



Department of Parliamentary Services

annual report 2010-2011

Letter of Transmittal



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Mr President and Madam Speaker

I am pleased to submit to you for tabling in each House the annual report for the Department of Parliamentary Services (DPS), for the year ended 30 June 2011.

While DPS is not legislatively required to table an annual report, I welcome the opportunity to provide information on the performance of DPS, as has been customary in previous years.

The content of the report incorporates the reporting requirements of the Annual Reports (Departments) Act 1985 and the Public Finance and Audit Act 1983, particularly in regard to the Department's operations and financial performance.

This report details major achievements for each functional area of DPS for the 2010-11 financial year, providing information and statistics relating to some of the outputs and planned initiatives for the future.

I commend the report to you and thank you for your ongoing support.

Yours sincerely

*Rob Stefanic
Executive Manager*

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Department of Parliamentary Services

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The Presiding Officers' Foreword

We are very pleased to commend to you the fourth Annual Report for the Department of Parliamentary Services (DPS), for the year ending 30 June 2011.

Throughout the year, the level of service provided to the Houses and to the Parliament has been of a consistently high standard. This was during an extremely busy year, involving a State Election and the subsequent induction of Members of the 55th Parliament of New South Wales.

We would like to take this opportunity to thank all of the teams of DPS for their hard work, innovation and professionalism in supporting the administration and maintenance of the Parliament and its precinct.

We look forward to another successful year of growth and development as we move forward into 2011-2012.



*The Hon Don Harwin MLC
President of the Legislative Council*



*The Hon Shelley Hancock MP
Speaker of the Legislative Assembly*



Executive Manager's Review

This financial year marks the third anniversary year of the Department of Parliamentary Services (DPS) which was formed in July 2008. Once again DPS has been well served by the dedication and professionalism of all our staff, and this report outlines the tremendous efforts of the people who have worked tirelessly over the past 12 months to support the Parliament, its processes and the community.

In addition to performing our normal operational responsibilities, the DPS team continued to implement many innovative projects designed to improve the working environment and to enhance services to members and all parliamentary departments. In particular, there was a focus on upgrading technology and infrastructure to ensure the reliability of services and to help meet our client expectations.

The early focus of 2010-11 for DPS was to assist the 54th Parliament to complete its business prior to the March 2011 NSW State Election. The Election presented one of the biggest organisation-wide challenges for DPS this financial year. This was also the first election that DPS has existed as a corporate shared service organisation.

As a result of a change of government, DPS worked closely with the Departments of the Legislative Council and the Legislative Assembly, in supporting the logistics associated with the significant changeover of members and staff and the subsequent induction of new members and their staff. A decision by the new Government to commence sittings soon after the election results were declared placed a particular urgency around the completion of all logistical tasks to support the resumption of the Parliament.

I, along with the directors and general managers of DPS, am committed to improving communication and teamwork across the Department, and the development of an environment that encourages innovative thinking. We are also committed to working collaboratively with our colleagues in the Departments of the Legislative Council and the Legislative Assembly to meet the Parliament's service needs.

Looking to the year ahead, our people will continue to be busily involved in various projects to continue improvements to the parliamentary environment while achieving efficiencies where possible to meet budgetary constraints. I am confident in our ability to continue to support the successful operation of Australia's first Parliament.

I wish to thank the former President of the Legislative Council, the Hon Amanda Fazio MLC and the former Speaker of the Legislative Assembly, the Hon Richard Torbay MP, for their support of DPS from the beginning of the financial year until April 2011. On behalf of all DPS staff, I also thank Mr Kim Smith who acted as Executive Manager from September 2010 through to July 2011.

I am grateful to all our staff on their accomplishments and I look forward to working with the DPS team to deliver even better services and meet the challenges that lie ahead.

Rob Stefanic
Executive Manager







The Department of Parliamentary Services

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Who we are and what we do

The Department of Parliamentary Services (DPS) is the principal corporate support department of the New South Wales Parliament. DPS provides the physical infrastructure and technology based services to the Parliament, as well as core administrative support, information and advice to members, staff and parliamentary departments.

Working closely with the Departments of the Legislative Council and Legislative Assembly, DPS provides the following services to members, their staff and staff of the Parliament:

- Maintenance and development of the parliamentary buildings and grounds, security, printing, procurement and asset management
- Provision of information based services, including information technology infrastructure, Hansard, library, records, research and media monitoring
- Provision of support and advice on matters of finance, members' entitlements and risk management
- Provision of human resources, industrial relations, payroll, training, and OH&S
- Provision of catered venues, function and dining services, corporate communications and events management
- Management and implementation of education and community outreach programs.

Providing these and other services requires a team of professional, competent and specialised individuals, working together to support the parliamentary institution. The DPS teams include:

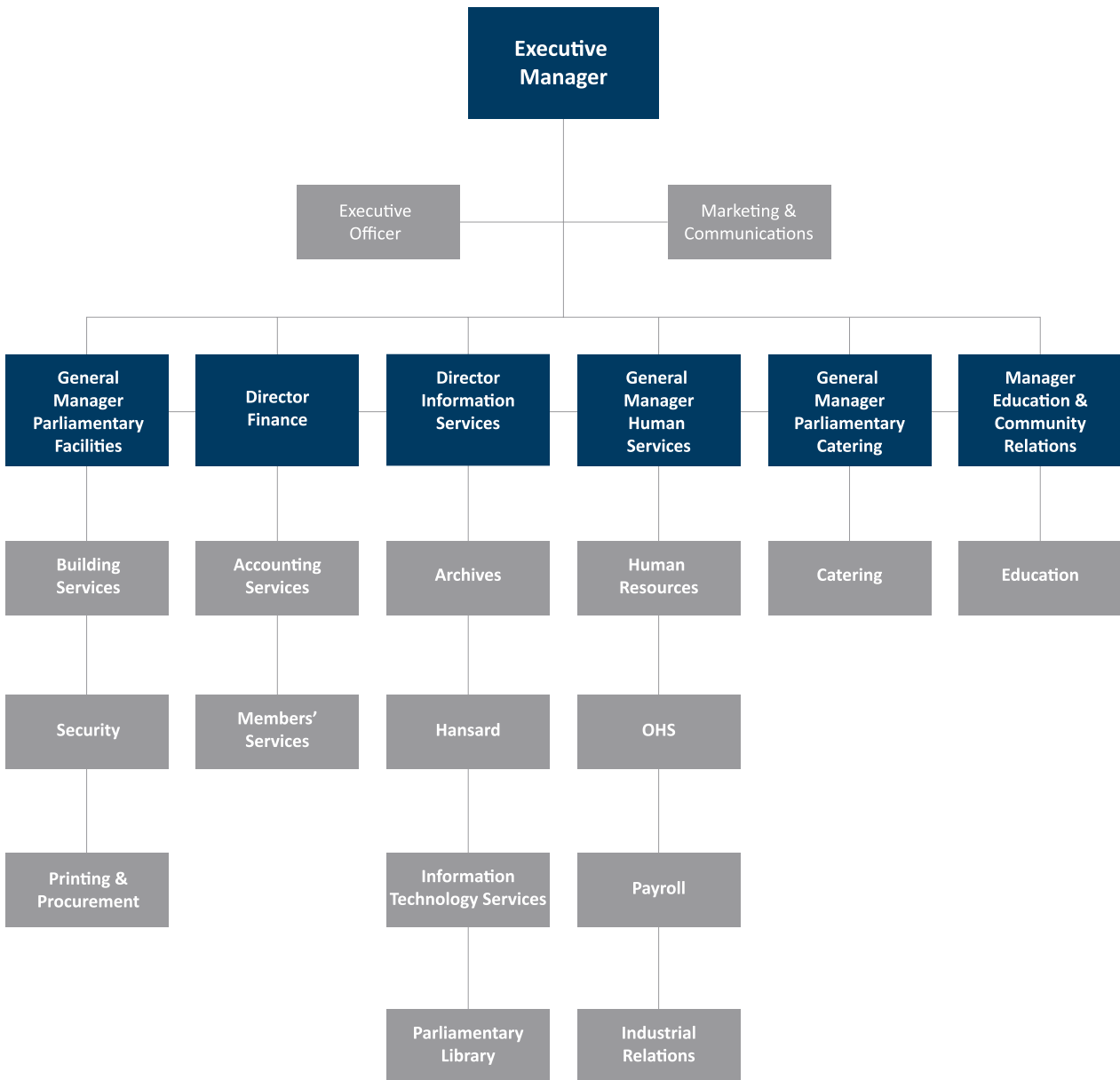
- Office of the Executive Manager
- Parliamentary Catering
- Education & Community Relations
- Parliamentary Facilities – building, security and printing and procurement
- Finance – accounting and members' services
- Human Services – human resources, industrial relations, OH&S, training & development
- Information Services – archives, parliamentary reporting, information technology and library







Organisational Structure



The Leadership Team



From left to right (top level):

Colin Brown, Manager, Training & Development; Christine Schlesinger, OH&S & Injury Management Officer; Dr Gareth Griffith, Manager, Research Services (Parliamentary Library); Jeannie Douglass, Manager, Education & Community Relations; Michael Liew, Asset Manager (Parliamentary Facilities); Brett Wright, Operations Manager (Parliamentary Facilities); Stuart Lowe, Manager, Members' Services; Samantha Brown, Marketing & Communications Officer; Denise Driscoll, Executive Officer (Office of the Executive Manager); Andrew Kiejda, Manager, Industrial Relations; Kerry Gillfeather, Acting Manager, Parliamentary Archives; Mark Faulkner, Acting Editor of Debates; Carlos Andrade, Operations Manager (Parliamentary Catering); Jan Mullin, Financial Controller.

Clockwise from bottom left (stairs):

Simon Chalmers, Manager, Business Systems; Craig Wheeler, Acting General Manager, Human Services; Kim Smith, Director, Finance; Neil Dammerel, Manager, Network & Support; Robert Stefanic, Executive Manager, DPS (former Director, Information Services); Robert Nielsen, General Manager, Parliamentary Facilities.

Absent:

Philip Freeman, General Manager, Parliamentary Catering; Scott Clark, Head Chef; Dean Fechner, Security Manager; Deborah Brown, Manager, Reference & Information Services.



Parliamentary Facilities

The buildings and grounds of the New South Wales Parliament present some very unique challenges, comprising as they do of both the original heritage facade (dating back to 1816) and the newer office blocks added during the restoration project in the late 1970s and early 1980s.

Managing the maintenance and development of the grounds falls to the Parliamentary Facilities team, responsible for general building works, building development and ongoing restoration projects. In addition, they provide a range of core service to members and the parliamentary departments including general building maintenance and cleaning services; engineering services; car park facilities; recreational facilities; offices and accommodation; security; grounds and gardens; printing and procurement; asset management (including fine art and antiques); restoration projects and the implementation of sustainable practices and technologies.

KEY ACHIEVEMENTS:

- The Parliament's central air conditioning plant services Parliament House and also supplies chilled water to the neighbouring buildings of the Sydney Hospital and State Library. In 2010-2011, Facilities commenced a project to replace and upgrade the Parliament's existing cooling towers, which were at the end of their serviceable life. The new towers will help the Parliament to continue providing reliable air conditioning services, while improving overall sustainable energy use consistent with the Parliament's Sustainability Program
- With the establishment of the Parliamentary Budget Office, the Facilities team successfully planned and project managed the construction of new office accommodation within a short time frame

- During the 2009-10 financial year, Facilities commenced a long-term project to strengthen the perimeter security of the precinct and this project continued into 2010-11 with the installation of new bollards to the Hospital Road side entrance to the building
- Completion of the Macquarie Room – the Parliament's first purpose-built committee hearing facility. Following a long planning process, this significant project involved the conversion of the former Staff Dining Room into a contemporary hearing facility with technology designed to help the Parliament to better engage with the public through its Committees
- Working with the House Departments, Facilities also installed a new high definition broadcast camera system in the Macquarie Room and in the Jubilee Room (a heritage venue which also hosts committee hearings)
- A project to install new emergency lighting and exit signs around the building was commenced to help improve safety and security of members and staff in the event of an emergency evacuation. In line with the Parliament's Sustainability Program, the new lights are more energy efficient, with low energy use and a longer life. Installation is scheduled to be completed in August 2011
- Facilities commenced implementation of a new online client request system, in order to better service the needs of members and staff requiring essential services such as cleaning and general building services
- Facilities commissioned the implementation of a new online asset management system, with a view to developing and maintaining an improved electronic record of Parliament's assets (ranging from office equipment to fine art and antiques).



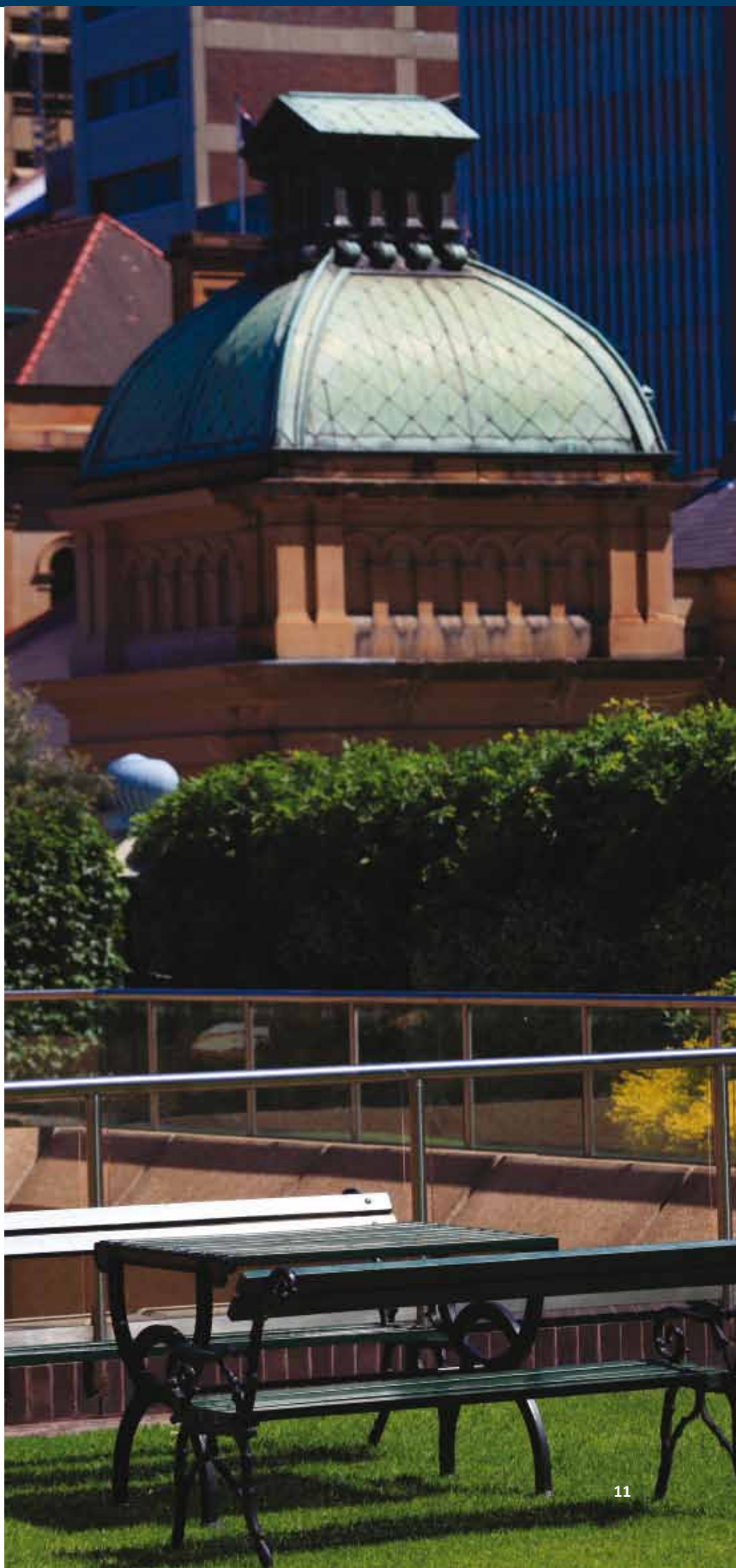
THE NEXT 12 MONTHS

The next 12 months will be focussed on completing some of the above projects. In addition, there are plans to commence several more, including:

- Restoration of the ‘Surgeon’s Quarters’ or ‘Old Council Room’, which was the original Legislative Council chamber at Parliament House. This room is adjacent to the current Legislative Assembly chamber and serves as a Legislative Assembly Members’ Library and meeting room. The room dates back to the early days of the parliamentary building and is expected to reveal more about the original Rum Hospital structure
- Additional projects to preserve portions of the historic facade will also be commenced
- Following the upgrade of the emergency exit lighting system, there are plans to install an Emergency Warden Intercommunication System (EWIS) throughout the building, further improving parliament’s ability to ensure the safety of members and staff during an emergency
- Working closely with the Legislative Council, and Information Technology Services, Facilities will project manage the installation of a new broadcast system within the Legislative Council chamber. As the current system is approaching the end of its serviceable life, the new system will help improve the reliability and quality of public broadcast during sittings of the House
- Important upgrades are planned to the uninterruptable power supply system, which services the information technology network and other essential systems within the Parliament.

Fast Facts:

Following the state election, 127 members rooms were moved; over 300 new security passes were created; 580 new keys were cut; over 500 pieces of artwork were hung; 380 new security alarm codes were issued for Electorate Offices.





A SUSTAINABLE PARLIAMENT

Since late 2008, Parliamentary Facilities has conducted an extensive facilities and engineering program to improve solar, water and energy consumption at the Parliament. Dubbed the 'Parliament House Sustainability Program', the project has seen the installation of several environmentally friendly and sustainable technologies at Parliament House including solar panels, recycled water schemes and energy saving lighting and electricity systems.

To date, the recycled water system has saved in excess of 8 million litres, whilst the 25.6 kilowatt solar array on the roof of Parliament House continues to exceed expectations with a total of 29,573 kilowatts of power generated in 2010-2011. Over the past year, the building's electricity consumption was reduced by 2.36%.

The use of sustainable copy and print paper has also been a major focus of the Program, with 68% of white paper purchased over the year containing recycled content. A large portion of the remaining 32% is used for Hansard archival purposes.

The New South Wales Parliament prides itself on setting an example in sustainable practice for other parliaments and organisations across Australia. For more information on the Sustainability Program, visit www.parliament.nsw.gov.au



Printing Services: Demetrio Miraflor and Carla Chicaro.



Procurement Team (left to right): Terence Walker, Peter King, Andrew Fuller and Malcolm Bowyer.

meet the team

PRINTING AND PROCUREMENT

Printing and procurement services are two core and perhaps one of the most important services provided by the Facilities team. Without access to stationery and printing, the procedural business papers and Hansard could not be printed, there would be no paper for the many photocopiers and printers or distribution of the many parcels each day through the loading dock!

Headed up by Peter King, the procurement team of Malcolm Bowyer, Terry Walker and Andrew Fuller is charged with managing the Parliament's loading dock, issuing stores supplies and undertaking all purchasing requirements (including copy paper, stationery, chairs, uniforms and cleaning materials). Starting at 6.30am, the team also operates an in-house stationery store for the convenience of members and staff, with over 300 items readily available.

Carla Chicharo and Demetrio Miraflor are the dynamic duo behind the Parliament's in-house printing service, providing desktop publishing, scanning, high-speed high volume digital black/white and colour printing, folding, binding, laminating, CD burning and photocopying services to members and staff.

Some of their biggest clients are Hansard (for the printing of House papers and Hansard documents) as well as parliamentary committees. In addition, Carla and Deme have proved an invaluable resource to members of Parliament, particularly with regards to the printing of important communications such as newsletters to constituents.



Human Services

The Human Services (HS) unit brings together a team of specialists committed to the management of the Parliament's human resources, industrial relations, recruitment, training and development and OHS management systems. Together, they provide services essential to the effective functioning of the Parliament and the wellbeing of its members and staff.

In brief, core roles and responsibilities of the Human Services unit include:

- Provision of timely and accurate advice on human resources and industrial relations
- Maintenance of accurate personnel records including processing employee entitlements for appointments, leave, allowances, study assistance and salary increments
- Coordinating the recruitment processes including creation and evaluation of position descriptions, advertising, pre-employment checks and screening
- Research, development and review of corporate policies, including human resources and OHS policies and procedures
- Management of negotiations for new Awards, variations and reviews
- Management of payroll processes
- Services related to investigations and resolutions of grievances and facilitation of mediation with both internal and independent mediators
- Development and coordination of a performance development program
- Development, implementation and review and OHS strategic plans and policies to ensure compliance with relevant legislation and regulation
- Support and advice to the Parliament House OHS committee
- Development and delivery of induction and training for members and staff.

KEY ACHIEVEMENTS

Much of the focus of the HS unit has been on the pre-election and post-election activity. Working with other parliamentary departments the team prepared separation from service packages for approximately 100 departing staff members; coordinated and managed the appointment of members of the 55th Parliament and their staff; and provided training and induction programs for new members and staff.

In addition to their election-related duties, the HS team also coordinated, managed and assisted with the implementation of a number of new projects and policies. These included:

- Expanding and delivering a comprehensive training and induction program for Legislative Assembly and Legislative Council members' staff, as well as for other parliamentary staff. The program consisted of a number of sessions including induction training and an introduction to the Parliament, a 'vital information' course and a session focused on 'thriving in the workplace'
- Introducing a comprehensive e-learning program to support training and education and access to corporate information, particularly for Electorate Offices. The project aims to deliver online learning to all staff and members of Parliament
- Implementation of new industrial awards for Electorate Officers and most staff within Parliament House, in the Industrial Relations Commission
- Provision of significant recruitment assistance, advice and support to the Legislative Assembly, during their departmental restructure. This included consultation and negotiations with the relevant union bodies in relation to restructure and recruitment actions. Over the reporting period, HS provided the support services for the recruitment, training and development of re-employed and newly engaged Legislative Assembly staff
- Involvement in the testing and implementation of upgrades to the SAP payroll system and the HP TRIM electronic document and record management system
- Implementation of a project to standardise, review and update parliament-wide corporate policies, including the creation of a standard policy structure.

THE NEXT 12 MONTHS

The next financial year will bring many challenges for the HS unit as they continue to seek out new ways through which to improve and enhance service delivery.

In addition, the unit will be delivering on a range of major projects and initiatives, including:

- Finalising a new team structure, with the aim of providing a comprehensive range of services, advice and assistance
- Finalising the e-learning program to help support education and access to corporate information
- Creation and implementation of a performance and professional development plan for DPS
- Implementation of SAP human resources system upgrades
- Completing the standardization, review and update of parliament-wide corporate policies
- Providing assistance, advice and support for restructures and recruitment actions in DPS
- Development of new staff exit policy and procedures.



meet the team

ANDREW KIEJDA, Manager, Industrial Relations

The responsibility for managing the Parliament's industrial relations falls squarely on the capable shoulders of Mr Andrew Kiejda. As the resident authority on the industrial instruments which govern the employment of staff of the NSW Parliament, Andrew provides advice to members and managers on a range of issues including industrial laws and employment issues such as staff entitlements, discipline and performance.

In recent months, Andrew has worked closely with the Legislative Council and Legislative Assembly in creating and advising on the many employment policies that apply to staff across the Parliament. He has also taken an active role in educating staff about their workplace rights and responsibilities.

According to Andrew, the most challenging aspect of the role is ensuring a balance of fairness, flexibility and efficiency of staff employment arrangements, particularly in an environment that can often be strenuous for staff.

But the rewards are there, most readily in the form of helping staff to understand their rights and responsibilities, and in finding solutions to the many types of staffing issues that emerge. Andrew is also impressed by the unique working environment of the Parliament:

"Parliament is the most unique workplace that I have encountered in my career both in the private and other parts of the public sector," he says. "The dedication of the staff at all levels both to their work, the physical building environment – particularly its history and the institution of the Parliament itself is something seldom found in other workplaces."



OCCUPATIONAL HEALTH & SAFETY

During the 2010-2011 financial year, as part of a strategic Occupational Health and Safety (OHS) framework, the NSW Parliament revised and implemented a new OHS Policy, developed and implemented an OHS Policy Statement, OHS Consultation Statement, and OHS Responsibility Accountability and Authority Statement. These documents and a number of others support and are integrated into a new online OHS Management System which was developed and made available via Intranet through the reporting year. The OHS Management System (OHMS) currently in its infant stage, is being developed consultatively in accordance with AS/NZS 4801 with Risk Management the key focus for the 2011-2012 financial year. Printing Services became the first team to participate in a comprehensive risk management initiative involving a formal risk assessment of their area which resulted in the creation of safe work method statements for their higher risk equipment and an area risk register developed, all of which are available in the online OHSMS. As the Parliament strives to meet its OHS legislative obligations, all associated programs, policy and procedure will be further developed and populated within this dedicated area of the Intranet.

As a result of the State Election and change in Government on 26 March 2011, a significant number of new employees were recruited requiring ongoing delivery of an intense two day induction program with OHS training a key element of the program. Also introduced during this phase was a dedicated OHS information page for Parliament House employees entitled infOHS, developed to ensure new employees are aware of their OHS responsibilities, have information regarding hazard and incident reporting, what to do in the event of an emergency, and where they can access documentation such as the How to Set-up Your Workstation Guideline. This information page is to be distributed in new employment packs and is also available online.

To assist internal delivery of training programs, an online learning management system was procured and entered its testing and implementation phase near the end of the reporting year. Two essential training modules were created for the pilot project including a 30 minute Introduction to OHS in Electorate Offices, and Security in Electorate Offices, which is expected to be available in the coming financial year. In collaboration with an external service provider, a comprehensive online Contractor Induction Training module was developed for Parliament House to support legislative requirements regarding Contractor Management. The online training module is accessed externally via the Internet and provides increased flexibility for contractors who can undertake the training prior to attending or commencing work on-site.

The reporting year saw a reshuffle of the Treasury Managed Fund Workers Compensation Insurance portfolios which reallocated Parliament to a new portfolio and Insurer. In line with these changes a new wage reimbursement application was developed and implemented within the online incident database, which communicates information direct to the Insurer and streamlines the previous manual processing of wage information.

The Occupational Health & Safety Committee met 4 times during the reporting period.

The Department of Parliamentary Services incurred three workers compensation claims during the reporting year, with a total of \$1,104 paid on the claims during the 2010-2011 financial year.

THE PARLIAMENTARY SERVICE AWARDS

Each year, the Parliamentary Service Awards are issued to a select group of staff from across the parliamentary departments in recognition of their longevity of service to the Parliament and to the people of New South Wales.

In 2010-2011 30 DPS staff members reached significant career milestones varying from 10, 15, 20, 25 and 30 years of service. We thank them for their loyalty and years of service.

They are:

| | | | |
|---------------------------|----------|----------------------|----------|
| Mr Terence Walker | 10 years | Mrs Gina Pye | 15 years |
| Mrs Poppy Katsiris | 10 years | Ms Judy Bartlett | 15 years |
| Mrs Angeliki Stathopoulos | 10 years | Mr Gary Chan | 15 years |
| Mr Grant Sheen | 10 years | Mr Timothy Prewer | 15 years |
| Ms Leona Hobbs | 10 years | Ms Elaine Newland | 15 years |
| Mr Craig Wheeler | 10 years | Mrs Marta Lescano | 20 years |
| Ms Judith Somogyi | 10 years | Ms Sara Parris | 20 years |
| Ms Selma Wong | 15 years | Mr Paul Brock | 20 years |
| Ms Irma Carrion | 15 years | Ms Lucia Gonano | 20 years |
| Ms Helen Mantas | 15 years | Mr Angelo Montesano | 20 years |
| Mrs Gloria Henriquez | 15 years | Mr Ross Fulwood | 20 years |
| | | Ms Kerry Clay | 20 years |
| | | Ms Carol Pope | 20 years |
| | | Mr John Stanger | 20 years |
| | | Mrs Irene Melas | 25 years |
| | | Ms Pauline Papadatos | 25 years |
| | | Mr Clarke Wheeler | 30 years |
| | | Mr Jose De Sousa | 30 years |



Leona Hobbs with the former Presiding Officers (the Hon. Richard Torbay MP, Speaker of the Legislative Assembly and the Hon. Amanda Fazio, President of the Legislative Council).



Angelo Montesano with the former Presiding Officers (the Hon. Richard Torbay MP, Speaker of the Legislative Assembly and the Hon. Amanda Fazio, President of the Legislative Council).



CASE STUDY:

BEHIND THE SCENES OF THE STATE ELECTION

The NSW State Election was by far and away the biggest event on the parliamentary agenda for 2011. Resulting in over 50 new members of Parliament, it was a period of intense administrative, building and technological challenges for DPS, as the teams worked together to help support a seamless transition into the 55th Parliament of New South Wales.

There were many tasks associated with supporting the Election, both in the lead up to and following the declaration of the polls. Just some of these included:

- Support and advice to those members not-returned or not-contesting, and those newly elected or re-elected
- Recruitment and training for new members and their staff
- Entry of new members and staff into human resources and information technology systems
- Timely issue of equipment and mobile communication devices
- Managing the allocation of new office and accommodation spaces for members, including electorate offices (in concert with the Department of the Legislative Assembly)
- Implementing security arrangements including the issue of new electorate office codes and hundreds of photographic security passes
- Event management including participation in the Opening of the Parliament and the new members induction program
- Research and information support to members.

The teams of DPS successfully met the requirements of the Parliament during this busiest and most challenging of times, which is an enormous credit to all staff for their exceptional efforts and teamwork.

The following section details some of the crucial tasks performed by DPS. These achievements are made more remarkable by the fact that this was the first election transition process experienced by the Department since its inception in 2008.

The lead-up...

Supporting the pre-election process was a particular focus of the Human Services, Members' Services and Finance teams, engaged as they were with assisting members and the House departments with recruitment, entitlements and financial advice (particularly for those members not contesting the election).

It was also a busy period for teams making preparations for the commencement of a new parliament, with planning taking place well beforehand to prepare for whatever outcome the polls delivered. In particular, a project team from Information Services, coordinated the production of a Transition Guide, which was a new resource for members and staff facing the 2011 Election. The Guide provided advice and timeframes for various activities for members not contesting the Election and members not returned following the Election. The successful production of the Guide was due to a strong collaborative process between DPS and the House departments.

Teams such as the Library released new online resources for members prior to the Election, including 'Election 2011', which packaged a range of websites, radio, TV, news, opinion polls and other relevant information into a one-stop-shop portal for election information. The Electorates Gateway page similarly packaged statistics, media sources, research papers and general information into 93 sub-sites, one for each electorate in New South Wales.

The declaration of the polls...

The declaration of the polls saw over 50 new members entering the Parliament, and many more either not returned, or not contesting the Election. This of course resulted in an exceptional number of staff movements both into and out of the Parliament's administrative system – a process which placed a heavy demand on teams such as Human Services and Members' Services.

Over the course of the pre-election and post-election periods, Human Services processed over 100 staff separation packages and provided recruitment services for the equivalent number of new staff starting after March. In addition, the team coordinated the entry of all new members and their staff into the human resources system.

Members' Services staff were also on hand to provide critical advice to members not contesting and not returned, as well as those newly elected and those re-elected. A Members' Entitlements Handbook was produced to help newly elected and re-elected members to navigate entitlements and compliance with requirements set out in the Determination of the Parliamentary Remuneration Tribunal.

Inducting members of the 55th Parliament...

On Monday 11 and Tuesday 12 April 2011, the three parliamentary departments collaborated to deliver a comprehensive induction program to the new members of Parliament, many of whom were unfamiliar with the parliamentary environment. The purpose of the induction program was to provide an overall introduction to the Parliament and to equip members with the information and knowledge needed to function effectively in their roles.

Staff from DPS delivered presentations on a range of topics including:

- Entitlements and allowances
- Salary, taxation and superannuation
- Recruitment and employment of support staff (including conditions, relevant legislation and policies)
- Occupational health and safety
- Personal security for members
- Effective and appropriate use of information technology.

As the principal service department, DPS also provided members with an overview of the key functions, roles and services performed by us. Managers and representatives from each unit participated in a half-day session introducing members to the various teams within DPS and the key services performed in supporting members and staff in their duties. A comprehensive 'Quick Reference Guide to Services for New Members' was produced, as was a folder containing key information and contact details for the Department.

In collaboration with the House departments, the Human Services team facilitated the delivery of a series of training courses for members and their staff, following the general induction program. Sessions included Parliamentary Procedure & Committees; Members' Entitlements; Security;

the Parliamentary Library; Electorate Office Services; Ethics & Code of Conduct; Occupational Health & Safety; Education & Community Relations; Employment Conditions. The Information Technology Services team delivered half-day computer training programs to familiarise members and staff with the Parliament's standard suite of desktop software. With the support of the House departments, these programs will continue into the next financial year.

New education resources were produced by the Education and Community Relations Unit and the Parliamentary Library Research Service. The Education team produced a 'Playing your part, 55th Parliament' DVD and the Research Service published a briefing paper on 'Key Issues and Regional Profiles for the 55th Parliament'.

Accommodating the new Parliament...

More than 100 offices within Parliament House required accommodation changes before and after the Election. The task of managing the relocation of members' offices, accommodation and equipment fell to the Parliamentary Facilities team. This significant logistical task required the reallocation of office furniture (including artworks), the changing of locks, issuing of keys and printing of new nameplates. The work had to be performed on a timely basis with minimal disruption to remaining occupants and neighbouring offices.

Over a period of eight weeks, the team shifted hundreds of couches, desks, chairs, computers and filing cabinets; hung and re-hung over 500 pieces of art; cut and issued over 500 new office keys; issued over 300 new security passes and coordinated the allocation of car spaces for members and ministers.





Meeting the Information Technology needs of the Parliament...

Before the Election and immediately after, the ITS team were required to ensure all computers in the offices of members not contesting and not returned were cleared of data and ready for use by incoming members and staff. These activities occurred within Parliament House and at electorate offices located all around NSW and was completed within strict timeframes to ensure the technology was ready and available for new users. The ITS team were also responsible for the rollout of new computers, network infrastructure, mobile communication devices and connections to electronic mail, internet and intranet servers. This included an extensive project to audit and recommission hundreds of pieces of equipment.

During the post-election period, ITS staff facilitated the successful transfer of over 700 new members and their staff into and out of their parliamentary and electorate offices. New members of staff were equipped with the technologies and data services that will be required for each to successfully perform their parliamentary duties.

During this time ITS also completed a project commenced earlier in the year, to upgrade all electorate office computers, software and network infrastructure which also involved recalling old computer consoles and peripherals.

Catering to the new Parliament...

In addition to regular catering services provided to members and staff, Parliamentary Catering played a role in hosting several functions in the pre-election and post election periods including during the induction program for new members. Continued changes are also planned, to help improve menus and services on offer to the 55th Parliament.







Information Services

The Information Services team delivers information-related support to the Parliament through its various branches including Archives, Hansard, Information Technology Services and the Parliamentary Library. Together these branches help to meet the technological and information, research and records needs of the Parliament, supporting the members of Parliament in the performance of their legislative and representative duties, as well as the corporate functions of all parliamentary departments.

The Parliamentary Library

The NSW Parliamentary Library is the oldest library of its kind in Australia, celebrating its 150th anniversary in 2010-2011. It maintains an extensive collection of printed materials, historic resources, information networks and online databases to support the information needs of the Parliament and its members.

The three main operational areas of the Library include Research Service, Reference and Information and Information Resources. Together they provide the resources of professional librarians, research officers and technical support staff to provide information which is accurate, timely, objective and confidential. The Library also supplies media monitoring and online database services.

KEY ACHIEVEMENTS:

- Migration of the Library Management System to an externally hosted, open source system, called Koha. This has resulted in increased functionality for users (e.g. RSS feeds) and significant annual cost savings in licensing and support to the Parliament
- Launch of the 'New in the Library' newsletter – a monthly internal communication to members and staff
- Development of a partnership with UNSW's College of Fine Arts to re-design the library display area (commemorating the 150th anniversary of the Library)
- Publication of briefing book 'Key Issues and Regional Profiles for the 55th Parliament', which summarises policy developments across 29 major issues in State politics, presenting a statistical profile of each of the 12 NSW regions
- Publication of major statistical papers on health; education and community issues; crime and justice; the environment and population, housing and transport

- Publication of E-Briefs on topical issues as varied as the regulation of coal seam gas, infrastructure administration and the constitutional recognition of Aboriginal people.

THE NEXT 12 MONTHS:

- Review the Parliamentary Library's Collection Development Policy
- Increase the number of electronic journals that are available on the Library catalogue to members and staff of the Parliament harvesting content in subscription databases
- Investigate digitising the Library's collection of hard-copy news articles dating from 1975 to 1997
- Review the Library's intranet architecture to increase its usability
- Develop a new statistics framework for reporting on Library activities
- Publication of Antony Green's detailed analysis of the 2011 NSW State Election
- Publication of 'key issues' papers on portfolio areas, including health and energy
- Explore the idea of a seminar series on 'Parliament, Politics and Public Administration' sponsored by the Library
- Monitor 'hits' the Research Service papers attract on the Parliament's public website, as an indicator of our role as an interface between the Parliament and the community.

Fast Facts:

- *In 2010-2011, 63,093 newspaper articles were added to the news articles database from over 240 NSW and Australian newspaper titles*
- *605 hours of radio and television clips were retrieved and delivered to members*



DR DANIEL MONTOYA, Research Officer

Dr Daniel Montoya joined the Research Service team as one of two environment/planning officers in January 2010, shortly after completing his PhD through the University of Sydney. As well as publishing major papers on forestry, transport and water management, Dan is a rich source of expertise, new ideas and innovative practices across many areas of the Library's network.

Asked what has been the most rewarding and challenging aspects of the role to date, Daniel is quick to highlight his involvement in the project to develop and produce the 'Key Issues and Regional Profiles for the 55th Parliament' paper, which offers an easy point of access into the major policy areas of State politics.

Recently he was invited by the University of Technology, Sydney to participate in an expert panel discussing *Investigative Research in the Digital Environment*.



Hansard

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

KEY ACHIEVEMENTS:

Service Targets:

- Full text daily proofs were uploaded to the Parliament's website within three hours of the last House rising. Performance achieved: 98 per cent
- Articles of daily proofs were prepared, indexed by speech titles and member names and uploaded to the Parliament's website by 10.30 am the next day. Performance achieved: 98 per cent
- Targets for the publication of weekly pamphlets were amended in 2010-2011 due to the new sitting pattern introduced following the Election in March 2011. The proceedings of the first week of the two-week sitting block are published within seven working days of the final sitting day of that week. The publication of the second week's proceedings is published within four working days of the last day of that sitting week
- The bound volumes for 2009 were coordinated and published in August 2010. The bound volumes for 2010 were coordinated and published in February 2011
- Transcripts of committee hearings conducted within Parliament House were prepared and forwarded to the committee secretariat for publication on the Parliament's website within three hours of the adjournment of the final committee hearing each day. Performance achieved: 100 per cent
- Transcripts of regional committee hearings were transcribed and forwarded to the committee secretariat within two working days of each hearing. Performance achieved: 98 per cent.

Additional achievements:

- All Hansard reference guides and procedural publications were updated and republished during the period of prorogation prior to the commencement of the new Parliament in May 2011
- Parliamentary Debates for the period March 1976 back to December 1973 were scanned, converted to searchable PDF format and posted online in December 2010
- A detailed alphabetical index of every event, every matter raised and every speech made as recorded in Hansard, referenced by page numbers, was prepared for inclusion in the bound volumes
- Access by committee managers to a schedule of Hansard availabilities for reporting on parliamentary committees has proved a valuable exercise with very few committees covered by private contractors during this financial year
- New Hansard audio encoders and audio feed connections were installed throughout the Parliament's new committee rooms
- CAT (Computer Assisted Transcription) hardware and software was purchased to meet the expected appointment of up to four reporters with CAT skills in the next financial year
- A joint project between Hansard and ITS saw marked improvements to the way in which Hansard is displayed on the Parliament's intranet and Internet websites.

Fast Facts:

In 2010-2011 Hansard reported approximately 1,060 hours of parliamentary and committee proceedings, producing almost 10,000 pages of transcript. This was despite the period of prorogation prior to the commencement of the new Parliament in May 2011.

THE NEXT 12 MONTHS

A number of challenges face parliamentary reporting services in New South Wales, among them:

- Workforce management, which in the case of New South Wales relates to an ageing workforce and skills shortages
- Increasing costs of Hansard production with a decreasing budget position
- Ageing technology infrastructure.

Consequently a number of decisions will have to be made about the future reporting methodology, which may have an impact on staffing arrangements and appropriate Hansard production system technology. The Hansard management team has continued to research appropriate alternative methodologies and technologies including XML-based Hansard production and web publishing systems.

Looking forward, the team will focus on:

- Implementing a training and development program for prospective Hansard reporters. The aim of the training will be to introduce high-speed machine shorthand writers to Hansard practice and requirements, to provide Hansard with highly skilled reporting personnel and to provide for a smooth transition from trainee to reporter when Hansard vacancies become available
- Upgrading current VisionBytes media player software and hardware
- Evaluation of version 11 of Dragon NaturallySpeaking (a voice recognition program), after which a decision will be made to purchase the upgrade and any recommended hardware
- In collaboration with ITS, a business case will be developed for the replacement of the ageing Hansard production system which is nearing the end of its serviceable life.





Information Technology Services

The Information Technology Services (ITS) team plays a critical role in providing the technological infrastructure of the Parliament and the 95 Electorate Offices across New South Wales. It is their task to develop, promote and maintain computer networks, Internet, Intranet and email services, Chamber broadcast systems and mobile communication services that are rendered to parliamentary members and staff.

KEY ACHIEVEMENTS:

The past 12 months has seen the implementation of several new technologies designed to help improve efficiencies, data storage and electronic communications across the Parliament and Electorate Offices. In brief, these have included:

- Working with the Legislative Council and Legislative Assembly on a project to re-design and update the Parliament's public website – www.parliament.nsw.gov.au. The project created a more intuitive and user-friendly user portal through which the Parliament could interact with members of the public
- Upgrade of personal computers, multifunction devices and network communications for Electorate Offices
- Completion of upgrades of data storage systems for Parliament House and Electorate Offices
- Replacement of the Chamber broadcast system in the Legislative Assembly, improving broadcast quality and public access to Question Time and sittings of the Lower House
- Upgrade of the TRIM records management system, enabling electronic document management and automation of business processes
- Ongoing TRIM training programs for all staff of the Parliament
- Implementation of new digital signage systems in public areas of Parliament House (such as the Legislative Assembly front desk), with a view to promoting general awareness of public events and business before the House
- Supporting the Parliament's Sustainability Program through an ongoing server virtualization program, designed to reduce power consumption and the demand for air-conditioning. So far, the Parliament has implemented 18 virtual servers and has decommissioned four physical servers, with more scheduled for the coming financial year
- Renewal of the Government Telecommunications Agreement for mobile devices, for a further two years
- During 2010/11 Information Technology Services replaced the Parliament's Storage Area Network (SAN) with a more energy efficient SAN, which increased available storage by 200%. The new SAN will allow ITS to better support the needs of our clients who are regular users of multimedia technology. The new SAN not only increases the storage capacity for all clients, but significantly improves the deployment rate of data and server services for applications such as SAP, TRIM and the GroupWise Mobility Service for smart phones.
- In the 2011/12 financial year, an additional SAN will be commissioned to augment the Parliament's daily replication of critical data to an off-site data centre. This arrangement will significantly contribute to the next stage of the Parliament's business continuity planning.

Fast Facts:

Between June 2010 and July 2011 the ITS Helpdesk received 11,217 calls, managed by five team members.

THE NEXT 12 MONTHS

Looking ahead, the ITS team will continue to search out and implement new and improved technologies to help benefit the Parliament and its administration. Some of the key projects will include:

- Collaborating with the Facilities team to upgrade the broadcast system in the Legislative Council Chamber
- Collaborating with the Facilities team to construct a new broadcasting control room to service the upgraded Chambers, as well as the newly built Macquarie Room committee facility
- Upgrading of the Member Entitlements System
- Upgrading the Parliament's Intranet, including reviews of the site navigation, design and content, in order to build a more intuitive and user-friendly interface
- Purchase of additional SAN equipment to enhance the Parliament's daily replication of critical data to an off-site data centre. This arrangement will significantly contribute to the next stage of the Parliament's business continuity planning
- Review and development of ITS technical policies.





PLUGGING IN THE PARLIAMENT

Over the past 12 months, technology has taken a leading role in providing solutions to many of the challenges associated with meeting the administrative, information and support needs of the Parliament, as well as the needs of its physical infrastructure and networks.

DPS has been behind many of the recent technological upgrades whether as project managers, key innovators, consultants or service providers. Following is a summary of just some of the main projects launched and/or completed this financial year.

Enhancing public access to the Parliament

Engaging with the public is one of the principal aims of the Parliament, tasked as we are with providing a link between the members and the people of New South Wales.

One such link is provided through public broadcast of parliamentary sittings and committee hearings. In 2010-2011, the quality and reliability of the footage provided was greatly enhanced by the installation of new high definition cameras, recording and broadcast equipment in the Legislative Assembly Chamber, the Macquarie Room and the Jubilee Room. Project managed by DPS in consultation with the House departments, the installation of these new systems has vastly improved the quality of footage provided to the public. Plans are in place to install similar equipment in the Legislative Council chamber in the 2011-2012 financial year.

Perhaps the biggest project undertaken this year was the launch of a re-designed website for the Parliament, providing a more modern, accessible and user-friendly portal for members of the public.

Project managed by the ITS team, the re-design involved months of research, evaluation and consultation with the House departments in order to assess the communication and information needs of the Parliament and of visitors to the website.

The end result, to be launched in July 2011, is a new, dynamic website which offers more intuitive site navigation, over 250,000 pages of newly edited information, RSS feeds, improved site searchability and overall, a more contemporary look and feel in keeping with the Parliament's role in the community. Future plans include video content in order to deliver relevant, up to date and useful information to the public.

Improving administration

The administrative processes of the Parliament are many and varied and DPS has been focussed on providing technological solutions to internal data processing and storage issues, as well as new infrastructure, programs and equipment to members, Electorate Offices and staff of the Parliament.

Over the past twelve months, some of the main projects have included:

- Completion of a project to provide new computer equipment and networks to Electorate Offices in order to provide each office with maximum flexibility in business grade services
- The continued implementation of Parliament's SAP enterprise resource planning and financial system and HP TRIM records management practices and systems.



Harnessing technology for Hansard

Hansard is one of the core services offered to the Parliament, responsible for recording, producing and publishing the impartial and accurate record of the debates and proceedings of the Parliament, its committees and ministerial conferences.

In 2011-2012, the Hansard team will be augmented by the appointment of up to four reporters with Computer Assisted Transcription (CAT) experience – a skill set that will help to further improve the efficiency and reliability of Hansard services. To help facilitate this, new CAT hardware and software, was purchased, installed and tested in preparation for the new team members.

New Hansard audio encoders have also been deployed throughout the chambers and committee rooms.

Providing new resources for members and staff

During the Election, two new online resources were launched by the Parliamentary Library, accessible by members and staff via the Intranet. 'Election 2011' packaged a wide range of websites, radio, TV, news, opinion polls and other relevant information into a one-stop-shop portal for information relating to the Election.

The Electorates Gateway page similarly packaged statistics, media sources, research papers and general information in 93 sub-sites, one for each electorate in New South Wales.

The Human Services team has also been at work developing a new program of e-learning courses, designed to assist with the ongoing training and development of members, members' staff and staff of the House departments. Scheduled for completion in 2012, initial courses will cover topics such as 'Security in Electorate Offices', 'Occupational Health & Safety' and 'Members' Ethics' (developed in concert with the House Departments). These courses will be made available via an online learning portal, accessible via the Intranet.



Parliamentary Catering

Parliamentary Catering provides in-house dining and function facilities for members, their guests, parliamentary staff and, increasingly, corporate bodies and community groups. The team brings together a group of expert administrators and event planners, pairing them with a brigade of chefs, baristas and kitchen and wait staff.

There are six catered venues within the Parliament including the Members' and Strangers' Dining Rooms, Café Quorum, the Waratah Room, Theatrette and the open areas of the Fountain Court and Rooftop Garden.

All produce is sourced from the finest providers across New South Wales and is prepared in Parliament's two large kitchens. Menus span from fine dining, to café options, light meals and bar food.

Feedback from Parliament's client base continues to be overwhelmingly positive, from members, staff and visitors.

KEY ACHIEVEMENTS:

Parliamentary Catering provided both the venue and the catering services for many important functions throughout the year. Some of these functions included:

- The Parliament of New South Wales Aboriginal Art Award Ceremony (2010)
- The Justice Awards
- An evening with the Pacific Opera
- International Women's Day 2011
- Diplomatic functions and embassy events

- Fundraising events for groups such as the National Breast Cancer Foundation, the Cancer Council of Australia and Alzheimer's Australia (including a special event attended by ambassador, Sir Michael Parkinson)
- Events hosted by the Department of Premier and Cabinet
- Events hosted by Members of Parliament
- Reception events for the Members of the 55th Parliament of New South Wales, concluding their inaugural speeches.

In addition to such events, the Catering team has been busy making improvements to the services offered and to the quality of its menus. By the end of the financial year, the team had:

- Purchased new deep fryers for the kitchens, to replace those older models nearing the end of their life cycles. The new fryers have helped to improve the quality and efficiency of meal preparation
- Achieved significant cost savings through the employment direct of agency casuals as parliamentary wait staff
- Completed assessment for a new point of sale system to help improve efficiencies around the organisation of internal member hosted events and functions
- Continued with external marketing activity aimed at positioning the Parliament as a corporate catering and venue service. The particular focus was on engaging with corporate and professional bodies within the Sydney CBD.



The winners of the 2010 Parliament of NSW Aboriginal Art Prize and the Hon. Amanda Fazio MLC, former President of the Legislative Council.



The current Presiding Officers sign a new MoU for the Aboriginal Art Prize in June 2011.



Fast Facts:

- *In 2010-2011, over 105,000 guests were booked into the Parliament's function rooms and dining rooms*
- *Around 840,000 beans were topped and tailed by stewards before being plated*

THE NEXT 12 MONTHS:

The focus for the Catering team over the next 12 months will be on continuing to find ways to improve standards of service and menu quality, as well as on maintaining the unique venues within the Parliament. In brief, plans include:

- The development of new and innovative menus by the Parliament's chefs
- Improvements to meal services offered by Café Quorum and the Staff Bar
- Increasing the variety of meals on offer through the Members' Room Service
- Ongoing maintenance, improvement and renewal of the catered venues (both modern and heritage)
- Exploring new avenues for marketing and promotion to corporate bodies, with plans to develop a comprehensive marketing and public relations strategy. As part of this, the Parliament will participate for the second time in the RSVP trade show – an industry event designed to showcase catering services and venues to an audience of corporate bodies and event planners.



Education and Community Relations

The Education and Community Relations unit devises and implements education programs and resources on behalf of the Parliament, to help increase knowledge and understanding of the role and functions of the Parliament.

In addition to school tours, programs and community talks the team also supports the broader development of civic skills necessary for active citizenship throughout the community. In support of members, the team produces engaging educational materials for distribution to schools and constituents and initiatives such as the popular 'Leadership Programs' provide a unique forum through which members can engage directly with Student Leaders from schools in their electorates.

In 2010-2011, the team welcomed hundreds of visitors for Sydney Open; a Historic Houses Trust biennial event which sees significant cultural and historic sites opened to the public over one weekend. The team also helped the Parliament to host the very first Family Fun Open Day. Due to its success and overwhelmingly positive feedback from the 500 strong crowds this will now become a permanent annual event in October.

KEY ACHIEVEMENTS:

- Hosted the Australasian Parliamentary Educators Conference (October 2010) with participants from the Parliaments of Victoria, South Australia, Western Australia, Tasmania, Northern Territory, ACT, New Zealand and Bougainville
- Joint Education Program and Teacher Preview Event with the State Library and Historic Houses Trust to celebrate the Bicentennial of Governor Lachlan Macquarie
- Collaborated with the Australian Museum, Reserve Bank, State Library, Historic Houses Trust, Royal Botanic Gardens and Hyde Park Memorial to develop a History Trail for secondary students and teachers to help them investigate this historic precinct
- Joint programs with the Department of Education and Training for the Sustainability Forum, Aboriginal Student Debates and the Constitutional Convention.

THE NEXT 12 MONTHS:

- Online Civics and Citizenship resources for students and teachers planned with the Curriculum Learning Innovation Centre
- Establish Joint school programs with the State Library to assist in the facilitation of greater school numbers
- Develop English as a Second Language (ESL) resources for students and their teachers
- Evaluate existing education programs, forums and seminars to ensure curriculum relevance continues and new ideas and approaches are incorporated
- Create a role play program for school visitors, to be available on sitting days when students cannot access Parliament for an interactive learning session.



Fast Facts:

- 71% of all school visitors to Parliament House are from primary schools
- Over 28,000 students, teachers and members of the community participated in education programs and events in 2010-2011



FAMILY FUN DAY

In October 2010, the Parliament opened its doors for the inaugural Family Fun Day – a community engagement event designed to help connect the Parliament with the community in a new and different way.

A joint initiative between DPS and the House departments, the program featured a range of activities designed to appeal to all ages and interest levels. From guided tours of the chambers, gardens and private dining rooms of the Presiding Officers, through to role plays, dress-ups, arts and crafts, live music and show bags full of information about the Parliament, there was a real effort to showcase the organisation in a family-friendly light, and to educate visitors about the Parliament's many roles and processes.

More than 500 people passed through the gates on the day, with most providing positive feedback on the efforts of parliamentary staff – many of whom volunteered their time to help out with the various activities (which included the dubious honour of donning the kangaroo suit and posing for photos!)

The next Family Fun Day is already being planned, with new and exciting ideas on the table for a bigger and better effort in 2011.



Finance and Members' Services

Finance

The Parliament's Finance team provides accounting services to members, parliamentary departments and staff. Specifically, they provide expert advice and information relating to:

- The payment of invoices
- Compliance with statutory reporting requirements
- Tax compliance
- Control and maintenance of the Fixed Asset Register
- Management reporting
- Liaison with central agencies in relation to funding and governance matters

The team also supports the audit programs (both internal and external) with a lead role in the delivery of recommendations arising from the reviews.

Members' Services

The Members' Services unit (MSU) offers advice and guidance to newly elected and existing members seeking to interpret determinations and rulings of the Parliamentary Remuneration Tribunal (PRT) as well as other policies and legislation. They are responsible for ensuring that members and staff are equipped with the tools and knowledge required to perform their duties in accordance with legislative and other provisions.

There are two main branches within the MSU – Entitlements and Advice. The Entitlements team receives and assesses members' claims against additional entitlements and provides members and their staff with advice and guidance in the interpretation of Determinations and Rulings of the PRT or parliamentary guidelines.

The Advice team consolidates reviews and develops policy relating to the use of entitlements and provides recommendations to the Manager on operational matters.

KEY ACHIEVEMENTS

Finance:

- Successful completion of financial statements for the year ending 2010/11 to meet statutory requirements
- Review of the financial statements for 2010/11 by the Audit and Risk Committee, prior to their submission to the NSW Audit Office
- Modification of the financial systems including SAP, PrintShop and Members Entitlements System to accommodate the impact of the 2011 election
- Month end transactional close off achieved within five working days
- A strategic decision to focus on improving the management of assets with the employment of a dedicated Asset Officer in Finance and Local Asset Managers in key areas
- The incorporation in business processes of hard close at 31 May 2011 to prepare for end of year financial requirements.

Members' Services:

- Successful management of the requirements of members either not contesting or not returned, and those be re-elected or elected for the first time, including managing a large increase in requests for the assessment of all publications for these groups
- Publication of the first Department of Parliamentary Services Members Entitlements Handbook in February 2011 – a useful and informative new resources for members and their staff

- Significant emphasis was placed on services provided to newly elected members and newly appointed staff, to educate them and develop familiarity with the entitlements system
- Induction sessions were conducted for newly elected members, including briefing sessions presented to party groups and individual briefings for those members requesting them
- The annual audit conducted by the Audit Office of New South Wales concluded that members substantially complied with the requirements of the PRT Determination for the year ended 30 June 2010
- The internal audit program, introduced in late 2009, continued. During this reporting period the auditors presented their report from their audit conducted in late 2009, conducted a regular audit of 40 additional members and a themed audit of one specific entitlement.

THE NEXT TWELVE MONTHS:

Finance:

- To mentor and educate Finance staff, with a view to developing a multi-disciplinary team
- To schedule the hard close business process at 30 March 2012, to better reflect financial results prior to year-end reporting.

Members' Services:

- Review policies relating to the administration of members' entitlements to ensure they are current, relevant and in accord with the requirements of the Determination of the PRT and the Presiding Officers
- Review and develop a second edition of the DPS Member's Entitlements Handbook, including development of a series of advisory notes on particular subjects
- Continue to communicate with stakeholders in a professional, user-friendly manner and, when requested, provide authoritative advice and guidance regarding the receipt and use of entitlements.



CONNIE RABINO, Acting Accounts Supervisor

For the past 13 years, Connie Rabino's smiling face has been a welcome sight for many visiting the Finance team. Currently acting in the role of Accounts Supervisor, she is responsible for overseeing accounts payable and receivable – a challenging role that puts Connie in near constant contact with members, parliamentary and electorate office staff, external vendors and account holders as well as other government departments.

"I spend most of my working day answering emails and phone calls," she says. "People come to me with various queries and requests relating to accounts and payments throughout the day which I need to juggle with my other duties and responsibilities as a Supervisor – it can get very busy and quite demanding at times!"

Despite the challenges, Connie thinks it is quite an interesting and rewarding job. "I always give my best effort to ensure that deadlines are met, and everyone's issues and queries looked after if not resolved" she says.

Taking it all in her stride, Connie provides the same smiling service that she has come to be known for throughout the organisation. "I have been here a long time – to me the place feels quite secure – almost like I have a second family here..."



Financial Commentary

The Parliament

The budgeted net cost of services of the Parliament for 2010-2011 was \$124.295 million. This budget was later revised with an approved additional funding allocation of \$5.033 million. The actual net cost of services of the Parliament for 2010-2011 was \$126.348 million. This variation between budgeted and actual net cost of services arose from the payment of separation payments and related entitlements to members' staff as a consequence of the March 2011 election, the purchase of notebook computers for members of Parliament and additional costs incurred with the establishment of the Parliamentary Budget Office. These costs were offset by favourable variations arising from higher than budgeted revenues and the receipt of an AusAID grant for the Parliament's Twinning Program.

The end of year result for Parliament was a surplus of \$6.229 million.

Department of Parliamentary Services

The net cost of services for DPS was \$26.246 million and represents 20.7% of the total net cost of services of the Legislature for the 2010-2011 financial year. This reflects an unfavourable variance against budget of 5% caused mainly by an increased demand on support services due to the March 2011 Election. The net cost of services of DPS was higher than the previous year increasing by 3.1%.

| DPS Branch | Employee Costs (%) | Department Expenses (%) |
|-----------------------------|--------------------|-------------------------|
| Executive Manager | 3.65 | 2.73 |
| Organisational Development* | 7.29 | 5.82 |
| Financial Services | 7.58 | 6.32 |
| Information Services | 39.00 | 30.00 |
| Catering | 12.78 | 13.82 |
| Parliamentary Facilities | 29.70 | 41.31 |
| Department | 100.00 | 100.00 |

Employee cost and total cost by Branch as a percentage of total Department cost.

The Department generates revenue from catering activities including the hosting of functions. This revenue supports the operations of the Parliament and encourages community access. Revenue from catering activities was higher than budget by 10.8% and represents a substantial growth in the Legislature's revenue stream.

Employee related expenses accounted for 68% of the total expenses of the Legislature.

The Department project managed works programs in excess of \$10 million which represented 90% of the total capital works of the Legislature.

Outlook

The Parliament's net cost of services budget for 2011-2012 is \$131.536 million. This includes additional funding for separation payments to be made to members' staff arising from the March 2011 Election but paid in the 2011-2012 financial year, funding as a "protected item" for the Parliamentary Budget Office as well as supplementation to provide funds for CPI and pay increases estimated at 2.5%.

The capital allocation for 2011-2012 is \$8.6 million and includes an allocation of \$3.678 million to complete security and safety projects at Parliament House, the replacement and enhancement of the broadcast system for the Legislative Council chamber as well as other information technology development and asset replacements.

| Revenue Source | Contribution to Total Revenue (%) |
|-------------------|-----------------------------------|
| Publications | 0.67 |
| Interest | 0.38 |
| Catering | 72.21 |
| Parking | 6.19 |
| Cost Recovery | 11.73 |
| Miscellaneous | 8.82 |
| Department | 100.00 |

Revenue by source as a percentage of total Department revenue.

* This branch previously comprised functions now within Human Services, Education and Community Relations and the Office of the Executive Manager.

THE LEGISLATURE

Statement of comprehensive income for the year ended 30 June 2011

| | Notes | Actual 2011 \$'000 | Budget 2011 \$'000 | Actual 2010 \$'000 |
|--|-------|--------------------------|--------------------------|--------------------------|
| Expenses excluding losses | | | | |
| Operating expenses | | | | |
| Employee related | 2(a) | 60,468 | 62,074 | 56,258 |
| Other operating expenses | 2(b) | 27,479 | 27,198 | 24,929 |
| Depreciation and amortisation | 2(c) | 5,864 | 6,190 | 5,219 |
| Other expenses - Members' remuneration | 2(d) | 38,700 | 33,723 | 40,294 |
| Total Expenses excluding losses | | 132,511 | 129,185 | 126,700 |
| Revenue | | | | |
| Sale of goods and services | 3(a) | 5,100 | 4,630 | 4,915 |
| Investment revenue | 3(b) | 215 | 125 | 140 |
| Grants and contributions | 3(c) | 291 | - | 17 |
| Other revenue | 3(d) | 626 | 135 | 363 |
| Total Revenue | | 6,232 | 4,890 | 5,435 |
| Gain / (loss) on disposal | 4 | (69) | - | (47) |
| Net Cost of Services | 18 | 126,348 | 124,295 | 121,312 |
| Government Contributions | | | | |
| Recurrent appropriation | 5 | 113,221 | 108,584 | 104,073 |
| Capital appropriation | 5 | 11,492 | 10,603 | 5,522 |
| Acceptance by the Crown Entity of employee benefits and other liabilities | 6 | 7,864 | 9,355 | 10,461 |
| Total Government Contributions | | 132,577 | 128,542 | 120,056 |
| SURPLUS/(DEFICIT) FOR THE YEAR | | 6,229 | 4,247 | (1,256) |
| Other comprehensive income | | | | |
| Net increase / (decrease) in property, plant and equipment asset revaluation reserve | | 252 | - | 5,355 |
| Other comprehensive income for the year | | 252 | - | 5,355 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 6,481 | 4,247 | 4,099 |

The accompanying notes form part of these statements.



THE LEGISLATURE

Statement of financial position as at 30 June 2011

| | Notes | Actual 2011 \$'000 | Budget 2011 \$'000 | Actual 2010 \$'000 |
|--------------------------------------|-------|--------------------------|--------------------------|--------------------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | 8 | 2,192 | 1,310 | 2,457 |
| Receivables | 9 | 1,935 | 1,734 | 1,810 |
| Inventories | 10 | 119 | 95 | 95 |
| Total Current Assets | | 4,246 | 3,139 | 4,362 |
| Non-Current Assets | | | | |
| Property, plant and equipment | 11 | | | |
| - Land and buildings | | 131,033 | 130,997 | 129,361 |
| - Plant and equipment | | 14,303 | 15,309 | 12,085 |
| - Collection assets | | 43,155 | 41,925 | 43,225 |
| Total property, plant and equipment | | 188,491 | 188,231 | 184,671 |
| Intangible assets | 12 | 2,038 | 880 | 27 |
| Total Non-Current Assets | | 190,529 | 189,111 | 184,698 |
| Total Assets | | 194,775 | 192,250 | 189,060 |
| LIABILITIES | | | | |
| Current Liabilities | | | | |
| Payables | 13 | 5,670 | 4,728 | 5,857 |
| Provisions | 14 | 4,879 | 5,527 | 5,455 |
| Total Current Liabilities | | 10,549 | 10,255 | 11,312 |
| Non-Current Liabilities | | | | |
| Provisions | 14 | 47 | 50 | 50 |
| Total Non-Current Liabilities | | 47 | 50 | 50 |
| Total Liabilities | | 10,596 | 10,305 | 11,362 |
| Net Assets | | 184,179 | 181,945 | 177,698 |
| EQUITY | | | | |
| Reserves | | 32,806 | 32,554 | 32,554 |
| Accumulated Funds | | 151,373 | 149,391 | 145,144 |
| Total Equity | | 184,179 | 181,945 | 177,698 |

The accompanying notes form part of these statements.



THE LEGISLATURE

Statement of changes in equity for the year ended 30 June 2011

| | Accumulated Funds | Asset Revaluation Surplus | Total |
|---|----------------------|------------------------------|---------|
| | \$'000 | \$'000 | \$'000 |
| Balance at 1 July 2010 | 145,144 | 32,554 | 177,698 |
| Surplus / (deficit) for the year | 6,229 | - | 6,229 |
| Other comprehensive income | - | - | - |
| Net increase / (decrease) in property, plant and equipment | - | 252 | 252 |
| Total other comprehensive income for the year | - | 252 | 252 |
| Total comprehensive income for the year | 6,229 | 252 | 6,481 |
| Balance at 30 June 2011 | 151,373 | 32,806 | 184,179 |
| Balance at 1 July 2009 | 146,400 | 27,199 | 173,599 |
| Surplus / (deficit) for the year | (1,256) | - | (1,256) |
| Other comprehensive income | - | - | - |
| Net increase / (decrease) in property, plant and equipment | - | 5,355 | 5,355 |
| Total other comprehensive income for the year | - | 5,355 | 5,355 |
| Total comprehensive income for the year | (1,256) | 5,355 | 4,099 |
| Balance at 30 June 2010 | 145,144 | 32,554 | 177,698 |



THE LEGISLATURE

Statement of cash flows for the year ended 30 June 2011

| | Notes | Actual 2011 \$'000 | Budget 2011 \$'000 | Actual 2010 \$'000 |
|--|-------|--------------------------|--------------------------|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Payments | | | | |
| Employee related | | (59,005) | (52,798) | (52,146) |
| Other | | (64,739) | (65,099) | (61,190) |
| Total Payments | | (123,744) | (117,897) | (113,336) |
| Receipts | | | | |
| Sale of goods and services | | 4,831 | 4,716 | 4,824 |
| Interest received | | 190 | 125 | 152 |
| Other | | 5,238 | 3,325 | 3,562 |
| Total Receipts | | 10,259 | 8,166 | 8,538 |
| Cash Flows From Government | | | | |
| Recurrent appropriation | 5 | 113,221 | 108,584 | 104,073 |
| Capital appropriation | 5 | 11,492 | 10,603 | 5,522 |
| Net Cash Flows From Government | | 124,713 | 119,187 | 109,595 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 18 | 11,228 | 9,456 | 4,797 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Purchases of land and buildings, plant and equipment | | (11,493) | (10,603) | (5,658) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | | (11,493) | (10,603) | (5,658) |
| NET INCREASE / (DECREASE) IN CASH | | (265) | (1,147) | (861) |
| Opening cash and cash equivalents | | 2,457 | 2,457 | 3,318 |
| CLOSING CASH AND CASH EQUIVALENTS | 8 | 2,192 | 1,310 | 2,457 |

The accompanying notes form part of these statements.

THE LEGISLATURE

Supplementary Financial Statements

Summary of compliance with financial directives

| | 2011 | | | | 2010 | | | |
|---|------------------------|---|----------------------|---|------------------------|---|----------------------|---|
| | RECURRENT APP'N \$'000 | EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND \$'000 | CAPITAL APP'N \$'000 | EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND \$'000 | RECURRENT APP'N \$'000 | EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND \$'000 | CAPITAL APP'N \$'000 | EXPENDITURE / NET CLAIM ON CONSOLIDATED FUND \$'000 |
| ORIGINAL BUDGET APPROPRIATION / EXPENDITURE | | | | | | | | |
| • Appropriation Act | 108,584 | 108,188 | 10,603 | 10,603 | 104,322 | 3,836 | 3,836 | 3,836 |
| • Additional Appropriations | - | - | - | - | - | - | - | - |
| • 521A PF&AA – special appropriation | - | - | - | - | - | - | - | - |
| • 524 PF&AA – transfers of functions between departments | - | - | - | - | - | - | - | - |
| • 526 PF&AA – Commonwealth specific purpose payments | - | - | - | - | - | - | - | - |
| | 108,584 | 108,188 | 10,603 | 10,603 | 104,322 | 3,836 | 3,836 | 3,836 |
| OTHER APPROPRIATIONS / EXPENDITURE | | | | | | | | |
| • Treasurer's Advance | 8,737 | 5,033 | 2,121 | 889 | 185 | 2,309 | 1,686 | 1,686 |
| • Section 22 – expenditure for certain works and services | - | - | - | - | - | - | - | - |
| • Transfers to/from another agency (s28 - Appropriation Act) | 8,737 | 5,033 | 2,121 | 889 | 185 | 2,309 | 1,686 | 1,686 |
| | 117,321 | 113,221 | 12,724 | 11,492 | 104,507 | 6,145 | 5,522 | 5,522 |
| Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments) | | | | | | | | |
| Amount drawn down against Appropriation | | 113,221 | | | | 104,073 | | |
| Liability to Consolidated Fund* | | - | | - | | - | | - |

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



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Supplementary Financial Statements

Service group statements for the year ended 30 June 2011

| | Chamber and Committee Support * | | Members' Support * | | Community Access * | | Not Attributable | | Total | |
|--|---------------------------------|-----------------|--------------------|-----------------|--------------------|----------------|------------------|----------------|----------------|----------------|
| | 2011 \$'000 | 2010 \$'000 | 2011 \$'000 | 2010 \$'000 | 2011 \$'000 | 2010 \$'000 | 2011 \$'000 | 2010 \$'000 | 2011 \$'000 | 2010 \$'000 |
| THE LEGISLATURE'S EXPENSES & REVENUES | | | | | | | | | | |
| Expenses excluding losses | | | | | | | | | | |
| Operating expenses | | | | | | | | | | |
| - Employee related | 7,982 | 7,426 | 49,221 | 45,794 | 3,265 | 3,038 | - | - | 60,468 | 56,256 |
| - Other operating expenses | 3,627 | 3,291 | 22,368 | 20,292 | 1,484 | 1,346 | - | - | 27,479 | 24,929 |
| Depreciation and amortisation | 774 | 689 | 4,773 | 4,248 | 317 | 282 | - | - | 5,864 | 5,219 |
| Other expenses | 5,108 | 5,319 | 31,502 | 32,799 | 2,060 | 2,176 | - | - | 38,700 | 40,294 |
| Total expenses excluding losses | 17,491 | 16,725 | 107,864 | 103,133 | 7,156 | 6,842 | - | - | 132,511 | 128,700 |
| Revenue | | | | | | | | | | |
| Sale of goods and services | 673 | 649 | 4,151 | 4,001 | 275 | 265 | - | - | 5,099 | 4,915 |
| Investment revenue | 28 | 18 | 175 | 114 | 12 | 8 | - | - | 215 | 140 |
| Grants and contributions | 38 | 2 | 237 | 14 | 16 | 1 | - | - | 291 | 17 |
| Other revenue | 83 | 48 | 510 | 295 | 34 | 20 | - | - | 627 | 363 |
| Total revenue | 822 | 717 | 5,073 | 4,424 | 337 | 294 | - | - | 6,232 | 5,435 |
| Gain / (loss) on disposal | (9) | (6) | (56) | (38) | (4) | (3) | - | - | (69) | (47) |
| Net Cost of Services | 16,678 | 16,014 | 102,847 | 98,747 | 6,823 | 6,551 | - | - | 126,348 | 121,312 |
| Government contributions** | | | | | | | | | | |
| SURPLUS/(DEFICIT) FOR THE YEAR | (16,678) | (16,014) | (102,847) | (98,747) | (6,823) | (6,551) | 132,577 | 120,056 | 132,577 | 120,056 |
| Other Comprehensive Income | | | | | | | | | | |
| Increase / (decrease) in asset revaluation reserve | 33 | 707 | 205 | 4,359 | 14 | 289 | - | - | 252 | 5,355 |
| Total Other Comprehensive Income | 33 | 707 | 205 | 4,359 | 14 | 289 | - | - | 252 | 5,355 |
| TOTAL COMPREHENSIVE INCOME | (16,645) | (15,307) | (102,642) | (94,388) | (6,809) | (6,262) | 132,577 | 120,056 | 6,481 | 4,099 |

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

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

THE LEGISLATURE

Supplementary Financial Statements

Service group statements (continued)

| | Chamber and Committee Support * | | Members' Support * | | Community Access * | | Not Attributable | | Total | |
|---|---------------------------------|-------------|--------------------|-------------|--------------------|-------------|------------------|----------------|----------------|----------------|
| | 2011 \$'000 | 2010 \$'000 | 2011 \$'000 | 2010 \$'000 | 2011 \$'000 | 2010 \$'000 | 2011 \$'000 | 2010 \$'000 | 2011 \$'000 | 2010 \$'000 |
| THE LEGISLATURE'S ASSETS & LIABILITIES | | | | | | | | | | |
| Current Assets | | | | | | | | | | |
| Cash and cash equivalents | - | - | - | - | - | - | 2,182 | 2,457 | 2,182 | 2,457 |
| Receivables | - | - | - | - | - | - | 1,935 | 1,810 | 1,935 | 1,810 |
| Inventories | - | - | - | - | - | - | 119 | 95 | 119 | 95 |
| Total current assets | | | | | | | 4,246 | 4,362 | 4,246 | 4,362 |
| Non-current Assets | | | | | | | | | | |
| Property, plant and equipment | - | - | - | - | - | - | 188,491 | 184,671 | 188,491 | 184,671 |
| Intangibles | - | - | - | - | - | - | 2,038 | 27 | 2,038 | 27 |
| Total non-current assets | | | | | | | 190,529 | 184,698 | 190,529 | 184,698 |
| TOTAL ASSETS | | | | | | | 194,775 | 189,060 | 194,775 | 189,060 |
| Current liabilities | | | | | | | | | | |
| Payables | - | - | - | - | - | - | 5,670 | 5,857 | 5,670 | 5,857 |
| Provisions | - | - | - | - | - | - | 4,879 | 5,455 | 4,879 | 5,455 |
| Total current liabilities | | | | | | | 10,549 | 11,312 | 10,549 | 11,312 |
| Non-current liabilities | | | | | | | | | | |
| Provisions | - | - | - | - | - | - | 47 | 50 | 47 | 50 |
| Total non-current liabilities | | | | | | | 47 | 50 | 47 | 50 |
| TOTAL LIABILITIES | | | | | | | 10,596 | 11,362 | 10,596 | 11,362 |
| NET ASSETS | | | | | | | 184,179 | 177,698 | 184,179 | 177,698 |

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



The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

1. Summary of Significant Accounting Policies

(a) Reporting entity

The Legislature, as a reporting entity, comprises all the operating activities of the Parliament of New South Wales, including the Catering business, under the joint direction and control of the Clerk of the Parliaments, the Clerk of the Legislative Assembly and the Executive Manager Parliamentary Services. It includes all the functions of parliamentary representation undertaken by the Legislative Council and the Legislative Assembly, and the Department of Parliamentary Services. The Catering business provides food and beverage services for Members of Parliament, their guests and staff. It also caters for functions held at Parliament House.

The Legislature is not a NSW government department. The Legislature is a not-for-profit entity (as profit is not its principal objective) and has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

This financial statement for the year ended 30 June 2011 has been authorised for issue by the Clerk of the Legislative Assembly, the Clerk of the Parliaments and the Executive Manager Parliamentary Services on 20 October 2011.

(b) Basis of preparation

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

- Applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- The requirements of the *Public Finance and Audit Act 1983* and Regulation, and
- The Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies, or issued by the Treasurer.

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

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

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

(c) Statement of compliance

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

(d) Insurance

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

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

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

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

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

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

(f) Income recognition

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

(i) Parliamentary appropriations and contributions

Except as specified below, parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as income when The Legislature obtains control over the assets comprising the appropriations / contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

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

(ii) Sales of goods

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

(iii) Rendering of services

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

(iv) Investment revenue

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

(v) Other Revenue

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

(g) Assets

(i) Acquisitions of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by The Legislature. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

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

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

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

(ii) Capitalisation thresholds

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



The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

(iii) Revaluation of Property, Plant and Equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 07-1). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment*.

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

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

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

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

Desktop valuations were undertaken for Land and Buildings class as at 30 June 2011.

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

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

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

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

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

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

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

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

(iv) Impairment of property, plant and equipment

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

(v) Depreciation of property, plant and equipment

Except for the archive, antique and artwork collections, depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to The Legislature.

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

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

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

(vi) Major inspection costs

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

(vii) Restoration costs

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

(viii) Maintenance

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

(ix) Leased Assets

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

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

Operating lease payments are charged to the statement of comprehensive income in the periods in which they are incurred.

(x) Intangible assets

The Legislature recognises intangible assets only if it is probable that future economic benefits will flow to The Legislature and the cost of the asset can be measured reliably. Intangible assets are measured



The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

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

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

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

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

(xi) Loans and receivables

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

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

(xii) Inventories

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

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

(xiii) Impairment of financial assets

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

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

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

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

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

(h) Liabilities

(i) Payables

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

(ii) Employee benefits and other provisions

(a) Salaries and wages, annual leave, sick leave and on-costs

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

Long-term annual leave that is not expected to be taken within twelve months is measured at present value in accordance with AASB 119 *Employee Benefits*. Market yields on government bonds of 4.44% are used to discount long-term annual leave.

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

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

(b) Long service leave and superannuation

The Legislature's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Legislature accounts for the liability as having been extinguished; resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities". Prior to 2005/06 the Crown Entity also assumed the defined contribution superannuation liability.

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 11/06) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

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

(c) Other provisions

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

(i) Equity and reserves

(i) Asset Revaluation reserve

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



The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

(ii) Accumulated Funds

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

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

(j) Budgeted amounts

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

The budgeted amounts in the statement of comprehensive income and the statement of cash flows are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the statement of financial position, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts; i.e. per the audited financial statement (rather than carried forward estimates).

(k) Comparative information

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

(l) New Australian Accounting Standards issued but not yet effective

The following accounting standards were issued but are not yet effective as at the reporting date:

- AASB 7 *Financial Instruments: Disclosures*
- AASB 9 and AASB 2010-7 regarding financial instruments
- AASB 101 *Presentation of Financial Statements*
- AASB 107 *Statement of Cash Flows*
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*
- AASB 110 *Events after the Reporting Period*
- AASB 118 *Revenue*
- AASB 119 *Employee Benefits*
- AASB 124 and AASB 2009-12 regarding related party transactions
- AASB 132 *Financial Instruments: Presentation*
- AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*
- AASB 139 *Financial Instruments: Recognition and Measurement*
- AASB 1031 *Materiality*
- AASB 1053 *Application of Tiers of Australian Accounting Standards*
- AASB 1054 *Australian Additional Disclosures*
- AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9*

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

- AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*
- AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project*
- AASB 2010-5 *Amendments to Australian Accounting Standards*
- AASB 2010-6 *Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets*
- AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9*
- AASB 2010-8 *Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets*
- AASB 2010-9 *Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*
- AASB 2010-10 *Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters*
- AASB 2011-1 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project*
- AASB 2011-2 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements*
- AASB 2011-3 *Amendments to Australian Accounting Standards*

The Legislature has not early adopted any new accounting standards, amendments and interpretations in compliance with NSW Treasury mandates per Treasury Circular NSW TC 10/08.

It is considered impractical to presently determine the impact of adopting the above listed accounting standards issued but not yet effective.



The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

2. Expenses Excluding Losses

| | | | |
|-----|---|---------------|---------------|
| (a) | Employee Related Expenses | 2011 | 2010 |
| | | \$'000 | \$'000 |
| | Salaries and wages (including recreation leave) | 47,434 | 42,579 |
| | Superannuation – defined benefit plans | 1,051 | 1,241 |
| | Superannuation – defined contribution plans | 3,194 | 2,974 |
| | Payroll tax and fringe benefits tax | 2,899 | 2,620 |
| | Long service leave | 1,126 | 1,460 |
| | Worker's compensation insurance | 382 | 1,176 |
| | Employment agency staff | 4,382 | 4,208 |
| | | <u>60,468</u> | <u>56,258</u> |
| (b) | Other Operating Expenses including the following: | 2011 | 2010 |
| | | \$'000 | \$'000 |
| | Auditor's remuneration | | |
| | – audit of the financial statements | 74 | 55 |
| | – audit of Members' additional entitlements under Parliamentary Remuneration Tribunal Determination | 54 | 53 |
| | Cost of Sales - House Committee | 1,081 | 1,094 |
| | Operating Lease Rental Expense-Minimum Lease Payments | 5,195 | 5,166 |
| | Maintenance | 1,603 | 1,414 |
| | Insurance | 233 | 288 |
| | Printing and stationery | 6,541 | 6,063 |
| | Telecommunication costs | 979 | 1,058 |
| | Travel expenses | 1,723 | 1,566 |
| | Computer costs | 2,900 | 2,093 |
| | Stores | 385 | 297 |
| | Postage | 1,258 | 709 |
| | Advertising | 306 | 223 |
| | Miscellaneous (includes minor assets and photography) | 1,221 | 1,327 |
| | Energy charges | 1,341 | 1,320 |
| | Cleaning and laundry | 718 | 650 |
| | Contract and other fees | 1,867 | 1,553 |
| | | <u>27,479</u> | <u>24,929</u> |
| | | 2011 | 2010 |
| | | \$'000 | \$'000 |
| | <i>Reconciliation – Total maintenance</i> | | |
| | Maintenance expense – contracted labour and other (non-employee related), as above | 1,603 | 1,322 |
| | Employee related maintenance expense included in Note 2 (a) | 6,252 | 5,334 |
| | Total maintenance expenses included in Note 2(a) + 2(b) | <u>7,855</u> | <u>6,656</u> |

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

| | | | |
|-----------|---|---------------|---------------|
| (c) | Depreciation and amortisation expense | 2011 | 2010 |
| | | \$'000 | \$'000 |
| | Depreciation: | | |
| | – buildings | 1,574 | 1,446 |
| | – plant and equipment | 3,140 | 2,648 |
| | – collection assets | 28 | 28 |
| | | 4,742 | 4,122 |
| | Amortisation: | | |
| | – leasehold improvements | 970 | 1,013 |
| | – intangibles | 152 | 84 |
| | | 1,122 | 1,097 |
| | Total Depreciation and Amortisation Expense | 5,864 | 5,219 |
| (d) | Other Expenses – Members' Remuneration | 2011 | 2010 |
| | | \$'000 | \$'000 |
| | Salaries and allowances of Members of Parliament | 30,161 | 29,779 |
| | Superannuation entitlements – Members | 6,127 | 7,872 |
| | Payroll tax & fringe benefits tax – Members' entitlements | 2,131 | 2,343 |
| | Special Projects | 281 | 300 |
| | | 38,700 | 40,294 |
| 3. | Revenue | | |
| (a) | Sale of Goods and Services | 2011 | 2010 |
| | <u>Sale of Goods</u> | \$'000 | \$'000 |
| | House Committee sales of food and beverages | 3,324 | 2,990 |
| | Energy recoup from Sydney Hospital and State Library | 526 | 604 |
| | Sale of publications | 31 | 27 |
| | | 3,881 | 3,621 |
| | <u>Rendering of Services</u> | | |
| | Rent on Parliament House ministerial offices | 924 | 943 |
| | Miscellaneous | 295 | 351 |
| | | 1,219 | 1,294 |
| | | 5,100 | 4,915 |



The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

| | | | |
|-----|--|------------|------------|
| (b) | Investment Revenue | 2011 | 2010 |
| | | \$'000 | \$'000 |
| | Interest revenue on operating accounts | 215 | 140 |
| | | <u>215</u> | <u>140</u> |

| | | | |
|-----|---|------------|-----------|
| (c) | Grants and Contributions | 2011 | 2010 |
| | | \$'000 | \$'000 |
| | Twinning Project - Pacific Public Sector Linkage's Program No.1 | 291 | 17 |
| | | <u>291</u> | <u>17</u> |

The NSW Parliament is twinned with the Parliaments of the Solomon Islands and the Autonomous Region of Bougainville, under the auspices of the Commonwealth Parliamentary Association. The NSW Parliament sought and received funding from AusAID to support the twinning arrangements. The 'Twinning project', or 'Strengthening parliamentary institutions in the Solomon Islands and Bougainville' is anticipated to cost \$1.17 million over three years (April 2010 to April 2013), with \$844,356 provided through AusAID's Pacific Public Sector Linkages Program. The balance is provided by the participating parliaments. The focus of the project is to strengthen parliamentary democracy by building the capacity of the parliamentary administration.

| | | | |
|-----|----------------------------------|------------|------------|
| (d) | Other Revenue | 2011 | 2010 |
| | | \$'000 | \$'000 |
| | Assets recognised for first time | 16 | 19 |
| | Miscellaneous | 610 | 344 |
| | | <u>626</u> | <u>363</u> |

| | | | |
|----|--|-------------|-------------|
| 4. | <i>Gain / (Loss) on Disposal</i> | 2011 | 2010 |
| | | \$'000 | \$'000 |
| | Proceeds from disposal of plant and equipment | - | - |
| | Written down value of assets disposed | (69) | (47) |
| | Net gain/(loss) on disposal of plant and equipment | <u>(69)</u> | <u>(47)</u> |

| | | | |
|----|---|----------------|----------------|
| 5. | <i>Appropriations</i> | 2011 | 2010 |
| | | \$'000 | \$'000 |
| | Recurrent appropriations | | |
| | Total recurrent draw-downs from NSW Treasury (per Summary of compliance) | 113,221 | 104,073 |
| | Less: Liability to Consolidated Fund (per Summary of compliance) | - | - |
| | | <u>113,221</u> | <u>104,073</u> |
| | Comprising: | | |
| | Recurrent appropriations (per Statement of comprehensive income) | 113,221 | 104,073 |

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

| | 2011 | 2010 |
|---|---------------|--------------|
| | \$'000 | \$'000 |
| Capital Appropriations | | |
| Total capital draw-downs from NSW Treasury (per Summary of compliance) | 11,492 | 5,522 |
| Less: Liability to Consolidated Fund (per Summary of compliance) | - | - |
| | <u>11,492</u> | <u>5,522</u> |
| Comprising: | | |
| Capital appropriations (per Statement of comprehensive income) | 11,492 | 5,522 |

6. *Acceptance by the Crown Entity of Employee Benefits and Other Liabilities*

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

| | 2011 | 2010 |
|-------------------------------|---------------------|----------------------|
| | \$'000 | \$'000 |
| Employees | | |
| Superannuation | 1,051 | 1,331 |
| Long service leave | 1,126 | 1,460 |
| Payroll tax on superannuation | 58 | 68 |
| | <u>2,235</u> | <u>2,859</u> |
| Members | | |
| Superannuation | 5,336 | 7,201 |
| Payroll tax on superannuation | 293 | 401 |
| | <u>5,629</u> | <u>7,602</u> |
| | <u><u>7,864</u></u> | <u><u>10,461</u></u> |



The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

7. Service Groups of The Legislature

Service Group 1.1 Chamber and Committee Support

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

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

Service Group 1.2 Members' Support

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

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

Service Group 1.3 Community Access

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

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

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

8. Current Assets – Cash and Cash Equivalents

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

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

| | 2011 | 2010 |
|--------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Cash at Bank and on hand | 2,192 | 2,457 |
| | <u>2,192</u> | <u>2,457</u> |

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

| | 2011 | 2010 |
|--|--------------|--------------|
| | \$'000 | \$'000 |
| 9. Current Assets – Receivables | | |
| Sales of goods and services | 1,040 | 835 |
| Less: Allowance for impairment | 19 | 36 |
| | <u>1,021</u> | <u>799</u> |
| GST recoverable from ATO | 621 | 706 |
| Other debtors | 62 | 29 |
| Prepayments | 123 | 194 |
| Investment income | 108 | 82 |
| | <u>1,935</u> | <u>1,810</u> |

| | 2011 | 2010 |
|--|-----------|-----------|
| | \$'000 | \$'000 |
| <i>Movement in the allowance for impairment</i> | | |
| Opening balance | 36 | 35 |
| Amounts written off during the year | - | (32) |
| Amounts recovered during the year | (28) | - |
| Increase/ (decrease) in allowance recognised in profit or loss | <u>11</u> | <u>33</u> |
| Closing balance | <u>19</u> | <u>36</u> |



The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

| | | |
|---|---------------|---------------|
| 10. Current Assets - Inventories | 2011 | 2010 |
| | \$'000 | \$'000 |
| Held for resale | | |
| Food and beverage stock at cost | 119 | 95 |
| | <u>119</u> | <u>95</u> |

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

| | Land and Buildings | Plant and Equipment | Collection Assets | Total |
|---|-------------------------------|--------------------------------|------------------------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| At 30 June 2010 – fair value | | | | |
| Gross carrying amount | 180,983 | 51,304 | 52,713 | 285,000 |
| Accumulated depreciation and impairment | 51,622 | 39,219 | 9,488 | 100,329 |
| Net Carrying Amount | <u>129,361</u> | <u>12,085</u> | <u>43,225</u> | <u>184,671</u> |
| At 30 June 2011 – fair value | | | | |
| Gross carrying amount | 186,785 | 56,535 | 52,672 | 295,992 |
| Accumulated depreciation and impairment | 55,752 | 42,232 | 9,517 | 107,501 |
| Net Carrying Amount | <u>131,033</u> | <u>14,303</u> | <u>43,155</u> | <u>188,491</u> |

Reconciliation

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

| | Land and Buildings | Plant and Equipment | Collection Assets | Total |
|--|-------------------------------|--------------------------------|------------------------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Year ended 30 June 2011 | | | | |
| Net carrying amount at start of year | 129,361 | 12,085 | 43,225 | 184,671 |
| Additions | 4,881 | 4,899 | 23 | 9,803 |
| Disposals | - | (127) | (65) | (192) |
| Net revaluation increments less revaluation decrements | 252 | - | - | 252 |
| Accumulated depreciation written back on disposal | - | 127 | - | 127 |
| Internal transfers | (917) | 459 | - | (458) |
| Depreciation Expense | (2,544) | (3,140) | (28) | (5,712) |
| Net carrying amount at end of year | <u>131,033</u> | <u>14,303</u> | <u>43,155</u> | <u>188,491</u> |

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

| | Land and Buildings | Plant and Equipment | Collection Assets | Total |
|---|-----------------------|------------------------|----------------------|---------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| At 30 June 2009 | | | | |
| Gross Carrying Amount | 174,568 | 48,875 | 51,322 | 274,765 |
| Accumulated depreciation and impairment | 49,713 | 36,771 | 9,460 | 95,944 |
| Net Carrying Amount | 124,855 | 12,104 | 41,862 | 178,821 |
| At 30 June 2010 | | | | |
| Gross Carrying Amount | 180,983 | 51,304 | 52,713 | 285,000 |
| Accumulated depreciation and impairment | 51,622 | 39,219 | 9,488 | 100,329 |
| Net Carrying Amount | 129,361 | 12,085 | 43,225 | 184,671 |

Reconciliation

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

| | Land and Buildings | Plant and Equipment | Collection Assets | Total |
|--|-----------------------|------------------------|----------------------|---------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Year ended 30 June 2010 | | | | |
| Net carrying amount at start of year | 124,855 | 12,104 | 41,862 | 178,821 |
| Additions | 3,012 | 2,631 | 34 | 5,677 |
| Disposals | - | (203) | (126) | (329) |
| Net revaluation increments less revaluation decrements | 3,953 | - | 1,483 | 5,436 |
| Accumulated depreciation written back on disposal | - | 201 | - | 201 |
| Internal transfers | - | - | - | - |
| Depreciation Expense | (2,459) | (2,648) | (28) | (5,135) |
| Net carrying amount at end of year | 129,361 | 12,085 | 43,225 | 184,671 |



The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2011

12. Intangible Assets

Software licencing and upgrade

| | |
|---|---------------|
| At 1 July 2010 | \$'000 |
| Cost (gross carrying amount) | 2,468 |
| Accumulated amortisation and impairment | <u>2,441</u> |
| Net carrying amount | <u>27</u> |
| At 30 June 2011 | |
| Cost (gross carrying amount) | 4,632 |
| Accumulated amortisation and impairment | <u>2,594</u> |
| Net carrying amount | <u>2,038</u> |

Reconciliation

| | |
|--|--------------|
| Year ended 30 June 2011 | |
| Net carrying amount at start of year | 27 |
| Additions | 1,705 |
| Disposals | |
| Internal Transfers | 458 |
| Accumulated amortisation written back on disposal | |
| Amortisation (recognised in depreciation and amortisation) | <u>(152)</u> |
| Net carrying amount at end of year | <u>2,038</u> |

At 1 July 2009

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

At 30 June 2010

| | |
|---|--------------|
| Cost (gross carrying amount) | 2,468 |
| Accumulated amortisation and impairment | <u>2,441</u> |
| Net carrying amount | <u>27</u> |

Reconciliation

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



The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2011.

| | | |
|--|---------------|---------------|
| 13. Current Liabilities - Payables | 2011 | 2010 |
| | \$'000 | \$'000 |
| Accrued wages, salaries and on-costs | 2,087 | 2,254 |
| Trade creditors | 2,508 | 2,858 |
| Other payables | 1,075 | 745 |
| | <u>5,670</u> | <u>5,857</u> |
| | | |
| 14. Current / Non- Current Liabilities - Provisions | 2011 | 2010 |
| | \$'000 | \$'000 |
| (a) Current | | |
| Recreation leave | 3,780 | 4,267 |
| On-cost on employee benefits | 1,099 | 1,188 |
| | <u>4,879</u> | <u>5,455</u> |
| | | |
| (b) Non-Current | | |
| On-cost on employee benefits | 47 | 50 |
| | <u>47</u> | <u>50</u> |
| | | |
| (c) Aggregate employee benefits and related on-costs: | | |
| Provisions – Current | 4,879 | 5,455 |
| Provisions - Non-Current | 47 | 50 |
| Accrued salaries, wages and on-costs (note 13) | 2,088 | 2,254 |
| | <u>7,014</u> | <u>7,759</u> |

Of employee benefits for recreation leave \$2,911,000 is expected to be settled within twelve months and \$869,000 is expected to be settled after twelve months. All accrued wages and salaries are expected to be settled within twelve months.



The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

15. Commitments for expenditure

(a) Operating Lease Commitments

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

| | 2011 | 2010 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| Not later than one year | 3,662 | 4,899 |
| Later than one year but not later than five years | 4,035 | 4,583 |
| Later than five years | 233 | 39 |
| Total (including GST) | <u>7,930</u> | <u>9,521</u> |

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

The above total includes GST input tax credits of \$707,000 (\$842,000 – 2010), which will be recoverable from Australian Taxation Office (ATO).

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

| | 2011 | 2010 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| Not later than one year | 3,224 | 4,477 |
| Later than one year but not later than five years | 3,833 | 3,966 |
| Later than five years | 233 | 39 |
| Electorate Office Lease Commitments (including GST) | <u>7,290</u> | <u>8,482</u> |

The above total includes GST input tax credits of \$649,000 (\$748,000 – 2010), which will be recoverable from the ATO.

(b) Other Expenditure Commitments

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

| | 2011 | 2010 |
|-------------------------|-----------|------------|
| | \$'000 | \$'000 |
| Not later than one year | 87 | 261 |
| Total (including GST) | <u>87</u> | <u>261</u> |

The above total for 2010 includes GST input tax credits of \$8,000 (\$24,000 – 2010) that will be recoverable from the ATO.

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

(c) Capital Commitments

Aggregate capital expenditure contracted for the completion of security works and replacement of the cooling tower at Parliament House at balance date and not provided for:

| | 2011 | 2010 |
|-------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Not later than one year | 2,231 | 2,806 |
| Total (including GST) | <u>2,231</u> | <u>2,806</u> |

The above total includes GST input tax credits of \$202,819 (\$255,091 – 2010), which will be recoverable from the ATO.

16. *Contingent Liabilities and Contingent Assets*

The Legislature had no contingent assets or contingent liabilities at reporting date (2010: nil).

17. *Budget Review*

Net cost of services

The net cost of services was \$2.053M more than budget reflecting lower than budgeted employee related expenses (\$1.606M), depreciation and amortisation (\$326,000) and higher than budgeted other expenses - Members' remuneration (\$4.977M) and revenue (\$1.342M).

Employee related expenses were \$1.606M less than budget and this was offset by other expenses – Members remuneration being higher than budget by \$4.977M. These two items taken together reflect a variation of \$3.371 greater than budget. These two items should be considered together as aggregated they represent total employment related costs of Members and staff.

Actual total employment related costs included a component for payment of termination payments and related costs for Members' staff opting to take separation payments following the election in March 2011. These costs were fully funded by an additional appropriation of \$4.3M. Actual employee related costs in the 2010/2011 were \$4.21M higher than actual employee related costs in 2009/2010.

Members salaries and allowances costs were lower than budget due to the March 2011 election. The allocation of funds for Members' salaries and allowances is in the form of a "protected allocation" so that funds drawn down for this purpose cannot exceed the actual amount paid by The Legislature. The actual amount paid was \$1.65M less than budget.

The balance of the variance for total employment related costs arose mainly from additional employee related costs incurred through the establishment of the Parliamentary Budget Office. Additional funding was provided to support the introduction of the Parliamentary Budget Office.

Depreciation and amortisation expenses were \$326,000 less than budget. This variation arose from later than estimated completion dates for capital projects undertaken during the 2010/2011 financial year.

Revenue from the sale of goods and services was \$470,000 higher than budget due to increased earnings from external functions and room hire. AusAID grants of \$291,000 were received in relation to work undertaken as part of a parliamentary "Twinning" arrangement. Other revenue was also higher than budget by \$491,000 mainly reflecting salary recoupment for deployed staff as well as a refund for workers compensation premium as a hindsight adjustment. These positive variations against budget for revenue total \$1.342M.

Assets and liabilities

Total current assets were higher than budget by \$1.107M due to higher than budgeted cash holdings and receivables. Current assets were largely in line with prior year current assets.



The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

Total non-current assets were higher than budget due to the completion of significant capital works projects including the upgrade of the SAP financial management system, replacement of cooling towers, upgrade of equipment in electorate offices and security works within the Parliament House precinct. Capital works programs were approximately \$11.5M.

Total liabilities were higher than budget by \$290,000 mainly through higher payables. Liabilities were lower than prior year total liabilities by \$766,000.

Cash flows

Net cash flows from operating activities are \$1.772M higher than budget largely due to additional capital appropriations reflecting additional capital works undertaken in the 2010/2011 financial year and additional recurrent appropriation for Members' staff separation payments and the introduction of the Parliamentary Budget Office. Net cash flows from investing activities also reflect this.

The net decrease in cash and closing cash positions were better than budget and largely in line with the previous year.

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

| | 2011 | 2010 |
|--|------------------|------------------|
| | \$'000 | \$'000 |
| Net cash used in operating activities | 11,228 | 4,797 |
| Depreciation | (5,864) | (5,219) |
| (Increase) / decrease in provisions | 579 | (558) |
| (Decrease) / increase in receivables, inventories and other assets | 153 | 68 |
| (Increase) / decrease in creditors and other liabilities | 186 | (316) |
| Gain / (Loss) on sale of non-current assets | (69) | (47) |
| Assets recognised for first time | 16 | 19 |
| Long service leave | (1,126) | (1,460) |
| Superannuation | (6,387) | (8,532) |
| Payroll tax on superannuation | (351) | (469) |
| Less cash flows from government: | | |
| Capital allocation | (11,492) | (5,522) |
| Recurrent allocation | (113,221) | (104,073) |
| Net cost of services | <u>(126,348)</u> | <u>(121,312)</u> |

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

19. Financial Instruments

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

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

The Clerks of both Houses and the Executive Manager have overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by The Legislature, to set risk limits and controls and to monitor risks.

(a) Financial instrument categories

| Financial Assets | Note | Category | Carrying Amount | |
|---------------------------|------|--|-----------------|----------------|
| | | | 2011 \$'000 | 2010 \$'000 |
| Cash and cash equivalents | 8 | N/A | 2,192 | 2,457 |
| Receivables ¹ | 9 | Loans and receivables (at amortised cost) | 1,191 | 910 |
| Financial Liabilities | Note | Category | Carrying Amount | |
| | | | 2011 \$'000 | 2010 \$'000 |
| Payables ² | 13 | Financial liabilities measured at amortised cost | 3,583 | 3,403 |

Notes

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

(b) Credit risk

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

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

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

Cash

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



The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

Receivables - trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. Interest is earned on food and beverage sales after 60 days at 2% per month. No interest is charged on any other debtors. Food and beverage sales are made on 30-day terms. Other sales are made on either 14 or 30-day terms.

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

| | \$'000 | \$'000 | \$'000 |
|--------------------------------|----------------------|---|------------------------------------|
| | Total ^{1,2} | Past due but not impaired ^{1,2} | Considered impaired ^{1,2} |
| 2011 | | | |
| < 3 months overdue | 194 | 192 | 2 |
| 3 months – 6 months overdue | 26 | 21 | 5 |
| > 6 months overdue | 41 | 29 | 12 |
| 2010 | | | |
| < 3 months overdue | 282 | 282 | 0 |
| 3 months – 6 months overdue | 22 | 16 | 6 |
| > 6 months overdue | 96 | 66 | 30 |

Notes

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

(c) Liquidity Risk

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

The Legislature has the following banking facilities as at 30 June 2011:

- Cheque cashing authority of \$20,000, which is the total encashment facility provided to enable recoupment of advance account activities.
- Tape negotiation authority of \$3,000,000. This facility authorised the bank to debit The Legislature's operating bank account up to the above limit when processing the electronic payroll and vendor files.
- MasterCard facility of \$731,000.

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

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment.

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

Maturity analysis and interest rate exposure of financial liabilities

| | \$'000 | | \$'000 | | | \$'000 | | |
|-----------------------------|--------------------------------------|-----------------------------|---------------|------------------------|----------------------|----------------|---------|---------|
| | Weighted Average Effective Int. Rate | Nominal Amount ¹ | Interest Rate | Variable Interest Rate | Non-Interest bearing | Maturity Dates | | |
| | | | | | | < 1 yr | 1-5 yrs | > 5 yrs |
| 2011 | | | | | | | | |
| Trade Payable | - | 3,583 | - | - | 3,583 | 3,583 | - | - |
| Total Financial Liabilities | - | 3,583 | - | - | 3,583 | 3,583 | - | - |
| 2010 | | | | | | | | |
| Trade Payables | - | 3,403 | - | - | 3,403 | 3,403 | - | - |
| Total Financial Liabilities | - | 3,403 | - | - | 3,403 | 3,403 | - | - |

Notes

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

(d) Market risk

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

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which The Legislature operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis as for 2010. The analysis assumes that all other variables remain constant.



The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

Interest rate risk

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

| | \$'000 | | \$'000 | | \$'000 |
|---------------------------|----------|--------|--------|--------|--------|
| | Carrying | | -1% | | 1% |
| | Amount | Profit | Equity | Profit | Equity |
| 2011 | | | | | |
| <i>Financial assets</i> | | | | | |
| Cash and cash equivalents | 2,192 | (22) | (22) | 22 | 22 |
| 2010 | | | | | |
| <i>Financial assets</i> | | | | | |
| Cash and cash equivalents | 2,457 | (25) | (25) | 25 | 25 |

20. After Balance Date Events

No events have occurred subsequent to balance date which would have a material financial effect.

End of audited financial statements

The Legislature

Notes to and forming part of the Financial Statements for year ended 30 June 2011

| | Land and Buildings \$'000 | Plant and Equipment \$'000 | Collection Assets \$'000 | Total \$'000 |
|---|---------------------------------|----------------------------------|--------------------------------|-----------------|
| At 30 June 2009 | | | | |
| Gross Carrying Amount | 174,568 | 48,875 | 51,322 | 274,765 |
| Accumulated depreciation and impairment | 49,713 | 36,771 | 9,460 | 95,944 |
| Net Carrying Amount | 124,855 | 12,104 | 41,862 | 178,821 |
| At 30 June 2010 | | | | |
| Gross Carrying Amount | 180,983 | 51,304 | 52,713 | 285,000 |
| Accumulated depreciation and impairment | 51,622 | 39,219 | 9,488 | 100,329 |
| Net Carrying Amount | 129,361 | 12,085 | 43,225 | 184,671 |

Reconciliation

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

| | Land and Buildings \$'000 | Plant and Equipment \$'000 | Collection Assets \$'000 | Total \$'000 |
|--|---------------------------------|----------------------------------|--------------------------------|-----------------|
| Year ended 30 June 2010 | | | | |
| Net carrying amount at start of year | 124,855 | 12,104 | 41,862 | 178,821 |
| Additions | 3,012 | 2,631 | 34 | 5,677 |
| Disposals | - | (203) | (126) | (329) |
| Net revaluation increments less revaluation decrements | 3,953 | - | 1,483 | 5,436 |
| Accumulated depreciation written back on disposal | - | 201 | - | 201 |
| Internal transfers | - | - | - | - |
| Depreciation Expense | (2,459) | (2,648) | (28) | (5,135) |
| Net carrying amount at end of year | 129,361 | 12,085 | 43,225 | 184,671 |



The Legislature
Notes to and forming part of the Financial Statements for year ended 30 June 2011

12. Intangible Assets

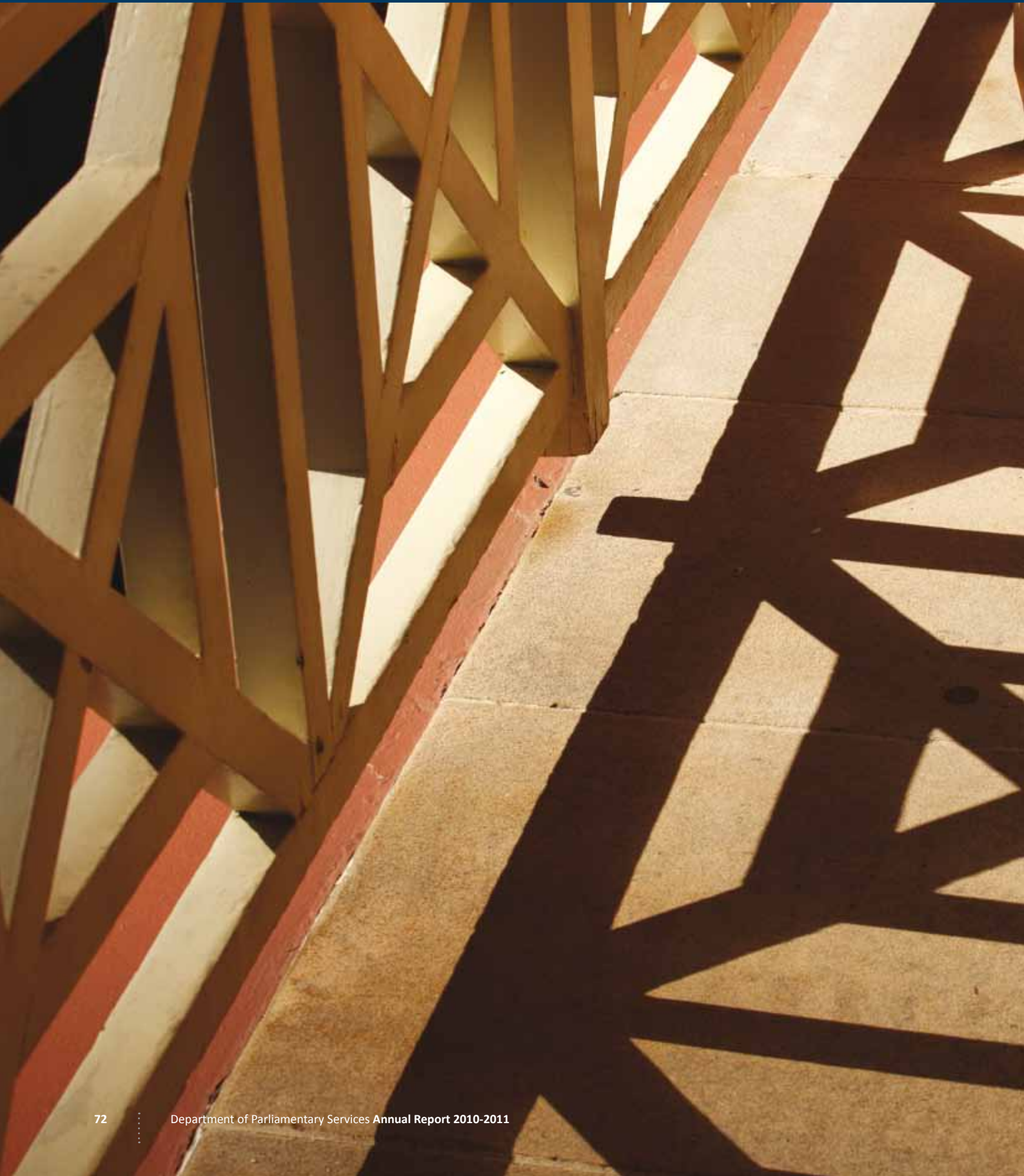
Software licencing and upgrade

| | |
|--|---------------|
| At 1 July 2010 | \$'000 |
| Cost (gross carrying amount) | 2,468 |
| Accumulated amortisation and impairment | <u>2,441</u> |
| Net carrying amount | <u>27</u> |
| At 30 June 2011 | |
| Cost (gross carrying amount) | 4,632 |
| Accumulated amortisation and impairment | <u>2,594</u> |
| Net carrying amount | <u>2,038</u> |
| Reconciliation | |
| Year ended 30 June 2011 | |
| Net carrying amount at start of year | 27 |
| Additions | 1,705 |
| Disposals | |
| Internal Transfers | 458 |
| Accumulated amortisation written back on disposal | |
| Amortisation (recognised in depreciation and amortisation) | <u>(152)</u> |
| Net carrying amount at end of year | <u>2,038</u> |
| At 1 July 2009 | |
| Cost (gross carrying amount) | 2,468 |
| Accumulated amortisation and impairment | <u>2,357</u> |
| Net carrying amount | <u>111</u> |
| At 30 June 2010 | |
| Cost (gross carrying amount) | 2,468 |
| Accumulated amortisation and impairment | <u>2,441</u> |
| Net carrying amount | <u>27</u> |
| Reconciliation | |
| Year ended 30 June 2010 | |
| Net carrying amount at start of year | 111 |
| Additions | - |
| Disposals | - |
| Accumulated amortisation written back on disposal | - |
| Amortisation (recognised in depreciation and amortisation) | <u>(84)</u> |
| Net carrying amount at end of year | <u>27</u> |



Appendices

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Appendix A

Audit and Risk Commentary

The Clerk of the Parliaments, the Clerk of the Legislative Assembly and the Executive Manager, Parliamentary Services, with approval from the Presiding Officers have reviewed and reconstituted the Audit and Risk Committee ('the Committee') to ensure compliance with Treasury Circular NSW TC 09/08. A revised charter for the Committee was approved by the Presiding Officers in May 2011.

The objective of the new Committee is to provide independent assistance to the Clerks and the Executive Manager by overseeing and monitoring The Legislature's governance, risk and control frameworks and its external accountability requirements.

The membership of the Committee now comprises three members:

- Mr Jim Mitchell, independent chairperson
- Ms Christine Feldmanis, independent member &
- Ms Gerry Brus, independent member.

The newly constituted Committee met for the first time in May 2011 to consider general business.

The previous membership of the Audit and Risk Committee comprised:

- Mr Jim Mitchell, independent chairperson
- Clerk of the Parliaments
- Clerk of the Legislative Assembly &
- Executive Manager, Parliamentary Services.

The former Committee met four times during the financial year for general business and once for an extraordinary meeting to consider draft financial statements for the year ending 30 June 2010.

The Clerks and the Executive Manager will continue to attend meetings of the Committee as invitees. The Director Finance will also act as Chief Audit Executive in support of the Committee.

Internal Audit

The Parliament's internal audit services are currently provided by Deloitte.

A business risk assessment was undertaken in 2009. The Report identified sixteen risks and risk management strategies for their mitigation and informed the internal audit plan for the remainder of the 54th Parliament and the first quarter of the 55th Parliament.

During the reporting year the following projects were performed and reported to the Audit and Risk Committee:

- Asset management
- Financial controls
- Members entitlements
- Members entitlements – themed audit (Sydney allowance)
- Members fraud and corruption risk assessment &
- Employee fraud and corruption risk assessment

Audit findings were generally satisfactory. Recommendations to improve internal controls performance and processes, and management's responses to them are monitored by the Committee.

The Members Entitlements Audit Plan commenced in 2009-2010 and will continue in 2011-2012 covering members of both the 54th and 55th Parliament. The spread of members forming both the 54th and 55th Parliaments will be recognised during the audit and a sample selected to provide coverage. Proportional representation is also provided for each political party group within the Parliament.

The business risk assessment process is currently underway for Financial Year 2011-2012. The risks identified during this process will inform the internal audit plan for the year. The areas which will be covered in the coming reporting year are:

- Financial
- Operational
- Information Systems &
- Governance and Planning

During the year the Committee also considered progress against Business Continuity Management requirements which is likely to be addressed in 2011-2012.



External Audit

The NSW Audit Office is engaged by the Parliament to provide external audit services. These services include:

- Audit of the Parliament's Financial Statements to provide reasonable assurance that the financial statements are free from material misstatement
- A review of members' use of additional entitlements in accordance with the conditions of Determination of Additional Entitlements for Members of the Parliament of New South Wales by the Parliamentary Remuneration Tribunal 21 June 2010.

Insurance

Insurance cover for the Parliament is provided through the NSW Government Self Insurance Scheme, NSW Treasury Managed Fund. Coverage is provided for:

- Workers Compensation
- Liability
- Motor vehicle
- Property
- Miscellaneous, including members' personal accident and travel cover.



Appendix B

Department of Parliamentary Services EEO Actual Staff Numbers

Department of Parliamentary Services Actual Staff Numbers

Source: NSW DPC 2010/11 Workforce Profile (v2011.08.12)

| Remuneration Level of Substantive Position | 2011 | | | | | | | | |
|--|-----------------------------|-------------|-----------|------------|--|---|---|--------------------------|--|
| | TOTAL Staff (Men and Women) | Respondents | Men | Women | Aboriginal and Torres Strait Islanders | People from Racial, Ethnic, Ethno-Religious Minority Groups | People whose language first spoken as a child was not English | People with a Disability | People with a Disability Requiring Work-related Adjustment |
| >\$0 - <\$39,670 | - | - | - | - | - | - | - | - | - |
| \$39,670 - < \$52,104 | 46 | 7 | 17 | 29 | - | 7 | 7 | - | - |
| \$52,104 - <\$58,249 | 19 | 6 | 11 | 8 | - | 3 | 3 | 1 | - |
| \$58,249 - <\$73,709 | 29 | 13 | 12 | 17 | - | 5 | 3 | - | - |
| \$73,709 - <\$95,319 | 57 | 26 | 19 | 38 | - | 6 | 3 | 3 | - |
| \$95,319 - <=\$119,149 | 35 | 12 | 24 | 11 | - | 3 | 2 | 1 | - |
| >\$119,149 (Non SES) | 2 | 2 | 2 | - | - | 1 | 1 | - | - |
| >\$119,149 (SES) | - | - | - | - | - | - | - | - | - |
| Total | 188 | 66 | 85 | 103 | - | 25 | 19 | 5 | - |



Appendix C

Library Research Publications 2010 – 2011

| Title | Author | Type/No |
|--|-------------------------|-------------------------------|
| Constitutional Recognition of Aboriginal People | G. Griffith | E-Brief 11/2010 |
| NSW National Parks and Reserves | H. Park | E-Brief 12/2010 |
| Economic Indicators: NSW (April 2010) | T. Drabsch | Statistical Indicators 2/2010 |
| Full-Face Coverings Prohibition Bill | Griffith/Smith | Issues Backgrounder 5/2010 |
| Criminal Assets Recovery Bill | L. Roth | E-Brief 13/2010 |
| Health, Education and Community Indicators | T. Drabsch | Statistical Indicators 3/2010 |
| Sydney and Melbourne: An Economic Overview | J. Wilkinson | Briefing Paper 07/2010 |
| Cycling and Transport in NSW | D. Montoya | Briefing Paper 08/2010 |
| Waste: Comparative Data and Management Frameworks | S. Smith | Briefing Paper 09/2010 |
| Petitioning Parliament | G. Griffith | E-Brief 14/2010 |
| Euthanasia | G. Griffith | Issues Backgrounder 06/2010 |
| The Surrogacy Bill 2010 | T. Buttsworth | Issues Backgrounder 07/2010 |
| Bushfires in NSW: An Update | D. Montoya | Briefing Paper 10/2010 |
| Economic Indicators: NSW (October 2010) | T. Drabsch | Statistical Indicators 4/2010 |
| A statistical snapshot of crime and justice in New South Wales | T. Drabsch | Statistical Indicators 5/2010 |
| Arts Funding in NSW | Roth and Buttsworth | Briefing Paper 11/2010 |
| Budget Forecasts and Outcomes | Griffith/Roth/Wilkinson | E-Brief 15/2010 |
| Plantation Forestry in NSW: regulatory regimes & future prospects | D. Montoya | Briefing Paper 12/2010 |
| Regulation of the Coal Seam Gas Industry in NSW | L. Roth | E-Brief 1/2011 |
| Economic Indicators NSW – January 2011 | T. Drabsch | Statistical Indicators 1/2011 |
| Agriculture in the Sydney region: Historical and current perspectives | J. Wilkinson | E-Brief 2/2011 |
| A statistical portrait of the environment in NSW | T. Drabsch | Statistical Indicators 2/2011 |
| 2011 NSW Election Preview – Analysis of Past Voting Patterns by Electorate | A. Green | Background Paper 2/2011 |
| Offshore petroleum exploration and mining | D. Montoya | Briefing Paper 1/2011 |
| History of Development Contributions under NSW Planning System | L. O’Flynn | E-Brief 3/2011 |
| Economic Indicators: April 2011 | T. Drabsch | Statistical Indicators 3/2011 |
| Key Issues and Regional Profiles for the 55th Parliament | Research Service | Background Paper 2/2011 |
| Government Advertising | L. Roth | E-Brief 4/2011 |
| Infrastructure NSW: Comparing administrative models | D. Montoya | E-Brief 5/2011 |
| Same – Sex Marriage | G. Griffith | Briefing Paper 3/2011 |
| NSW Election 2011: Overview of LA Results | J. Arditi | Briefing Paper 2/2011 |
| Population, housing and transport indicators for NSW | T. Drabsch | Statistical Indicators 4/2011 |
| Victim Impact Statements | L. Roth | E-Brief 6/2011 |

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

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

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