of new maps from Information Sourcing.

Major Production Indicators

	2001/02	2002/03	2003/04
Map Published Impressions	2,455,940	2,256,420	1,215,900
Aerial Contact Prints	50,252	51,468	64,500
Aerial Enlargements	2,628	2,010	1,692
Proofs	2,732	1,05	1,222
Plates	3,768	3,428	4,271
Folded Sheets	2,236,608	2,632,140	1,560,012
Printing Impressions	6,553,290	7,337,844	6,291,147
Number of Printing Projects	542	565	494

Market research

LPI's market research program aims to ensure the delivery and development of products and services that customers and potential customers want, and to identify and prioritise opportunities for business development.

Key market research projects undertaken in 2003/04 were:

- A Government Property Register (GPR) study conducted in December 2003 aimed to identify key motivations for GPR users to comply and contribute data to the register. Findings contributed to the LPI plan to approach the key state departments.
- A Digital Cadastral Database customer requirements study conducted in April 2004 provided input to the spatial management strategy and development of the single land cadastre products. Findings will provide input for LPI's product and service strategy for its spatial customers for the future.

International Business

LPI operates an international land information and administration consultancy service on a commercial basis.

International initiatives pursued in 2003-2004 were:

- Supplying land information and administration consultancy services to support a range of internationally funded programs in developing countries including Trinidad & Tobago, Laos and the Philippines.
- Several training programs were delivered in NSW at both technical and executive levels. A major training program was developed for senior officials from Russia. This was a third in the series of tailor made programs covering all the operational aspects of LPI. In addition, a training program was conducted for the Registrar General's Department in Trinidad and Tobago to finalise the institutional strengthening project.
- Over 15 senior delegations were received during the year with over 150 delegates. Senior officials at director level or above led each delegation. These organisations provideservices similar to LPI and allowed an opportunity to benchmark services provided by LPI. Delegations were primarily from South East Asia including China, Korea, Japan, Cambodia, Nepal, Saudi Arabia and Dubai.

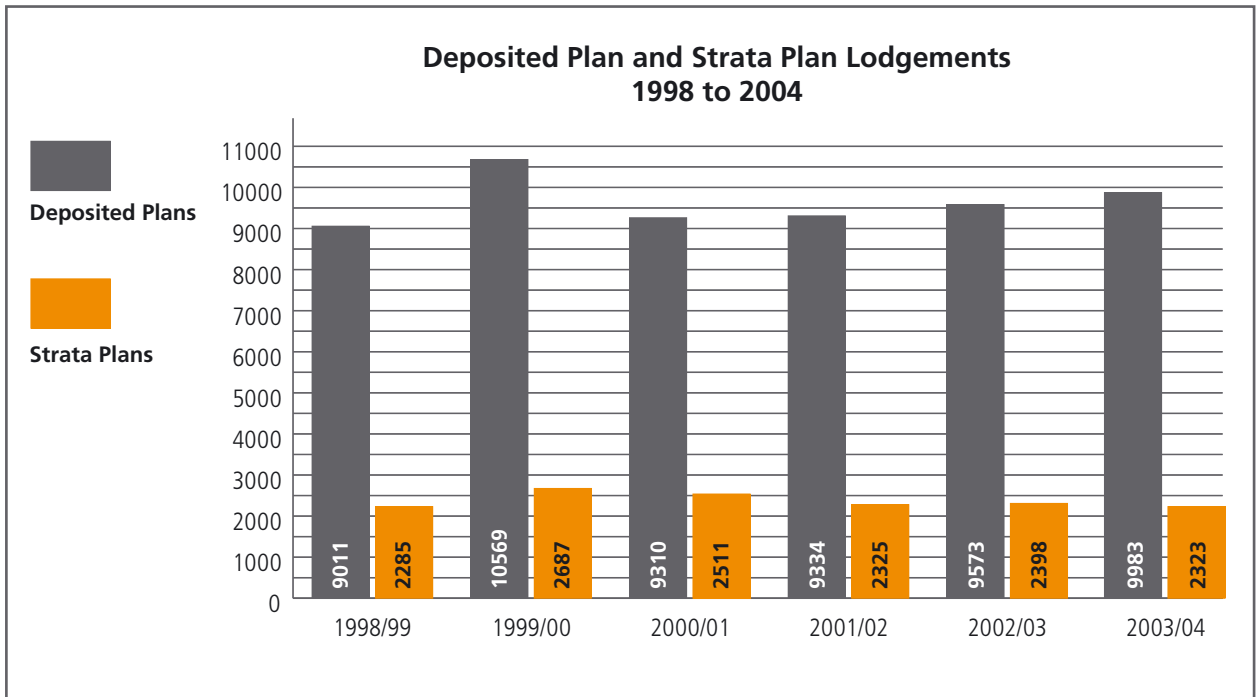
Titling & Registry Services (T&RS)

The primary functions of T&RS are:

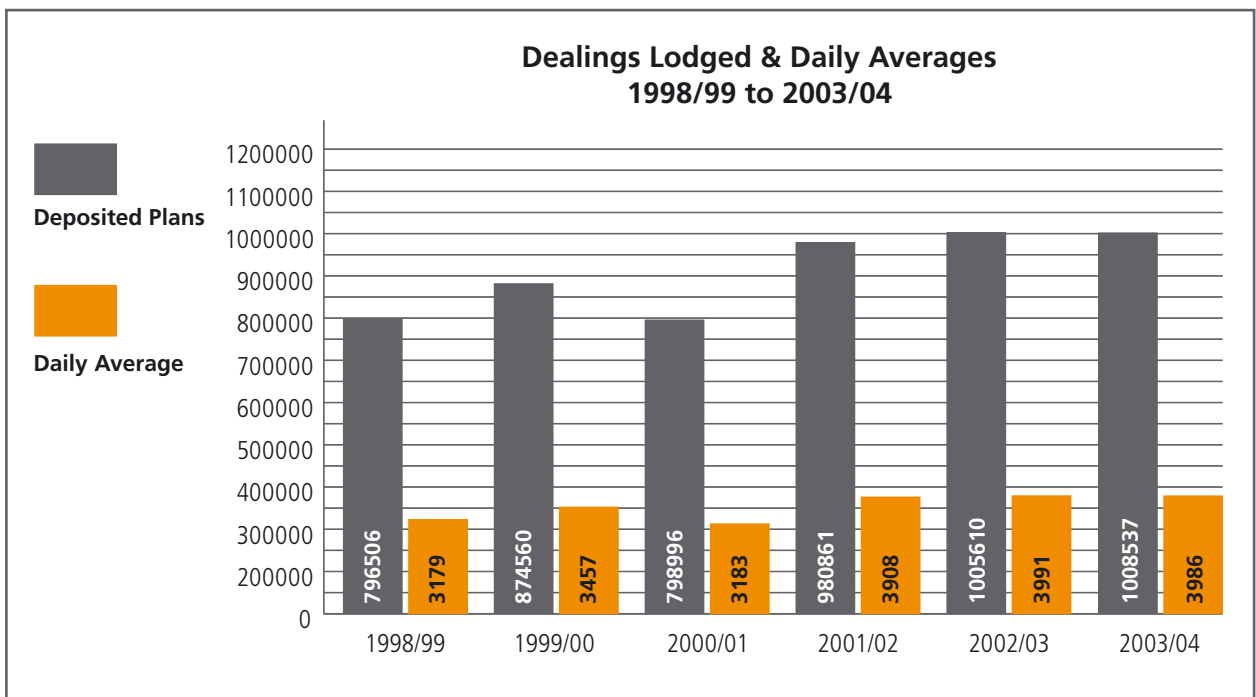
- To examine and register new plans to establish new boundary definitions and to create titles for lots in these plans;
- To examine dealings (documents evidencing Torrens title land transactions) and deeds and record dealings in the Torrens Register; and
- To convert Old System land and manual Torrens folios of the register to the Integrated Titling System (ITS).

Performance indicators for 2003-2004 include:

- Deposited plan lodgments for the year increased 6% over 2002/2003. Strata plan lodgments decreased by 1%.
- 10% of deposited plans and 20% of strata plans were pre-examined.
- 6% of deposited plans and 2% of strata plans were lodged using the e-plan facility.
- 70,609 new titles were created in the financial year. Of these 39,676 were created from deposited plans and 30,933 were created from strata plans. This is an increase of 12% for strata lots and 5% for cadastral lots, an increase of 8% overall from the previous year.
- There were 9,983 deposited plans and 2,323 strata plans registered in the financial year. The graph over page shows patterns of lodgment over the last six years.
- 2759 Old System and Manual Torrens Title parcels were converted to the computerised Integrated Titling System.



Dealing lodgments remain consistently high, totalling over one million dealings (1,008,537) for the second consecutive year. The graph below shows the trend in dealing lodgment from 1998/99.



Major projects

Government Property Register (GPR)

The NSW Government established the GPR in 1988 to facilitate management of its property assets and provide an overview of the Government's land holdings for planning purposes. The Department of Lands is currently upgrading the GPR to improve access to information about government owned and occupied property and to create new opportunities for agencies to add value to their services. It will deliver whole-of-government benefits by providing an integrated data source combining data from individual owner agencies with data from the Department of Lands to give a total picture of the State's land holdings.

Changes to Annual Reports legislation have been made to improve the reporting of land and property details held by agencies to the Director General of the Department of Lands. Lands is also developing a prototype web-based textual inquiry which will allow government authorities to make on-line inquiries against parcels held in the GPR and ITS. A prototype spatial inquiry is also under development that will be available via the web depicting rendered graphics of GPR land.

Detailed user consultation with central reporting agencies and large property portfolio agencies is in progress to gain a comprehensive understanding of their requirements. The next stage of the project will see the development of an updated data model that is relevant to all users, enhancement of processes for ongoing updating of the GPR including electronic and web-based methods and development of a service delivery model that supports the operation of the GPR.

Electronic Settlement, Electronic Lodgment and Automatic Registration of Real Property Dealings in NSW (ELARD)

The ELARD project is investigating the feasibility of electronic lodgment and automatic registration of dealings for conveyancing of property.

A Public Consultation Document, which proposed possible models for an electronic conveyancing system within NSW, was released in May 2004 for public comment. The consultation period will close on 30 July 2004.

National uniformity issues are being progressed through the Australian Registrars Electronic Conveyance Steering Committee (ARECSC), which has representatives from each jurisdiction. Industry groups such as the legal profession, major banking institutions and conveyancers are also becoming involved at a national level.

LPI is working closely with its counterparts in Victoria to achieve an aligned model for electronic conveyancing.

New Certificate of Title – New Security Features

The availability of inexpensive scanning and printing technology has contributed to an increasing incidence of identity fraud worldwide. Given this context a new Certificate of Title (CT) format was introduced in January 2004, with a number of security features to support identification of an authentic CT. The new security features include a Certificate Authentication Code, an embossed silver foil seal, a watermark, fine-line background printing, document numbering and light sensitive ink areas.

Water Access Licence Register (WAL)

The WAL Register is a computerised system designed to provide an accurate record of every water access licence in New South Wales. It will operate in a way very similar to the Torrens Title Register.

The WAL Register will commence on 1 July 2004 under the Water Management Act 2000. LPI will maintain the WAL Register on behalf of the Department of Infrastructure, Planning and Natural Resources (DIPNR). It will initially comprise over 3000 water access licences associated with the 36 existing water-sharing plans. As other water sharing plans are developed by DIPNR, water access licences covered by those plans will be added to the Register.

Moving Forward Program (MFP)

The objective of MFP is to secure increased efficiency and accountability in dealing lodgment and registration practices and to introduce improved fraud protection measures and service enhancements. The context is to deliver benefits ahead of the implementation and consistent with the principles of ELARD.

Current projects being implemented under MFP are:

Invoicing Arrangements

This project aims to overcome deficiencies in current invoicing arrangements by interfacing ITS and the SAP financial system and ensuring that invoices are recorded, controlled and cleared in SAP. The project will significantly enhance the financial system management reporting capability for ITS revenue.

Payment Arrangements

In conjunction with the Invoicing Arrangements project, this project is designed to streamline lodgment fee payments and accounting and to offer lodging parties direct debit as an electronic payment option and provide efficiency benefits for LPI and industry.

Development Projects under way include:

Identity Verification

This project involves prescribing procedures to be followed by clients and customers of LPI to verify the identity of the person or company on whose behalf they are acting to carry out property transactions. The project will have immediate benefits in deterring identity fraud and the procedures it prescribes will be essential when lodging electronically with ELARD. The procedures will initially apply to individual customers who apply for replacement Certificates of Title.

Forms Design

This project involves determining the changes to lodgment forms necessary to facilitate data capture and automatic registration of dealings as well as opportunities for new and more efficient ways of distributing forms to users. It will familiarise users in regards to electronic lodgment of dealings in ELARD.

Standardisation of Forms

This project involves investigation of options to reduce the use of additional operative words, covenants and provisions in Real Property Act dealings, with the initial focus on mortgages and discharges of mortgage. This will be followed by an examination of leases. Standardisation of forms should contribute to reduced examination time and the facilitation of ELARD.

Data Capture

This project involves providing a means of recording all dealings received for lodgment including those currently rejected, creating electronic dealings that can be used as input to an automated registration process and facilitating earlier invoicing after presentation.

Workflow Management

This project involves identifying needs for electronic document workflow management as both an aid to existing processes as well as a necessity when electronic dealings are created by data capture and eventually lodged with ELARD. Potentially the project will also extend to the handling of plans lodged electronically and to streamlining the issue, control and follow-up of plan and dealing requisitions.

Automatic Registration

This project acts as the end point of electronic lodgment and electronic examination processes that will administer the registration of dealings without examining officer intervention. Once electronic lodgment and electronic examination have been developed automatic registration should be a relatively simple end point. This will involve the automatic passing of the already validated data to ITS for the registration process.

Electronic Examination

This project will involve a detailed examination of the dealing examination and registration process to define and determine the requirements for automatic application of electronic dealings created by the data capture project and

electronically lodged dealings to update the register. It is a substantial project requiring extensive investigation and analysis prior to any systems development work.

Future Projects**Optional Certificates of Titles**

This project will involve consultation with the mortgage industry and legal profession to develop a policy whereby mortgagees will be able to request that certificates of title not be issued following registration of property transactions. The project will provide immediate benefits to industry and to LPI in eventually halving the number of latest edition certificates on issue and facilitate electronic lodgment with ELARD.

ePlan

ePlan became generally available for use by the surveying industry from 1 June 2003. As at 30 June 2004, 206 users have been granted access to ePlan and 72 individual surveyors are approved to lodge for registration.

Development commenced in December 2003 on the functional requirements of ITS and DIIMS for the electronic lodgment of plans and the enhancement to the ePlan Website. Completion of the interface is expected during the third Quarter of 2004.

The original concept for ePlan was to include supply of 'intelligent' plan geometry. This data will ultimately be used for quality assurance and automated update of the State's digital cadastre. Various options have been considered, but implementation has been deferred pending migration of the DCDB to the ESRI suite of GIS products.

Land and Property Information is participating in a National Working Group to define a national cadastral data transfer standard. The working group has been set up under the ICSM and comprises representatives from all Australian States and Territories as well as New Zealand.

The model is aiming to produce a generic LandXML data export/import format for plan data that will allow for jurisdictional specific elements to be added.

The national project has initially been named ePlan with a delivery date of 30 June 2005.

Industry Liaison

The Division has continued its commitment to quality in plans by providing consultation service for the surveying and legal industries .

The Surveyor Liaison Program provided the opportunity for regional surveying groups to request presentations on topics relevant to their regional development. Technical liaison officers attended 13 meetings during the year and presented on a wide range of topics.

Presentations to other related industry groups included seminars for legal, valuation and real estate professionals.

Strata Plan Interpretation Seminars

The number of strata related inquiries received highlighted the need for community and industry education on interpreting the information shown on strata plans and strata title issues in general.

A seminar style presentation has been developed targeting professional strata managers and other related industry professionals.

The presentation was promoted at the annual convention of the Institute of Strata Title Management (ISTM) in November 2003 and has now been included in the ISTM compulsory Continuing Professional Development (CPD) program for licensed managers and certificate holders..

The commercial seminar is being conducted every two months at the Department's Sydney office and is also available for off site presentation. During the first half 2004 over 200 participants from across industry attended the seminar.

A short version of the presentation was given at a monthly meeting of a regional professional Valuers group in February. The meeting resolved to forward a recommendation to the Australian Property Institute, to include the full seminar in its compulsory CPD program.

Cadastral Integrity Program

This program aims at preserving the integrity of the cadastre and guarantee of land titles while providing feedback on industry performance. LPI is undertaking random field audits of recently registered Strata Plans as a key initiative of this program and provides the Board of Surveyors with industry results. Surveyors of plans included in the audit are being advised of the findings in respect of their individual plans.

There are on average 2,600 strata plans registered each year. Currently the aim is to audit 5% or 130 plans per year. During 2003, LPI conducted field audits on 136 plans prepared by 107 surveyors across 22 different local government areas. In the first 6 months of 2004, 82 plans prepared by 65 surveyors were audited across 14 local government areas.

Results of these audits have been presented to 8 regional surveyor groups, country surveyors, remote surveyors, Qld institute, RTA Surveyors and Canberra Group totalling over 500 surveyors.

The audit program has had a very positive effect in increasing surveyors' awareness of their responsibilities to clearly define what is included in strata lots and common

property and to the consequences of not doing so. This is evident from the descriptive notes used to clarify the status of items such as retaining walls, pergolas, fences and other structures that were highlighted as problem areas in the 2002/3 audits. There has been an increase in the number of inquiries by surveyors requesting advice in relation to methods of clearly defining lots.

Consulting for Major Developments.

Technical staff provided ongoing advice to other agencies and private developers in relation to legislative requirements and LPI practice. Some significant developments include:

- **Bankstown Airport Limited:** plan identifying all leases affecting Bankstown Airport has been lodged, allowing separate titles to issue for each lot.
- **Development of Requirements for Clause 29 surveys:** in consultation with the Cadastral Integrity Unit, standards and requirements have been developed for definition of cl.29 surveys, allowing boundaries to be defined by GPS co-ordinates. This category of survey is being utilised for a number of projects that do not impact on freehold land, including the Alpine Way and other roads within the National Park network, Lightning Ridge residential leases and other projects involving substantial tracts of Crown land.
- **Mean High Water Mark:** work continues with the Interagency Riparian Boundaries Working Group to amend current practice and associated documentation to reflect the intent of the Coastal protection legislation.
- **Hume Weir Flood Plain Easements:** advice was given on the requirements for the creation of easement for flooding caused by the release of waters from the Hume Weir catchment.
- **Lightning Ridge Residential Leases:** in conjunction with Mineral Resources and Western Lands, a low cost system of plans, allowing titles to be created for Residential Mining Leases at Lightning Ridge, was developed. Three such plans have been registered.
- **State Rail Authority:** liaising with State Rail Authority regarding plan definition and titling requirements to reflect the current division of the Authority in several separate entities. RFC, RIC etc.
- **Health NSW:** liaising with Health NSW and the Attorney General to establish the most cost effective method for that department to gain Torrens Title for Crown land under its controls.

Valuation Services

This unit was separated from Information Sourcing to coincide with the appointment of a new Chief Valuer at the beginning of October 2003. The Chief Valuer is responsible for the management of the division and providing services under the Service Level Agreement between the General Manager, Land and Property Information and the Valuer-General.

During 2003/2004, new valuations were issued for rating in 47 local council areas across the State, resulting in the issue of 794,000 general notices of valuation to property owners in these local government areas. In addition, more than 2.3 million values were supplied to the Office of State Revenue for land tax purposes and a further 57,650 supplementary notices of valuation were issued following changes to properties or the creation of new lots.

The *Valuation of Land Act 1916* gives landowners the right to object to land values and other information shown on notices of valuation. During 2003/2004, Land and Property Information received 10,100 objections and reduced previous backlogs by completing and determining 11,339 objections.

Under the *Land Acquisition (Just Terms Compensation) Act 1991*, 417 determinations were made during the year to assess compensation payable to dispossessed owners whose land has been compulsory acquired.

Valuation Services also maintains the Register of Land Values on behalf of the Valuer-General. This involves maintenance processes to bring new lots and other changes to account as well as an ongoing program of data cleansing and improvement. During 2003/2004, legal descriptions for approximately 160,000 properties were created, reformatted or amended while area and/or dimension details were updated for almost 90,000 properties. These actions will improve the quality of data being provided to the Office of State Revenue, local councils, property owners and other clients.

In 2003/2004, Valuation Services commenced a valuation process improvement project. The first stages of this project comprised the publication of an upgraded Procedure Manual for Contract Valuers and the implementation of formalised and improved Contract Management Procedures. This project is to continue through 2004/2005 with a rationalisation of various work instructions and a further review of Contract Management Procedures Manual before the commencement of the 1 July 2005 revaluations.

Other projects planned for the coming year include:

- A review of objection processes and procedures.
- Implementation of a web-based Land Value Search available to the public.
- A review to simplify and clarify objection correspondence to improve the transparency of the valuation process.
- Continuing to improve the timeliness of the issue of Notices of Valuation.
- Business case for development of a system linking Valuation and Spatial Data. It is expected that this system will improve valuation quality and consistency by providing a cost effective graphical tool for the comparison of values and market information

Office Locations

Head Office

1 Prince Albert Road
Queens Square
Sydney NSW 2000
PO Box 15
Sydney NSW 2001
T: 61 2 9228 6666
F: 61 2 9233 4357

Bathurst

346 Panorama Avenue
Bathurst NSW 2795
T: 61 2 6332 8200
F: 61 2 6331 8095

Sydney Map Shop

Lands Building
23-33 Bridge Street
Sydney NSW 2000
T: 61 2 9228 6315
F: 61 2 9221 5980

Albury

520 Swift Street
Albury NSW 2640
T: 61 2 6041 1667
F: 61 2 6041 2028

This office provides valuation information only.

Campbelltown

Level 1
Macarthur Place
1 Bolger Street
Campbelltown NSW 2560
PO Box 22
Macarthur Square NSW 2560
T: 61 2 4625 1185
F: 61 2 4626 1089

This office provides valuation information only.

Coffs Harbour

359 Harbour Drive
Coffs Harbour NSW 2450
PO Box 291J
Coffs Harbour NSW 2450

For Survey information.

T: 61 2 6651 2507
F: 61 2 6651 1001

For Valuation information.

T: 61 2 6652 7766
F: 61 2 6651 1001

Dubbo

Government Office Building
37-39 Carrington Avenue
Dubbo NSW 2830
T: 61 2 6881 6014
F: 61 2 6884 1463

This office provides valuation information only.

Gosford

Floor 1, Suite 106
40 Mann Street
Gosford NSW 2250
T: 61 2 4325 0371
F: 61 2 4323 4651

This office provides valuation information only.

Goulburn

167-173 Auburn Street
Goulburn NSW 2580
T: 61 2 4822 1240
F: 61 2 4821 6024

This office provides valuation information only.

Grafton

Government Office Building
49-51 Victoria Street
Grafton NSW 2460
PO Box 272
Grafton NSW 2460
T: 61 2 6643 1455
F: 61 2 6643 1425

This office provides valuation information only.

Lismore

C/- Department of Commerce
Dalley Street
East Lismore NSW 2480
PO Box 73
Lismore NSW 2480
T: 61 2 6626 5632
F: 61 2 6626 5666

This office provides survey information only.

Murwillumbah

Government Office Building
135 Main Street
Murwillumbah NSW 2484
PO Box 834
Murwillumbah NSW 2484
T: 61 2 6672 5596
F: 61 2 6672 5596

This office provides valuation information only.

Newcastle

Government Office Building
117 Bull Street
Newcastle West NSW 2302

For survey information:

PO Box 5051
Newcastle West NSW 2302
T: 61 2 4925 9984
F: 61 2 4929 2969

For valuation information:

PO Box 488G
Newcastle NSW 2300
T: 61 2 4925 9999
F: 61 2 4929 2969

Nowra

C/- Shoalhaven City Council
Bridge Road
Nowra NSW 2541
PO Box 42
Nowra NSW 2541
T: 61 2 4429 3279
F: 61 2 4422 1816

This office provides survey information only.

Orange

Level 1
Government Office Building
Cnr Kite and Anson Streets
Orange NSW 2800
T: 61 2 6392 6322
F: 61 2 6392 6313

This office provides valuation information only.

Parramatta

Level 10
Signature Tower
2-10 Wentworth Street
Parramatta NSW 2124
T: 61 2 9689 8348
F: 61 2 9891 6653

This office provides valuation information only.

Penrith

Suite 2, Level 3
Danallam House
311 High Street
Penrith NSW 2750
T: 61 2 4721 2728
F: 61 2 4731 6036

This office provides valuation information only.

Port Macquarie

C/- Hastings Council
Cnr Lord and Burrawan Streets
Port Macquarie NSW 2444
T: 61 2 6581 8638
F: 61 2 6581 8788

This office provides survey information only.

Queanbeyan

Suite U101
Corporate Centre
131-139 Monaro Street
Queanbeyan NSW 2620
PO Box 673
Queanbeyan NSW 2620
T: 61 2 6297 7333
F: 61 2 6297 2280

This office provides valuation information only.

Tamworth

Suite 1
468-472 Peel Street
Tamworth NSW 2340
T: 61 2 6766 7333
F: 61 2 6766 3045

This office provides valuation information only.

Wagga Wagga

Level 2
Government Office Building
43-45 Johnston Street
Wagga Wagga NSW 2650
T: 61 2 6931 8227
F: 61 2 6931 8230

This office provides valuation information only.

Wollongong

State Government Office Block
Block J
84 Crown Street
Wollongong NSW 2500
PO Box 5368
Wollongong East 2520
T: 61 2 4275 9400
F: 61 2 4228 1541

This office provides valuation information only.

Wyong

C/- Wyong Council
Hely Street
Wyong NSW 2259
PO Box 20
Wyong NSW 2259
T: 61 2 4350 5324
F: 61 2 4350 5324

This office provides survey information only.

E: feedback@lands.nsw.gov.au
Website: www.lands.nsw.gov.au

Business hours: 8.30am - 4.30pm Mon to Fri

Note: Business hours may vary in Regional Offices due to fieldwork.



GPO BOX 12
SYDNEY NSW 2001

INDEPENDENT AUDIT REPORT

Land and Property Information New South Wales

To Members of the New South Wales Parliament

Audit Opinion

In my opinion, the financial report of Land and Property Information New South Wales:

- (a) presents fairly the Land and Property Information New South Wales' financial position as at 30 June 2004 and its financial performance and cash flows for the year ended on that date, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and
- (b) complies with sections 45E and 45EA of the *Public Finance and Audit Act 1983* (the Act).

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

The Director-General's Role

The financial report is the responsibility of the Director-General of the Department of Lands. It consists of the statement of financial position, the statement of financial performance, the statement of cash flows and the accompanying notes.

The Auditor's Role and the Audit Scope

As required by the Act, I carried out an independent audit to enable me to express an opinion on the financial report. My audit provides reasonable assurance to Members of the New South Wales Parliament that the financial report is free of material misstatement.

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

- evaluated the accounting policies and significant accounting estimates used by the Director-General in preparing the financial report, and
- examined a sample of the evidence that supports the amounts and other disclosures in the financial report.

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

My opinion does not provide assurance:

- about the future viability of Land and Property Information New South Wales,
- that Land and Property Information New South Wales has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Audit independence

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

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



G J Gibson FCPA
Director of Audit

SYDNEY
21 October 2004

DEPARTMENT OF LANDS
LAND AND PROPERTY INFORMATION NSW

Financial Statements for the year ended 30 June 2004

Pursuant to section 45F of the Public Finance and Audit Act 1983, I state that:

- (1) the accompanying financial statements exhibit a true and fair view of the financial position of the Land and Property Information NSW, a business unit of the Department of Lands as at 30 June 2004 and the transactions for the year then ended.
- (2) the statements have been prepared in accordance with the provisions of the Public Finance and Audit Act, 1983, the Public Finance and Audit Regulation 2000 and the Treasurer's Directions.

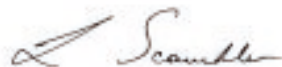
Further, I am not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.



W. Watkins
Director General
Department of Lands



D. Mooney
General Manager
Land and Property Information



L. Scambler
Director, Financial Services
Department of Lands

Date: 21 October 2004

LAND AND PROPERTY INFORMATION NSW
Statement of Financial Performance
For the year ended 30 June 2004

	Notes	Actual 2004 \$000	Actual 2003 \$000
REVENUES FROM ORDINARY ACTIVITIES			
Sale of Goods and Services	3(a)	129,844	124,817
Investment Income	3(b)	3,324	1,591
Grants and contributions	3(c)	12,410	10,058
Other income	3(d)	2,714	3,651
Profit/(loss) from sale of fixed asset	5	110	-
TOTAL REVENUES FROM ORDINARY ACTIVITIES		148,402	140,117
EXPENSES FROM ORDINARY ACTIVITIES			
Operating Expenses			
Employee related	4(a)	69,543	96,113
Other Operating Expenses	4(b), 5	25,639	24,623
Maintenance		2,474	2,910
Depreciation and amortisation	4(c)	9,941	7,677
Grants and subsidies	4(d)	324	48
Borrowing cost expense	4(e)	278	293
Other Expenses	4(f)	1,465	22,703
TOTAL EXPENSES FROM ORDINARY ACTIVITIES		109,664	154,367
Profit/(loss) from ordinary activities before income tax equivalent		38,738	(14,250)
Income tax equivalent		11,621	-
Net profit/(loss) from ordinary activities after income tax equivalent		27,117	(14,250)
TOTAL REVENUES, EXPENSES AND VALUATION			
ADJUSTMENTS RECOGNISED DIRECTLY IN EQUITY		-	-
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS			
	16	27,117	(14,250)

The accompanying notes form part of these statements.

LAND AND PROPERTY INFORMATION NSW
Statement of Financial Position
As at 30 June 2004

	Notes	Actual 2004 \$000	Actual 2003 \$000
ASSETS			
Current Assets			
Cash	7	67,004	48,081
Receivables	8	6,991	6,949
Inventories	9	330	366
Other	10	1,321	1,830
Total Current Assets		75,646	57,226
Non-Current Assets			
Inventories	9	1,306	1,450
Property, Plant and Equipment	11		
Land and Buildings		48,207	47,700
Plant and Equipment		31,705	29,457
Total Property Plant and Equipment		79,912	77,157
Total Non-Current Assets		81,218	78,607
TOTAL ASSETS		156,864	135,832
LIABILITIES			
Current Liabilities			
Payables	13	37,479	6,294
Interest Bearing Liabilities	14	446	446
Provisions	15	8,167	8,221
Total Current Liabilities		46,092	14,961
Non-Current Liabilities			
Interest Bearing Liabilities	14	2,323	2,483
Provisions	15	67,435	81,442
Total Non-Current Liabilities		69,758	83,925
Total Liabilities		115,850	98,886
Net Assets		41,014	36,946
EQUITY			
Accumulated Funds	16	41,014	36,946
Total Equity		41,014	36,946

The accompanying notes form part of these statements

LAND AND PROPERTY INFORMATION NSW
Statement of Cash Flows
For the year ended 30 June 2004

	Notes	Actual 2004 \$'000	Actual 2003 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee related		(83,820)	(68,352)
Borrowing costs		(278)	(293)
Other		(36,793)	(32,335)
Total Payments		<u>(120,891)</u>	<u>(100,980)</u>
Receipts			
Sale of goods and services		131,795	133,435
Interest received		2,360	1,591
Other		18,405	13,705
Total Receipts		<u>152,560</u>	<u>148,731</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	19	<u>31,669</u>	<u>47,751</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of Land & Buildings, Plant & Equipment		660	94
Purchases of Land & Buildings, Plant & Equipment		(13,246)	(13,272)
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>(12,586)</u>	<u>(13,178)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances		(160)	(146)
NET CASH FLOWS FROM FINANCING ACTIVITIES		<u>(160)</u>	<u>(146)</u>
NET INCREASE (DECREASE) IN CASH		18,923	34,427
Opening cash and cash equivalents		48,081	13,654
CLOSING CASH AND CASH EQUIVALENTS	7	<u><u>67,004</u></u>	<u><u>48,081</u></u>

The accompanying notes form part of these statements

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

1. REPORTING ENTITY

Land and Property Information New South Wales (LPI) is a non budget dependent commercial entity within the Department of Lands. LPI provides integrated land and property information services to the government and community of New South Wales.

In compliance with section 45E of the *Public Finance and Audit Act 1983* and Treasury directives separate audited financial statements are provided for LPI.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

LPI's financial statements are a general purpose financial report which has been prepared on an accrual basis and in accordance with:

- applicable Australian Accounting Standards;
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB);
- Urgent Issues Group (UIG) Consensus Views;
- the requirements of the Public Finance and Audit Act and Regulations.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

In the absence of a specific Accounting Standard, other authoritative pronouncement of the AASB or UIG Consensus View, the hierarchy of other pronouncements as outlined in AAS 6 "Accounting Policies" is considered.

Except for certain investments, land, buildings and plant and equipment, which are recorded at valuation, the financial statements are prepared in accordance with the historical cost convention.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency. The accounting policies adopted are consistent with those of the previous year.

b. Revenue Recognition

Revenue is recognised when LPI has control of the good or right to receive, it is probable that the economic benefits will flow to LPI and the amount of revenue can be measured reliably. Additional comments regarding the accounting policies for the recognition of revenue are discussed below:

(i) Sale of Goods and Services

Revenue from the sale of goods and services comprises revenue from the provision of products or services ie, user charges. User charges are recognised as revenue when the Department obtains control of the assets that result from them.

(ii) Investment Income

Interest revenue is recognised as it accrues.

(iii) Grants and Contributions

Grants and subsidies are recognised in the financial statements when received.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Employee Benefits

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

Liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave are recognised and measured in respect of employees' services to the reporting date at nominal amounts based on the amounts expected to be paid when the liabilities are settled.

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

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

(ii) Long Service Leave and Superannuation

LPI is responsible for the long service leave and all superannuation liabilities for its employees and these are fully recognised in the accounts.

The long service leave is measured using present value method based on the actual remuneration rates for all employees with five or more years of service.

LPI contributes to the employees' superannuation entitlements under the State Superannuation Scheme (SSS), State Authorities Superannuation Scheme (SASS) and State Authorities Non-Contributory Superannuation Scheme (SANCS) and pays the contributions to Pillar Corporation and employee nominated funds. These payments are applied towards the accruing liability in respect of employees and are charged to expenses.

The superannuation liability under these schemes has been adjusted to reflect the liability as assessed by William Mercer Limited.

d. Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred (except where they are included in the costs of qualifying assets)

e. Insurance

LPI'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 experience.

f. Accounting for the Goods and Services Tax (GST)

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

- the amount of GST incurred by LPI 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.

g. Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by LPI. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

Assets acquired at no cost or for nominal consideration are initially recognised as assets and revenues at their fair value at the date of acquisition. Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value at the acquisition date. The discount rate used is the incremental borrowing rate being the rate at which a similar borrowing could be obtained.

h. Plant and equipment

Plant and equipment costing \$5,000 and above individually are capitalised. Individual items of computer equipment costing \$1,000 and above are capitalised when they form part of a network.

i. Revaluation of Physical Non-Current Assets

Physical non-current assets are measured on a fair value on an existing use basis in accordance with the AASB 1041 from the financial years beginning on or after 1 July 2002. There is no substantive difference between the fair value valuation methodology and the previous valuation methodology adopted in the NSW public sector.

Where available, fair value is determined having regard to the highest and best use of the asset on the basis of current market selling prices for the same or similar assets. Where market selling price is not available, the asset's fair value is measured as its market buying price ie the replacement cost of the asset's remaining service potential.

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.

Otherwise, any balances of accumulated depreciation existing 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.

J. Revaluation of Physical Non-Current Assets (continued)

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 Profit/Loss.

Revaluation decrements are recognised immediately as expenses in the Profit/Loss, 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. Buildings and Land are revalued at least every five years.

Revaluation increments and decrements are offset against one another within the same class of non-current assets but not otherwise. Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

k. Depreciation of Non-Current Physical Assets

Depreciation is provided for on a straight-line basis against all depreciable assets so as to write off the depreciable amount of each depreciable asset as it is consumed over its useful life to LPI. Land is not a depreciable asset.

All material separately identifiable component assets are recognised and depreciated over their shorter useful lives, including those components that in effect represent major periodic maintenance.

Asset Classes	Rates (%)
Buildings and Improvements	2.50
Printing Press	6.67
Aeroplane / Aerial Photographic Equipment	14.25
Motor Vehicles	20.00
Plant and Equipment	20.00
EDP Equipment	25.00

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

l. Maintenance and Repairs

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

m. 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 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 inception of the lease. 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 Financial Performance in the periods in which they are incurred.

n. Receivables

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

o. Inventories

Inventories are comprised of raw materials for map printing and maps stock. Raw materials are valued on a first-in-first-out basis. Maps stocks are valued at the weighted average cost of printing from the map masters at full absorption of labour, materials and overhead. Stock is used on a first-in-first-out basis.

p. Restricted Assets : Torrens Assurance Fund

This fund is administered by LPI. The Torrens Assurance Fund was established under S133A of the Real Property Act as a Special Deposit Account administered by the Registrar-General. Refer to Note 12.

q. Payables

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

r. Interest bearing liabilities

The finance lease liability is determined in accordance with AAS 17 "Leases".

s. Contribution to Consolidated Fund

LPI is required to pay income tax equivalents and dividends to the Consolidated Fund. Tax effect accounting is not required to be applied. Income tax is calculated by applying the prevailing company tax rate to profits earned by LPI. Dividends are paid at the rate of 85% of after tax profit in two equal instalments, in August and December following the financial year-end. As LPI recorded an operating loss in the last financial year 2003 no income tax equivalents and dividends were payable for that year.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

3. REVENUES**3(a) Sale of Goods and Services**

	2004	2003
	\$000	\$000
Title	101,235	96,359
Valuation	22,936	22,535
Mapping	3,656	3,912
Torrens Assurance Fund (see note 12)	2,017	2,011
	129,844	124,817

3(b) Investment Income

Interest	3,324	1,591
	3,324	1,591

3(c) Grants and contributions

Implementation of Walton Report recommendations	-	900
Community Service Obligations	12,410	9,158
	12,410	10,058

3(d) Other Revenue

Printing and Publishing	418	497
Digital Database Sales	13	52
International Projects	651	372
Corporate Support	57	2,009
Miscellaneous Income	1,575	721
	2,714	3,651

4. EXPENSES**4(a) Employee Related Expenses**

Salaries and wages (including recreation leave)	59,152	54,416
Superannuation	1,827	30,118
Long Service Leave	3,749	6,767
Workers Compensation	559	791
Payroll and Fringe Benefits Tax	4,257	3,480
Payroll Tax on Employer's Superannuation Contribution	(1)	541
	69,543	96,113

The agency charges the full cost of long service leave and current cost of superannuation to operations.

4(b) Other Operating Expenses

	2004	2003
	\$000	\$000
Valuation contractors & expenses	9,305	9,880
Cleaning & Utilities	1,107	1,017
Property rental costs	634	593
EDP - Information Technology Services	3,315	2,069
Furniture, Plant & Equipment	306	324
Stores & Materials	2,123	1,598
Consultancies & other contractors	1,919	2,714
Promotions, publicity, events management	248	256
Travel expenses	655	518
Telecommunication expenses	1,606	1,814

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

	2004	2003
	\$000	\$000
Motor Vehicle Expenses	593	619
Insurance	269	246
Auditor's remuneration - audit or review of the financial report	177	167
Freight & Postage	606	619
Staff related & development	698	512
Administration	968	729
Legal fees	53	74
Taxes	326	313
Bad debts	292	79
Other	439	486
	25,639	24,627
4(c) Depreciation expenses		
Buildings	694	879
Plant and Equipment	9,247	6,798
	9,941	7,677
4(d) Grants and Subsidies		
Grants paid to other organisations	324	48
	324	48
4(e) Borrowing costs		
Finance lease interest charges	278	293
	278	293
4(f) Other expenses		
Land & Buildings revaluation decrement	-	20,823
Torrents Assurance Fund	1,465	1,880
	1,465	22,703
4(g) Distributed costs		
Included in the expenses listed above are the costs of corporate services provided by LPI to the other divisions of the Department of Lands for which no revenues are received. Amounts were not readily available for 2003.		
Employee related	3,822	-
Other operating expenses	941	-
	4,763	-

5. GAIN/(LOSS) ON DISPOSAL OF NON-CURRENT ASSETS

Proceeds from disposal - Property, Plant & Equipment	660	94
Written Down Value of assets disposed	(550)	(90)
Net (loss) / gain on disposal of Property, Plant & Equipment	110	4

6. INDIVIDUALLY SIGNIFICANT ITEMS

Included in expenses from ordinary activities is \$15.940m for superannuation expenses written back due to a significant increase in the income earned in the superannuation fund reserves. In 2003 - \$9.663m for superannuation for 3 months from 2 April to 30 June 2003 was included in the expenses from ordinary activities. That amount included an unfavourable negative result following the triennial review by the Pillar Administration Corporation.

In 2003 a revaluation decrement on land and buildings of \$20.823m was also included in expenses from ordinary activities and an increment on plant and equipment of \$0.928m was credited directly to equity.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

7. CURRENT ASSETS - CASH

Cash at bank and on hand	67,004	48,081
	<u>67,004</u>	<u>48,081</u>

For the purposes of the Statement of Cash Flows, cash includes cash on hand and cash at bank.

Cash assets recognised in the Statement of Financial Position are reconciled to cash at the end of the financial year as shown in the Statement of Cash Flows as follows:

Cash (per Statement of Financial Position)	67,004	48,081
Closing cash and cash equivalents (as per Statement of Cash Flows)	<u>67,004</u>	<u>48,081</u>

8. CURRENT/NON-CURRENT ASSETS - RECEIVABLES

	2004	2003
	\$000	\$000
Current Receivables		
Sale of goods and services	4,408	5,239
GST Receivable	690	689
Interest Receivable	1,976	1,012
Other Receivable	122	128
Less: Provision for doubtful debts	(205)	(120)
	<u>6,991</u>	<u>6,948</u>

9. CURRENT/NON-CURRENT ASSETS - INVENTORIES

Current Inventories

At cost		
Raw materials	4	4
Goods for resale	326	362
	<u>330</u>	<u>366</u>

Non-current Inventories

At cost		
Goods for resale	1,306	1,450
	<u>1,306</u>	<u>1,450</u>

Raw materials are classified as current assets because they are used within a short period. Goods for resale (map stocks) are split 20% current and 80% non-current based on 5 year usage.

There was no write down of inventories during the financial year ended 30 June 2004 (2003 - NIL).

10. CURRENT/NON-CURRENT ASSETS - OTHER

Current Prepayments

Prepayments	1,321	1,830
	<u>1,321</u>	<u>1,830</u>

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

11. NON-CURRENT ASSETS - PROPERTY, PLANT & EQUIPMENT

	2004	2003
	\$000	\$000
LAND AND BUILDINGS		
At Fair Value	49,065	47,866
Less:		
Accumulated Depreciation	(859)	(166)
Net Book Value	48,206	47,700
PLANT AND EQUIPMENT		
At Fair Value	66,094	57,188
Less:		
Accumulated Depreciation	(34,389)	(27,731)
Net Book Value	31,705	29,457
Total Property, Plant and Equipment at Net Book Value	79,912	77,157

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below:

Land and Buildings

Carrying amount at start of year	47,700	67,607
Additions	1,314	1,795
Disposals	(70)	-
Reclassification	(44)	-
Net amount of revaluation increments less decrements	-	(20,823)
Depreciation expense	(694)	(879)
Carrying amount at end of year	48,206	47,700

Plant & Equipment

Carrying amount at start of year	29,457	23,175
Additions	11,931	12,242
Disposals	(3,070)	(2,728)
Reclassification	44	-
Net amount of revaluation increments less decrements	-	928
Depreciation expense	(9,247)	(6,798)
Written back on disposal	2,590	2,638
Carrying amount at end of year	31,705	29,457
Total Property, Plant & Equipment at net book value	79,912	77,157

12. RESTRICTED ASSETS***Torrens Assurance Fund - Special Deposit Account***

LPI operates the Torrens Assurance Fund within the Special Deposit Accounts. The Fund was established under Section 133A of the Real Property Act 1900. It meets claims for losses arising out of fraud or agency error and is funded by \$2 charge on each land dealing lodged. The following is a summary of transactions in the Torrens Assurance Fund.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

	2004	2003
	\$000	\$000
Opening cash balance	8,273	8,142
Add:		
Revenue	2,017	2,011
Less:		
Expenditure	(1,465)	(1,880)
Cash balance at end of Year	8,825	8,273

The above transactions and balances have been recognised in LPI's financial statements.

13. CURRENT LIABILITIES - PAYABLES

	2004	2003
	\$000	\$000
Accrued salaries, wages and on-costs	1,371	1,587
Creditors	2,773	3,237
Income received in advance	131	112
Dividend payable	23,049	-
Income Tax Equivalent payable	9,034	-
Other	1,121	1,358
	37,479	6,294

14. CURRENT/NON-CURRENT LIABILITIES - INTEREST BEARING LIABILITIES

Secured/Unsecured

Current Liabilities

Finance lease commitments (Note 17)	446	446
	446	446

Secured/Unsecured

Non-Current Liabilities

Finance lease commitments (Note 17)	2,323	2,483
	2,323	2,483

15. CURRENT/NON-CURRENT LIABILITIES - PROVISION

	2004	2003
	\$000	\$000
Current employee benefits and related on-costs		
Recreation leave	4,061	4,138
Long service leave	3,564	3,666
Oncosts on employee benefits	542	417
Total provisions	8,167	8,221
Non-Current employee benefits and related on-costs		
Recreation leave	1,608	2,796
Long service leave	25,110	28,131
Superannuation	33,525	48,965
Oncosts on employee benefits	7,192	1,550
	67,435	81,442

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

15. CURRENT/NON-CURRENT LIABILITIES - PROVISION (continued)

	2004	2003
	\$000	\$000
Aggregate employee entitlements		
Provisions - current	8,167	8,221
Provisions - non-current	67,435	81,442
Accrued salaries and wages	1,371	1,587
	76,973	91,250

Superannuation liability

Land and Property Information NSW is responsible for funding the employer's superannuation liability through monthly contributions to LPI's reserve account held at the Superannuation Administration Corporation.

Superannuation payments to retiring employees are made out of this reserve account. Periodically LPI's reserve account balance is augmented by interest distributions made at the discretion of the Superannuation Administration Corporation. LPI has no control over interest distributions. The reserve account can only be used for the settlement of superannuation liabilities.

Actuarial assessments for the defined benefit schemes SASS, SANCS and SSS (refer to note 2 (d) (ii)) have been made for the year ended 30 June 2004 based on the full requirements of AAS25.

	Assessed Liability		Reserve Account		Superannuation Prepaid/(Deficit)	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000	2004 \$000	2003 \$000
State Superannuation Scheme	190,899	176,88	162,380	132,263	(28,519)	(44,622)
State Authorities Superannuation Scheme	13,478	11,075	10,048	8,214	(3,430)	(2,861)
Sub-Total	204,377	187,960	172,428	140,477	(31,949)	(47,483)
State Authorities Non-Contributory Superannuation Scheme	12,517	10,832	10,941	9,350	(1,576)	(1,482)
	216,894	198,792	183,369	149,827	(33,525)	(48,965)

LPI's superannuation liabilities as at 30 June 2004 as assessed by William Mercer Limited were based on the following key assumptions:

	2004	2005	2006
	%	%	%
• Rate of Investment Return	7.0	7.0	7.0
• Rate of General Salary Increase	4.0	4.0	4.0
• Rate of Increase in CPI	2.5	2.5	2.5

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

16. EQUITY

	Retained Profits		Asset Revaluation Reserve		Total Equity	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Balance beginning of the financial year	36,946	50,268		-	36,946	50,268
Transactions with owners as owners						
Dividend	(23,049)				(23,049)	
Transfers from asset revaluation reserve on administration restructure	-	928		-		928
Total	13,897	51,196	-	-	13,897	51,196
Other than transactions with owners as owners						
Net Profit/(Loss) for the year	27,117	(14,250)		-	27,117	(14,250)
Increment/(Decrement) on revaluation	-			928	-	928
Transferred to retained profits on administrative restructure	-			(928)	-	(928)
Total	27,117	(14,250)	-	-	27,117	(14,250)
Balance at the end of the financial year	41,014	39,946	-	-	41,014	36,946

17. COMMITMENTS FOR EXPENDITURE

(a) Other Expenditure Commitments

Aggregate of other expenditure for the acquisition of items as detailed below contracted for at balance date and not provided for: - Mass valuation contracts with various suppliers.

	2004	2003
	\$000	\$000
Not later than 1 year	8,985	8,880
Later than 1 and not later than 5 years	11,370	10,591
Total (including GST)	20,355	19,471

(b) Operating Lease commitments

Future non-cancellable operating lease rentals not provided for and payable for accommodation and motor vehicle for varying contract periods/suppliers.

	2004	2003
	\$000	\$000
Not later than 1 year	837	1,230
Later than 1 year but not later than 5 years	409	538
Total (including GST)	1,246	1,768

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

17. COMMITMENTS FOR EXPENDITURE (continued)

(c) Finance Lease Commitments

Not later than 1 year	446	446
Later than 1 year but not later than 5 years	1,783	1,783
Later than 5 years	<u>2,229</u>	<u>2,675</u>
Minimum lease payments	4,458	4,904
Less: future finance charge	(1,689)	(1,975)
Total (including GST)	<u>2,769</u>	<u>2,929</u>

Classified as:

Current	446	446
Non-current	<u>2,323</u>	<u>2,483</u>
	<u>2,769</u>	<u>2,929</u>

The finance lease asset relates to the lease/purchase of premises in Bathurst. The lease commenced on 16th January 1976 with a non-cancellable term of 38 years. The building is constructed on land owned by the Crown.

18. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Land and Property Information NSW maintains a special deposit account for claims arising through fraud or Departmental error (Torrens Assurance Fund). As at 30 June 2004 known claims were assessed to have an estimated gross liability of \$8.127m (2003 - \$8.342m). These liabilities have been estimated on the assumption that all disputed claims will be lost by LPI branch.

19. RECONCILIATION OF OPERATING PROFIT/(LOSS) AFTER INCOME TAX EQUIVALENT TO CASH FLOWS FROM OPERATIONS.

	2004	2003
	\$000	\$000
Net profit/(loss) from operating activities	<u>27,117</u>	<u>(14,250)</u>
Depreciation	9,941	7,677
Net (Loss)/Gain on sale/revaluation of non-current assets	(110)	20,819
Changes in Assets and Liabilities		
Decrease/(Increase) in Receivables	(42)	4,568
Decrease/(Increase) in Inventories	179	(169)
Decrease/(Increase) in Other Assets	509	(22)
Increase/(Decrease) in Provisions	(14,062)	27,761
Increase/(Decrease) in Current liabilities	<u>8,137</u>	<u>1,367</u>
Net Cash Flow from operating activities	<u>31,669</u>	<u>47,751</u>

20. FINANCIAL INSTRUMENTS

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 11.00 am unofficial cash rate adjusted for a management fee to Treasury. Interest is reported in the financial statements as it is earned. For the purposes of the Statement of Cash Flows, cash comprises cash on hand and at bank.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

20. FINANCIAL INSTRUMENTS (continued)

Receivables

All trade and other debtors are recognised as amounts receivable at balance date. Collectability of all debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectable, are written off. A provision for doubtful debts is raised when some doubt as to collection exists. The credit risk is the carrying amount (net of any provision for doubtful debts). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are generally made on 30 days terms.

Trade Creditors and Accruals

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 not 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. No interest was paid during the year (30 June 2003-Nil). The carrying amount approximates net fair value.

Leased Assets

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the inception of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expenses. Operating lease payments are expensed in the periods in which they are incurred.

(a) Interest Rate Risk

			Fixed Interest Rate Maturities			Non Interest Bearing	Total Carrying Amount As per the Statement of Financial Position \$000
	Weighted Average Effective Interest Rate	Floating Interest Rate	1 year Or less	1 to 5 years	More than 5 years		
	%	\$000	\$000	\$000	\$000	\$000	\$000
30 June 2004							
<i>Financial Assets</i>							
Cash	4.18	67,004	-	-	-	-	67,004
Receivables		-	-	-	-	6,991	6,991
Total Financial Assets		67,004				6,991	73,995
30 June 2003							
Cash	3.75	48,081	-	-	-	-	48,081
Receivables		-	-	-	-	6,948	6,948
Total Financial Assets		48,081				6,948	55,029
30 June 2004							
<i>Financial Liabilities</i>							
Payables		-	-	-	-	37,479	37,479
Interest Bearing	9.75		446	1,783	540	-	2,769
Total Financial Liabilities			446	1,783	540	37,479	40,248
30 June 2003							
Payables						6,294	6,294
Interest Bearing	9.75		446	1,783	700	-	2,929
Total Financial Liabilities			446	1,783	700	6,294	9,223

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

20. FINANCIAL INSTRUMENTS (continued)**(b) Credit Risk**

Credit risk is the risk of financial loss arising from another party to a contract/or financial position failing to discharge a financial obligation there under. LPI's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the Statement of Financial Position.

20. SEGMENT INFORMATION

The entity is the sole business of administration and provision of land and property information in New South Wales (NSW).

Geographically, the whole operation is in NSW. Although the organisation operates mainly from two centres, Sydney and Bathurst, the main functions are integrated and complement one another, with the exception of title registration which is mainly located in Sydney.

Neither the group of closely related products or services provided by the entity nor the geographical location give rise to risks and returns that are different from any distinguishable component of the entity.

Accordingly, segment information by both business and geographically is not required in accordance with AASB1005.

21. AFTER BALANCE DATE EVENTS

No events have occurred after reporting date that need to be recognised or disclosed in the financial report.

22. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS**(a) Explanation of how the transition to AIFRS is being managed.**

The Land and Property Information (LPI) will apply the Australian Equivalents to International Financial Reporting Standards (AIFRS) from the reporting period beginning 1 July 2005. The Department of Lands is managing LPI's transition to the new standards by allocating internal resources to analyse the pending standards and Urgent Issues Group Abstracts to identify key areas regarding policies, procedures, systems and financial impacts affected by the transition. Where necessary the Department will also engage legal or accounting professional resources to provide expert advice.

As a result of this exercise, LPI has taken the following steps to manage the transition to the new standards:

The Department's Budget Committee is overseeing the transition. The Director, Financial and Administrative Services is responsible for the project and reports to the Committee on progress against the plan. The Department's Audit Committee also provides input to the process.

The following phases that need to be undertaken have been identified:

- o Scope and identify impact of the changes
- o Determine changes to be made to systems, processes, policies.
- o Train staff
- o Implement changes and review

By the end of June 2004 a preliminary assessment of the impact of the changes for LPI by the Department of Lands had been undertaken. All other stages, including the requisite changes to systems will be completed by the end of November 2004.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

21. AFTER BALANCE DATE EVENTS (continued)

NSW Treasury is assisting agencies to manage the transition by developing policies, including mandates of options; presenting training seminars to all agencies; providing a website with up-to-date information to keep agencies informed of any new developments; and establishing an IAS Agency Reference Panel to facilitate a collaborative approach to manage the change.

(b) Key Differences in Accounting Policies

The Department has identified a number of significant differences in accounting policies that will arise from adopting AIFRS. Some differences arise because AIFRS requirements are different from existing AASB requirements. Other differences could arise from options in AIFRS. To ensure consistency at the whole of government level, NSW Treasury has advised the Department of options it is likely to mandate, and will confirm these during 2004-05. This disclosure reflects these likely mandates.

LPI's accounting policies may also be affected by a proposed standard designed to harmonise accounting standards with Government Finance Statistics (GFS). This standard is likely to change the impact of AIFRS and significantly affect the presentation of the income statement. However, the impact is uncertain, because it depends on when this standard is finalised and whether it can be adopted in 2005-06.

Based on current information, the following key differences in accounting policies are expected to arise from adopting AIFRS:

- ❑ AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards requires retrospective application of the new AIFRS from 1 July 2004, with limited exemptions.
- ❑ AASB 110 Events after the balance sheet date states that only dividends "declared" or appropriately "authorised" before the reporting date can be recognised. This is more restrictive than the current approach which is based on "valid expectations". However, this change is not expected to impact on dividend recognition as the signing of the statement of Corporate Intent/Statement of Business Intent before the reporting date to which it relates, "authorises" the dividend and any change in the amount of the dividend after the reporting date constitutes an "adjusting event after the reporting date".

However, the amount of the dividend may be affected by other AIFRS, such as AASB 139 Financial Instrument Recognition and Measurement and AASB 119 Employee Benefits (refer below) as these standards may impact on retained earnings (on first adoption) and the amount and volatility of profit/loss.

- ❑ AASB 116 Property, Plant and Equipment requires the cost and fair value of property, plant and equipment to be increased to include restoration costs, where restoration provisions are recognised under AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

Major inspection costs must be capitalised and this will require the fair value and depreciation of the related asset to be re-allocated.

For-profit entities must account for asset revaluation increments and decrements on an individual asset basis, rather than on a class basis. This change may decrease accumulated funds.

- ❑ AASB 117 Leases requires operating lease contingent rentals to be recognised as an expense on a straight-line basis over the lease term rather than expensing in the financial year incurred.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the year ended 30 June 2004

□ AASB 119 Employee Benefits requires the defined benefit obligation to be discounted using the government bond rate at each reporting date rather than the long term expected rate of return on plan assets. This will increase the amount and the future volatility of the unfunded superannuation liability and the volatility of the employee benefit expenses.

□ AASB 136 Impairment of Assets requires an entity to assess at each reporting date whether there is any indication that an asset (or cash generating unit) is impaired and if such indication exists, the

entity must estimate the recoverable amount. However, the effect of this Standard should be minimal because all the substantive principles in AASB 136 are already incorporated in Treasury's policy Valuation of Physical Non-Current Assets at Fair Value.

□ AASB 138 Intangibles requires that all research costs must be expensed and restricts capitalisation of development costs. Some previously recognised internally generated intangible assets may need to be derecognised. Further, intangibles assets can only be revalued where there is an active market, which is unlikely to occur. As a result, it is likely that any revaluation increments will need to be derecognised and intangible assets recognised at cost.

END OF AUDITED FINANCIAL STATEMENTS

Crown Lands Division

Crown Lands Division is the property manager for the Department of Lands, managing Crown land for the environmental, economic and social benefit of the people of NSW.

Under the *Crown Lands Act 1989*, Crown Lands Division manages and administers Crown lands held under lease, licence or permit; community and Council managed reserves; lands retained in public ownership for environmental purposes; lands within the Crown public roads network; and vacant Crown land. Crown land is also allocated for public uses – such as schools, hospitals, sporting, recreation and community events.

Crown Lands Division offers a range of services including:

- General enquiries about Crown land and payment of Crown land accounts.
- Marketing and disposal of Crown land for residential, commercial, industrial and rural use.
- Applications for leases, licences, enclosure permits and purchase of Crown land.
- Conversion/purchase of Crown leasehold tenures.
- Management of local community reserves.
- Assisting Community and Local Government Reserve Trust Boards.
- Administration of Crown roads.
- Aboriginal Land Claims.
- Native Title considerations.
- Land Status information.
- Maintenance of 29 Minor Ports along the east coast of NSW.
- Land survey and title creation including investigations of Mean High Watermark definitions and Aboriginal Land Claims.
- Map and aerial photograph sales.

Senior Managers

Graham Harding, General Manager

Terry Bone, Regional Manager Central

Craig Barnes, Regional Manager North Coast

Leanne Taylor, Regional Manager South

Andrew McAnespie, Regional Manager Sydney/Hunter

Management, Strategy and Performance Review

Key Issues

- Crown land comprises approximately half of all land in NSW, with an area of around 39 million hectares valued at over \$8.3 billion.
- Crown land is allocated for public uses such as sporting, camping and recreation areas, as well as lands, which are managed and protected for their environmental importance. This land is managed in the broad community interest.
- A significant portion of Crown land is also available for alternative uses, including leasing for commercial or agricultural purposes, through to land development and sale.
- The magnitude of the Crown estate, including the infrastructure and ecological values, creates a significant demand on State resources.

Objectives 2003/2004

- Develop comprehensive databases, management systems and processes to support continued efficient management.
- Ensure Crown reserves are responsibly managed and natural resources such as water, flora and fauna and scenic beauty are conserved, while still encouraging public use and enjoyment of the land.
- Encourage and support of volunteers to help care for Crown reserves through the mechanism of community trust boards.
- Continue implementation of commercial management of Crown and other State-owned lands through the business unit.
- Develop an auditable system to electronically manage and report information relative to movements in the Crown estate.

Outcomes

- Setting benchmark standards for the effective and efficient management of the State's land assets. Specific achievements in relation to legislative changes, community based agreements and the application of new technology are highlighted below.
- Continued development of the Landirect project.
- Prepared and adapted new business directive for the commercial leasing of Crown land.

- Successfully completed licence negotiations with major communication carriers to use Crown land for mobile telephone communication towers.

Objectives 2004/05

- Responsible land management to judiciously optimise environmental and socio-economic benefits to the State.
- Crown Land Division to move toward a Public Trading Enterprise (PTE) environment.
- Implement reforms to Crown Lands Act.
- Maintain integrity of data to enable accurate internal reporting of the value of the Crown estate.
- Implementation of effective bushfire management strategies for Crown land across the state.
- Progress management of weeds on land under the control of the Department of Lands.
- Implement control programs for emerging pests such as pigs, goats, deer and cane toads.
- Assist the new Game Council to establish procedures for the hunting of game animals on public lands.

Managing Land Assets

The Crown Lands Division practices sustainable management of State-owned lands for the benefit of the people of New South Wales. It includes the property manager for Crown land tenures, reserves and unallocated Crown lands across eastern and central New South Wales – managing a total area of approximately 12.7 million hectares.

Crown land is a valuable public asset, and the department strives to deliver the greatest environmental and socio-economic benefit for our State. Under the *Crown Lands Act 1989*, it manages and administers Crown lands held under lease, licence or permit; community and Council reserves; lands retained in public ownership for environmental purposes; lands within the Crown public roads network; and vacant Crown land. The department also allocates Crown land for public uses – such as schools, hospitals, sporting, recreation and community events.

Under the *Aboriginal Land Rights Act 1983*, Crown Land Division researches, prepares and issues Real Property Act titles for Aboriginal land claims granted over Crown land. It also manages, on behalf of the government, applications made under the *Commonwealth Native*

Title Act 1993 affecting land in New South Wales. This includes the making of Indigenous Land Use Agreements aimed at settling these claims.

Crown Lands Division continues to meet the government's environmental obligations, working in partnership with natural resource stakeholders across the state to rehabilitate Crown lands. It also promoted the revegetation and rehabilitation of Crown land tenures by providing rental incentives and supporting community initiatives to enhance the environment.

Through this division, Lands is committed to sharing Crown land resources among the whole community providing recreation for the general public, tourism opportunities for local communities, support for local fishing industry's, communications for regional Australia, and farming opportunities for rural families.

Crown Lands Division managed Crown land tenures, crown reserves and vacant Crown lands totalling 8 million hectares and involved the administration of 45570 road enclosure permits, 17787 licences, 19834 leases, 2916 purchases and 3565 other accounts.

Crown Lands Division also managed vacant Crown land, meeting needs for public safety by spending about \$300,000 on the removal of dangerous and unauthorised structures, including jetties and derelict buildings from 28 sites across the state. In addition, support is provided through recognising community service obligations to non-profit organisations, charity groups, pensioner groups and rural community members encountering hardship. Annual rebates and waivers totalling \$6.3 million were given during the year.

When Crown or other State-owned lands are no longer required for public benefit, Crown Lands Division manages their sale, lease or licensing. Income derived from these activities provided funds of \$49.84 million to Treasury during the year, as detailed below.

The division also networked with other Crown land agencies across Australia, sharing and exchanging information and developing strategic solutions for improved Crown land management.

- The Department of Lands
- Land and Property Information Division
- LPI Division Financial Statements
- Crown Lands Division**
- Soil Services Division
- Office of Rural Affairs
- The Department of Lands Financial Statements
- BOSSI Financial Statements
- Appendices
- Glossary
- Index

Revenue Collected			
	2001/02 (\$ million)	2002/03 (\$ million)	2003/04 (\$ million)
Rent and royalties	21.86	25.63	28.03
Administration fees	0.19	0.21	.04
Application fees	1.48	1.09	1.12
Search fees	0.32	0.27	0.29
Totals	23.85	27.2	29.48
Sales of Crown land			
	2001/02 (\$ million)	2002/03 (\$ million)	2003/04 (\$ million)
Development of remnant sites	23.85	12.45	3.82
Sale of vacant Crown land		2.26	2.19
Sale of Crown leasehold to existing tenants	13.74	9.68	9.18
Sales to other state government departments and agencies	2.11	1.83	5.17
Totals	39.71	23.96	20.36

Landirect

The Landirect project, which will provide Internet-based options for some 250,000 regional and rural customers dealing with Crown land in NSW, has continued to gain momentum this year.

In May, the general transfer of an existing enclosure permit to a new owner was automated for the first time, streamlining the application process for clients and staff.

The first online Landirect application, to enable financial and tenure searches to be undertaken by solicitors and 3rd party conveyancing agents, is still scheduled for delivery in the second half of 2004. This will be followed shortly after by the introduction of an online service for domestic waterfront and certain dry land licences, completing stage one of the implementation program.

Building on the introduction of B-pay in the 2003/2004 year, there has been an excellent customer response to the new technology. B-pay receipts totalled \$3.8 million of land account payments.

In 2001-02, the Valuer General in conjunction with NSW Audit Office, NSW Treasury and the former DLWC completed a detailed valuation of the Crown estate in NSW. An asset-tracking program was implemented to capture and report the base data information relative to all subsequent movements in the estate. This data is now captured electronically with over 6700 movements being recorded so far with a value of \$6.7 million.

Crown Lands Legislation Amendments

The NSW Government introduced important changes to the management of Crown land with effect from 1 July 2004 through the *Crown Land Legislation Amendment (Budget) Act 2004* which amends the *Crown Lands Act 1989* and the *Crown Lands (Continued Tenures) Act 1989*.

The purpose of the reforms is to streamline administration and to achieve a fair and equitable return on the Crown land assets of the State. These reforms also provide an opportunity for perpetual leaseholders to make an application to convert their leases to freehold, subject to certain conditions.

The Act provides for:

- minimum rents and instalments;
- three yearly rent reviews to market with annual CPI adjustments in the intervening years;
- special conversion arrangements for some perpetual leases;
- simplified mechanism for setting administrative fees; and
- removal of the right to make new purchases by instalments.

Environmental Assessment for Perpetual Lease Conversion to Freehold

Consultation is underway with the Department of Environment and Conservation (DEC) to establish processes and protocols for assessment of environmental and other significant values on perpetual leases under consideration for conversion to freehold under the new Act.

The *Crown Lands Legislation Amendment (Budget) Act 2004* contains explicit requirements for consultation with the Minister for the Environment before conversion of leases that do not have a statutory right to convert. Many of these leases (known as "moratorium leases") have been subject to a long standing assessment and consultation process with the National Parks and Wildlife Service (now part of DEC).

Aboriginal Land Claims

The Minister for Lands is the Minister responsible for determining claims under the *Aboriginal Land Rights Act 1983*, and in this capacity the Minister determines whether or not land claimed under the Act by land councils is 'claimable Crown land'. If the land is 'claimable', the Minister must grant a freehold interest in the land to the land council.

A total of 161 determinations were made during the year, and a further 514 are in the final stages of investigation by the department. Two hundred and fifty two applications were lodged during the reporting period. A total of 7104 claims have now been lodged

Administrative Arrangements for Crown Reserves

	01-02	02-03	03-04
Community Trust Boards	911	839	758
Council trust management	7,007	7150	6885
Corporations other than Councils	746	780	782
Trusts managing commons	209	206	206
Other bodies	6,564	6534	6528
Under departmental control	17,450	17490	17840

since the Act came into effect in 1984. The total area of Crown land granted under the act is 79,500 hectares.

The Minister is also the State Minister for the purpose of the *Native Title Act 1993* (Commonwealth) and in that capacity has responsibility for the management of native title determination applications made under that Act and lodged in the Federal Court. As at the end of the reporting period, there were 69 native title determination and compensation applications affecting land and water in New South Wales. Eight claims have been resolved during the reporting period by discontinuance, dismissal or agreement. The Department of Lands is responsible for undertaking negotiations for settlement of claims and is currently actively negotiating in 5 matters with a view to settlement.

Crown Reserves

The Crown reserve system provides the people of NSW with a variety of open spaces, including local and regional parks, showgrounds, community halls, picnic areas, caravan parks, camping grounds and travelling stock routes.

Crown reserves comprise about three per cent of NSW and are a valuable component of the State's network of reserved, protected and public lands. The department oversees management of approximately 33,000 Crown reserves dedicated for public purposes in NSW. Local communities, including councils, directly manage almost half of these reserves with the remainder managed by the department. Land management advice is also provided to over 850 reserve trust boards and other Crown land managers.

The Department's role is to ensure reserves are responsibly managed and natural resources and scenic beauty are conserved. Plans of management ensure reserves are sustainably managed into the future and are developed in partnership with the community.

Over the year, 24 plans of management were adopted and a further 39 placed on public exhibition prior to review and possible future adoption.

State Parks

Crown Reserves include a network of 13 State Parks, which are popular with campers, caravanning enthusiasts and those who participate in fishing and boating activities. Most State Parks are located on the picturesque inland water storage areas of the State and attract 700,000 visitors annually.

More than \$1.3 million dollars was granted to State Park Trusts for maintenance or upkeep of recreational facilities and equipment inclusive of assistance with operational and running costs.

The newly formed State Parks Advisory Board meets on three occasions throughout the year. Its achievements include the formation of a new State Parks workers award with consensus obtained from all State Park Trusts and the development of a more integrated advertising and promotions program.

State Parks held their annual conference at Killalea State Park in October 2003.

Public Reserves Management Fund

The department administers the Public Reserves Management Fund, which assists the development, maintenance and protection of Crown reserves in NSW. The Public Reserves Management Fund is self-funding with income derived from loan repayments by trust managers of Crown reserves provided under the fund, and the payment of a levy from the operation of Crown coastal caravan parks. There were 94 grants and 73 loans made to trust managers of Crown reserves.

Minor Ports Program

The NSW Government operates the Minor Ports Program to provide and maintain port infrastructure as well as safe, secure port access. The program benefits the commercial fishing industry, the growing tourism industry, recreational boating and local communities.

The Department has responsibility for care and management of 27 fishing ports throughout NSW. These facilities, with a total replacement value of some \$600M, provide an important role in the ongoing financial success of many NSW coastal regions.

With an annual program budget of \$2.088M, about 50 percent was allocated in 2003-04 to dredging of approach channels in several key fishing ports. Major works completed in 2003-04 included dredging of the approach channels at Yamba, Evans Head and Coffs Harbour fishing ports, breakwater repairs at Wollongong Harbour, stage 1 of site rehabilitation of contaminated land at Tweed Heads and various repairs of wharves, jetties and services.

The dredging operations at Yamba involved the removal of 9,000 cubic metres of sand from navigation channels to improve access to Yamba inner harbour for commercial fishing vessels.

Similarly, at Coffs Harbour 23,500 cubic metres was removed from the entrance channel to the inner harbour. The maintenance dredging provided improved safety for some 300 commercial fishing, eco-tourism and recreational vessels that use the port. The sand removed was used for much needed nourishment of the very popular Park Beach which has been experiencing progressive coastal shoreline recession

	01-02		02-03		03-04	
Total Grants	88	\$854,480	134	\$1,188,358	94	\$879,414
Total Loans	40	\$2,133,500	87	\$5,036,825	73	\$4,972,190

All trusts are audited to ensure profits are returned to improving public reserves.

Walking Tracks

The Department of Lands administers several significant walking tracks throughout the State, including The Great North Walk, the Hume and Hovell Walking Track and the Six Foot Track in the Blue Mountains, as well as the multi-purpose Bicentennial National Trail.

Lands assisted with the content and production of a brochure for the Harbour to Hawkesbury Walking Track, which links Manly with The Great North Walk at Berowra. Lands worked in association with four councils and the NSW National Parks and Wildlife Service on the project.

Burial Capacity in the Greater Metropolitan Area

In recognition of the pending shortage of available land for public burials in the Greater Metropolitan Area of Sydney, the Government has formed an Inter-Departmental Committee (IDC) of key stakeholders to investigate and recommend on possible solutions. The Department of Lands chairs and coordinates the IDC. It is anticipated that a report will be forwarded to the Government for its consideration during the 2004-2005 year.

Crown Land Assessment

Before Crown land can be dealt with – either for public or private benefit – a land assessment is undertaken to determine its capability and suitability for different purposes. The land assessment process addresses the principles of Crown land management, and includes public consultation as part of the process.

During the year, 54 land assessments of Crown land were undertaken by the Department.

Additionally, the department reviewed 84 requests for land assessment waivers to facilitate appropriate land use allocation for Crown lands during the year. The Minister has the right of waiver in circumstances of public interest, and where the principles of Crown land management, as listed in the Crown Lands Act, have been taken into account.

Crown Land Caravan Park Management

The Crown land caravan park estate is a significant contributor to caravan park accommodation across NSW through Crown reserves and tenured Crown land. Over 33 per cent of all caravan parks and camping ground sites in NSW are in Crown land caravan parks, with more than 40 per cent of all NSW short-term sites. There are over 10,000 holiday van sites in Crown land caravan parks.

Crown caravan parks are the major contributor to the Public Reserves Management Fund through which

funding allocations are made to trust managers for works and improvements.

The 1990 Crown Land Caravan Park Policy was reviewed this year and an updated policy was drafted. The next stage in the drafting process is dependant on the outcomes of concurrent reviews of the Coastal Crown Lands Policy, the Public Reserves Management Fund, Caravan Parks levy and any changes to caravan park approvals, schemes and regulation by Planning NSW prior to community consultation.

Commonwealth Rifle Ranges

Negotiations are continuing with the Commonwealth Government regarding possible contamination on Commonwealth rifle ranges handed back to the State over a number of years. Consultation is continuing with the Department of Environment and Conservation on contamination and site assessment issues and a trial assessment of a number of sites is proposed.

Trust Services

PricewaterhouseCoopers were engaged to review and re-draft the Reserve Trust Handbook; and to produce a new manual in hard copy and web-based formats. The project is expected to be completed by the end of 2004.

Over 260 Crown reserve trust boards participated in a Group Fire and Damage Insurance Scheme arranged by the Department to keep premiums as low as possible.

Lighthouses

The Department was custodian for 14 lighthouse properties, managed either directly by Lands or through Crown Reserve trusts. Thirteen of the lighthouses on these properties were operated as aids to navigation, with seven of them leased-back to the Australian Maritime Safety Authority (AMSA).

In May 2004, AMSA surrendered its long-term leases on 4 of these properties, while retaining property leases for 3 lighthouses, which it continued to operate for the full year. Once AMSA's leases were terminated, management of the lighthouses reverted to either the Department or a Crown Reserve trust. The NSW Waterways Authority carries out operation and maintenance of the light mechanism and associated power system at each of the lighthouses.

The Department is preparing conservation management plans for the lighthouse properties. These plans provide guidance on the management and maintenance of each property, and information on their significance, so that they can be recorded on State and Commonwealth heritage registers.

Crown Land Bushfire Management

The Department has a statutory responsibility under the *Rural Fires Act 1997* to prevent bush fires starting on, or spreading on or from land under its control. In September 2003, the Department appointed four Land Management Officers and a Land Management Coordinator (Bushfire) to assist existing officers address the Department's bushfire responsibilities.

A works program amounting to over \$980,000 (Including \$240,000 from the Department of Lands) was carried out under the Annual Fire Mitigation Works Fund (FMWF) administered by the Bush Fire Coordinating Committee. Consequently more fire trail works and fire breaks works on Crown land were carried out in 2003/04 than ever before. In addition to the FMWF, the Department allocated \$52,163 to address urgent bush fire hazards.

The Department, in cooperation with Bush Fire Management Committees has developed a program to record all fire trails on lands managed by Lands and this is anticipated to be completed by June 2005.

Lands now has representation on the Bush Fire Coordinating Committee, and Bush Fire Management Committees, where there are significant parcels of land managed by the Department. In other, areas the Department has contact officers for the Bush Fire Management Committees.

In cooperation with the Rural Fire Service, considerable effort has been put into implementing the provisions of the *Rural Fires and Environmental Assessment Legislation Amendment Act 2002*. This places more responsibility on public land managers to prevent bush fires and also establishes more stringent bush fire hazard reduction measures for developments adjoining Crown land.

It is anticipated that the coming year will be another record year for works on Crown land, a new agreement will be established with the Rural Fire Service and the Department will have a record of fire trails on its lands. For the year 2004/05 the sum of \$1.2 million is expected to be allocated to bush fire management.

Weed Management on Crown Land

The department is responsible for management of weeds on land under its control. This includes preventing the introduction of new weeds and the spread of existing weeds to adjoining land. NSW Agriculture is the lead agency in weed control matters and Local Control Authorities (Council and Weeds Count Councils) are responsible for the coordination of planning processes and on-ground activities.

During the year, a comprehensive weeds policy was implemented. The policy included representation on State and Regional Weeds Committees, management of weeds on Crown land, assisting lead agencies with research into best practice methods of weed control and the provision of community education about weed control strategies was implemented.

The Department is involved in implementing Regional weed management plans, the federal Weeds of National Significance initiative; the Bitou Bush Threat Abatement plan and Recovery Plans for threatened native species (with the Department of Environment and Conservation). Some 120 grants totalling \$610,000 were made for weed control work. A further \$80,000 was allocated to Regional discretionary projects as part of a 'good neighbour' approach to weed management. A research project investigating biological control agents for lantana was supported.

These actions resulted in a further reduction in the number of complaints about weed management on Crown land.

Weed Management Statistics				
	00-01	01-02	02-03	03-04
Number of State and regional weed control plans completed and works commenced	10	40	60	80
Number of weed control projects supported on Crown land and departmental land	96	98	100	120
Number of research projects supported	2	2	2	1
Number of complaints about weeds on Crown land and departmental land	30	24	18	15

Pest Management on Crown Land

Lands also has responsibilities to eradicate pest animals on land under its control. NSW Agriculture is the lead agency for pest control and Rural Lands Protection Boards (RLPBs) are responsible for the planning and coordination of on-ground actions.

The Department's pest animal control programs include support for the Fox Threat Abatement Plan prepared by the Department of Environment and Conservation and Outfox the Fox, an initiative of NSW Agriculture and the RLPBs. The department also supports Regional Wild Dog Management Plans, Recovery Plans for threatened native species and a research project into the effect of aerial baiting of dogs and foxes on native quoll populations.

A very successful rabbit control program is also being implemented on Crown land at Lake Eucumbene in conjunction with lessees, neighbours, the Snowy Mountains Authority and the Cooma Rural Lands Protection Board.

Consequently, there have been very few complaints in relation to pest animals on Crown land managed by the department.

Crown land management issues in 2004/05 include the control of emerging pests such as pigs, goats, deer and cane toads. Lands will also be assisting the new Game Council to establish procedures for the hunting of game animals on public land. The sum of \$875,000 is expected to be allocated to weed and pest animal management for the year 2004/05.

Project Successes

Crown Lands Division continued to meet its environmental, economic and social obligations through:

- Management of 20,000 leases and 18,000 licences, with a majority of these supporting our farmers by enhancing agricultural opportunities with land to graze animals, to farm exotic fruits in the north, sugar cane on the coast, wheat out west, and rice in the Riverina.
- Approximately 7000 licences granted for domestic waterfront purposes providing for wharves, jetties, boat sheds and boat ramps, supporting recreational opportunities for waterfront residents and the general community.
- Management of commercial leases across the state for facilities including some of the biggest marinas, some of the most picturesque caravan parks, and some of the best waterfront restaurants in Australia.
- Supporting the community by recognising community services obligations to non-profit organisations,

charity groups, pensioner groups, rural community encountering hardship by granting concessions to fees and annual rents of around \$6m.

- Management of 29 minor port facilities along the east coast of NSW supporting the local fishing and tourism industry and providing for community recreational use.
- Promoting revegetation and rehabilitation of a number of Crown land tenures in an on-going program to support the retention of native flora and fauna, and to assist in providing native wildlife with a natural habitat. This included making rental incentives available to landholders to encourage joint rehabilitation in collaboration with local councils.
- Providing for the extraction of resources on Crown land through licences for businesses and government authorities including local councils and the RTA for the use of gravel on major roadways, and the building industry for the use of sand to produce materials such as glass and concrete.
- Providing Crown land for the erection of communications towers to create mobile phone and emergency service networks across NSW, as well as improved radio and television transmission to our rural communities.
- Participation in the annual 2003 Coastal Conference held in Port Macquarie. The conference provided an opportunity to market and promote the products and services offered by Crown Lands Division to key stakeholders, with a focus on Crown lands administration and management.
- Rehabilitation of 'One Tree Pit', a roadside gravel pit on the banks of the Mann River at Cangai. 'One Tree Pit' is located on a Crown reserve set against the backdrop of the Gibraltar Range. It had been used to extract gravel for use on roads for more than 30 years under the old Roads Act, but in 1995, the department withdrew support for its continued use given it posed a safety risk to the community and the surrounding areas were of high recreational significance.

A rehabilitation plan was developed by the former Pristine Waters Council in conjunction with the Department of Lands and the Department of Infrastructure, Planning and Natural Resources. Work included consultation on suitable species of grass for the area and the filling and re-shaping of the site and the spraying of much needed grass seed mulch over the area.

The quarry site will now complement an area renowned for its rugged beauty and high recreation and conservation value.

- Erection of signage on Crown land at Evans Head, after 24 mature Banksia trees were deliberately poisoned. Having gaps in vegetation causes a number of environmental problems including the acceleration of wind erosion and salt damage to properties. The signage has attracted attention to the problem within the local community and serves as a deterrent to future acts of vandalism.
- Formation of an action group to lead the fight against the aquatic weed, *Salvinia*, which is infesting Paynes Crossing, near Cessnock.

Multiplying quickly and difficult to eradicate, *Salvinia* is a serious weed that has been declared a noxious plant throughout Australia. The Department of Lands, taking this issue very seriously, formed an action group with Cessnock City Council, the Upper Hunter Weeds Authority, the Department of Infrastructure, Planning and Natural Resources, Landcare and local landholders. Involvement of other agencies included the Hunter/Central Rivers Catchment Management Authority.

The action group has focussed on a combination of methods to control the infestation including the treatment and removal of the weed. The plan will then form the basis for the future local management of this threatening weed.

- Development of land at Tamworth in response to local demand for home sites, which has been particularly strong over the past two years.

The regional community of Tamworth has continued to expand and development of the site makes appropriate use of the available infrastructure.

Development of Northern Hills Estate will occur in three stages comprising around 90 residential blocks in total.

- Hosting an open day at Lake Liddell Reserve, a reserve of regional significance located on Crown land near Muswellbrook, to attract members of the community to sign-up for the Trust board.

Lake Liddell has a range of environmental constraints providing an opportunity for the site to become a "living laboratory". Bush regeneration, organic farming, native farm forestry and conservation farming are all possibilities for the site to counter the salinity, water access and erosion issues associated with the reserve. Of course the reserve also provides recreation opportunities for the community and the Trust will also manage the use and enjoyment of the site.

Community groups, universities, businesses and individuals attended the open day, which proved to be great success. A very keen cross-section of the community expressed interest in the management of the site and the Trust is expected to be up and running by the end of October this year.

- In a rare turn-around, the Department received a parcel of land from National Parks to gazette as Crown Reserve.

As part of a \$7 million State Government project, a cycleway was constructed along Lower Prospect Canal between Guildford Pipehead and Prospect Reservoir along the old Sydney Water pipeline, a total distance of 7.7km.

The cycleway and associated lands did not comply with the reserve criteria of the National Parks and Wildlife Act, and as such, the land could not be classified as a reserve under National Parks. The transfer of control to Lands has seen the land gazetted as a Crown Reserve, ensuring the area will be retained in public ownership and managed at a local level.

A majority of the site has been reserved for public recreation, heritage purposes and environmental protection, reflecting the value of Crown Land to the community.

The reserve has now been handed over to Holroyd Council as Trust Manager to carry out the daily care, control and management of the site.

- Provision of funding of approximately \$200,000 to dredge a high spot at the entrance to the approach channel to Yamba Boatharbour.

The maritime community of Yamba, in particular the commercial fishing industry, had raised concerns over the extensive build up of marine sand jeopardising the safe navigation of vessels within the approach channel to the boat harbour.

Dredged sand from the approach channel was deposited on the offshore bar from Iluka Beach, providing an added benefit by renourishing this popular beach.

An environmental assessment was also completed and special care was taken to ensure Dirrangun Reef, a sacred Aboriginal site of considerable importance about 150m from the dredge site, was not disturbed.

- Provision of funding of approximately \$185,000 to dredge 15,000 cubic metres of sand at the Terranora Inlet shoal on the Tweed River.

As a result of the sand build up, vessels could not access the offshore fishing grounds or, conversely, return to their moorings at any time other than high tide.

The works also included the removal of sands restricting access to the adjacent vessel sewerage pumpout facility, alleviating the environmental and public health risks associated with vessels discharging into the estuary.

The sand removed was transported offshore and deposited in disposal areas nominated by the Tweed River Entrance Sand By-passing Project.

- We continued to provide financial support to drought-affected farmers who lease Crown land.

With official drought figures showing more than 80 per cent of the State still drought-affected, its severity continued to have a devastating effect on landholders and primary producers.

In response to these tough times the division offered farmers, who have amounts due on their Crown Land leases and tenures, the opportunity to apply for extensions of time and payment plans.

Office Locations

Newcastle (Main Office)

Level 4, 447 Hunter Street
Newcastle NSW 2300
PO Box 2185
Dangar NSW 2309
T: 61 2 4960 5000
F: 61 2 4960 5020

Armidale

108 Faulkner Street
PO Box 199A
Armidale NSW 2350
T: 61 2 6772 2308
F: 61 2 6772 8782

Bega

PO Box 118
Bega NSW 2250
T: 61 2 6491 6200
F: 61 2 6492 3019

Coffs Harbour

AMP Building
Corner Gordon & Vernon Streets
PO Box 582
Coffs Harbour NSW 2450

Dubbo

142 Brisbane Street
PO Box 865
Dubbo NSW 2830
T: 61 2 68 41 5200
F: 61 2 68 41 5230

Goulburn

159 Auburn Street
PO Box 748
Goulburn NSW 2580
T: 61 2 48 28 6725
F: 61 2 48 28 6730

Grafton

76 Victoria Street
Locked Bag 10
Grafton NSW 2460
T: 61 2 6640 2020
F: 61 2 6640 2036

Griffith

Level 2 Griffith City Plaza
120-130 Banna Ave
PO Box 1030
Griffith NSW 2680
T: 61 2 6962 7522
F: 61 2 6962 5670

Hay

126 Lachlan Street
PO Box 182
Hay NSW 2711
T: 61 2 6993 1306
F: 61 2 6993 1135

Leeton

Chelmsford Place
PO Box 835
Leeton NSW 2705
T: 61 2 6953 4844
F: 61 2 6953 4324

Maitland

Cnr Newcastle & Banks Street
PO Box 6
East Maitland NSW 2323
T: 61 2 4937 9300
F: 61 2 4934 2252

Moree

Cnr Frome & Heber Streets
PO Box 388
Moree NSW 2400
T: 61 2 6752 5055
F: 61 2 6752 1707

Nowra

Level 1
5 O'Keefe Street
PO Box 309
Nowra NSW 2541
T: 61 2 4428 6900
F: 61 2 4428 6988

Orange

92 Kite Street
PO Bo 2146
Orange NSW 2800
T: 61 2 6393 4333
F: 61 2 6362 3896

Sydney Metropolitan

Level 2
10 Valentine Ave
PO Box 3935
Parramatta NSW 2124
T: 61 2 9895 6275
F: 61 2 9895 6227

Tamworth

25-27 Fitzroy Street
PO Box 535
Tamworth NSW 2340
T: 61 2 6764 5100
F: 61 2 6766 3805

Taree

8 Victoria Street
PO Box 440
Taree NSW 2430
T: 61 2 6552 2788
F: 61 2 6552 2816

Wagga Wagga

Cnr Johnston & Tarcutta Streets
PO Box 60
Wagga Wagga NSW 2650
T: 61 2 6937 2700
F: 61 2 6921 1851

Wollongong

84 Crown Street
PO Box 867
Wollongong NSW 2520
T: 61 2 4226 8563
F: 61 2 4226 8500

E: feedback@lands.nsw.gov.au
www.lands.nsw.gov.au

Business hours: 8.30am - 4.30pm
Mon to Fri

Note: Business hours may vary in
Regional Offices due to fieldwork.

Soil Services Division

Established in 1990 within the former Soil Conservation Service, Soil Services is a commercial operation within Lands providing soil and water conservation services to both rural and urban clients. Soil Services offers competitive and cost effective services and consultancy to land users for the assessment, development, implementation and promotion of best practice land and water use systems.

Aims and Objectives

- provide a cost-effective conservation earthmoving service to protect and conserve the soil and water resource of NSW;
- set the industry standard for conservation earthworks design and construction;
- provide a specialist consulting service in environmental protection, resource planning and assessment, environmental engineering and training in soil and water conservation; and
- assist the Department to meet its objective of managing the natural resource of NSW in a sustainable manner.

Senior Manager

Paul Jones, General Manager

Range of Services

Soilworks

Soil Services specialises in the planning, design and construction of soil and water conservation earthworks. These works include:

- Extensive broadacre banking and waterway systems used to contain and divert runoff to stable disposal areas. These works complement conservation farming practices such as reduced and no-tillage to provide effective control of sheet, rill and gully erosion.
- Grade reducing structures, gully head control, shaping and filling to stabilise actively eroding flow lines.
- Farm dams and associated catch banks to harvest and store water for stock and domestic use.
- Mine restoration works, access tracks, poly pipe laying, sand dune shaping and other specialist works.

The majority of clients are rural landholders who recognise the long-term benefit from investing in conservation works programs.

Soilconsult

Consultancy and contracting services are offered on a fully commercial basis in a broad range of areas associated with environmental protection and rehabilitation. Soil Services' full time works teams and extensive inventory of equipment is well equipped to take plans and designs through to final implementation. This ensures that Soil Services plans and proposals reflect a good understanding of what is both effective and practical. Services offered both within Australia and overseas, have expanded to the following areas:

- resource planning and assessment;
- soil surveying and landscape mapping;
- soil and water testing services;
- catchment and property planning;
- erosion and sediment control on infrastructure developments;
- design and construction of soil and water conservation works;
- groundwater mapping and salinity control;
- vineyard, orchard and feedlot survey and design;
- rehabilitation and revegetation of degraded and disturbed areas;
- flood detention basins, drainage works and artificial wetlands;
- training in conservation earthmoving, urban erosion and sediment control, access track construction and rehabilitation techniques; and
- coastal dune stabilisation and beach reclamation.

Highlights for 2003-2004

- Active marketing commenced for the division under the Department of Lands banner with a range of new promotional information. Field days at Agquip, Orange and Henty were attended promoting the Lands range of services.
- OH&S was a significant area of activity for Soil Services during the year, following several minor incidents involving heavy plant. Risk assessments and hazard analysis were undertaken and documented for staff on all areas of the division's activities. Standard site assessment reporting was introduced for all construction sites.
- Major environmental rehabilitation consultancies undertaken during the year included:

- Department of Mineral Resources rehabilitation of derelict mine sites across NSW to the value of \$1.03 million.
- Blue Circle Southern Cement Ltd rehabilitation of the Brogan's Creek limestone quarry for \$150,700.
- Department of Education and Training school ground rehabilitation works at eight schools to the value of \$698,000.
- BHP Billiton investigation and rehabilitation of a saline irrigation site at Wilton for \$137,700.
- Sydney Catchment Authority fire trail maintenance works and erosion and sediment control works on catchment properties to the value of \$597,000.
- Four projects for the Roads and Traffic Authority involving batter stabilisation and revegetation works to the value of \$920,000.
- Blue Mountains City Council/EPA creek and streambank stormwater protection works in the Katoomba area to the value of \$244,250.

Outcomes

Soilworks sales at \$8.56 million (down 10% on the budgeted \$9.5 million), was attributed partly to the ongoing widespread drought conditions and the larger than budgeted fleet reduction. Chargeable plant hours were down 12.6% (1,138 hours) on the 2003/04 high figure of 1,302 hours per unit as drought conditions continued. The fleet reduction of 14% (budgeted 10%) impacted on potential for sales generation. Approximately 30,000 hectares of land was treated with conservation earthworks including broadacre banks, waterways dams and sediment detention structures.

External consultancy sales totalled \$7.73 million (up by 12% on 2002/03) and 16% above the estimated budget for the year, an excellent result. While the majority of clients continue to directly approach Soil Services and request project costings, several large jobs were won in open tender. A three-year contract was won with Goulburn Murray Water for the provision of erosion and sediment catchment control works on the Hume Dam foreshores, (Victorian side). The Department of Mineral Resources tender for the rehabilitation of the old Halls Peak mine north of Armidale was won with a contract value of \$266,600. A successful tender as a subcontractor to Ward Civil for dune stabilisation and revegetation was also won for works at Lady Robinson Beach, Botany Bay, for the Sydney Ports Corporation.

Hunter Valley flood mitigation works, Great North Walking Track and dam foreshore programs were completed during the year to the value of \$2.81 million.

With DIPNR's withdrawal of recurrent funding support to the dam foreshore operations, this area incurred a loss of \$120,000 in 2002/03. Negotiations with State Water, now owners of the properties, are being undertaken to cover operational costs during 2003/04.

The Division's business plan was reviewed, updated and submitted to Treasury in December 2003. A range of strategies in the plan were progressed and accelerated to improve the financial position of the division:

- A market review and a marketing strategy were completed. New marketing material was prepared under the Lands banner and major rural field days attended.
- Soilworks operational costs were decreased through a reduction of the bulldozer fleet from 57 to 50 units. With the leasing of 3 new units, this allowed the disposal of 11 aged units.
- The Nowra Plant Nursery, which was incurring small losses, was closed.
- Seven office locations were consolidated into existing Lands offices at Wagga, Orange, Wellington, Bathurst, Tamworth, Newcastle and Parramatta with a view to reducing long term accommodation costs.
- Workshop and further fleet rationalisation with associated staff reductions were also identified for action in early 2004/05.

Challenges

The Soilworks operation continues to experience excessive fleet repair costs due to the ageing fleet. While progress was made during the year with the disposal of 11 units, 20 of the remaining 50 units require replacement/disposal.

The profitable Soilconsult operation continues to provide a substantial stream of income for the Division. Without expansion of this section of the operation through the filling of staff vacancies and limited new positions, the financial position of the Division will continue to struggle. These challenges will continue to be addressed in 2004/05.

For inquiries, contact:
 Level 6
 Macquarie Tower
 10 Valentine Avenue
 PO Box 3720
 Parramatta NSW 2124
 T: 61 2 9895 7231
 F: 61 2 9895 7761
www.lands.nsw.gov.au

The Department of Lands
Land and Property Information Division
LPI Division Financial Statements
Crown Lands Division
Soil Services Division
Office of Rural Affairs
The Department of Lands Financial Statements
BOSSI
BOSSI Financial Statements
Appendices
Glossary
Index

Office of Rural Affairs

The Office of Rural Affairs provides support to the Minister for Rural Affairs and Government to achieve the Government's objectives and commitments to the people of New South Wales.

The Office of Rural Affairs largely undertakes this role by providing secretariat and policy support to the Regional Consultative Communities Council (RCCC), which is New South Wales' peak rural advisory body.

The RCCC is an independent body, providing advice on a wide range of community matters and reports to the Premier and the Minister for Rural Affairs.

The Office of Rural Affairs has developed close links with stakeholders and communities across the state. Working within the framework of Government objectives, the Office assists in the identification of issues, policy gaps and opportunities and develops solutions that enhance service provision to the people and communities in country New South Wales.

Senior Manager

Fran Schonberg, Acting Manager, Office of Rural Affairs

Financial Performance

The Office of Rural Affairs became part of the Department of Lands in July 2003. The Budget allocation for the Office of Rural Affairs for 2003-2004 was not included within the Department of Lands allocation, but was included in Premier's Department allocation. A full years' financial allocation was subsequently transferred to the Department pursuant to section 24 transfer under the *Public Finance and Audit Act 1983* later in 2003.

The budget allocation for the office includes funds related to the operation of the Regional Communities Consultative Committee (\$150,000) and employee and related operating costs of the Office itself (\$265,000).

No capital works funding was allocated to the Office in 2003-2004.

The Regional Communities Consultative Council (RCCC)

Established in August 1996, the RCCC is a standing advisory body comprised of thirteen members representing community interests, and chaired by an independent community representative.

Members are appointed for a two year term.

Council Members and their Role

Diana Gibbs, Chair

Lynda Summers, Deputy Chair & Health Sector Interests

John Ainsworth, representing Farmers' Interests

Rev. Bronwyn Murphy, representing Religious Interests

Michael Schultz, representing Environmental Interests

Dino Zappacosta, representing Ethnic Community Interests

Dr Jock Fletcher, representing Business and Industry Interests

Gerald Moore, representing Aboriginal Community Interests

Michael Madden, representing Trade Union Interests

Laura Daley, representing Youth Interests – resigned 2003

Aleshia Oakenfull, representing Youth Interests

Barry Fowler, representing Social Services Interests – resigned 2004

Jessie Quigley, representing Women's Interests

Jenny Bonfield, representing Local Government Interests

Jean Evans, representing Education Interests

Christine May, representing Education Interests – resigned 2003

Some Highlights in 2003/2004

Bringing a rural perspective to the NSW Summit on Alcohol Abuse

A Western Consultation tour, including centres such as Dubbo, Bourke, Brewarrina and Walgett, was arranged for key Summit participants to speak to community members, service providers, Working Parties and Community and Drug Action teams.

Comment on Lifelong Learning, The Future of Public Education in NSW

Providing feedback on the proposed restructure of public education in NSW, the RCCC noted several issues of concern to rural areas related to proposed restructures. It was highlighted that while changes to educational facilities impacted directly on access to and cost of education, the aggregation of educational services would also have adverse affects upon regional transport, access to support services, work force mobility and human capital of local communities.

Goals for 2004-2005

Government Information Rural Communication Strategy

In response to requests across the state for information about accessing State Government information, the RCCC has proposed a rural communication strategy. While a number of Government programs exist to provide access to available information in hard copy and digital forms, comments from rural and regional communities indicate that there exists a degree of confusion about what information is available and where and how information can be accessed.

The RCCC has proposed the formation of a State Government Information Coordination Group, comprising of staff from the Government Access Centres, Community Technology Centres, Government Information Service & Bookshop, NSW Libraries, Service NSW Premier's Department eGovernment, communitybuilders, Office of Rural Affairs, and Regional Communities Consultative Council, to develop and implement a comprehensive communication strategy.

For inquiries contact:
Office of Rural Affairs
Department of Lands
Corner of Lords Place and Kite Street
PO Box 1314
Orange NSW 2800

T: 61 2 6393 0000
F: 61 2 6369 0987
www.lands.nsw.gov.au



GPO BOX 12
SYDNEY NSW 2001

INDEPENDENT AUDIT REPORT

Department of Lands

To Members of the New South Wales Parliament

Audit Opinion

In my opinion, the financial report of the Department of Lands:

- (a) presents fairly the Department of Lands' financial position as at 30 June 2004 and its financial performance and cash flows for the year ended on that date, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and
- (b) complies with section 45E of the *Public Finance and Audit Act 1983* (the Act).

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

The Director-General's Role

The financial report is the responsibility of the Director-General of the Department of Lands. It consists of the statement of financial position, the statement of financial performance, the statement of cash flows, the program statement - expenses and revenues, the summary of compliance with financial directives and the accompanying notes.

The Auditor's Role and the Audit Scope

As required by the Act, I carried out an independent audit to enable me to express an opinion on the financial report. My audit provides reasonable assurance to members of the New South Wales Parliament that the financial report is free of material misstatement.

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

- evaluated the accounting policies and significant accounting estimates used by the Director-General in preparing the financial report, and
- examined a sample of the evidence that supports the amounts and other disclosures in the financial report.

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

My opinion does not provide assurance:

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

Audit Independence

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

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



G J Gibson FCPA
Director of Audit

SYDNEY
21 October 2004

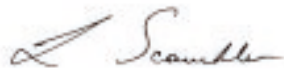
DEPARTMENT OF LANDS
STATEMENT
OF
DIRECTOR-GENERAL

Pursuant to section 45F of the Public Finance and Audit Act 1983, I state that:

- (a) the accompanying financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Financial Reporting Code for Budget Dependent General Government Sector Agencies, the applicable clauses of the Public Finance and Audit Regulation 2000 and the Treasurer's Directions;
- (b) the statements exhibit a true and fair view of the financial position and transactions of the Department; and
- (c) there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Director-General
Department of Lands



Director, Financial Services
Department of Lands

Date: 21 October 2004

THE DEPARTMENT OF LANDS
Statement of Financial Performance
For the Year Ended 30 June 2004

	Notes	Actual 2004 \$000	Budget 2004 \$000	Actual 2.04.03 to 30.06.03 \$000
Expenses				
Operating expenses				
Employee related	3(a)	107,089	112,476	39,376
Other operating expenses	3(b)	57,573	37,593	12,711
Maintenance		2,775	3,209	863
Depreciation and amortisation	3(c)	10,797	9,875	2,061
Grants and subsidies	3(d)	3,318	14,102	924
Borrowing Costs	3(e)	321	282	83
Other expenses	3(f)	2,519	2,795	2,146
Total Expenses		<u>184,392</u>	<u>180,332</u>	<u>58,164</u>
Less:				
Retained Revenue				
Sale of goods and services	4(a)	150,695	125,575	34,082
Investment income	4(b)	4,351	1,530	791
Retained taxes, fees and fines	4(c)	3,118	-	826
Grants and Contributions	4(d)	7,455	13,468	5,498
Other revenue	4(e)	2,467	-	1,279
Total Retained Revenue		<u>168,086</u>	<u>140,573</u>	<u>42,476</u>
Gain on disposal of non-current assets	5	210	-	189
Net Cost of Services	26	<u>16,096</u>	<u>39,759</u>	<u>15,499</u>
Government Contributions				
Recurrent appropriation	6	40,000	40,000	6,235
Capital appropriation	6	1,400	1,400	-
Acceptance by the Crown Entity of employees benefits and other liabilities	9	4,936	-	2,292
Total Government Contributions		<u>46,336</u>	<u>41,400</u>	<u>8,527</u>
SURPLUS/(DEFICIT) FOR THE YEAR FROM ORDINARY ACTIVITIES	21	30,240	1,641	(6,972)
NON-OWNER TRANSACTION CHANGES IN EQUITY				
Net increase in asset revaluation reserve	21	153	-	196
TOTAL REVENUES, EXPENSES AND VALUATION ADJUSTMENTS RECOGNISED DIRECTLY IN EQUITY		<u>153</u>	<u>-</u>	<u>196</u>
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS.	21	<u>30,393</u>	<u>1,641</u>	<u>(6,776)</u>

The accompanying notes form part of these statements.

THE DEPARTMENT OF LANDS
Statement of Financial Position
As at 30 June 2004

	Notes	Actual 2004 \$000	Budget 2004 \$00	Actual 2003 \$000
ASSETS				
Current Assets				
Cash	10	75,878	65,379	57,781
Receivables	11	20,389	15,997	15,760
Inventories	12	628	675	675
Other	16	1,393	2,146	1,830
Total Current Assets		98,288	84,197	76,046
Non-Current Assets				
Receivables	11	14,776	14,572	14,216
Inventories	12	1,306	1,450	1,450
Other financial assets	13	509	-	356
Property, Plant and Equipment	14			
Land and Buildings		56,943	56,083	56,185
Plant and Equipment		37,783	38,837	35,460
Total Property Plant and Equipment		94,726	94,920	91,645
Total Non-Current Assets		111,317	110,942	107,667
TOTAL ASSETS		209,605	195,139	183,713
LIABILITIES				
Current Liabilities				
Payables	17	42,947	10,680	10,808
Interest Bearing Liabilities	18	451	451	451
Provisions	19	11,066	20,458	11,967
Other	20	-	1,380	156
Total Current Liabilities		54,464	32,969	23,382
Non-Current Liabilities				
Interest Bearing Liabilities	18	5,497	5,663	5,663
Provisions	19	73,740	91,179	86,145
Other	20	160	160	160
Total Non-Current Liabilities		79,397	97,002	91,968
Total Liabilities		133,861	129,971	115,350
Net Assets		75,744	65,168	68,363
EQUITY				
Reserves	21	349	196	196
Accumulated Funds		75,395	64,972	68,167
Total Equity		75,744	65,168	68,363

The accompanying notes form part of these statements.

THE DEPARTMENT OF LANDS
Statement of Cash Flows
For the Year Ended 30 June 2004

	Notes	Actual 2004 \$'000	Budget 2004 \$'000	Actual 2.04.03 to 30.06.03 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(116,804)	(103,392)	(24,231)
Grants and subsidies		(3,318)	(14,102)	(3,482)
Borrowing costs		(321)	(282)	(83)
Other		(58,574)	(49,957)	(18,924)
Total Payments		<u>(179,017)</u>	<u>(167,733)</u>	<u>(46,720)</u>
Receipts				
Sale of goods and services		152,937	128,569	36,967
Retained taxes, fees and fines		3,330	-	826
Interest received		3,152	1,530	784
Other		9,377	17,382	10,666
Total Receipts		<u>168,796</u>	<u>147,481</u>	<u>49,243</u>
Cash Flows From Government				
Recurrent appropriation		40,000	40,000	6,367
Capital appropriation		1,400	1,400	-
Cash reimbursements from the Crown Entity		715	-	156
Net Cash Flows from Government		<u>42,115</u>	<u>41,400</u>	<u>6,523</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	26	<u>31,894</u>	<u>21,148</u>	<u>9,046</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of Land & Buildings, Plant & Equipment		1,226	2,000	268
Purchases of Land & Buildings, Plant & Equipment		(14,857)	(13,550)	(7,658)
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>(13,631)</u>	<u>(11,550)</u>	<u>(7,390)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings and advances		(166)	(2,000)	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		<u>(166)</u>	<u>(2,000)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH		18,097	7,598	1,656
Opening cash and cash equivalents		57,781	57,781	-
Cash transferred in as a result of administrative restructuring		-	-	56,125
CLOSING CASH AND CASH EQUIVALENTS	10	<u>75,878</u>	<u>65,379</u>	<u>57,781</u>

The accompanying notes form part of these statements.

**SUMMARY OF COMPLIANCE WITH FINANCIAL DIRECTIVES
FOR THE PERIOD TO 30 JUNE 2004**

	2004				2003			
	Recurrent Appropriation Consolidated Fund \$'000	Expenditure/ Net Claim on \$'000	Capital Appropriation Consolidated Fund \$'000	Expenditure Net Claim on \$'000	Recurrent Appropriation \$'000	Expenditure \$'000	Capital Appropriation \$'000	Expenditure \$'000
ORIGINAL BUDGET APPROPRIATION / EXPENDITURE								
<ul style="list-style-type: none"> • Appropriation Act • Additional Appropriations • S21A PF&AA - special appropriation • S24 PF&AA - t'fer of function between Departments • S26 PF&AA - Commonwealth SPP 	39,584	39,584	1,000	1,000				
OTHER APPROPRIATIONS / EXPENDITURE								
<ul style="list-style-type: none"> • Treasurer's Advance • Sec 22 - exp for certain works, services • S24 PF&AA - t'fer of function between Departments 	416	416	400	400				
Transfers to/from another agency (S25 of the appropriation Act)								
	416	416	400	400	-	-	-	-
Total Appropriations Expenditure / Net Claim on Consolidated Fund (including transfer payments)	40,000	40,000	1,400	1,400	6,367	6,235	372	391
Amount drawn down against Appropriation Liability to Consolidated Fund		40,000		1,400		6,367		-
		-		-		132		N/a

Notes:

- 1 The summary of compliance is based on the assumption that Consolidated Fund moneys are spent first
- 2 The Liability to Consolidated Fund represents the difference between the "Amount drawn down against Appropriation" and the "Total Expenditure / Net Claim on Consolidated Fund"

PROGRAM STATEMENT - EXPENSES AND REVENUES FOR THE YEAR END 30 JUNE 2004

AGENCY'S EXPENSES & REVENUES	Program 1*		Program 2*		Commercial Activity		Not Attributable		Total	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Expenses										
Operating Expenses	27,058	8,077	10,458	3,465	69,573	27,834			107,089	39,376
-Employee Related	9,676	3,019	10,666	2,568	37,231	7,124			57,573	12,711
-Other Operating Expenses	206	20	95	8	2,474	835			2,775	863
Maintenance	184	41	672	130	9,941	1,890			10,797	2,061
Depreciation and Amortisation	2,994	924			324				3,318	924
Grants and Subsidies	1		42	11	278	72			321	83
Borrowing Costs	1,054	594			1,465	1,552			2,519	2,146
Other Expenses	41,173	12,675	21,933	6,182	121,286	39,307			184,392	58,164
Retained Revenue										
Sale of Goods and Services	1,348	320	18,760	5,331	130,587	28,431			150,695	34,082
Investment Income	1,022	246	5	3	3,324	542			4,351	791
Retained taxes, fines and fees	3,118	826							3,118	826
Grants and Contributions	7,041	5,498	414						7,455	5,498
Other Revenue	695	50	18	12	1,754	1,217			2,467	1,279
Total Retained Revenue	13,224	6,940	19,197	5,346	135,665	30,190			168,086	42,476
Gain / (Loss) on Disposal of Non Current Assets	(1)	(3)	101	151	110	41			210	189
NET COST OF SERVICES	27,950	5,738	2,635	685	(14,489)	9,076			16,096	15,499
Government Contributions**							46,336	8,527	46,336	8,527
NET EXPENDITURE/(REVENUE)	27,950	5,738	2,635	685	(14,489)	9,076	(46,336)	(8,527)	(30,240)	6,972
NET EXPENDITURE/(REVENUE) FOR THE YEAR	27,950	5,738	2,635	685	(14,489)	9,076	(46,336)	(8,527)	(30,240)	6,972
ADMINISTERED EXPENSES & REVENUES										
Administered Expenses										
Transfer payments other	(164,583)	(103,811)							(164,583)	(103,811)
Total Administered Expenses	(164,583)	(103,811)							(164,583)	(103,811)
Administered Revenues										
Transfer receipts Consolidated Fund	53,042	53,690							53,042	53,690
Taxes, fees and fines										
Other Operating Expenses										
Total Administered Revenues	53,042	53,690							53,042	53,690
Administered Revenues less Expenses	(111,541)	(50,121)							(111,541)	(50,121)

2002/03 comparative data is for the period 2 April 2003 to 30 June 2003, being the period that the Department existed following the changes in Government administration.

* The name and purpose of each program are summarised in Note 8.

** Appropriations are made on an agency basis and not individual programs.

Consequently, government contributions must be included in the "Not Attributable" column.

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

1. REPORTING ENTITY

The Department of Lands (the Department), as the reporting entity, was created on 2 April 2003, following an administrative restructure. It is responsible for the provision of land and property related spatial information, the management of Crown lands and the provision of soil conservation and land management services. The land and property information activities are operated as a non budget-dependent activity through Land and Property Information (LPI) and the semi-commercial conservation and land management services through Soil Services (SS). These financial statements do not include the results of the Crown Entities administered by the Department, which are reported elsewhere. The Department primarily operates in New South Wales, Australia. The Head Office is located at 1 Prince Albert Road, Queens Square, Sydney NSW 2000.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

The Department's financial statements are a general-purpose financial report, which has been prepared on an accrual basis and in accordance with:

- applicable Australian Accounting Standards;
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB);
- Urgent Issues Group (UIG) Consensus Views;
- the requirements of the Public Finance and Audit Act 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 under section 9(2)(n) of the Act.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

In the absence of a specific Accounting Standard, other authoritative pronouncement of the AASB or UIG Consensus View, the hierarchy of other pronouncements as outlined in AAS 6 "Accounting Policies" is considered.

Except for certain investments, land and buildings, which are recorded at fair value, the financial statements are prepared in accordance with the historical cost convention. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency. The accounting policies adopted are consistent with those of the previous period.

b. Administered Activities

The Department administers, but does not control, certain activities on behalf of the Crown. It is accountable for the transactions relating to those administered activities but does not have the discretion, for example, to deploy the resources for the achievement of the department's own objectives. Transactions and balances relating to the administered activities are not recognised as the department's revenues, expenses, assets and liabilities, but are disclosed in Notes 28 to 31 as "Administered Assets", "Administered Liabilities", "Administered Expenses", and "Administered Revenues".

The accrual basis of accounting and all applicable accounting standards have been adopted for the reporting of the administered activities.

c. Revenue Recognition

Revenue is recognised when the Department has control of the good or right to receive, it is probable that the economic benefits will flow to the Department and the amount of revenue can be measured reliably. Additional comments regarding the accounting policies for the recognition of revenue are discussed below:

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Parliamentary Appropriations and Contributions from other Bodies

Parliamentary appropriations and contributions from other bodies (including grants and donations) are recognised as revenues when the Department obtains control over the assets comprising the appropriations/contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

An exception to the above is when appropriations are unspent at year end. In this case, the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, unspent appropriations are accounted for as liabilities rather than revenue.

The liability is disclosed in Note 20 of "Other current liabilities". The amount will be repaid and the liability will be extinguished next financial year.

Sale of Goods and Services

Revenue from the sale of goods and services comprises revenue from the provision of products or services ie user charges. User charges are recognised as revenue when the Department obtains control of the assets that result from them.

(ii) Investment Income

Interest revenue is recognised as it accrues. Rent revenue is recognised in accordance with AAS 17 "Accounting for Leases". Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement.

d. Employee Benefits and other provisions

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

Liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave are recognised and measured in respect of employees' services to the reporting date at nominal amounts based on the amounts expected to be paid when the liabilities are settled.

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

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

(ii) Long Service Leave and Superannuation

The Department's liabilities (apart from the commercial and semi-commercial activities) for long service leave and superannuation are assumed by the Crown Entity. The Department 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".

Long service leave is measured at present value, based on the application of factors prescribed by TC03/08, to the amounts calculated using the actual remuneration rates for all employees with five or more years of service.

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

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

The Department's commercial (LPI) and semi-commercial (SS) activities are responsible for the employees' superannuation entitlements under the State Superannuation Scheme, State Authorities Superannuation Scheme and State Authorities Non-Contributory Superannuation Scheme. The superannuation liability under these schemes has been adjusted to reflect the liability as assessed by William Mercer Limited. As advised by Pillar Administration Corporation, the commercial and semi-commercial activities make periodic contributions to the superannuation reserve account to discharge any emerging superannuation liabilities.

The Department's semi-commercial activities contribute up to 4.11% of the employees' salaries and wages to the Treasury Special Deposits (Extended Leave and Leave on Termination Pool) Account. This contribution which discharges all liability for long service leave is expensed as incurred. However, in accordance with Treasury requirements and AAS 30 "Accounting for Employee Entitlements" the nominal value of long service leave is recognised both as a liability and as an asset.

(iii) Other Provisions

Other provisions exist when the Department has a present legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events. These provisions are recognised when it is probable that a future sacrifice of economic benefits will be required and the amount can be measured reliably.

Any provisions for restructuring are recognised either when a detailed formal plan has been developed within prescribed time limits and where the entity has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring.

e. Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred.

f. Insurance

The Department'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 experience and external benchmarking.

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

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

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

h. Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Department. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

Assets acquired at no cost or for nominal consideration are initially recognised as assets and revenues at their fair value at the date of acquisition. Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value at the acquisition date. The discount rate used is the incremental borrowing rate being the rate at which a similar borrowing could be obtained.

i. Plant and equipment

Plant and equipment costing \$5,000 and above individually are capitalised.

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

j. Revaluation of Physical Non-Current Assets

Physical non-current assets are valued in accordance with the "Guidelines for the Valuation of Physical Non-Current Assets at Fair Value" (TPP 03-02). This policy adopts fair value in accordance with AASB 1041 from the financial years beginning on or after 1 July 2002. There is no substantive difference between the fair value valuation methodology and the previous valuation methodology adopted in the NSW public sector.

Where available, fair value is determined having regard to the highest and best use of the asset on the basis of current market selling prices for the same or similar assets. Where market selling price is not available, the asset's fair value is measured as its market buying price ie the replacement cost of the asset's remaining service potential.

Each class of physical non-current assets is revalued every five years and 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 was completed on 30 June 2001 and was based on an

independent assessment. 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.

Otherwise, any balances of accumulated depreciation existing 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.

Revaluation increments and decrements are offset against one another within the same class of non-current assets but not otherwise. Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

k. Assets Not Able to be Reliably Measured

The Department does not hold assets that have not been recognised in the Statement of Financial Position.

l. Depreciation of Non-Current Physical Assets

Except for a limited number of heritage assets, 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 Department. The normal life expectancies of major asset categories are as follows:

Asset Class	Number of Years
Buildings-Cottages and Dwellings/ Office Buildings/ Accommodation	40
Leasehold Improvements	Life of lease
Plant and Equipment	5-15
Computers	4
Motor Vehicles	5
Marine Craft	5
Furniture and Major Fitouts	10

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

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

m. Maintenance and Repairs

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

n. Leased Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of 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 inception of the lease. The corresponding liability is established at the same amount.

Lease payments are allocated between the principal component and the interest expense. The Department does not have any finance leases.

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

o. Receivables

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

p. Inventories

Inventories are stated at the lower of cost and net realisable value. In the case of raw materials and spare parts, cost is assigned on the basis of Weighted Average method. Work-in-progress cost is determined by specific identification method includes direct materials, direct labour and an appropriate proportion of overheads determined by reference to the percentage completed on each contract.

q. Other financial assets

"Other financial assets" are recognised at fair value. For non-current "other financial assets", revaluation increments and decrements are recognised in the same manner as physical non-current assets. For current "other financial assets", revaluation increments or decrements are recognised in the Statement of Financial Performance.

r. Trust Funds

The Australian Bureau of Statistics commissions the mapping agencies of all States to provide certain services. A Memorandum of Understanding governs the operations of the Public Sector Mapping Agencies (PSMA). The Department acquired an investment of \$1 in one share in PSMA Australia Limited, being an incorporated joint venture of the Public Sector Mapping Agencies. The investment is reflected in the Department's financial statements in accordance with AAS14 "Accounting for Investments in Associates". (Refer note 27)

s. Restricted Assets

Legislation or Treasury Directions impose restrictions on the use of certain assets of the Department.

The Department administers the Torrens Assurance Fund. The Torrens Assurance Fund was established under S133A of the Real Property Act as a Special Deposit Account administered by the Register-General. Refer to note 15.

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

The Department administers the Public Reserves Management Fund (PRMF) which provides funds for the development, maintenance and protection of Crown land reserves throughout NSW. Crown reserves are generally managed by reserve trusts which are incorporated bodies administered by local government councils, volunteer boards of management or other responsible organisations such as Rural Lands protection Boards. Refer to note 15.

The PRMF was established by the Public Reserves Management Fund Act 1987.

t. Other assets

Other assets including prepayments are recognised on a cost basis.

u. Equity transfers

The transfer of net assets between agencies as a result of an administrative restructure, transfer of programs / functions and parts thereof between NSW public sector agencies are designated as a contribution by owners by NSWTC 01/11 and are recognised as an adjustment to "Accumulated Funds". This treatment is consistent with Urgent Issues Group Abstract UIG 38 "Contributions by Owners Made to Wholly Owned Public Sector Entities". Transfers arising from an administrative restructure between government departments are recognised at the amount at which the asset was recognised by the transferor government department immediately prior to the restructure. In most instances this will approximate fair value. All other equity transfers are recognised at fair value.

v. Payables

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

w. Interest bearing liabilities

All loans are valued at current capital value; the finance lease liability is determined in accordance with AAS 17 "Leases".

x. Contribution to Consolidated Fund

The Department operates a commercial activity through Land and Property Information NSW. From this operation the Department pays income tax equivalents and dividends to the Consolidated Fund. Tax effect accounting is not required to be applied. Income tax is calculated by applying the prevailing company tax rate to profits earned by LPI. Dividends are paid at the rate of 85% of its after tax profit in two equal instalments, in August and December following the financial year-end. As LPI recorded an operating loss in the last financial year 2003 no income tax equivalents and dividends were payable for that year.

y. Comparative figures

The Department of Lands was created on 2 April 2003 (refer to note 1), therefore for the financial year ended 30 June 2004, the comparative figures from the period ended 30 June 2003 are the transactions for three months only, namely from 2 April 2003 to 30 June 2003.

z. Budgeted Amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year 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 Financial Performance 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 ie per the audited financial statements (rather than carried forward estimates).

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

3. EXPENSES**3(a). EMPLOYEE RELATED EXPENSES**

**02.04.03 to
30.06.2003**

	2004	2003
	\$000	\$000
Employee related expenses comprise the following specific items:		
Salaries & wages (including Recreation Leave)	86,545	22,137
Superannuation	4,754	9,672
Long service leave	6,807	5,084
Workers compensation insurance	1,047	452
Payroll tax and fringe benefits tax	5,738	1,341
Payroll tax on employer's superannuation contribution	-	368
Redundancies	2,198	322
	<u>107,089</u>	<u>39,376</u>

3(b). OTHER OPERATING EXPENSES

Valuation services contractors	9,453	2,340
Operating lease rental expense		
- Minimum lease payments	2,864	825
EDP - Information Technologies Services	3,904	529
Furniture, plant and equipment	631	238
Stores & Materials	5,798	907
Consultancies & Other Contractors	2,804	1,745
Promotion, publicity and events management	614	143
Travel expenses	1,169	819
Telecommunication expenses	2,023	498
Motor vehicle expenses	7,422	1,966
Insurance	3,405	90
Auditor's remuneration -audit or review of financial reports	284	48
Freight & postage	832	146
Legal fees	82	30
Staff related & development	898	302
Administration	2,209	1,842
Taxes	11,947	78
Bad & doubtful debts	738	77
Other	496	88
	<u>57,573</u>	<u>12,711</u>

3(c). DEPRECIATION

Buildings and Leasehold Improvements	847	203
Plant and equipment	9,950	1,858
	<u>10,797</u>	<u>2,061</u>

3(d). GRANTS AND SUBSIDIES

Fishing Ports Annual Provisions	792	334
Public Reserve Management Fund	954	422
Board of Surveying and Spatial Information	260	52
Other	1,312	116
	<u>3,318</u>	<u>924</u>

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

	2004	2003
	\$000	\$000
3(e). BORROWING COSTS		
Interest payable on loans	42	11
Finance lease interest charges	279	72
	<u>321</u>	<u>83</u>
3 (f). OTHER EXPENSES		
Fishing Port Maintenance	1,054	594
Torrens Assurance Fund	1,465	1,552
	<u>2,519</u>	<u>2,146</u>
4. REVENUES		
4(a) SALE OF GOODS AND SERVICES		
Title	101,017	24,502
Valuation	22,937	2,288
Mapping	3,657	1,143
Torrens Assurance Fund	2,017	498
Fees for Services	754	842
Soil Services	17,344	4,159
Search fees	285	92
Agistment Fees	745	-
Other	1,939	558
	<u>150,695</u>	<u>34,082</u>
4(b) INVESTMENT INCOME		
Rents	117	4
Interest	4,234	787
	<u>4,351</u>	<u>791</u>
4(c) RETAINED FEES		
Caravan Park Levy	3,118	826
	<u>3,118</u>	<u>826</u>
4(d) GRANTS AND CONTRIBUTIONS		
Contributions from Other Entities	7,439	5,488
Other	16	10
	<u>7,455</u>	<u>5,498</u>
4(e) OTHER REVENUE		
Printing and publishing	418	127
Digital database sales	13	9
International projects	651	147
Corporate support	520	502
Other revenue	865	494
	<u>2,467</u>	<u>1,279</u>

Other revenue comprises Public Reserves Management Fund income and income from sale of surveyor maps etc.

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

	2004	2003
	\$000	\$000
5. GAIN / (LOSS) ON DISPOSAL OF NON-CURRENT ASSETS		
Gain/(loss) on disposal of land & buildings		
Proceeds from disposal	-	11
Carrying value of assets disposed	(70)	(23)
Net (loss) on disposal of Motor Vehicles	<u>(70)</u>	<u>(12)</u>
Gain/(loss) on disposal of plant and equipment		
Proceeds from disposal	1,226	347
Carrying value of assets disposed	(946)	(146)
Net gain on disposal of plant and equipment	<u>280</u>	<u>201</u>
Gain on disposal of Non-Current Assets	<u>210</u>	<u>189</u>
6. APPROPRIATIONS		
Recurrent Appropriations		
Total recurrent drawdowns from Treasury (per Summary of Compliance)	40,000	6,367
Less: Liability to Consolidated Fund (per Summary of Compliance)	-	132
Total	<u>40,000</u>	<u>6,235</u>
<i>Comprising:</i>		
Recurrent appropriations (per Statement of Financial Performance)	40,000	6,235
Total	<u>40,000</u>	<u>6,235</u>
Capital Appropriations		
Total capital drawdowns from Treasury (per Summary of Compliance)	1,400	-
Less: Amount repaid for lapsed Appropriation	-	-
Less: Liability to Consolidated Fund (per Summary of Compliance)	-	-
Total	<u>1,400</u>	<u>-</u>
<i>Comprising:</i>		
Capital appropriations (per Statement of Financial Performance)	1,400	-
Total	<u>1,400</u>	<u>-</u>

7. INDIVIDUALLY SIGNIFICANT ITEMS

Included in expenses from ordinary activities is \$15.940m for superannuation expenses written back due to the income earned in the superannuation fund reserves. In 2003 - \$9.663m for superannuation for 3 months from 2 April to 30 June 2003 was included in the expenses from ordinary activities. That amount includes a significant negative result following triennial review by the Pillar Administration Corporation.

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

8. PROGRAMS/ACTIVITIES OF THE DEPARTMENT

(a) Program 1 - Crown Lands

Objectives: Effective and sustainable use of the Crown Estate of New South Wales.

(b) Program 2 - Soil Services

Objectives: Protection and conservation of the soil resources of New South Wales by provision of a cost-effective conservation earthmoving and consultancy service. Set the industry standard for conservation earthworks design and construction. Provide a specialist consulting service in environmental protection and rehabilitation, resource planning and assessment, environmental engineering and training in soil conservation thus contributing to effective and sustainable use of the State's soil resources.

(c) Commercial Activity - Land and Property Information New South Wales

Objectives: To provide integrated and enhanced land and property information services through innovative use of information and communications technology and expand the range of services delivered online.

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

	2004	02.04.03 to
	\$000	30.06.2003
	<u> </u>	<u> </u>
The following liabilities and expenses have been assumed by the Crown Entity.		
Superannuation	2,157	738
Long service leave	2,650	1,510
Payroll tax on superannuation	129	44
	<u>4,936</u>	<u>2,292</u>

10. CURRENT ASSETS - CASH

Cash at bank and on hand	75,878	57,781
Closing Cash and Cash Equivalents	<u>75,878</u>	<u>57,781</u>

For the purpose of the Statement of Cash Flows, cash includes cash on hand and cash at bank.

Cash recognised in the Statement of Financial Position are reconciled to cash at the end of the financial year as shown in the Statement of Cash Flows as follows:

Cash at bank and on hand (per Statement of Financial Position)	75,878	57,781
Closing Cash and Cash Equivalents (per Statement of Cash Flows)	<u>75,878</u>	<u>57,781</u>

11. CURRENT/NON CURRENT ASSETS - RECEIVABLES

Current Receivables:

Sale of goods and services	9,050	8,643
Accrued income - Sale of goods and services	3,082	2,214
GST receivable	1,086	493
Short-term loans	4,927	3,182
Retained taxes, fees and fines	128	34
Interest Receivable	2,099	1,017
Long Service Leave (note 19)	298	131

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

	2004	2003
	\$000	\$000
Other	252	128
Less: Provision for doubtful debts	(533)	(389)
	<u>20,389</u>	<u>15,760</u>
Non-Current Receivables:		
Public Reserve Management Fund	12,096	11,591
Long Service Leave (note 19)	2,680	2,625
	<u>14,776</u>	<u>14,216</u>

12. CURRENT/NON ASSETS - INVENTORIES

Current Inventories

At Cost		
Raw materials	9	4
Goods for resale	326	362
Consumables and spare parts	326	342
Provision for obsolescence	(33)	(33)
	<u>628</u>	<u>675</u>

Non-Current Inventories

At Cost		
Goods for resale	1,306	1,450
	<u>1,306</u>	<u>1,450</u>

Raw materials are classified as current assets because they are used within a short time.

Goods for resale (map stocks) are split 20% current and 80% non-current based on 5-year usage. There was no write down of inventories during the financial year ended 30 June 2004 (2003 - NIL).

13. CURRENT/NON-CURRENT ASSETS - OTHER FINANCIAL ASSETS

Non-Current

Investment in Public Sector Mapping Authority (PSMA)	509	356
(Refer to Note 27)	<u>509</u>	<u>356</u>

Investment in PSMA is treated as non-current asset as it is not readily tradeable in the market and is the subject of a NSW Government Regulation that is unlikely to change in the short-term.

14. NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

LAND AND BUILDINGS

At Fair Value	58,240	56,617
Less:		
Accumulated Depreciation	(1,297)	(432)
	<u>56,943</u>	<u>56,185</u>

PLANT AND EQUIPMENT

At Fair Value	79,463	71,218
Less:		
Accumulated Depreciation	(41,680)	(35,758)
	<u>37,783</u>	<u>35,460</u>

Total Property, Plant and Equipment at Net Book Value	<u>94,726</u>	<u>91,645</u>
--	----------------------	----------------------

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

14. NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT (continued)

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the financial year are set out below:

	Land and Buildings \$'000	Plant and Equipment \$'000	Total \$'000
2004			
Carrying amount at 1/07/03	56,185	35,460	91,645
Additions	1,696	13,161	14,857
Reclassification	(44)	44	-
Disposals	(70)	(946)	(1,016)
Depreciation expense	(847)	(9,950)	(10,797)
Transfer in due to Admin Restructure	23	14	37
Carrying amount at 30/06/04	<u>56,943</u>	<u>37,783</u>	<u>94,726</u>

15. RESTRICTED ASSETS

Legislation or Treasury Directions impose restrictions on the use of certain assets of the Department. As such, the following are considered to be restricted assets:

Public Reserve Management Fund	2004	2003
Current Assets:	\$000	\$000
Cash	8,314	7,734
Receivables	4,927	3,181
Receivables	12,096	11,591
	<u>25,337</u>	<u>22,506</u>

Under Current Assets, Cash comprises Public Reserves Management Fund of \$8.314m (2003 - \$7.734 m). Receivables both current and non-current comprise Public Reserves Management funds.

Public Reserve Management Fund (PRMF)

The Department administers the PRMF under the *Public Reserve Management Fund Act 1987* within the Special Deposit Account in Treasury called the Public Reserves Management Fund. The fund is only to be used for grants and loans allocated for the following programs:

- a. Caravan park levy income development works
- b. Showgrounds assistance scheme
- c. Local parks, reserves and walking tracks
- d. Reserves of high visitation/regional significance
- e. Consultancies for plans of management and business plans
- f. Commercial initiatives on Crown reserves
- g. Major regional recreation projects (across a number of reserves) managed the Department of Lands.

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

15. RESTRICTED ASSETS (continued)

Torrens Assurance Fund - Special Deposit Account

The Department operates the Torrens Assurance Fund within the Special Deposit Accounts. The Fund was established under Section 133A of the Real Property Act 1900. It meets claims for loss arising out of fraud or agency error and is funded by a \$2 charge on each land dealing lodged. The following is a summary of transactions in the Torrens Assurance Fund (note 24(a)).

	2004	2003
	\$000	\$000
Opening cash balance	8,273	9,327
Add:		
Revenue	2,017	498
Less:		
Expenditure	(1,465)	(1,552)
Cash balance at year end	<u>8,825</u>	<u>8,273</u>

16. CURRENT/NON-CURRENT ASSETS - OTHER

Current Assets - Other

Prepayments	1,393	1,830
	<u>1,393</u>	<u>1,830</u>

The prepaid superannuation of \$294k reported as "Current Assets - Other" in 2003 is reclassified to superannuation provisions.

17. CURRENT LIABILITIES - PAYABLES

Accrued salaries, wages and on-costs	1,724	2,132
Creditors	5,633	4,855
Fees in Advance	1,746	2,456
Contributions to Consolidated Fund (note 21)	23,049	-
Income Tax Equivalent payable	9,034	-
Other	1,761	1,365
	<u>42,947</u>	<u>10,808</u>

18. CURRENT/NON-CURRENT LIABILITIES - INTEREST BEARING LIABILITIES

Secured/Unsecured

Current Liabilities

Finance lease commitments	446	446
Advance from Treasury (unsecured)	5	5
	<u>451</u>	<u>451</u>

Secured/Unsecured

Non-Current Liabilities

Finance lease commitments	2,323	2,483
Advance from Treasury (unsecured)	3,174	3,180
	<u>5,497</u>	<u>5,663</u>

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

18. CURRENT/NON-CURRENT LIABILITIES - INTEREST BEARING LIABILITIES (continued)

Repayment of Borrowings (excluding finance leases)

	2004	2003
	\$000	\$000
Not later than 1 year	5	5
Between 1 year and 5 years	21	21
Later than 5 years	3,153	3,159
Total borrowings at face value (excluding finance leases)	<u>3,179</u>	<u>3,185</u>

19. CURRENT/NON-CURRENT LIABILITIES - PROVISIONS

Current employee benefits and related on-costs

Recreation leave	6,482	7,593
Long service leave	3,865	3,797
Oncosts on employee benefits	679	570
Fringe Benefits Tax	40	7
Total provisions	<u>11,066</u>	<u>11,967</u>

Non-Current employee benefits and related on-costs

Recreation leave	4,046	3,144
Long service leave	31,926	30,756
Superannuation	34,482	49,895
Oncosts on employee benefits	3,286	2,350
	<u>73,740</u>	<u>86,145</u>

Aggregate employee entitlements

Provisions - current	11,066	11,967
Provisions - non-current	73,740	86,145
Accrued salaries, wages and on-costs (note 17)	1,724	2,132
	<u>86,530</u>	<u>100,244</u>

The superannuation provision of \$49.895m in year 2003 includes prepaid superannuation of \$.294m previously reported under "Current Assets - Other" and the under funded super of \$1.224m previously reported under "Current Liabilities - Other". The superannuation provision in year 2003 has therefore been increased from \$48.965m to \$49.895m (the under funded of \$1.224m less the prepaid of \$.294m)

Superannuation liability

The Department's commercial and semi-commercial activities are responsible for funding the employer's superannuation liability through monthly contributions to the Department's reserve account held at the Superannuation Administration Corporation. Superannuation payments to retiring employees are made out of this reserve account. Periodically the department's reserve account balance is augmented by interest distributions made at the discretion of the Superannuation Administration Corporation. The Department has no control over interest distributions. The reserve account can only be used for the settlement of superannuation liabilities.

Actuarial assessments for the defined benefit schemes: State Superannuation Scheme, State Authorities Superannuation Scheme and State Authorities Non-Contributory Superannuation Scheme (SSS, SASS and SANCS) have been made for the year ended 30 June 2004 based on the full requirements of AAS25.

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

19. CURRENT/NON-CURRENT LIABILITIES - PROVISIONS (continued)

	Assessed Liability		Reserve Account		Superannuation Prepaid/(Deficit)	
	2004 \$000	2003 \$000	2004 \$000	2003 \$000	2004 \$000	2003 \$000
State Superannuation Scheme	199,000	184,344	168,936	138,535	(30,064)	(45,809)
State Authorities Superannuation Scheme	16,595	13,862	13,347	11,295	(3,248)	(2,567)
Sub-Total	215,595	198,206	182,283	149,830	(33,312)	(48,376)
State Authorities Non-Contributory Superannuation Scheme	13,692	11,854	12,522	10,335	(1,170)	(1,519)
	229,287	210,060	194,805	160,165	(34,482)	(49,895)

The Department's commercial and semi-commercial services superannuation liabilities as at 30 June 2004 as assessed by William Mercer Limited were based on the following key assumptions:

	2004 %	2005 %	2006 %
• Rate of Investment Return	7.0	7.0	7.0
• Rate of General Salary Increase	4.0	4.0	4.0
• Rate of Increase in CPI	2.5	2.5	2.5

Employees' long service leave liability

The department's semi-commercial services long service leave liability and the corresponding receivable from the Treasury are reported as follows:

	2004 \$000	2003 \$000
Current Liability	298	131
Non-Current Liability	2,680	2,625
	2,978	2,756
Current Receivable (note 11)	298	131
Non-Current Receivable (note 11)	2,680	2,625
	2,978	2,756

20. CURRENT/NON-CURRENT LIABILITIES - OTHER

Liability to Consolidated Fund	-	156
Interest free advance from Treasury (unsecured)	160	160
	160	316
Reported as follows:		
Current liabilities	-	156
Non-Current Liabilities	160	160
	160	316

The under funded State Authorities Non-Contributory Superannuation Scheme of \$1.224m reported under current liabilities - other in 2003 is reclassified to superannuation provisions.

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

21. CHANGES IN EQUITY

	Accumulated Funds		Asset Revaluation Reserve		Total Equity	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Balance at the beginning of the financial year	68,167	-	196	-	68,363	-
Fair value of net assets transferred in on formation of Department	-	74,953	-	-	-	74,953
Transactions with owners as owners						
Contributions to Consolidated Fund	(23,049)	-	-	-	(23,049)	-
Transfers from asset revaluation reserve on administration restructure	37	186	-	-	37	186
Total	45,155	75,139	196	-	45,351	75,139
Other than transactions with owners as owners						
Surplus (Deficit) for the year	30,240	(6,972)	-	-	30,240	(6,972)
Increment/(Decrement) on revaluation	-	-	153	196	153	196
Total	30,240	(6,972)	153	196	30,393	(6,776)
Balance at the end of the financial year	75,395	68,167	349	196	75,744	68,363

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 Department's policy on the "Revaluation of Physical Non-Current Assets" as discussed in Note 2(j).

22. INCREASE / DECREASE IN NET ASSETS FROM EQUITY TRANSFERS

There was no administrative restructuring for financial year ended 30 June 2004.

	2004	2003
	\$'000	\$'000
Total Assets	-	175,166
Total Liabilities	-	100,213
Net assets	-	74,593

23. COMMITMENTS FOR EXPENDITURE**(a). Other Expenditure Commitments**

Aggregate of other expenditure for the acquisition of items as detailed below contracted for at balance date and not provided for:

Not later than 1 year	12,698	10,244
Later than 1 year and not later than 5 years	11,370	10,591
Total (including GST)	24,068	20,835

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

23. COMMITMENTS FOR EXPENDITURE (continued)

(b). Operating Lease Commitments

Future non-cancellable operating lease rentals not provided for and payable for property, plant and equipment for varying contract periods/suppliers.

	2004	2003
	\$'000	\$'000
Not later than 1 year	3,873	3,673
Later than 1 year but not later than 5 years	4,140	3,574
Total (including GST)	8,013	7,247

(c) Finance Lease Commitments

Not later than 1 year	446	446
Later than 1 year but not later than 5 years	1,783	1,783
Later than 5 years	2,229	2,675
Minimum lease payments	4,458	4,904
Less: future finance charge	(1,689)	(1,975)
Total (including GST)	2,769	2,929

Classified as:

Current	446	446
Non-current	2,323	2,483
	2,769	2,929

The total 'other expenditure commitments' and 'operating lease commitments' above include input tax credits of \$2.917m (2003 - \$2.553m) that are expected to be recovered from the Australian Taxation Office.

24. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

(a) The Department maintains a special deposit account for claims arising through fraud or Departmental error (Torrens Assurance Fund). As at 30 June 2004 known claims were assessed to have an estimated gross liability of \$ 8.127m (2003 - \$8.342m). These liabilities have been estimated on the assumption that all disputed claims will be lost by LPI branch.

(b) The Department may be liable for payment of compensation payments arising from claims and other matters subject to litigation. The amounts involved cannot be accurately determined and in some instances are subject to arbitration. These claims are covered by the Treasury Managed Fund, and are not expected to exceed \$7.4m (2003 - \$3.8m). In addition, applications for native title under the Native Title Act 1993 and Aboriginal Land Rights Act 1983 have been made over various areas of land and water in New South Wales which might ultimately result in a liability being incurred by the Department. It is not possible to estimate this potential liability.

25. BUDGET REVIEW

STATEMENT OF FINANCIAL PERFORMANCE

Net Cost of Services

The actual net cost of services was lower than budget by \$23.7m. Additional revenues earned of \$27.5m was the major contributing factor in this turn around. The revenues included grants from the Department of Infrastructure Planning and Natural Resources (DIPNR), increased revenues achieved from processing higher numbers of land title documents and investment earnings.

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

25. BUDGET REVIEW (continued)

During the Financial year Other Operating Expenses did increase due to increased costs for the Treasury Managed Fund insurance premium previously paid by the DIPNR and other costs transferred but not budgeted as part of the administrative restructure in April 2003. However these costs were met in full by additional grants received from DIPNR or operating revenues received from customers.

STATEMENT OF FINANCIAL POSITION

Assets and Liabilities

Current assets are higher than budget due to the strong growth in revenues from land titles activities with an increase in receivables reflecting increased sales on credit by Soil Services and Land and Property Information Divisions.

Current liabilities increased due to the provision for dividend and tax equivalent owing to Treasury on the Land Property Information business.

Cash Flows

Operating cash flows reflect the increased revenues earned from land titles activity during the financial year.

Investing cash flows reflect the capital asset investment strategy for the department with the majority of this investment in 2003/04 in new and improved business systems and information technology infrastructure.

26. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES

	2004	2003
	\$000	\$000
Net Cash flow from / (used in) Operating Activities	31,894	9,046
Depreciation	(10,797)	(2,061)
Acceptance by the Crown Entity of		
Employee entitlements and other liabilities	(4,221)	(2,136)
Net gain on sale of non-current assets	210	189
Cash flows from Government	(42,115)	(6,526)
Decrease/(increase) in Provisions	13,463	(11,510)
Increase in Receivables	4,750	749
(Decrease) in Inventories	(190)	(125)
(Increase) in Current liabilities	(9,090)	(3,125)
Net Cost of Services	(16,096)	(15,499)

27. TRUST FUNDS

Public Sector Mapping Agency (PSMA)

Refer to note 2 (s)

	2004	2003
	\$000	\$000
Opening accumulated surplus/(deficit) at start of the year	2,850	1,280
Income earned during the year	2,807	3,166
Less:		
Expenses paid during the year	(1,586)	(1,596)
Accumulated surplus/(deficit) at end of the year	4,071	2,850

The Department has a one-eighth (1/8) equity in the closing accumulated surplus, ie:

Accumulated surplus/(deficit) at end of the year	509	356
---	------------	------------

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

28. ADMINISTERED ASSETS AND LIABILITIES

	Crown Leasehold	Land Development Working Acct	2004	2003
	\$000	\$000	\$'000	\$'000
Administered Assets				
Cash	10,054	16,616	26,670	18,024
Receivables	41,651	3,420	45,071	44,370
Land in course of development	-	6,802	6,802	7,902
Vacant Crown land & Land under Tenure	4,379,242	-	4,379,242	4,520,345
Total Administered Assets	<u>4,430,947</u>	<u>26,838</u>	<u>4,457,785</u>	<u>4,590,641</u>
Administered Liabilities				
Unearned revenue	11,851	-	11,852	10,110
Accounts payable & provision	4,395	9,095	13,490	8,576
Liability to Consolidated Fund	3,010	-	3,010	9,474
Amount due to Crown Leasehold	-	9,591	9,591	-
Treasury advance	-	3,000	3,000	3,000
Total Administered Liabilities	<u>19,256</u>	<u>21,686</u>	<u>40,942</u>	<u>31,160</u>

29. ADMINISTERED REVENUE - DEBTS WRITTEN OFF

Administered debts of \$35,301 were written off during the year (30 June 2003-\$10,395)

30. ADMINISTERED REVENUE - SCHEDULE OF UNCOLLECTED AMOUNTS

	2004	2.04.2003 to 30.06 2003
	\$'000	\$'000
Analysis of uncollected amounts in respect of Land revenue - Crown Leasehold:		
Less than 90 days	3,724	5,889
Greater than 90 days	14,812	11,146
	<u>18,536</u>	<u>17,035</u>
Less: Provision for doubtful debts	4,173	2,632
	<u>14,363</u>	<u>14,403</u>
Amounts not yet called	27,288	29,493
Total	<u>41,651</u>	<u>43,896</u>

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

31. ADMINISTERED REVENUE AND EXPENSES

	Crown Leasehold	Land Development Working Acct	2004	2003
	\$'000	\$'000	\$'000	\$'000
Revenue	42,403	10,639	53,042	53,690
Expenses	(160,311)	(4,272)	(164,583)	(103,811)
Operating surplus/(loss)	(117,908)	6,367	(111,541)	(50,121)

Details of Crown revenue collected by the Department and remitted to the Treasury:

Land sales, term purchase instalments and other misc land sales	10,831	14,981
Leases, licences and related land receipts	28,877	22,148
	39,708	37,129

32. FINANCIAL INSTRUMENTS

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 11.00 am unofficial cash rate adjusted for a management fee to Treasury. Interest is reported in the financial statements as it is earned. For the purposes of the Statement of Cash Flows, cash comprises cash on hand and at bank and short-term deposits at call.

Receivables

All trade and other debtors are recognised as amounts receivable at balance date. Collectability of all debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectable, are written off. A provision for doubtful debts is raised when some doubt as to collection exists. The credit risk is the carrying amount (net of any provision for doubtful debts). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are generally made on 30 days terms.

Bank Overdraft

The Department does not have any bank overdraft facility.

Trade Creditors and Accruals

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 not 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. No interest was paid during the year (30 June 2003-Nil). The carrying amount approximates net fair value.

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

32. FINANCIAL INSTRUMENTS (continued)

(a) Interest Rate Risk

			Fixed Interest Rate Maturities			Non Interest Bearing	Total Carrying Amount As per the Statement of Financial Position
	Weighted Average Effective interest rate	Floating Interest Rate	1 year or less	1 to 5 years	More than 5 Years		
	%	\$000	\$000	\$000	\$000	\$000	\$000
30 June 2004							
Financial Assets							
Cash	4.18	75,878	-	-	-	-	75,878
Receivables	3.75	17,023	-	-	-	18,142	35,165
Total Financial Assets		92,901	-	-	-	18,142	111,043
30 June 2003							
Cash	3.75	57,781	-	-	-	-	57,781
Receivables	8	21,825	-	-	-	8,151	29,976
Total Financial Assets		79,606	-	-	-	8,151	87,757
30 June 2004							
Financial Liabilities							
Payables		-	-	-	-	42,947	42,947
Interest Bearing	1.3	-	5	21	3,154	-	3,180
Finance lease	9.75	-	446	1,783	540	-	2,769
Other		-	-	-	-	160	160
Total Financial Liabilities		-	451	1,804	3,694	43,107	49,056
30 June 2003							
Payables		-	-	-	-	10,808	10,808
Interest Bearing	1.3	-	5	21	3,159	-	3,185
Finance lease	9.75	-	446	1,783	700	-	2,929
Other		-	-	-	-	160	160
Total Financial Liabilities		-	451	1,804	3,859	10,968	17,082

(b) Credit Risk

Credit risk is the risk of financial loss arising from another party to a contract/or financial position failing to discharge a financial obligation thereunder. The Department's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the Statement of Financial Position.

33. AFTER BALANCE DATE EVENTS

No events have occurred after reporting date that need to be recognised or disclosed in the financial report.

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

34. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

(a) Explanation of how the transition to AIFRS is being managed.

The Department will apply the Australian Equivalents to International Financial Reporting Standards (AIFRS) from the reporting period beginning 1 July 2005. The Department is managing the transition to the new standards by allocating internal resources to analyse the pending standards and Urgent Issues Group Abstracts to identify key areas regarding policies, procedures, systems and financial impacts affected by the transition. Where necessary the Department will also engage legal or accounting professional resources to provide expert advice.

As a result of this exercise, the agency has taken the following steps to manage the transition to the new standards:

The Department's Budget Committee is overseeing the transition. The Director, Financial and Administrative Services is responsible for the project and reports to the Committee on progress against the plan. The Department's Audit Committee also provides input to the process..

The following phases that need to be undertaken have been identified:

- o Scope and identify impact of the changes
- o Determine changes to be made to systems, processes, policies.
- o Train staff
- o Implement changes and review

By the end of June 2004, a preliminary assessment of the impact of the changes for the entities administered for the Crown by the Department of Lands had been undertaken. All other stages, including the requisite changes to systems will be completed by the end of November 2004.

NSW Treasury is assisting agencies to manage the transition by developing policies, including mandates of options; presenting training seminars to all agencies; providing a website with up-to-date information to keep agencies informed of any new developments; and establishing an IAS Agency Reference Panel to facilitate a collaborative approach to manage the change.

(b) Key Differences in Accounting Policies

The Department has identified a number of significant differences in accounting policies that will arise from adopting AIFRS. Some differences arise because AIFRS requirements are different from existing AASB requirements. Other differences could arise from options in AIFRS. To ensure consistency at the whole of government level, NSW Treasury has advised the Department of options it is likely to mandate, and will confirm these during 2004-05. This disclosure reflects these likely mandates.

The Department's accounting policies may also be affected by a proposed standard designed to harmonise accounting standards with Government Finance Statistics (GFS). This standard is likely to change the impact of AIFRS and significantly affect the presentation of the income statement. However, the impact is uncertain, because it depends on when this standard is finalised and whether it can be adopted in 2005-06.

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

34. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

Based on current information, the following key differences in accounting policies are expected to arise from adopting AIFRS:

- ❑ AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards* requires retrospective application of the new AIFRS from 1 July 2004, with limited exemptions.
- ❑ AASB 110 *Events after the balance sheet date* states that only dividends "declared" or appropriately "authorised" before the reporting date can be recognised. This is more restrictive than the current approach which is based on "valid expectations". However, this change is not expected to impact on dividend recognition as the signing of the statement of Corporate Intent/Statement of Business Intent before the reporting date to which it relates, "authorises" the dividend and any change in the amount of the dividend after the reporting date constitutes an "adjusting event after the reporting date".

However, the amount of the dividend may be affected by other AIFRS, such as AASB 139 *Financial Instrument Recognition and Measurement* and AASB 119 *Employee Benefits* (refer below) as these standards may impact on retained earnings (on first adoption) and the amount and volatility of profit/loss.

- ❑ AASB 116 *Property, Plant and Equipment* requires the cost and fair value of property, plant and equipment to be increased to include restoration costs, where restoration provisions are recognised under AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Major inspection costs must be capitalised and this will require the fair value and depreciation of the related asset to be re-allocated.

For-profit entities must account for asset revaluation increments and decrements on an individual asset basis, rather than on a class basis. This change may decrease accumulated funds.

- ❑ AASB 117 *Leases* requires operating lease contingent rentals to be recognised as an expense on a straight-line basis over the lease term rather than expensing in the financial year incurred.
- ❑ AASB 119 *Employee Benefits* requires the defined benefit obligation to be discounted using the government bond rate at each reporting date rather than the long term expected rate of return on plan assets. This will increase the amount and the future volatility of the unfunded superannuation liability and the volatility of the employee benefit expenses.
- ❑ AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance*. For profit entities will either apply the current AASB 120 or early adopt a revised AASB 120, based on the grant requirements in AASB 141 *Agriculture*. The current AASB 120 spreads income over the period necessary to match related costs. A revised AASB 120 based on AASB 141 is likely to require revenue recognition when conditions are satisfied. Both of these alternatives may have the effect of delaying revenue recognition.

- ❑ AASB 1004 *Contributions* applies to *not-for-profit entities* only. Entities will either continue to apply the current requirements in AASB 1004 where grants are normally recognised on receipt, or alternatively apply the proposals on grants included in ED 125 *Financial Reporting by Local Governments*. If the ED 125 approach is applied, revenue and/or expense recognition will be delayed until the agency supplies the related goods and services (where grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied.

DEPARTMENT OF LANDS
Notes to and Forming Part of the Financial Statements
for the year ended 30 June 2004

34. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

- AASB 136 *Impairment of Assets* requires an entity to assess at each reporting date whether there is any indication that an asset (or cash generating unit) is impaired and if such indication exists, the entity must estimate the recoverable amount. However, the effect of this Standard should be minimal because all the substantive principles in AASB 136 are already incorporated in Treasury's policy *Valuation of Physical Non-Current Assets at Fair Value*.

- AASB 138 *Intangibles* requires that all research costs must be expensed and restricts capitalisation of development costs. Some previously recognised internally generated intangible assets may need to be derecognised. Further, intangibles assets can only be revalued where there is an active market, which is unlikely to occur. As a result, it is likely that any revaluation increments will need to be derecognised and intangible assets recognised at cost.

Department of Lands

*Land Administration & Management
Property & Spatial Information*



DIRECTOR GENERAL
1 Prince Albert Road
Queens Square
SYDNEY NSW 2000
AUSTRALIA

GPO Box 15
SYDNEY NSW 2001
AUSTRALIA

T (612) 9236 7600
F (612) 9236 7631

www.lands.nsw.gov.au

The Hon Tony Kelly MLC
Minister for Lands
Level 34
Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Dear Minister

In accordance with the *Surveying Act 2002*, the Board of Surveying and Spatial Information submits the following report for the 2003/2004 financial year.

This report has been prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*.

I commend this report to you.

Yours sincerely

Warwick Watkins
President of the Board of Surveying and Spatial Information
Surveyor General of New South Wales
warwick.watkins@lands.nsw.gov.au

The Board of Surveying and Spatial Information

The Board of Surveying and Spatial Information (the Board), constituted under the *Surveying Act 2002* to provide for the registration of land and mining surveyors, is the statutory body responsible for standards in surveying and spatial information in New South Wales and advises the Minister on spatial information. The Board, on 25 June 2003, took over the functions previously managed by the Board of Surveyors of New South Wales which was constituted under the *Surveyors Act 1929*, which has been repealed.

Functions of the Board

The principal functions of the Board are:

- the registration of land and mining surveyors;
- the investigation of surveyor’s licensing schemes in other States and Territories, and the provision of advice to the Minister in connection with the recognition of the qualifications and experience of surveyors registered or licensed under such schemes;
- the investigation of complaints against registered land and mining surveyors;
- the taking of disciplinary action against registered land and mining surveyors;
- the investigation of matters referred to it by the Minister for advice or report in relation to surveying or any other aspect of the spatial information industry;
- the investigation of, and the provision of advice to the Minister with respect to, the practice to be followed in the conduct of surveys or in the collection, collation and dissemination of any other kinds of spatial information; and
- the provision of advice to the Minister with respect to any other matter in connection with the administration of this Act.

Other functions of the Board include:

- the monitoring of Acts and Regulations concerning matters which are related to, or form part of, surveying;
- the maintenance of reciprocal arrangements for registered surveyors between the States and Territories of Australia and with New Zealand;
- the monitoring of trends in surveying in the States, Territories and New Zealand;

- the maintenance of acceptable levels of assessment of the ability and competence of persons seeking registration, to service the community’s needs in surveying;
- the maintenance of liaison with the surveying profession in monitoring the performance, training and continuing professional development and education of surveyors;
- advice to the Surveyor General on matters concerning the State Control Survey and surveying generally;
- the sponsoring of workshops and seminars on topics and issues which affect the profession and the community;
- assistance in the development of educational and training programs to achieve the highest level of academic standard and professional competence; and
- any other functions as are conferred or imposed on it by or under this or any other Act or law.

Aims and Objectives

- to maintain the register of registered land and mining surveyors.
- to grant registration to surveyors under the provisions of the *Surveying Act 2002* if:
 - (a) they hold a prescribed qualification
 - (b) they satisfy the Board, at prescribed examinations conducted by the Board, that they are fit to practice; and
 - (c) they satisfy the Board that they are registered as a land surveyors in another prescribed State or Territory of Australia or within New Zealand.
- to investigate the conduct of a registered land or mining surveyor where a complaint is received.
- to define the scope of spatial information, identify key spatial industry stakeholders, develop communication and promotion strategies and benefits for the Board, the public and private sectors.
- to identify a vision for spatial information.
- to develop policies, assess and recommend quality standards for collection, collation, management and dissemination of all identified types of spatial information relevant to the NSW SDI.
- to formulate procedures for the evaluation of data.
- to set minimum competency standards for collection, collation and dissemination of spatial information.

- to promote quality management procedures for spatial information.
- to encourage SI practitioners to undertake appropriate education and relevant continuing professional development to maintain competency.
- to identify suitable skilled resources for the evaluation of matters referred by the Minister.

Membership, Board of Surveying and Spatial Information

There are between ten and twelve members on the Board as defined by the *Surveying Act 2002*, two advisers to the Board and one observer. The Registrar also attends Board meetings. During the reporting year the Board met formally on eight occasions. Meetings were held in Sydney, Broken Hill, Mudgee, and Kurri Kurri to enable the Board to be more accessible to the surveying profession. At each of the country meetings the Board was able to meet with surveyors from nearby regions.

Member	Role	Meetings
Mr Warwick Watkins AMP:ISMP (Harv), M NatRes, DipScAgr, HDA (Hons)	Surveyor General of NSW	8
Mr Paul Harcombe B Surv (UNSW), M Geom (Melb)	Chief Surveyor Department of Lands	9
Mr Colin Weatherby TCP Dip (Sydney)	nominee Institute of Surveyors NSW Inc	8
Mr Mark Gordon B Surv (Hons)	nominee of Institute of Surveyors NSW Inc	9
Mr Andrew Campbell M SurvSc (UNSW), M Planning (UTS)	nominee Institute of Surveyors NSW Inc	9
Mr Phillip Orr B Surv (Hons)	nominee of Australian Institute of Mine Surveyors Limited (AIMS)	8
Mr Richard Bartholomew B Land Management (Sydney), Eng Survey Cert, Land & Eng Survey Cert	nominee of Australasian Urban Regional Information Systems Association (AURISA) - NSW Chapter	8
Mr Robert Regan B Mining Engineering (Hons 1)	nominee of Minister for Mineral Resources	8
Mr David Bruce B Surv (Hons) (UNSW)	nominee of Australasian Urban Regional Information Systems Association (AURISA) - NSW Chapter	7
Mr Colin Mitford Surv Cert	nominee of Australasian Urban Regional Information Systems Association (AURISA) - NSW Chapter	8
Ms Margaret Hole AM, Diploma in Law, Barristers Admission Board	nominee of the Minister for Fair Trading	6
Professor John Fryer FISA, B Surv (UNSW), PhD (UNSW)	nominee of the University of Newcastle	8
Ms Anna Allen M Surv Sc (UNSW), B Eng Surv (Pol)	adviser to the Board	7
Mr Grahame Wallis B Surv (UNSW)	adviser to the Board - cadastral surveying matters	9
Mr David Dobson Adv Dip Acc (CIT), Registered Surveyor, ACT Commissioner for Surveys	observer at meetings	4
Mr Graham Leatherland RFD•, Cart Cert, HCart Cert	Registrar	9

Administration

Administrative support to the Board is undertaken by a small secretariat which includes the Registrar, one full time statutory assistant and one part time statutory officer. Employees of the former Department of Information Technology and Management now Department of Lands provide further support.

The Board is primarily funded by fees levied on surveyors and also some contributions from spatial information stakeholders. All costs associated with administration of the Board were met from fees received.

Review of operations

The Board's responsibilities include:

Qualifications

- Keep a register of names of persons registered as surveyors, their addresses and qualifications.
- Register surveyors by Certificate of Competency awarded by the Board, and under the terms of reciprocity which exist between States and Territories of Australia and New Zealand.
- Issue Letters of Accreditation to Reciprocating Boards for Land Surveyors.
- Remove names from the Register of Surveyors.
- Restore names to the Register of Surveyors.
- Assess overseas and interstate academic qualifications for persons wishing to practice surveying in New South Wales.
- Receive and investigate reports and complaints concerning the competence of surveyors.

Education

- Enrol Surveyor's Assistants, Survey Drafters and Students of Surveying to the Board and keep a list of the names and addresses of enrolled persons in these categories.
- Determine, record and accept accrued practical experience obtained by Surveyor's Assistants who are Candidate Surveyors.
- Assist Candidate Surveyors with the Board by issuing advice regarding:
 - depth and scope of professional competence expected of persons seeking registration
 - conducting workshops
- Supply relevant information to professional bodies

including the Institution of Surveyors NSW Inc and the NSW Division of the Australian Institute of Mine Surveyors.

- Advise on education matters as a member of the University of New South Wales' Advisory Board, through direct interaction with the academic sector's nominee to the Board and through interaction with the profession.

Examination

- Conduct examinations, assess Professional Training Agreement (PTA) reports and issue Certificates of Competency for both Land and Mining Surveyors.
- Publish information regarding prescribed examinations in the Board's website and Government Gazette.

Legislation Requirements

- Publish each year, a list of persons who are registered as surveyors under the provisions of the *Surveying Act 2002*.
- Prepare and issue up-to-date copies and variations to the Register to Government Departments by arrangement.

Continuing Professional Development

Maintaining a scheme of compulsory continuing professional development for Registered Surveyors in New South Wales in conjunction with the survey industry.

Achievements

The Board of Surveying and Spatial Information was active in its continuing role of promoting professional development and standards and has played a significant role in legislative reform following the enactment of the Surveying Bill on 25 June 2003.

The Board continued its practice of meeting and consulting with Surveyor Board representatives from interstate and overseas jurisdictions. The Board also met with the Commissioner for Surveys, ACT to further advance cooperative arrangements implemented five years ago.

During the reporting year meetings were held with representative members from NSW professional associations to ensure that both Land and Mining Surveyors fulfil their responsibilities to consumers.

The Board commenced the preparation of a new strategic plan including stakeholders input and expects to have a final agreed document by the end of 2004.

Qualifications

The Board maintained the Register of Surveyors. The Register contains the names of registered surveyors who are considered competent by the Board to perform land and mining surveys in New South Wales. Arrangements with Surveyor's Boards or other competent authority from other countries (New Zealand and other States and Territories of Australia) enable land surveyors with appropriate qualifications and experience to be registered in this state. These reciprocal arrangements are in accordance with Trans-Tasman Mutual Recognition (NSW) Act 1996 and National Competition Policy Principles.

Education

The "Board of Surveyors Medal" is presented to the most successful student in the final year of the Bachelor of Surveying and Spatial Information Systems degree course or the Bachelor of Surveying degree course. This year's awards were presented to Lee Schmalfeldt, from the University of New South Wales and Michael Heathwood, from the University of Newcastle.

Examination

The Board met for a total of six working days during September 2003 and March 2004 for the purpose of assessing the professional competence of graduate surveyors through examinations. The Board also assessed Candidate Surveyors undertaking Professional Training Agreement (PTAs). A total of eighteen applicants successfully completed the examinations or PTA, were issued with Certificates of Competency and accordingly registered as Land Surveyors. One Candidate Surveyor was registered as a Mining Surveyor.

Based on the results of the Board's assessment for Certificates of Competency four prizes are awarded annually.

- The "Barr Prize" was presented to Jamie Boswell for the best cadastral survey project
- The "Harvey Prize" was presented to Brian Blight for the best town planning project
- The "Augustus Alt Prize" was presented to Geoffrey Hill for the best engineering project
- The "Neil Ryan Memorial Award" was presented to Christopher Leach and Leigh Bridges for the best urban cadastral projects submitted at the September 2003 and March 2004 assessments.

The Surveyor General's Prize was awarded to Stephen Mitchell for his performance in a Professional Training Agreement completed during the year.

Professional Training Agreements

The Board introduced Professional Training Agreements (PTA) as an alternative method of assessment of the competency of Candidate Surveyors. There are 22 Candidate Land Surveyors currently undertaking training under Professional Training Agreements to ascertain competency as a Land Surveyor.

The Board is to develop a PTA for Candidate Mining Surveyors.

Candidate Training

To assist Surveyor's Assistants attempting assessment the Board conducts a weekend workshop at Kurri Kurri TAFE. This year 38 Surveyor's Assistants and 7 supervising surveyors attended. Board members, invited guests, local surveyors and Surveyor's Assistants attending the workshop were able to discuss matters of mutual interest including proposed changes to Board operations affecting both land and mining surveying industries.

The Board continued to improve and expand the information available at the workshop. Comprehensive manuals, produced by the Board, for the urban cadastral, town planning, engineering design and supervision components of the urban development process were distributed. The set Town Planning project, an alternative to a Candidate Surveyor's own project, was also made available on CD ROM. These resources and the information sessions provided by guest presenters have proved to be valuable to Candidates.

Legislation

The Surveying Bill was enacted on 25 June 2003, and the statutory body with the corporate name "Board of Surveying and Spatial Information" (BOSSI) was constituted. The Surveying (Practice) Amendment Regulation was also implemented on 25 June 2003.

One of the key recommendations of the NCP Review, endorsed by Cabinet and embodied in the above legislation was that membership of the Board be expanded to include representatives of Government, the survey profession, consumers and other professional groups having an interest in survey and spatial information. This recommendation has been implemented and can be seen in the present composition of the Board.

During the year a number of transition issues with the legislation emerged concerning the composition of the Board and its committees; deceased surveyors and liability of Board members which are being investigated with a view that some minor amendments will be proposed for consideration by Government.

Continuing Professional Development

The revised CPD Policy issued in 2003 by the Board has been implemented and was a condition of renewal of registration due at the end of the financial year. The Board's CPD Policy is located on the BOSSI internet site and can be found at www.bossi.nsw.gov.au. Compliance with the Board's CPD requirements is mandatory for surveyors renewing their registration.

The Board has ratified the following four organisations for CPD purposes which include the conduct and assessment of CPD activities and issue of CPD compliance certificates:

- Institution of Surveyors NSW Inc
- Association of Consulting Surveyors NSW
- Australian Institution of Mine Surveyors Limited NSW Division
- University of Newcastle.

A CPD Committee has been formed by the Board and is comprised of Board members and representatives from the four organisations ratified by the Board. Reporting to the Committee is the CPD Audit Panel, which undertakes an audit of CPD compliance involving 20% of surveyors renewing their annual registration in accordance with the policy. 197 surveyors were audited this year and 22 of these were deemed not to have complied with the Policy by the Audit Panel.

Committees

To maximise the use of the time available at Board meetings the Board has appointed the following committees to operate within the Board's structure:

Training Committee, Finance and Audit Committee, Spatial Information Committee, Professional Audit and Investigation Committee, Discipline Committee, Mining Surveyor Committee, and Legislation Committee. The latter committee meets on an "ad hoc" basis.

It is anticipated that further committees will be formed to deal with the expanded role of the Board under the *Surveying Act 2002*.

Consumer Response

On the recommendation of the Director General of the Department of Fair Trading, Ms Margaret Hole was appointed as a member of the Board in the role of consumer representative. Ms Hole currently occupies the position of Chair of the Minister for Fair Trading's Property Advisory Council, and is also a member of the Fair Trading Advisory Council.

During the reporting year the Registrar received more than 50 telephone complaints related to the performance of surveyors. All telephone inquiries were responded to within 24 hours. Written applications received a reply within six to eight weeks due to the frequency of Board meetings but any urgent matters were dealt with out of session.

In accordance with the Board's Complaints Policy, the Professional Audit and Investigation Committee investigates complaints against surveyors. The Policy is located on the BOSSI internet site at www.bossi.nsw.gov.au.

Two complaints against surveyors this year were fully investigated by the Committee and were subsequently referred to the Disciplinary Committee for disciplinary action against the surveyors involved. One complaint was resolved by mediation and another was deemed not to be within the Board's jurisdiction. There are three complaints currently being investigated by the Committee.

The Committee has developed a standard 'Complaints Form' template to facilitate the making of complaints by members of the public.

The successful use of complaint resolution methods by the Board has resulted in few formal complaints.

Government Action Plan for Women

The Board has continued to sponsor the Surveyor General's Women in Surveying Scholarship at both the University of Newcastle and the University of New South Wales. The Board uses the scholarship to encourage women to enter the surveying profession. This year scholarships were awarded to Selin Ozdemir who was enrolled in her first year of studies for the Bachelor's degree in Surveying and Spatial Information Systems at the University of New South Wales. There was no suitable applicant enrolled in the Bachelor of Surveying course at the University of Newcastle and, on recommendation from the University, funding for the scholarship was used to assist women surveying students

Grants to Non-Government Organisations

During the reporting year the Board granted \$2000 to the University of Newcastle and granted \$2000 to the University of New South Wales for the Surveyor General's Women in Surveying Scholarship and women surveying student assistance.

Payments Performance

The Board's performance payment details are combined with those of the Department of Lands and are contained in the Department's Annual Report appendices.

Risk Management and Insurance

The Board's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for government agencies.

For all other administrative procedures, policies and processes for this report please refer to the Department of Lands Annual Report Appendices.

Board of Surveying and Spatial Information
346 Panorama Avenue
Bathurst NSW 2795

T: 61 2 6332 8238

F: 61 2 6332 8240

Facts and Figures	2001/02	2002/03	2003/04
Registered Surveyors in NSW	1005	998	1083
New registrations			
By way of Certificate of Competency	14	20	126
By way of Letters of Accreditation from Reciprocating Boards	9	17	13
Removal of Name from Register			
Non-payment of Annual Roll fees	26	18	127
At own Request	15	33	24
Deceased	0	2	2
Restoration of Name to Register	22	19	102
Letter of Accreditation Issued to Reciprocating Boards	3	8	9
Charges Against Surveyors	0	1	0
Candidate Enrolments 2001/2002	29	33	44
Total Financial Candidates as at 30 June 2002	137	143	142
Assessment of Overseas Academic Qualifications	9	4	7
Assessment of Interstate Academic Qualifications	0	0	0
Emeritus Certificates Awarded	20	24	17
Survey Areas Approved for Proclamation	0	0	0



GPO BOX 12
SYDNEY NSW 2001

INDEPENDENT AUDIT REPORT

BOARD OF SURVEYING AND SPATIAL INFORMATION

To Members of the New South Wales Parliament

Audit Opinion

In my opinion, the financial report of the Board of Surveying and Spatial Information:

- (a) presents fairly the Board's financial position as at 30 June 2004 and its financial performance and cash flows for the year ended on that date, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and
- (b) complies with section 41B of the *Public Finance and Audit Act 1983* (the Act).

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

The Board's Role

The financial report is the responsibility of the members of the Board of the Board of Surveying and Spatial Information. It consists of the statement of financial position, the statement of financial performance, the statement of cash flows and the accompanying notes.

The Auditor's Role and the Audit Scope

As required by the Act, I carried out an independent audit to enable me to express an opinion on the financial report. My audit provides *reasonable assurance* to Members of the New South Wales Parliament that the financial report is free of *material* misstatement.

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

- evaluated the accounting policies and significant accounting estimates used by the Board in preparing the financial report, and
- examined a sample of the evidence that supports the amounts and other disclosures in the financial report.

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

My opinion does not provide assurance:

- about the future viability of the Board
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Audit Independence

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

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



G J Gibson FCPA
Director of Audit

SYDNEY
25 October 2004

BOARD OF SURVEYING AND SPATIAL INFORMATION

Financial Statement for the Year Ended 30th June, 2004

Statement by Members of the Board

Pursuant to the requirements of the Public Finance and Audit Act 1983, and in accordance with a resolution of the members of the Board of Surveying and Spatial Information, we declare on behalf of the Board that in our opinion:

1. The accompanying financial statements exhibit a true and fair view of the financial position and transactions for the year ended 30 June, 2004 of the Board of Surveying and Spatial Information.
2. The financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act, 1983 as amended and the Public Finance and Audit (General) Regulation, 2000 and with the Treasurer's Directions as they relate to the preparation of those accounts.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



W. Watkins
President and Surveyor-General



P. Harcombe

21 October 2004

**DEPARTMENT OF LANDS
BOARD OF SURVEYING AND SPATIAL INFORMATION
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2004**

	Note	<u>2004</u> \$	<u>2003</u> \$
INCOME FROM ORDINARY ACTIVITIES			
Annual Registration		371,300	-
Grants and contributions		-	300,000
Investment income		26,462	-
Fees for Spatial Information activities		55,000	3,070
Other income		69,198	123,150
TOTAL INCOME FROM ORDINARY ACTIVITIES	2	<u>521,960</u>	<u>429,290</u>
EXPENSES FROM ORDINARY ACTIVITIES			
Depreciation		8,691	5,849
Other expenses		439,739	392,063
TOTAL EXPENSES FROM ORDINARY ACTIVITIES	4	<u>448,430</u>	<u>397,912</u>
PROFIT FROM ORDINARY ACTIVITIES		<u>73,530</u>	<u>31,378</u>
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS		<u><u>73,530</u></u>	<u><u>31,378</u></u>

The accompanying notes form part of these financial statements.

DEPARTMENT OF LANDS
BOARD OF SURVEYING AND SPATIAL INFORMATION
STATEMENT OF FINANCIAL POSITION
As at 30 June 2004

	Note	2004 \$	2003 \$
ASSETS			
Current Assets			
Cash	8(a)	629,725	252,403
Receivable	5	35,091	275,286
Total Current Assets		<u>664,816</u>	<u>527,689</u>
Non-Current Assets			
Property, plant and equipment	7	29,979	18,231
Total Non-Current Assets		<u>29,979</u>	<u>18,231</u>
TOTAL ASSETS		<u>694,795</u>	<u>545,920</u>
LIABILITIES			
Current Liabilities			
Payables	6	96,774	21,429
Total Current Liabilities		<u>96,774</u>	<u>21,429</u>
NET ASSETS		<u>598,021</u>	<u>524,491</u>
EQUITY			
Retained Profits	12	598,021	524,491
TOTAL EQUITY		<u>598,021</u>	<u>524,491</u>

The accompanying notes from part of these financial statements.

**DEPARTMENT OF LANDS
BOARD OF SURVEYING AND SPATIAL INFORMATION
STATEMENT OF CASH FLOW
For the year ended 30 June 2004**

	Notes	2004 \$	2003 \$
Cash flows from Operating Activities			
Receipts			
Receipts from operations		759,066	570,695
Interest received		9,803	-
GST Refund		29,813	19,936
Total Receipts		798,682	590,631
Payments			
Payments to suppliers		(400,921)	(425,120)
Total Payments		(400,921)	(425,120)
Net cash flow from Operating Activities	8(b)	397,761	165,511
Cash flows from Investing Activities			
Purchases of fixed assets		(20,439)	-
Net cash flows from Investing Activities		(20,439)	-
Net increase/(decrease) in cash		377,322	165,511
Opening cash balance		252,403	86,892
Closing cash balance	8(a)	629,725	252,403

The accompanying notes form part of these statements

DEPARTMENT OF LANDS
BOARD OF SURVEYING AND SPATIAL INFORMATION
Notes accompanying and forming part of the Financial Statements
For the year ended 30 June 2004

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Reporting Entity

The Board of Surveying and Spatial Information is constituted under the Surveying Act 2002 to provide for the registration of Land and Mining surveyors to regulate the making of surveys and to advise the Government on Spatial Information. Under the Act the Board has an expanded roll that includes the functions of the previous Board

b) Basis of Accounting

The Board's financial statements are a general purpose financial report, which has been prepared on an accrual basis and in accordance with applicable Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), Urgent Issues Group (IUG)' Consensus Views and the requirements of the Public Finance and Audit Act and Regulation and Treasurer's Directions.

In the absence of a specific Accounting standard, other authoritative pronouncement of the AASB or UIG Consensus View, the hierarchy of other pronouncements as outlined in AAS6 "Accounting Policies" is considered.

The financial statements have been prepared in accordance with the historical cost convention.

All amounts are expressed in Australian currency.

c) Revenue Recognition

Revenue is recognised when invoices are issued. These invoices in the main relate to surveyors' annual registration fees.

Grants and Contributions are recognised when received

d) Employee Benefits

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

Lands Employee Services (note 4) represents the cost of employees from the Department of lands providing administrative assistance to the Board. The Department of lands is responsible for all superannuation and leave entitlements of its employees.

Accordingly the Board has no liability for employee entitlements.

e) Insurance

The Boards 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 experience

DEPARTMENT OF LANDS
BOARD OF SURVEYING AND SPATIAL INFORMATION
Notes accompanying and forming part of the Financial Statements
For the year ended 30 June 2004

f) Accounting for Goods and Services Tax (GST)

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

- the amount of GST incurred by the Board as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of an asset or as part of an item of expense.

-receivables and payables are stated with the amount of GST included.

g) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisition of assets controlled by the Board. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

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

Fair value means the amount for which an asset could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction.

h) Plant and Equipment

Plant and equipment costing \$5,000 and above is capitalised. Individual items of computer equipment costing \$1,000 and above are capitalised when they form part of a network.

Depreciation is provided for on a straight line basis against all depreciable assets so as to write off the depreciable amount of each depreciable asset as it is consumed over its useful life to the Board.

Depreciation Rates:

Plant and Equipment	20%
Furniture and fittings	10%
EDP Equipment	25%

i) Receivables

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

j) Payables

The liabilities are recognised for amounts due to be paid in the future for goods and services received, whether or not invoiced. Amounts owing to suppliers (which are secured) are settled in accordance with the policy set out in Treasurers Direction 219.01. If terms are not specified, payment is made no later than the end of the month following the month in which an invoice or statement is received. Treasurers Direction 219.01 allows the minister to award interest for late payment. No interest was applied during the year

k) Accrued Expenses

Accruals are recognised for amounts due to be paid in the future for goods and services received whether or not invoiced. Amounts owing to suppliers (which are unsecured) are generally settled within 30 days.

DEPARTMENT OF LANDS
BOARD OF SURVEYING AND SPATIAL INFORMATION
Notes accompanying and forming part of the Financial Statements
For the year ended 30 June 2004

2) REVENUE

In accordance with the Surveying Act 2002 registration and other fees collected by the former Board of Surveyors were remitted to the Consolidated Fund.

The former board received a grant from the Department of Lands to meet its operating expenditure. Under agreed arrangements the Treasury returned the excess of the registration and other fees over the grant received from Lands.

All funds collected as at 30 June 2003 were paid to the Consolidated Fund by 30 June 2003.

Commencing with the 2003-2004 financial year, the NSW Treasury agreed that all fees collected by Board of Surveying and Spatial Information should be retained by the board. Treasury also reduced the Department of Lands budget allocation by \$300,000 to reflect the new arrangements.

	2004	2003
	<u>\$</u>	<u>\$</u>
Annual Registration fee	371,300	367,920
Application for Registration	2,940	1,620
Candidate Workshop Fee	13,300	12,710
Certificate of Registration	360	1,620
Continuous Professional Development Fees	-	7,435
Enrolment as Candidate	12,108	11,600
Examination Fee	17,700	14,800
Letters of Accreditation	360	360
Investment income	26,462	-
Fees for Spatial Information activities	55,000	3,070
Professional Training Agreement Fees	6,800	5,605
Restoration to Register	15,630	2,550
Total income from ordinary activities	<u>521,960</u>	<u>429,290</u>

3) BOARD MEMBERS' FEES

Board members' fees payable for 2003-2004 amounted to \$24,720 (2002-2003 - \$18,540). In addition Board members received \$13,130 (2002-03 - \$13,130) for acting as examiners and other Board related activities (included under other service fees) and were refunded travelling and accommodation expenses incurred in connection with the Board's operations (included under travelling and subsistence).

4) EXPENSES FROM ORDINARY ACTIVITIES

	2004	2003
	<u>\$</u>	<u>\$</u>
Depreciation	8,691	5,849
Other Expenses		
Audit	4,750	12,500
Board Member Fee	25,250	18,540
Continuing Professional Development Assessmen	1,160	10,727
Lands Administration Fee	30,145	30,145
Lands Employee Service	182,375	138,662
Lands rent	15,176	15,176
Examination Related Expense	47,902	37,790
Maintenance	1,330	526
Other Service Fees	72,836	81,696
Postage Telephone and Courie	5,860	7,359

DEPARTMENT OF LANDS
BOARD OF SURVEYING AND SPATIAL INFORMATION
Notes accompanying and forming part of the Financial Statements
For the year ended 30 June 2004

Stores and Stationery	6,416	6,477
Travel and Subsistence	46,539	32,465
	<u>439,739</u>	<u>392,063</u>
Total expenses from ordinary activities	<u>448,430</u>	<u>397,912</u>

5) RECEIVABLES

	2004	3003
	<u>\$</u>	<u>\$</u>
Amount due from Crown Entity	-	260,236
Other debtors	35,091	15,050
	<u>35,091</u>	<u>275,286</u>
Amount owing by Treasury (Crown Entity) at 1 July	260,236	398,198
Less: amounts received during the year	(260,236)	(264,581)
Add: increase for the year	-	126,619
Balance owing by Treasury at 30 June	<u>-</u>	<u>260,236</u>

6) PAYABLES

Accrued administration expenses	71,000	21,429
Prepaid registration fees	25,774	-
	<u>96,774</u>	<u>21,429</u>

7) NON CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

	Building Improvements	Plant	Computer	Total
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
At fair value	3,868	18,461	27,519	49,848
Less: Accumulated depreciation	(3,320)	(9,577)	(6,972)	(19,869)
Total property, plant & Equipment at net book value	<u>548</u>	<u>8,884</u>	<u>20,547</u>	<u>29,979</u>

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the financial year are set out below:

	Building Improvements	Plant	Computer	Total
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
2004				
Carrying amount at 1 July 2003	935	12,576	4,720	18,231
Addition	-	-	20,439	20,439
Depreciation expense	(387)	(3,692)	(4,612)	(8,691)
Carrying amount at 30 June 2004	<u>548</u>	<u>8,884</u>	<u>20,547</u>	<u>29,979</u>

DEPARTMENT OF LANDS
BOARD OF SURVEYING AND SPATIAL INFORMATION
Notes accompanying and forming part of the Financial Statements
For the year ended 30 June 2004

8) NOTES TO THE STATEMENT OF CASH FLOWS

- a) For the purposes of the Statement of Cash Flows cash consists of cash at bank. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	2004	2003
	\$	\$
Cash at bank	629,725	252,403
Cash at the end of financial perio	<u>629,725</u>	<u>252,403</u>

b) RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO PROFIT FROM ORDINARY ACTIVITIES:

Net profit	73,530	31,378
Adjustment for non - cash items:		
Depreciation	8,691	5,849
Changes in Assets & Liabilities:		
Decrease in Receivables	240,195	124,501
Increase in Payables	75,345	3,783
	<u>397,761</u>	<u>165,511</u>

9) CAPITAL COMMITMENTS

At 30 June 2004 there were no material commitments. (2003 - NIL)

10) CONTINGENT LIABILITIES

At 30 June 2004 there were no contingent liabilities. (2003- NIL)

11) MATERIAL ASSISTANCE

The Board did not receive any material assistance free of charge.

12) CHANGES IN EQUITY

	2004	2003
	\$	\$
Opening balance at the beginning of financial year	524,491	493,113
Profit for the year	73,530	31,378
Closing balance at the end of financial year	<u>598,021</u>	<u>524,491</u>

DEPARTMENT OF LANDS
BOARD OF SURVEYING AND SPATIAL INFORMATION
Notes accompanying and forming part of the Financial Statements
For the year ended 30 June 2004

13) FINANCIAL INSTRUMENTS

Financial instruments give rise to positions that are a financial asset of either the Board or its counterparty and a financial liability (or equity instrument) of the other party. For the Board these include cash at bank, receivables, and creditors. These are recorded at 'cost' being the contractual amount owing or owed. All financial instrument cash flows are recognised on an accruals basis.

In accordance with AAS 33 "Presentation and Disclosure of Financial Instruments" information is disclosed here in respect of the interest rate risk and credit risk of financial instruments. Such amounts are carried in the accounts at net fair value unless otherwise stated. Financial instruments applicable to this Board consist of cash at bank, receivables and creditors.

(a) Interest Rate Risk

	Fixed Interest Rate Maturities						
	Weighted Average Effective Interest Rate	Floating Interest Rate	1 year Or less	1 to 5 years	More than 5 years	Non Interest Bearing	Total Carrying Amount As per the Statement of Financial Position
	%	\$000	\$000	\$000	\$000	\$000	\$000
30 June 2004							
Financial Assets							
Cash	4.18	630	-	-	-	-	630
Receivables		-	-	-	-	35	35
Total Financial Assets		630	-	-	-	-	665
30 June 2003							
Cash	3.75	253	-	-	-	-	253
Receivables		-	-	-	-	275	275
Total Financial Assets		253	-	-	-	-	528
30 June 2004							
Financial Liabilities							
Payables		-	-	-	-	97	97
Total Financial Liabilities		-	-	-	-	97	97
30 June 2003							
Payables		-	-	-	-	21	21
Total Financial Liabilities		-	-	-	-	21	21

(b) Credit Risk

Credit risk is the risk of financial loss arising from another party to a contract / or financial position failing to discharge a financial obligation thereunder. The Board's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the balance sheet.

DEPARTMENT OF LANDS
BOARD OF SURVEYING AND SPATIAL INFORMATION
Notes accompanying and forming part of the Financial Statements
For the year ended 30 June 2004

(c) Net Fair Value

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value.

14. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

(a) Explanation of how the transition to AIFRS is being managed

The Board will apply the Australian Equivalents to International Financial Reporting Standards (AIFRS) from the reporting period beginning 1 July 2005. The Department of Lands is managing the Board's transition to the new standards by allocating internal resources to analyse the pending standards and Urgent Issues Group Abstracts to identify key areas regarding policies, procedures, systems and financial impacts affected by the transition. Where necessary the Department will also engage legal or accounting professional resources to provide expert advice.

As a result of this exercise, the Department has taken the following steps to manage the transition to the new standards:

- The Department's Budget Committee is overseeing the transition. The Department's financial and Administrative Services is responsible for the project and reports to the Committee on progress against the plan.
- The following phases that need to be undertaken have been identified:
 - Scope and identify impact of the changes
 - Determine changes to be made by systems, processes, policies
 - Train staff
 - Implement changes and review.

By the end of June 2004, a preliminary assessment of the impact of the changes for the Board by the Department of lands had been undertaken. All other stages, including the requisite changes to systems will be completed by the end of November 2004.

NSW Treasury is assisting agencies to manage the transition by developing policies, including mandates of options; presenting training seminars to all agencies; providing a website with up-to-date information to keep agencies informed of any new developments; and establishing an IAS Agency Reference Panel to facilitate a collaborative approach to manage the change.

(b) Key differences in accounting policies

The Department has not identified any significant differences in accounting policies that will arise from adopting AIFRS.

The Board's accounting policies may be affected by a proposed standard designed to harmonise accounting standards with Government Finance (GFS). This standard is likely to change the impact of AIFRS and significantly affect the presentation of the income statement. However, the impact is uncertain, because it depends on when this standard is finalised and whether it can be adopted in 2005-06.

Based on current information, the following key difference in accounting policies are expected to arise from adopting AIFRS:

AASB 1 *First time* Adoption of Australian Equivalents to International Financial Reporting Standards requires retrospective application of the new AIFRS from 1 July 2004, with limited exemptions.

(b) Key differences in accounting policies (continued)

For the year ended 30 June similarly, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors requires voluntary changes in accounting policy and correction of errors to be accounted for retrospectively by restating comparatives and adjusting the opening balance of accumulated funds.

This differs from current Australian requirements, because such changes must be recognized in the current period through profit or loss, unless a new standard mandates otherwise.

END OF AUDITED FINANCIAL STATEMENTS

Code of Conduct	128
Committees	128
Consultants	129
Risk management overview	130
Disability Action Plan	130
Employee relations	130
Chief and Senior Executive Officers	130
Staff Numbers	131
Chief and Senior Executive Service Positions	131
Female Officers in Senior Executive Service Positions	131
Exceptional movements in salaries and wages	131
Personnel policies and practices	131
Learning and Development	131
Industrial relations policies and practices	132
Equal Employment Opportunity	133
Trends in the Representation of EEO Groups	133
Trends in the Distribution of EEO Groups	133
Senior executive performance	134
Energy Management	116
Ethnic Affairs Priorities Statement (EAPS)	136
Freedom of Information	136
Funds granted to non-Government Community Organisations	141
Government Action Plan for Women	146
Guarantee of Customer Service	146
Land Disposal	147
Legislation and Legal Change	147
Changes in Legislation	148
Acts administered by the Department	148
List of Assets	148
Major assets acquired during 2003/04	148
Major works 2003/04	148
Overseas Travel	149
Occupational Health and Safety (OH&S)	150
Payment of Accounts	151
Schedule of Paid on time	151
Privacy Management Plan	151
Publications	152
Waste Reduction and Purchasing Policy	152
Glossary	153
Index	156

Code of Conduct

All Lands administrative areas and the Board of Surveying and Spatial Information operate under the Department of Lands Code of Conduct. There were no amendments or additions to the Code during the reporting year.

Committees

The following officers represented the Department on significant statutory bodies and inter-departmental committees:

Committee Name	Representation
Lands Audit Committee	Des Mooney, Philip Western, Eduardo Alegado, Julie King, Esther Chesterman, Members
Lands Executive Board	Warwick Watkins, Chair
Land and Property Information Advisory Group	Warwick Watkins, Chair
Board of Surveying and Spatial Information	Warwick Watkins, President
Geographical Names Board	Warwick Watkins, Chair
Land Valuation Specialist Advisory Group	Warwick Watkins, Member
Chief Executives Committee	Warwick Watkins, Member
CEOs Committee on Bio Technology	Warwick Watkins, Member
Native Timber Industry Marketing and Development Committee	Warwick Watkins, Member
Australia New Zealand Land Information Council (ANZLIC)	Warwick Watkins, Chair
UTS Council	Warwick Watkins, Member/Pro Chancellor
CEOs Natural Resources Cluster	Warwick Watkins, Member
CEOs Group on Counter Terrorism	Warwick Watkins, Member
Public Sector Mapping Authority (PSMA)	Des Mooney, Director
State Mapping Advisory Committee	Warrick Beacroft, Chairman
Surveying and Mapping Industry Council of NSW	Paul Harcombe, Colin Mitford, Garry Smith, Members
University of NSW, School of Surveying and Spatial Information	Paul Harcombe, Member
Systems Advisory Board	
Council for Reciprocating Boards of Australia/New Zealand	Paul Harcombe, Member
Intergovernmental Committee on Surveying And Mapping (ICSM)	Paul Harcombe, Chair
Committee of Geographical Names in Australia (CGNA) - (ICSM)	Paul Harcombe, Sponsor
National Marine DataGroup	Warrick Beacroft, Member
Mapping Science Institute Australia, NSW Division	Colin Mitford, President
Trials in Innovative Government Electronic Regional Services	Ross Cleary, Member
Reference Committee	
ac3 Super Computer Network Bathurst Regional Node Committee	Warrick Beacroft, Member
NSW Coastal Comprehensive Assessment Council	Graham Harding, Member
NSW Coastal Council Acquisition Task Force	Graham Harding, Member
Government Property Register Project	Graham Harding, Member
NSW Branch Institute for Information Management	Peter Goddard, President
Standards Australia Information Management Committee	Peter Goddard, Member
Data and Information Management Working Group (DIMWG)	Des Mooney, Chair
Tweed Heads Sand By-Pass Working Party	Graham Harding, Member

Consultants

Consultants under \$30,000

The Department employed a total of 26 consultants each costing less than \$30,000 during the 2003-2004 financial year engaged in the following areas:

Consultant	Number	Cost \$
Finance and accounting	0 consultancies	
Information Technology	5 consultancies	69,261
Legal	4 consultancies	10,141
Management Services	16 consultancies	142,187
Engineering	0 consultancies	
Organisational Review	1 consultancies	11,906
Total consultancies less than \$30,000		233,495

Consultants over \$30,000

Consultant	Cost \$	Title/Nature
Information Technology		
System Science	50,558	Topoweb and Spatial Development
Red Sheriff	30,000	Website Research
Tall Timbers Software	148,252	Records Management Program
Sub-total	228,810	
Management Services		
Gale Planning	71,435	Government Property Register Development
Department of Commerce	78,300	Call Centre Review
Sub-total	149,735	
Organisational Review		
Martin Le Grice	44,000	Government Property Register Market Research
Martin Le Grice	46,400	Cadastral Development Market Research
Sub-total	90,400	
Finance and Accounting		
Nil		
Sub-total		
Total consultancies equal to or more than \$30,000	468,945	
Total consultancies	702,440	

Risk Management Overview

The Department is committed to the implementation and management of an integrated Risk Management program as an integral part of its activities.

The CGU is co-ordinating the development of the Department's Risk Management policy and framework, including the establishment a Risk Committee to monitor the Department's risks, which will cover all administrative areas of Lands. The Policy and framework will provide a structured basis to identify and analyse potential risks and devise and implement appropriate controls and responses to minimise their impact. The Policy will also help management and staff to develop an awareness of managing risks in their consideration of every decision.

The Department has, as part of the implementation of Risk in the Department, has developed emergency plans, business continuity plans and disaster recovery plans to address possible future contingencies.

The Department's insurer is New South Wales Treasury Managed Fund (TMF), which provides a cover against risks such as public liability, workers compensation, motor vehicle accident, property and professional indemnity claims.

Disability Action Plan

The Department is committed to the continued implementation of the Framework and the relevant legislation and regulations through its Disability Action Plan, which will remove discriminatory practices and increase access to the Department's services and facilities for people with disabilities. The Lands Disability Action Plan, developed under the NSW Government Disability Policy Framework in consultation with the NSW Department of Aging, Disability and Home Care, will be reviewed following the completed formation of the Department of Lands.

Employee Relations

Chief and Senior Executive Officers

Warwick Watkins, Director General, Registrar General, AMP: ISMP (Harv), MNatRes, DipScAgr, HDA (Hons), JP

Des Mooney, Deputy Director General, General Manager, Land and Property Information Division, MBA (Syd), BSurv (Hons), MIS Aust, FAICD Dip, FAIM, Registered Surveyor, Registered Valuer

Esther Chesterman, Director Corporate Strategy and Reform, BSC, BA (Ec), MEc

Ken Hall, Assistant Director, Legal Services, DipLaw

Graham Harding, General Manager Crown Lands Division

Paul Jones, General Manager Soil Services Division, B Engineering (Civil), Certified Professional Erosion and Sediment Control (CPESC)

Barry Douse, Executive Manager, Production and Business Development, Land and Property Information, BA (Hons), Public Administration, Cert in Quality Management III

Ross Cleary, Executive Manager, Information Management, Land and Property Information, B Applied Science (Computer Science) Hons

Warrick Beacroft, Executive Manager, Information Services, Land and Property Information, Grad Cert Mgt, Monash University, Cert Cart

Simon Gilkes, Chief Valuer, Land and Property Information, GDLE AAPI

Doug Walsham, Executive Manager, Titling and Registry Services, Land and Property Information

Louise Scambler, Director, Financial Services BA, DipEd, Litt B, MA (Hons), Med Admin (Hons), MBus (Accounting & Finance), AFAHRI, CPA

Pedro Harris
Chief Information Technology Officer

Staff Numbers

	2003/04			2002/03			2001/02		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent full-time	874	399	1273	889	423	1312	584	287	871
part-time	4	78	82	3	37	40	3	68	71
Temporary full-time	33	22	55	32	34	66	41	25	66
part-time	0	4	4	0	3	3	2	7	9
Contract SES	12	1	13	13	1	14	15	3	18
non-SES	0	0	0	0	0	0	-	-	-
Training	0	1	1	0	1	1	4	-	4
Casual	9	4	13	16	6	22	-	-	-
Total	932	509	1441	953	505	1458	649	390	1039

Chief and Senior Executive Service Positions

SES Level	2003/04	2002/03	2001/02
Level 7	1	1	1
Level 6	0	0	-
Level 5	2	2	3
Level 4	1	2	3
Level 3	1	1	5
Level 2	7	7	6
Level 1	1	1	-
Total	13	14	18

Female Officers in Senior Executive Service Positions

SES Level Female	2003/04	2002/03	2001/02
Total	1	1	3

Exceptional Movements in Salaries and Wages

On 21 March 2000, the NSW Industrial Relations Commission made the Crown Employees (Public Sector - Salaries January, 2000) Award, which increased salaries for positions previously classified under the Crown Employees (Public Sector - Salaries June, 1997) Award. The 2000 Award provided for salaries to increase by 5% from the beginning of the first pay period commencing on or after 1 July 2003.

Personnel Policies and Practices

During the reporting year, the People and Performance Development Group (PPDG) focussed on aligning human resource services with strategic business operations.

PPDG will continue to work with senior management to align functions, new restructure for business services and develop policies that are consistent and support the lands businesses.

Learning and Development

The Department of Lands has an ongoing commitment to becoming a "learning organisation" through its encouragement of staff to develop skills and knowledge that support current and future business objectives and enhance careers.

During the reporting year:

- 18 staff enrolled in tertiary study and received Study Time Leave and 18 staff applied successfully for fee reimbursement.
- Staff were sponsored to participate in the Executive Master of Public Administration (4 staff); Executive Development Program (2 staff); Graduate Diploma in Public Administration (1 member of staff); Public Sector Management Program (4 staff).
- The Department continued to support University students in the schools of Spatial Information/ Bachelor of Science (Spatial Science) and Surveying

through its funding of scholarships at Charles Sturt University and the University of NSW, and through its short term placement of students.

- The Learning and Development Unit worked in partnership with LPI's Business Services Unit to provide training programs identified as a high priority through last year's skills assessment.
- The Department funded attendance by staff at numerous training courses, seminars and conferences. (246 staff attended external courses, seminars and conferences; 462 staff attended internal courses.)
- 60 additional staff commenced the International Computer Driving Licence and are working towards completion by the end of October 2004.
- The Learning and Development Unit assisted LPI in the recruitment and induction of 8 graduates, and inducted Crown Lands Policy Staff who have relocated to Queens Square.
- A Workforce Knowledge and Development Committee has been formed to look at workforce capability and succession management issues, particularly as the age profile of Lands' staff increases.
- The Learning and Development Unit continued to provide individual support to staff in writing job applications and practising for interviews, upon request.

Industrial Relations Policies and Practices

The PPDG worked with management and associations / unions to achieve an enterprise approach to employment for the Department.

The Joint Consultative Committee comprising management and Public Service Association representatives met on four occasions, during the reporting year, to discuss reforms occurring within the Department.

A negotiated Enterprise Award, the Crown Employees (NSW Department of Lands Conditions of Employment) Award, has been developed as a variation of the DITM Award 2002. The Award rationalises salary scales and classifications to bring the majority of officers from Crown Lands, Soil Services and the Office of Rural Affairs under the one classification and grading process. This award will continue to provide for transition of staff to new conditions of employment. These employment changes will assist in developing organisation structures that support business plans, promote mobility of staff and enhanced career opportunities and address any equity and parity issues across Lands.

A Department of Lands Flexible Working Hours Agreement has been developed through consultation between management and association representatives to address the diverse working environments of the Department of Lands.

Organisational Change and Job Evaluation

The PPDG has assisted managers across Lands in reviewing structures to support business objectives and in developing position descriptions to support activities and evaluating these positions using the Mercer, Cull Egan and Dell System. Position description formats have been revised in accordance with best practice.

Management in Crown Lands NSW and association representatives have been trained in the Mercer CED job analysis and job evaluation methodology. This training will assist the efficiency in applying job evaluation under the Department of Lands Award.

Significant consultation between Human Resource Services and management of both the Department of Lands and Department of Infrastructure, planning and Natural Resources resulted in a very efficient transfer of payroll administration for Crown Lands staff from DIPNR to Lands.

Research and Development

Intellectual Capital Study

The Department of Lands is a collaborating partner with the Centre for the Management of Knowledge Capital in a study, "NSW Public Sector Reporting of Intellectual Capital: a study of implementation", to create an Intellectual Capital reporting framework.

This is the first research study undertaken in Australia on the intellectual capital reporting activities and processes of a public sector organisation and will create a framework for measuring and reporting on Intellectual Capital within the Department of Lands.

Rural Eco-Civic Study

The Department of Lands commissioned a civimetrics study by Institute for Rural Futures at the University of New England, to help Government plan future responses to community needs in regional and rural NSW. Civimetrics is used to map a community of interest by collating geophysical, social and economic data. The ability to define communities of interest will assist Government in ensuring resources, planning and services are closely aligned and related to coherent communities and regions.

Equal Employment Opportunity

Table A. Trends in the Representation of EEO Groups¹

EEO Group	Benchmark or Target	% of Total Staff ²			
		2001	2002	2003	2004
Women	50%			34.8	35
Aboriginal people and Torres Strait Islanders	2%			1.6	1.5
People whose first language was not English	19%			15.3	15.7
People with a disability	12%			11.1	10.5
People with a disability requiring work-related adjustment	7%			1.2	4

Table B. Trends in the Distribution of EEO Groups¹

EEO Group	Benchmark or Target	Distribution Index ³			
		2001	2002	2003	2004
Women	100				
Aboriginal people and Torres Strait Islanders	100				
People whose first language was not English	100				
People with a disability	100				
People with a disability requiring work-related adjustment	100				

Notes:

1. Staff numbers are as at 30 June.
2. Excludes casual staff.
3. A Distribution Index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. The Distribution Index is automatically calculated by the software provided by ODEOPE.

Table B is not able to be completed as the transfer of staff data from DIPNR to Lands had not been finalised as at 30 June 2004.

Achievements and Strategies

During the 2003/04 reporting year the People Strategy Project, continued to be implemented in the Department enabling staff participation in planning for the future and in the clarification of the skills and other competencies required for the future as client expectations, needs and technologies change.

Several of the equity issues emerging from the People Strategy Project and requiring consistency across Lands are already being addressed and will continue to be addressed both from a HR Management perspective and within EEO strategies.

Some of the developed policies that address these issues include:

- filling of short term vacancies and higher duties allowance
- job evaluation
- harassment in the workplace
- grievance resolution
- learning and development policy
- individual feedback and development system

An Individual Feedback and Development System (IDFS) has been developed with staff and when implemented the system will be a tool management and staff planning for assessing, prioritising and reporting on the development and achievement the personal development plans to support the strategic direction of the Department.

Spokeswomen's Program

There are currently 8 Spokeswomen in the Department. They are based in Queens Square Sydney, Campbelltown, Albury, Bathurst, Newcastle, Dubbo and Tamworth. The state wide spokeswoman network is supported by a Woman's Liaison Officer based in Queens Square.

The Lands Spokeswomen develop initiatives that will assist women to:

- Enhance their skills and develop their knowledge to the benefit of the department and themselves;
- Develop to their full potential.

Key achievements of the Spokeswoman for 2003-2004 include:

- Undertaking a strategic planning forum to determine the Spokeswoman's program priorities for the next year.
- Surveying women state wide to determine the priority issues for training courses.
- Publishing a quarterly Spokeswoman Newsletter on the Department's intranet;
- Organising an International Woman's Day event with a speaker from The United Nations Development Fund for Women (UNIFEM)
- Sponsoring woman in the Department to attend the Spokeswoman's Program Annual Conference called "Changing Lanes: Finding a New Career/Life Direction". Other events include Springboard, a Woman's Development Program and International Women's Day Breakfast.
- Raising funds for Westmead Children's Hospital and NSW Cancer Council at morning teas organised for Lands staff for 'Bandaged Bear Day' and 'The Biggest Morning Tea'. These events provide a valuable opportunity for staff to network and for spokeswomen to enhance their organisational skills.

Recruitment and Selection

Restructuring of staff, positions, management and business responsibilities, as well as consolidation of various activities of the former component agencies has resulted in considerable activity in filling positions in the Department. Due to the restructuring process, all positions up to and including Clerk

Grade 9/10 equivalent, with the exception of entry level positions, have been advertised internally, in the first instance, since August 2000.

A trend has been noted in previous years that most selection panels comprised two men from the Department and that the female member of the panel was the independent. An obvious reason for this was the low number of female staff in higher grades. The inclusion of females as departmental representatives or convenors has been encouraged where possible.

An EEO strategy to encourage more females as convenors or departmental representatives on selection panels for the Department is continuing to be implemented.

Selection Techniques courses will be run and EEO group members will be encouraged to undertake this training and participate in selection panels where practicable.

Other Activities and Strategies

- all Skillmax information concerning overseas qualifications is circulated to staff and the relevant staff invited to apply for courses
- training opportunities for deaf and hearing-impaired staff conducted by the Deaf Network made known to all staff
- Lands has sponsored a Scholarship Program in conjunction with Charles Sturt University Bathurst for students undertaking a Bachelor of Spatial Information Systems.

Senior Executive Performance

Warwick Watkins

Director General SES Level 7
 Surveyor General
 Registrar General
 Remuneration package \$319,900
 Period in position - whole year

Results

Continued the establishment and effective management of the Department of Information Technology and Management and since April 2004 the creation and development of the Department of Lands with a focus on:

- Whole of Government policy and strategy for e-government initiatives, application of broadband and related, telecommunications and online economy matters.

- Directing the consolidation and strategic direction of land and property information services in land titling, land valuation and spatial land data capture, storage, manipulation and dissemination, with particular reference to spatial data infrastructure development and valuation reform and development.
- Implementing the Forest Industry Structural Adjustment Package (FISAP) and the development of the Office of Private Forestry, chaired the NSW Native Timber Industry Marketing and Development Council and commenced the transition to industry ownership and management.
- Fostering and furthering the activities of the Office of Western Sydney with increased emphasis on information technology initiatives, including the development of the IT Cluster and Knowledge Economy based initiatives
- Undertaking broad scales consultation with industry, agencies and consultative groups on the direction and needs of the IC&T sector
- Coordinated the NSW government involvement and commitment to the establishment of the Smart Internet Cooperative Research Centre and undertook the role of the Director on the Board and the development of a consortium to create a CRC for spatial information
- Directed and coordinated NSW involvement in the winning of the right to establish the Australian Information Communication Technologies Centre of Excellence.
- Continued the drive for Commonwealth/State policy formulation on online matters with particular reference to regional online service delivery and as chair of ANZLIC furthered the development of key policy and strategic spatial information directions for Australia.
- Established the management and organisational structure for the new Department of Lands and initiated the development of a departmental based industrial enterprise award to address inequities in employment conditions and rewards across Lands, following the integration of staff and functions on formation of the agency.
- Initiated targeted training programs and competency identification and support activities within key areas of Lands as part of an enhanced program of staff training and development.

Des Mooney

Deputy Director General, General Manager, Land and Property Information, level SES 5

Remuneration package \$245,850

Period in position – whole year

Results

- Implemented a new pricing and access policy for LPI products and services
- Increased revenue from previous years, providing a before tax profit of \$38 million
- Increased productivity levels, processing over 1 million dealings and 4.7 million requests from the conveyancing industry and the public for copies of LPI records, with fewer staff
- Negotiated and signed a Memorandum of Understanding between Sydney Water Corporation and Lands to create a single land cadastre
- Established and chaired the Data and Information Management Working Group (DIMWG) to facilitate the development of a NSW Natural Resources and Planning Spatial Data Infrastructure
- Introduced new fraud prevention measures for application in the land titling system
- Transferred the topographic database to a new platform and made it available as a web map service
- Established Sydnet, a network of GPS base stations across Sydney

Philip Western

Valuer General

The Valuer General is a statutory appointee with remuneration packaging equivalent to a SES 5, however is not subject to annual performance appraisal.

Energy Management

The formation of the Department of lands brought together diverse Property Portfolio.

Due to the extent of the Property Portfolio a better management approach in regards to energy consumption recording and reporting is being developed. The Department of Commerce has been engaged to produce the following deliverables.

Energy Report to Department of Energy, Utilities and Sustainability (DEUS)

- Analyse energy consumption data for 2003/04. This will include the calculation of performance indicators for each site. These indicators would be MJ/square would be MJ/square metre/annum and MJ/Effective Full Time Staff/annum. Note changes in consumption, cost and performance indicators and advise the Department of Lands of any excessive trends for all sites.
- Input the energy consumption data for 2003/04 into the DEUS data collection web site.

Performance Report

A one page report that summarises the department's, energy performance. This report will be included in future Department of Lands Annual Reports.

The Department is also in the process of acquiring an accredited Australian Building Greenhouse Rating (ABGR) for all of its buildings and tenancies.

This rating, reporting and data gathering are to be continued by Commerce and accredited inspectors. Performance measures related to these initiatives will identify areas in which the department needs to improve and lower energy consumption and associated costs. Initiatives of which will be included in the Capital Investment and Asset Maintenance Strategic TAM Plans.

Ethnic Affairs Priorities Statement (EAPS)

The Department is committed to the principles of multiculturalism as outlined in the Community Relations Commission and Principles of Multiculturalism Act 2000.

The principles are implemented through merit based recruitment practices, training staff to understand the need for non-discriminatory relationships with clients and other staff members and having flexible work practices that accommodate cultural and religious differences whenever practical.

The inclusion of the principles of multiculturalism in corporate planning and evaluation processes was highlighted in the planning workshops conducted for the development of

the new Lands Corporate Plan with strategies and performance indicators currently being developed.

Clients and staff from non-English speaking backgrounds were consulted in the development of the new Lands internet site.

Freedom of Information

Statement of Affairs

The Department of Lands was created on the 2 April 2003 and delivers strategies, policies and projects for Crown Lands administration and management, Native Title, Aboriginal Lands Claims, Soil Services, Minor Ports and Land and Property Information in New South Wales.

One of the primary objectives of the Department of Lands is the sustainable and commercial management of State owned lands for the benefit of the people of New South Wales.

Over 30,000 parcels of land are currently reserved under the *Crown Lands Act 1989*, which is administered by the Crown Law NSW division of the Department of Lands. Maintenance of the Public Reserves system by the Department is essential for the preservation of biodiversity in the environment of New South Wales.

Further, the Department, through Soil Services NSW, operates a specialist conservation earthmoving and soil consultancy business, specialising in:

- The planning, design and construction of soil and water conservation earthworks; and
- The planning and implementing of practical and solutions to common land degradation problems.

Land and Property Information NSW division, within the Department, is the key provider of land and property information for NSW. LPI provides mapping, titling, valuation, survey and related land and spatial information services to individuals, businesses, government agencies and non profit organisations throughout NSW, Australia and internationally.

The Minor Ports Program of the Department provides and maintains port infrastructure facilities as well as safe, secure port access.

Freedom of Information Procedures

Requests for documents under the Freedom of Information (FOI) or Privacy and Personal Information Protection Act in the possession of Lands should be directed to:

The FOI Coordinator
Office of the Director General
1 Prince Albert Road
Queens Square
SYDNEY NSW 2000

T: 61 2 9236 7773

F: 61 2 9236 7632

Business Hours: Monday - Friday 8.30 a.m. - 4.30 p.m.

Charges for FOI applications

Nature of application	Application fee	Processing charge
Access to personal records	\$ 30.00	\$ 30.00 per hour (up to 20 hours of free processing time for information about your personal affairs is allowed)
All other requests	\$ 30.00	\$ 30.00 per hour
Amendment of records	\$ 30.00	\$ 30.00 per matters not on public record

Freedom of information statistics

FOI requests	Personal		Other		Total	
	2002-03	2003-04	2002-03	2003-04	2002-03	2003-04
New (incl transferred in)	6	36	39	20	45	56
Brought forward	3	0	0	0	3	0
Total to be processed	9	36	39	20	48	56
Completed	9	33	39	18	48	51
Transferred out	0	0	0	0	0	0
Withdrawn	0	0	0	0	0	0
Total Processed	9	33	39	18	48	51
Unfinished (Carried Forward)	0	3	0	2	0	5

Result of FOI request	Personal		Other	
	2002-03	2003-04	2002-03	2003-04
Granted in full	9	33	26	17
Granted in part	0	0	8	1
Refused	1	0	4	
Deferred	0	0	0	
Completed	10	33	38	18

Number of Requests requiring Formal Consultations	Initial		Total	
	2002-03	2003-04	2002-03	2003-04
	3	13	3	13

Basis of disallowing or restricting access	Personal		Other	
	2002-03	2003-04	2002-03	2003-04
Section 19 (application incomplete, wrongly directed)	0	0	0	-
Section 22 (deposit not paid)	0	0	0	0
Section 25(1)(a1) (diversion of resources)	0	0	1	0
Section 25(1)(a) (Exempt)	0	0	10	1
Section 25(1)(b),(c),(d) (Otherwise available)	0	0	0	0
Section 28(1)(b) (Documents not held)	0	0	1	0
Deemed refused - 21 day time limit expired	0	0	0	0
Section 31(4) (released to Medical Practitioner)	0	0	0	0
Totals	0	0	12	1

All Completed Requests	Incurred Costs		Fees Received (appl+dep-rfnd+rvw)	
	2002-03	2003-04	2002-03	2003-04
	1943.75	1530.00	2418.35	1530.00

Type of discount	Personal		Other	
	2002-03	2003-04	2002-03	2003-04
Public Interest	0	0	1	0
Financial Hardship Pensioner	0	0	6	0
Financial Hardship Non Profit	0	0	1	0
Under 18 Years	0	0	0	0
Totals	0	0	8	0
Significant Correction of Records	0	0	0	0

Elapsed Time (including Withdrawn)	Personal		Other	
	2002-03	2003-04	2002-03	2003-04
0-21 days	6	33	30	18
22 to 35 days (consultation period)	0		4	
Over 35 days (extended consultation)	0		0	
Over 21 days (out of time determinations)	0		5	
Over 35 days (out of time determinations after consultation)	0		3	
Totals	6	33	42	18

Processing hours (including withdrawn)	Personal		Other	
	2002-03	2003-04	2002-03	2003-04
0-10 hrs	9	32	39	17
11-20 hrs	0	1	0	1
21-40 hrs	0		0	
Over 40 hrs	0		0	
Totals	9	33	39	18

Reviews/Appeals	2002-03	2003-04
Number of Internal Reviews Finalised	1	2
Number of Ombudsman Reviews Finalised	0	0
Number of District Court actions Finalised	0	0

Bases of internal review Grounds on which requested	Personal				Other			
	Upheld		Varied		Upheld		Varied	
	2002-03	2003-04	2002-03	2003-04	2002-03	2003-04	2002-03	2003-04
Access Refused	0		0		1	1	0	1
Deferred	0		0		0		0	
Exempt Matter	0		0		0		0	
Unreasonable Charges	0		0		0		0	
Charge Unreasonably Incurred	0		0		0		0	
Amendment Refused	0		0		0		0	
Totals	0		0		1	1	0	1

The Department of Lands

Land and Property Information Division

Financial Statements LPI Division

Crown Lands Division

Soil Services Division

Office of Rural Affairs

The Department of Lands Financial Statements

BOSSI Financial Statements

Appendices

Glossary

Index

Documents held by the Department

Corporate

Acceptable Use of Information Technology and Telecommunications Policy
 Access Control Policy
 Accounting Manual
 Anti Virus Policy
 Code of Conduct
 Complete Guide to Staff (Induction Manual)
 Conflict of Interest Policy
 Corrupt Conduct, Maladministration and Serious and Substantial Waste, and Protected Disclosures Policy
 Equal Employment Opportunity Policy
 Filling of Short Term Vacancies Policy
 Internal Reporting (Protected Disclosures) Policy
 Gifts and Benefits Policy
 Grievance Resolution
 Harassment Free Workplace Policy
 Information Security Policy
 Interim Privacy Management Plan
 Job Evaluation Policy
 Learning and Development Policy
 Management of Consultants and Contractors Policy
 Managing E-Mail Resources Policy
 Mail Server Policy
 Media Policy
 Occupational Health and Safety Policy
 Outside Employment Policy
 Policy for Protection against Malicious Software
 Policy and Guidelines for the use of Departmental mobile telephones
 Queens Square Security Policy
 Records Management Policy
 Travel Policy
 WebGov Policy
 Workforce Management Plan
 Working From Home Policy

Land and Property Information

Land Valuation

Procedures Manual for Contractors
 Valuer-General's Instructions
 Chief Valuer's Instructions
 Technical Instructions

Surveying

Surveyor General's Directions for Survey Practice
 Redefining the Queensland-New South Wales Border: Guidelines for Surveyors
 Guidelines for the Determination of the State border between New South Wales and Victoria along the Murray River
 Intellectual Property - Copyright and Licensing
 Technical Specifications and Standards for the Digitisation of the Cadastre
 Rural Addressing: A Model for Systematic Addressing for Rural Properties in New South Wales

Land Titling

Registrar General's Directions
 Electronic Settlement, Electronic Lodgment and Automatic Registration of Real Property Dealings in NSW - Public Consultation Document, May 2004
 Suppression of Personal Information in LPI Public registers

Geographical Names Board of NSW

Dual Naming Policy
 Road Naming in NSW Policy
 Guidelines for the Naming of Roads
 Guidelines for Determining Suburbs and Localities in NSW
 Area Inclusion in Description Policy
 Board Issuing Concurrence to Government
 Departments for Names Assigned under Other Acts Policy
 Cultural Designation Guidelines for the Reintroduction of Cities, Towns and Villages
 Generic Reserve Naming Policy
 Guidelines for the Determination of Place Names
 Primary Source Policy

Crown Lands

Coastal Crown Lands Policy 1990 - under review
 Crown Lands Caravan Park Policy 1990 - under review
 Crown Lands Recreation Vehicle Areas Policy 1990
 Crown Lands Foreshore Tenures Policy (Non-commercial Occupations) 1991 - under review
 Tourist Facilities and Services on Crown Reserves 1997
 Food and Beverage Outlets on Crown Reserves 1997
 Registered and Licensed Surf Clubs on Crown Land 2003
 Reserve Trust Handbook - under review
 Plans of Management Guidelines
 Land Assessment Guidelines - under review
 Land Assessment Waiver Guidelines - under review
 PRMF Guidelines and Program - under review
 Guidelines for Making Development Applications on Crown Land 2001
 Guidelines for Development on Adjacent Crown Land in Bushfire Prone Areas (APZs) 2003

Soil Services

Staff Borrowing of Equipment Policy
 Non-smoking in the Workplace

Some policy documents are available, free of charge, from the Department of Lands website www.lands.nsw.gov.au which has links to our administrative units. Geographical Names Board policies and guidelines may be accessed at their website www.gnb.nsw.gov.au.

Funds Granted to Non-Government Community Organisations

State Land Assets Program Public Reserve Management Fund

Trust Manager	Project	Grant \$	Loan \$	Total \$
Showgrounds Program				
Ashford Showground Trust	Purchase and installation of hot water system	1,000	0	1,000
Inverell Showground Trust	Tree lopping works	2,300	0	2,300
Illabo Showground Trust	Upgrading of electricity supply and extension of main hall	20,000	20,000	40,000
Gresford Park Trust	Construction of cattle stalls at Gresford Showground	10,000	15,000	25,000
Bega Showground Trust	Renovation of historic pavilion	10,000	4,000	14,000
Leeton Showground Trust	Replacement of thirteen electrical power boxes	6,750	6,750	13,500
Hay Shire Council	Upgrading of pony club amenities at Hay Showground	2,660	3,000	5,660
Holbrook Shire Council	Construction of a sheep pavilion at Holbrook Showground	0	20,000	20,000
Temora Showground Trust	Completion of the equestrian arena	5,000	2,000	7,000
Snowy River Shire Council	Completion of the amenities and pavilion extensions at Dalgerty Showground	5,500	21,000	26,500
Narrabri Showground Trust	Upgrading of lighting on arena No 1	2,500	2,700	5,200
Hillston Showground Trust	Replacement of the main water line and the installation of a fire hydrant	5,000	0	5,000
Morisset Showground Trust	Electrical works	13,000	10,000	23,000
Tamworth P & A Association	Electrical works at Tamworth Showground	0	10,000	10,000
Bemboka Showground Trust	Repairs to pavilion, flooring and relocation of entry road	2,000	2,000	4,000
Bingara Shire Council	Roofing repairs to Bingara Showground	0	12,000	12,000
Cooma-Monaro Shire Council	Construction of change rooms, toilets and showers in the Community Activities Centre at Nimmitabel Showground	5,000	15,000	20,000
Inverell Showground Trust	Alterations to the main show office	2,000	0	2,000
Hay Shire Council	Concreting of the Pigeon Club rooms at Hay Showground	1,500	0	1,500
Candelo Showground Trust	Construction of a show ring safety fence	8,500	0	8,500
Tenterfield Showground Trust	Electrical works and extensions to the bar area	10,000	15,000	25,000
Coonabarabran Shire Council	Repairs to the toilet block at Binnaway Showground	1,700	0	1,700
Bonalbo Showground Trust	Construction of a multi-purpose pavilion	9,000	8,000	17,000
Gresford Park Trust	Replacement of a condemned pavilion	5,000	12,000	17,000
Bega Valley Shire Council	Fencing works at Pambula Showground	2,500	2,000	4,500
Local Parks and Reserves Program				
Warialda Rail Recreation Reserve Trust	Replacement of club house walling	750	750	1,500
Hume Shire Council	Toilet facilities at Table Top Reserve	3,000	0	3,000
Gore Hill Memorial Cemetery Trust	Removal of contaminated building waste from ground	3,875	0	3,875
Nundle School of Arts Trust	Flooring repairs to hall	2,875	2,000	4,875
East Maitland War Memorial Rest Park Trust	Replacement of retaining wall and removal of trees	9,300	0	9,300
Newcastle Velodrome Trust	Construction of a canteen facility	7,550	0	7,550
Bunnan School Reserve Trust	Painting of ceiling and entrance way	1,670	0	1,670

The Department of Lands

Land and Property Information Division

LPI Division Financial Statements

Crown Lands Division

Soil Services Division

Office of Rural Affairs

The Department of Lands Financial Statements

BOSSI

BOSSI Financial Statements

Appendices

Glossary

Index

Port Stephens Community Arts Centre Trust	Roofing works	14,000	0	14,000
Ulladulla Wildflower Reserve Trust	Signage, mesh fencing access ramp	1,000	0	1,000
Gore Hill Memorial Cemetery Trust	General maintenance and fencing works	10,000	0	10,000
Penrith Girl Guides Association	Replacement of water pipes at Kingswood Guides Hall	4,000	0	4,000
Ladysmith Memorial Hall Trust	Painting and renovations of supper room floor	4,000	0	4,000
Bectric Recreation Reserve Trust	Fencing works	1,600	0	1,600
Howlong Public Hall Trust	Electrical repairs	820		820
Goulburn Golf Course Trust	Bridge repairs	7,405	0	7,405
Binda Recreation Reserve Trust	Building extensions	1,630	0	1,630
Inverell Pioneer Village Reserve Trust	Construction of a disabled toilet	5,000	0	5,000
Goonoowigall Bushland Reserve Trust	Signage and design and printing of brochures	4,620	0	4,620
Ben Lomond War Memorial Hall Trust	Electrical wiring, replacement of exit doors and painting works	7,000	0	7,000
Wongwibinda Public Hall & Recreation Reserve Trust	Foundations work - replacement of timber piers with steel supports	11,000	0	11,000
Pine Ridge Public Trust	New doors, painting general repairs and fire extinguishers	2,839	0	2,839
Wallangra War Memorial Hall Trust	Wall cladding, earth works	2,348	0	2,348
Glen Innes Pistol Club Inc.	Hazard reduction control and removal of old car bodies	6,000	0	6,000
Myall Creek Public Hall & Rec Reserve Trust	Fencing works	900	0	900
Wattle Flat Heritage Lands Trust	Completion of toilet block	8,500	0	8,500
Hatfield Recreation Reserve Trust	Minor building renovations	3,400	0	3,400
Broken Hill Racecourse Trust	Fencing works	5,290	0	5,290
Central Darling Shire Council	Construction of toilet facilities at Victory Park Caravan Park	10,000	0	10,000
Nullamanna Public Hall & Recreation Reserve Trust	Replacement of boundary fence	1,760	0	1,760
Island Quarry Reserve Trust	Storage/work shed and primitive camping platform/shelters	11,000	0	11,000
Woodenbong Reserve Trust	Establishment grant	1,000	0	1,000
Urbenville Reserve Trust	Establishment grant	1,000	0	1,000
Silverton Common Trust	Construction of yards	1,000	0	1,000
Sunraysia Wildlife Refuge Reserve Trust	Restoration works	2,000	0	2,000
Pambula Wetlands & Heritage Reserve Trust	Signage, weed & pest control, fencing, gateway, revegetation and general maintenance works	10,150	0	10,150
Moulamein Swimming Pool Trust	New pool liner	7,000	0	7,000
Cawongla Community Centre Reserve Trust	Pump, concrete ramp, new roof and verandah repairs	13,720	0	13,720
Berrima Court House Trust	Removal of dangerous trees, landscaping works	10,275	0	10,275
Dirawong Reserve Trust	Signage	3,000	0	3,000
Red Hill Flora Reserve Trust	Bush regeneration works	2,000	0	2,000
Bonalbo Norman Johnston Memorial Park Trust	Reserve establishment grant	1,000	0	1,000

Silverton Village Community Reserve Trust	Toilet and hot water tank	695	0	695	The Department of Lands
Bermagui Flora & Fauna Reserve Trust	Signage, rabbit control works and removal of sea sponge	2,900	0	2,900	
Booyong Recreation & Flora Reserve Trust	Painting works and signage	8,000	0	8,000	
Sodwalls Tennis Courts Reserve Trust	Fencing works	2,000	0	2,000	
Lalaly Public Hall Trust	Repairs to hall flooring and installation of a reverse cycle air-conditioner	6,300	0	6,300	Land and Property Information Division
Majors Creek Recreation Reserve Trust	Installation of water tank and painting works	4,500	0	4,500	
Glen Elgin Public Hall Trust	Fencing, building repairs and painting works	5,000	0	5,000	Financial Statements
Hannam Vale Recreation Reserve Trust	Repairs to shelter shed	5,000	0	5,000	
Illuka Koala Reserve Trust	Ride-on mower	2,750	0	2,750	
Menindee Lakes Park Trust	Construction of a bathroom with a disabled facility	24,000	0	24,000	LPI Division
Albury West Public Hall Trust	Painting interior of hall	5,000	0	5,000	
Cumbebin Wetland Reserve Trust	Construction of handrail for boardwalk	3,000	0	3,000	Crown Lands Division
Barooga Community Centre Reserve Trust	Installation of gas heating in hall	1,700	0	1,700	
Bowling Alley Point Reserve Trust	Extensions to the amenities block	0	10,000	10,000	
Spring Plains Public Hall Reserve Trust	Replacement of doors and windows in hall	3,250	0	3,250	Soil Services Division
Old Bega Hospital Reserve Trust	Demountable building	18,182	0	18,182	
Caravan Park Development Works Program					
Great Lakes Council	Management Plan for Forster Harbour	20,000	0	20,000	Office of Rural Affairs
Tweed Shire Council	Purchase and installation of five cabins at Fingal Holiday Park	0	330,000	330,000	
Tweed Shire Council	Purchase and installation of four cabins at Pottsville South Holiday Park	0	260,000	260,000	The Department of Lands Financial Statements
Shoalhaven City Council	Construction of one ensuite building containing six ensuite units at Shoalhaven Heads Tourist Park	0	60,000	60,000	
Shoalhaven City Council	Building a special access bathroom facility attached to an amenities block at Shoalhaven Heads Tourist Park	0	10,000	10,000	
Shoalhaven City Council	Upgrading of beach accessway at Shoalhaven Heads Tourist Park	0	5,000	5,000	BOSSI Financial Statements
Shoalhaven City Council	Completion of Stage two of underground reticulated gas supply at Shoalhaven Heads Tourist Park	0	4,090	4,090	
Shoalhaven City Council	Upgrading of playground equipment at Shoalhaven Heads Tourist Park	0	10,000	10,000	BOSSI Financial Statements
Shoalhaven City Council	Upgrading of playground equipment at Bendalong Tourist Park	0	20,000	20,000	
Shoalhaven City Council	Completion of stage two of underground reticulated gas supply at Bendalong Tourist Park	0	4,090	4,090	Appendices
Shoalhaven City Council	Upgrading of beach accessway at Bendalong Tourist Park	0	20,000	20,000	
Shoalhaven City Council	Completion of stage two of an underground reticulated gas supply at Currarong Beach Tourist Park	0	4,090	4,090	

Shoalhaven City Council	Upgrading of beach accessway at Currarong Beach Tourist Park	0	20,000	20,000
Shoalhaven City Council	Completion of stage two of an underground reticulated gas supply at Crookhaven Heads Tourist Park	0	4,090	4,090
Shoalhaven City Council	Upgrading playground equipment at Crookhaven Heads Tourist Park	0	20,000	20,000
Shoalhaven City Council	Upgrading of beach accessway at Crookhaven Heads Tourist Park	0	10,000	10,000
Shoalhaven City Council	Upgrading of walking track at Crookhaven Heads Tourist Park	0	15,000	15,000
Shoalhaven City Council	Completion of stage two of underground reticulated gas supply at Huskisson Beach Tourist Park	0	4,090	4,090
Shoalhaven City Council	Upgrading of beach accessway at Huskisson Beach Tourist Park	0	10,000	10,000
Shoalhaven City Council	Upgrading of playground equipment at Huskisson Beach Tourist Park	0	20,000	20,000
Shoalhaven City Council	Completion of stage two of underground reticulated gas supply at Huskisson White Sands Tourist Park	0	4,090	4,090
Shoalhaven City Council	Completion of stage two of underground reticulated gas supply at Lake Conjola Tourist Park	0	4,090	4,090
Shoalhaven City Council	Upgrading of playground equipment at Lake Conjola Tourist Park	0	10,000	10,000
Shoalhaven City Council	Refurbishment of existing amenities block at Lake Conjola Tourist Park	0	200,000	200,000
Shoalhaven City Council	Completion of stage two of underground reticulated gas supply at Kangaroo Valley Tourist Park	0	4,090	4,090
Shoalhaven City Council	Completion of stage two of underground reticulated gas supply at Burrill Lake Tourist Park	0	4,090	4,090
Shoalhaven City Council	Purchase and installation of two cabins at Lake Tabourie Tourist Park	0	100,000	100,000
Shoalhaven City Council	Upgrading of beach accessway at Lake Tabourie Tourist Park	0	5,000	5,000
Shoalhaven City Council	Completion of stage two of underground reticulated gas supply at Lake Tabourie Tourist Park	0	4,090	4,090
Shoalhaven City Council	Upgrading of beach accessway at Ulladulla Tourist Park	0	40,000	40,000
Shoalhaven City Council	Completion of stage two of underground reticulated gas supply at Ulladulla Tourist Park	0	4,090	4,090
Eurobodalla Shire Council	Major upgrading works program at Glenhaven Caravan Park	0	500,000	500,000
Morgo Street Reserve Trust	Purchase & installation of cabins at Urunga Heads Holiday Park	0	150,000	150,000
Maclean Shire Council	Upgrading of the effluent disposal system at Brooms Head Caravan Park	0	400,000	400,000
Bellingen Shire Council	Construction of a car park at Hungry Head Reserve	0	15,000	15,000
Port Stephens Council	Master plan for Fingal Bay Holiday Park	20,000	0	20,000
Great Lakes Council	Construction of an amenities block and an effluent disposal system at Seal Rocks Camping Reserve	0	350,000	350,000
Kempsey Shire Council	Plan of Management for Mattys Flat Reserve	20,000	0	20,000
Scotts Head Reserve Trust	Business plan	15,000	0	15,000

Bega Valley Shire Council	Business plan for Eden Tourist Park	20,000	0	20,000	The Department of Lands
Kempsey Shire Council	Compliance works of sewerage, electrical, roads and drainage at Crescent Head Holiday Park	0	450,000	450,000	
Kempsey Shire Council	Compliance works - water and sewerage reticulation, garbage and amenities blocks upgrading works at Crescent Head Holiday Park	0	340,000	340,000	
Bega Valley Shire Council	Purchase and installation of three cabins at Eden Tourist Park	0	160,000	160,000	
Kempsey Shire Council	Purchase and installation of three cabins at Crescent Head Holiday Park	0	120,000	120,000	Land and Property Information Division
Kempsey Shire Council	Roadworks at Crescent Head Holiday Park	0	265,000	265,000	
Port Stephens Council	Purchase and installation of three cabins at Shoal Bay Holiday Park	0	560,000	560,000	LPI Division Financial Statements
Port Stephens Council	Tree management plan for Shoal Bay Holiday Park	0	10,000	10,000	
Port Stephens Council	Landscaping works at Shoal Bay Holiday Park	0	10,000	10,000	
Port Stephens Council	Roadworks at Shoal Bay Holiday Park	0	35,000	35,000	
Port Stephens Council	Tree management plan for Halifax Holiday Park	0	10,000	10,000	
Port Stephens Council	Roadworks at Halifax Holiday Park	0	35,000	35,000	
Port Stephens Council	Lighting works at Fingal Bay Holiday Park	0	10,000	10,000	
Port Stephens Council	Tree management plan for Fingal Bay Holiday Park	0	10,000	10,000	
Shoalhaven City Council	Bitumen sealing of the 'One for All' walking track at Ulladulla	0	26,000	26,000	
Shoalhaven City Council	Implementation of the 'Shorebird Protection Plan' -formalising the carpark arrangements, controlled beach accessways, signage, landscaping and revegetation works at the Shoalhaven Heads Tourist Park	0	39,000	39,000	
Shoalhaven City Council	Purchase and installation of a special access cabin at the Currarong Beach Tourist Park	0	70,000	70,000	Soil Services Division
Consultancy Program					
Glen Innes Showground Trust	Plan of Management	18,000	0	18,000	Office of Rural Affairs
Kempsey Showground Trust	Plan of Management	10,000	0	10,000	
Maclean Shire Council	Plan of Management for Yamba Foreshore Reserves	25,000	0	25,000	The Department of Lands Financial Statements
Shoalhaven City Council	Plan of management for the Mollymook Beach Reserve	10,000	0	10,000	
Eurobodalla Shire Council	Plan of management for the Surfside Foreshore Reserve	15,000	0	15,000	
Pittwater Council	Plan of management for the Church Point Reserve	30,000	0	30,000	
Reserves of High Visitation/Regional Significance Program					
Wee Jasper Reserves Trust	Operational grant for 2003/04	58,000	0	58,000	BOSSI Financial Statements
Penrose Park Recreation Reserve Trust	Operational grant for 2003/04	20,000	0	20,000	
Walka Water Works Trust	Operational grant for 2003/04	70,000	0	70,000	Appendices
Burrendong Arboretum Trust	Operational grant for 2003/04	90,000	0	90,000	
Goobarragandra Valley Reserves Trust	Operational grant for 2003/04	10,000	0	10,000	

Land and Property Information

University of Melbourne	Grant to Australian Research Council Strategic Partnerships with Industry - Research and Training Scheme.	20,000	0	20,000
University of New South Wales	Grant to support a scholarship place in the 2003 UNSW Co-op Program - Surveying and Spatial Information Systems.	12,600	0	12,600
Charles Sturt University	ARC Linkage Project - Industry Partnership grant.	15,000	0	15,000

Government Action Plan for Women

The NSW Government is strongly committed to removing barriers to women's full participation in society. The NSW Government Action Plan for Women 2002/2004 includes strategies in the areas of power, decision-making, leadership and work. The Department encourages boards and committees of the Department to reflect the government's policy and put forward female nominees and where there is more than one nominee, to ensure where possible there is a balance between male and female nominees. The Department will develop protocols for the future recruitment of members to its reserve trusts, boards and committees to encourage women's nominations for vacant positions and action to retain women on boards and committees.

The Department continues to support the Spokeswomen's Program, which has successfully promoted equal employment opportunities for women public sector employees.

Guarantee of Customer Service

- Service delivery standards vary with the nature of the services provided across the various administrative areas of the Department but all requests for information or services are responded to promptly and efficiently and appropriate to customer requests.
- Our customers can expect us to prevent unauthorised access to and use of official information and maintain the privacy and confidentiality of information, which is not on the public register.
- We consult with clients and stakeholders when planning and delivering products and services and staff and unions when considering changes in work practices.
- All public contact staff are trained to provide timely, accurate and balanced advice in a courteous manner. They all have expertise within their fields of inquiry.
- All staff adhere to the principles of Equal Employment Opportunity and our Code of Conduct.

Consumer Complaint and Comment

- We aim to respond to correspondence within 14 days and advise clients about the outcome of a complaint and the action being taken within 14 days.

- Feedback, compliments and complaints regarding our services are welcome and should be addressed in writing to:

Department of Lands
Level 3, 1 Prince Albert Road
Queens Square
Sydney NSW 2000
GPO Box 15
Sydney NSW 2001

E: feedback@lands.nsw.gov.au

Land Disposal

There were no land disposal transactions during 2003/04.

Legislation and Legal Change

Changes in Legislation *Powers of Attorney Act 2003*

The *Powers of Attorney Act 2003*, which commenced on 16 February 2004, made a number of changes to the law governing Powers of Attorney in NSW. It repealed Part 16 of the Conveyancing Act 1919 and re-enacted those provisions, with changes, in a new Act.

The Act:

- replaced the present statutory short form of power of attorney with a "prescribed power of attorney" that can be amended by regulation,
- clarified the extent to which an attorney under a prescribed power of attorney may take a benefit, confer a benefit on a third party, or make a gift of the principal's property,
- renamed protected powers of attorney, which have effect despite the subsequent mental incapacity of the person giving the power ("the principal"), as "enduring powers of attorney",
- stipulated that an enduring power of attorney does not operate to confer any authority on a proposed attorney under the power until the attorney accepts an appointment by signing the instrument creating the power,
- protected the interest of a beneficiary under the will of a principal who makes an enduring power of attorney where a proposed gift of property to the beneficiary under the will has been disposed of by the attorney before the principal's death,
- expanded the jurisdiction of the Supreme Court and Guardianship Tribunal to deal with enduring powers of attorney and issues of incapacity, and
- recognised enduring powers of attorney made in other States and Territories.

Statute Law Revision

The *Statute Law (Miscellaneous Provisions) Act 2003*, which commenced on 22 July 2003, amended the following Acts:

- The *Real Property Act 1900*:

- to provide that the method of lodgment or re-lodgment of dealings or caveats should be in the manner approved by the Registrar General, rather than prescribed by Regulation (s.36(6));
- to provide that when the Registrar General grants an extension of time for a person to serve a Lapsing Notice in respect of a Caveat, the extension runs from the date of issue of the notice granting the extension (s.74 I, s74J and s74JA).

- *Strata Schemes (Freehold Development) Act 1973* and the *Strata Schemes (Leasehold Development) Act 1986* to replace references to sections which have been repealed.
- *Community Land Development Act 1989* to update a reference to a section which had been re-numbered.

The *Statute Law (Miscellaneous Provisions) Act (No.2) 2003*, which commenced on 23 November 2003, amended the *Community Land Development Act 1989* to correct an anomaly regarding the contents of a notice of resumption which affects land under the Act.

Real Property Regulation 2003

The Real Property Regulation 2003, which commenced on 1 September 2003, replaced the Real Property Regulation 1998, which was automatically repealed under the *Subordinate Legislation Act 1989*. The new Regulation deals with, among other things, the lodgment of dealings and caveats under the *Real Property Act 1900*.

Conveyancing (General) Regulation 2003

The Conveyancing Regulation 2003, which also commenced on 1 September 2003, replaced the Conveyancing (General) Regulation 1998 which was automatically repealed under the *Subordinate Legislation Act 1989*. The new Regulation deals with, among other things, the lodgment and registration of instruments in the General Register of Deeds and the lodgment of plans (both manually and electronically).

Acts Administered by the Department

Access to Neighbouring Land Act 2000 No 2
Bills of Sale Act 1898 No 10
Botany Cemetery and Crematorium Act 1972 No 6
Camperdown Cemetery Act 1948 No 14
Chipping Norton Lake Authority Act 1977 No 38
(section 7 solely administered by the Minister for Lands)
Christ Church Cathedral, Newcastle, Cemetery Act 1966 No 20
Commons Management Act 1989 No 13
Community Land Development Act 1989 No 201
Conversion of Cemeteries Act 1974 No 17
Conveyancing Act 1919 No 6
Conveyancing and Law of Property Act 1898 No 17
Crown Lands Act 1989 No 6
(except parts, Minister for the Environment)
Crown Lands (Continued Tenures) Act 1989 No 7
Crown Lands (Validation of Revocations) Act 1983 No 55
Encroachment of Buildings Act 1922 No 23
Geographical Names Act 1966 No 13
Gore Hill Memorial Cemetery Act 1986 No 116
Gosford Cemeteries Act 1970 No 84
Land Agents Act 1927 No 3
Land Sales Act 1964 No 12
Liens on Crops and Wool and Stock Mortgages Act 1898 No 7
Mudgee Cemeteries Act 1963 No 2
Native Title (New South Wales) Act 1994 No 45
Necropolis Act 1901 (1902 No 20)
Old Balmain (Leichhardt) Cemetery Act 1941 No 12
Old Liverpool Cemetery Act 1970 No 49
Old Roman Catholic Cemetery, Crown Street, Wollongong, Act 1969 No 56
Old Wallsend Cemetery Act 1953 No 5
Parramatta Methodist Cemetery Act 1961 No 44
Perpetuities Act 1984 No 43
Queanbeyan Showground (Variation of Purposes) Act 1995 No 14
Real Property Act 1900 No 25
Real Property (Legal Proceedings) Act 1970 No 92
Registrar-General Act 1973 No 67
Roads Act 1993 No 33, (part)
St. Andrew's Church of England, Mayfield, Cemetery Act 1957 No 39
St. Andrew's Presbyterian Church, Woonona, Cemetery Act 1966 No 6
St. Anne's Church of England, Ryde, Act 1968 No 47
St. George's Church of England, Hurstville, Cemetery Act 1961 No 63
St. Peter's Church of England, Cook's River, Cemetery Act 1968 No 48
St. Thomas' Church of England, North Sydney, Cemetery Act 1967 No 22
Strata Schemes (Freehold Development) Act 1973 No 68
Strata Schemes (Leasehold Development) Act 1986 No 219
Surveying Act 2002 No 83

Transfer of Records Act 1923 No 14
Trustees of Schools of Arts Enabling Act 1902 No 68
Valuation of Land Act 1916 No 2
Voluntary Workers (Soldiers' Holdings) Act 1917 No 25
Voluntary Workers (Soldiers' Holdings) Amendment Act 1974 No 27
(except parts, Attorney General [sections 4 - 9])
Wagga Wagga Racecourse Act 1993 No 109, sections 4 and 5
(remainder, Minister for Gaming and Racing)
Wild Dogs Destruction Act 1921

List of Major Assets

A list of major assets is currently being aggregated following the creation of the Department of Lands from units from the former Department of Land and Water Conservation and the former Department of Information Technology and Management.

Major Assets Acquired During 2003/04

Department of Lands

Major Additions

Major Building Assets	\$Nil
Plant And Equipment	
Total	

Major Retirements

Major Building Assets	\$Nil
Plant And Equipment	
Total	

Land and Property Information

Major Additions

Major Building Assets	\$Nil
Plant And Equipment	

Major Retirements

Major Building Assets	\$Nil
Plant and Equipment	

Proposed Major Works 2004/05

A proposal has been submitted for a master plan to be created that will identify plant/building services upgrades that will deliver a better working environment for staff and clients. This plan will also identify energy and maintenance costs.

Overseas Travel

Name	Destination	Purpose	Cost
Marion Beacroft	Florida, USA	Attend Cyberguard Advisory Board Summit Meeting, 14-19/7/03	\$4,642.30
Doug Walsham	Wellington, NZ	Study tour to review electronic system for lodgment and registration of property related dealings, 25-28/8/03.	\$2,022.71
Ross Cleary	Wellington, NZ	Study tour to review electronic system for lodgment and registration of property related dealings, 25-28/8/03	\$1,980.95
Peter Clydesdale	Philippines	International Orthophoto Mapping-Adviser for the Philippines PA LAM Project, 18/9/03 - 18/11/03.	\$11,128.25
Warwick Watkins funding	Hong Kong	As Pro Chancellor, conduct the graduation ceremonies for international students of the University of Technology in Hong Kong, 6-11/10/03.	\$0 UTS
Graham Leatherland	New Zealand	Attend the Reciprocating Surveyors Board of Aus. & NZ and the Intergovernmental Committee for Surveying and Mapping, 25-27/11/03.	\$750.36
Paul Harcombe	New Zealand	Attend the Reciprocating Surveyors Board of Aus. & NZ and the Intergovernmental Committee for Surveying and Mapping, 22-30/11/03.	\$627.20
Clifford Wally	Trinidad	Provide training for trainers in the Registrar General's Department Trinidad & Tobago, 5-17/11/03.	\$4,089.32
Colin Campbell	Trinidad	Provide training for trainers in the Registrar General's Department Trinidad & Tobago, 5-17/11/03.	\$4,802.64
Carl Ginger	Peru, Trinidad & Moscow	Attend First Ibero-American Congress of Property Registration: Land, Economic Development & New Technologies, 3-8/11/03.	\$4,095.07
Leanne Hughes	Trinidad & Tobago	Provide legal training for trainers in the Registrar General's Department Trinidad & Tobago, 5-17/11/03.	\$4,000.81
Carl Ginger	Trinidad & Tobago	Consultancy for training for trainers in the Registrar General's Department Trinidad & Tobago, 5-17/11/03.	\$8,820.14
Warwick Watkins	Shanghai China	Present paper on "The Changing Face of the Conveyancing and Real Estate Industry in Australia, 4-7/4/04.	\$0 Ministry of Construction China funding
Paul Harcombe	Malaysia	Represent NSW at an International Workshop on "Adminstrating the Marine Environment", 4-8/5/04.	\$1,054.16

The Department of Lands

Land and Property Information Division

LPI Division Financial Statements

Crown Lands Division

Soil Services Division

Office of Rural Affairs

The Department of Lands Financial Statements

BOSSI

BOSSI Financial Statements

Appendices

Glossary

Index

Occupational Health and Safety (OH&S)

The Department of Lands is committed to meeting the occupational health, safety and welfare needs of its employees. The Department's occupational health and safety focus is on prevention and early intervention. To facilitate this approach, the Department uses professional rehabilitation specialists to provide expert assistance and advice on a wide range of health and safety matters.

The Department continues to undertake a comprehensive review of hazards within its workplaces with a view to ensuring all its workplaces are safe. During this year, the department has reviewed and developed key OHS policies, in particular its practices in high risk areas. It will also implement statewide OHS Risk Management training in the 2nd quarter of the 2004/05 financial year to increase OHS risk management skills of managers and supervisors.

The Department is still building the infrastructure to fully implement a comprehensive Occupational Health and Safety Management System (OHSMS). As part of the development of the OHSMS, the Department is establishing a range of suitable targets and benchmarks to enable it to measure performance. These measures will be a blend of key performance indicators and positive performance indicators. Such an approach will assist in broadening commitment to positive outcomes and managing continuous improvement in both occupational health and safety and worker's compensation.

The effective management of worker's compensation remains a priority issue for the Department. When injuries do occur the Department is committed to measures that will facilitate

earlier and more sustainable return to work outcomes. This also leads to a reduction in worker's compensation costs. Comprehensive case management and ongoing monitoring of worker's compensation claims also improves the quality and timeliness of intervention measures.

Over the 2003-4 year, a management system has been designed and will be implemented in the 2004-05 year. This system ensures that resources are targeted to claims with greatest need by giving priority to severe and/or potentially more costly claims. It also incorporates initiatives to provide claimants with a better understanding of rights and responsibilities as well as promoting greater involvement of managers and supervisors in the day to day management of employee rehabilitation. The revised management arrangements will also introduce improved performance monitoring and reporting arrangements across the Department's divisional structures.

Over the last year, worker's compensation performance indicators continue to show broad improvement over previous years, although data is difficult to compare due to the changes in the Department. Data over a 5 year period indicates the Department's management performance is improving and that it is better than the average within the TMF (Treasury Managed Fund) pool in regard to both claim frequency and average claim cost.

The following figures provide an overview of worker's compensation over the 2003-04 year.

Year	Total No of claims	No of claims settled	Net Incurred cost
2001/2002	45	32	\$562,175
2002/2003	39	12	\$482,000•
2003/2004	79	54	\$931,275

•Adjusted from last years reported figure to take account of the expanded departmental structure.

Payment of Accounts

Schedule of Accounts Payable	Qtr Ending Sept 2003	Qtr Ending Dec 2003	Qtr Ending Mar 2004	Qtr Ending June 2004
	\$	\$	\$	\$
Current (i.e. within due date)	395,430.67	230,948.06	547,642.54	9,766.57
Less than 30 Days	314,493.62	1,003,689.36	1,323,633.11	29,958.66
Overdue 30-60 days	86,032.46	142,925.97	61,085.83	2,832.85
Overdue 60-90 Days	58,991.46	25,391.69	35,015.65	6,076.17
Overdue over 90 Days	6,034.51	35,280.84	23,280.82	2,236.93
Totals	860,982.72	1,367,674.24	1,944,096.31	28,579.28

Schedule of Paid on time	Qtr Ending Sept 2003	Qtr Ending Dec 2003	Qtr Ending Mar 2004	Qtr Ending June 2004
	\$	\$	\$	\$
Accounts paid on time	25,935,000	21,791,000	22,822,000	43,637,000
Total accounts paid	29,497,000	24,018,000	25,623,000	47,152,000
% accounts paid on time	88%	91	90%	92%
Target % paid on time	90%	90%	90%	90%

Comment

Payment performance is based on creditor payments made to general creditors of the Department of Lands.

Privacy Management Plan

The NSW *Privacy and Personal Information Protection (PPIP) Act 1998* requires agencies to follow certain principles when managing personal information, this Act is administered by the office of the NSW Privacy Commissioner (Privacy NSW).

Agencies have always been expected to put in place appropriate security measures to protect all forms of information including information about their clients. However, breaches of privacy can also occur by staff not being fully aware of their responsibilities under the Privacy and Personal Information Protection Act. Privacy NSW has therefore developed its own education material and programs to raise awareness of these issues at a general level.

The Government recognises that electronic personal information, especially when part of Electronic Service Delivery (ESD) requires particular attention because it is possible to easily copy and transmit information in this form.

For Electronic Service Delivery to achieve its potential, citizens need to be confident that the information they supply to Government is adequately protected.

With the creation of the new Department, the Privacy Management Plan will be reviewed and updated in consultation with management and staff.

As a major provider of Government held information, the Department is committed to be a privacy conscious organisation. Lands, in the past reporting year, commissioned a comprehensive privacy risk assessment in regard to its core business functions associated with administering and distributing property information. The risk assessment identified three sources of privacy risks categorised as management activities and controls, commercial and legal relationships and technology and technical issues.

A Departmental privacy working group will develop strategies to address identified risks within the new organisation and allocate responsibilities for implementing the strategies developed.

Publications

Publications during 2003/04

Corporate

2002/2003 Lands Annual Report

www.lands.nsw.gov.au

Land and Property Information

Image Products - CD ROM

NSW Map Catalogue

Information Kits

Information Bulletins

www.lands.nsw.gov.au

Board of Surveyors of New South Wales

2002/2003 Annual Report

Geographical Name Board

2002/2003 Annual Report

Dual Naming Guidelines

www.gnb.nsw.gov.au

Waste Reduction and Purchasing Policy

The Department has a Waste Reduction and Purchasing Plan in place and is committed to maintaining best practice in conservation and recycling.

The Department's Waste Reduction and Purchasing Plan aims to:

- avoid the generation of waste;
- separate wastes generated for re-use or recycling; and
- encourage the purchase of low waste products with recycled content.

The plan identifies key wastes and opportunities for recycling, and strategies have been developed to ensure maximum recycling takes place.

Land's recycling activities include:

- waste paper;
- cardboard;
- aluminium;
- glass;
- silver flakes; and
- toner cartridges.

Glossary

Aquaculture	The culture of fish, including fin fish, crustacea and molluscs outside their natural range or habitat.	The Department of Lands
ANPS	Australian National Placename Survey	
ANZLIC	Australian New Zealand Land Information Council.	
Attribute	Descriptive information about features or elements of a database.	
Cadastral	Pertaining to the records of a cadastre, concerned with keeping a cadastre, an official register of property, with details such as boundaries and ownership.	Land and Property Information Division
Cadastral Map	A map showing legal survey boundaries, portion and plan numbers, parish and county names and boundaries.	
Cadastre	Boundaries, roads, waterways, parcel identifiers, names, etc. which define the subdivision pattern of a locality on the ground.	
Central Register of Restrictions	A centralised database containing information on government authorities' proposed interest in parcels of land throughout NSW.	
Certificate of Title	The registered proprietor's copy of a folio of the Register, being a State Government guaranteed Torrens title to land.	Financial Statements
CGNA	Committee for Geographical Names in Australia	LPI Division
Charting Map	Reference maps on which changes affecting land parcels, such as subdivision or easements, are charted by hand. The maps are used by staff and customers to determine current status of land parcels.	Financial Statements
Client/Server	A computer system architecture under which the processing is undertaken partly on a central server computer and partly on intermediate servers and end-user client devices. There are various implementation models of this technique, such as two-tier architectures.	Crown Lands Division
Community Title	Community title legislation enables shared property (association property) to be created within conventional subdivisions.	Soil Services Division
Computerised Cadastral Index	Land and Property Information's computerised reference map, providing an interface to Integrated Title System (ITS) and the Plan Imaging System, and containing the Digital Cadastral Database (DCDB) and a notations layer of data as the core data sets	Office of Rural Affairs
Contour	An imaginary line connecting points of equal elevation.	
Control Marks/Points	A system of survey measured points marked on the ground, which are used as fixed references for positioning other surveyed features.	
Conveyancing	The branch of legal practice concerned with the transfer of property rights particularly rights in real property.	The Department of Lands
Crown Land	Any land which has not been alienated by the Crown, including Crown tenures (and leased from the Crown).	Financial Statements
Crown Land Information Database	A database containing graphic and textual information, including land accounts data, relating to leaseholds of Crown land.	
Data Set	A group of related data elements.	BOSSI
Database	A large volume of information stored in a computer and organised in categories to facilitate retrieval.	Financial Statements
Dealing	A document other than a caveat, which is designed to secure recording in the Register of some disposition or event, such as a transfer of ownership.	BOSSI
Dealing Imaging System	System of storing and retrieving electronic images of dealings utilising optical disk technology.	Financial Statements
Deed	A contract in writing which binds a person, or which transfers an interest, right or property.	Appendices
Deposited Plan	A plan lodged in LPI depicting subdivision of land.	
Digital Cadastral Database	The legal parcel fabric (current subdivisional pattern) of the State supplied and validated by LPI.	Glossary
Differential Global Positioning System	Two GPS satellite receivers, one at a known position providing positional data to a roving receiver. Applying corrections derived from the fixed receiver increases the accuracy of positional information of the roving receiver.	Index

Digital Terrain Model	A method of transforming elevation data into a contoured surface or a three dimensional display.
Digital Topographic Database	The elevation, drainage, transport and cultural components of spatial data held in the NSW Geographic Information System.
EDM	Electronic Distance Measuring
ELARD	A pilot project to test the feasibility of Electronic Lodgment and Automatic Registration of Dealings (ELARD) using two types of dealing, Discharge of Mortgage and Mortgage.
Electronic Commerce	A set of technologies such as electronic service delivery (ESD), electronic document/data interchange (EDI), electronic mail (email), electronic funds transfer (EFT), and workflow combined with business processes to enable users to conduct business electronically
Electronic Plan Examination	The comparison of new with old survey information utilising specially developed computer and an electronic survey accurate plan database.
Electronic Plan Lodgment	Lodgment of plans in electronic form in which they were originally prepared by a surveyor.
Electronic Service Delivery	A connect.nsw strategy to encourage NSW Government agencies to deliver customer-focussed services to NSW.
e-RPforms	An Internet facility that provides for the direct lodgment of plan files with LPI from remote locations.
Gazetteer	A geographical dictionary.
Geocentric Datum	A datum that has its origin at the Earth's centre of mass.
GDA	Geocentric Datum of Australia - a new coordinate framework for Australia, which is compatible with the Global Positioning System (GPS). The GDA was adopted in 1994 and will be implemented by the year 2000.
Geodetic Survey	A high precision survey that covers a large area and consequently must take into account the effect of the earth's curvature.
GIS	Geographic Information System - for capturing, storing, checking, integrating, analysing and displaying data that is spatially referenced to the Earth. This is normally considered to involve a spatially referenced computer database and appropriate applications software.
GPS	Global Positioning System - a system for determining positions using information derived from tracking satellites.
GRN	Government Radio Network - provides a common platform for a substantial number of government agencies that require mobile radio communications.
Information Broker	An agent licensed by LPI to provide remote and value added information services utilising electronic data made available by the Office.
ICSM	Inter-Government Committee on Survey and Mapping - coordinates and promotes the development and maintenance of key national spatial data, including geodetic, topographic, cadastral and geographical names on a national basis.
IPW	Integrated Property Warehouse - whole-of-government approach to data sharing.
ISO 9002/9001	International Organisation for Standardisation guidelines relating to management systems primarily concerned with quality management.
ITS	Integrated Titling System - LPI computerised record for land titles.
Land Parcel	An area of land with defined boundaries, which forms the fundamental unit of land information, including information about rights and interests.
Landsat	American Earth resources satellites that scan the Earth at a variety of wavelengths. The satellites return information that can be used to inventory and analyse a variety of natural and human resources.
Land Title	The evidence of a person's rights to land.
Law Stationer	An individual or corporation whose business is to conduct searches of records held by LPI and other registries and to lodge documents in those registries as the agent of legal practitioners.
Legal Parcel	The smallest parcel of land capable of sale without further confirmation of subdivision. The physical extent of most legal parcels is defined by plans or metes and bounds descriptions held by LPI or the Crown Lands Office.
Licensed Conveyancer	A person licensed under the <i>Conveyancers Licensing Act 1995</i> to carry out work involved in property conveyancing transactions.

LPI	Land and Property Information - a division within the Department of Information Technology and Management	The Department of Lands
MSIA	Mapping Science Institute Australia	
Notice of Sale	A form, which must accompany the lodgment of any document, lodged in LPI, which changes the ownership of land.	
Old System land	Land alienated from the Crown under the English Common Law title system in operation in NSW before 1863, and not yet brought under the provisions of the Real Property Act 1900.	
Orthophotograph	An aerial photograph that has the distortion due to tilt, curvature and ground relief corrected.	Land and Property Information Division
Ortho-refined	Correction of distortion in aerial photographs due to title, curvature and ground relief.	
OWS	Office of Western Sydney - a division within the Department of Information Technology and Management.	Financial Statements
Photogrammetry	The science of the art of obtaining measurements from photographs to produce planimetric and topographic maps of the Earth's surface and of features of the built environment.	
Photomosaic	An assembly of aerial photographs or other images whose edges are cut and matches to form a continuous photographic representation of a portion of the Earth's surface.	
Plan Imaging System	System of storing and retrieving electronic images of the Office plan file utilising optical disk technology.	Crown Lands Division
Proclaimed Survey Areas	A proclaimed area in which surveyors carrying out real property surveys are required, under the <i>Survey Coordination Act 1949</i> , to connect to the existing State developed control and place additional marks where appropriate, providing for a more accurate and densely controlled survey network.	
Property HUB	Repository for land information data.	Soil Services Division
PSMA	Public Sector Mapping Agencies, public agencies responsible for land information in all jurisdictions.	
PUN	Place Unique Number - a unique number allocated to a place name record in the Geographical Names Register.	Office of Rural Affairs
Rasta Data	A picture or image composed of rows and columns of data cells (pixels).	
Remote Sensing	The acquisition of information about the Earth's surface by electronic and/or optical instruments from satellites, airborne platforms or ground observation.	
Rural Road Addressing	The application of an address to properties in rural and remote areas based on distance and from an easily recognised datum.	The Department of Lands Financial Statements
Satellite Imagery	A picture of the Earth taken from an Earth-orbital satellite. Images may be produced photographically or by onboard scanners.	
SCIMS	Survey Control Information Management System - survey inquiry and distribution system.	BOSSI
SCIPS	Survey Control Image Processing System - digital/scanned images of survey mark sketch plans are held in this database. Image data can be accessed through the Survey Services Branch in Sydney.	
SMIC	Survey and Mapping Industry Council	BOSSI Financial Statements
SMMF	Survey and Mapping Managers Forum	
Spatial Data	Data pertaining to the location, shape and relationships among geographical features. These can be classified and stored as point, line, polygon, grid cell or object.	
Strata Plan	Strata Plan - a plan lodged for registration in LPI depicting vertical subdivision of land by buildings such as home units.	Appendices
The Register	This is the record kept by the Registrar General of Grants, Folios, and dealings that have been registered pursuant to Section 32 of the <i>Real Property Act 1990</i>	
Topographical Data	Data pertaining to representation of physical and cultural surface features.	Glossary
Torrens System	A system employed in all Australian jurisdictions under which title to land is conferred by the official registration of a dealing in that land. Named after its creator, Robert Torrens, who introduced it in South Australia in 1858.	
Valnet	Valuer General's automated land valuation network.	Index
Vector Data	Spatial data in which the location of features is defined by points and straight lines (vectors). A road centre-line network would be described by vector data.	

Index

Access	13,14,35,69,71,73
Acts administered by the Department	148
Aims and Objectives	22,60,70,72
Changes in Legislation	147
Charter or Purpose	5
Chief and Senior Executive Officers	130
Chief and Senior Executive Service Positions	130
Code of Conduct	128
Committees	128
Consultants	129
Disability Action Plan	130
Electronic Service Delivery	31,62
Employee Relations	130
Energy Management	136
Equal Employment Opportunity	133
Ethnic Affairs Priorities Statement (EAPS)	136
Exceptional Movements in Salaries and Wages	131
Financial Statements	38,74,113
Freedom of Information	136
Funds Granted to Non-Government Community Organisations	141
Female Officers in Senior Executive Service Positions	131
Government Action Plan for Women	146
Guarantee of Customer Service	146
Human Resources	131
Industrial Relations Policies and Practices	132
Land Disposal	147
Legislation and Legal Change	147
Letter of Submission	1
List of Major Assets	148
Major Assets Acquired During 2003/04	148
Management and Activities	22,60,70,72
Management and Structure	5,21
Overseas Travel	149
Occupational Health and Safety (OH&S)	150
Payment of Accounts	151
Performance and Number of Executive Officers	134
Personnel Policies and Practices	131
Privacy Management Plan	151
Publications	152
Research and Development	132
Risk Management Overview	130
Schedule of Paid on Time	151
Senior Executive Performance	134
Staff Numbers	131
Summary Review of Operations	4
Trends in the Representation of EEO Groups	133
Trends in the Distribution of EEO Groups	133
Waste Reduction and Purchasing Policy	152
Glossary	153

ISSN: 1443-2234

© 2004, New South Wales Government

Limited numbers of printed copies may be obtained from:

T: 61 2 9236 7773

F: 61 2 9236 7632

Copies of the Annual Report 2003-2004 are available online from www.lands.nsw.gov.au

The Department of Lands

Land and Property
Information Division

LPI Division
Financial Statements

Crown Lands
Division

Soil Services
Division

Office of Rural
Affairs

The Department of Lands
Financial Statements

BOSSI

BOSSI
Financial Statements

Appendices

Glossary

Index

NOTES

NOTES

The Department of Lands

Land and Property Information Division

LPI Division Financial Statements

Crown Lands Division

Soil Services Division

Office of Rural Affairs

The Department of Lands Financial Statements

BOSSI

BOSSI Financial Statements

Appendices

Glossary

Index

NOTES