

Budget Estimates

2007-08



New South Wales

Budget Paper No. 3

Volume 1

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INTRODUCTION

Budget Paper No. 3 provides information on the performance of general government agencies. An overview at the start of each Minister's portfolio sets out the total expenses and capital expenditure for agencies within the portfolio. Details of agency performance and 2007-08 Budget are outlined in the individual agency commentary and financial statements.

COMMENTARY

The commentary section provides an overview of the agency's results and services, recent developments, strategic directions and 2007-08 Budget.

The *Results and Services* section provides a summary of the outcomes the agency is working towards and the key services the agency delivers to contribute to those outcomes.

The *Recent Developments* section explains significant changes in agency functions, responsibilities and operating environment. This section provides information on key results the agency is trying to influence or developments experienced by the agency in the lead up to the Budget.

The *Strategic Directions* section explains objectives or areas of focus for the agency in the Budget year. This section may include information about an agency's planned response to emerging priorities or changes to service delivery mechanisms.

The *2007-08 Budget* section summarises the agency's expenses and capital expenditure for the Budget year. This section provides information on important areas of expenditure or major initiatives that will support the agency in its delivery of services as well as the expected contribution these services will make to results for the community.

RESULTS AND SERVICES

In 2007-08 most general government agencies will prepare a Results and Services Plan.

The Results and Services Plan is a service delivery and funding plan prepared by agencies to support decision making by the Budget Committee of Cabinet. It sets out the linkages between results, services and service costs.

In November 2006 the Government released *The State Plan: A New Direction for NSW*. The State Plan sets clear priorities and targets for Government action and establishes new accountability structures to deliver on these priorities, including a new performance management and budgeting system to be implemented for the 2008-09 Budget. The new system will build on the Results and Services Plan approach.

A key element of the new system will be a simplified framework for reporting agency financial and non-financial performance based on the Results and Services Plan.

In this year's Budget Paper No. 3 the commentary section for each relevant general government agency continues to report information describing the results the agency is working towards and the key services the agency delivers to contribute to those results.

More information on development and implementation of the new performance management and budgeting system is available in Chapter 2 of Budget Paper No. 2.

FINANCIAL STATEMENTS

Financial statements on an accrual basis are presented for each agency. These include the Operating Statement, Cash Flow Statement and Balance Sheet.

The Operating Statement details the major categories of expenses and revenues of agencies. A key aggregate is the Net Cost of Services, which is the difference between expenses, retained revenue and gains/losses arising from revaluations or disposal of assets.

For those agencies which receive a direct appropriation from Parliament, the Net Cost of Services is funded by revenue (mainly taxation) raised from the community as a whole.

For those agencies which do not receive direct appropriations, the difference between revenues and expenses is the surplus (deficit) available to further the objectives of the agency or be distributed to the Consolidated Fund to support core government services to the community. A deficit would need to be funded from the agency's cash holdings or through borrowings.

The Government incurs expenditure as a result of providing services to the community. Under accrual accounting the operating statement of an agency records expenses when they occur. This varies from cash accounting which records expenditure when the payment is made.

The major categories of expenses shown on this statement include employee related costs, operating costs, depreciation and amortisation of assets, grants and subsidies provided to other entities, and other expenses.

Similarly, revenues are shown when the agency is entitled to receive the funds although the cash may be received in a different period. Revenues are dissected into sales of goods and services, investment income, grants and contributions, and other revenue.

The Cash Flow Statement details the cash impacts of agency activities including the cash appropriations sourced from taxation. The movement in cash disclosed in the statement equates to the difference between the opening and closing cash amounts in the Balance Sheet. In addition, the net cash flow from operating activities shown on the cash flow statement is reconciled to the Net Cost of Services (or surplus/deficit) in the operating statement.

The Balance Sheet details the assets and liabilities of the agency with the difference being the net investment by the community in the form of equity in that agency. Assets and liabilities are dissected into current (convertible into cash or paid/received within the next 12 months), or non current (paid/received after 12 months).

PUBLICATION OF PROGRAM STATEMENTS

Where agencies receive direct Budget support, their activities are grouped into programs. These are groupings of agency activities which have common goals, and provide further detail on how an agency's budget is to be spent and what it is expected to achieve.

Following the March 2007 election, Ministerial portfolios and some of the agencies within those portfolios were restructured. These changes were gazetted in April 2007.

As a result of these administrative changes, program statements for Budget Dependent agencies are not included in these budget papers, but will instead be published early in the new financial year.

THE LEGISLATURE

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---------------------------|-----------------------------------|-----------------------------------|------------------------|
| The Legislature | | | |
| Total Expenses | 108.7 | 116.2 | 6.9 |
| Capital Expenditure | 3.3 | 4.0 | 21.2 |

THE LEGISLATURE

The Legislature comprises the Legislative Council, the Legislative Assembly and the Joint House Departments. It provides procedural, administrative and support services to assist Members in their parliamentary and constituency duties at Parliament House and in 94 Legislative Assembly electorate offices (Murray Darling has two offices) throughout the State.

RESULTS AND SERVICES

Under the *Constitution Act 1902*, the Legislature supports a strong representative and democratic government in New South Wales by working towards the following results:

- ◆ The making of constitutionally sound laws, scrutiny of the executive government and debate matters of concern to the community by each House of Parliament.
- ◆ Development of public policy, and monitoring and review of independent agencies and the executive government by parliamentary committees.
- ◆ Facilitation of the representation of constituents by Members of Parliament.

Key services provided by the Legislature which contribute to these results include:

- ◆ the provision of efficient business support systems, including the preparation of business papers and official records, Hansard reporting, information technology and the efficient administration of Members' entitlements;

- ◆ the provision of authoritative advice on parliamentary law and practice, research, analysis and report writing; and
- ◆ the provision of a safe and functional working environment for members and staff ensuring that Parliament House remains an accessible and secure part of the State's heritage.

RECENT DEVELOPMENTS

Additional expenditure in recent years has provided for:

- ◆ an upgraded computer network and internet access to the 94 electorate offices throughout the State, linking with members and staff located at Parliament House;
- ◆ improved physical and information technology security in response to world-wide events and external risk assessments;
- ◆ changes to Members' entitlements to assist them in communicating with their constituents; and
- ◆ additional staff entitlements to Members of the Legislative Assembly on sitting days as determined by the Parliamentary Remuneration Tribunal.

During 2006-07, the Legislature commenced downsizing of the food and beverage services to operate on a cost neutral basis as well as other efficiency measures for parliamentary support services.

Employee related expenses, including salaries of Members of Parliament account for 75 per cent of total expenses.

STRATEGIC DIRECTIONS

The Legislature's primary strategic focus is on the provision of services to Members of Parliament to support them in undertaking their parliamentary and electorate duties.

Strategies planned for 2007-08 to achieve this and other goals include:

- ◆ continuation of the phased updating and upgrading of the Parliament's information technology infrastructure;
- ◆ further improvements to the operations of the Parliament's food and beverage services;

- ◆ provision of corporate and procedural support services to Members of Parliament and their staff;
- ◆ further efficiency measures in the delivery of parliamentary support services;
- ◆ continuation of the program of maintenance work on the Parliament House building to meet heritage and occupational health and safety requirements, together with essential building repairs;
- ◆ implementation of the Parliament House Water Savings Plan, involving stormwater harvesting and recycling initiatives; and
- ◆ implementation of the Parliament's Energy Savings Plan, involving the use of solar panels, energy efficient lighting and other greenhouse gas reduction strategies for completion by early 2009.

2007-08 BUDGET

Total Expenses

Estimated total expenses in 2007-08 are \$116.2 million, an increase of 6.9 per cent over budgeted 2006-07 expenses. The increase reflects salary increases granted to Members of Parliament and staff and additional Member entitlements determined by the Parliamentary Remuneration Tribunal.

Capital Expenditure

Total capital expenditure in 2007-08 is estimated at \$4 million. This funding will be used for:

- ◆ energy and water saving initiatives (\$2 million);
- ◆ the upgrade of Parliament's information technology systems (\$0.7 million); and
- ◆ fit out of Legislative Assembly Members' electorate offices and other minor works (\$1.3 million).

THE LEGISLATURE
1 THE LEGISLATURE

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 55,160 | 58,889 | 57,794 |
| Other operating expenses | 23,176 | 24,273 | 24,441 |
| Depreciation and amortisation | 3,977 | 4,278 | 3,948 |
| Other expenses | 26,404 | 28,487 | 29,990 |
| Total Expenses Excluding Losses | 108,717 | 115,927 | 116,173 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 4,810 | 4,779 | 4,945 |
| Investment income | 60 | 100 | 105 |
| Grants and contributions | ... | ... | 780 |
| Other revenue | 250 | 547 | 270 |
| Total Retained Revenue | 5,120 | 5,426 | 6,100 |
| NET COST OF SERVICES | 103,597 | 110,501 | 110,073 |

THE LEGISLATURE
1 THE LEGISLATURE

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 42,733 | 47,200 | 47,333 |
| Other | 52,582 | 55,414 | 56,582 |
| Total Payments | 95,315 | 102,614 | 103,915 |
| Receipts | | | |
| Sale of goods and services | 4,810 | 5,112 | 4,945 |
| Interest | 50 | 100 | 95 |
| Other | 2,650 | 2,946 | 3,453 |
| Total Receipts | 7,510 | 8,158 | 8,493 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (87,805) | (94,456) | (95,422) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 4 | ... |
| Purchases of property, plant and equipment | (3,267) | (3,289) | (4,020) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (3,267) | (3,285) | (4,020) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 87,805 | 94,245 | 96,844 |
| Capital appropriation | 3,267 | 3,267 | 3,240 |
| NET CASH FLOWS FROM GOVERNMENT | 91,072 | 97,512 | 100,084 |
| NET INCREASE/(DECREASE) IN CASH | ... | (229) | 642 |
| Opening Cash and Cash Equivalents | 175 | 803 | 574 |
| CLOSING CASH AND CASH EQUIVALENTS | 175 | 574 | 1,216 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (103,597) | (110,501) | (110,073) |
| Non cash items added back | 15,792 | 15,739 | 14,009 |
| Change in operating assets and liabilities | ... | 306 | 642 |
| Net cash flow from operating activities | (87,805) | (94,456) | (95,422) |

THE LEGISLATURE
1 THE LEGISLATURE

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 175 | 574 | 1,216 |
| Receivables | 771 | 1,191 | 1,197 |
| Inventories | 250 | 257 | 257 |
| Other | 370 | ... | ... |
| Total Current Assets | 1,566 | 2,022 | 2,670 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 130,032 | 136,305 | 135,068 |
| Plant and equipment | 44,338 | 45,665 | 47,194 |
| Intangibles | 196 | 226 | 6 |
| Total Non Current Assets | 174,566 | 182,196 | 182,268 |
| Total Assets | 176,132 | 184,218 | 184,938 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 5,012 | 4,737 | 5,185 |
| Provisions | 4,175 | 5,015 | 5,215 |
| Total Current Liabilities | 9,187 | 9,752 | 10,400 |
| Non Current Liabilities - | | | |
| Provisions | 677 | 37 | 37 |
| Total Non Current Liabilities | 677 | 37 | 37 |
| Total Liabilities | 9,864 | 9,789 | 10,437 |
| NET ASSETS | 166,268 | 174,429 | 174,501 |
| EQUITY | | | |
| Reserves | 24,797 | 33,186 | 33,186 |
| Accumulated funds | 141,471 | 141,243 | 141,315 |
| TOTAL EQUITY | 166,268 | 174,429 | 174,501 |

PREMIER, AND MINISTER FOR CITIZENSHIP

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|--|-----------------------------------|-----------------------------------|------------------------|
| Department of Premier and Cabinet | | | |
| Total Expenses | 183.7 | 180.8 | -1.6 |
| Capital Expenditure | 1.9 | 1.3 | -32.3 |
| Independent Commission Against Corruption | | | |
| Total Expenses | 17.1 | 17.9 | 4.7 |
| Capital Expenditure | 0.2 | 1.2 | 386.3 |
| Ombudsman's Office | | | |
| Total Expenses | 21.7 | 22.2 | 2.5 |
| Capital Expenditure | 0.2 | 0.3 | 22.5 |
| New South Wales Electoral Commission | | | |
| Total Expenses* | 58.7 | 29.6 | -49.6 |
| Capital Expenditure | 3.4 | 2.4 | -29.4 |
| Independent Pricing and Regulatory Tribunal | | | |
| Total Expenses | 16.6 | 18.0 | 8.5 |
| Capital Expenditure | 0.2 | 0.2 | ... |
| Natural Resources Commission | | | |
| Total Expenses | 4.7 | 4.8 | 1.8 |
| Capital Expenditure | 0.3 | ... | -100.0 |
| Community Relations Commission of New South Wales | | | |
| Total Expenses | 15.5 | 16.4 | 5.5 |
| Capital Expenditure | 0.2 | 0.1 | -50.0 |
| Audit Office of New South Wales | | | |
| Total Expenses | 29.0 | 35.0 | 20.7 |
| Capital Expenditure | 1.2 | 0.7 | -45.5 |
| Total, Premier, and Minister for Citizenship | | | |
| Total Expenses | 347.0 | 324.7 | -6.4 |
| Capital Expenditure | 7.6 | 6.2 | -18.4 |

* The reduction in Total Expenses between 2006-07 and 2007-08 is mainly due to the March 2007 General Election.

DEPARTMENT OF PREMIER AND CABINET

The Department of Premier and Cabinet supports the Premier and the Cabinet with the development, coordination and implementation of government policy and by coordinating the Government's role in Commonwealth-State issues. The Department also includes the Parliamentary Counsel's Office, a separate office that provides comprehensive legislative drafting and publishing services for the Government and Members of Parliament.

The Department supports the Premier, the Minister for Women (Section 23), the Minister for Volunteering (Section 10) and regional Ministers with strategic advice; project and issues management; and, a whole-of-government approach to policy development and service provision within the public sector, especially in regional and rural areas. The Department also provides services for the Premier.

RESULTS AND SERVICES

The Department of Premier and Cabinet provides leadership, coordination and oversight of State Plan priorities across the sector and has lead agency responsibility of the following State Plan priorities:

- ◆ R4: Increased participation and integration in community activities.
- ◆ S8: Increased customer satisfaction with Government services.
- ◆ F4: Embedding prevention and early intervention into Government services.
- ◆ P3: Cutting red tape.

The Department supports the Premier and contributes to the effective implementation of major government policy by working towards the following results:

- ◆ Efficient, collective decision-making processes through Cabinet and its Committees.
- ◆ Timely and accurate advice to the Premier and the Cabinet on major policy issues, whole-of-government priority setting and implementation of government policy.
- ◆ Effective coordination of cross-portfolio policies and other significant issues including national policy initiatives.
- ◆ Responsive and accurate drafting of legislation that reflects the policy agenda of the Government or sponsoring non-government member.

- ◆ Accurate and accessible information provision to the public and the Government in relation to New South Wales legislation.
- ◆ Improved service delivery by the public sector.
- ◆ Resolution of complex business, community, citizen and project specific issues across New South Wales.

Key services provided by the Department to contribute to these results include:

- ◆ providing support to the Premier and Cabinet through the Cabinet process;
- ◆ developing and advising on policy (including cross-portfolio and cross-jurisdictional issues), setting priorities and advising on policy implementation;
- ◆ providing the Governor, Premier and Ministers with protocol, ministerial and parliamentary support services;
- ◆ improving public employment, workforce strategy and policy, workforce capability, equity and diversity programs;
- ◆ reviewing and enhancing public sector performance, advice to Government, networks and governance and service delivery initiatives;
- ◆ delivering strategic and operational advice in counter-terrorism policy, natural disaster response and strategic projects across New South Wales;
- ◆ ensuring sector-wide direction and specialist skills in women and Aboriginal and Torres Strait Islanders' policy, programs and initiatives;
- ◆ coordinating whole-of-government infrastructure implementation;
- ◆ drafting Bills, statutory instruments and environmental planning instruments; and
- ◆ providing legislative information, publications and maintaining a legislation database, the legislation website, reprints and a legislation information hotline.

RECENT DEVELOPMENTS

The Department of Premier and Cabinet was established by administrative order in April 2007 resulting in the amalgamation of the Premier's Department and The Cabinet Office, with the Parliamentary Counsel's Office as a separate office within the new Department.

The existing Office of the Coordinator General has merged with the Infrastructure Implementation Group and a small group of staff from the Department of State and Regional Development to form a new and strengthened Office of the Coordinator General.

The Department is providing administrative support to the Special Commission of Inquiry into Sydney Ferries pursuant to the *Special Commission of Inquiry Act 1983*.

The Marine Parks Authority Secretariat and the Resource and Conservation Unit formerly in Premier's Department were transferred to the new Department of Environment and Climate Change.

The World Youth Day Secretariat, formerly in the Premier's Department, was transferred to the newly created World Youth Day Co-ordination Authority.

The NSW Greenhouse Office and the Metro Water Directorate, formerly in The Cabinet Office, were transferred to the Department of Environment and Climate Change and the Department of Water and Energy, respectively.

STRATEGIC DIRECTIONS

The Department of Premier and Cabinet will continue the commitment to achieve better value for money in the delivery of public services. Key whole-of-government coordination roles include:

- ◆ leading, coordinating and overseeing New South Wales State Plan priorities across the public sector;
- ◆ leading New South Wales involvement in development of the National Reform Agenda policy framework, governance and funding arrangements and implementation of agreed reforms in New South Wales. The Agenda comprises three streams of reform in the areas of human capital, competition and regulatory reform;
- ◆ coordinating economic development opportunities and social issues in regional and rural New South Wales;

- ◆ improving service delivery by the public sector;
- ◆ managing policy responses to counter-terrorism and natural disasters;
- ◆ improving infrastructure and major investment coordination and implementation;
- ◆ managing State protocol, hospitality and events;
- ◆ developing further the Environmental Planning Instrument Drafting and Publishing Program to assist in the implementation of planning reforms;
- ◆ developing economic and social issues for women through partnerships with government agencies, the community and private sector; and
- ◆ improving representation of targeted groups in the public sector workforce, focusing on Aboriginal people and people with disabilities.

2007-08 BUDGET

Total Expenses

The Department of Premier and Cabinet has estimated total expenses of \$180.8 million, which includes:

- ◆ \$2.6 million for continuing the Aboriginal Trust Fund Repayment Scheme to pay back money owed to Aboriginal people whose money was put into Trust Funds between 1900 and 1969 and not repaid;
- ◆ \$2.6 million for resourcing of the National Reform Agenda;
- ◆ \$2.2 million for continuing Executive Development Programs funded by the consolidation of training expenditure from across the NSW public sector (including scholarships to the Australia and New Zealand School of Government and the University of Sydney's Graduate School of Government);
- ◆ \$1.2 million for the management of State Protocol, honours and diplomatic issues;
- ◆ \$0.8 million for the Australia Day Council commemorations to encourage State-wide participation, communication of key messages, and the engagement of all sectors of the NSW community;

- ◆ \$0.4 million for respecting our war veterans that involves: a school trial for students to record experiences of war veterans; an annual grant to existing local community war memorials; and an annual grant to upgrade the Government-sponsored website Register of War Memorials in New South Wales; and
- ◆ \$0.2 million for volunteering that involves: the publication of a Guide to Government Grants for community groups applying for Government assistance; and the appointment of a liaison officer to support and inform community organisations and assist individuals to identify volunteering opportunities.

Capital Expenditure

In 2007-08, the Department's capital program is \$1.3 million.

The capital program is necessary for regular staged upgrades to that portion of the Department's computer, telecommunication and office equipment requiring replacement or reaching obsolescence in 2007-08.

INDEPENDENT COMMISSION AGAINST CORRUPTION

The Independent Commission Against Corruption is responsible for promoting and enhancing integrity in public administration throughout New South Wales by investigating, exposing and minimising corruption through the application of its special powers. The Commission's governing legislation is set out in the *Independent Commission Against Corruption Act 1988*.

RESULTS AND SERVICES

The Commission contributes to an improved culture of honesty, integrity and ethical behaviour within the New South Wales public sector by working towards the following results:

- ◆ Potential offenders are deterred from committing corrupt conduct through the exposure of corruption activities and corruption risks.
- ◆ The community and public sector employees have confidence that corruption matters reported are being properly investigated.
- ◆ A comprehensive range of corruption prevention strategies operate across the public sector.
- ◆ The community and public sector employees have an increased awareness and understanding of corrupt conduct and corruption risks across the public sector.

Key services provided by the Commission which contribute to these results include:

- ◆ processing, assessment and investigation of corruption complaints;
- ◆ conducting compulsory examinations (private hearings) and public inquiries, reporting on corruption investigations and recommending corruption prevention improvements;
- ◆ delivering corruption prevention training programs and providing education materials and corruption prevention advice to public sector agencies;
- ◆ conducting research supporting the development of effective corruption prevention resources; and
- ◆ promoting corruption awareness through the delivery of communication projects on public sector corruption and corruption prevention.

RECENT DEVELOPMENTS

During 2006-07, the Commission continued to develop its complaint handling systems and integrated corruption investigation techniques. The Commission also continued to improve its corruption analysis capabilities and enhanced its facilities and systems for managing intelligence acquired through technical surveillance and investigative operations.

STRATEGIC DIRECTIONS

The Commission will maintain a focus on enhancing its capacity to identify systemic and individual corruption risks, on the effective management of corruption complaints and on the continual improvement and development of the Commission's investigative capacity.

Work will proceed on improving the Commission's business processes, particularly in the area of case management and performance tracking through the implementation of a new complaint handling and case management system. The Commission will continue to develop and deliver strategic research, education and corruption prevention initiatives, targeted at key sectors, including local government, government agencies in regional areas, the general public sector and communities from non-English speaking backgrounds. In 2007-08, the Commission will also be hosting the inaugural Australian Public Sector Anti-Corruption Conference in conjunction with the Queensland Crime and Misconduct Commission and the Western Australia Crime and Corruption Commission.

2007-08 BUDGET

Total Expenses

Estimated total expenses of the Commission in 2007-08 are \$17.9 million, an increase of 4.7 per cent compared to 2006-07. The Commission will maintain its current level of investigation, corruption prevention and education activities.

Capital Expenditure

The Commission will spend \$1.2 million on asset acquisitions including \$0.9 million to develop a new complaint handling and case management system and \$0.2 million to update intelligence based computer analysis and technical equipment to improve the effectiveness of investigations and surveillance operations and for the upgrade of computer infrastructure.

OMBUDSMAN'S OFFICE

The NSW Ombudsman is an independent and impartial review body. The Ombudsman's job is to make sure that the public and private sector bodies and employees he watches over fulfil their functions properly. The Office helps organisations and individuals within its jurisdiction to be aware of their responsibilities to the public, to act reasonably and to comply with the law and best practice in administration.

The Ombudsman is independent of the government of the day and accountable to the public through the NSW Parliament.

The Ombudsman's work is governed by a range of legislation including the *Ombudsman Act 1974*, the *Community Services (Complaints, Reviews and Monitoring) Act 1993* and the *Police Act 1990*.

RESULTS AND SERVICES

The Office works with both private and public sector agencies to achieve the following results for the community:

- ◆ Improved public administration.
- ◆ Improved provision of community services and protection of children.
- ◆ Public and private sector agencies and employees fulfilling their functions properly.

- ◆ Fair, reasonable and transparent decision making in agencies in the interests of the NSW community.
- ◆ Customer satisfaction with the provision of public and community services.

Key services provided by the Office to contribute to these results include:

- ◆ investigating and resolving complaints;
- ◆ assessing notifications, reviewing how agencies handle complaints and monitoring agencies' investigations;
- ◆ keeping certain complaint handling and other systems under scrutiny;
- ◆ providing advice and a referral service to the public;
- ◆ hearing witness protection appeals; and
- ◆ reviewing the implementation of certain legislation that expands the powers of the police as well as certain other agencies.

RECENT DEVELOPMENTS

Since 2002-03, there has been a 32.4 per cent increase in the total expenses of the Office, to an estimated \$22.3 million in 2007-08. The increase is mainly a result of the amalgamation of the former Community Services Commission in 2002 and the transfer of certain responsibilities of the former Inspector General of Prisons in 2003.

Additional funding of \$0.8 million was provided in 2006-07 to support workload increases in the Ombudsman's complaint handling and reviewable death areas. This funding recognises the increase in complaints numbers over the last few years, an increase that has occurred even though the Ombudsman has implemented proactive strategies to reduce the number of matters referred to the Office. As well, the number of reviewable deaths captured by the legislation and the work required for each review exceeded the indicative assessments that were made when the Ombudsman was given the function in 2002.

In 2007-08, additional funding of \$1.2 million is provided to the Ombudsman's Office to review the implementation of nine pieces of legislation that expands the powers of the NSW Police Force. The Ombudsman reports to the Minister on his findings and makes recommendations to improve the legislation or police practices and to ensure that the powers are exercised fairly.

STRATEGIC DIRECTIONS

The Ombudsman's Office Corporate Plan, which consists of a Statement of Corporate Purpose and the strategic plans for each of the Office's business units, sets the direction for the Office and outlines the goals and strategies that will support the Ombudsman's vision of fair, accountable and responsive administrative practice and service delivery in organisations that the Office oversees. Each business unit has developed its own business plan to align its activities with the strategic direction of the Office.

The Ombudsman is addressing a number of issues/challenges:

- ◆ The Ombudsman will continue to explore proactive strategies to stabilise complaint numbers and to ensure continuous improvement in the delivery of services to the public.
- ◆ Providing a seamless service - there is an increasing tendency for matters coming to the Office to fall within the responsibility of two or more of the Ombudsman's program areas. This, along with the current emphasis on a whole of government or multi-agency approach to delivering services, has required the Office to review how it deals with what is termed 'across office' matters. To improve the handling of these matters, the Ombudsman has established a new flexible team, on a trial basis, capable of responding to emerging issues, coordinate multi-jurisdiction matters and provide expert advice to staff about whole of government projects and initiatives.
- ◆ The Ombudsman has initiated a number of projects where the Office is working with key agencies in reviewing the delivery of their services to key community groups. The Office has specialised positions including a staff of four in the Aboriginal Complaints Unit and a youth liaison officer who liaise with communities and agencies about service delivery improvements.

2007-08 BUDGET

Total Expenses

Total expenses of the Office are projected to be \$22.3 million in 2007-08 of which 80 per cent will be employee related. Included in the Ombudsman's Office expenses are the expenses of Official Community Visitors, who travel throughout New South Wales visiting residential services for children and young people and in care and accommodation services for people with a disability.

Capital Expenditure

In 2007-08, the Office will be undertaking capital expenditure totalling \$0.3 million. The Ombudsman's Office will upgrade equipment and other minor items during the year.

NEW SOUTH WALES ELECTORAL COMMISSION

The New South Wales Electoral Commission is responsible for the:

- ◆ management and administration of parliamentary elections, by-elections and referendums;
- ◆ administrative support to the Election Funding Authority which is responsible for the public funding of election campaigns and the management and administration of the Political Education Fund; and
- ◆ in accordance with appropriate legislation, elections for local government, trade unions, statutory boards, registered clubs and ballots for enterprise agreements on a full cost recovery basis.

RESULTS AND SERVICES

The New South Wales Electoral Commission is working towards the following results:

- ◆ Elections are conducted impartially and in accordance with the law.
- ◆ Maximisation of voter participation and minimisation of informal votes.
- ◆ Unbiased public funding and disclosure of campaign donations.

Key services provided by the Commission which contribute to these results include:

- ◆ maintaining a register of candidates, groups and parties;
- ◆ conducting Elections;
- ◆ delivering Election results;
- ◆ providing timely and accurate electoral information;
- ◆ targeting enrolment strategies at under enrolled groups; and
- ◆ enforcing legislative disclosure requirements on candidates, groups and parties.

RECENT DEVELOPMENTS

Expenditure in 2006-07 includes the conduct of the State General Election held in March 2007.

A significant restructure of the Commission occurred during 2005-06 to improve service levels for the 2007 State General Election and future years. The Commission has also upgraded its websites during the year to improve information flows to stakeholders.

STRATEGIC DIRECTIONS

Investment in the centralised Election Management Application continues with work programmed for 2007 through 2009. This will improve the Commission's operations for the forthcoming local government elections and future State Government elections. Workflow processes continue to be reviewed to minimise risks. Delivering services in the areas of electoral education and election funding will continue.

2007-08 BUDGET

Total Expenses

The New South Wales Electoral Commission has estimated total expenses of \$29.6 million in 2007-08. This includes:

- ◆ \$20.4 million for operating expenses (including \$8.6 million to commence preparations for the conduct of Local Government Elections to be held in September 2008. These costs will be recovered from local councils in 2008-09);
- ◆ \$5.8 million (on behalf of the Election Funding Authority) for payments to candidates, groups and parties, and political education; and
- ◆ \$3.4 million for payments to the Commonwealth Government for the Joint Electoral Roll Agreement.

Capital Expenditure

Total capital expenditure for 2007-08 is estimated at \$2.4 million. This consists of software development of \$2.3 million and office equipment of \$0.1 million.

INDEPENDENT PRICING AND REGULATORY TRIBUNAL

The Independent Pricing and Regulatory Tribunal (IPART) provides advice, recommendations and determinations on prices for monopoly services provided by major NSW Government utilities.

Its objectives are aligned with the overall government priority of encouraging utilities and regulated industries to provide efficient, quality services, while protecting consumers' interests and encouraging commercially and environmentally sustainable outcomes. The organisation works very closely with its stakeholders to demonstrate a fair and open process, to achieve a balanced outcome for the industry sector as well as the consumer.

RESULTS AND SERVICES

The two major planned results for IPART are:

- ◆ supporting a competitive and sustainable business environment in New South Wales; and
- ◆ promoting healthy and sustainable energy and water supply in New South Wales.

It provides the following services to support these results:

- ◆ monitoring of water and energy licences;
- ◆ administering Greenhouse Gas Abatement Scheme targets;
- ◆ making recommendations on pricing of water, transport and energy services; and
- ◆ undertaking reviews referred to it.

RECENT DEVELOPMENTS

IPART's work in recent years has expanded beyond setting maximum prices for government utilities and transport services. Additional activities now undertaken include advice on competitive neutrality, setting gas tariffs, regulating gas networks and conducting arbitration proceedings between market participants.

From 1 January 2003, IPART assumed the role of Administrator for the Greenhouse Gas Abatement Scheme following government legislation introducing mandatory targets for greenhouse gas emissions from electricity generation. IPART is responsible for issuing licences, administering a registry of abatement certificates, providing forecasts, carrying out annual compliance assessments and reports, and enforcing breaches.

The implementation of the Greenhouse Gas Abatement Scheme, one of the world's first carbon dioxide-denominated emissions trading schemes, is now well established. In the last year, IPART accredited an additional 28 abatement projects. Currently 183 projects are accredited with the Scheme. Over 14.5 million additional abatement certificates have been created to date for the 2006-07 year, with the financial year total expected to exceed 20 million. This will bring the total certificate creation between Scheme commencement and the end of the 2006-07 financial year to approximately 41 million – equivalent to the abatement of an equal number of tonnes of carbon dioxide.

The Scheme is on target to be fully self-funding over its projected life. User charges are estimated to reach \$3.1 million in 2006-07, well in excess of the operating budget.

In 2006, the Government introduced the *Water Industry Competition Act 2006* which provides for third party access to water supply, the creation of a licensing regime for service providers and the extension of IPART's pricing powers to the private sector, where the private sector provides a monopoly water supply to small retail customers. IPART will have the principal role to administer third party access, administer and audit licences, make a pricing order for a licensee, arbitrate disputes, and monitor licence compliance.

The approach to price regulation is constantly evolving and thus requires a research capacity. The Tribunal maintains an interest in overseas developments as well as continuing membership of the Australian Utilities Regulators' Forum.

STRATEGIC DIRECTIONS

IPART faces several challenges including:

- ◆ encouraging government businesses to make efficiency gains and reduce their overall cost to the community;
- ◆ promoting continuity of supply, and in particular, ensuring that incentives are adequate to stimulate ongoing investment in infrastructure to meet growth and replace ageing assets;

- ◆ ensuring businesses have the resources to meet increasing community expectations of service levels and environmental performance; and
- ◆ ensuring that regulatory outcomes support the ongoing availability of low cost private capital necessary to fund new infrastructure.

2007-08 BUDGET

Total Expenses

Total expenses for 2007-08 are estimated at \$18 million, compared with \$16.6 million in 2006-07.

Capital Expenditure

The capital program for IPART in 2007-08 provides \$180,000 for minor plant and equipment.

NATURAL RESOURCES COMMISSION

The Natural Resources Commission (NRC) was established by the *Natural Resources Commission Act 2003* to provide the Government with independent advice on a range of complex natural resource management issues.

RESULTS AND SERVICES

The NRC works with Catchment Management Authorities (CMAs), government agencies and landholders so natural resource management decisions are based on sound science and made in the social, economic and environmental interests of the State.

The NRC works towards the following results:

- ◆ The Government achieves specific State-wide targets for improving natural resources across New South Wales.
- ◆ The CMAs comply with the Quality Standard for Natural Resource Management in how they invest and work with their communities, relevant agencies and other stakeholders to achieve those State-wide targets.
- ◆ The Government approves Catchment Action Plans prepared by the CMAs as being consistent with the Quality Standard and promoting State-wide targets.
- ◆ The Government receives high quality independent advice and recommendations on a variety of natural resource management issues.

Key services provided by the NRC to contribute to these results include:

- ◆ developing, reviewing and promoting the use of the Quality Standard and State-wide targets;
- ◆ reviewing and recommending approval of the CMAs' Catchment Action Plans;
- ◆ auditing the implementation of CMAs' Catchment Action Plans against the Quality Standard and State-wide targets; and
- ◆ solving complex natural resource problems and providing a range of audits, reports and recommendations to the Government as requested.

RECENT DEVELOPMENTS

The NRC was established in May 2004 and its expenses as a start-up agency increased in its first two financial years before stabilising as the agency matured.

Progress against the NRC's legislative responsibilities in 2006-07 included:

- ◆ reviewing 11 CMAs' first Catchment Action Plans and recommending their approval to the Government;
- ◆ providing technical and policy advice on enhancing the management and regulation of native vegetation in New South Wales;
- ◆ reviewing the scientific basis for aspects of water sharing plans and providing the Government with advice on recovering water for the environment;
- ◆ providing advice on aspects of coastal developments and the master planning process; and
- ◆ evaluating environmental impacts of the Snowy Hydro Cloud Seeding Trial.

STRATEGIC DIRECTIONS

With 11 of the Catchment Actions Plans (CAPs) approved by the Government, the NRC will focus on working with CMAs so they are effective in promoting on-ground improvements in land, water and vegetation management, and delivering the Government's investment priorities for creating sustainable landscapes and communities. The NRC will provide both high level guidance on the use of the Quality Standard and rigorous auditing to support its implementation.

The NRC will work with other agencies to establish baseline measures for each State-wide target using existing information and to improve accountability for implementation of the NSW Natural Resources Monitoring, Evaluation and Reporting Strategy.

An emerging strategic issue is ensuring that planning systems in coastal and urban areas consistently contribute to the achievement of State-wide targets.

The NRC will continue to address other complex and technical issues requiring robust independent analysis.

2007-08 BUDGET

Total Expenses

Total expenses for the NRC in 2007-08 are projected to be \$4.8 million.

COMMUNITY RELATIONS COMMISSION OF NEW SOUTH WALES

The Commission promotes more harmonious communities through increased community participation.

The Commission's governing legislation is the *Community Relations Commission and Principles of Multiculturalism Act 2000*.

RESULTS AND SERVICES

The Commission contributes to achieving more harmonious communities by working towards the following results:

- ◆ Social justice, community development and community initiatives for ethnic communities in New South Wales are promoted.
- ◆ The benefits of cultural diversity are recognised and maximised.
- ◆ Access to government and community services is equitable.

Key services provided by the Commission which contribute to these results include:

- ◆ providing interpreting and translating services;
- ◆ administering grants to communities and organisations;
- ◆ engaging the community through projects and partnerships; and
- ◆ providing community relations policy advice to the Government.

RECENT DEVELOPMENTS

The Commission played a leading role in restoring community harmony after the Cronulla disturbances. The Commission also had its governing legislation reviewed and completed a significant review of African humanitarian settlement in New South Wales.

STRATEGIC DIRECTIONS

The Commission's main strategic objectives are to:

- ◆ be an effective leader in community relations;
- ◆ provide quality language services;
- ◆ promote and implement the principles of multiculturalism;
- ◆ be responsive to the needs of our culturally diverse society; and
- ◆ utilise effective resource and knowledge management.

2007-08 BUDGET

Total Expenses

Total expenses for the Commission in 2007-08 are budgeted at \$16.4 million, compared with projected expenses of \$15.8 million in 2006-07.

Capital Expenditure

The Commission has a minor works allocation of \$75,000 for 2007-08.

AUDIT OFFICE OF NEW SOUTH WALES

The New South Wales Auditor-General is responsible for audits and related services under the *Public Finance and Audit Act 1983* and other NSW Acts. The Auditor-General forms part of the mechanisms whereby Parliament holds the Government accountable for fulfilling its responsibilities. The Audit Office assists the Auditor-General in fulfilling this role.

The Audit Office's core businesses are:

- ◆ supporting the Auditor-General;
- ◆ financial audits that provide an independent opinion (report) on the financial statements of government agencies;
- ◆ reviews, involving the examination of compliance with laws and regulations and policy directives of central agencies;
- ◆ performance audits that provide an independent assessment on selected government programs or activities in terms of their economy, efficiency, effectiveness and compliance with appropriate legislation; and
- ◆ advising Parliament and the Government on substantial matters identified during the audit process.

STRATEGIC DIRECTIONS

Through its audits of NSW Government agencies, the Audit Office will continue to assist Parliament in improving the accountability and performance of government.

The Office is committed to being recognised as a centre of excellence in auditing by:

- ◆ being seen by other auditors as a benchmark for best practice in auditing;
- ◆ being valued by Parliament as a contributor to improving the State's financial performance and accountability;
- ◆ ensuring agencies derive value from the information the Office provides;
- ◆ providing an environment that gives job satisfaction and where talented people are proud to work; and
- ◆ having a culture of innovative thinking and client focus.

2007-08 BUDGET

Total Revenue

Revenue is forecast to increase from \$29 million in 2006-07 to \$35 million in 2007-08. This is principally derived from audit fees paid by government agencies. The increase in revenue arises from payments for additional work.

Total Expenses

Expenses are estimated to increase from \$29 million in 2006-07 to \$34.7 million in 2007-08. This increase includes the cost of undertaking the additional work.

Capital Expenditure

Capital expenditure is estimated at \$0.7 million in 2007-08. The majority of this will be spent on the enhancements to our information systems.

PREMIER, AND MINISTER FOR CITIZENSHIP
2 DEPARTMENT OF PREMIER AND CABINET

| | 2006-07 | | 2007-08 |
|---|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 95,794 | 96,857 | 100,938 |
| Other operating expenses | 72,782 | 81,597 | 67,058 |
| Depreciation and amortisation | 2,808 | 4,679 | 3,954 |
| Grants and subsidies | 9,518 | 10,335 | 6,400 |
| Other expenses | 2,823 | 2,823 | 2,498 |
| Total Expenses Excluding Losses | 183,725 | 196,291 | 180,848 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 1,216 | 1,816 | 1,037 |
| Investment income | 375 | 725 | 678 |
| Grants and contributions | 3,192 | 4,046 | 3,667 |
| Other revenue | 2,442 | 1,274 | 800 |
| Total Retained Revenue | 7,225 | 7,861 | 6,182 |
| Gain/(loss) on disposal of non current assets | ... | (9) | ... |
| NET COST OF SERVICES | 176,500 | 188,439 | 174,666 |

PREMIER, AND MINISTER FOR CITIZENSHIP
2 DEPARTMENT OF PREMIER AND CABINET

| | 2006-07 | | 2007-08 Budget \$000 |
|---|------------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 90,881 | 90,517 | 94,760 |
| Grants and subsidies | 9,518 | 10,335 | 6,400 |
| Other | 78,414 | 94,321 | 72,375 |
| Total Payments | 178,813 | 195,173 | 173,535 |
| Receipts | | | |
| Sale of goods and services | 1,216 | 1,816 | 1,037 |
| Interest | 372 | 653 | 678 |
| Other | 8,453 | 15,998 | 7,286 |
| Total Receipts | 10,041 | 18,467 | 9,001 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (168,772) | (176,706) | (164,534) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 2 | ... |
| Purchases of property, plant and equipment | (1,611) | (3,239) | (1,294) |
| Other | (300) | (381) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (1,911) | (3,618) | (1,294) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 167,263 | 176,213 | 162,972 |
| Capital appropriation | 1,911 | 3,490 | 1,294 |
| Cash transfers to Consolidated Fund | ... | (1,326) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 169,174 | 178,377 | 164,266 |
| NET INCREASE/(DECREASE) IN CASH | (1,509) | (1,947) | (1,562) |
| Opening Cash and Cash Equivalents | 3,549 | 13,670 | 11,723 |
| CLOSING CASH AND CASH EQUIVALENTS | 2,040 | 11,723 | 10,161 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (176,500) | (188,439) | (174,666) |
| Non cash items added back | 7,675 | 10,426 | 10,132 |
| Change in operating assets and liabilities | 53 | 1,307 | ... |
| Net cash flow from operating activities | (168,772) | (176,706) | (164,534) |

PREMIER, AND MINISTER FOR CITIZENSHIP
2 DEPARTMENT OF PREMIER AND CABINET

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 2,040 | 11,723 | 10,161 |
| Receivables | 4,870 | 4,454 | 4,454 |
| Other | 160 | ... | ... |
| Total Current Assets | 7,070 | 16,177 | 14,615 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 14,268 | 11,507 | 9,525 |
| Intangibles | 2,336 | 3,101 | 2,423 |
| Total Non Current Assets | 16,604 | 14,608 | 11,948 |
| Total Assets | 23,674 | 30,785 | 26,563 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 8,886 | 7,550 | 7,550 |
| Provisions | 8,860 | 10,273 | 10,273 |
| Total Current Liabilities | 17,746 | 17,823 | 17,823 |
| Non Current Liabilities - | | | |
| Provisions | 1,697 | 1,243 | 1,243 |
| Total Non Current Liabilities | 1,697 | 1,243 | 1,243 |
| Total Liabilities | 19,443 | 19,066 | 19,066 |
| NET ASSETS | 4,231 | 11,719 | 7,497 |
| EQUITY | | | |
| Accumulated funds | 4,231 | 11,719 | 7,497 |
| TOTAL EQUITY | 4,231 | 11,719 | 7,497 |

PREMIER, AND MINISTER FOR CITIZENSHIP
3 INDEPENDENT COMMISSION AGAINST CORRUPTION

| | 2006-07 | | 2007-08 |
|---|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 12,376 | 12,264 | 12,968 |
| Other operating expenses | 4,178 | 4,078 | 4,361 |
| Depreciation and amortisation | 568 | 574 | 590 |
| Total Expenses Excluding Losses | 17,122 | 16,916 | 17,919 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 150 | 180 | 293 |
| Investment income | 35 | 91 | 75 |
| Other revenue | 30 | 76 | 290 |
| Total Retained Revenue | 215 | 347 | 658 |
| Gain/(loss) on disposal of non current assets | ... | 1 | 1 |
| NET COST OF SERVICES | 16,907 | 16,568 | 17,260 |

PREMIER, AND MINISTER FOR CITIZENSHIP
3 INDEPENDENT COMMISSION AGAINST CORRUPTION

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 11,602 | 11,757 | 12,360 |
| Other | 4,688 | 4,552 | 4,801 |
| Total Payments | 16,290 | 16,309 | 17,161 |
| Receipts | | | |
| Sale of goods and services | 150 | 180 | 293 |
| Interest | 36 | 86 | 75 |
| Other | 725 | 503 | 730 |
| Total Receipts | 911 | 769 | 1,098 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (15,379) | (15,540) | (16,063) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 1 | 1 |
| Purchases of property, plant and equipment | (210) | (210) | (290) |
| Other | (30) | (30) | (877) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (240) | (239) | (1,166) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 15,986 | 15,986 | 16,239 |
| Capital appropriation | 240 | 240 | 1,167 |
| Cash transfers to Consolidated Fund | ... | (880) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 16,226 | 15,346 | 17,406 |
| NET INCREASE/(DECREASE) IN CASH | 607 | (433) | 177 |
| Opening Cash and Cash Equivalents | 858 | 1,741 | 1,308 |
| CLOSING CASH AND CASH EQUIVALENTS | 1,465 | 1,308 | 1,485 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (16,907) | (16,568) | (17,260) |
| Non cash items added back | 1,151 | 1,191 | 1,198 |
| Change in operating assets and liabilities | 377 | (163) | (1) |
| Net cash flow from operating activities | (15,379) | (15,540) | (16,063) |

PREMIER, AND MINISTER FOR CITIZENSHIP
3 INDEPENDENT COMMISSION AGAINST CORRUPTION

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 1,465 | 1,308 | 1,485 |
| Receivables | 170 | 707 | 707 |
| Other | 310 | ... | ... |
| Total Current Assets | 1,945 | 2,015 | 2,192 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 313 | 271 | 197 |
| Plant and equipment | 884 | 837 | 729 |
| Intangibles | 163 | 191 | 950 |
| Total Non Current Assets | 1,360 | 1,299 | 1,876 |
| Total Assets | 3,305 | 3,314 | 4,068 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 104 | 212 | 212 |
| Provisions | 941 | 828 | 828 |
| Total Current Liabilities | 1,045 | 1,040 | 1,040 |
| Non Current Liabilities - | | | |
| Provisions | 155 | 97 | 97 |
| Total Non Current Liabilities | 155 | 97 | 97 |
| Total Liabilities | 1,200 | 1,137 | 1,137 |
| NET ASSETS | 2,105 | 2,177 | 2,931 |
| EQUITY | | | |
| Reserves | 428 | 428 | 428 |
| Accumulated funds | 1,677 | 1,749 | 2,503 |
| TOTAL EQUITY | 2,105 | 2,177 | 2,931 |

**PREMIER, AND MINISTER FOR CITIZENSHIP
4 OMBUDSMAN'S OFFICE**

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-------------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 17,410 | 17,037 | 17,804 |
| Other operating expenses | 3,530 | 3,936 | 3,813 |
| Depreciation and amortisation | 737 | 743 | 698 |
| Total Expenses Excluding Losses | 21,677 | 21,716 | 22,315 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 56 | 66 | 72 |
| Investment income | 31 | 31 | 50 |
| Grants and contributions | ... | 58 | ... |
| Other revenue | ... | 15 | 68 |
| Total Retained Revenue | 87 | 170 | 190 |
| NET COST OF SERVICES | 21,590 | 21,546 | 22,125 |

**PREMIER, AND MINISTER FOR CITIZENSHIP
4 OMBUDSMAN'S OFFICE**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 16,314 | 15,953 | 16,588 |
| Other | 4,085 | 4,411 | 4,357 |
| Total Payments | 20,399 | 20,364 | 20,945 |
| Receipts | | | |
| Sale of goods and services | 56 | 66 | 72 |
| Interest | 31 | 38 | 45 |
| Other | 520 | 591 | 594 |
| Total Receipts | 607 | 695 | 711 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (19,792) | (19,669) | (20,234) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (245) | (237) | (223) |
| Other | ... | (16) | (80) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (245) | (253) | (303) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 19,654 | 19,610 | 20,176 |
| Capital appropriation | 245 | 253 | 300 |
| NET CASH FLOWS FROM GOVERNMENT | 19,899 | 19,863 | 20,476 |
| NET INCREASE/(DECREASE) IN CASH | (138) | (59) | (61) |
| Opening Cash and Cash Equivalents | 600 | 579 | 520 |
| CLOSING CASH AND CASH EQUIVALENTS | 462 | 520 | 459 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (21,590) | (21,546) | (22,125) |
| Non cash items added back | 1,841 | 1,853 | 1,617 |
| Change in operating assets and liabilities | (43) | 24 | 274 |
| Net cash flow from operating activities | (19,792) | (19,669) | (20,234) |

**PREMIER, AND MINISTER FOR CITIZENSHIP
4 OMBUDSMAN'S OFFICE**

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 462 | 520 | 459 |
| Receivables | 105 | 430 | 419 |
| Other | 200 | ... | ... |
| Total Current Assets | 767 | 950 | 878 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 997 | 991 | 878 |
| Intangibles | 487 | 500 | 218 |
| Total Non Current Assets | 1,484 | 1,491 | 1,096 |
| Total Assets | 2,251 | 2,441 | 1,974 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 215 | 245 | 336 |
| Provisions | 1,035 | 1,340 | 1,545 |
| Other | 34 | 34 | 34 |
| Total Current Liabilities | 1,284 | 1,619 | 1,915 |
| Non Current Liabilities - | | | |
| Provisions | 275 | 15 | 16 |
| Other | 43 | 43 | 9 |
| Total Non Current Liabilities | 318 | 58 | 25 |
| Total Liabilities | 1,602 | 1,677 | 1,940 |
| NET ASSETS | 649 | 764 | 34 |
| EQUITY | | | |
| Accumulated funds | 649 | 764 | 34 |
| TOTAL EQUITY | 649 | 764 | 34 |

**PREMIER, AND MINISTER FOR CITIZENSHIP
5 NEW SOUTH WALES ELECTORAL COMMISSION**

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 4,481 | 5,314 | 5,596 |
| Other operating expenses | 1,903 | 2,149 | 10,764 |
| Depreciation and amortisation | 1,456 | 1,127 | 1,576 |
| Other expenses | 50,884 | 52,958 | 11,639 |
| Total Expenses Excluding Losses | 58,724 | 61,548 | 29,575 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 462 | 1,212 | 2,059 |
| Investment income | 57 | 57 | 59 |
| Total Retained Revenue | 519 | 1,269 | 2,118 |
| NET COST OF SERVICES | 58,205 | 60,279 | 27,457 |

**PREMIER, AND MINISTER FOR CITIZENSHIP
5 NEW SOUTH WALES ELECTORAL COMMISSION**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 4,257 | 6,122 | 5,187 |
| Other | 53,195 | 54,007 | 22,911 |
| Total Payments | 57,452 | 60,129 | 28,098 |
| Receipts | | | |
| Sale of goods and services | 462 | 1,174 | 2,109 |
| Interest | 57 | 58 | 59 |
| Other | 408 | 577 | 408 |
| Total Receipts | 927 | 1,809 | 2,576 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (56,525) | (58,320) | (25,522) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (1,600) | (1,600) | (100) |
| Other | (1,750) | (1,750) | (2,300) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (3,350) | (3,350) | (2,400) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 55,915 | 57,989 | 25,211 |
| Capital appropriation | 3,350 | 3,350 | 2,400 |
| NET CASH FLOWS FROM GOVERNMENT | 59,265 | 61,339 | 27,611 |
| NET INCREASE/(DECREASE) IN CASH | (610) | (331) | (311) |
| Opening Cash and Cash Equivalents | 1,864 | 1,585 | 1,254 |
| CLOSING CASH AND CASH EQUIVALENTS | 1,254 | 1,254 | 943 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (58,205) | (60,279) | (27,457) |
| Non cash items added back | 1,680 | 1,504 | 1,985 |
| Change in operating assets and liabilities | ... | 455 | (50) |
| Net cash flow from operating activities | (56,525) | (58,320) | (25,522) |

**PREMIER, AND MINISTER FOR CITIZENSHIP
5 NEW SOUTH WALES ELECTORAL COMMISSION**

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 1,254 | 1,254 | 943 |
| Receivables | 3,440 | 407 | 357 |
| Total Current Assets | 4,694 | 1,661 | 1,300 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 2,516 | 2,964 | 2,260 |
| Intangibles | 3,082 | 3,084 | 4,612 |
| Total Non Current Assets | 5,598 | 6,048 | 6,872 |
| Total Assets | 10,292 | 7,709 | 8,172 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 4,211 | 1,402 | 1,402 |
| Provisions | 530 | 463 | 463 |
| Other | 412 | 883 | 783 |
| Total Current Liabilities | 5,153 | 2,748 | 2,648 |
| Non Current Liabilities - | | | |
| Other | 167 | ... | ... |
| Total Non Current Liabilities | 167 | ... | ... |
| Total Liabilities | 5,320 | 2,748 | 2,648 |
| NET ASSETS | 4,972 | 4,961 | 5,524 |
| EQUITY | | | |
| Accumulated funds | 4,972 | 4,961 | 5,524 |
| TOTAL EQUITY | 4,972 | 4,961 | 5,524 |

PREMIER, AND MINISTER FOR CITIZENSHIP
6 INDEPENDENT PRICING AND REGULATORY TRIBUNAL

| | 2006-07 | | 2007-08 |
|--|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 8,817 | 9,020 | 10,265 |
| Other operating expenses | 7,447 | 7,706 | 7,377 |
| Depreciation and amortisation | 317 | 350 | 350 |
| Total Expenses Excluding Losses | 16,581 | 17,076 | 17,992 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 517 | 940 | 1,200 |
| Investment income | 207 | 285 | 214 |
| Other revenue | ... | ... | 6 |
| Total Retained Revenue | 724 | 1,225 | 1,420 |
| NET COST OF SERVICES | 15,857 | 15,851 | 16,572 |

PREMIER, AND MINISTER FOR CITIZENSHIP
6 INDEPENDENT PRICING AND REGULATORY TRIBUNAL

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 8,507 | 9,019 | 9,875 |
| Other | 7,447 | 8,557 | 7,445 |
| Total Payments | 15,954 | 17,576 | 17,320 |
| Receipts | | | |
| Sale of goods and services | 517 | 1,114 | 1,026 |
| Interest | 207 | 285 | 214 |
| Other | ... | 745 | 180 |
| Total Receipts | 724 | 2,144 | 1,420 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (15,230) | (15,432) | (15,900) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (180) | (180) | (180) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (180) | (180) | (180) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 15,109 | 15,103 | 15,923 |
| Capital appropriation | 180 | 180 | 180 |
| Cash transfers to Consolidated Fund | ... | (23) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 15,289 | 15,260 | 16,103 |
| NET INCREASE/(DECREASE) IN CASH | (121) | (352) | 23 |
| Opening Cash and Cash Equivalents | 4,138 | 4,856 | 4,504 |
| CLOSING CASH AND CASH EQUIVALENTS | 4,017 | 4,504 | 4,527 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (15,857) | (15,851) | (16,572) |
| Non cash items added back | 627 | 778 | 672 |
| Change in operating assets and liabilities | ... | (359) | ... |
| Net cash flow from operating activities | (15,230) | (15,432) | (15,900) |

PREMIER, AND MINISTER FOR CITIZENSHIP
6 INDEPENDENT PRICING AND REGULATORY TRIBUNAL

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 4,017 | 4,504 | 4,527 |
| Receivables | 842 | 448 | 448 |
| Total Current Assets | 4,859 | 4,952 | 4,975 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 699 | 587 | 421 |
| Intangibles | 4 | 29 | 25 |
| Total Non Current Assets | 703 | 616 | 446 |
| Total Assets | 5,562 | 5,568 | 5,421 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 1,075 | 728 | 728 |
| Provisions | 865 | 923 | 923 |
| Total Current Liabilities | 1,940 | 1,651 | 1,651 |
| Non Current Liabilities - | | | |
| Provisions | 115 | 46 | 46 |
| Total Non Current Liabilities | 115 | 46 | 46 |
| Total Liabilities | 2,055 | 1,697 | 1,697 |
| NET ASSETS | 3,507 | 3,871 | 3,724 |
| EQUITY | | | |
| Accumulated funds | 3,507 | 3,871 | 3,724 |
| TOTAL EQUITY | 3,507 | 3,871 | 3,724 |

PREMIER, AND MINISTER FOR CITIZENSHIP
7 NATURAL RESOURCES COMMISSION

| | 2006-07 | | 2007-08 |
|--|--------------|--------------|--------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 2,673 | 2,773 | 2,876 |
| Other operating expenses | 1,712 | 1,572 | 1,598 |
| Depreciation and amortisation | 282 | 322 | 279 |
| Total Expenses Excluding Losses | 4,667 | 4,667 | 4,753 |
| Less: | | | |
| Retained Revenue - | | | |
| Investment income | 20 | 20 | 21 |
| Total Retained Revenue | 20 | 20 | 21 |
| NET COST OF SERVICES | 4,647 | 4,647 | 4,732 |

**PREMIER, AND MINISTER FOR CITIZENSHIP
7 NATURAL RESOURCES COMMISSION**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 2,543 | 2,721 | 2,817 |
| Other | 1,690 | 1,756 | 1,598 |
| Total Payments | 4,233 | 4,477 | 4,415 |
| Receipts | | | |
| Interest | 20 | 20 | 21 |
| Other | ... | 170 | ... |
| Total Receipts | 20 | 190 | 21 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (4,213) | (4,287) | (4,394) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (300) | (300) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (300) | (300) | ... |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 4,373 | 4,373 | 4,457 |
| Capital appropriation | 300 | 300 | ... |
| Cash transfers to Consolidated Fund | ... | (69) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 4,673 | 4,604 | 4,457 |
| NET INCREASE/(DECREASE) IN CASH | 160 | 17 | 63 |
| Opening Cash and Cash Equivalents | 197 | 27 | 44 |
| CLOSING CASH AND CASH EQUIVALENTS | 357 | 44 | 107 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (4,647) | (4,647) | (4,732) |
| Non cash items added back | 397 | 374 | 338 |
| Change in operating assets and liabilities | 37 | (14) | ... |
| Net cash flow from operating activities | (4,213) | (4,287) | (4,394) |

**PREMIER, AND MINISTER FOR CITIZENSHIP
7 NATURAL RESOURCES COMMISSION**

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 357 | 44 | 107 |
| Receivables | 106 | 165 | 165 |
| Other | 14 | ... | ... |
| Total Current Assets | 477 | 209 | 272 |
| Non Current Assets - | | | |
| Receivables | 44 | ... | ... |
| Property, plant and equipment - Plant and equipment | 656 | 664 | 385 |
| Other | ... | 30 | 30 |
| Total Non Current Assets | 700 | 694 | 415 |
| Total Assets | 1,177 | 903 | 687 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 432 | 61 | 61 |
| Provisions | 107 | 232 | 232 |
| Other | ... | 17 | 17 |
| Total Current Liabilities | 539 | 310 | 310 |
| Non Current Liabilities - | | | |
| Provisions | 50 | 32 | 32 |
| Total Non Current Liabilities | 50 | 32 | 32 |
| Total Liabilities | 589 | 342 | 342 |
| NET ASSETS | 588 | 561 | 345 |
| EQUITY | | | |
| Accumulated funds | 588 | 561 | 345 |
| TOTAL EQUITY | 588 | 561 | 345 |

PREMIER, AND MINISTER FOR CITIZENSHIP
8 COMMUNITY RELATIONS COMMISSION OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|--|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 11,283 | 11,377 | 11,764 |
| Other operating expenses | 2,360 | 2,360 | 2,676 |
| Depreciation and amortisation | 354 | 509 | 415 |
| Grants and subsidies | 1,546 | 1,546 | 1,546 |
| Total Expenses Excluding Losses | 15,543 | 15,792 | 16,401 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 3,586 | 3,860 | 4,174 |
| Investment income | 80 | 150 | 80 |
| Grants and contributions | ... | 165 | ... |
| Other revenue | ... | 30 | ... |
| Total Retained Revenue | 3,666 | 4,205 | 4,254 |
| NET COST OF SERVICES | 11,877 | 11,587 | 12,147 |

PREMIER, AND MINISTER FOR CITIZENSHIP
8 COMMUNITY RELATIONS COMMISSION OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 10,512 | 10,606 | 11,115 |
| Grants and subsidies | 1,546 | 1,546 | 1,546 |
| Other | 2,941 | 2,810 | 3,126 |
| Total Payments | 14,999 | 14,962 | 15,787 |
| Receipts | | | |
| Sale of goods and services | 3,581 | 3,660 | 4,461 |
| Interest | 80 | 150 | 80 |
| Other | 450 | 645 | 450 |
| Total Receipts | 4,111 | 4,455 | 4,991 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (10,888) | (10,507) | (10,796) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (150) | (108) | (75) |
| Other | ... | (42) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (150) | (150) | (75) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 11,232 | 11,232 | 11,526 |
| Capital appropriation | 150 | 150 | 75 |
| NET CASH FLOWS FROM GOVERNMENT | 11,382 | 11,382 | 11,601 |
| NET INCREASE/(DECREASE) IN CASH | 344 | 725 | 730 |
| Opening Cash and Cash Equivalents | 2,506 | 2,231 | 2,956 |
| CLOSING CASH AND CASH EQUIVALENTS | 2,850 | 2,956 | 3,686 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (11,877) | (11,587) | (12,147) |
| Non cash items added back | 993 | 1,148 | 1,064 |
| Change in operating assets and liabilities | (4) | (68) | 287 |
| Net cash flow from operating activities | (10,888) | (10,507) | (10,796) |

PREMIER, AND MINISTER FOR CITIZENSHIP
8 COMMUNITY RELATIONS COMMISSION OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 2,850 | 2,956 | 3,686 |
| Receivables | 977 | 684 | 397 |
| Other | 10 | ... | ... |
| Total Current Assets | 3,837 | 3,640 | 4,083 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 411 | 385 | 151 |
| Plant and equipment | 73 | 115 | 131 |
| Intangibles | 329 | 195 | 73 |
| Total Non Current Assets | 813 | 695 | 355 |
| Total Assets | 4,650 | 4,335 | 4,438 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 1,868 | 737 | 737 |
| Provisions | 735 | 717 | 717 |
| Other | 255 | ... | ... |
| Total Current Liabilities | 2,858 | 1,454 | 1,454 |
| Non Current Liabilities - | | | |
| Provisions | 58 | 61 | 61 |
| Total Non Current Liabilities | 58 | 61 | 61 |
| Total Liabilities | 2,916 | 1,515 | 1,515 |
| NET ASSETS | 1,734 | 2,820 | 2,923 |
| EQUITY | | | |
| Accumulated funds | 1,734 | 2,820 | 2,923 |
| TOTAL EQUITY | 1,734 | 2,820 | 2,923 |

PREMIER, AND MINISTER FOR CITIZENSHIP
AUDIT OFFICE OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|--|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 28,845 | 29,237 | 34,726 |
| Investment income | 120 | 290 | 240 |
| Other revenue | ... | 3 | ... |
| Total Retained Revenue | 28,965 | 29,530 | 34,966 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related | 23,911 | 23,375 | 29,540 |
| Other operating expenses | 4,306 | 4,101 | 4,324 |
| Depreciation and amortisation | 746 | 591 | 827 |
| Other expenses | 18 | 31 | 32 |
| Total Expenses Excluding Losses | 28,981 | 28,098 | 34,723 |
| SURPLUS/(DEFICIT) | (16) | 1,432 | 243 |

PREMIER, AND MINISTER FOR CITIZENSHIP
AUDIT OFFICE OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 28,845 | 29,237 | 34,726 |
| Interest | 120 | 290 | 240 |
| Other | 2,100 | 2,103 | 2,100 |
| Total Receipts | 31,065 | 31,630 | 37,066 |
| Payments | | | |
| Employee related | 23,911 | 23,375 | 29,540 |
| Other | 6,424 | 6,232 | 6,456 |
| Total Payments | 30,335 | 29,607 | 35,996 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 730 | 2,023 | 1,070 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (56) | (207) | (12) |
| Other | (1,151) | (890) | (645) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (1,207) | (1,097) | (657) |
| NET INCREASE/(DECREASE) IN CASH | (477) | 926 | 413 |
| Opening Cash and Cash Equivalents | 2,003 | 3,292 | 4,218 |
| CLOSING CASH AND CASH EQUIVALENTS | 1,526 | 4,218 | 4,631 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (16) | 1,432 | 243 |
| Non cash items added back | 746 | 591 | 827 |
| Net cash flow from operating activities | 730 | 2,023 | 1,070 |

PREMIER, AND MINISTER FOR CITIZENSHIP
AUDIT OFFICE OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|---|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 1,526 | 4,218 | 4,631 |
| Receivables | 3,885 | 4,692 | 4,692 |
| Other* | 1,105 | 5,900 | 5,900 |
| Total Current Assets | 6,516 | 14,810 | 15,223 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 1,601 | 1,596 | 1,419 |
| Plant and equipment | 672 | 736 | 445 |
| Intangibles | 1,187 | 923 | 1,221 |
| Other* | 5,275 | 4,954 | 4,954 |
| Total Non Current Assets | 8,735 | 8,209 | 8,039 |
| Total Assets | 15,251 | 23,019 | 23,262 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 1,491 | 928 | 928 |
| Provisions* | 2,651 | 8,278 | 8,278 |
| Other | 194 | 740 | 740 |
| Total Current Liabilities | 4,336 | 9,946 | 9,946 |
| Non Current Liabilities - | | | |
| Provisions* | 8,559 | 267 | 267 |
| Other | 300 | 300 | 300 |
| Total Non Current Liabilities | 8,859 | 567 | 567 |
| Total Liabilities | 13,195 | 10,513 | 10,513 |
| NET ASSETS | 2,056 | 12,506 | 12,749 |
| EQUITY | | | |
| Accumulated funds* | 2,056 | 12,506 | 12,749 |
| TOTAL EQUITY | 2,056 | 12,506 | 12,749 |

* Reclassification between line items from the 2006-07 Budget is due to the introduction of Australian Equivalents to International Financial Reporting Standards.

DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER FOR FINANCE

OVERVIEW

| Agency | Budget 2006-07 \$m | Budget 2007-08 \$m | Variation % |
|--|--------------------------|--------------------------|----------------|
| World Youth Day Co-ordination Authority | | | |
| Total Expenses | 1.9 | 3.9 | 110.2 |
| Capital Expenditure | ... | ... | ... |
| Ministry of Transport | | | |
| Total Expenses* | 3,431.7 | 3,338.9 | -2.7 |
| Capital Expenditure | 11.3 | 124.2 | 996.3 |
| Independent Transport Safety and Reliability Regulator | | | |
| Total Expenses | 16.7 | 17.1 | 2.5 |
| Capital Expenditure | 0.5 | 0.4 | -26.0 |
| Office of Transport Safety Investigations | | | |
| Total Expenses | 2.4 | 2.4 | ... |
| Capital Expenditure | ... | ... | ... |
| Superannuation Administration Corporation | | | |
| Total Expenses | 50.4 | 54.6 | 8.2 |
| Capital Expenditure | 4.5 | 5.3 | 17.8 |
| State Property Authority | | | |
| Total Expenses | 14.5 | 147.1 | 916.2 |
| Capital Expenditure | ... | 89.9 | n.a. |
| Total, Deputy Premier, Minister for Transport, and Minister for Finance | | | |
| Total Expenses | 3,517.6 | 3,564.0 | 1.3 |
| Capital Expenditure | 16.3 | 219.8 | 1,248.5 |

* Total Expenses decline between 2006-07 and 2007-08 reflecting a reduction in Budget grants to Rail Corporation for capital investment. Overall capital spending by Rail Corporation will increase by \$118 million or 14.3 per cent, mainly reflecting increased spending on the Rail Clearway Program, which is funded by borrowings.

WORLD YOUTH DAY CO-ORDINATION AUTHORITY

The World Youth Day Co-ordination Authority was established by the *World Youth Day Act 2006* on 4 December 2006.

The principal function of the Authority is to develop policies, strategies and plans for the coordination and delivery of integrated government services for World Youth Day events in July 2008.

RESULTS AND SERVICES

The Authority aims to deliver the following results:

- ◆ Deliver government services to the event in an efficient and effective manner.
- ◆ Enhance the international reputation of Sydney and New South Wales as excellent hosts and organisers for significant events of this nature.
- ◆ Maximise the tourism legacy for Sydney and New South Wales.
- ◆ Minimise the impact of the event on NSW taxpayers.

The Authority has lead responsibility for coordinating with partner agencies to ensure delivery of the following services to support the event:

- ◆ establish a structure for the provision of integrated government services, including the preparation and implementation of road and transport plans;
- ◆ consult with relevant government transport agencies and the NSW Police Force in the preparation of road and transport plans;
- ◆ coordinate and manage the road network, including pedestrian movements and motor vehicle traffic on roads;
- ◆ coordinate and manage the delivery of public transport services;
- ◆ develop and manage the Government's communication and public information strategy; and
- ◆ act as the principal NSW Government agency for liaison on World Youth Day matters with other State and Territory governments, the Commonwealth Government and the Church.

RECENT DEVELOPMENTS

The Authority has commenced discussions with the Catholic Archdiocese of Sydney on the delivery of Government services to World Youth Day 2008.

STRATEGIC DIRECTIONS

The following are the key strategic directions for the Authority:

- ◆ finalise arrangements with the Church regarding the provision of government services in support of the event; and
- ◆ effective and efficient planning and delivery of Government services.

2007-08 BUDGET

Total Expenses

Estimated total expenses for the Authority in 2007-08 are \$3.9 million. This will fund the planning process for the event, as well as providing support for the agreed key preparatory events for World Youth Day.

MINISTRY OF TRANSPORT

The transport portfolio includes the Ministry of Transport, the Independent Transport Safety and Reliability Regulator (ITSRR), the Office of Transport Safety Investigations (OTSI) and the State owned transport service providers - Rail Corporation New South Wales (RailCorp), State Rail Authority (SRA), Rail Infrastructure Corporation (RIC), Sydney Ferries, the State Transit Authority (STA), the Transport Infrastructure Development Corporation (TIDC) and the Public Transport Ticketing Corporation (PTTC).

The Ministry of Transport, ITSRR and OTSI are funded directly by Budget appropriations. Transport service providers, while funded in part from their own source revenues and borrowings, are predominantly funded from the Budget by way of grants and service payments from the Ministry.

The Ministry of Transport is the lead agency of the transport portfolio, providing a focal point for integrated transport planning and service delivery. The Ministry funds transport service providers and specific infrastructure programs, regulates the private bus, taxi and hire car industries and contracts with accredited bus operators in metropolitan, outer metropolitan, rural and regional New South Wales. The Ministry also provides independent policy advice to the Minister for Transport.

RESULTS AND SERVICES

The Ministry has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priorities:

- ◆ S6: Increasing share of peak hour journeys on a safe and reliable public transport system.
- ◆ E7: Improve the efficiency of the road network.

The key result areas for the Ministry are to ensure transport services are more accessible, attractive and sustainable and meet customer expectations for safe, reliable and clean services.

Services provided by the Ministry to achieve this result include:

- ◆ regulating bus, taxi and hire car services through accreditation, compliance and performance audit programs;
- ◆ funding, and contracting for the provision of, public passenger transport services and transport concessions provided by operators;
- ◆ providing independent policy advice on rail, bus, ferry and aviation policy issues;
- ◆ managing transport programs including the School Student Transport Scheme, the Private Vehicle Conveyance Scheme and Community Transport Programs; and
- ◆ supporting local initiatives to improve transport options in rural and regional areas and coordinating whole-of-Government approaches to transport security and counter-terrorism including Central Business District security and evacuation planning.

RECENT DEVELOPMENTS

Budget funded expenditure on transport has grown over the past five years. Forecast total expenses for 2006-07 of \$3.5 billion represent an increase of over 40.6 per cent on the 2002-03 level.

Rail Services

A significant network expansion is underway:

- ◆ The Epping to Chatswood Rail Line, a new underground rail line due for completion in the second half of 2008, will provide direct rail access for the first time to the growing North Ryde/Macquarie Park area.
- ◆ The Rail Clearways Program comprises 15 key projects to simplify the rail network to alleviate congestion and delays. This means an incident on one part of the network will have a limited effect on services elsewhere. The program will facilitate plans to increase CityRail network capacity to meet continued patronage growth in suburban and intercity areas.
- ◆ The Metropolitan Rail Expansion Program consists of the North West Rail Link, the South West Rail Link and the CBD Rail Link. This program will be the largest expansion of the rail network since the 1930s and will put services into the growing areas of the north west and south west of Sydney.

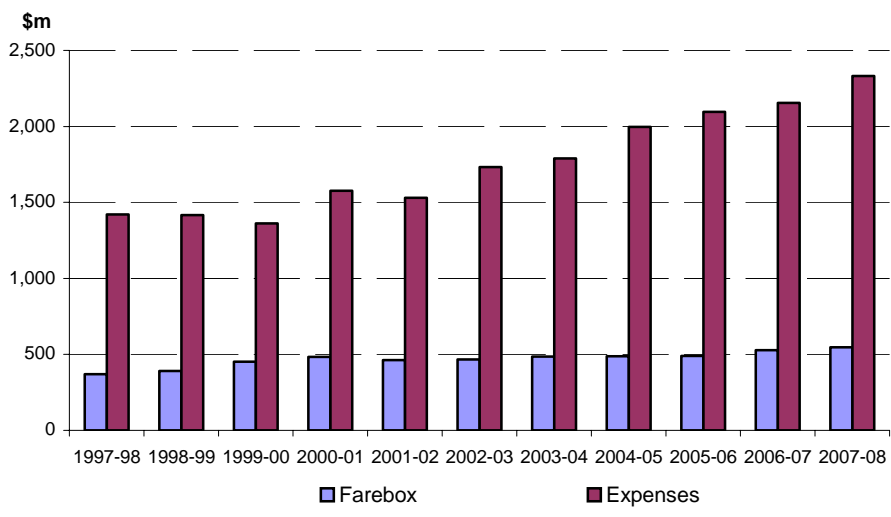
Network infrastructure is being complemented by major upgrades at North Sydney and Hurstville, together with planning for major redevelopments of Town Hall and Redfern stations. During 2006-07 Easy Access upgrades will be completed at a further eight CityRail stations.

New Outer Suburban carriages, costing an estimated \$439 million, will provide enhanced passenger comfort to commuters from the Central Coast, the Blue Mountains and the Illawarra. The first stage of 41 carriages is well advanced and the second stage of 81 carriages is underway. The Hunter area is already benefiting from a \$102 million investment in 14 new carriages, with more than half now in service. In November 2006 the Government announced a contract for the delivery of 626 new CityRail carriages, including arrangements to maintain the carriages over 30 years. The new carriages will be air-conditioned, have CCTV cameras, internal passenger information screens and will be of a vandal-resistant design. The first of the new carriages is due to be delivered in 2010.

Budget support for CityRail and CountryLink passenger rail services, for both operations and capital investment, has increased significantly since 2002-03, from around \$1.4 billion to nearly \$2 billion in 2007-08, an increase of over 40 per cent.

Over the same period fare revenues, regulated by the Independent Pricing and Regulatory Tribunal (IPART), grew only modestly with fares increasing by just over 10 per cent since July 2002. Fares now only recover about 23 per cent (2007-08 projection) of CityRail expenses, compared with 27 per cent in 2002-03 and 30 per cent in 2001-02. This means that taxpayers in general, rather than users, are contributing more to the operating costs and capital investment for rail services.

Chart 4.1: CityRail Expenses and Farebox



Additional funding has also been provided for major upgrades to the country regional rail network, including lines managed by the Australian Rail Track Corporation (ARTC). The Government is also contributing to the new Southern Sydney Freight Line, being constructed by the ARTC, which will provide a dedicated freight path for trains from Macarthur to Chullora.

Bus Services

The Government's plan to improve bus services is being delivered.

Metropolitan bus services are now provided through 15 contracts, worth \$2.8 billion over seven years. Reforms have resulted in more frequent services on "strategic corridors", supported by bus priority measures. In 2006-07, new integrated networks with improved strategic corridor services were completed in south and south western Sydney. Reviews on a further eight network corridors have commenced.

Contracts for outer metropolitan services in the Lower Hunter, Newcastle, Central Coast, the Illawarra and the Blue Mountains were completed at the end of 2006.

Service and operational improvements resulting from the new contracts include:

- ◆ consistent fares for any given distance, whether on State Transit or private buses. The \$2.50 Pensioner Excursion Ticket is available on Government and private bus services across Sydney and outer metropolitan areas;
- ◆ a three-year \$135 million bus priority program, which commenced in 2005-06, to improve traffic priority for buses on key strategic corridors. Services are operating along corridors between Miranda and Hurstville, Miranda and Bankstown, Liverpool and Bankstown, and Bankstown and Burwood;
- ◆ improved delivery and planning of Transitway services. Patronage on the Liverpool-Parramatta Transitway has tripled since opening four years ago. The North West Transitway, which opened in March 2007, is also experiencing strong patronage growth;
- ◆ introduction of a comprehensive community consultation process to develop bus networks that are better targeted to community needs; and
- ◆ enhanced standards to ensure all new route buses are accessible and air-conditioned.

Other Services

Regional Transport Coordinators have introduced trial projects designed to improve the utilisation and effectiveness of existing transport resources. Over 300 projects were undertaken in the last three years.

In 2006-07 some 66 projects in 29 towns were funded under the Country Passenger Transport Infrastructure Grant Scheme (CPTIGS). The scheme assists local councils in rural and regional areas to improve public transport facilities through better bus and taxi shelters, improved seating, lighting and signage.

The Ministry coordinates public transport services to major sporting and cultural events. In 2006 more than one million people took advantage of special “integrated ticketing” to travel to and from major and special events, a 33 per cent increase on 2001.

STRATEGIC DIRECTIONS

New South Wales is already investing \$20 billion over the next decade to expand and improve the transport system. In November 2006 the Government released the *Urban Transport Statement*, a \$660 million package of new and accelerated initiatives to address Sydney’s present and future transport needs.

The Statement is a new direction for the planning and delivery of transport services in Sydney. New and accelerated initiatives to deal with increased transport demands across Sydney include:

- ◆ duplication of the Richmond Line to Riverstone by 2010 and Vineyard by 2012. The project, costing \$316 million, is an addition to the \$1.5 billion Rail Clearways Program;
- ◆ fast tracking of the North West Rail Link to the Hills Centre by 2015, instead of 2017 and to Rouse Hill by 2017;
- ◆ acceleration of bus priority works on strategic bus corridors (\$100 million); and
- ◆ an expansion of commuter car parking (\$45 million).

The Statement also identifies initiatives to improve the movement of buses throughout the CBD and improve access to Town Hall Station. A new Centre for Transport Planning and Product Development, within the Ministry, will lead strategic, multi-mode transport planning and coordinate transport and planning issues.

Other key Government priorities include working towards targets to:

- ◆ increase the share of trips made by public transport to and from the Sydney CBD during peak hours to 75 per cent by 2016;
- ◆ increase the proportion of total journeys to work by public transport in the Sydney metropolitan area to 25 per cent by 2016; and
- ◆ consistently meet public transport reliability targets.

Complementing targets to increase public transport usage in peak times is a target to reduce road congestion.

2007-08 BUDGET

Total Expenses

Total expenses in 2007-08 are estimated at \$3.3 billion. A significant portion of total expenses is comprised of grants to transport service providers. Grants in 2007-08 reflect the reduced need for funding for the Epping-Chatswood Rail Line as the project nears completion.

Safe, Reliable and Clean Rail Services

In 2007-08 Budget support for rail services, including metropolitan passenger rail services and the country regional network, is \$2.2 billion.

In 2007-08 the Budget, through the Ministry of Transport, will provide:

- ◆ \$1.5 billion to RailCorp to fund CityRail and CountryLink passenger services;
- ◆ \$390 million to RailCorp as a contribution to capital investment;
- ◆ \$19 million to the Transport Infrastructure Development Corporation toward completion of the Epping to Chatswood Rail Line;
- ◆ \$56 million to the Transport Infrastructure Development Corporation for the Metropolitan Rail Expansion Program; and
- ◆ \$201 million to Rail Infrastructure Corporation, including \$130 million for maintenance of the Country Regional Network and \$50 million for the interstate and Hunter Valley rail networks.

In 2007-08, RailCorp plans to spend \$2.4 billion (excluding depreciation) on operating CityRail and CountryLink services. Operating costs will be financed by Budget grants of \$1.5 billion (which includes a contribution to concessional rail travel provided to students and pensioners), farebox revenue of \$590 million and miscellaneous income.

Improving safety and reliability continue to be top priorities. New organisation wide safety management systems are being introduced to reduce the risk of operational incidents, to instil a safety first culture in all employees and to improve emergency preparedness in the event of major disasters. On time running is averaging at 92.8 per cent this financial year to April, in comparison to 88.6 per cent for 2005-06 and 67.4 per cent for 2004-05, the year before the timetable change.

RailCorp's total capital expenditure program in 2007-08 is \$948 million, an increase of \$118 million on last year. The program is funded by \$390 million in grants, with the balance from borrowings and internal funds. Safety and reliability initiatives continue to be the focus, as well as enhancements to customer amenity, including improved access, security and passenger information.

Rail Clearways

The \$1.8 billion Rail Clearways Program will untangle the existing 14 lines into five independent clearways to deliver more reliable services, to remove bottlenecks and minimise delays on the metropolitan network. Three projects have already been completed – turnbacks at Bondi Junction and Macdonalddown and a new platform at Berowra.

A \$316 million enhancement to the Program will extend duplication of the Richmond Line beyond Schofields as originally planned, to Riverstone in 2010 and Vineyard in 2012.

In 2007-08, \$284.4 million will be available for:

- ◆ the planned completion of infrastructure works for turnbacks at Revesby, Homebush and Lidcombe, stabling facilities and a new platform at Hornsby station and stabling facilities at Macdonalddown; and
- ◆ continuation of planning and delivery of the Cronulla line duplication, Liverpool turnback, Kingsgrove to Revesby quadruplication, Richmond line duplication and a new platform at Macarthur.

Rollingstock

In 2007-08, \$232.1 million will be spent on rollingstock acquisition and upgrades including:

- ◆ \$132.8 million to progress delivery of 626 new carriages to replace non air-conditioned trains on the suburban network;
- ◆ \$50 million for the new Outer Suburban carriages for intercity services. The first stage of 41 carriages is well advanced; and
- ◆ \$12.5 million for the upgrade of the long haul XPT and Endeavour fleet cars, \$23.8 million for various safety improvements in carriages, including new door motors, \$5 million for passenger initiated egress and \$6 million for rollingstock maintenance and servicing facilities.

Rail Infrastructure

Nearly \$120 million will be spent in 2007-08 to improve customer services, amenities and accessibility including:

- ◆ \$43 million for Easy Access station upgrades across the CityRail network including:
 - completion of upgrades already underway at Auburn, Belmore, Bowral, Carlton, Eastwood, Seven Hills, Turramurra and Werrington; and
 - commencement of works at Lindfield, Newtown and St James and investigations on eight other stations, as part of a \$127 million program to upgrade a further 11 stations.
- ◆ canopies at 22 stations to improve passenger comfort;
- ◆ \$26.1 million to continue the major upgrade of North Sydney station and \$6.9 million for Hurstville station. Funds will be also available to investigate redevelopment of Town Hall and Redfern stations. Planning is continuing on new stations at North Warnervale, University of Western Sydney and Glendale;
- ◆ \$12.5 million to continue the implementation of the station passenger information system, improving customer communications; and
- ◆ completion of minor works, worth more than \$7 million, at 13 stations.

A further \$201 million will be spent on safety and security measures, including track safety, access, egress and fire safety improvements in tunnels and underground stations and various public and staff safety programs. Power supplies will be augmented to ensure availability for both existing and new carriages as they come on line. New stabling will also be available for rail carriages as they come into service with operational improvements to existing stabling facilities.

Epping to Chatswood Rail Line

Expenditure on the Epping to Chatswood Rail Line is estimated at \$297.5 million in 2007-08. Construction is well advanced with the line due to be completed in the second half of 2008.

The new rail line will be serviced by three new underground stations in the North Ryde/Macquarie Park area. The first stage of the Chatswood Transport Interchange was opened to the public in a temporary configuration in October 2006. Improvements to electrical supplies at Beecroft station were commissioned in February 2007 and the Epping station concourse was opened in April 2007.

Metropolitan Rail Expansion Program

The Metropolitan Rail Expansion Program is a key element of the Government's Metropolitan Strategy for Sydney. It consists of three projects – a South West Rail Link, a CBD Rail Link and a North West Rail Link. In 2007-08 \$56 million will be available as follows:

- ◆ \$19 million for the South West Rail Link to continue design, contract documentation and site investigation. Construction is planned to commence in late 2008 for completion by 2012;
- ◆ \$18 million for the CBD Rail Link for a full feasibility study, preparation of a Concept Plan and an Environmental Assessment. Concept planning approval is expected to be sought in late 2008; and
- ◆ \$19 million for the North West Rail Link to continue design, contract documentation and site investigation. Stage 1, from Epping to the Hills Centre is planned for completion by 2015 and Stage 2, from the Hills Centre to Rouse Hill, by 2017.

A further \$289 million is available to the Minister for Planning for land acquisitions in the North West and South West Rail Link corridors.

Rail Infrastructure Corporation

The Corporation manages arrangements with the ARTC to ensure consistent, safe and reliable rail services can be provided to rural New South Wales. In 2007-08, \$201 million will be available to RIC, including \$130 million for the maintenance of the Country Regional Network and dedicated grain lines and \$50 million for works on the interstate and Hunter Valley networks. The Corporation is undertaking a \$32 million program to upgrade, over three years, signalling infrastructure and to introduce new train control systems.

Safe, Reliable and Clean Bus Services

With the implementation of Metropolitan and Outer Metropolitan Bus Service Contracts, the Ministry funds bus services in Sydney, Newcastle, Wollongong and the Blue Mountains through seven year service contracts. These contracts provide greater long-term funding certainty for operators.

These contracts will result in a more viable and sustainable public and private bus industry and, through contractual incentives, performance measures and ongoing network reforms, better services for commuters.

State Transit Bus Services

Contracted service payments for STA bus services are budgeted at \$281.3 million in 2007-08, an increase of \$13.7 million over 2006-07.

Contracted payments plus service revenue will allow for a \$72.7 million capital works program for STA in 2007-08 including:

- ◆ \$34.1 million for depot redevelopment including \$23.6 million toward the upgrade of Leichhardt Depot which will double its capacity and make it Australia's first "all green" bus depot, \$5.5 million to upgrade Ryde Depot and \$5 million to expand Brookvale Depot;
- ◆ \$19.4 million for passenger and driver security on-board buses;
- ◆ \$5.6 million on depot facilities and workshop modifications; and
- ◆ \$1.6 million for real-time passenger information and \$1.6 million to fit older buses with new emission reduction technology.

In addition, 60 standard CNG and 74 Euro 5 diesel buses for the Sydney and Newcastle networks (at a cost of \$63.4 million) and five super metro CBD buses (at a cost of \$4.3 million) will also be acquired for use by the STA. These buses will be financed by the Ministry and be treated as part of its capital program. The super metro buses are part of a two year trial costing \$12 million which also includes infrastructure upgrades and improvements to service information.

Private Bus Services

Funding for private metropolitan bus operators is estimated at \$178.1 million in 2007-08. This will ensure service viability and enable operators to bring into service 50 new buses, worth an estimated \$22.7 million. All new buses will comply with environmental standards and will be air conditioned and low floor for easy access and faster boarding.

Patronage on services linking the growing North West sector to the Sydney CBD has grown strongly over the past two years, with further growth expected over the next four years. Since the beginning of Metropolitan Bus System Contracts, 25 additional buses have been acquired with patronage growth of over 48 per cent on services along the M2 Motorway. Standard buses will increasingly be replaced with 58-seat 14.5 metre buses to increase service capacity.

Funding for outer metropolitan buses, through new service contracts, will total \$86 million. This will enable operators to bring into service 76 new buses worth an estimated \$30.4 million. An amount of \$274 million will also be available for regional bus operations, which will be progressively transferred to new contract arrangements. Private operators are expected to spend around \$4.2 million of their contract funding on refurbishing buses in metropolitan and outer metropolitan areas.

Bus Priority

The Parramatta-Rouse Hill link of the \$524 million North West Transitway opened on 10 March 2007 as part of a plan to provide a modern, integrated public transport network for North-West Sydney. The Transitway enables more services in peak hour and more service late at night and on weekends, increasing options for where and when people can travel.

In 2007-08, \$60 million will be spent on bus priority measures, including \$45 million as the final instalment of a three year enhancement program. As announced in the *Urban Transport Statement*, work will commence on a \$100 million Victoria Road Upgrade Program, to improve the efficiency and reliability of Victoria Road bus services.

School Student Transport Scheme

The School Student Transport Scheme (SSTS) provides subsidised travel to and from school for eligible students on government and private bus, rail, and ferry services, long distance coaches and in private vehicles where no public transport services exist.

The table below shows the value of the scheme over time. The reduction in 2005-06 partly reflects the impact of fare harmonisation between government and private bus operators, which lowered fares on private buses thus reducing the value of SSTS.

The estimated value of benefits gained by participants of the School Student Transport Scheme in 2007-08 is \$448.9 million.

Table 3.1: Value to Beneficiaries of the School Student Transport Scheme

| | | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 Revised | 2007-08 Projection |
|-------------------------------------|------|---------|---------|---------|---------|--------------------|-----------------------|
| Beneficiaries (a) | '000 | 649.8 | 660.1 | 660.5 | 661.6 | 662.4 | 663.1 |
| Total value to beneficiaries* (b) | \$m | 431.5 | 451.3 | 456.3 | 429.3 | 437.4 | 448.9 |
| Average value per beneficiary (b/a) | \$ | 663.9 | 683.7 | 690.8 | 648.9 | 659.7 | 676.9 |

* The reduction in 2005-06 partly reflects a reduction in private bus fares resulting from fares harmonisation, which reduced the value of SSTS.

Sydney Ferries

Recurrent funding payments to Sydney Ferries, including payments for SSTS and concessions, are estimated at \$60.2 million in 2007-08, an increase \$16 million on the 2006-07 Budget.

Sydney Ferries' \$16.8 million capital works program includes a number of initiatives designed to improve safety and service reliability. The program includes:

- ◆ over \$3 million to enhance fleet maintenance facilities at Balmain Shipyard;
- ◆ \$2.6 million for new engines for First Fleet vessels to improve safety, reliability and fuel efficiency and \$0.9 million for installation of a vessel management system on all vessels;
- ◆ \$1 million for preliminary work on a Fleet Replacement Strategy as part of a Total Asset Management Plan; and
- ◆ \$0.4 million to refurbish seats on vessels.

A Special Commission of Inquiry into Sydney Ferries was established in April 2007, to report on actions to enable Sydney Ferries to provide safe, efficient and customer focused ferry services.

Tcard

The Public Transport Ticketing Corporation is managing Tcard, the new smartcard ticketing system being developed for public transport in the Greater Sydney Metropolitan Area. Tcard will provide the convenience of a single payment card for travel on all Government and privately operated rail, bus and ferry services. An amount of \$70.3 million is available for the project in 2007-08.

Already some 380,000 school cards are in use daily for students using private bus services.

Community Groups and Other Transport Subsidy Schemes

The Government provides a wide range of public transport concessions and subsidies to various disadvantaged groups to assist access to services, education and employment. Payments to community groups are estimated at \$55.6 million in 2007-08. This includes \$29.5 million to assist frail aged and younger people with disabilities and their carers and \$3.6 million to assist people who are transport disadvantaged to access transport services.

Transport Infrastructure Improvement

The Transport Infrastructure Improvement Program, funded from the Parking Space Levy, will continue during 2007-08. The Program provides for the construction of interchanges and commuter car parks and other transport infrastructure to improve access to, and encourage the use of, public transport.

Projects continuing in 2007-08 include:

- ◆ \$7.6 million for bus stations on the North West Transitway, linking Mungerie Park, Blacktown and Parramatta;
- ◆ Wentworthville carpark; and
- ◆ interchanges and carpark improvements at Woy Woy and Tuggerah.

Four new bus/rail interchanges will be developed at Hurstville, Macarthur, Morisset and Windsor. In addition, feasibility studies will start for possible new interchanges at Auburn, Eastwood, Revesby, Granville and St Marys.

Commuter car parks will be built or extended at Holsworthy and Werrington by 2010 and at Seven Hills, St Marys, Glenfield and Blacktown by 2011. Studies will commence on the potential for car parks at Revesby, Schofields, Quakers Hill and a multi-deck car park at Glenfield.

Capital Expenditure

The Ministry of Transport's total capital program in 2007-08 is estimated at \$124 million.

It includes provision of \$3.5 million to continue information technology upgrades and capital works annual provisions.

The program also includes new buses funded through the Metropolitan and Outer Metropolitan Bus Service Contract Arrangements. The total value of these buses is \$120.7 million for 134 standard buses for the STA, 5 "super metro" buses for use in a CBD trial to be conducted by the STA, 50 buses to be used by private operators in the metropolitan region and 76 buses to be used in the outer metropolitan regions.

INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR

The primary role of the Independent Transport Safety and Reliability Regulator (ITSRR), established under the *Transport Administration Act 1988*, is to regulate safety on the State's rail network. In addition, the agency provides strategic coordination of safety regulation across all passenger transport modes, and advises Government on reliability issues affecting publicly funded rail, bus and ferry services.

RESULTS AND SERVICES

ITSRR develops strategies and allocates resources directed at achieving the following results:

- ◆ Rail operators have safety management systems that meet legislated requirements and focus on improving safety culture and processes.
- ◆ Improvements in safety regulatory frameworks across all passenger transport modes (ITSRR for rail, Ministry of Transport for buses and Maritime Authority of New South Wales for ferries).
- ◆ The Government, transport operators and the community are aware of service reliability and sustainability issues for publicly funded rail, bus and ferry services.

Key services provided by ITSRR which contribute to these results include:

- ◆ regulating accredited rail operators through a mix of compliance and education strategies;
- ◆ facilitating NSW public transport regulators to work together to improve safety regulatory frameworks across the rail, bus and ferry transport modes; and
- ◆ advising on transport service reliability by conducting research and reporting on the reliability and sustainability of publicly funded rail, bus and ferry services.

RECENT DEVELOPMENTS

ITSRR has taken a lead role in fostering safety and reliability enhancements:

- ◆ monitoring and reporting on the ongoing implementation of the Government's response to the Final Report of the Special Commission of Inquiry into the Waterfall Accident;
- ◆ facilitating implementation of new rail safety legislation for New South Wales, based on a nationally consistent model;
- ◆ introducing new accreditation requirements for Safety Management Systems for NSW operators;
- ◆ publishing an independent survey of CityRail customers to measure changes over time in the quality of services from a customer perspective; and
- ◆ providing advice to Government on current and emerging issues impacting on reliability and publishing reports on the performance and sustainability of publicly funded transport services.

STRATEGIC DIRECTIONS

Key priorities for ITSRR in 2007-08 include:

- ◆ implementing new nationally consistent Rail Safety legislation, including working with rail operators to facilitate compliance through education, liaison and compliance inspections;
- ◆ developing pro-active intervention strategies by utilising a strategic framework to collect evidence based risk information;
- ◆ facilitating the NSW transport regulators forum to identify and implement improvements to rail, bus and ferry safety regulation; and
- ◆ advising Government on strategic reliability issues and informing the community on the reliability and sustainability of publicly funded transport.

2007-08 BUDGET

Total Expenses

Total expenses for ITSRR are estimated at \$17.1 million in 2007-08 including:

- ◆ \$15 million for conducting safety audits, compliance investigations and for implementing new Rail Safety legislation, including education and liaison with industry and other regulators;
- ◆ \$1.9 million to research and report on reliability issues, primarily for the rail network, to the Government and the public; and
- ◆ \$0.2 million to facilitate improvements to transport safety regulatory frameworks.

Capital Expenditure

Capital expenditure of \$0.4 million in 2007-08 is for developing ITSRR's management reporting system required for safety regulation.

OFFICE OF TRANSPORT SAFETY INVESTIGATIONS

The Office of Transport Safety Investigations (OTSI) is an independent statutory organisation with powers to investigate rail and passenger transport accidents and incidents.

RESULTS AND SERVICES

OTSI contributes to improving and enhancing the safety of public transport and rail freight services in New South Wales by conducting and directing investigations which are designed to produce:

- ◆ identification of the primary cause/s of major rail, bus and ferry accidents and incidents, and those factors which have contributed to their occurrence;
- ◆ making recommendations on remedial safety actions to prevent recurrence of those types of accidents and incidents;
- ◆ provision of notices to transport service operators concerning safety issues within their organisations that have been reported by employees through the Confidential Safety Information Reporting Scheme (CSIRS), and which require remedial safety action;

- ◆ provision of Transport Safety Investigation Reports to transport service operators who are involved in accidents and incidents so that they may understand the causes and contributing factors, and the safety actions that are necessary to prevent recurrence;
- ◆ validation of accident and incident investigations undertaken by transport service operators to certify the investigations have been conducted comprehensively and the recommendations are appropriate to effect necessary remedial safety action;
- ◆ provision of Transport Safety Investigation Reports to the Minister for Transport for tabling in Parliament; and
- ◆ publication of tabled Transport Safety Investigation Reports on the OTSI website for transport industry and public utilisation.

STRATEGIC DIRECTIONS

Key priorities for OTSI in 2007–08 are:

- ◆ to build a transport safety database, and develop incident and trend analysis, benchmarking and industry safety advice publications;
- ◆ to acquire and integrate geographic and infrastructure data with communications and video imagery to permit real-time observation of incident sites from a central command facility; and
- ◆ to promote a 'just culture' across the transport sector through a transparent investigative process.

2007-08 BUDGET

Total Expenses

Total expenses for OTSI are estimated at \$2.4 million in 2007-08.

SUPERANNUATION ADMINISTRATION CORPORATION (TRADING AS PILLAR ADMINISTRATION)

The business of the Corporation is the provision of superannuation scheme administration services and related services in both the public and private sectors. Pillar's clients in the public sector include the trustees of the First State Superannuation Fund, the Pooled Fund, and the Parliamentary Contributory Superannuation Fund.

The services provided include collecting contributions and paying benefits, maintaining member records, inquiry services, accounting and finance, and statutory reporting.

RECENT DEVELOPMENTS

Through competitive tenders, Pillar has secured private sector clients and now services more than 1,000,000 members in total. Pillar continues to market its services and expects further success in winning new business. Business expansion will enable it to spread the costs of ongoing systems development and general overheads.

STRATEGIC DIRECTIONS

As a statutory State Owned Corporation, Pillar is subject to the commercial monitoring regime that provides accountability and reporting requirements to the New South Wales Government as shareholder.

In 2007-08 Pillar will focus on:

- ◆ maintaining quality of service and compliance to existing clients;
- ◆ expanding business services, particularly in the private sector;
- ◆ improving processing systems and productivity;
- ◆ enhancing systems to better support statutory and market needs, innovation and growth;
- ◆ enhancing the culture of governance and control; and
- ◆ improving profitability.

2007-08 BUDGET

Total Expenses

Operating expenses for 2007-08 are forecast at \$54.6 million, an increase of 8.2 per cent over the 2006-07 Budget of \$50.4 million, due to increases in the number of accounts being administered.

Capital Expenditure

The capital expenditure for 2007-08 is estimated to be \$5.3 million. This includes \$1.4 million for the purchase from Sydney Water of property adjacent to Pillar's current premises, the property being surplus to Sydney Water's requirements. The purchase will accommodate Pillar's expanding business services.

In addition, \$1.9 million will be spent on office fit out, computer hardware and system enhancements to meet new business needs, as well as \$2 million in minor works for routine replacement of plant and equipment.

STATE PROPERTY AUTHORITY

The *State Property Authority Act 2006* established the State Property Authority as a statutory body with functions relating to the acquisition, management and disposal of property vested in the Crown and in government agencies and to provide for the transfer of certain property to the Authority.

The Authority's objectives are to:

- ◆ improve operational efficiencies in the use of properties of government agencies, particularly generic properties (such as offices, warehouses, depots and car parks);
- ◆ manage properties of government agencies in a way that supports the service delivery functions of those agencies;
- ◆ provide advice and support within government on property matters; and
- ◆ operate at least as efficiently as any comparable business, consistently with the principles of ecologically sustainable development and social responsibility for the community (including the indigenous community).

RECENT DEVELOPMENTS

The Authority comprises the former State Property Group from the Department of Commerce and property staff from the Ministry for Police. Most of the activities previously undertaken by the State Property Group and the Ministry for Police (in relation to the Police property portfolio) will be continued by the Authority. The ownership of the Crown Property Portfolio, which is currently managed by the Authority on behalf of NSW Treasury, will be vested in the Authority from 1 July 2007.

The Authority will be reviewing agency property portfolios. The Authority will, under a program to be agreed with NSW Treasury and the Government Asset Management Committee, work with nominated agencies to undertake detailed reviews of their property portfolios and existing property management arrangements. The reviews will result in strategies to optimise the alignment of an agency's property portfolio with its service delivery requirements.

The Authority, in conjunction with NSW Treasury, has been developing a suite of property management related principles that will be the basis of the policy framework. The framework will underpin the interaction between the Authority and agencies on property matters to support better service delivery. The principles incorporate and, in some cases, expand on those that have been successful in the implementation of the Office Accommodation Reform Program.

STRATEGIC DIRECTIONS

Over the next year, the Authority will finalise its organisation structure, its initial business plan and the policy framework. Other key priorities include:

- ◆ development and implementation of improved property management practices;
- ◆ preparation of property strategies for the Sydney CBD and metropolitan area and other major urban and rural centres;
- ◆ developing agency specific property strategy implementation plans that highlight opportunities for redeployment, redevelopment or disposal; and
- ◆ operation of a whole-of-government lease negotiation and management service.

2007-08 BUDGET

Total Expenses

Total expenses in 2007-08 are estimated at \$147.1 million. The main component is rental payments of \$110 million on Government occupied office accommodation. This amount was included in the Crown Property Portfolio, which prior to 2007-08 existed as a separate reporting entity.

Capital Expenditure

In 2007-08, the State Property Authority has an allocation of \$89.9 million to fund major Government office building construction and refurbishment works. Major projects are:

- ◆ \$23.2 million to complete the Justice office building at Parramatta;
- ◆ \$29.6 million to construct the Government office building at Queanbeyan;
- ◆ \$28.5 million to construct the Government office building at Penrith; and
- ◆ \$8.6 million for building refurbishments and miscellaneous minor works.

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

9 WORLD YOUTH DAY CO-ORDINATION AUTHORITY

| | 2006-07 | | 2007-08 |
|--|--------------|--------------|--------------|
| | Budget* | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 820 | 2,278 | 2,395 |
| Other operating expenses | 1,052 | 1,445 | 1,440 |
| Depreciation and amortisation | ... | 20 | 100 |
| Total Expenses Excluding Losses | 1,872 | 3,743 | 3,935 |
| NET COST OF SERVICES | 1,872 | 3,743 | 3,935 |

* Staff involved with coordination of government services for World Youth Day were previously attached to the Department of Premier and Cabinet.

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

9 WORLD YOUTH DAY CO-ORDINATION AUTHORITY

| | —2006-07— | | 2007-08 |
|---|----------------|----------------|----------------|
| | Budget* | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 820 | 2,163 | 2,315 |
| Other | 1,052 | 1,040 | 1,640 |
| Total Payments | 1,872 | 3,203 | 3,955 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (1,872) | (3,203) | (3,955) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | ... | (770) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | ... | (770) | ... |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 1,872 | 3,743 | 3,935 |
| Capital appropriation | ... | 770 | ... |
| NET CASH FLOWS FROM GOVERNMENT | 1,872 | 4,513 | 3,935 |
| NET INCREASE/(DECREASE) IN CASH | ... | 540 | (20) |
| Opening Cash and Cash Equivalents | ... | ... | 540 |
| CLOSING CASH AND CASH EQUIVALENTS | ... | 540 | 520 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (1,872) | (3,743) | (3,935) |
| Non cash items added back | ... | 106 | 180 |
| Change in operating assets and liabilities | ... | 434 | (200) |
| Net cash flow from operating activities | (1,872) | (3,203) | (3,955) |

* Expenses and recurrent appropriation were included in the Premier's Department in the 2006-07 Budget.

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

9 WORLD YOUTH DAY CO-ORDINATION AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | ... | 540 | 520 |
| Receivables | ... | 11 | 11 |
| Total Current Assets | ... | 551 | 531 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | ... | 767 | 667 |
| Total Non Current Assets | ... | 767 | 667 |
| Total Assets | ... | 1,318 | 1,198 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | ... | 440 | 240 |
| Provisions | ... | 5 | 5 |
| Total Current Liabilities | ... | 445 | 245 |
| Total Liabilities | ... | 445 | 245 |
| NET ASSETS | ... | 873 | 953 |
| EQUITY | | | |
| Accumulated funds | ... | 873 | 953 |
| TOTAL EQUITY | ... | 873 | 953 |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

10 MINISTRY OF TRANSPORT

| | 2006-07 | | 2007-08 |
|--|------------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 36,580 | 37,342 | 40,649 |
| Other operating expenses | 13,746 | 19,943 | 9,653 |
| Depreciation and amortisation | 3,356 | 6,677 | 17,179 |
| Grants and subsidies | 3,360,066 | 3,395,368 | 3,241,844 |
| Finance costs | ... | 5,579 | 11,565 |
| Other expenses | 17,938 | 18,673 | 17,955 |
| Total Expenses Excluding Losses | 3,431,686 | 3,483,582 | 3,338,845 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 5,621 | 6,031 | 5,809 |
| Investment income | 1,284 | 5,000 | 1,327 |
| Retained taxes, fees and fines | 1,895 | 1,895 | 1,958 |
| Grants and contributions | 37,499 | 38,957 | 40,207 |
| Other revenue | 4,513 | 2,970 | 3,172 |
| Total Retained Revenue | 50,812 | 54,853 | 52,473 |
| NET COST OF SERVICES | 3,380,874 | 3,428,729 | 3,286,372 |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

10 MINISTRY OF TRANSPORT

| | 2006-07 | | 2007-08 |
|---|--------------------|--------------------|--------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 34,452 | 35,052 | 38,563 |
| Grants and subsidies | 3,349,096 | 3,395,368 | 3,241,844 |
| Finance costs | ... | 5,579 | 11,565 |
| Other | 83,191 | 82,735 | 65,029 |
| Total Payments | 3,466,739 | 3,518,734 | 3,357,001 |
| Receipts | | | |
| Sale of goods and services | 5,621 | 6,031 | 5,809 |
| Interest | 1,284 | 4,231 | 1,327 |
| Other | 82,311 | 83,572 | 88,489 |
| Total Receipts | 89,216 | 93,834 | 95,625 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (3,377,523) | (3,424,900) | (3,261,376) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (11,331) | (401) | (1,000) |
| Other | (14,386) | (13,776) | (2,510) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (25,717) | (14,177) | (3,510) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | ... | (3,323) | (14,138) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | ... | (3,323) | (14,138) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 3,344,977 | 3,410,951 | 3,268,549 |
| Capital appropriation | 11,331 | 1,105 | 3,510 |
| Cash transfers to Consolidated Fund | ... | (168) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 3,356,308 | 3,411,888 | 3,272,059 |
| NET INCREASE/(DECREASE) IN CASH | (46,932) | (30,512) | (6,965) |
| Opening Cash and Cash Equivalents | 63,945 | 77,608 | 47,096 |
| CLOSING CASH AND CASH EQUIVALENTS | 17,013 | 47,096 | 40,131 |

DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE

10 MINISTRY OF TRANSPORT

| | 2006-07 | | 2007-08 |
|--|--------------------|--------------------|--------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (3,380,874) | (3,428,729) | (3,286,372) |
| Non cash items added back | 11,891 | 5,606 | 16,093 |
| Change in operating assets and liabilities | (8,540) | (1,777) | 8,903 |
| Net cash flow from operating activities | (3,377,523) | (3,424,900) | (3,261,376) |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

10 MINISTRY OF TRANSPORT

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 17,013 | 47,096 | 40,131 |
| Receivables | 11,443 | 17,308 | 12,884 |
| Other | 6,804 | ... | ... |
| Total Current Assets | 35,260 | 64,404 | 53,015 |
| Non Current Assets - | | | |
| Receivables | 725 | 271 | 271 |
| Property, plant and equipment - | | | |
| Land and building | 420 | 272 | 40 |
| Plant and equipment | 808 | 146,380 | 252,199 |
| Infrastructure systems | 48,556 | 25,454 | 29,626 |
| Intangibles | 6,773 | 8,694 | 9,148 |
| Total Non Current Assets | 57,282 | 181,071 | 291,284 |
| Total Assets | 92,542 | 245,475 | 344,299 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 23,739 | 27,055 | 31,534 |
| Borrowings at amortised cost | ... | 14,804 | 18,350 |
| Provisions | 2,149 | 4,190 | 4,190 |
| Total Current Liabilities | 25,888 | 46,049 | 54,074 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | ... | 130,522 | 233,548 |
| Provisions | 469 | ... | ... |
| Other | 33 | 31 | 31 |
| Total Non Current Liabilities | 502 | 130,553 | 233,579 |
| Total Liabilities | 26,390 | 176,602 | 287,653 |
| NET ASSETS | 66,152 | 68,873 | 56,646 |
| EQUITY | | | |
| Accumulated funds | 66,152 | 68,873 | 56,646 |
| TOTAL EQUITY | 66,152 | 68,873 | 56,646 |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

11 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR

| | 2006-07 | | 2007-08 |
|--|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 13,050 | 12,995 | 13,295 |
| Other operating expenses | 2,093 | 2,115 | 2,152 |
| Depreciation and amortisation | 489 | 489 | 594 |
| Other expenses | 1,030 | 1,030 | 1,030 |
| Total Expenses Excluding Losses | 16,662 | 16,629 | 17,071 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | ... | 25 | 3 |
| Investment income | 64 | 160 | 100 |
| Total Retained Revenue | 64 | 185 | 103 |
| NET COST OF SERVICES | 16,598 | 16,444 | 16,968 |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

11 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 12,299 | 12,284 | 12,649 |
| Other | 3,221 | 4,510 | 3,782 |
| Total Payments | 15,520 | 16,794 | 16,431 |
| Receipts | | | |
| Sale of goods and services | ... | 25 | 3 |
| Interest | 64 | 160 | 103 |
| Other | ... | 386 | 600 |
| Total Receipts | 64 | 571 | 706 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (15,456) | (16,223) | (15,725) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (500) | (133) | (50) |
| Other | ... | (449) | (320) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (500) | (582) | (370) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 15,389 | 15,389 | 15,771 |
| Capital appropriation | 450 | 450 | 320 |
| Cash transfers to Consolidated Fund | ... | (481) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 15,839 | 15,358 | 16,091 |
| NET INCREASE/(DECREASE) IN CASH | (117) | (1,447) | (4) |
| Opening Cash and Cash Equivalents | 1,083 | 3,281 | 1,834 |
| CLOSING CASH AND CASH EQUIVALENTS | 966 | 1,834 | 1,830 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (16,598) | (16,444) | (16,968) |
| Non cash items added back | 1,240 | 1,077 | 1,194 |
| Change in operating assets and liabilities | (98) | (856) | 49 |
| Net cash flow from operating activities | (15,456) | (16,223) | (15,725) |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

11 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 966 | 1,834 | 1,830 |
| Receivables | 99 | 127 | 124 |
| Total Current Assets | 1,065 | 1,961 | 1,954 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 290 | 429 | 204 |
| Plant and equipment | 478 | 256 | 197 |
| Intangibles | 826 | 1,071 | 1,131 |
| Total Non Current Assets | 1,594 | 1,756 | 1,532 |
| Total Assets | 2,659 | 3,717 | 3,486 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 403 | 1,039 | 1,085 |
| Provisions | 601 | 1,420 | 1,420 |
| Total Current Liabilities | 1,004 | 2,459 | 2,505 |
| Non Current Liabilities - | | | |
| Provisions | 373 | ... | ... |
| Total Non Current Liabilities | 373 | ... | ... |
| Total Liabilities | 1,377 | 2,459 | 2,505 |
| NET ASSETS | 1,282 | 1,258 | 981 |
| EQUITY | | | |
| Accumulated funds | 1,282 | 1,258 | 981 |
| TOTAL EQUITY | 1,282 | 1,258 | 981 |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

12 OFFICE OF TRANSPORT SAFETY INVESTIGATIONS

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 1,719 | 1,691 | 1,613 |
| Other operating expenses | 473 | 544 | 524 |
| Depreciation and amortisation | 122 | 147 | 147 |
| Other expenses | 100 | 40 | 100 |
| Total Expenses Excluding Losses | 2,414 | 2,422 | 2,384 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | ... | 1 | 1 |
| Investment income | ... | 12 | 12 |
| Grants and contributions | ... | 7 | ... |
| Total Retained Revenue | ... | 20 | 13 |
| NET COST OF SERVICES | 2,414 | 2,402 | 2,371 |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

12 OFFICE OF TRANSPORT SAFETY INVESTIGATIONS

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 1,561 | 1,583 | 1,502 |
| Other | 640 | 628 | 674 |
| Total Payments | 2,201 | 2,211 | 2,176 |
| Receipts | | | |
| Sale of goods and services | ... | 1 | 1 |
| Interest | ... | 5 | 16 |
| Other | 67 | 118 | 50 |
| Total Receipts | 67 | 124 | 67 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (2,134) | (2,087) | (2,109) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | ... | (52) | ... |
| Other | ... | (12) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | ... | (64) | ... |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 2,134 | 2,134 | 2,086 |
| NET CASH FLOWS FROM GOVERNMENT | 2,134 | 2,134 | 2,086 |
| NET INCREASE/(DECREASE) IN CASH | ... | (17) | (23) |
| Opening Cash and Cash Equivalents | 80 | 302 | 285 |
| CLOSING CASH AND CASH EQUIVALENTS | 80 | 285 | 262 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (2,414) | (2,402) | (2,371) |
| Non cash items added back | 280 | 255 | 258 |
| Change in operating assets and liabilities | ... | 60 | 4 |
| Net cash flow from operating activities | (2,134) | (2,087) | (2,109) |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

12 OFFICE OF TRANSPORT SAFETY INVESTIGATIONS

| | 2006-07 | | 2007-08 |
|----------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 80 | 285 | 262 |
| Receivables | 6 | 15 | 11 |
| Total Current Assets | 86 | 300 | 273 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 464 | 498 | 373 |
| Plant and equipment | 24 | 112 | 92 |
| Intangibles | ... | 10 | 8 |
| Total Non Current Assets | 488 | 620 | 473 |
| Total Assets | 574 | 920 | 746 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 6 | 140 | 140 |
| Provisions | 80 | 163 | 163 |
| Total Current Liabilities | 86 | 303 | 303 |
| Total Liabilities | 86 | 303 | 303 |
| NET ASSETS | 488 | 617 | 443 |
| EQUITY | | | |
| Accumulated funds | 488 | 617 | 443 |
| TOTAL EQUITY | 488 | 617 | 443 |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

SUPERANNUATION ADMINISTRATION CORPORATION

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 53,708 | 52,145 | 55,088 |
| Investment income | 150 | 230 | 180 |
| Other revenue | 311 | 3,450 | 2,504 |
| Total Retained Revenue | 54,169 | 55,825 | 57,772 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related | 31,951 | 36,957 | 37,935 |
| Other operating expenses | 15,045 | 14,511 | 13,052 |
| Depreciation and amortisation | 3,442 | 2,351 | 3,583 |
| Total Expenses Excluding Losses | 50,438 | 53,819 | 54,570 |
| Gain/(loss) on disposal of non current assets | ... | (2) | ... |
| SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS | 3,731 | 2,004 | 3,202 |
| Distributions - | | | |
| Dividends and capital repatriations | 1,045 | 561 | 1,345 |
| Tax equivalents | 1,119 | 601 | 961 |
| SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS | 1,567 | 842 | 896 |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

SUPERANNUATION ADMINISTRATION CORPORATION

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 53,489 | 51,926 | 54,397 |
| Interest | 150 | 230 | 180 |
| Other | 5,861 | 9,572 | 7,954 |
| Total Receipts | 59,500 | 61,728 | 62,531 |
| Payments | | | |
| Employee related | 31,113 | 36,119 | 38,210 |
| Equivalent Income Tax | 1,360 | 830 | 548 |
| Other | 20,423 | 18,755 | 18,521 |
| Total Payments | 52,896 | 55,704 | 57,279 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 6,604 | 6,024 | 5,252 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 5 | ... |
| Purchases of property, plant and equipment | (4,500) | (1,968) | (5,232) |
| Other | ... | (770) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (4,500) | (2,733) | (5,232) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Dividends paid | (1,204) | (720) | (830) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (1,204) | (720) | (830) |
| NET INCREASE/(DECREASE) IN CASH | 900 | 2,571 | (810) |
| Opening Cash and Cash Equivalents | 5,438 | 6,256 | 8,827 |
| CLOSING CASH AND CASH EQUIVALENTS | 6,338 | 8,827 | 8,017 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year before distributions | 2,612 | 1,403 | 2,241 |
| Non cash items added back | 3,442 | 2,351 | 3,583 |
| Change in operating assets and liabilities | 550 | 2,270 | (572) |
| Net cash flow from operating activities | 6,604 | 6,024 | 5,252 |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

SUPERANNUATION ADMINISTRATION CORPORATION

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 6,338 | 8,827 | 8,017 |
| Receivables | 5,474 | 7,560 | 8,301 |
| Other | 325 | ... | ... |
| Total Current Assets | 12,137 | 16,387 | 16,318 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 7,800 | 7,597 | 8,997 |
| Plant and equipment | 7,041 | 4,793 | 5,110 |
| Intangibles | 227 | 1,118 | 1,118 |
| Other | 2,415 | 1,890 | 1,859 |
| Total Non Current Assets | 17,483 | 15,398 | 17,084 |
| Total Assets | 29,620 | 31,785 | 33,402 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 2,522 | 4,447 | 4,546 |
| Tax | 1,119 | ... | 381 |
| Provisions | 3,449 | 6,271 | 6,854 |
| Total Current Liabilities | 7,090 | 10,718 | 11,781 |
| Non Current Liabilities - | | | |
| Tax | 1,007 | 1,262 | 1,263 |
| Provisions | 1,215 | 570 | 227 |
| Other | 230 | 369 | 369 |
| Total Non Current Liabilities | 2,452 | 2,201 | 1,859 |
| Total Liabilities | 9,542 | 12,919 | 13,640 |
| NET ASSETS | 20,078 | 18,866 | 19,762 |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

SUPERANNUATION ADMINISTRATION CORPORATION

| | 2006-07 | | 2007-08 |
|------------------------------------|---------------|---------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| <hr/> | | | |
| <i>BALANCE SHEET (cont)</i> | | | |
| EQUITY | | | |
| Capital* | ... | 6,000 | 6,000 |
| Reserves | 2,900 | 2,900 | 2,900 |
| Accumulated funds* | 17,178 | 9,966 | 10,862 |
| TOTAL EQUITY | 20,078 | 18,866 | 19,762 |

* Issued share capital now separately identified, previously included in Accumulated Funds.

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

STATE PROPERTY AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | ... | 8,873 | 159,474 |
| Investment income | ... | 2,886 | 7,483 |
| Grants and contributions | 1,594 | 1,594 | 95,777 |
| Other revenue | 12,668 | ... | ... |
| Total Retained Revenue | 14,262 | 13,353 | 262,734 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related | 7,875 | 8,103 | 10,885 |
| Other operating expenses | 6,587 | 2,531 | 122,950 |
| Depreciation and amortisation | 15 | 33 | 6,414 |
| Finance costs | ... | 2,775 | 6,804 |
| Other expenses | ... | ... | 58 |
| Total Expenses Excluding Losses | 14,477 | 13,442 | 147,111 |
| Other gains/(losses) | ... | ... | (100) |
| SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS | (215) | (89) | 115,523 |
| Distributions - | | | |
| Dividends and capital repatriations | ... | ... | 29,388 |
| SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS | (215) | (89) | 86,135 |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

STATE PROPERTY AUTHORITY

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | ... | 8,873 | 159,474 |
| Interest | ... | ... | 6,322 |
| Other | 14,262 | 4,393 | 96,079 |
| Total Receipts | 14,262 | 13,266 | 261,875 |
| Payments | | | |
| Employee related | 7,675 | 5,095 | 10,768 |
| Finance costs | ... | ... | 645 |
| Other | 6,587 | 22,052 | 158,085 |
| Total Payments | 14,262 | 27,147 | 169,498 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | ... | (13,881) | 92,377 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | ... | (96) | (89,395) |
| Other | ... | ... | (521) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | ... | (96) | (89,916) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | ... | ... | (550) |
| Dividends paid | ... | ... | (29,388) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | ... | ... | (29,938) |
| NET INCREASE/(DECREASE) IN CASH | ... | (13,977) | (27,477) |
| Opening Cash and Cash Equivalents | ... | 127,669 | 113,692 |
| CLOSING CASH AND CASH EQUIVALENTS | ... | 113,692 | 86,215 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year before distributions | (215) | (89) | 115,523 |
| Non cash items added back | 15 | 33 | 6,414 |
| Change in operating assets and liabilities | 200 | (13,825) | (29,560) |
| Net cash flow from operating activities | ... | (13,881) | 92,377 |

**DEPUTY PREMIER, MINISTER FOR TRANSPORT, AND MINISTER
FOR FINANCE**

STATE PROPERTY AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | ... | 99,274 | 86,215 |
| Receivables | ... | 12,886 | 23,133 |
| Total Current Assets | ... | 112,160 | 109,348 |
| Non Current Assets - | | | |
| Receivables | ... | ... | 10,850 |
| Investment properties | ... | ... | 15,718 |
| Property, plant and equipment - | | | |
| Land and building | ... | 142,500 | 848,131 |
| Plant and equipment | 60 | 106 | 1,927 |
| Intangibles | ... | ... | 4,334 |
| Total Non Current Assets | 60 | 142,606 | 880,960 |
| Total Assets | 60 | 254,766 | 990,308 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 200 | 6,869 | 18,816 |
| Borrowings at amortised cost | ... | ... | 597 |
| Provisions | ... | 43,535 | 14,436 |
| Other | ... | ... | 8,370 |
| Total Current Liabilities | 200 | 50,404 | 42,219 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | ... | ... | 6,863 |
| Other | ... | 65,336 | 253,411 |
| Total Non Current Liabilities | ... | 65,336 | 260,274 |
| Total Liabilities | 200 | 115,740 | 302,493 |
| NET ASSETS | (140) | 139,026 | 687,815 |
| EQUITY | | | |
| Accumulated funds | (140) | 139,026 | 687,815 |
| TOTAL EQUITY | (140) | 139,026 | 687,815 |

MINISTER FOR AGEING, AND MINISTER FOR DISABILITY SERVICES

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| Department of Ageing, Disability and Home Care | | | |
| Total Expenses | 1,757.6 | 1,893.7 | 7.7 |
| Capital Expenditure | 71.1 | 64.2 | -9.6 |
| Home Care Service of New South Wales | | | |
| Total Expenses | 186.4 | 199.7 | 7.2 |
| Capital Expenditure | 3.0 | 3.0 | ... |
| Total, Minister for Ageing, and Minister for Disability Services | | | |
| Total Expenses | 1,944.0 | 2,093.4 | 7.7 |
| Capital Expenditure | 74.1 | 67.2 | -9.3 |

DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

The Department of Ageing, Disability and Home Care is responsible for delivering programs and policies that assist older people, people with a disability and their carers to participate in community life. The Department is both a purchaser and provider of services and shares responsibility for clients with a number of other Government agencies that deliver services in areas such as health care, transport, family and children's services, and housing.

The support services provided by the Department comply with the requirements in the *NSW Disability Services Act 1993*.

RESULTS AND SERVICES

The Department has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priority:

- ◆ F2: Increased employment and community participation for people with disabilities.

The Department helps older people, people with a disability and their families and carers to participate in community life by working towards the following results:

- ◆ Older people and people with a disability are able to live in their own homes and have opportunities to participate in community activities.
- ◆ People with a disability who cannot remain in their own home are assisted to live in specialist accommodation.

Key services provided by the Department that contribute to these results include:

- ◆ community support programs including respite, skills development and day activity programs, therapy, case management, personal assistance and community care services for frail older people, people with a disability and their families and carers;
- ◆ intensive personal care (attendant care programs) in home settings for people with a disability; and
- ◆ specialist accommodation such as community housing or large residential centres to provide care for people with a disability who cannot remain in their own home.

RECENT DEVELOPMENTS

Ageing of the population, and increasing medical success contributing to people living longer, has driven increased demand in this sector. Total expenses of the Department are estimated at \$1.8 billion in 2006-07, an increase of \$503 million or 40 per cent over the last five years. This significant growth in the Department's spending reflects the Government commitment to improve support for people with disabilities and frail elderly people, their families and their carers.

STRATEGIC DIRECTIONS

In 2006-07, the NSW Government released a ten year strategy, *Stronger Together: A new direction for disability services*.

Stronger Together will provide more assistance for people with disabilities to live in their own home. It will also increase the range of specialist accommodation services for those unable to live at home.

Change will be achieved through three areas of effort:

- ◆ \$1,013.8 million over five years (\$141.2 million in 2007-08) for community inclusion – supporting adults with disabilities to live in and be part of the community;
- ◆ \$242 million over five years (\$44.3 million in 2007-08) for improving services – fairer and clearer ways to access services, greater accountability and more opportunities for innovation; and
- ◆ \$83 million over five years (\$7 million in 2007-08) to strengthening families – enabling children with disabilities to grow up in a family and participate in the community.

The NSW Government has committed a record investment of more than \$1.3 billion in new funding from 2006-07 over a five year period to support *Stronger Together*.

2007-08 BUDGET

Total Expenses

The Department's total expenses in 2007-08 are \$1.9 billion – an increase of \$136.1 million or 7.7 per cent on the 2006-07 Budget. The Department's services will be aligned with its two key result areas.

Community Support

The Government will provide a range of services and support designed to enable older people and people with a disability to continue to live in their own home and to participate in community life.

The expenditure on these services includes:

- ◆ \$235.3 million over five years (\$38.3 million in 2007-08) for increasing support from three days a week to four days a week for people with a significant disability (and five days for people with very high support needs) who leave school but are unable to enter the workforce. By 2010-11, it is estimated that over 6,200 people will be supported through the Department's post-school programs;
- ◆ an additional 90 attendant care (intensive in-home support) places in 2007-08 at a cost of \$6.6 million. Over five years there will be 320 additional places – more than double the current number – at a cost of \$66 million;

- ◆ \$31 million over five years (\$3.3 million in 2007-08) to provide intensive support packages for children and young people and their families. By 2010-11, there will be an additional 1,840 places a year;
- ◆ by 2010-11, the number of therapy places will be nearly 3,000 at a cost of \$41 million over five years (\$3.3 million in 2007-08) - an increase of 2,280 places compared with 2006-07;
- ◆ 810 new flexible respite places in 2007-08 at a cost of \$8.2 million with a total of 1,260 places by 2010-11. There will be 780 new day program places by 2010-11 at a cost of \$33 million; and
- ◆ \$5 million over four years (\$1 million in 2007-08) to provide intensive assistance for 410 children and their families with managing problem behaviours, both at home and at school. Additionally, \$0.5 million over four years (\$125,000 in 2007-08) will be spent on keeping children with autism spectrum disorder at school.

Supported Accommodation

Under this program, the Department provides and funds specialist care programs to assist people with a disability who are unable to remain in their own home. The services are predominantly supported accommodation in the community or large residential settings.

Total expenditure on these services includes:

- ◆ \$70.6 million to fund an extra 340 supported accommodation places in 2007-08. By 2010-11, there will be an additional 990 places, with costs over the five years totalling \$514 million;
- ◆ \$10 million over five years (\$1.7 million in 2007-08) to trial, in partnership with the Department of Housing and community housing providers, support models that will allow up to 40 people to transition from group homes; and
- ◆ up to \$80 million over five years with \$10.1 million in 2007-08 to prevent young people entering nursing homes, improve the circumstances of younger people in nursing homes and develop alternative models of support for young people living in nursing homes.

In addition, across both programs the Government will:

- ◆ employ 100 new case managers at a cost of \$53.3 million over five years (\$7.9 million in 2007-08) to help 4,000 disabled and frail elderly people access the services they need; and
- ◆ expand training for Government and non-government disability workers at a cost of \$15.4 million (\$3.6 million in 2007-08) over five years.

Commonwealth and State Joint Funding Initiatives

Commonwealth-State-Territory Disability Agreement (CSTDA)

The Department's 2007-08 expenditure includes \$211.1 million from the Commonwealth Government to fund a range of services under the Commonwealth-State-Territory Disability Agreement. Additionally, the Commonwealth has agreed to provide \$4.6 million in 2007-08 matched equally by the State for moving young people from residential aged care facilities.

Home and Community Care Agreement

The Home and Community Care (HACC) Program is a joint Commonwealth/State program which provides funding to assist frail older people, and people with a disability, to live independently. The program tries to minimise premature or inappropriate admission to permanent residential care.

The Department administers the program with assistance from the Department of Health and the Ministry of Transport. One of the main service providers is the Home Care Service of New South Wales, which is shown separately as an agency in the Budget Papers.

Total estimated expenditure on the HACC Program in 2007-08 is \$533.9 million (including estimated expenditure of \$72.7 million by the Department of Health under the HACC program, which is allocated directly to that Department). This expenditure, after excluding some carry over of funding for previous years' commitments, provides an increase of \$38.7 million or 8.1 per cent on the 2006-07 Budget. The NSW Government's contribution in 2007-08 will be \$210 million, an increase of \$15.5 million or 8 per cent on the 2006-07 Budget.

Non-Government Providers

Expenditure across the Department's various program areas includes funding for the non-government sector for providing various community and accommodation support services. In 2007-08, the total expenditure to non-government providers is estimated at \$1,010 million which is an increase of \$127 million or 14.4 per cent on the 2006-07 Budget. NGO partners' grants are indexed to accommodate reasonable growth in costs over the life of funding agreements.

Capital Expenditure

The Department's capital expenditure program allocation for 2007-08 is \$64.2 million. Major capital expenditure projects include:

- ◆ \$6.8 million to reconfigure the Grosvenor and Lachlan Centres as specialist State-wide accommodation services for people with complex health care needs and challenging behaviours respectively;
- ◆ \$8.8 million for the redevelopment of the Peat Island facility to a 100 bed aged care facility and a 20 bed cluster accommodation;
- ◆ \$19 million for acquisition of supported accommodation places for new clients; and
- ◆ \$15.2 million for improvements to, or replacement of, the Department's existing accommodation facilities.

HOME CARE SERVICE OF NEW SOUTH WALES

The Home Care Service of NSW provides home-based assistance to frail older people and younger people with a disability and their carers. The governing legislation is the *Home Care Service Act 1988*.

RESULTS AND SERVICES

The Home Care Service aims to assist people who are having difficulty managing in their own homes to remain at home by providing basic support services.

Key services provided include:

- ◆ domestic assistance with cleaning, washing, shopping and bill paying;
- ◆ personal care assistance with bathing, dressing and other personal care tasks; and
- ◆ respite care which helps carers by providing a substitute carer who can provide them with a break.

RECENT DEVELOPMENTS

Improvements in business systems and processes continue to be a focus of the Service, with new Client Information and Work Force Planning systems implemented during 2006-07.

The Department of Commerce had completed a competitive tender for the supply of sub-contractor services to Home Care in selected regions.

STRATEGIC DIRECTIONS

In 2007-08 the Service will continue to focus on:

- ◆ the efficiency of service delivery;
- ◆ ongoing relationships with stakeholders and clients; and
- ◆ improving the timeliness of intake and assessment processes while ensuring services reflect client need.

2007-08 BUDGET

Total Expenses

Total expenditure for the Home Care Service in 2007-08 is \$199.7 million including employee related expenditure of \$155.6 million and other operating expenditure of \$42.5 million.

Capital Expenditure

Total capital expenditure for the Home Care Service in 2007-08 is \$3 million including \$1.4 million for information technology equipment and \$1.6 million for the replacement of motor vehicles.

**MINISTER FOR AGEING, AND MINISTER FOR DISABILITY
SERVICES**

13 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 553,579 | 511,905 | 565,485 |
| Other operating expenses | 109,902 | 127,882 | 117,271 |
| Depreciation and amortisation | 10,761 | 15,063 | 16,783 |
| Grants and subsidies | 1,068,927 | 1,088,546 | 1,178,855 |
| Other expenses | 14,422 | 14,422 | 15,256 |
| Total Expenses Excluding Losses | 1,757,591 | 1,757,818 | 1,893,650 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 34,202 | 34,897 | 37,033 |
| Investment income | 3,271 | 6,500 | 5,380 |
| Grants and contributions | 5,721 | 6,649 | 5,933 |
| Other revenue | 1,344 | 5,930 | 1,603 |
| Total Retained Revenue | 44,538 | 53,976 | 49,949 |
| Gain/(loss) on disposal of non current assets | (500) | (700) | (500) |
| Other gains/(losses) | (350) | (350) | (362) |
| NET COST OF SERVICES | 1,713,903 | 1,704,892 | 1,844,563 |

**MINISTER FOR AGEING, AND MINISTER FOR DISABILITY
SERVICES**

13 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

| | 2006-07 | | 2007-08 |
|---|--------------------|--------------------|--------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 522,016 | 484,453 | 543,493 |
| Grants and subsidies | 1,068,927 | 1,088,546 | 1,178,855 |
| Other | 218,324 | 257,147 | 245,626 |
| Total Payments | 1,809,267 | 1,830,146 | 1,967,974 |
| Receipts | | | |
| Sale of goods and services | 34,202 | 34,897 | 37,033 |
| Interest | 3,771 | 7,000 | 5,380 |
| Other | 100,661 | 125,885 | 117,174 |
| Total Receipts | 138,634 | 167,782 | 159,587 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (1,670,633) | (1,662,364) | (1,808,387) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 2,600 | 3,913 | 2,600 |
| Advance repayments received | 1,250 | 1,250 | 1,250 |
| Purchases of property, plant and equipment | (68,460) | (62,680) | (62,621) |
| Other | (2,600) | (2,600) | (1,620) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (67,210) | (60,117) | (60,391) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 1,681,647 | 1,653,621 | 1,810,222 |
| Capital appropriation | 71,060 | 65,210 | 64,241 |
| NET CASH FLOWS FROM GOVERNMENT | 1,752,707 | 1,718,831 | 1,874,463 |
| NET INCREASE/(DECREASE) IN CASH | 14,864 | (3,650) | 5,685 |
| Opening Cash and Cash Equivalents | 40,569 | 58,888 | 55,238 |
| CLOSING CASH AND CASH EQUIVALENTS | 55,433 | 55,238 | 60,923 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (1,713,903) | (1,704,892) | (1,844,563) |
| Non cash items added back | 39,341 | 36,181 | 38,776 |
| Change in operating assets and liabilities | 3,929 | 6,347 | (2,600) |
| Net cash flow from operating activities | (1,670,633) | (1,662,364) | (1,808,387) |

**MINISTER FOR AGEING, AND MINISTER FOR DISABILITY
SERVICES**

13 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 55,433 | 55,238 | 60,923 |
| Receivables | 11,295 | 18,590 | 18,590 |
| Inventories | 266 | 257 | 257 |
| Other | 200 | ... | ... |
| Total Current Assets | 67,194 | 74,085 | 79,770 |
| Non Current Assets - | | | |
| Other financial assets | 1,250 | 1,250 | ... |
| Property, plant and equipment - | | | |
| Land and building | 510,791 | 495,520 | 546,561 |
| Plant and equipment | 18,567 | 34,024 | 31,739 |
| Intangibles | 19,643 | 18,269 | 13,871 |
| Total Non Current Assets | 550,251 | 549,063 | 592,171 |
| Total Assets | 617,445 | 623,148 | 671,941 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 24,640 | 27,873 | 24,773 |
| Provisions* | 33,147 | 48,114 | 48,114 |
| Other | ... | 73 | 73 |
| Total Current Liabilities | 57,787 | 76,060 | 72,960 |
| Non Current Liabilities - | | | |
| Provisions* | 11,277 | ... | ... |
| Other | ... | 7,350 | 7,350 |
| Total Non Current Liabilities | 11,277 | 7,350 | 7,350 |
| Total Liabilities | 69,064 | 83,410 | 80,310 |
| NET ASSETS | 548,381 | 539,738 | 591,631 |
| EQUITY | | | |
| Reserves | 135,259 | 136,281 | 136,281 |
| Accumulated funds | 413,122 | 403,457 | 455,350 |
| TOTAL EQUITY | 548,381 | 539,738 | 591,631 |

* Reclassification between line items from the 2006-07 Budget is due to the introduction of Australian Equivalents to International Financial Reporting Standards.

**MINISTER FOR AGEING, AND MINISTER FOR DISABILITY
SERVICES**

14 HOME CARE SERVICE OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|---|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 149,444 | 153,809 | 155,559 |
| Other operating expenses | 35,346 | 38,795 | 42,534 |
| Depreciation and amortisation | 1,562 | 1,566 | 1,620 |
| Total Expenses Excluding Losses | 186,352 | 194,170 | 199,713 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 28,322 | 29,520 | 30,318 |
| Investment income | 1,500 | 4,805 | 4,966 |
| Grants and contributions | 157,501 | 161,120 | 165,383 |
| Other revenue | 856 | 800 | 800 |
| Total Retained Revenue | 188,179 | 196,245 | 201,467 |
| Gain/(loss) on disposal of non current assets | ... | (73) | ... |
| Other gains/(losses) | (202) | (202) | (202) |
| NET COST OF SERVICES | (1,625) | (1,800) | (1,552) |

**MINISTER FOR AGEING, AND MINISTER FOR DISABILITY
SERVICES**

14 HOME CARE SERVICE OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 149,956 | 150,928 | 154,869 |
| Other | 52,846 | 56,254 | 60,075 |
| Total Payments | 202,802 | 207,182 | 214,944 |
| Receipts | | | |
| Sale of goods and services | 28,322 | 29,520 | 30,318 |
| Interest | 1,500 | 2,935 | 3,033 |
| Other | 175,655 | 179,218 | 183,481 |
| Total Receipts | 205,477 | 211,673 | 216,832 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 2,675 | 4,491 | 1,888 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 1,200 | 1,827 | 1,500 |
| Purchases of property, plant and equipment | (3,000) | (3,000) | (3,000) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (1,800) | (1,173) | (1,500) |
| NET INCREASE/(DECREASE) IN CASH | 875 | 3,318 | 388 |
| Opening Cash and Cash Equivalents | 25,415 | 35,277 | 38,595 |
| CLOSING CASH AND CASH EQUIVALENTS | 26,290 | 38,595 | 38,983 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | 1,625 | 1,800 | 1,552 |
| Non cash items added back | 1,562 | (304) | (313) |
| Change in operating assets and liabilities | (512) | 2,995 | 649 |
| Net cash flow from operating activities | 2,675 | 4,491 | 1,888 |

**MINISTER FOR AGEING, AND MINISTER FOR DISABILITY
SERVICES**

14 HOME CARE SERVICE OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 26,290 | 38,595 | 38,983 |
| Receivables | 5,465 | 5,481 | 5,481 |
| Other | 2 | ... | ... |
| Total Current Assets | 31,757 | 44,076 | 44,464 |
| Non Current Assets - | | | |
| Other financial assets | 15,000 | 15,977 | 17,910 |
| Property, plant and equipment - | | | |
| Land and building | 745 | 342 | 342 |
| Plant and equipment | 4,995 | 4,268 | 4,148 |
| Total Non Current Assets | 20,740 | 20,587 | 22,400 |
| Total Assets | 52,497 | 64,663 | 66,864 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 5,210 | 6,132 | 6,091 |
| Provisions* | 7,595 | 21,830 | 22,520 |
| Other | 200 | 19 | 19 |
| Total Current Liabilities | 13,005 | 27,981 | 28,630 |
| Non Current Liabilities - | | | |
| Provisions* | 18,397 | 770 | 770 |
| Total Non Current Liabilities | 18,397 | 770 | 770 |
| Total Liabilities | 31,402 | 28,751 | 29,400 |
| NET ASSETS | 21,095 | 35,912 | 37,464 |
| EQUITY | | | |
| Reserves | 10,134 | 142 | 142 |
| Accumulated funds | 10,961 | 35,770 | 37,322 |
| TOTAL EQUITY | 21,095 | 35,912 | 37,464 |

* Reclassification between line items from the 2006-07 Budget is due to the introduction of Australian Equivalents to International Financial Reporting Standards.

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|--|-----------------------------------|-----------------------------------|------------------------|
| Attorney General's Department | | | |
| Total Expenses | 653.3 | 716.2 | 9.6 |
| Capital Expenditure | 128.2 | 103.8 | -19.0 |
| Judicial Commission of New South Wales | | | |
| Total Expenses | 4.9 | 5.3 | 8.8 |
| Capital Expenditure | 0.2 | 0.2 | ... |
| Legal Aid Commission of New South Wales | | | |
| Total Expenses | 170.4 | 186.6 | 9.5 |
| Capital Expenditure | 6.4 | 3.3 | -49.0 |
| Office of the Director of Public Prosecutions | | | |
| Total Expenses* | 97.7 | 94.5 | -3.3 |
| Capital Expenditure | 1.3 | 1.3 | ... |
| Department of Corrective Services | | | |
| Total Expenses | 796.7 | 868.0 | 8.9 |
| Capital Expenditure | 128.1 | 97.1 | -24.2 |
| Public Trustee NSW | | | |
| Total Expenses | 32.7 | 33.5 | 2.5 |
| Capital Expenditure | 3.0 | 2.0 | -33.3 |
| Total, Attorney General, and Minister for Justice | | | |
| Total Expenses | 1,755.7 | 1,904.1 | 8.5 |
| Capital Expenditure | 267.2 | 207.7 | -22.2 |

* Excluding funding of \$5.5 million in 2006-07 for the Criminal Case Processing Reforms, total expenses have increased by 2.4 per cent for core functions.

ATTORNEY GENERAL'S DEPARTMENT

The Attorney General's Department has a crucial role in access to justice, protection of rights and public safety. The Department aims to resolve civil disputes and criminal matters and coordinate legal services for New South Wales. The Department supports the Attorney General as the first Law Officer of the Crown in the development of legislation and provision of information to Parliament.

RESULTS AND SERVICES

The Department promotes a just and safe society by working towards the following results:

- ◆ Crime and criminal recidivism are reduced.
- ◆ Timely and cost effective court and justice services are delivered.
- ◆ Impacts on sexual assault victims and mental health patients and their carers are reduced.
- ◆ Access to alternative dispute resolution is increased to reduce costs to clients and the community.
- ◆ Access to justice services and operational efficiency is improved.
- ◆ The over-representation of indigenous people in court processes is reduced.

Key services delivered by the Department contributing to these results include:

- ◆ providing courts and tribunals;
- ◆ advising the Government on law, justice and legal reforms;
- ◆ supporting victims of violent crime, including by providing counselling;
- ◆ delivering crime prevention and criminal diversion programs;
- ◆ providing legal, professional and regulatory services;
- ◆ providing alternative dispute resolution;
- ◆ providing Aboriginal justice programs; and
- ◆ providing client services including the Registry of Births, Deaths and Marriages, the Crown Solicitor's Office, the Public Trustee NSW, the Office of the Public Guardian/Protective Commissioner and the Legal Profession Admission Board.

RECENT DEVELOPMENTS

The Department underwent a significant financial reporting restructure in 2006-07 involving the:

- ◆ consolidation of the accounts of the Registry of Births, Deaths and Marriages and the Crown Solicitor's Office accounts into the Department's parent entity account; and

- ◆ inclusion of employee related financial expenses for the Office of the Protective Commissioner and Public Guardian, the Public Trustee NSW and the Legal Profession Admission Board into the parent entity account arising from the introduction of the State's WorkChoices insulation legislation.

The Productivity Commission *Report on Government Services 2007* found NSW Courts were among the most efficient in the country. The report found NSW District, Local and Children's Courts were number one in Australia for the timeliness with which they dealt with criminal matters.

A trial program of conferencing for young adult offenders at Tweed Heads and Liverpool Local Courts was successful. The program enables some young adult offenders (18 to 24 years old) to participate in a conference with victims of crime, support people and other relevant people prior to, or as part of, sentencing. As a result of the trial, the program will be expanded throughout New South Wales in 2008-09.

The Department actively pursued initiatives to support victims of domestic violence. A trial of the Domestic Violence Court Intervention program in Campbelltown and Wagga Wagga was successful. The program involves working with local domestic violence support services to improve evidence collection, helping victims prepare for court and providing support services. Annual recurrent funding of \$2.1 million will be provided from 2007-08 to continue this program.

To minimise the potential trauma faced by vulnerable witnesses, major upgrades of remote witness facilities at seven courthouses were undertaken in 2006-07.

A new Victims Assistance Scheme commenced in 2006-07 to improve the rehabilitation support available to victims of crime.

The Circle Sentencing Courts program was expanded to Mt Druitt in western Sydney. The program is offered as an alternative for adult Aboriginal defendants, and the courts are held in a community setting with a Magistrate and Aboriginal community representatives.

Penalties were increased for hit and run drivers who flee the scene of serious accidents. 'Brendan's Law' increased the maximum penalty from 18 months to 10 years imprisonment where death results from an accident and a driver fails to stop and assist.

Construction of the Parramatta Justice Precinct is on budget and ahead of schedule, with the six-court Children's Court completed in November 2006. The Justice Precinct Office Building will be completed in September 2007 and occupied from November 2007.

The Department continued to strengthen customer service, leadership and communication through the implementation of the *Towards 2010* strategy. The strategy includes an annual commitment of work-related training for every employee and programs for management development.

STRATEGIC DIRECTIONS

Key priorities of the Department include:

- ◆ Crime and recidivism will be reduced through a range of rehabilitation programs, continuing and improving the effectiveness of crime-prevention programs, and expanding preventive programs with communities identified as 'hotspots'.
- ◆ Victims of crime will receive support through programs, funding, technology and new legislation. The roll out of remote witness facilities in NSW Courts will continue over the next four years. The remote witness facilities will allow domestic violence victims to give evidence in court protected by a screen or video link, reducing the trauma and distress of testifying in the presence of the accused. In addition, \$0.1 million per annum will be provided to the Victims of Crime Assistance League to support crime victims.
- ◆ Judicial, police and custodial and justice administration functions will be consolidated at the Parramatta Justice Precinct.
- ◆ The implementation of the Courts 2010 strategy will continue so as to increase access to justice and modernise courts, making it simpler and faster for clients using the system.
- ◆ Development of the JusticeLink (formerly known as Courtlink Phase II) system will continue. It will provide an integrated multi-jurisdiction court administration system supporting NSW Supreme, District and Local Courts, the Coroner's Court, the Children's Court and the NSW Sheriff Office. The system will also provide web-based eServices to users of the courts and a generic interface for electronic information exchange with justice sector agencies.
- ◆ The Aboriginal Mediation Program will be expanded together with training in conflict resolution skills as part of the continuing focus on alternative dispute resolution, Community Justice Centres and Circle Sentencing Courts.
- ◆ Implementation of the *Towards 2010* organisational change strategy will be continued so as to improve the Department's culture and professionalism through more flexible work arrangements, enhanced recruitment procedures and increased training opportunities.

2007-08 BUDGET

Total Expenses

In 2007-08, total expenses are budgeted at \$716.2 million, an increase of 9.6 per cent compared to 2006-07. This increase is mainly due to the expenses of the Crown Solicitor's Office accounts, and the employee related expenses of the Office of the Protective Commissioner and Public Guardian, the Public Trustee NSW and the Legal Profession Admission Board being reported in the 2007-08 estimates for the first time, reflecting changes in annual report requirements.

Other increases in the 2007-08 Budget are due to:

- ◆ \$3.5 million for the maintenance contract for the Parramatta Justice Precinct;
- ◆ \$2.1 million to continue the Domestic Violence Court Intervention Model at Wagga Wagga and Campbelltown;
- ◆ \$0.5 million for stage two of a court security program;
- ◆ \$0.5 million for increases in judicial salaries;
- ◆ \$0.3 million to continue programs to reduce the representation of Aboriginal people in legal processes, particularly through mediation and diversionary programs and the further extension of Circle Sentencing Courts;
- ◆ \$0.1 million for the New South Wales Sentencing Council to conduct a survey of community perceptions on sentencing; and
- ◆ \$0.1 million to fund victims of crime support groups through the Victims of Crime Assistance League.

Capital Expenditure

A total of \$103.8 million is budgeted to be spent in 2007-08 on capital projects. The aim of the capital program is to provide for the expansion and modification of existing court houses, upgrade of information technology infrastructure, and the purchase and replacement of plant and equipment. The asset acquisition program also includes capital projects for the Registry of Births, Deaths and Marriages and the Crown Solicitor's Office.

Major new works comprise \$5 million for the roll-out of remote witness facilities in NSW Courts.

An amount of \$88.4 million has been provided for works in progress which include:

- ◆ \$17.8 million for the Strategic Court Upgrade program. The program aims to improve various courthouses across New South Wales to meet building standards;
- ◆ \$1.7 million to complete the re-development of the Nowra court house;
- ◆ \$2 million for the continued development and implementation of Courtlink Phase II (now called JusticeLink). These funds will be applied to the progressive rollout of Crime and Civil business process modules, commencing with the Supreme and District Courts;
- ◆ \$2.9 million for the Justice Agencies Video Conferencing Project which extends the sector video conferencing network to courts, Legal Aid Commission offices and corrections facilities in rural and regional centres;
- ◆ \$57.8 million for continued development of the Parramatta Justice Precinct in cooperation with the Department of Commerce. This comprises \$13.3 million for the Justice Agencies Offices and \$44.5 million for the Sydney West Trial Complex;
- ◆ \$5.2 million for various capital projects of the Registry of Births, Deaths and Marriages; and
- ◆ \$0.9 million for capital works to be undertaken by the Crown Solicitor's Office.

A total of \$10.3 million has been allocated for minor works, including annual provisions for the Registry of Births, Deaths and Marriages and the Crown Solicitor's Office.

JUDICIAL COMMISSION OF NEW SOUTH WALES

The Judicial Commission of New South Wales is an independent statutory corporation established under the *Judicial Officers Act 1986*. The objective of the Commission is to increase the efficiency and effectiveness of the use of judicial resources.

RESULTS AND SERVICES

The Commission aims to increase the efficiency and effectiveness of the use of judicial resources by working towards the following results:

- ◆ The judiciary is better informed and more professional.

- ◆ Courts achieve consistency when imposing sentences.
- ◆ Judicial accountability is promoted through effective complaint handling.

Key services provided by the Commission which contribute to these results include:

- ◆ offering an extensive conference and seminar program for judicial officers;
- ◆ publishing professional reference material including bench books, bulletins and journals, education monographs, training DVDs and conference papers;
- ◆ providing online statistical and legal information through the Judicial Information Research System (JIRS);
- ◆ undertaking original research and analysis of aspects of sentencing; and
- ◆ examining complaints against judicial officers in a timely and efficient manner.

RECENT DEVELOPMENTS

Major achievements for the Commission during 2006-07 were the publication of the Equality Before the Law Bench Book and the Sentencing Bench Book for judicial officers. The production of a new loose leaf service for the civil jurisdiction is well advanced.

STRATEGIC DIRECTIONS

The Commission will continue to focus on high quality professional development programs for judicial officers in each court. The emphasis will be on timely and practical information through publications, conferences and seminars, and the computerised JIRS which contains sentencing and other information relevant to judicial decision making.

The development programs range from induction courses for new appointees to specialist conferences on specific aspects of law, procedure, judicial skills and technique, such as judgement writing, as well as an annual conference for each court.

The Commission will also pursue initiatives to ensure that judicial officers are aware of social context issues involving children, women, sexual offences, domestic violence and ethnic minorities.

The Commission will continue to work with other judicial education bodies within Australia to share information and experience, and to explore the possibility of collaborating on joint programs to reduce cost.

2007-08 BUDGET

Total Expenses

Total expenses of the Commission are projected to be \$5.3 million in 2007-08, an increase of 8.8 per cent compared to 2006-07. This increase in expenses is due to the Commission progressing work on the Civil Bench Book and maintaining other bench books. After allowing for additional revenue from the sale of information technology expertise, the Commission will have a reduction in its Net Cost Of Services.

Capital Expenditure

An amount of \$0.2 million has been provided to meet the Commission's ongoing plant and equipment needs.

LEGAL AID COMMISSION OF NEW SOUTH WALES

The Commission is a statutory body established by the *Legal Aid Commission Act 1979*, funded by the State Government and the Public Purpose Fund to provide legal aid and other legal services in accordance with the provisions of the Act. The Commission also receives funding from the Commonwealth Government to provide legal assistance in matters arising under Commonwealth law.

The Commission's vision focuses on ensuring that people who are economically and socially disadvantaged can understand, protect and enforce their legal rights and interests.

RESULTS AND SERVICES

The Commission achieves a fair, equitable and efficient justice system by working towards the following results:

- ◆ The community has access to legal information and advice and awareness of their legal rights and responsibilities is increased.
- ◆ People take action to protect their legal rights and comply with responsibilities.

- ◆ Equality before the courts for socially and economically disadvantaged community members is achieved.

Key services provided by the Commission which contribute to these results include:

- ◆ providing free legal advice, education, information and minor assistance services to members of the community through face to face, telephone, internet services and publications;
- ◆ providing legal representation and alternative dispute resolution services to eligible members of the community delivered by in-house lawyers and through grants of aid to private legal practitioners;
- ◆ designing educational programs to promote an understanding of individual rights, powers, privileges and duties under the laws of New South Wales; and
- ◆ contributing to law and order policy development and research into all aspects of legal aid.

RECENT DEVELOPMENTS

The Commission has expanded its services as a result of factors including changes in Government policy and court rules such as:

- ◆ a substantial commitment to legal representation of persons accused of terrorism offences in accordance with financial and eligibility tests set by the Commonwealth Government;
- ◆ the significant growth in numbers of self represented litigants;
- ◆ Criminal Case Processing Reforms which aim to achieve greater efficiencies in the processing of indictable criminal law cases; and
- ◆ the continued impact of increased resources committed by the Department of Community Services to investigation and litigation of cases involving the care and protection of children.

Internal factors influencing the Commission's current operating environment include:

- ◆ the continued implementation of the Commission's rural strategy to enhance access to its services in regional and remote areas of New South Wales; and
- ◆ a significant expansion of the Commission's civil law practice.

The Commission is undertaking a review of its services in relation to domestic violence in alignment with Government priorities.

The Commission continues to drive the coordination of legal services across rural and regional New South Wales through its Co-operative Legal Service Delivery Program. This Program is now operating in four regional areas and there are plans to expand it to an additional four regions over the next two years.

STRATEGIC DIRECTIONS

The Commission continues to focus on:

- ◆ improving access to a greater range of client services;
- ◆ ensuring Commission staff are highly skilled and provide a service based on professionalism and excellence;
- ◆ implementing a case management system, grants management system and document management system in order to improve efficiencies in the conduct of the Commission's business; and
- ◆ promoting a fair and inclusive justice environment through effective legal service delivery, policy and law reform work.

2007-08 BUDGET

Total Expenses

Total expenses of the Commission are projected at \$186.6 million in 2007-08, an increase of 9.5 per cent on 2006-07. This is mainly due to additional funding of \$9.4 million from the Public Purpose Fund, established under the *Legal Profession Act 2004*. This funding will enable the Commission to:

- ◆ increase the hourly rate paid to private legal practitioners who undertake work on behalf of the Commission. These rates remain significantly below commercial rates for similar work;
- ◆ expand the Commission's means test which will enable more socially and economically disadvantaged people to have access to legal aid; and
- ◆ pilot a Regional Solicitors Scheme that will enhance the services available to people with a legal need in regional and rural locations.

The Criminal Law Program has been allocated:

- ◆ \$0.1 million for legal services to juveniles participating in a 12 month pilot program of Youth Conduct Orders addressing youth anti-social behaviour; and
- ◆ \$0.4 million to support the ongoing operation of the NSW Drug Court.

Capital Expenditure

The Commission's capital expenditure of \$3.3 million in 2007-08 will enable:

- ◆ the ongoing replacement of its core business system; and
- ◆ the ongoing upgrade or replacement of the Commission's accommodation and equipment as it reaches the end of its useful life.

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

The Office is responsible for the prosecution of all indictable and certain summary offences under the laws of New South Wales and the conduct of appeals in the District, Supreme and High Courts. The Office was established by the *Director of Public Prosecutions Act 1986*.

RESULTS AND SERVICES

The Office aims to provide a criminal prosecution system that is efficient and effective and is accepted by the community as being equitable and acting in the public interest by working towards the following results:

- ◆ Prosecutions are conducted in a just, independent and timely manner.
- ◆ Victims and witnesses have a greater sense of inclusion in the prosecution process.

Key services provided by the Office to contribute to these results include:

- ◆ reviewing, evaluating and improving standards for prosecutions;
- ◆ improving timeliness and quality of prosecution briefs;
- ◆ conducting prosecutions within relevant time standards;
- ◆ providing assistance and information to victims and witnesses;

- ◆ developing solutions, in partnership with stakeholders, to streamline and improve court listing systems; and
- ◆ initiating and contributing to law reform to improve the criminal justice system.

RECENT DEVELOPMENTS

During recent years there have been a number of reforms introduced to improve the performance of the criminal justice system.

The Drug Court program has now become a permanent feature of the NSW jurisdiction. The Office will continue its commitment to the program during 2007-08.

The Office assisted in the evaluation of the Child Sexual Assault Jurisdiction pilot that was conducted during 2005-06 and will continue its commitment to the pilot.

Criminal case processing reforms began in the Downing Centre from November 2005 and State-wide from 1 January 2006. Recurrent funding of \$5.5 million per annum was allocated in 2005-06 and 2006-07 for the implementation of these reforms. These reforms are expected to provide enhanced justice outcomes through greater charge and sentencing certainty and to significantly reduce the costs associated with late pleas of guilty. A major feature of the reforms involves face-to-face conferences between prosecutors and defence representatives during the committal process in the Local Court.

The Office now also provides an advising service to police in their investigation of indictable offences and in relation to the sufficiency of evidence and the appropriateness of charges. These features will enhance the quality and timeliness of briefs and provide for improved disclosure to the defence and enhance the prospects of meaningful discussions at case conferences.

The Chief Magistrate has supported these administrative reforms and established a monitoring committee to oversee the implementation of the processes.

An information communication technology infrastructure upgrade was completed in June 2006. This program will assist the Office to sustain core business operations and comply with the Government's initiatives and directives in information security, business requirements and licensing obligations.

STRATEGIC DIRECTIONS

The Office will continue its commitment to improving the criminal justice system and to providing the people of New South Wales with an independent, fair and just prosecution service.

As a result of the criminal case processing reforms, the Office will move towards more efficient use of resources and a more effective criminal justice system.

The Office will continue to give high priority to increased cooperation with other criminal justice agencies to improve performance of the criminal justice system through participation in various interagency committees and involvement in proposals for law reform.

2007-08 BUDGET

Total Expenses

In 2007-08, the Office's total expenses are estimated to be \$94.5 million. Excluding funding of \$5.5 million in 2006-07 for the Criminal Case Processing Reforms, total expenses have increased by 2.4 per cent for core functions.

The Government will increase the average authorised Police strength by a further 750 officers by the beginning of 2012. The Budget forward estimates include a provision for flow-on costs to other justice agencies such as the Office. These funds will be released to agencies over this period based on proven increases in workloads as a direct result of the increased police numbers.

The 2007-08 expenses include:

- ◆ \$3.3 million for the Witness Assistance Scheme to comply with the *Victims Rights Act 1996*; and
- ◆ \$3 million for the continuation of the pre-trial disclosure regime.

Capital Expenditure

The Office will spend its 2007-08 minor works allocation of \$1.3 million on various ongoing plant and equipment replacement, furniture and fittings, acquisitions for the law library and purchase of information technology.

DEPARTMENT OF CORRECTIVE SERVICES

The Department of Corrective Services is an integral part of the criminal justice system and makes a major contribution to a fair, safe and just New South Wales.

It ensures that court-imposed sentences are implemented and that the duty of care for offenders in custody and/or under community supervision is properly discharged. The Department administers the *Crimes (Administration of Sentences) Act 1999*.

RESULTS AND SERVICES

The Department has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priority:

- ◆ R2: Reduced re-offending.

The Department aims to achieve secure, safe, humane and lawful management of offenders and a reduction in the risks of re-offending. The Department is working towards the following results:

- ◆ Correctional centres, court and escort security are effectively managed.
- ◆ Offenders are effectively supervised and supported whilst they are working towards successful order completion.
- ◆ Offenders program provision and participation is determined via standardised risks and needs assessment.
- ◆ Re-integration support is provided through strategic partnerships with other government and non-government agencies.

Key services provided by the Department which contribute to these results include:

- ◆ providing correctional centre and custody management;
- ◆ providing custody escorts and court security;
- ◆ advising courts and releasing authorities;
- ◆ providing programs proven to be effective in reducing re-offending risks;
- ◆ providing intensive community supervision and monitoring; and
- ◆ supporting post-sentence re-integration and community engagement.

RECENT DEVELOPMENTS

Expenditure trends within the Department are impacted by both the level of the full-time inmate population and the number of offenders managed under community-based programs. The daily average full-time average inmate population of correctional centres increased from 8,113 in June 2003 to in excess of 9,640 at the end of April 2007 and is projected to increase to 9,800 in June 2008.

With the amendments to the *Bail Amendment (Repeat Offenders) Act 2002*, the number of people on remand has increased from around 1,864 in June 2003 to 2,439 in April 2007.

The Department's workload in relation to community management programs, services within the community and pre-sentence reports to the judiciary continues to increase.

The Community Offender Service, the operational arm of the Department responsible for the supervision of offenders in the community, is undertaking systematic reforms of its operations which are vital in maintaining the integrity of and public confidence in the secure management of offenders in the community.

Additional recurrent funding, amounting to \$6.1 million in 2006-07 and \$14.7 million from 2007-08 onwards, has been provided to the Department to implement the reforms to the management of offenders under supervision in the community.

STRATEGIC DIRECTIONS

Strategic issues for the Department include:

- ◆ Reducing the risk of re-offending by fully implementing the following strategies:
 - implement and refine a standardised instrument across the correctional system which will provide a reliable assessment of the risk of re-offending and of the priorities which need to be addressed to reduce that risk;
 - provide evidence-based rehabilitation programs for targeted high risk offenders;
 - establish additional transitional/half-way houses to provide residential services and programs to parolees assessed as being at high risk of re-offending due to a lack of accommodation and program places in the community;

- improve services and programs for offenders with significant mental health disorders, including those with an intellectual disability and/or a mental illness and substance abuse problems; and
 - improve services for dealing with female offenders with dual diagnoses of mental illness and substance abuse and who present challenging, self-destructive or violent behaviours.
- ◆ Providing culturally appropriate effective correctional services for Aboriginal offenders by expanding the existing Brewarrina (Yetta Dhinnakal) Correctional Centre model and strengthening community supervision and support.
 - ◆ Ensuring that there is adequate inmate accommodation and other resources to meet the forecast increase in inmate numbers.

2007-08 BUDGET

Total Expenses

In 2007-08, the Department's total expenses are budgeted to be \$868 million, an increase of 8.9 per cent compared to 2006-07. This reflects:

- ◆ \$12.8 million for an increase in inmate numbers;
- ◆ \$14.7 million for the reform of the management of offenders in the community;
- ◆ \$1.9 million for the Drug Court programs; and
- ◆ \$9.7 million for the increased depreciation expenses due to revaluation of assets in accordance with accounting standards.

Capital Expenditure

The 2007-08 capital program totals \$97.1 million for ongoing capital projects. The main projects in the 2007-08 capital program are detailed below.

1000 New Beds

To accommodate the growing inmate population across New South Wales, planning and documentation continues for expansion of Cessnock Correctional Centre (250 beds), Lithgow Correctional Centre (250 beds) and for a new 500 bed facility, modelled on the Kempsey and Wellington Correctional Centres, to be located on the South Coast of New South Wales.

The total estimated cost of the project is \$296.4 million (\$59.3 million in 2007-08) with completion expected in 2010-11.

Community Offender Services Program Accommodation

Community Offender Services (including the Probation and Parole Service) accommodation is being progressively upgraded. Funding of \$2.5 million has been allocated in 2007-08, part of a \$13.1 million for fit outs and essential fire and safety requirements at various Community Offender Service Offices across New South Wales.

Completion of the upgrade program is anticipated in 2008-09.

Electronic Case Management

This project allows for initiatives in case management and risk assessment and will consolidate an information base in order to deliver quality services to high risk offenders. The project supports the Corrective Services Throughcare Model which provides a framework to support the case management of offenders before, during and after custody, in both custodial and community contexts.

The total estimated cost of the project is \$8.9 million (\$1.5 million in 2007-08), with completion anticipated in 2009-10.

Inmate Escort Vehicles

The growth in inmate population accentuates the requirement for the Department to increase its inmate transport fleet and to replace vehicles and truck bodies as they reach their economical replacement time.

The estimated total cost of the project is \$9.2 million (\$1.5 million in 2007-08), with completion anticipated in 2011-12.

Kariong Juvenile Correctional Centre

The Department assumed responsibility for the operation of Kariong Juvenile Correctional Centre in late 2004. Refurbishment work continues to enhance current operations in the management of high security juvenile offenders.

The total estimated cost of the project is \$5.3 million (\$1.9 million in 2007-08), with completion expected in 2008-09.

Long Bay Hospital Redevelopment

This project involves the development of a new 85 bed prison hospital to provide inpatient health care to inmates who require admission to hospital. The new prison hospital will replace the existing hospital which has only 54 beds available for the general inmate population. The existing facilities will be inadequate for projected correctional system requirements in the future.

The project is funded as a Public Private Partnership. Funding of \$2.1 million has been provided in 2007-08 for the completion of necessary enabling works. The estimated total cost of the project is \$63.9 million. The project is expected to be completed in 2008-09.

A parallel development is being undertaken by the Department of Health to establish a 135 bed forensic hospital on the site of the existing prison hospital at Long Bay.

Long Bay Staged Redevelopment

The Long Bay redevelopment provides therapeutic special needs programs for sex offenders, violent offenders, inmates with intellectual disabilities, those at high risk of suicide, medical transients and offenders with major drug and/or alcohol problems.

The project also includes a new visitor pre-processing and control centre at the Anzac Parade entrance to the complex.

The estimated total cost of the project is \$46.2 million (\$1.6 million in 2007-08) and the redevelopment is scheduled for completion in 2008.

North Coast Second Chance Program

Following the success of the Second Chance Program for predominantly indigenous offenders in western New South Wales, a similar program is being developed on the North Coast. A property has been purchased at Tabulam where accommodation and programs will be provided. Construction of new facilities is well underway on the site.

The project provides meaningful vocational training and re-establishes important cultural links for indigenous offenders receiving a first custodial sentence. The project will provide accommodation for 70 offenders and has an estimated total cost of \$10.8 million (\$1.6 million in 2007-08). The project is expected to be completed in September 2007.

Men's Transitional Centre

The transitional centre for men has been incorporated into the North Coast Second Chance project at Tabulam in northern New South Wales. The centre will be a minimum security, community based facility to prepare selected inmates for their post release responsibilities in a safe, drug and alcohol free environment. The centre effectively will be a pre-release half-way house for inmates. From this setting, the men will go into the community for counselling, education and employment.

The project will provide 30 beds at a total cost of \$1.7 million (\$0.1 million in 2007-08). It is due to be completed in September 2007.

Silverwater Women's Correctional Centre (formerly Mulawa) Staged Redevelopment – Stage 2

This project involves the upgrade of site infrastructure to improve the accommodation of female inmates within the State. The former Mulawa Correctional Centre was renamed Silverwater Women's Correctional Centre in early 2007. It has been identified as a pivotal facility in the management of female inmates in New South Wales. The maximum-security facility will cater for both the operational and medical requirements of high need female inmates.

The project will be completed over several stages due to the ongoing use of the facility during construction. The estimated total cost for the project is \$52.2 million (\$10 million in 2007-08), with completion of all stages anticipated in 2008-09.

Wellington Correctional Centre (500 bed)

This project, formerly called the Western Region Correctional Centre, is a 500 bed multi-classification correctional facility. The project will include components for female and remand inmates, similar to the model developed for the Mid North Coast Correctional Centre at Kempsey.

The estimated total cost of the project is \$125.6 million (\$4.1 million in 2007-08) with completion anticipated in 2007-08.

PUBLIC TRUSTEE NSW

The Public Trustee NSW provides the people of New South Wales with access to professional personal trust services in pursuit of its functions as defined in section 12 of the *Public Trustee Act 1913*.

The Public Trustee NSW's charter is to provide efficient service delivery in personal trustee services and to meet legal and customer service obligations. Key performance indicators exist for client service, financial management, governance and risk management, and staff. These are agreed and form part of a Statement of Business Intent signed by the Attorney General and the Treasurer.

The Public Trustee NSW's services include:

- ◆ making wills and administering deceased estates;
- ◆ acting as trustee of trusts created by wills, deeds, court orders and legislation;
- ◆ providing private client services through being an attorney; and
- ◆ administering assets and managing financial affairs for 'protected persons'.

It is also nominated in legislation as the trustee for workers compensation death benefits and assets pursuant to *Confiscation of Proceeds of Crime Act 1989*, *Criminal Assets Recovery Act 1990*, and *Civil Procedure Act 2005*.

The Public Trustee NSW operates within the NSW Treasury commercial policy framework with the aim of providing an appropriate return to government. It is largely financially independent of the Consolidated Fund with recurrent expenses and capital works funded from revenue generated from clients and other corporate income.

The 2007-08 Budget includes a community service obligation payment of \$2.3 million to enable it to meet its statutory obligation to administer low value estates and trusts.

RECENT DEVELOPMENTS

Deceased estate business volumes and values have increased slightly in 2006-07, and are expected to remain constant for 2007-08. Revenues continue to be affected by a decrease in the number and value of damages trusts resulting from tort law reform. However, an increase in deceased estate values has partially offset this decline. In addition, current growth in will making should lead to future revenue growth.

STRATEGIC DIRECTIONS

The Public Trustee NSW recently undertook a pilot program to test the viability of proposed changes to its service delivery to meet changing needs brought about by an ageing workforce, increased costs and the availability of technological solutions. The main changes will involve streamlining the functions of specialist staff who interface with clients and centralising technical and support resources. These initiatives are expected to increase customer satisfaction and reduce business costs.

Corporate services overheads are also being reviewed to reflect service level agreements with the Attorney General's Department as they are implemented.

The fee structure is currently under review and it is expected that CPI adjustments will apply from October 2007.

2007-08 BUDGET

Total Expenses

Total forecast revenue of \$37.2 million includes both anticipated fee increases and an estimate of unrealised gains from investments. This compares with estimated revenue of \$38.8 million in 2006-07.

Total expenses are budgeted at \$33.5 million, an increase of \$3.2 million on estimated expenses for 2006-07.

Capital Expenditure

Capital expenditure in 2007-08 is estimated to be \$2 million.

Major works include renovating the lifts and office area on Level 3 in 19 O'Connell Street, Sydney. Other works include the purchase of computer hardware to replace expiring leased items, and software and network upgrades.

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
15 ATTORNEY GENERAL'S DEPARTMENT

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related* | 351,278 | 418,923 | 430,992 |
| Other operating expenses | 96,528 | 98,279 | 99,171 |
| Depreciation and amortisation | 43,806 | 50,512 | 53,940 |
| Grants and subsidies | 19,281 | 18,815 | 15,916 |
| Finance costs | 3,990 | 3,948 | 4,036 |
| Other expenses | 138,389 | 109,368 | 112,146 |
| Total Expenses Excluding Losses | 653,272 | 699,845 | 716,201 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services* | 125,821 | 194,171 | 195,662 |
| Investment income | 3,582 | 3,852 | 2,661 |
| Retained taxes, fees and fines | 8,500 | 7,202 | 7,500 |
| Grants and contributions | 10,303 | 12,021 | 9,192 |
| Other revenue | 11,874 | 12,436 | 13,015 |
| Total Retained Revenue | 160,080 | 229,682 | 228,030 |
| Gain/(loss) on disposal of non current assets | 10 | (737) | 10 |
| Other gains/(losses) | (3,505) | (3,530) | (3,532) |
| NET COST OF SERVICES | 496,687 | 474,430 | 491,693 |
| Distributions - | | | |
| Dividends – Registry/Crown Solicitor's Office | 1,282 | 3,423 | 3,410 |
| Tax Equivalents – Registry of Births, Deaths and Marriages | 964 | 1,124 | 1,026 |
| SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS | 494,441 | 469,883 | 487,257 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
15 ATTORNEY GENERAL'S DEPARTMENT

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related* | 305,416 | 375,086 | 384,153 |
| Grants and subsidies | 19,281 | 18,815 | 15,916 |
| Finance costs | 3,990 | 3,948 | 4,036 |
| Other | 257,847 | 224,766 | 233,869 |
| Total Payments | 586,534 | 622,615 | 637,974 |
| Receipts | | | |
| Sale of goods and services* | 122,304 | 184,780 | 189,717 |
| Interest | 352 | 1,112 | 718 |
| Other | 57,163 | 60,687 | 54,139 |
| Total Receipts | 179,819 | 246,579 | 244,574 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (406,715) | (376,036) | (393,400) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 10 | 13 | 10 |
| Purchases of property, plant and equipment | (117,577) | (121,376) | (95,684) |
| Other | (10,602) | (8,355) | (8,080) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (128,169) | (129,718) | (103,754) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | 3,000 | ... | 3,800 |
| Repayment of borrowings and advances | (2,899) | (2,061) | (1,817) |
| Other | (782) | (2,665) | (3,278) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (681) | (4,726) | (1,295) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 411,196 | 410,790 | 404,284 |
| Capital appropriation | 124,965 | 124,965 | 98,202 |
| Cash transfers to Consolidated Fund | ... | (1,918) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 536,161 | 533,837 | 502,486 |
| NET INCREASE/(DECREASE) IN CASH | 596 | 23,357 | 4,037 |
| Opening Cash and Cash Equivalents | 14,866 | 24,867 | 48,224 |
| CLOSING CASH AND CASH EQUIVALENTS | 15,462 | 48,224 | 52,261 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
15 ATTORNEY GENERAL'S DEPARTMENT

| | 2006-07 | |
|--|---------|---------|
| | Budget | Revised |
| | \$000 | \$000 |

| | | 2007-08 |
|--|--|---------|
| | | Budget |
| | | \$000 |

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

| | | | |
|--|------------------|------------------|------------------|
| Net cost of services | (496,687) | (474,430) | (491,693) |
| Non cash items added back | 88,825 | 89,919 | 97,012 |
| Change in operating assets and liabilities | 1,147 | 8,475 | 1,281 |
| Net cash flow from operating activities | (406,715) | (376,036) | (393,400) |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
15 ATTORNEY GENERAL'S DEPARTMENT

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 15,462 | 48,224 | 52,261 |
| Receivables* | 24,053 | 51,445 | 53,586 |
| Other | 2,792 | 9,555 | 9,659 |
| Total Current Assets | 42,307 | 109,224 | 115,506 |
| Non Current Assets - | | | |
| Receivables | 24,969 | 36,988 | 37,302 |
| Other financial assets | ... | 110,404 | 110,404 |
| Property, plant and equipment - | | | |
| Land and building | 823,373 | 819,851 | 875,808 |
| Plant and equipment | 50,680 | 47,770 | 37,158 |
| Intangibles | 43,177 | 45,063 | 48,986 |
| Other | 4,770 | 2,466 | 1,769 |
| Total Non Current Assets | 946,969 | 1,062,542 | 1,111,427 |
| Total Assets | 989,276 | 1,171,766 | 1,226,933 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 20,674 | 25,700 | 26,870 |
| Borrowings at amortised cost | 2,817 | 1,857 | 1,943 |
| Tax | 241 | ... | ... |
| Provisions* | 24,437 | 51,360 | 54,509 |
| Other | 7,140 | 12,882 | 12,885 |
| Total Current Liabilities | 55,309 | 91,799 | 96,207 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 39,021 | 37,819 | 39,716 |
| Provisions | 19,330 | 15,690 | 14,653 |
| Total Non Current Liabilities | 58,351 | 53,509 | 54,369 |
| Total Liabilities | 113,660 | 145,308 | 150,576 |
| NET ASSETS | 875,616 | 1,026,458 | 1,076,357 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
15 ATTORNEY GENERAL'S DEPARTMENT

| | 2006-07 | | 2007-08 |
|------------------------------------|----------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| <hr/> | | | |
| <i>BALANCE SHEET (cont)</i> | | | |
| EQUITY | | | |
| Reserves | 318,388 | 418,647 | 418,647 |
| Accumulated funds | 557,228 | 607,811 | 657,710 |
| TOTAL EQUITY | 875,616 | 1,026,458 | 1,076,357 |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
16 JUDICIAL COMMISSION OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|--|--------------|--------------|--------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 3,475 | 3,666 | 3,664 |
| Other operating expenses | 1,310 | 1,359 | 1,555 |
| Depreciation and amortisation | 80 | 87 | 74 |
| Other expenses | ... | 110 | ... |
| Total Expenses Excluding Losses | 4,865 | 5,222 | 5,293 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 141 | 485 | 655 |
| Investment income | 8 | 48 | 21 |
| Other revenue | 5 | 24 | 4 |
| Total Retained Revenue | 154 | 557 | 680 |
| NET COST OF SERVICES | 4,711 | 4,665 | 4,613 |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
16 JUDICIAL COMMISSION OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 3,241 | 3,490 | 3,426 |
| Other | 1,489 | 1,648 | 1,734 |
| Total Payments | 4,730 | 5,138 | 5,160 |
| Receipts | | | |
| Sale of goods and services | 141 | 474 | 655 |
| Interest | 8 | 48 | 21 |
| Other | 184 | 203 | 183 |
| Total Receipts | 333 | 725 | 859 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (4,397) | (4,413) | (4,301) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (150) | (139) | (150) |
| Other | ... | (11) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (150) | (150) | (150) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 4,400 | 4,600 | 4,388 |
| Capital appropriation | 150 | 150 | 150 |
| NET CASH FLOWS FROM GOVERNMENT | 4,550 | 4,750 | 4,538 |
| NET INCREASE/(DECREASE) IN CASH | 3 | 187 | 87 |
| Opening Cash and Cash Equivalents | 227 | 680 | 867 |
| CLOSING CASH AND CASH EQUIVALENTS | 230 | 867 | 954 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (4,711) | (4,665) | (4,613) |
| Non cash items added back | 299 | 248 | 301 |
| Change in operating assets and liabilities | 15 | 4 | 11 |
| Net cash flow from operating activities | (4,397) | (4,413) | (4,301) |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
16 JUDICIAL COMMISSION OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 230 | 867 | 954 |
| Receivables | 57 | 398 | 398 |
| Other | 56 | ... | ... |
| Total Current Assets | 343 | 1,265 | 1,352 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 346 | 334 | 410 |
| Intangibles | ... | 9 | 9 |
| Total Non Current Assets | 346 | 343 | 419 |
| Total Assets | 689 | 1,608 | 1,771 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 104 | 173 | 175 |
| Provisions | 204 | 275 | 284 |
| Other | 10 | 6 | 6 |
| Total Current Liabilities | 318 | 454 | 465 |
| Non Current Liabilities - | | | |
| Provisions | 124 | 79 | 79 |
| Total Non Current Liabilities | 124 | 79 | 79 |
| Total Liabilities | 442 | 533 | 544 |
| NET ASSETS | 247 | 1,075 | 1,227 |
| EQUITY | | | |
| Accumulated funds | 247 | 1,075 | 1,227 |
| TOTAL EQUITY | 247 | 1,075 | 1,227 |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
17 LEGAL AID COMMISSION OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 60,493 | 59,122 | 64,565 |
| Other operating expenses | 14,028 | 14,042 | 14,623 |
| Depreciation and amortisation | 3,177 | 3,125 | 2,978 |
| Grants and subsidies | 14,414 | 15,964 | 15,855 |
| Other expenses | 78,256 | 77,594 | 88,531 |
| Total Expenses Excluding Losses | 170,368 | 169,847 | 186,552 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 47,155 | 50,469 | 50,464 |
| Investment income | 2,500 | 4,569 | 4,904 |
| Grants and contributions | 34,570 | 41,184 | 42,531 |
| Other revenue | 221 | 143 | 221 |
| Total Retained Revenue | 84,446 | 96,365 | 98,120 |
| NET COST OF SERVICES | 85,922 | 73,482 | 88,432 |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
17 LEGAL AID COMMISSION OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 62,693 | 59,677 | 64,565 |
| Grants and subsidies | 14,414 | 15,964 | 15,855 |
| Other | 98,556 | 98,120 | 111,562 |
| Total Payments | 175,663 | 173,761 | 191,982 |
| Receipts | | | |
| Sale of goods and services | 47,157 | 50,471 | 50,464 |
| Interest | 2,500 | 4,569 | 4,904 |
| Other | 43,700 | 50,236 | 51,160 |
| Total Receipts | 93,357 | 105,276 | 106,528 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (82,306) | (68,485) | (85,454) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (1,906) | (1,853) | (3,268) |
| Other | (4,500) | (4,500) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (6,406) | (6,353) | (3,268) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 87,125 | 87,125 | 88,432 |
| Capital appropriation | 4,356 | 4,356 | 2,411 |
| NET CASH FLOWS FROM GOVERNMENT | 91,481 | 91,481 | 90,843 |
| NET INCREASE/(DECREASE) IN CASH | 2,769 | 16,643 | 2,121 |
| Opening Cash and Cash Equivalents | 46,566 | 52,003 | 68,646 |
| CLOSING CASH AND CASH EQUIVALENTS | 49,335 | 68,646 | 70,767 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (85,922) | (73,482) | (88,432) |
| Non cash items added back | 3,177 | 3,125 | 2,978 |
| Change in operating assets and liabilities | 439 | 1,872 | ... |
| Net cash flow from operating activities | (82,306) | (68,485) | (85,454) |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
17 LEGAL AID COMMISSION OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 49,335 | 68,646 | 70,767 |
| Receivables | 3,035 | 5,717 | 5,717 |
| Other | 1,206 | ... | ... |
| Total Current Assets | 53,576 | 74,363 | 76,484 |
| Non Current Assets - | | | |
| Receivables | 2,554 | 2,391 | 2,391 |
| Property, plant and equipment - | | | |
| Land and building | 6,070 | 6,772 | 7,433 |
| Plant and equipment | 5,356 | 2,758 | 2,872 |
| Intangibles | 5,447 | 5,353 | 4,868 |
| Other | ... | 2,530 | 2,861 |
| Total Non Current Assets | 19,427 | 19,804 | 20,425 |
| Total Assets | 73,003 | 94,167 | 96,909 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 16,522 | 14,028 | 14,028 |
| Provisions | 3,955 | 16,444 | 16,444 |
| Total Current Liabilities | 20,477 | 30,472 | 30,472 |
| Non Current Liabilities - | | | |
| Provisions | 22,986 | 2,921 | 3,252 |
| Other | 33 | 2,511 | 2,511 |
| Total Non Current Liabilities | 23,019 | 5,432 | 5,763 |
| Total Liabilities | 43,496 | 35,904 | 36,235 |
| NET ASSETS | 29,507 | 58,263 | 60,674 |
| EQUITY | | | |
| Accumulated funds | 29,507 | 58,263 | 60,674 |
| TOTAL EQUITY | 29,507 | 58,263 | 60,674 |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
18 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

| | 2006-07 | | 2007-08 |
|---|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 76,181 | 75,918 | 73,974 |
| Other operating expenses | 13,965 | 13,433 | 13,245 |
| Depreciation and amortisation | 4,259 | 4,497 | 3,877 |
| Other expenses | 3,323 | 3,323 | 3,410 |
| Total Expenses Excluding Losses | 97,728 | 97,171 | 94,506 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 34 | 160 | 67 |
| Investment income | 103 | 200 | 207 |
| Grants and contributions | ... | 107 | ... |
| Other revenue | 235 | 272 | 260 |
| Total Retained Revenue | 372 | 739 | 534 |
| Gain/(loss) on disposal of non current assets | 5 | 5 | 5 |
| NET COST OF SERVICES | 97,351 | 96,427 | 93,967 |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
18 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 68,876 | 68,480 | 66,679 |
| Other | 19,217 | 18,438 | 18,100 |
| Total Payments | 88,093 | 86,918 | 84,779 |
| Receipts | | | |
| Sale of goods and services | 34 | 160 | 67 |
| Interest | 91 | 188 | 207 |
| Other | 1,784 | 1,632 | 1,495 |
| Total Receipts | 1,909 | 1,980 | 1,769 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (86,184) | (84,938) | (83,010) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 5 | 5 | 5 |
| Purchases of property, plant and equipment | (1,208) | (1,208) | (1,252) |
| Other | (50) | (50) | (50) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (1,253) | (1,253) | (1,297) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 86,537 | 86,537 | 82,866 |
| Capital appropriation | 1,258 | 1,258 | 1,302 |
| NET CASH FLOWS FROM GOVERNMENT | 87,795 | 87,795 | 84,168 |
| NET INCREASE/(DECREASE) IN CASH | 358 | 1,604 | (139) |
| Opening Cash and Cash Equivalents | 3,704 | 2,421 | 4,025 |
| CLOSING CASH AND CASH EQUIVALENTS | 4,062 | 4,025 | 3,886 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (97,351) | (96,427) | (93,967) |
| Non cash items added back | 11,366 | 11,654 | 10,850 |
| Change in operating assets and liabilities | (199) | (165) | 107 |
| Net cash flow from operating activities | (86,184) | (84,938) | (83,010) |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
18 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 4,062 | 4,025 | 3,886 |
| Receivables | 423 | 1,747 | 1,696 |
| Inventories | 2 | ... | ... |
| Other | 1,326 | ... | ... |
| Total Current Assets | 5,813 | 5,772 | 5,582 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Plant and equipment | 12,809 | 10,784 | 9,399 |
| Intangibles | 322 | 2,064 | 874 |
| Total Non Current Assets | 13,131 | 12,848 | 10,273 |
| Total Assets | 18,944 | 18,620 | 15,855 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 2,548 | 1,670 | 2,019 |
| Provisions | 5,179 | 6,706 | 6,691 |
| Other | 203 | 225 | 90 |
| Total Current Liabilities | 7,930 | 8,601 | 8,800 |
| Non Current Liabilities - | | | |
| Provisions | 1,762 | 161 | 233 |
| Other | 345 | 649 | 439 |
| Total Non Current Liabilities | 2,107 | 810 | 672 |
| Total Liabilities | 10,037 | 9,411 | 9,472 |
| NET ASSETS | 8,907 | 9,209 | 6,383 |
| EQUITY | | | |
| Reserves | 551 | 356 | 356 |
| Accumulated funds | 8,356 | 8,853 | 6,027 |
| TOTAL EQUITY | 8,907 | 9,209 | 6,383 |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
19 DEPARTMENT OF CORRECTIVE SERVICES

| | 2006-07 | | 2007-08 |
|---|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 564,638 | 604,407 | 613,635 |
| Other operating expenses | 173,342 | 176,595 | 185,669 |
| Depreciation and amortisation | 54,148 | 56,896 | 63,800 |
| Grants and subsidies | 3,900 | 4,721 | 4,522 |
| Other expenses | 665 | 240 | 342 |
| Total Expenses Excluding Losses | 796,693 | 842,859 | 867,968 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 26,506 | 29,159 | 27,826 |
| Investment income | 1,003 | 792 | 1,037 |
| Grants and contributions | 4,588 | 6,353 | 5,172 |
| Other revenue | 551 | 3,762 | 569 |
| Total Retained Revenue | 32,648 | 40,066 | 34,604 |
| Gain/(loss) on disposal of non current assets | ... | (18) | ... |
| Other gains/(losses) | (9) | (130) | (9) |
| NET COST OF SERVICES | 764,054 | 802,941 | 833,373 |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
19 DEPARTMENT OF CORRECTIVE SERVICES

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 527,276 | 568,185 | 570,772 |
| Grants and subsidies | 3,900 | 4,721 | 4,522 |
| Other | 197,025 | 213,797 | 207,011 |
| Total Payments | 728,201 | 786,703 | 782,305 |
| Receipts | | | |
| Sale of goods and services | 26,506 | 27,675 | 29,310 |
| Interest | 1,003 | 792 | 1,037 |
| Other | 28,130 | 40,985 | 28,732 |
| Total Receipts | 55,639 | 69,452 | 59,079 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (672,562) | (717,251) | (723,226) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 1 | ... |
| Purchases of property, plant and equipment | (128,095) | (118,114) | (97,070) |
| Other | ... | (130) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (128,095) | (118,243) | (97,070) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 679,793 | 701,344 | 737,697 |
| Capital appropriation | 128,095 | 118,095 | 97,070 |
| Cash transfers to Consolidated Fund | ... | (6,543) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 807,888 | 812,896 | 834,767 |
| NET INCREASE/(DECREASE) IN CASH | 7,231 | (22,598) | 14,471 |
| Opening Cash and Cash Equivalents | 26,271 | 24,317 | 1,719 |
| CLOSING CASH AND CASH EQUIVALENTS | 33,502 | 1,719 | 16,190 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (764,054) | (802,941) | (833,373) |
| Non cash items added back | 88,561 | 91,919 | 95,769 |
| Change in operating assets and liabilities | 2,931 | (6,229) | 14,378 |
| Net cash flow from operating activities | (672,562) | (717,251) | (723,226) |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
19 DEPARTMENT OF CORRECTIVE SERVICES

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|------------------|------------------|---|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 33,502 | 1,719 | 16,190 |
| Receivables | 10,611 | 12,689 | 11,205 |
| Inventories | 5,526 | 6,869 | 6,869 |
| Other | 1,450 | ... | ... |
| Total Current Assets | 51,089 | 21,277 | 34,264 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 1,549,002 | 1,425,292 | 1,457,859 |
| Plant and equipment | 52,818 | 71,084 | 73,787 |
| Intangibles | 1,328 | 3,178 | 1,178 |
| Total Non Current Assets | 1,603,148 | 1,499,554 | 1,532,824 |
| Total Assets | 1,654,237 | 1,520,831 | 1,567,088 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 25,959 | 31,121 | 34,949 |
| Provisions | 44,592 | 77,654 | 86,720 |
| Other | ... | 2,000 | 2,000 |
| Total Current Liabilities | 70,551 | 110,775 | 123,669 |
| Non Current Liabilities - | | | |
| Provisions | 34,308 | ... | ... |
| Other | 2,500 | ... | ... |
| Total Non Current Liabilities | 36,808 | ... | ... |
| Total Liabilities | 107,359 | 110,775 | 123,669 |
| NET ASSETS | 1,546,878 | 1,410,056 | 1,443,419 |
| EQUITY | | | |
| Reserves | 582,757 | 497,834 | 497,834 |
| Accumulated funds | 964,121 | 912,222 | 945,585 |
| TOTAL EQUITY | 1,546,878 | 1,410,056 | 1,443,419 |

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
PUBLIC TRUSTEE NSW

| | 2006-07 | | 2007-08 |
|---|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 29,930 | 28,776 | 30,204 |
| Investment income | 1,852 | 7,103 | 4,111 |
| Social program policy payments | 2,300 | 2,435 | 2,300 |
| Other revenue | 13 | 509 | 544 |
| Total Retained Revenue | 34,095 | 38,823 | 37,159 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 23,051 | 276 | 310 |
| Other operating expenses* | 7,613 | 28,120 | 31,086 |
| Depreciation and amortisation | 2,021 | 1,880 | 2,118 |
| Total Expenses Excluding Losses | 32,685 | 30,276 | 33,514 |
| Gain/(loss) on disposal of non current assets | ... | 2 | ... |
| SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS | 1,410 | 8,549 | 3,645 |
| Distributions - | | | |
| Dividends and capital repatriations | 692 | 1,739 | 797 |
| Tax equivalents | 423 | 1,064 | 488 |
| SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS | 295 | 5,746 | 2,360 |

* Variations from the 2006-07 Budget are principally attributable to legislative changes which transferred employees (with the exception of the Public Trustee position) to the Attorney General's Department, which now provides the personnel services to the Public Trustee NSW.

**ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
PUBLIC TRUSTEE NSW**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 29,930 | 28,494 | 30,654 |
| Interest | 1,852 | 103 | 93 |
| Other | 4,468 | 7,079 | 7,089 |
| Total Receipts | 36,250 | 35,676 | 37,836 |
| Payments | | | |
| Employee related* | 22,887 | 269 | 305 |
| Equivalent Income Tax | 515 | 1,490 | 1,065 |
| Other** | 9,728 | 39,484 | 35,238 |
| Total Payments | 33,130 | 41,243 | 36,608 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 3,120 | (5,567) | 1,228 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 2 | ... |
| Proceeds from sale of investments | 1,147 | 11,182 | ... |
| Purchases of property, plant and equipment | (2,972) | (2,293) | (1,701) |
| Purchases of investments | ... | ... | (5) |
| Other | ... | (526) | (280) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (1,825) | 8,365 | (1,986) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Dividends paid | (1,295) | (2,435) | (1,739) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (1,295) | (2,435) | (1,739) |
| NET INCREASE/(DECREASE) IN CASH | ... | 363 | (2,497) |
| Opening Cash and Cash Equivalents | 1,506 | 3,343 | 3,706 |
| CLOSING CASH AND CASH EQUIVALENTS | 1,506 | 3,706 | 1,209 |

* Variations from the 2006-07 Budget are principally attributable to legislative changes which transferred employees (with the exception of the Public Trustee position) to the Attorney General's Department, which now provides the personnel services to the Public Trustee NSW.

** In addition to employee costs being reclassified as personnel services, as explained above, the provision for long service leave (\$7.6 million) has transferred to the Crown (along with commensurate financial assets) as part of the restructure.

ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
PUBLIC TRUSTEE NSW

| | 2006-07 | | 2007-08 |
|---|--------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| <hr/> | | | |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year before distributions | 987 | 7,485 | 3,157 |
| Non cash items added back | 2,021 | (5,120) | (1,900) |
| Change in operating assets and liabilities | 112 | (7,932) | (29) |
| Net cash flow from operating activities | 3,120 | (5,567) | 1,228 |

**ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
PUBLIC TRUSTEE NSW**

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 1,506 | 3,706 | 1,209 |
| Receivables | 260 | 2,190 | 1,780 |
| Other | 80 | ... | ... |
| Total Current Assets | 1,846 | 5,896 | 2,989 |
| Non Current Assets - | | | |
| Other financial assets | 35,656 | 40,262 | 44,285 |
| Property, plant and equipment - | | | |
| Land and building | 17,888 | 19,092 | 18,698 |
| Plant and equipment | 7,957 | 4,478 | 5,228 |
| Intangibles | 3,494 | 2,937 | 2,444 |
| Other | 1,077 | ... | ... |
| Total Non Current Assets | 66,072 | 66,769 | 70,655 |
| Total Assets | 67,918 | 72,665 | 73,644 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 270 | 2,100 | 2,100 |
| Tax | 106 | 1,065 | 488 |
| Provisions | 2,292 | 1,890 | 952 |
| Other | 95 | 10 | 10 |
| Total Current Liabilities | 2,763 | 5,065 | 3,550 |
| Non Current Liabilities - | | | |
| Provisions* | 27,586 | 7 | 8 |
| Other | 1,368 | 8,474 | 8,607 |
| Total Non Current Liabilities | 28,954 | 8,481 | 8,615 |
| Total Liabilities | 31,717 | 13,546 | 12,165 |
| NET ASSETS | 36,201 | 59,119 | 61,479 |

* Provision for superannuation was revised down by some \$14 million in accordance with actuarial assessment. In addition, \$7.6 million in provision for long service leave has transferred to the Crown (along with commensurate financial assets) as part of the transfer of employees to the Attorney General's Department.

**ATTORNEY GENERAL, AND MINISTER FOR JUSTICE
PUBLIC TRUSTEE NSW**

| | 2006-07 | | 2007-08 |
|------------------------------------|-----------------|------------------|-------------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| <hr/> | | | |
| <i>BALANCE SHEET (cont)</i> | | | |
| EQUITY | | | |
| Reserves | 11,684 | 11,115 | 11,115 |
| Accumulated funds | 24,517 | 48,004 | 50,364 |
| TOTAL EQUITY | 36,201 | 59,119 | 61,479 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| Department of Environment and Climate Change | | | |
| Total Expenses | 934.4 | 977.4 | 4.6 |
| Capital Expenditure | 67.6 | 80.3 | 18.8 |
| Environmental Trust | | | |
| Total Expenses | 94.1 | 92.2 | -2.0 |
| Capital Expenditure | ... | ... | ... |
| Royal Botanic Gardens and Domain Trust | | | |
| Total Expenses | 32.0 | 33.1 | 3.4 |
| Capital Expenditure | 6.0 | 4.2 | -30.3 |
| Border Rivers-Gwydir Catchment Management Authority | | | |
| Total Expenses | 15.7 | 21.9 | 39.2 |
| Capital Expenditure | ... | ... | ... |
| Central West Catchment Management Authority | | | |
| Total Expenses | 16.3 | 40.8 | 150.6 |
| Capital Expenditure | ... | ... | ... |
| Hawkesbury-Nepean Catchment Management Authority | | | |
| Total Expenses | 15.5 | 15.1 | -2.5 |
| Capital Expenditure | ... | ... | ... |
| Hunter-Central Rivers Catchment Management Authority | | | |
| Total Expenses | 16.2 | 22.8 | 40.6 |
| Capital Expenditure | ... | ... | ... |
| Lachlan Catchment Management Authority | | | |
| Total Expenses | 18.9 | 29.6 | 56.9 |
| Capital Expenditure | ... | ... | ... |
| Lower Murray-Darling Catchment Management Authority | | | |
| Total Expenses | 10.2 | 11.9 | 16.4 |
| Capital Expenditure | ... | ... | ... |

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|--|-----------------------------------|-----------------------------------|------------------------|
| Murray Catchment Management Authority | | | |
| Total Expenses | 30.5 | 33.1 | 8.5 |
| Capital Expenditure | ... | ... | ... |
| Murrumbidgee Catchment Management Authority | | | |
| Total Expenses | 37.5 | 34.3 | -8.4 |
| Capital Expenditure | ... | ... | ... |
| Namoi Catchment Management Authority | | | |
| Total Expenses | 21.6 | 17.1 | -20.9 |
| Capital Expenditure | ... | ... | ... |
| Northern Rivers Catchment Management Authority | | | |
| Total Expenses | 23.5 | 14.8 | -36.9 |
| Capital Expenditure | ... | ... | ... |
| Southern Rivers Catchment Management Authority | | | |
| Total Expenses | 15.6 | 18.0 | 15.5 |
| Capital Expenditure | ... | ... | ... |
| Sydney Metropolitan Catchment Management Authority | | | |
| Total Expenses | 4.6 | 11.6 | 152.6 |
| Capital Expenditure | ... | ... | ... |
| Western Catchment Management Authority | | | |
| Total Expenses | 17.4 | 13.6 | -21.8 |
| Capital Expenditure | ... | ... | ... |
| Total, Minister for Climate Change, Environment and Water | | | |
| Total Expenses | 1,304.0 | 1,387.3 | 6.4 |
| Capital Expenditure | 73.6 | 84.5 | 14.8 |

In addition to the agencies listed above, the Minister is also supported by the Department of Water and Energy (Section 19) for the Water portfolio area.

DEPARTMENT OF ENVIRONMENT AND CLIMATE CHANGE

The Department of Environment and Climate Change (DECC) is the primary agency responsible for protecting and conserving the environment and coordinating programs to address the impacts of climate change in New South Wales.

DECC manages more than 6.6 million hectares of parks and reserves, more than eight per cent of all land in New South Wales.

Although DECC incorporates the staff of the Royal Botanic Gardens and Domain Trust, the budget appropriation for the Trust is shown separately to reflect the specific statutory, reporting and operational arrangements of the Trust.

RESULTS AND SERVICES

DECC has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priorities:

- ◆ E3: Cleaner air and progress on greenhouse gas reductions.
- ◆ E4: Better outcomes for native vegetation, biodiversity, land, rivers and coastal waterways.

DECC's planned results are:

- ◆ A healthier and cleaner environment protecting both ecological and human health.
- ◆ The conservation and sustainable management of natural and cultural values across the landscape.
- ◆ Sustainable consumption and production, and waste reduction which also contribute to reducing the impacts of climate change.

To these ends, DECC works towards a range of intermediate results, including:

- ◆ pollution and other adverse environmental impacts prevented, reduced or mitigated;
- ◆ degraded environments remediated or restored;
- ◆ impacts of climate change reduced or mitigated;
- ◆ sustainable use, conservation and improvement of soils and native vegetation;
- ◆ reduced losses from flooding and other hazards and improved condition of coastal environments;
- ◆ biodiversity protected and restored;
- ◆ Aboriginal cultural heritage protected and revitalised;

- ◆ national parks, marine parks and botanic gardens managed for conservation, education and public enjoyment;
- ◆ more efficient use and recovery of resources;
- ◆ sustainability reflected in business and government decisions and operations; and
- ◆ community wellbeing improved.

Key services provided by DECC that contribute to these results include:

- ◆ delivering regulation, enforcement and market-based programs for industry and local government to protect the environment and Aboriginal cultural heritage, and address the impacts of climate change;
- ◆ developing policies, programs, and scientific tools and information to tackle pollution and reduce the community's exposure to air and water pollution, chemicals, contaminated sites and high levels of noise;
- ◆ managing national parks and reserves, including managing fire, pest animals and weeds;
- ◆ delivering natural resource management programs, including natural resource management planning and monitoring and evaluation of natural resource condition;
- ◆ providing policies, programs, and scientific tools and support to assist Catchment Management Authorities and local councils in the delivery of regional natural resource management and coastal protection;
- ◆ providing opportunities for people to enjoy the park system and at the same time ensuring that any impact on conservation values is minimised;
- ◆ involving communities in park management, including forming co-management partnerships with Aboriginal communities;
- ◆ working with Aboriginal communities, and private and public landowners to protect and conserve Aboriginal heritage;
- ◆ managing the NSW Waste Avoidance and Resource Recovery Strategy and Extended Producer Responsibility initiatives and coordinating and funding research, projects, education programs and partnerships to improve sustainability; and
- ◆ developing policy, programs, tools, and education, and undertaking research to improve understanding and management of sustainability, environment protection, and climate change.

RECENT DEVELOPMENTS

DECC was formed on 27 April 2007 by the integration of a range of functions and staff from the then Department of Natural Resources, the Department of Primary Industries, the then Department of Energy, Utilities and Sustainability and the NSW Greenhouse Office with the then Department of Environment and Conservation. An integration plan is being developed to ensure all necessary organisational changes are quickly implemented, while at the same time DECC continues to deliver on its full range of responsibilities, including priority government programs.

Total expenditure for DECC for 2006-07 is estimated at \$984.5 million. Recent developments include:

- ◆ progressing the strategies in the NSW Greenhouse Plan, both to reduce greenhouse gas emissions and to be able to adapt to the impacts of climate change;
- ◆ completing a new air emissions inventory and updating the NSW Government's 25 year air quality management plan Action for Air;
- ◆ the creation of major new national parks/reserves in northern and western New South Wales and two new marine parks, increasing the number of new national parks and reserves to more than 460 since 1995-96 (more than 2.6 million hectares). The total national park estate now exceeds 6.6 million hectares and there are now more than 780 national parks, marine parks and other reserves;
- ◆ significant advances in implementation of the \$38 million Revitalising Sydney's National Parks Program, with highlights including completion of the Garie Surf Centre, and the development and public exhibition of a plan for the revitalisation and future use of Goat Island;
- ◆ the continued implementation of the City and Country Environmental Restoration Program which includes the environmental water recovery program, Riverbank, the Native Vegetation Assistance Program, and initiatives relating to marine parks and urban sustainability with local government;
- ◆ substantial progress in implementing the Government's water and natural resources reform package covering: water quality management; river flows including developing water recovery projects aimed at achieving the requirements of the National Water Initiative; biodiversity conservation and protection of native vegetation; and protecting Aboriginal cultural heritage;

- ◆ promoting conservation on private land through voluntary conservation initiatives such as the Alps to Atherton connectivity program and the Wetlands Recovery Plan;
- ◆ working with Catchment Management Authorities in the delivery of the Native Vegetation Reform Program, to achieve the Government's natural resource management targets, including preventing broad-scale clearing;
- ◆ development, in partnership with local government, of nearly 170 coastal, estuary and floodplain management plans, to cater for population growth, manage risks from floods and coastal erosion, and ensure sustainable development in valuable coastal and floodplain areas;
- ◆ remediation of a number of long-standing contaminated sites and progressing NChem, the national chemicals environmental management framework;
- ◆ preparing a progress report on, and reviewing the NSW Waste Avoidance and Resource Recovery Strategy as well as initiating the five year review of the waste legislation; and
- ◆ publishing the new Environmental Education Plan for Sustainability by the NSW Environmental Education Council.

STRATEGIC DIRECTIONS

DECC will be focusing on working with key stakeholders and the community to:

- ◆ reduce harmful emissions to air, land and water, and the number of significantly contaminated sites;
- ◆ reduce the exposure of the community and the environment to chemicals, radiation, noise, dust, waste, odour and vibration;
- ◆ encourage the community to connect with, and enjoy the environment, through increased visitation to parks, and increased volunteering on parks;
- ◆ improve natural resource management and arrest the decline in biodiversity across New South Wales;
- ◆ assist and support Catchment Management Authorities and local governments to carry out their natural resource management, conservation and environment protection functions;
- ◆ build an integrated protected area system consisting of national parks, reserves, and other public and private lands managed for conservation;

- ◆ work with Aboriginal communities to conserve and protect objects, places and landscapes of Aboriginal cultural significance, and support Aboriginal people in the practice and promotion of their culture;
- ◆ conserve and protect nature and cultural heritage in terrestrial and marine reserves, and botanic gardens, including by managing key pressures on the reserve system, such as the impact of climate change;
- ◆ provide opportunities for visitors to enjoy national parks, reserves and botanic gardens, and build community support for conservation;
- ◆ promote the adoption and practice of sustainability as a core value by business, and support individuals and businesses in minimising resource use, improving resource recovery and appropriately disposing of harmful waste; and
- ◆ make the Government a recognised leader in the sustainable management of its processes, operations and public assets.

2007-08 BUDGET

Total Expenses

Total expenses for 2007-08 are estimated at \$977.4 million. Major expenditure areas include:

- ◆ environmental protection and regulation, with emphasis on maintaining and restoring the quality of the environment, reducing environmental risks to human health, increasing efficiency of regulation, and promoting ecologically sustainable development;
- ◆ waste avoidance and resource recovery initiatives;
- ◆ park establishment programs;
- ◆ payments to Catchment Management Authorities for various State and State/Commonwealth Government funded programs;
- ◆ payments under the Local Government Capital Grants Program to support Councils undertaking estuary, coastal and flood plain management activities;
- ◆ the Living Murray Program undertaken as part of the National Water Initiative;
- ◆ payments from the Energy and Water Savings Funds;

- ◆ fire management and pest animal and weed management;
- ◆ native vegetation programs, science and monitoring;
- ◆ energy and water conservation programs; and
- ◆ maintenance of essential infrastructure to facilitate management, access and enjoyment of the reserve system by the community.

A key focus in 2007-08 will be the continuing delivery (through DECC, Department of Primary Industries and the Environmental Trust) of the City and Country Environment Restoration Program which provides funding of \$439 million over five years. The Program will allow the Government to tackle the State's most significant environmental challenges including restoring icon wetlands; protecting the marine environment; securing the high conservation values of crown lands, and reducing the ecological footprint of urban centres in New South Wales. The Program will also send a strong economic signal about the importance of avoiding the creation of waste and the need to recover, reuse and recycle our valuable resources.

DECC will also work to support and provide tools to promote the Government's natural resources reform and the work of the Catchment Management Authorities and the Natural Resources Commission.

To support the Government's fiscal targets in 2007-08, DECC aims to maximise the departmental efficiencies realised from the merger, close collaboration with Catchment Management Authorities and improved coordination of DECC's operations with those of the Department of Planning, the Department of Primary Industries and the Department of Water and Energy.

The main areas of additional expenditure include:

- ◆ \$5.4 million to provide for waste related rebates to local councils;
- ◆ \$4.9 million for park establishment and management costs associated with recently acquired lands, including Lower Hunter and Goulburn Comprehensive Regional Assessment lands;
- ◆ \$0.5 million for fire and pest management in national parks and regional parks;
- ◆ \$0.5 million for compliance and education in relation to liquid waste;
- ◆ \$0.5 million to support the Nature Conservation Trust; and
- ◆ \$0.2 million to enforce the Government's mandate to increase the use of ethanol fuel.

Capital Expenditure

Total capital expenditure in 2007-08 is estimated at \$80.3 million. Allocated capital expenditure provided includes:

- ◆ \$14.8 million for the purchase of water entitlements under the Riverbank program;
- ◆ \$8.7 million for land acquisitions, including \$3 million to consolidate the Brigalow/Nandewar Community Conservation Area;
- ◆ \$7.4 million for park establishment costs associated with recently acquired lands, including \$3 million for acquired lands in western New South Wales;
- ◆ a further \$6.5 million to upgrade visitor facilities and other infrastructure as part of revitalising Sydney's national parks;
- ◆ \$5.0 million for high resolution satellite imagery to support natural resource decision making; and
- ◆ \$5.8 million for Kosciuszko National Park, including \$5 million to upgrade essential public infrastructure.

ENVIRONMENTAL TRUST

The Environmental Trust operates under the *Environmental Trust Act 1998* to fund environmental projects and programs. The Trust's main function is to make and supervise the expenditure of grants.

The Trust is also subject to the *Forestry Restructuring and Nature Conservation Act 1995*, which requires the Trust to reimburse the Consolidated Fund for authorised expenditure associated with restructuring of the timber industry.

The Trust's objectives were expanded in 2005 to include the following:

- ◆ encourage and support restoration and rehabilitation projects that reduce pollution, the waste stream or environmental degradation;
- ◆ promote research into environmental problems;
- ◆ promote environmental education and increase the awareness of environmental issues;
- ◆ fund acquisition of land for national parks;

- ◆ fund the declaration of areas for marine parks and for related purposes;
- ◆ promote waste avoidance, resource recovery, and waste management (including funding enforcement and regulation and local government programs);
- ◆ fund environmental community groups; and
- ◆ fund the purchase of water entitlements for the purpose of increasing environmental flows for the State's rivers and restoring or rehabilitating major wetlands.

A broad range of organisations access the Trust's widely promoted grant programs, including community groups, Aboriginal organisations, schools, research bodies, and state and local government organisations. The Trust also provides grants to a number of state government organisations, helping to progress and promote key environmental initiatives of state significance.

RESULTS AND SERVICES

The Environmental Trust seeks to invest in high priority projects and programs to accelerate the rate of environmental improvement and community participation across New South Wales by working towards the following results:

- ◆ Community participation and action taken to address environmental issues is increased.
- ◆ The area of bushland rehabilitated and polluted sites cleaned up is increased.
- ◆ Scientifically sound knowledge of environmental conditions, problems and solutions is increased.
- ◆ Conservation of high value land is increased in the national parks and reserve system and through conservation agreements.
- ◆ The value and quantity of water available for the environment is increased.
- ◆ An increased area of high conservation value marine environment is protected.
- ◆ Resource recovery and waste avoidance is increased.
- ◆ Environmental groups are supported.
- ◆ Clearing of native vegetation is reduced.

Key services provided by the Trust to contribute to these results include:

- ◆ funding the restoration and rehabilitation of priority locations to improve environmental health;
- ◆ funding of environmental education programs;
- ◆ funding research into priority environmental issues;
- ◆ funding the purchase of fishing licences to support the conservation of key marine environments;
- ◆ funding the purchase of water for the environment;
- ◆ disseminating resources and information on highly successful environmental projects;
- ◆ funding and supporting Aboriginal communities, schools and community organisations to conduct environmental projects;
- ◆ funding support for administration of lead environmental groups;
- ◆ funding exit assistance and sustainable industry development in farming and forestry industries;
- ◆ funding the purchase of priority areas for inclusion in the reserve system;
- ◆ funding of priority waste programs; and
- ◆ funding of priority environmental issues of state significance.

RECENT DEVELOPMENTS

Under the *Environmental Trust Act 1998*, the Trust receives a standing indexed appropriation from the Consolidated Fund to fund its statutory programs (\$17.6 million in 2007-08).

Since 2000-01, the *Environmental Trust Act 1998* has enabled the Trust to fund numerous grant programs relating to environmental restoration and rehabilitation, environmental research and education, land acquisition for national parks, and a number of major environmental projects. The specific projects funded have changed from year to year but the overall funding for these traditional grant programs has remained at around the same level. The Trust has awarded approximately 200 new grants each year, under ten different grant programs, with most projects running over two or three years.

In July 2005, the Trust took on the funding of waste programs formerly funded by the now abolished Waste Fund, and approved \$10 million per annum in funding for these programs until June 2009.

In December 2005, the Premier announced the City and Country Environment Restoration Program. As part of this funding package, the Trust administers a range of new grant programs, valued at \$316.5 million, over five years, in line with the Trust's objects. Programs which commenced in 2006-07 and are now in their second year of activities include:

- ◆ the Riverbank Fund (\$105 million over five years) to buy water for environmental flows and save dying river systems and wetlands;
- ◆ the buyout of commercial fishing effort to support the establishment of marine parks to be created on the Batemans Shelf and Manning Shelf (\$18.5 million over two years);
- ◆ Urban Sustainability Grants (\$80 million over five years) for local government to work in partnership with business and the community to address urban environmental issues. This funding includes \$20 million that is quarantined for an Urban Waterways Initiative over four years from 2007-08 for projects specifically addressing sustainability challenges within urban waterways. Priority catchments under this program include the Cooks, Georges, Hawkesbury-Nepean, Central Coast/Lower Hunter and Sydney Harbour catchments;
- ◆ the restoration of the Strategic Environmental Trust grants (\$76 million over five years) to continue the Trust's traditional annual grants, waste programs, funding to lead environmental groups and major strategic funding activities; and
- ◆ the Native Vegetation Assistance Package (\$37 million over three years) to help farmers adjust to new land clearing laws.

The Trust's funding of programs administered under the *Forestry Restructuring and Nature Conservation Act 1995* has included:

- ◆ payments under the Coastal Forestry Industry Structural Adjustment Program for industry development which ceases in June 2007 and will total \$78.3 million. As at March 2007, a total of \$73.3 million had been paid from the Trust; and
- ◆ payments under the Brigalow/Nandewar Industry Restructuring and Development Program. This program's original 2005-06 budget of \$41 million over five years, for exit assistance and industry development, increased in September 2006 to a maximum of \$51 million, due to increased demand for the program. As at March 2007, \$28.8 million had been paid from the Trust.

The Trust also administers two additional Brigalow and Nandewar areas related programs, providing grants for a \$12 million program for White Cypress Thinning (to end in June 2010) and \$5 million for a Transitional Fund ending in June 2012.

STRATEGIC DIRECTIONS

The Environmental Trust is now in its second year of managing a program of initiatives that has tripled in size.

These significant new initiatives, that will continue to roll out over the next four years, play a key role in the delivery of the Government's environmental objectives.

The demand for Trust funds has always been high, especially from community organisations and local governments and is likely to increase as a result of the continuing implementation of new programs under the City and Country Environment Restoration Program administered by the Trust since July 2006.

The Urban Sustainability and Urban Waterways grants (funded over the next four years) will facilitate projects of significant environmental benefit to New South Wales to be delivered by local government organisations in partnership with community and business organisations and other agencies. These grants aim to improve the capacity of communities and organisations to protect, restore and enhance the sustainability of our urban environment and waterways.

The Riverbank Fund will continue to be used to purchase and manage water access entitlements in the wetlands and rivers of inland New South Wales, enabling the further development of water markets by purchasing water from willing sellers and complementing other infrastructure improvements.

The Trust will complete its funding for the buyback of commercial fishing effort in the Manning and Batemans Shelf to achieve a sanctuary zone of 20 per cent and will continue to provide grants to farmers as a result of reforms under the Native Vegetation legislation.

The Trust will implement a new major grants funding program, valued at around \$50 million over the next three years, to address priority environmental issues of state significance, through collaborative projects between community organisations, government, industry and councils.

The Trust will continue to fund a suite of waste programs managed by the Department of Environment and Climate Change to support the NSW Government's Waste Strategy, formerly funded from the Waste Fund.

The Trust will continue to disseminate the results and lessons from highly successful completed environmental projects, so that the environmental benefits achieved by successful projects can be spread to other geographical areas or other community sectors.

2007-08 BUDGET

Total Expenses

Total expenses in 2007-08 are projected at \$92.2 million.

This includes approximately \$8 million for Brigalow/Nandewar forest industry restructuring expenditure incurred under the *Forestry Restructuring and Nature Conservation Act 1995*.

Spending on other programs in 2007–08 to achieve the Trust’s environmental objectives includes:

- ◆ \$17.5 million for grants to farmers as part of the implementation of the New South Wales native vegetation reforms;
- ◆ \$17 million for the purchase and management of water entitlements under the Riverbank program;
- ◆ \$14 million for Urban Sustainability and Urban Waterways grants to local councils working in partnership with business and the community;
- ◆ \$10 million for waste programs to implement the NSW Government’s Waste Strategy;
- ◆ \$5.6 million in new annual grants awarded to community groups, councils, schools, Aboriginal organisations, registered training organisations, state government agencies and research bodies. Additionally, around \$1 million will be spent to complete final progress payments on approved major projects already underway;
- ◆ \$5.3 million for acquisition of land for the national parks estate, targeting western New South Wales, coastal lowlands and wetlands, Aboriginal cultural heritage areas and in-holdings and perimeter lands; and
- ◆ \$2 million for a program to address the most serious contamination issues on former council gasworks sites and for “innocent owners” of contaminated lands.

ROYAL BOTANIC GARDENS AND DOMAIN TRUST

The Royal Botanic Gardens and Domain Trust (the Trust) is a statutory body established by the *Royal Botanic Gardens and Domain Trust Act 1980*.

The Trust is responsible for the management and stewardship of the Royal Botanic Gardens; the National Herbarium of New South Wales; the Domain; Mount Annan Botanic Garden; Mount Tomah Botanic Garden and NSW Seedbank.

The Trust also provides scientific and horticultural research, together with advice and education on botanical, horticultural and biodiversity issues.

The Trust is part of the Department of Environment and Climate Change. However, the budget appropriation for the Trust is shown separately to reflect its specific statutory, reporting and operational arrangements.

RESULTS AND SERVICES

The Trust contributes to the conservation of natural and cultural values and works to ensure local communities and tourists are able to access and benefit from urban green spaces, by delivering on the following results:

- ◆ Biodiversity is understood, protected and restored.
- ◆ The community values plants in natural and cultural landscapes.
- ◆ Natural, cultural and built heritage is protected.
- ◆ Visitation to botanic gardens and parklands is sustainable and enjoyable.

Key services provided by the Trust, which contribute to these results, include:

- ◆ fostering and delivering scientific innovation through a creative, flexible and diverse approach;
- ◆ managing conservation collections (including Herbarium, seedbank and living collections) and ensuring their accessibility;
- ◆ disseminating accurate and timely scientific advice to the Government, professionals and the community;
- ◆ providing high quality school education and public programs delivered on and off site;
- ◆ delivering in partnership, education programs in the urban and regional environment;
- ◆ maintaining built assets and landscapes whilst providing excellence in horticultural management;
- ◆ successfully managing visitor facilities and services; and
- ◆ successfully managing events, exhibitions and functions.

RECENT DEVELOPMENTS

Expenses for 2006-07 are estimated at \$33.6 million. Trust revenue (grants, donations and user charges) comprises approximately 37 per cent annually of Trust expenses.

The capital expenditure program for 2006-07 included:

- ◆ continuation of the redevelopment of the Central Depot in the Royal Botanic Gardens;
- ◆ the Domain and Royal Botanic Gardens lighting project, including the replacement of lamp posts and light fittings;
- ◆ completion of the Bowden Centre (redevelopment of the Education Centre) at Mount Annan Botanic Garden;
- ◆ redevelopment of garden areas at Mount Annan Botanic Garden including the continuation of the Connections Garden and the Big Idea Garden;
- ◆ completion of the first stage of the Wollemi Walk of discovery at Mount Annan Botanic Garden; and
- ◆ commencement of the development of the Education Centre and ongoing development of the Australian Woodland project at Mount Tomah Botanic Garden.

STRATEGIC DIRECTIONS

The major priorities for the Trust include:

- ◆ managing and developing the horticultural displays and living collection of plants at the Royal Botanic Gardens, Mount Annan and Mount Tomah Botanic Gardens;
- ◆ maintaining and developing all sites including the Domain, to accommodate multiple uses including recreation, relaxation, celebration, events, education and the promotion of conservation;
- ◆ managing and developing viable commercial businesses and hosting externally operated commercial services to maximise and diversify the Trust's revenue base; and

- ◆ advancing knowledge and understanding of plant biodiversity, horticulture and conservation through:
 - conducting scientific research;
 - managing the Centre for Plant Conservation;
 - completing the New South Wales node of Australia's Virtual Herbarium which will make available on the internet the one million collections held in the National Herbarium of New South Wales; and
 - delivering a wide range of targeted school and community education programs including programs for regional and disadvantaged communities.

2007-08 BUDGET

Total Expenses

Budgeted expenses for the Trust total \$33.1 million in 2007-08. The Trust has a strong focus on generating additional revenue to offset increased expenses to ensure that services can be maintained and improved. The revenue target for 2007-08 is \$11.5 million, including \$7.4 million from user charges.

Expenditure includes specific funding for heritage building and roads and paths repairs and maintenance programs. Funding for both programs commenced in 2004-05. Funding has allowed for urgent works to be completed on nineteenth century buildings and has improved vehicular and pedestrian access to the Domain and Royal Botanic Gardens.

Capital Expenditure

The Trust's capital expenditure program for 2007-08 includes:

- ◆ completion of the Royal Botanic Gardens Central Depot redevelopment to address health and safety concerns and to begin repair and replacement of propagation glasshouses;
- ◆ continuation of the works at Mount Annan Botanic Garden on the Connections Garden; and
- ◆ completion of the Education Centre at Mount Tomah Botanic Garden.

CATCHMENT MANAGEMENT AUTHORITIES

The Catchment Management Authorities (CMAs) are 13 independent statutory bodies established under the *Catchment Management Authorities Act 2003*, reporting to the Minister for Climate Change, Environment and Water.

The 13 Catchment Management Authorities are:

- ◆ Border Rivers-Gwydir Catchment Management Authority;
- ◆ Central West Catchment Management Authority;
- ◆ Hawkesbury-Nepean Catchment Management Authority;
- ◆ Hunter-Central Rivers Catchment Management Authority;
- ◆ Lachlan Catchment Management Authority;
- ◆ Lower Murray-Darling Catchment Management Authority;
- ◆ Murray Catchment Management Authority;
- ◆ Murrumbidgee Catchment Management Authority;
- ◆ Namoi Catchment Management Authority;
- ◆ Northern Rivers Catchment Management Authority;
- ◆ Southern Rivers Catchment Management Authority;
- ◆ Sydney Metropolitan Catchment Management Authority; and
- ◆ Western Catchment Management Authority.

The CMAs facilitate and coordinate regional involvement in natural resource decisions and actions across both private and public lands to ensure that local communities have a greater say and involvement in how natural resources are managed in their catchments. Specific functions of the CMAs include preparing and implementing Catchment Action Plans and associated investment strategies and issuing consents under the *Native Vegetation Act 2003*.

RECENT DEVELOPMENTS

CMAAs have completed their Catchment Action Plans (CAPs) after extensive community participation. The CAPs are ten year plans, which will direct and prioritise investment in natural resource management activities across the catchments. The programs include the National Action Plan for Salinity and Water Quality, the Natural Heritage Trust and Land and Water Management Plans. The CMAAs have also provided significant assistance in implementing the National Landcare Program at the local and regional level.

In addition, CMAAs have continued to form vital funding partnerships which have significantly increased outcomes for improved regional natural resource management. This leveraging includes extensive in-kind contributions from landholders and community volunteers, especially the Landcare movement, and financial and in-kind support from local government, industry and natural resource agencies.

STRATEGIC DIRECTIONS

The CMAAs' key priorities include implementing the CAPs and associated investment strategies to direct funds to local and regional on-ground works and activities. The CAPs will also be used to develop the regional delivery of future New South Wales and Australian Government natural resource management funding programs.

On 1 December 2005, the *Native Vegetation Act 2003* came into effect. The CMAAs are responsible for approving Property Vegetation Plans (PVPs), which enable those landholders who develop a Plan to have long term clarity about managing native vegetation on their properties. These PVPs are also playing an important role in delivering native vegetation improvement funding incentives at the property level.

2007-08 BUDGET

Total Expenses

Total expenses for 2007-08 across the 13 CMAAs are estimated to total \$284.8 million.

Capital Expenditure

Total capital expenditure for the 13 CMAAs in 2007-08 is estimated at \$0.3 million.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
20 DEPARTMENT OF ENVIRONMENT AND CLIMATE CHANGE

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related* | 278,257 | 373,965 | 373,804 |
| Other operating expenses | 175,523 | 176,650 | 175,557 |
| Depreciation and amortisation | 56,711 | 59,744 | 57,117 |
| Grants and subsidies | 423,027 | 371,245 | 369,027 |
| Finance costs | ... | 2,000 | ... |
| Other expenses | 850 | 850 | 1,890 |
| Total Expenses Excluding Losses | 934,368 | 984,454 | 977,395 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services* | 48,021 | 112,033 | 113,455 |
| Investment income | 6,227 | 7,836 | 6,884 |
| Retained taxes, fees and fines | 2,730 | 3,000 | 3,000 |
| Grants and contributions | 133,899 | 129,033 | 125,867 |
| Other revenue | 7,595 | 32,078 | 8,549 |
| Total Retained Revenue | 198,472 | 283,980 | 257,755 |
| Gain/(loss) on disposal of non current assets | (840) | 130 | (840) |
| Other gains/(losses) | (100) | (100) | (100) |
| NET COST OF SERVICES | 736,836 | 700,444 | 720,580 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
20 DEPARTMENT OF ENVIRONMENT AND CLIMATE CHANGE

| | 2006-07 | | 2007-08 Budget \$000 |
|---|------------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related* | 253,847 | 341,400 | 339,757 |
| Grants and subsidies | 423,027 | 371,245 | 369,097 |
| Finance costs | ... | 2,000 | ... |
| Other | 194,654 | 212,908 | 196,099 |
| Total Payments | 871,528 | 927,553 | 904,953 |
| Receipts | | | |
| Sale of goods and services* | 48,102 | 98,646 | 113,355 |
| Retained taxes | (210) | 9 | ... |
| Interest | 6,227 | 6,839 | 6,884 |
| Other | 166,104 | 200,437 | 155,431 |
| Total Receipts | 220,223 | 305,931 | 275,670 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (651,305) | (621,622) | (629,283) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 4,495 | 1,965 | 4,495 |
| Advance repayments received | 913 | 937 | 50 |
| Purchases of property, plant and equipment | (67,558) | (62,640) | (62,225) |
| Other | ... | (10,961) | (18,030) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (62,150) | (70,699) | (75,710) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | 2,481 | 3,925 | 4,495 |
| Repayment of borrowings and advances | (7,900) | (7,510) | ... |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (5,419) | (3,585) | 4,495 |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 681,498 | 664,002 | 650,315 |
| Capital appropriation | 49,360 | 52,013 | 50,312 |
| NET CASH FLOWS FROM GOVERNMENT | 730,858 | 716,015 | 700,627 |
| NET INCREASE/(DECREASE) IN CASH | 11,984 | 20,109 | 129 |
| Opening Cash and Cash Equivalents | 110,822 | 147,371 | 167,480 |
| CLOSING CASH AND CASH EQUIVALENTS | 122,806 | 167,480 | 167,609 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
20 DEPARTMENT OF ENVIRONMENT AND CLIMATE CHANGE

| 2006-07 | | 2007-08 |
|---------|---------|---------|
| Budget | Revised | Budget |
| \$000 | \$000 | \$000 |

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

| | | | |
|--|------------------|------------------|------------------|
| Net cost of services | (736,836) | (700,444) | (720,580) |
| Non cash items added back | 81,564 | 88,031 | 90,016 |
| Change in operating assets and liabilities | 3,967 | (9,209) | 1,281 |
| Net cash flow from operating activities | (651,305) | (621,622) | (629,283) |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
20 DEPARTMENT OF ENVIRONMENT AND CLIMATE CHANGE

| | 2006-07 | | 2007-08 |
|--------------------------------------|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 122,806 | 167,480 | 167,609 |
| Receivables | 24,736 | 32,368 | 32,933 |
| Other financial assets | 576 | 66 | 66 |
| Inventories | 1,300 | 1,001 | 1,001 |
| Other | 1,000 | ... | ... |
| Total Current Assets | 150,418 | 200,915 | 201,609 |
| Non Current Assets - | | | |
| Other financial assets | 2,425 | 1,863 | 1,813 |
| Property, plant and equipment - | | | |
| Land and building | 2,032,586 | 2,158,323 | 2,175,389 |
| Plant and equipment | 46,693 | 50,302 | 52,420 |
| Infrastructure systems | 711,625 | 699,868 | 682,457 |
| Intangibles | 4,000 | 24,186 | 40,216 |
| Other | 26 | ... | ... |
| Total Non Current Assets | 2,797,355 | 2,934,542 | 2,952,295 |
| Total Assets | 2,947,773 | 3,135,457 | 3,153,904 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 30,149 | 31,986 | 32,840 |
| Provisions | 29,550 | 43,389 | 43,542 |
| Other | 500 | ... | ... |
| Total Current Liabilities | 60,199 | 75,375 | 76,382 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 27,023 | 27,882 | 32,377 |
| Provisions | 4,574 | 2,179 | 2,178 |
| Total Non Current Liabilities | 31,597 | 30,061 | 34,555 |
| Total Liabilities | 91,796 | 105,436 | 110,937 |
| NET ASSETS | 2,855,977 | 3,030,021 | 3,042,967 |
| EQUITY | | | |
| Reserves | 1,028,765 | 1,110,025 | 1,110,025 |
| Accumulated funds | 1,827,212 | 1,919,996 | 1,932,942 |
| TOTAL EQUITY | 2,855,977 | 3,030,021 | 3,042,967 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
21 ENVIRONMENTAL TRUST

| | 2006-07 | | 2007-08 |
|--|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Other operating expenses | 918 | 1,482 | 1,482 |
| Grants and subsidies | 93,159 | 94,093 | 90,722 |
| Total Expenses Excluding Losses | 94,077 | 95,575 | 92,204 |
| Less: | | | |
| Retained Revenue - | | | |
| Investment income | 1,200 | 2,100 | 1,200 |
| Grants and contributions | ... | 450 | ... |
| Other revenue | 2 | 150 | 45 |
| Total Retained Revenue | 1,202 | 2,700 | 1,245 |
| NET COST OF SERVICES | 92,875 | 92,875 | 90,959 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
21 ENVIRONMENTAL TRUST

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Grants and subsidies | 93,159 | 94,093 | 90,722 |
| Other | 5,568 | 6,132 | 2,766 |
| Total Payments | 98,727 | 100,225 | 93,488 |
| Receipts | | | |
| Interest | 1,538 | 2,438 | 1,415 |
| Other | 252 | 850 | 295 |
| Total Receipts | 1,790 | 3,288 | 1,710 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (96,937) | (96,937) | (91,778) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 76,497 | 76,497 | 86,969 |
| NET CASH FLOWS FROM GOVERNMENT | 76,497 | 76,497 | 86,969 |
| NET INCREASE/(DECREASE) IN CASH | (20,440) | (20,440) | (4,809) |
| Opening Cash and Cash Equivalents | 30,693 | 30,957 | 10,517 |
| CLOSING CASH AND CASH EQUIVALENTS | 10,253 | 10,517 | 5,708 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (92,875) | (92,875) | (90,959) |
| Change in operating assets and liabilities | (4,062) | (4,062) | (819) |
| Net cash flow from operating activities | (96,937) | (96,937) | (91,778) |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
21 ENVIRONMENTAL TRUST

| | 2006-07 | | 2007-08 |
|----------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 10,253 | 10,517 | 5,708 |
| Receivables | 928 | 525 | 310 |
| Total Current Assets | 11,181 | 11,042 | 6,018 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Total Assets | 11,181 | 11,042 | 6,018 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 991 | 3,834 | 2,800 |
| Total Current Liabilities | 991 | 3,834 | 2,800 |
| Total Liabilities | 991 | 3,834 | 2,800 |
| NET ASSETS | 10,190 | 7,208 | 3,218 |
| EQUITY | | | |
| Accumulated funds | 10,190 | 7,208 | 3,218 |
| TOTAL EQUITY | 10,190 | 7,208 | 3,218 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
22 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

| | 2006-07 | | 2007-08 |
|---|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related* | 20,257 | ... | ... |
| Other operating expenses* | 8,212 | 29,419 | 28,793 |
| Depreciation and amortisation | 3,445 | 4,128 | 4,200 |
| Grants and subsidies | 74 | 70 | 70 |
| Finance costs | ... | 10 | 6 |
| Total Expenses Excluding Losses | 31,988 | 33,627 | 33,069 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 6,273 | 7,408 | 7,436 |
| Investment income | 250 | 235 | 200 |
| Retained taxes, fees and fines | 1,352 | 167 | 200 |
| Grants and contributions | 765 | 3,480 | 3,362 |
| Other revenue | 348 | 1,290 | 350 |
| Total Retained Revenue | 8,988 | 12,580 | 11,548 |
| Gain/(loss) on disposal of non current assets | 40 | 40 | 40 |
| NET COST OF SERVICES | 22,960 | 21,007 | 21,481 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
22 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related* | 18,497 | ... | ... |
| Grants and subsidies | 74 | 70 | 70 |
| Finance costs | ... | 10 | 6 |
| Other* | 8,118 | 27,634 | 26,810 |
| Total Payments | 26,689 | 27,714 | 26,886 |
| Receipts | | | |
| Sale of goods and services | 6,273 | 7,408 | 7,436 |
| Interest | 250 | 235 | 200 |
| Other | 2,795 | 3,769 | 1,929 |
| Total Receipts | 9,318 | 11,412 | 9,565 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (17,371) | (16,302) | (17,321) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 40 | 40 | 40 |
| Purchases of property, plant and equipment | (6,020) | (6,439) | (4,195) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (5,980) | (6,399) | (4,155) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | ... | (55) | (29) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | ... | (55) | (29) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 17,379 | 17,379 | 17,781 |
| Capital appropriation | 5,540 | 5,540 | 3,695 |
| NET CASH FLOWS FROM GOVERNMENT | 22,919 | 22,919 | 21,476 |
| NET INCREASE/(DECREASE) IN CASH | (432) | 163 | (29) |
| Opening Cash and Cash Equivalents | 3,013 | 2,511 | 2,674 |
| CLOSING CASH AND CASH EQUIVALENTS | 2,581 | 2,674 | 2,645 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
22 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

| | 2006-07 | |
|--|---------|---------|
| | Budget | Revised |
| | \$000 | \$000 |

| | | 2007-08 |
|--|--|---------|
| | | Budget |
| | | \$000 |

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

| | | | |
|--|-----------------|-----------------|-----------------|
| Net cost of services | (22,960) | (21,007) | (21,481) |
| Non cash items added back | 5,352 | 4,128 | 4,200 |
| Change in operating assets and liabilities | 237 | 577 | (40) |
| Net cash flow from operating activities | (17,371) | (16,302) | (17,321) |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
22 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 2,581 | 2,674 | 2,645 |
| Receivables | 162 | 744 | 744 |
| Inventories | 376 | 370 | 370 |
| Total Current Assets | 3,119 | 3,788 | 3,759 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 195,761 | 204,741 | 205,768 |
| Plant and equipment | 37,179 | 29,293 | 28,760 |
| Infrastructure systems | 38,125 | 38,724 | 38,225 |
| Total Non Current Assets | 271,065 | 272,758 | 272,753 |
| Total Assets | 274,184 | 276,546 | 276,512 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 1,125 | 700 | 700 |
| Borrowings at amortised cost | ... | 29 | 30 |
| Provisions | 1,287 | 1,500 | 1,500 |
| Other | 150 | 320 | 320 |
| Total Current Liabilities | 2,562 | 2,549 | 2,550 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 138 | 54 | 24 |
| Provisions | 365 | ... | ... |
| Other | ... | 312 | 312 |
| Total Non Current Liabilities | 503 | 366 | 336 |
| Total Liabilities | 3,065 | 2,915 | 2,886 |
| NET ASSETS | 271,119 | 273,631 | 273,626 |
| EQUITY | | | |
| Reserves | 109,525 | 123,006 | 123,006 |
| Accumulated funds | 161,594 | 150,625 | 150,620 |
| TOTAL EQUITY | 271,119 | 273,631 | 273,626 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
BORDER RIVERS-GWYDIR CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 243 | 470 | 130 |
| Grants and contributions | 13,158 | 10,497 | 15,301 |
| Other revenue | 586 | 865 | 1,646 |
| Total Retained Revenue | 13,987 | 11,832 | 17,077 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 2,023 | 5 | 5 |
| Other operating expenses* | 1,485 | 4,486 | 3,849 |
| Depreciation and amortisation | 11 | 6 | 6 |
| Grants and subsidies | 12,226 | 9,115 | 18,054 |
| Total Expenses Excluding Losses | 15,745 | 13,612 | 21,914 |
| SURPLUS/(DEFICIT) | (1,758) | (1,780) | (4,837) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
BORDER RIVERS-GWYDIR CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | (6) | (205) | ... |
| Interest | 242 | 470 | 130 |
| Other | 13,744 | 11,428 | 16,788 |
| Total Receipts | 13,980 | 11,693 | 16,918 |
| Payments | | | |
| Employee related* | 2,023 | 198 | 5 |
| Grants and subsidies | 12,226 | 9,115 | 18,054 |
| Other* | 1,485 | 4,154 | 3,690 |
| Total Payments | 15,734 | 13,467 | 21,749 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (1,754) | (1,774) | (4,831) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (18) | (23) | (23) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (18) | (23) | (23) |
| NET INCREASE/(DECREASE) IN CASH | (1,772) | (1,797) | (4,854) |
| Opening Cash and Cash Equivalents | 7,946 | 11,919 | 10,122 |
| CLOSING CASH AND CASH EQUIVALENTS | 6,174 | 10,122 | 5,268 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (1,758) | (1,780) | (4,837) |
| Non cash items added back | 11 | 6 | 6 |
| Change in operating assets and liabilities | (7) | ... | ... |
| Net cash flow from operating activities | (1,754) | (1,774) | (4,831) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
BORDER RIVERS-GWYDIR CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 6,174 | 10,122 | 5,268 |
| Receivables | 219 | 225 | 225 |
| Other financial assets | 124 | ... | ... |
| Total Current Assets | 6,517 | 10,347 | 5,493 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 19 | 23 | 23 |
| Plant and equipment | 16 | 40 | 57 |
| Total Non Current Assets | 35 | 63 | 80 |
| Total Assets | 6,552 | 10,410 | 5,573 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 502 | 301 | 301 |
| Provisions | 168 | 192 | 192 |
| Other | 91 | ... | ... |
| Total Current Liabilities | 761 | 493 | 493 |
| Non Current Liabilities - | | | |
| Provisions | 23 | ... | ... |
| Total Non Current Liabilities | 23 | ... | ... |
| Total Liabilities | 784 | 493 | 493 |
| NET ASSETS | 5,768 | 9,917 | 5,080 |
| EQUITY | | | |
| Reserves | 2 | ... | ... |
| Accumulated funds | 5,766 | 9,917 | 5,080 |
| TOTAL EQUITY | 5,768 | 9,917 | 5,080 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
CENTRAL WEST CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|---------------|---------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 500 | 975 | 300 |
| Grants and contributions | 14,276 | 15,640 | 31,652 |
| Other revenue | 2,246 | 319 | 2,000 |
| Total Retained Revenue | 17,022 | 16,934 | 33,952 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 2,391 | 5 | 5 |
| Other operating expenses* | 1,018 | 3,650 | 19,184 |
| Depreciation and amortisation | ... | 25 | 25 |
| Grants and subsidies | 12,869 | 10,977 | 21,578 |
| Total Expenses Excluding Losses | 16,278 | 14,657 | 40,792 |
| SURPLUS/(DEFICIT) | 744 | 2,277 | (6,840) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
CENTRAL WEST CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | 2007-08 | |
|---|---------------|---------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | (8) | (275) | ... |
| Interest | 499 | 975 | 300 |
| Other | 16,523 | 16,075 | 33,463 |
| Total Receipts | 17,014 | 16,775 | 33,763 |
| Payments | | | |
| Employee related* | 2,391 | 342 | 5 |
| Grants and subsidies | 12,869 | 10,977 | 21,578 |
| Other* | 1,018 | 3,154 | 18,995 |
| Total Payments | 16,278 | 14,473 | 40,578 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 736 | 2,302 | (6,815) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (21) | (23) | (23) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (21) | (23) | (23) |
| NET INCREASE/(DECREASE) IN CASH | 715 | 2,279 | (6,838) |
| Opening Cash and Cash Equivalents | 22,629 | 14,855 | 17,134 |
| CLOSING CASH AND CASH EQUIVALENTS | 23,344 | 17,134 | 10,296 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 744 | 2,277 | (6,840) |
| Non cash items added back | ... | 25 | 25 |
| Change in operating assets and liabilities | (8) | ... | ... |
| Net cash flow from operating activities | 736 | 2,302 | (6,815) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
CENTRAL WEST CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 23,344 | 17,134 | 10,296 |
| Receivables | 298 | 305 | 305 |
| Other financial assets | 202 | ... | ... |
| Total Current Assets | 23,844 | 17,439 | 10,601 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 3 | 4 | 4 |
| Plant and equipment | 77 | 157 | 155 |
| Total Non Current Assets | 80 | 161 | 159 |
| Total Assets | 23,924 | 17,600 | 10,760 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 610 | 363 | 363 |
| Provisions | 294 | 337 | 337 |
| Other | 163 | ... | ... |
| Total Current Liabilities | 1,067 | 700 | 700 |
| Non Current Liabilities - | | | |
| Provisions | 27 | ... | ... |
| Total Non Current Liabilities | 27 | ... | ... |
| Total Liabilities | 1,094 | 700 | 700 |
| NET ASSETS | 22,830 | 16,900 | 10,060 |
| EQUITY | | | |
| Reserves | 6 | ... | ... |
| Accumulated funds | 22,824 | 16,900 | 10,060 |
| TOTAL EQUITY | 22,830 | 16,900 | 10,060 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
HAWKESBURY-NEPEAN CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 103 | 200 | 200 |
| Grants and contributions | 13,186 | 12,585 | 8,530 |
| Other revenue | 465 | 686 | 469 |
| Total Retained Revenue | 13,754 | 13,471 | 9,199 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 2,272 | 5 | 5 |
| Other operating expenses* | 1,296 | 4,363 | 4,104 |
| Depreciation and amortisation | 9 | 16 | 16 |
| Grants and subsidies | 11,931 | 11,276 | 11,000 |
| Total Expenses Excluding Losses | 15,508 | 15,660 | 15,125 |
| SURPLUS/(DEFICIT) | (1,754) | (2,189) | (5,926) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
HAWKESBURY-NEPEAN CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|---|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | (6) | (234) | ... |
| Interest | 102 | 200 | 200 |
| Other | 13,652 | 13,374 | 8,819 |
| Total Receipts | 13,748 | 13,340 | 9,019 |
| Payments | | | |
| Employee related* | 2,272 | 354 | 5 |
| Grants and subsidies | 11,931 | 11,276 | 11,000 |
| Other* | 1,296 | 3,883 | 3,924 |
| Total Payments | 15,499 | 15,513 | 14,929 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (1,751) | (2,173) | (5,910) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (27) | (23) | (23) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (27) | (23) | (23) |
| NET INCREASE/(DECREASE) IN CASH | (1,778) | 2,196 | (5,933) |
| Opening Cash and Cash Equivalents | 7,662 | 9,775 | 7,579 |
| CLOSING CASH AND CASH EQUIVALENTS | 5,884 | 7,579 | 1,646 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (1,754) | (2,189) | (5,926) |
| Non cash items added back | 9 | 16 | 16 |
| Change in operating assets and liabilities | (6) | ... | ... |
| Net cash flow from operating activities | (1,751) | (2,173) | (5,910) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
HAWKESBURY-NEPEAN CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 5,884 | 7,579 | 1,646 |
| Receivables | 278 | 283 | 283 |
| Other financial assets | 101 | ... | ... |
| Total Current Assets | 6,263 | 7,862 | 1,929 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 38 | 39 | 39 |
| Plant and equipment | 77 | 166 | 173 |
| Total Non Current Assets | 115 | 205 | 212 |
| Total Assets | 6,378 | 8,067 | 2,141 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 852 | 510 | 510 |
| Provisions | 306 | 349 | 349 |
| Other | 172 | ... | ... |
| Total Current Liabilities | 1,330 | 859 | 859 |
| Non Current Liabilities - | | | |
| Provisions | 26 | ... | ... |
| Total Non Current Liabilities | 26 | ... | ... |
| Total Liabilities | 1,356 | 859 | 859 |
| NET ASSETS | 5,022 | 7,208 | 1,282 |
| EQUITY | | | |
| Reserves | 8 | ... | ... |
| Accumulated funds | 5,014 | 7,208 | 1,282 |
| TOTAL EQUITY | 5,022 | 7,208 | 1,282 |

**MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
HUNTER-CENTRAL RIVERS CATCHMENT MANAGEMENT AUTHORITY**

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 624 | 931 | 420 |
| Grants and contributions | 12,212 | 10,404 | 11,106 |
| Other revenue | 2,249 | 3,320 | 3,121 |
| Total Retained Revenue | 15,085 | 14,655 | 14,647 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 2,338 | 5 | 5 |
| Other operating expenses* | 3,095 | 8,105 | 8,135 |
| Depreciation and amortisation | 156 | 120 | 120 |
| Grants and subsidies | 10,643 | 8,492 | 14,557 |
| Total Expenses Excluding Losses | 16,232 | 16,722 | 22,817 |
| SURPLUS/(DEFICIT) | (1,147) | (2,067) | (8,170) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
HUNTER-CENTRAL RIVERS CATCHMENT MANAGEMENT AUTHORITY**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 19 | (788) | ... |
| Interest | 635 | 925 | 420 |
| Other | 14,467 | 15,157 | 14,042 |
| Total Receipts | 15,121 | 15,294 | 14,462 |
| Payments | | | |
| Employee related* | 2,338 | 463 | 5 |
| Grants and subsidies | 10,643 | 8,492 | 14,557 |
| Other* | 3,100 | 7,667 | 7,950 |
| Total Payments | 16,081 | 16,622 | 22,512 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (960) | (1,328) | (8,050) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (35) | (24) | (23) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (35) | (24) | (23) |
| NET INCREASE/(DECREASE) IN CASH | (995) | (1,352) | (8,073) |
| Opening Cash and Cash Equivalents | 8,621 | 14,914 | 13,562 |
| CLOSING CASH AND CASH EQUIVALENTS | 7,626 | 13,562 | 5,489 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (1,147) | (2,067) | (8,170) |
| Non cash items added back | 156 | 120 | 120 |
| Change in operating assets and liabilities | 31 | 619 | ... |
| Net cash flow from operating activities | (960) | (1,328) | (8,050) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
HUNTER-CENTRAL RIVERS CATCHMENT MANAGEMENT AUTHORITY**

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 7,626 | 13,562 | 5,489 |
| Receivables | 945 | 999 | 999 |
| Other financial assets | 163 | ... | ... |
| Inventories | 71 | 91 | 91 |
| Total Current Assets | 8,805 | 14,652 | 6,579 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 3,874 | 3,979 | 3,929 |
| Plant and equipment | 25 | 308 | 261 |
| Total Non Current Assets | 3,899 | 4,287 | 4,190 |
| Total Assets | 12,704 | 18,939 | 10,769 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 3,134 | 1,900 | 1,900 |
| Provisions | 401 | 458 | 458 |
| Other | 226 | ... | ... |
| Total Current Liabilities | 3,761 | 2,358 | 2,358 |
| Non Current Liabilities - | | | |
| Provisions | 27 | ... | ... |
| Total Non Current Liabilities | 27 | ... | ... |
| Total Liabilities | 3,788 | 2,358 | 2,358 |
| NET ASSETS | 8,916 | 16,581 | 8,411 |
| EQUITY | | | |
| Reserves | 116 | ... | ... |
| Accumulated funds | 8,800 | 16,581 | 8,411 |
| TOTAL EQUITY | 8,916 | 16,581 | 8,411 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
LACHLAN CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 506 | 987 | 200 |
| Grants and contributions | 16,132 | 12,925 | 22,329 |
| Other revenue | 142 | 210 | 5 |
| Total Retained Revenue | 16,780 | 14,122 | 22,534 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 2,508 | 5 | 5 |
| Other operating expenses* | 1,574 | 4,882 | 4,240 |
| Depreciation and amortisation | 42 | 25 | 25 |
| Grants and subsidies | 14,763 | 11,005 | 25,357 |
| Total Expenses Excluding Losses | 18,887 | 15,917 | 29,627 |
| SURPLUS/(DEFICIT) | (2,107) | (1,795) | (7,093) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
LACHLAN CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | (4) | (128) | ... |
| Interest | 505 | 987 | 200 |
| Other | 16,276 | 13,146 | 22,135 |
| Total Receipts | 16,777 | 14,005 | 22,335 |
| Payments | | | |
| Employee related* | 2,508 | 350 | 5 |
| Grants and subsidies | 14,763 | 11,005 | 25,357 |
| Other* | 1,574 | 4,420 | 4,041 |
| Total Payments | 18,845 | 15,775 | 29,403 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (2,068) | (1,770) | (7,068) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (24) | (23) | (23) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (24) | (23) | (23) |
| NET INCREASE/(DECREASE) IN CASH | (2,092) | (1,793) | (7,091) |
| Opening Cash and Cash Equivalents | 15,208 | 17,241 | 15,448 |
| CLOSING CASH AND CASH EQUIVALENTS | 13,116 | 15,448 | 8,357 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (2,107) | (1,795) | (7,093) |
| Non cash items added back | 42 | 25 | 25 |
| Change in operating assets and liabilities | (3) | ... | ... |
| Net cash flow from operating activities | (2,068) | (1,770) | (7,068) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
LACHLAN CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 13,116 | 15,448 | 8,357 |
| Receivables | 215 | 210 | 210 |
| Other financial assets | 184 | ... | ... |
| Total Current Assets | 13,515 | 15,658 | 8,567 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 119 | 231 | 229 |
| Total Non Current Assets | 119 | 231 | 229 |
| Total Assets | 13,634 | 15,889 | 8,796 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 987 | 593 | 593 |
| Provisions | 302 | 345 | 345 |
| Other | 172 | ... | ... |
| Total Current Liabilities | 1,461 | 938 | 938 |
| Non Current Liabilities - | | | |
| Provisions | 29 | ... | ... |
| Total Non Current Liabilities | 29 | ... | ... |
| Total Liabilities | 1,490 | 938 | 938 |
| NET ASSETS | 12,144 | 14,951 | 7,858 |
| EQUITY | | | |
| Reserves | 9 | ... | ... |
| Accumulated funds | 12,135 | 14,951 | 7,858 |
| TOTAL EQUITY | 12,144 | 14,951 | 7,858 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
LOWER MURRAY-DARLING CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 184 | 360 | 200 |
| Grants and contributions | 8,554 | 6,925 | 6,368 |
| Other revenue | 125 | 184 | 61 |
| Total Retained Revenue | 8,863 | 7,469 | 6,629 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 1,494 | 5 | 5 |
| Other operating expenses* | 1,145 | 3,317 | 2,454 |
| Depreciation and amortisation | 20 | 13 | 13 |
| Grants and subsidies | 7,556 | 5,632 | 9,418 |
| Total Expenses Excluding Losses | 10,215 | 8,967 | 11,890 |
| SURPLUS/(DEFICIT) | (1,352) | (1,498) | (5,261) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
LOWER MURRAY-DARLING CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|---|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 12 | (194) | ... |
| Interest | 183 | 360 | 200 |
| Other | 8,679 | 7,196 | 6,313 |
| Total Receipts | 8,874 | 7,362 | 6,513 |
| Payments | | | |
| Employee related* | 1,494 | 171 | 5 |
| Grants and subsidies | 7,556 | 5,632 | 9,418 |
| Other* | 1,171 | 3,054 | 2,338 |
| Total Payments | 10,221 | 8,857 | 11,761 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (1,347) | (1,495) | (5,248) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (23) | (23) | (23) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (23) | (23) | (23) |
| NET INCREASE/(DECREASE) IN CASH | (1,370) | (1,518) | (5,271) |
| Opening Cash and Cash Equivalents | 8,095 | 11,175 | 9,657 |
| CLOSING CASH AND CASH EQUIVALENTS | 6,725 | 9,657 | 4,386 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (1,352) | (1,498) | (5,261) |
| Non cash items added back | 20 | 13 | 13 |
| Change in operating assets and liabilities | (15) | (10) | ... |
| Net cash flow from operating activities | (1,347) | (1,495) | (5,248) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
LOWER MURRAY-DARLING CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 6,725 | 9,657 | 4,386 |
| Receivables | 209 | 213 | 213 |
| Other financial assets | 112 | ... | ... |
| Total Current Assets | 7,046 | 9,870 | 4,599 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 87 | 74 | 74 |
| Plant and equipment | 75 | 137 | 147 |
| Total Non Current Assets | 162 | 211 | 221 |
| Total Assets | 7,208 | 10,081 | 4,820 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 502 | 302 | 302 |
| Provisions | 145 | 166 | 166 |
| Other | 81 | ... | ... |
| Total Current Liabilities | 728 | 468 | 468 |
| Non Current Liabilities - | | | |
| Provisions | 17 | ... | ... |
| Total Non Current Liabilities | 17 | ... | ... |
| Total Liabilities | 745 | 468 | 468 |
| NET ASSETS | 6,463 | 9,613 | 4,352 |
| EQUITY | | | |
| Reserves | 9 | ... | ... |
| Accumulated funds | 6,454 | 9,613 | 4,352 |
| TOTAL EQUITY | 6,463 | 9,613 | 4,352 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
MURRAY CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 432 | 842 | 801 |
| Grants and contributions | 26,258 | 19,929 | 24,479 |
| Other revenue | ... | 346 | 539 |
| Total Retained Revenue | 26,690 | 21,117 | 25,819 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 1,749 | 5 | 5 |
| Other operating expenses* | 662 | 2,635 | 3,188 |
| Depreciation and amortisation | 85 | 10 | 10 |
| Grants and subsidies | 28,022 | 20,887 | 29,914 |
| Total Expenses Excluding Losses | 30,518 | 23,537 | 33,117 |
| SURPLUS/(DEFICIT) | (3,828) | (2,420) | (7,298) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
MURRAY CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | |
|---|----------------|----------------|----------------|
| | Budget | Revised | 2007-08 |
| | \$000 | \$000 | Budget |
| | | | \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | (8) | (295) | ... |
| Interest | 430 | 842 | 801 |
| Other | 26,267 | 20,679 | 24,881 |
| Total Receipts | 26,689 | 21,226 | 25,682 |
| Payments | | | |
| Employee related* | 1,749 | 237 | 5 |
| Grants and subsidies | 28,022 | 20,887 | 29,914 |
| Other* | 663 | 2,512 | 3,051 |
| Total Payments | 30,434 | 23,636 | 32,970 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (3,745) | (2,410) | (7,288) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (32) | (23) | (23) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (32) | (23) | (23) |
| NET INCREASE/(DECREASE) IN CASH | (3,777) | (2,779) | (7,311) |
| Opening Cash and Cash Equivalents | 12,287 | (21,180) | 18,747 |
| CLOSING CASH AND CASH EQUIVALENTS | 8,510 | 18,747 | 11,436 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (3,828) | (2,420) | (7,298) |
| Non cash items added back | 85 | 10 | 10 |
| Change in operating assets and liabilities | (2) | ... | ... |
| Net cash flow from operating activities | (3,745) | (2,410) | (7,288) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
MURRAY CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 8,510 | 18,747 | 11,436 |
| Receivables | 559 | 541 | 541 |
| Other financial assets | 233 | ... | ... |
| Inventories | ... | 582 | 582 |
| Total Current Assets | 9,302 | 19,870 | 12,559 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 123 | 343 | 356 |
| Total Non Current Assets | 123 | 343 | 356 |
| Total Assets | 9,425 | 20,213 | 12,915 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 3,355 | 2,041 | 2,041 |
| Provisions | 203 | 232 | 232 |
| Other | 118 | ... | ... |
| Total Current Liabilities | 3,676 | 2,273 | 2,273 |
| Non Current Liabilities - | | | |
| Provisions | 20 | ... | ... |
| Total Non Current Liabilities | 20 | ... | ... |
| Total Liabilities | 3,696 | 2,273 | 2,273 |
| NET ASSETS | 5,729 | 17,940 | 10,642 |
| EQUITY | | | |
| Reserves | 19 | ... | ... |
| Accumulated funds | 5,710 | 17,940 | 10,642 |
| TOTAL EQUITY | 5,729 | 17,940 | 10,642 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
MURRUMBIDGEE CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|-----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 537 | 1,047 | 369 |
| Grants and contributions | 31,219 | 27,955 | 18,326 |
| Other revenue | 483 | 773 | 852 |
| Total Retained Revenue | 32,239 | 29,775 | 19,547 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 2,607 | 5 | 5 |
| Other operating expenses* | 2,404 | 6,711 | 4,730 |
| Depreciation and amortisation | 57 | 35 | 35 |
| Grants and subsidies | 32,409 | 29,000 | 29,568 |
| Total Expenses Excluding Losses | 37,477 | 35,751 | 34,338 |
| SURPLUS/(DEFICIT) | (5,238) | (5,976) | (14,791) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
MURRUMBIDGEE CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | (9) | (225) | ... |
| Interest | 536 | 1,047 | 369 |
| Other | 31,705 | 28,835 | 18,971 |
| Total Receipts | 32,232 | 29,657 | 19,340 |
| Payments | | | |
| Employee related* | 2,607 | 436 | 5 |
| Grants and subsidies | 32,409 | 29,000 | 29,568 |
| Other* | 2,404 | 6,162 | 4,523 |
| Total Payments | 37,420 | 35,598 | 34,096 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (5,188) | (5,941) | (14,756) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (22) | (23) | (23) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (22) | (23) | (23) |
| NET INCREASE/(DECREASE) IN CASH | (5,210) | (5,964) | (14,779) |
| Opening Cash and Cash Equivalents | 12,845 | 21,665 | 15,701 |
| CLOSING CASH AND CASH EQUIVALENTS | 7,635 | 15,701 | 922 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (5,238) | (5,976) | (14,791) |
| Non cash items added back | 57 | 35 | 35 |
| Change in operating assets and liabilities | (7) | ... | ... |
| Net cash flow from operating activities | (5,188) | (5,941) | (14,756) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
MURRUMBIDGEE CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 7,635 | 15,701 | 922 |
| Receivables | 317 | 314 | 314 |
| Other financial assets | 219 | ... | ... |
| Total Current Assets | 8,171 | 16,015 | 1,236 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 127 | 96 | 96 |
| Plant and equipment | 37 | 118 | 106 |
| Total Non Current Assets | 164 | 214 | 202 |
| Total Assets | 8,335 | 16,229 | 1,438 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 1,601 | 965 | 965 |
| Provisions | 377 | 431 | 431 |
| Other | 208 | ... | ... |
| Total Current Liabilities | 2,186 | 1,396 | 1,396 |
| Non Current Liabilities - | | | |
| Provisions | 30 | ... | ... |
| Total Non Current Liabilities | 30 | ... | ... |
| Total Liabilities | 2,216 | 1,396 | 1,396 |
| NET ASSETS | 6,119 | 14,833 | 42 |
| EQUITY | | | |
| Reserves | 14 | ... | ... |
| Accumulated funds | 6,105 | 14,833 | 42 |
| TOTAL EQUITY | 6,119 | 14,833 | 42 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
NAMOI CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 247 | 481 | 310 |
| Grants and contributions | 18,581 | 15,221 | 12,970 |
| Other revenue | 47 | 69 | ... |
| Total Retained Revenue | 18,875 | 15,771 | 13,280 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 1,973 | 5 | 5 |
| Other operating expenses* | 1,052 | 3,435 | 2,852 |
| Depreciation and amortisation | 27 | 22 | 22 |
| Grants and subsidies | 18,597 | 14,800 | 14,236 |
| Total Expenses Excluding Losses | 21,649 | 18,262 | 17,115 |
| SURPLUS/(DEFICIT) | (2,774) | (2,491) | (3,835) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
NAMOI CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | (6) | (189) | ... |
| Interest | 246 | 481 | 310 |
| Other | 18,629 | 15,353 | 12,815 |
| Total Receipts | 18,869 | 15,645 | 13,125 |
| Payments | | | |
| Employee related* | 1,973 | 272 | 5 |
| Grants and subsidies | 18,597 | 14,800 | 14,236 |
| Other* | 1,050 | 3,042 | 2,697 |
| Total Payments | 21,620 | 18,114 | 16,938 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (2,751) | (2,469) | (3,813) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (25) | (23) | (23) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (25) | (23) | (23) |
| NET INCREASE/(DECREASE) IN CASH | (2,776) | (2,492) | (3,836) |
| Opening Cash and Cash Equivalents | 6,091 | 10,194 | 7,702 |
| CLOSING CASH AND CASH EQUIVALENTS | 3,315 | 7,702 | 3,866 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (2,774) | (2,491) | (3,835) |
| Non cash items added back | 27 | 22 | 22 |
| Change in operating assets and liabilities | (4) | ... | ... |
| Net cash flow from operating activities | (2,751) | (2,469) | (3,813) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
NAMOI CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 3,315 | 7,702 | 3,866 |
| Receivables | 216 | 218 | 218 |
| Other financial assets | 109 | ... | ... |
| Total Current Assets | 3,640 | 7,920 | 4,084 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 10 | 12 | 12 |
| Plant and equipment | 119 | 215 | 216 |
| Total Non Current Assets | 129 | 227 | 228 |
| Total Assets | 3,769 | 8,147 | 4,312 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 813 | 489 | 489 |
| Provisions | 232 | 266 | 266 |
| Other | 127 | ... | ... |
| Total Current Liabilities | 1,172 | 755 | 755 |
| Non Current Liabilities - | | | |
| Provisions | 22 | ... | ... |
| Total Non Current Liabilities | 22 | ... | ... |
| Total Liabilities | 1,194 | 755 | 755 |
| NET ASSETS | 2,575 | 7,392 | 3,557 |
| EQUITY | | | |
| Reserves | 7 | ... | ... |
| Accumulated funds | 2,568 | 7,392 | 3,557 |
| TOTAL EQUITY | 2,575 | 7,392 | 3,557 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
NORTHERN RIVERS CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 214 | 417 | 320 |
| Grants and contributions | 20,483 | 16,209 | 11,484 |
| Other revenue | ... | 212 | 253 |
| Total Retained Revenue | 20,697 | 16,838 | 12,057 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 2,798 | 5 | 5 |
| Other operating expenses* | 1,142 | 4,314 | 3,984 |
| Depreciation and amortisation | 7 | 6 | 6 |
| Grants and subsidies | 19,569 | 14,587 | 10,835 |
| Total Expenses Excluding Losses | 23,516 | 18,912 | 14,830 |
| SURPLUS/(DEFICIT) | (2,819) | (2,074) | (2,773) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
NORTHERN RIVERS CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 29 | (72) | ... |
| Interest | 214 | 417 | 320 |
| Other | 20,487 | 16,420 | 11,513 |
| Total Receipts | 20,730 | 16,765 | 11,833 |
| Payments | | | |
| Employee related* | 2,798 | 338 | 5 |
| Grants and subsidies | 19,569 | 14,587 | 10,835 |
| Other* | 1,142 | 3,908 | 3,760 |
| Total Payments | 23,509 | 18,833 | 14,600 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (2,779) | (2,068) | (2,767) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (15) | (23) | (23) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (15) | (23) | (23) |
| NET INCREASE/(DECREASE) IN CASH | (2,794) | (2,091) | (2,790) |
| Opening Cash and Cash Equivalents | 3,816 | 5,635 | 3,544 |
| CLOSING CASH AND CASH EQUIVALENTS | 1,022 | 3,544 | 754 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (2,819) | (2,074) | (2,773) |
| Non cash items added back | 7 | 6 | 6 |
| Change in operating assets and liabilities | 33 | ... | ... |
| Net cash flow from operating activities | (2,779) | (2,068) | (2,767) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
NORTHERN RIVERS CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 1,022 | 3,544 | 754 |
| Receivables | 224 | 243 | 243 |
| Other financial assets | 62 | ... | ... |
| Total Current Assets | 1,308 | 3,787 | 997 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 23 | 51 | 68 |
| Total Non Current Assets | 23 | 51 | 68 |
| Total Assets | 1,331 | 3,838 | 1,065 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 836 | 501 | 501 |
| Provisions | 291 | 332 | 332 |
| Other | 163 | ... | ... |
| Total Current Liabilities | 1,290 | 833 | 833 |
| Non Current Liabilities - | | | |
| Provisions | 31 | ... | ... |
| Total Non Current Liabilities | 31 | ... | ... |
| Total Liabilities | 1,321 | 833 | 833 |
| NET ASSETS | 10 | 3,005 | 232 |
| EQUITY | | | |
| Reserves | 2 | ... | ... |
| Accumulated funds | 8 | 3,005 | 232 |
| TOTAL EQUITY | 10 | 3,005 | 232 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
SOUTHERN RIVERS CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 277 | 539 | 260 |
| Grants and contributions | 13,102 | 12,219 | 11,616 |
| Other revenue | 693 | 1,023 | 400 |
| Total Retained Revenue | 14,072 | 13,781 | 12,276 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 2,337 | 5 | 5 |
| Other operating expenses* | 1,735 | 5,132 | 4,368 |
| Depreciation and amortisation | 8 | 15 | 15 |
| Grants and subsidies | 11,513 | 10,500 | 13,615 |
| Total Expenses Excluding Losses | 15,593 | 15,652 | 18,003 |
| SURPLUS/(DEFICIT) | (1,521) | (1,871) | (5,727) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
SOUTHERN RIVERS CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | (8) | (270) | ... |
| Interest | 276 | 539 | 260 |
| Other | 13,797 | 13,385 | 11,831 |
| Total Receipts | 14,065 | 13,654 | 12,091 |
| Payments | | | |
| Employee related* | 2,337 | 382 | 5 |
| Grants and subsidies | 11,513 | 10,500 | 13,615 |
| Other* | 1,736 | 4,628 | 4,183 |
| Total Payments | 15,586 | 15,510 | 17,803 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (1,521) | (1,856) | (5,712) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (23) | (23) | (23) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (23) | (23) | (23) |
| NET INCREASE/(DECREASE) IN CASH | (1,544) | (1,879) | (5,735) |
| Opening Cash and Cash Equivalents | 6,574 | 9,124 | 7,245 |
| CLOSING CASH AND CASH EQUIVALENTS | 5,030 | 7,245 | 1,510 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (1,521) | (1,871) | (5,727) |
| Non cash items added back | 8 | 15 | 15 |
| Change in operating assets and liabilities | (8) | ... | ... |
| Net cash flow from operating activities | (1,521) | (1,856) | (5,712) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
SOUTHERN RIVERS CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 5,030 | 7,245 | 1,510 |
| Receivables | 321 | 328 | 328 |
| Other financial assets | 96 | ... | ... |
| Total Current Assets | 5,447 | 7,573 | 1,838 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 37 | 44 | 44 |
| Plant and equipment | 41 | 90 | 98 |
| Total Non Current Assets | 78 | 134 | 142 |
| Total Assets | 5,525 | 7,707 | 1,980 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 612 | 363 | 363 |
| Provisions | 330 | 377 | 377 |
| Other | 181 | ... | ... |
| Total Current Liabilities | 1,123 | 740 | 740 |
| Non Current Liabilities - | | | |
| Provisions | 27 | ... | ... |
| Total Non Current Liabilities | 27 | ... | ... |
| Total Liabilities | 1,150 | 740 | 740 |
| NET ASSETS | 4,375 | 6,967 | 1,240 |
| EQUITY | | | |
| Reserves | 4 | ... | ... |
| Accumulated funds | 4,371 | 6,967 | 1,240 |
| TOTAL EQUITY | 4,375 | 6,967 | 1,240 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
SYDNEY METROPOLITAN CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|--------------|--------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 188 | 367 | 200 |
| Grants and contributions | 3,923 | 3,484 | 5,197 |
| Other revenue | 409 | 604 | 445 |
| Total Retained Revenue | 4,520 | 4,455 | 5,842 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 1,394 | 5 | 5 |
| Other operating expenses* | 826 | 2,687 | 5,687 |
| Depreciation and amortisation | 12 | 15 | 15 |
| Grants and subsidies | 2,372 | 1,769 | 5,921 |
| Total Expenses Excluding Losses | 4,604 | 4,476 | 11,628 |
| SURPLUS/(DEFICIT) | (84) | (21) | (5,786) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
SYDNEY METROPOLITAN CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | 2007-08 | |
|---|--------------|--------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | ... | (21) | ... |
| Interest | 188 | 367 | 200 |
| Other | 4,333 | 4,029 | 5,534 |
| Total Receipts | 4,521 | 4,375 | 5,734 |
| Payments | | | |
| Employee related* | 1,394 | 5 | 5 |
| Grants and subsidies | 2,372 | 1,769 | 5,921 |
| Other* | 826 | 2,607 | 5,579 |
| Total Payments | 4,592 | 4,381 | 11,505 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (71) | (6) | (5,771) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (20) | (23) | (23) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (20) | (23) | (23) |
| NET INCREASE/(DECREASE) IN CASH | (91) | (29) | (5,794) |
| Opening Cash and Cash Equivalents | 7,324 | 6,091 | 6,062 |
| CLOSING CASH AND CASH EQUIVALENTS | 7,233 | 6,062 | 268 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (84) | (21) | (5,786) |
| Non cash items added back | 12 | 15 | 15 |
| Change in operating assets and liabilities | 1 | ... | ... |
| Net cash flow from operating activities | (71) | (6) | (5,771) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
SYDNEY METROPOLITAN CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 7,233 | 6,062 | 268 |
| Receivables | 51 | 49 | 49 |
| Other financial assets | 68 | ... | ... |
| Total Current Assets | 7,352 | 6,111 | 317 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 76 | 146 | 154 |
| Total Non Current Assets | 76 | 146 | 154 |
| Total Assets | 7,428 | 6,257 | 471 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 462 | 282 | 282 |
| Provisions | 2 | 2 | 2 |
| Total Current Liabilities | 464 | 284 | 284 |
| Non Current Liabilities - | | | |
| Provisions | 16 | ... | ... |
| Total Non Current Liabilities | 16 | ... | ... |
| Total Liabilities | 480 | 284 | 284 |
| NET ASSETS | 6,948 | 5,973 | 187 |
| EQUITY | | | |
| Reserves | 6 | ... | ... |
| Accumulated funds | 6,942 | 5,973 | 187 |
| TOTAL EQUITY | 6,948 | 5,973 | 187 |

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
WESTERN CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 247 | 481 | 470 |
| Grants and contributions | 14,866 | 11,645 | 9,319 |
| Other revenue | 55 | 81 | 587 |
| Total Retained Revenue | 15,168 | 12,207 | 10,376 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 1,703 | 5 | 5 |
| Other operating expenses* | 1,124 | 3,316 | 2,779 |
| Depreciation and amortisation | 12 | 10 | 10 |
| Grants and subsidies | 14,530 | 10,830 | 10,794 |
| Total Expenses Excluding Losses | 17,369 | 14,161 | 13,588 |
| SURPLUS/(DEFICIT) | (2,201) | (1,954) | (3,212) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
WESTERN CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | |
|---|----------------|----------------|----------------|
| | Budget | Revised | 2007-08 |
| | \$000 | \$000 | Budget |
| | | | \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | (5) | (176) | ... |
| Interest | 246 | 481 | 470 |
| Other | 14,922 | 11,783 | 9,773 |
| Total Receipts | 15,163 | 12,088 | 10,243 |
| Payments | | | |
| Employee related* | 1,703 | 241 | 5 |
| Grants and subsidies | 14,530 | 10,830 | 10,794 |
| Other* | 1,124 | 2,961 | 2,646 |
| Total Payments | 17,357 | 14,032 | 13,445 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (2,194) | (1,944) | (3,202) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (15) | (23) | (23) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (15) | (23) | (23) |
| NET INCREASE/(DECREASE) IN CASH | (2,209) | (1,967) | (3,225) |
| Opening Cash and Cash Equivalents | 10,398 | 9,181 | 7,214 |
| CLOSING CASH AND CASH EQUIVALENTS | 8,189 | 7,214 | 3,989 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (2,201) | (1,954) | (3,212) |
| Non cash items added back | 12 | 10 | 10 |
| Change in operating assets and liabilities | (5) | ... | ... |
| Net cash flow from operating activities | (2,194) | (1,944) | (3,202) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR CLIMATE CHANGE, ENVIRONMENT AND WATER
WESTERN CATCHMENT MANAGEMENT AUTHORITY

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 8,189 | 7,214 | 3,989 |
| Receivables | 186 | 190 | 190 |
| Other financial assets | 96 | ... | ... |
| Total Current Assets | 8,471 | 7,404 | 4,179 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 17 | 42 | 55 |
| Total Non Current Assets | 17 | 42 | 55 |
| Total Assets | 8,488 | 7,446 | 4,234 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 645 | 387 | 387 |
| Provisions | 207 | 236 | 236 |
| Other | 127 | ... | ... |
| Total Current Liabilities | 979 | 623 | 623 |
| Non Current Liabilities - | | | |
| Provisions | 19 | ... | ... |
| Total Non Current Liabilities | 19 | ... | ... |
| Total Liabilities | 998 | 623 | 623 |
| NET ASSETS | 7,490 | 6,823 | 3,611 |
| EQUITY | | | |
| Reserves | 2 | ... | ... |
| Accumulated funds | 7,488 | 6,823 | 3,611 |
| TOTAL EQUITY | 7,490 | 6,823 | 3,611 |

MINISTER FOR COMMUNITY SERVICES

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| Department of Community Services | | | |
| Total Expenses | 1,129.1 | 1,260.2 | 11.6 |
| Capital Expenditure | 26.2 | 16.3 | -37.8 |
| Total, Minister for Community Services | | | |
| Total Expenses | 1,129.1 | 1,260.2 | 11.6 |
| Capital Expenditure | 26.2 | 16.3 | -37.8 |

DEPARTMENT OF COMMUNITY SERVICES

The Department of Community Services promotes and enhances the safety and wellbeing of children, young people and their families and provides services that support and strengthen the community.

To achieve these outcomes, the Department works closely with other government and non-government agencies and within the legal framework set by the *Children and Young Persons (Care and Protection) Act 1998*, the *Community Welfare Act 1987* and the *Adoptions Act 2000*.

RESULTS AND SERVICES

The Department has lead agency responsibility for coordinating with partner agencies to deliver the following State Plan priorities:

- ◆ F6: Increased proportion of children with skills for life and learning at school entry.
- ◆ F7: Reduced rates of child abuse and neglect.

The Department is one contributor to the wellbeing, resilience and development of families and children. Clients of the Department are often socially and economically disadvantaged and have dealings with other government agencies.

In this context, the Department seeks to achieve the following results:

- ◆ Children, young people and their families are supported so children reach development milestones without ongoing involvement in the child protection system.
- ◆ Where a child or young person is at risk and the Department determines that it must intervene, the child or young person and any relevant siblings are safe following that intervention.
- ◆ Children or young people who are removed from their family are cared for in a safe, well-functioning and stable placement and are successfully restored to their families where appropriate.
- ◆ Strong communities have the ability and support to identify and resolve problems as they arise; and provide an environment for everyone, including families and children, to reach their full potential.
- ◆ Persons who experience natural or other disasters are supported to recover and to resume self-sufficient living.

Key services provided by the Department that contribute to these results include:

- ◆ community services such as community development and capacity building, crisis support and disaster recovery services;
- ◆ prevention and early intervention services providing early support to vulnerable families, with particular focus on those with very young children;
- ◆ statutory child protection services in accordance with the requirements of the child protection legislation; and
- ◆ out-of-home care services for children and young people whose ongoing protection means that they are unable to live at home.

RECENT DEVELOPMENTS

In December 2002, the Government provided the Department of Community Services with a \$1.2 billion funding package over five full years to 30 June 2008. This major funding boost has increased the Department's expenses from around \$600 million in 2001-02 to over \$1.2 billion projected in 2007-08. With these increased resources, the Department has expanded services in early intervention and out-of-home care, dealt with an increase in child reports and improved its processes.

By the end of 2006-07, the Department will have received \$846.5 million from the package including:

- ◆ \$393.5 million to improve the out-of-home care system, including additional caseworkers and improved services for children and young people who cannot safely live at home;
- ◆ \$270.2 million to improve the child protection system (including extra caseworkers and support services) and to introduce the Brighter Futures early intervention program to help vulnerable families and help to reduce child abuse and neglect; and
- ◆ \$182.8 million to meet increased costs for crisis support and improve accommodation, training, Occupational Health and Safety, research, legal support and information systems.

The reform package has allowed the Department to deal with significant increases in demand. In 2001-02, the Department received 159,600 reports concerning 85,000 children. By 2005-06, this had increased to 241,000 reports concerning 109,500 children and, in 2006-07, more than 280,000 reports (concerning more than 120,000 children) are expected. This is an increase in reports of over 16 per cent on 2005-06.

Key progress on, and results from, these reforms in 2006-07 includes:

- ◆ By 30 June 2007, the Department will have created 750 additional caseworker positions from the reform package and will continue recruiting to fill them. The Department occupied 27 new sites in 2006-07 as part of the ongoing expansion and upgrade of caseworker accommodation.
- ◆ Almost 60 per cent of the Department's budget, or \$667.5 million in 2006-07, was used to purchase contracted services for clients, mainly from non-government organisations (NGOs). In 2006-07, new business tools and processes were developed to support reform in this area. As a result, all contracts in the Brighter Futures early intervention and High Needs Kids out-of-home care programs are performance-based and subject to a performance monitoring framework. Supported Accommodation and Assistance Program services are being transitioned to performance-based contracts.
- ◆ In April 2007, the Department started another call for expressions of interest for out-of-home care services. More than \$600 million will be invested over five years, mainly in the NGO sector, to increase the range of out-of-home care placement and service options.

- ◆ \$8.8 million is being provided to 539 community-based preschools to improve their sustainability as part of the Government's Preschool Investment and Reform Plan. From 2006-07, the Department will start regulating Out of School Hours Care services.
- ◆ The *Children and Young Persons (Care and Protection) Act 1998* and the *Adoption Act 2000* were reviewed and a Green Paper released to promote discussion on proposed amendments to the legislation.
- ◆ Phase 1 of the Permanency Planning Demonstration Project was completed. The Project involves improving the skills and knowledge of caseworkers at four metropolitan locations so that sound, early decisions can be made about whether young children in care can be restored to their parents or whether other permanent options are preferable, such as care with a relative or adoption. The Project aims to increase placement stability, to reduce the number of failed attempts at restoration and to improve the long term outcomes for children in care.
- ◆ Over the ten months to end-April 2007, the Department's disaster recovery services had responded to 29 disaster events and helped 554 families, including 337 families under the Drought Household Assistance Scheme.

STRATEGIC DIRECTIONS

The Department continues to pursue its stated five year objectives of:

- ◆ major expansion and upgrade of child protection and out-of-home care services, appropriate to the needs of diverse groups;
- ◆ greater emphasis on prevention and early intervention;
- ◆ delivery of a strategic community-building agenda;
- ◆ better processes and systems to support frontline service delivery;
- ◆ stronger partnerships with other agencies, service providers and peak bodies; and
- ◆ policy-making and service delivery based on sound research and analysis, including economic analysis and feedback from evaluations.

Key strategies for 2007-08 include:

- ◆ creating another 275 early intervention, child protection and out-of-home care caseworker positions to reach the reform package target of an additional 1,025 caseworkers over five years;
- ◆ a strengthened focus on improving the safety and wellbeing of Aboriginal children, through the implementation of the Department's Aboriginal Strategic Commitment 2006-11 and of the Government's response to the Aboriginal Child Sexual Assault Taskforce report;
- ◆ rollout of the Brighter Futures early intervention program to all Community Services Centres by the end of 2008;
- ◆ a major review of the child protection system to further improve the management of child protection reports and better target intervention;
- ◆ implementation of Stage 2 of the Permanency Planning Demonstration Project to improve caseworker decision-making across all Department of Community Services' operations;
- ◆ ongoing implementation of the Government's Preschool Investment and Reform Plan, which is providing an additional \$85.5 million from 2005-06 to 2009-10 to improve access to preschool for children in the year before school;
- ◆ continued work to improve the evidence base for reforms to the child protection system including a 10-year longitudinal study of children in out-of-home care, a major evaluation of the Brighter Futures program and an evaluation of the operation and economics of the out-of-home care system;
- ◆ analysis of research, evaluations and demand data to assist in planning the next phase of the Department's development;
- ◆ rollout of new Families NSW programs including the introduction of the Triple P: Positive Parenting Program for parents with children aged three to eight (\$5.2 million from 2007-08 to 2010-11) and the 24 hour parent advice line (\$2.4 million from 2007-08 to 2010-11); and
- ◆ family and domestic violence programs including the Staying Home, Leaving Violence program which ensures victims can stay safely at home while the perpetrator moves to alternative accommodation (\$4.8 million from 2007-08 to 2010-11), and the Integrated Case Management program which supports victims through the legal process (\$12 million from 2007-08 to 2010-11).

2007-08 BUDGET

Total Expenses

Total expenses for the Department in 2007-08 are estimated at \$1.26 billion, an increase of \$131.1 million or 11.6 per cent on the 2006-07 Budget. Funding in 2007-08 from the \$1.2 billion funding package totals \$398.3 million, an increase of \$89.9 million on the \$308.4 million provided in 2006-07. Major initiatives include:

- ◆ \$24.4 million for child protection and early intervention caseworkers and associated professional support staff. This will allow 200 new caseworkers to be employed and will further improve the quality and timeliness of response to reports of children and young people at risk of harm; and
- ◆ \$65.5 million for out-of-home care including funding for an additional 75 caseworkers and support staff, and improved placement options and services for children and young people who cannot live at home.

Capital Expenditure

The Department's \$16.3 million capital program will provide:

- ◆ \$13.4 million for the continued relocation and/or expansion of Community Services Centres to accommodate additional caseworkers and associated staff; and
- ◆ \$2.9 million for refurbishment, essential maintenance and minor works.

MINISTER FOR COMMUNITY SERVICES
23 DEPARTMENT OF COMMUNITY SERVICES

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 315,624 | 303,841 | 366,653 |
| Other operating expenses | 124,407 | 133,266 | 152,587 |
| Depreciation and amortisation | 20,592 | 20,592 | 22,000 |
| Grants and subsidies | 525,357 | 524,341 | 573,068 |
| Other expenses | 143,129 | 143,129 | 145,886 |
| Total Expenses Excluding Losses | 1,129,109 | 1,125,169 | 1,260,194 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 2,782 | 1,440 | 679 |
| Investment income | 984 | 2,042 | 2,001 |
| Grants and contributions | 7,484 | 5,452 | 5,477 |
| Other revenue | ... | 1,723 | 1,600 |
| Total Retained Revenue | 11,250 | 10,657 | 9,757 |
| Gain/(loss) on disposal of non current assets | (167) | (167) | ... |
| NET COST OF SERVICES | 1,118,026 | 1,114,679 | 1,250,437 |

MINISTER FOR COMMUNITY SERVICES
23 DEPARTMENT OF COMMUNITY SERVICES

| | 2006-07 | | 2007-08 |
|---|--------------------|--------------------|--------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 288,260 | 283,255 | 340,098 |
| Grants and subsidies | 525,357 | 524,341 | 573,068 |
| Other | 338,818 | 345,255 | 358,589 |
| Total Payments | 1,152,435 | 1,152,851 | 1,271,755 |
| Receipts | | | |
| Sale of goods and services | 2,782 | 1,440 | 679 |
| Interest | 805 | 2,495 | 2,001 |
| Other | 68,092 | 67,988 | 65,206 |
| Total Receipts | 71,679 | 71,923 | 67,886 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (1,080,756) | (1,080,928) | (1,203,869) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 2,011 | 2,011 | ... |
| Purchases of property, plant and equipment | (26,203) | (25,353) | (16,303) |
| Other | ... | (850) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (24,192) | (24,192) | (16,303) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 1,066,477 | 1,070,273 | 1,211,289 |
| Capital appropriation | 26,203 | 26,203 | 16,303 |
| Cash transfers to Consolidated Fund | ... | (56) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 1,092,680 | 1,096,420 | 1,227,592 |
| NET INCREASE/(DECREASE) IN CASH | (12,268) | (8,700) | 7,420 |
| Opening Cash and Cash Equivalents | 12,783 | 12,256 | 3,556 |
| CLOSING CASH AND CASH EQUIVALENTS | 515 | 3,556 | 10,976 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (1,118,026) | (1,114,679) | (1,250,437) |
| Non cash items added back | 41,292 | 34,149 | 39,148 |
| Change in operating assets and liabilities | (4,022) | (398) | 7,420 |
| Net cash flow from operating activities | (1,080,756) | (1,080,928) | (1,203,869) |

MINISTER FOR COMMUNITY SERVICES
23 DEPARTMENT OF COMMUNITY SERVICES

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 515 | 3,556 | 10,976 |
| Receivables | 8,173 | 9,449 | 10,033 |
| Assets held for sale | 13,051 | ... | ... |
| Other | 815 | ... | ... |
| Total Current Assets | 22,554 | 13,005 | 21,009 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 54,308 | 74,566 | 66,294 |
| Plant and equipment | 55,829 | 59,439 | 62,014 |
| Intangibles | 3,822 | 2,869 | 2,869 |
| Total Non Current Assets | 113,959 | 136,874 | 131,177 |
| Total Assets | 136,513 | 149,879 | 152,186 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 6,760 | 8,914 | 8,823 |
| Provisions | 26,603 | 35,376 | 43,471 |
| Total Current Liabilities | 33,363 | 44,290 | 52,294 |
| Non Current Liabilities - | | | |
| Provisions | 7,378 | 170 | 170 |
| Other | 8,000 | 8,580 | 8,580 |
| Total Non Current Liabilities | 15,378 | 8,750 | 8,750 |
| Total Liabilities | 48,741 | 53,040 | 61,044 |
| NET ASSETS | 87,772 | 96,839 | 91,142 |
| EQUITY | | | |
| Reserves | 51,652 | 53,957 | 53,957 |
| Accumulated funds | 36,120 | 42,882 | 37,185 |
| TOTAL EQUITY | 87,772 | 96,839 | 91,142 |

**MINISTER FOR EDUCATION AND TRAINING,
MINISTER FOR INDUSTRIAL RELATIONS,
MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE
MINISTER FOR FINANCE**

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| Department of Education and Training | | | |
| Total Expenses | 9,989.6 | 10,460.6 | 4.7 |
| Capital Expenditure | 573.1 | 617.0 | 7.7 |
| Office of the Board of Studies | | | |
| Total Expenses | 99.5 | 102.6 | 3.1 |
| Capital Expenditure | 0.8 | 0.5 | -40.3 |
| Building and Construction Industry Long Service Payments Corporation | | | |
| Total Expenses | 99.7 | 107.0 | 7.4 |
| Capital Expenditure | 0.5 | 0.8 | 66.7 |
| Motor Accidents Authority | | | |
| Total Expenses | 38.7 | 24.9 | -35.7 |
| Capital Expenditure | 0.2 | 0.1 | -74.4 |
| Office of the Motor Accidents Authority | | | |
| Total Expenses | ... | 15.1 | n.a. |
| Capital Expenditure | ... | 0.4 | n.a. |
| Workers' Compensation (Dust Diseases) Board | | | |
| Total Expenses | 90.2 | 102.0 | 13.2 |
| Capital Expenditure | 0.1 | 2.7 | 2,577.0 |
| WorkCover Authority | | | |
| Total Expenses | 266.0 | 238.6 | -10.3 |
| Capital Expenditure | 12.7 | 10.5 | -17.3 |

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| Office of the WorkCover Authority | | | |
| Total Expenses | ... | 123.7 | n.a. |
| Capital Expenditure | ... | ... | ... |
| Total, Minister for Education and Training, Minister for Industrial Relations, Minister for the Central Coast, and Minister Assisting the Minister for Finance | | | |
| Total Expenses | 10,583.7 | 11,174.5 | 5.6 |
| Capital Expenditure | 587.4 | 632.0 | 7.6 |

In addition to the agencies listed above, the Minister is also supported by the Department of Commerce (Section 20) for the Industrial Relations portfolio area.

DEPARTMENT OF EDUCATION AND TRAINING

The Department of Education and Training provides schooling and vocational education services to over 1.6 million students each year through an extensive network of government schools, TAFE NSW Institutes, Adult and Community Education colleges and the Adult Migrant English Service. The Department also provides regulatory and quality assurance services to the vocational education and training sector and funding support for non-government schools.

RESULTS AND SERVICES

The Department has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priorities:

- ◆ S4: Increasing levels of attainment for all students.
- ◆ S5: More students complete Year 12 or recognised vocational training.
- ◆ P4: More people participating in education and training throughout their life.
- ◆ P7: Better access to training in rural and regional New South Wales to support local economies.

The Department contributes to the improved social and economic wellbeing of the people of New South Wales through education and training by working towards the following results:

- ◆ Increased number of students meeting or exceeding minimum national benchmarks in literacy and numeracy.

- ◆ Increased retention rates and proportion of students completing Year 12 or recognised vocational training.
- ◆ Improved skill and qualification level of the NSW population, both urban and rural.
- ◆ Delivery of training that is flexible and relevant to industry and individuals, and is more accessible to regional and rural NSW communities.

Key services provided by the Department which contribute to these results include:

- ◆ quality teaching and education programs across all levels of schooling, ranging from the strong focus in the early years on basic numeracy and literacy through to the rigorous and internationally respected Higher School Certificate;
- ◆ quality vocational education and training provided by TAFE NSW for full-time and part-time students, trainees and apprentices;
- ◆ registration of training organisations and accreditation of courses for vocational education and training;
- ◆ promotion and regulation of apprenticeships and traineeships; and
- ◆ intervention strategies including Aboriginal education, equity programs for students in rural or disadvantaged areas, programs for students with learning difficulties and disabilities, and for gifted and talented students.

SCHOOL EDUCATION SERVICES

RECENT DEVELOPMENTS

During 2006-07, the Department continued to implement key Government initiatives directed at improving overall student performance and the performance of students that require additional educational support.

These initiatives include:

- ◆ reducing class sizes in the early years of schooling;
- ◆ improving teacher quality;
- ◆ expanding the range of support options for students with disruptive behaviour;

- ◆ providing literacy and numeracy programs;
- ◆ providing equity programs for disadvantaged students;
- ◆ improving learning opportunities for Aboriginal students; and
- ◆ implementing school maintenance and technology initiatives.

The Department is also establishing ten trade schools in several regions of the State, through new vocational education and training facilities within nominated schools and TAFE colleges. The Government has recently expanded this program to 25 schools, as part of its plan to address the national skills shortage.

STRATEGIC DIRECTIONS

The Department will focus on:

- ◆ delivering education and training that inspires students to succeed, fosters high expectations and prepares them for participation in society;
- ◆ providing a working environment that values staff, acknowledges their contribution and fosters their professional development;
- ◆ supporting the success of industry and individual learners through customised vocational education and training;
- ◆ maximising return on investment in education and training through responsive and sustainable management; and
- ◆ exercising strong leadership in Australian education and innovation, and shaping national policy and reform.

2007-08 BUDGET

Total Expenses

Total investment in school education services for 2007-08 is estimated at \$8,663 million. This represents an increase of \$416 million or 5 per cent on the 2006-07 Budget.

In 2007-08, the Department will begin implementing the following election commitments:

- ◆ \$81.6 million over four years for the *Literacy (The Best Start)* initiative to introduce a consistent literacy and numeracy assessment to better guide the learning of all Kindergarten students in public schools;

- ◆ \$38.8 million (excluding depreciation) over four years for the *Connected Classrooms* initiative to significantly expand technology-based learning in government schools;
- ◆ \$22.1 million over four years for the *Support for Beginning Teachers* initiative to enhance the quality and retention of permanent new teachers;
- ◆ \$11.5 million over four years for the *Transition to Year 7* initiative to provide support for students' transition from primary to secondary schools; and
- ◆ \$7.8 million (excluding depreciation) over four years for the *School Sport* initiative to promote and extend school sporting competitions and encourage students' participation in physical activity.

Financial support for non-government schools will increase by \$40 million to \$773 million in 2007-08. The Department will introduce the Grants Assistance Scheme for non-government school building works to replace the former Interest Subsidy Scheme.

In 2007-08, around \$220 million will be spent on school maintenance. This includes the painting of classrooms and general use areas, replacement of floor coverings, improvement of school grounds and preventative works to roofs, drains and electrical services.

Capital Expenditure

In 2007-08, the Government will spend a record \$531 million on the construction and enhancement of school facilities, compared to \$486 million budgeted for 2006-07. That is a 9 per cent increase.

This expenditure includes funding for the following election commitments:

- ◆ \$280 million over four years for the *Building Better Schools* initiative. This includes the upgrading of 800 science laboratories; construction of a further 18 primary school halls and ten high school gyms; and additional toilet upgrades, electrical upgrades and security fences;
- ◆ \$119 million over four years for the *Connected Classrooms* initiative, focussed on the use of video-conferencing and interactive whiteboards, and tools that enable the sharing of information in interactive environments; and
- ◆ \$18.9 million over four years for the *Learn or Earn* program which includes the provision of an additional 15 new trade schools across schools and TAFE colleges.

In 2007-08, the Department will:

- ◆ commence 24 major new building projects in schools at an estimated total cost of \$211 million (\$25 million in 2007-08), including various upgrades, replacement of demountable classrooms with permanent facilities, as well as new libraries, halls and gymnasiums;
- ◆ spend \$60 million on major information technology projects, including the *Connected Classrooms* initiative;
- ◆ spend \$300 million on minor works, including continuation of air cooling projects, upgrading of student and teacher facilities, the purchase of computers for schools and the Commonwealth Government's *Investing in Our Schools Program*;
- ◆ continue the implementation of 42 major building works projects at schools commenced in previous years at an estimated total cost of \$319 million (\$93 million in 2007-08); and
- ◆ continue the provision of new schools under the Public Private Partnership arrangement at a total cost of more than \$106 million. Eight more schools will be completed by 2009 including public schools at Elderslie, Hamlyn Terrace, Hoxton Park South, Ropes Crossing, Second Ponds Creek, Tullimbar, a high school at Rouse Hill and new school facilities for Denison Secondary College Kelso Campus.

The Department's total capital expenditure for schools and TAFE over the next four years is projected to exceed \$2 billion, representing the largest public education and training capital works program ever undertaken in New South Wales. Some of the projects in this program will attract Commonwealth Government funding.

TAFE AND RELATED SERVICES

RECENT DEVELOPMENTS

TAFE NSW continues to be the largest provider of workforce training in Australia. At a time of significant technological change and skilled labour shortages, TAFE NSW is ensuring that it remains responsive to industry and community needs.

TAFE NSW is also committed to improving access to education and training through the provision of targeted programs and services for equity groups and more flexible delivery options for students such as workplace learning and online learning.

TAFE NSW programs and services are in strong demand to meet the skills required for a growing NSW economy. In response, it is increasing the number of training places in areas of skills shortages. In 2006, TAFE NSW continued to focus on skills shortages, resulting in an increase in enrolments by apprentices in the eight priority skills shortage areas identified in the current NSW Vocational Education and Training Plan. Significant growth occurred in a range of industry areas including utilities, engineering and mining, building and construction and automotive.

TAFE NSW has numerous partnerships with industry actively aimed at tackling business development needs, including skills shortages. It is continuing to deliver a range of programs designed to help NSW businesses remain internationally competitive as well as train skilled workers being sought after by emerging industries such as biotechnology and environmental sustainability.

In regional areas, TAFE NSW plays a major role in providing the skilled workforce needed to support the economic development of local communities. A greater use of technology is opening up new opportunities for regional students to improve vocational skills without having to leave their home towns.

TAFE NSW will play an essential role in contributing to the effort across the vocational education and training sector to increase participation in training including rural areas and ensuring more students complete Year 12 or recognised vocational training equivalent.

STRATEGIC DIRECTIONS

The TAFE NSW strategic priorities include:

- ◆ delivering a dynamic public training system which is responsive to the needs of industry, students and the community;
- ◆ addressing identified areas of skills shortages in conjunction with industry;
- ◆ assisting enterprises with workforce development; and
- ◆ improving vocational education and training services to increase employment opportunities for disadvantaged people in the labour market.

2007-08 BUDGET

Total Expenses

In 2007-08, the total investment in TAFE NSW and related services is estimated at \$1,798 million, an increase of \$55 million on the 2006-07 Budget.

The Department will begin implementing the following election commitments:

- ◆ \$46.8 million over four years for the *Training our Workforce* initiative to generate 33,253 additional training opportunities, including establishing a network of ten NSW Skill Centres; and
- ◆ \$50.1 million (excluding depreciation) over four years for the *Learn or Earn* initiative to improve trade skills by increasing take up and completion of apprenticeships, including the establishment of 15 additional trade schools across schools and TAFE colleges.

During 2007-08, TAFE NSW will continue implementing the National Annual VET Plan 2006-2008, including the provision of training for new apprentices in traditional trades and other areas of skills shortages, mature age persons and those with special training requirements.

Capital Expenditure

The TAFE NSW capital program for 2007-08 is \$86 million. This provides for the commencement of 11 new major projects at an estimated total cost of \$55 million (\$10 million in 2007-08). These include the upgrading of facilities at Blue Mountains (Katoomba), Dubbo, Newcastle, Nirimba (Schofields) and Randwick TAFE Colleges.

Work will continue on 18 projects at TAFE Colleges commenced in previous years at an estimated total cost of \$114 million (\$52 million in 2007-08). This includes works at Bankstown, Port Macquarie, Ryde, Tamworth and Wagga Wagga TAFE Colleges.

OFFICE OF THE BOARD OF STUDIES

The Office of the Board of Studies supports the Minister for Education and Training and the Board of Studies in their respective functions under the *Education Act 1990*. The Board develops syllabuses and curriculum support materials from Kindergarten to Year 12; registers and accredits non-government schools; administers home schooling registration; and prepares and conducts the School Certificate (SC) tests and Higher School Certificate (HSC) examinations. The Office of the Board of Studies also encompasses the Australian Music Examinations Board (NSW) and the Aboriginal Education Consultative Group.

RESULTS AND SERVICES

The Office is focusing on the following results:

- ◆ Children are learning from relevant and challenging courses of study.

- ◆ Continuing improvements in the proportion of students gaining the higher levels of achievement in the School Certificate and Higher School Certificate.
- ◆ Community confidence in the Board's quality assurance of NSW schools.

Key services provided by the Office to contribute to these results include:

- ◆ high quality syllabuses and support materials that promote high standards of primary and secondary education;
- ◆ internationally regarded, comprehensive, flexible and inclusive credentials that meet the needs of students and the community; and
- ◆ a program of inspections and monitoring that ensures non-government schools comply with statutory registration and accreditation requirements.

RECENT DEVELOPMENTS

The Board of Studies has expanded its range of Vocational Education and Training (VET) courses for the HSC. These courses give students the opportunity to gain nationally recognised industry qualifications as part of their HSC, assisting with the national skills shortage. Two new VET courses, Automotive and Electrotechnology, are being developed in 2007 for study by Year 11 students in 2008. Work is also in progress to give HSC credit to school-based apprentices and trainees for “on-the-job” learning.

In 2006, Year 10 students sat the first mandatory Computing Skills Test as part of their School Certificate. Over 54,000 students from 539 government and non-government schools across New South Wales sat the new online test over a three day period.

The Board's Assessment Resource Centre website was significantly upgraded during 2006-07. The Centre provides real, graded student work samples for all subjects, from Years 1 to 12. It helps teachers across New South Wales to consistently report student achievement against standards when using grades A to E. Parents and students also find it useful.

The Government amended the *Education Act 1990* in 2004 to increase the scope of the Board's regulatory role for the non-government school sector. The changes raised the standards expected of the more than 900 NSW non-government schools, including public disclosure of key financial and educational information in their annual reports. In 2006, all non-government schools published annual reports, 85 per cent of which were online.

STRATEGIC DIRECTIONS

The Office has strategies to address current and emerging developments, including:

- ◆ the continuing growth in HSC student numbers;
- ◆ the need for more efficient service delivery;
- ◆ the increasing use of information and communications technologies (ICT); and
- ◆ the Commonwealth Government's policies relating to national testing, student reports, annual school reporting and a nationally consistent curriculum.

2007-08 BUDGET

Total Expenses

Total expenses for 2007-08 are estimated at \$102.6 million, including \$89.1 million for the Board's Examinations, Assessment and Reporting Program, which includes the School Certificate tests and Higher School Certificate examinations.

Key expenditure initiatives in 2007-08 include:

- ◆ \$0.9 million to support the revision of the Board's syllabuses for Stage 6 Mathematics, Stage 6 Legal Studies and Kindergarten to Year 6 Science and Technology;
- ◆ \$0.7 million for increases in HSC candidature; and
- ◆ \$0.3 million for the development of VET curriculum frameworks in the Automotive and Electrotechnology industries and the development of a Stage 6 Board Endorsed Course in Industry Based Learning.

Capital Expenditure

The capital program for 2007-08 of \$0.5 million provides \$0.3 million for the replacement of the Office's ICT infrastructure and a further \$0.2 million for ICT services to assist examination candidates with disabilities.

NSW INSTITUTE OF TEACHERS

The NSW Institute of Teachers was established in 2005 to ensure the quality of teaching for all students in NSW schools, and to improve the status and standing of teachers throughout the community. The Government has provided \$20 million to support the work of the Institute over the first five years of its operation. This funding is provided to the Institute as an annual grant through the Department of Education and Training. The Institute also receives income from teacher accreditation fees. In the longer term, the Institute will be predominantly self-funding.

RECENT DEVELOPMENTS

In 2006-07, expenditure is expected to be \$5.6 million. The focus of the Institute's work in 2006-07 has been on the development of policies for the accreditation of teachers at Professional Accomplishment and Professional Leadership; maintenance of accreditation at Professional Competence; and the approval of courses for initial teacher education. Systems have also been implemented to support online accreditation of teachers at the point of employment.

More than 19,000 teachers have been accredited with the Institute since its establishment. This includes teachers appointed to permanent, temporary, part-time and casual positions. Teachers are able to enter their details online and seek accreditation through the Institute's electronic Teacher Accreditation Management System. There are currently 1,615 teachers accredited at Professional Competence.

STRATEGIC DIRECTIONS

The Professional Teaching Standards developed by the Institute provides the foundation for the work of the Institute. In addition to core accreditation activities, the Institute will focus in 2007-08 on the approval of professional development providers and registration of courses and programs, and the achievement of mandatory professional development requirements by teachers.

The Institute will also take a leading role in the development of nationally consistent policies and practices for the approval of initial teacher education programs, including a focus on achieving nationally agreed standards for the teaching of literacy and numeracy.

The implementation of processes for the endorsement of professional development providers and the approval of professional development are expected to raise the quality and shift the focus of professional development for teachers towards better meeting the needs of teachers and their students.

Approval of initial teacher education courses will be on the basis of the program adequately preparing beginning teachers to meet the standards for graduate teachers. All initial teacher education programs and courses will be required to provide a strong basis for teachers to teach literacy and numeracy to students.

2007-08 BUDGET

Total Expenses

The Institute's total expenses for 2007-08 are anticipated to be \$6.2 million and will involve: the accreditation of teachers at Professional Accomplishment and Professional Leadership; the approval of initial teacher education courses and providers of professional development; and refining and streamlining of the teacher accreditation system and Institute business processes.

BUILDING AND CONSTRUCTION INDUSTRY LONG SERVICE PAYMENTS CORPORATION

The Corporation administers the *Building and Construction Industry Long Service Payments Act 1986*. The Act provides workers in the building and construction industry with an industry-based, portable long service benefit scheme.

RESULTS AND SERVICES

The Corporation contributes to providing quality government services by ensuring that intended beneficiaries of the scheme receive their entitlements, their rights are observed and employer obligations are enforced.

Key services provided by the Corporation that contribute to these results include:

- ◆ maintaining records of service and the payment of entitlements;
- ◆ undertaking compliance programs such as auditing employers; and
- ◆ collecting levies.

RECENT DEVELOPMENTS

The Corporation continues to provide important benefits to the building and construction industry through the long service scheme. Record numbers of workers received payments last financial year and substantial numbers have entitlements in the scheme that can be claimed in the future.

In January 2007 a new worker registration system was introduced to provide new and improved services to the industry. The new system provides internet capabilities to allow employers and workers to access their own records and provide relevant information to the Corporation electronically.

STRATEGIC DIRECTIONS

The Corporation is continuing to examine and implement ways in which customer service and the effectiveness and efficiency of the organisation's operations may be improved.

Long service benefits from the scheme are required to be readily available when members decide to claim them. The Corporation cannot control the numbers of claims that may be made in any year, and therefore disbursements and cash flows may vary significantly from year to year and from budget figures.

Budget figures for scheme liabilities, long service payments, investment and levy income are essentially based on the latest actuarial advice whilst current year projections take into account both actuarial advice and the latest circumstances and experience.

2007-08 BUDGET

Total Expenses

Total expenses are estimated to be \$107 million of which \$96.7 million relates to long service payments to beneficiaries and movements in the liability for future payments.

Total income is estimated at \$109.9 million, of which \$72.2 million is income from the long service levy and \$37.7 million in investment earnings from funds invested through NSW Treasury Corporation.

This will result in an operating surplus of \$2.8 million in 2007-08.

Capital Expenditure

An amount of \$750,000 has been budgeted for the replacement of existing information technology equipment, improvements to core operating systems and for other minor capital purchases.

MOTOR ACCIDENTS AUTHORITY

The Motor Accidents Authority of New South Wales monitors and supervises the Compulsory Third Party (CTP) Scheme for motor vehicles registered in New South Wales. Competing licensed insurers sell CTP insurance (known as the 'Green Slip') to the public in New South Wales.

RESULTS AND SERVICES

The Authority's aim is to ensure an affordable, fair and accessible CTP Insurance and Compensation Scheme.

It services the community by undertaking the following:

- ◆ monitoring the operation of the CTP Scheme;
- ◆ collecting and analysing statistics on the Scheme;
- ◆ publishing and disseminating information on the Scheme;
- ◆ providing funding for the reduction of trauma as a result of motor vehicle accidents;
- ◆ issuing certain guidelines to ensure compliance with the Act;
- ◆ providing advice to the Minister on the efficiency and effectiveness of the Scheme;
- ◆ providing support and advice to the Motor Accidents Council;
- ◆ performing specific functions to support the provision of acute care treatment, rehabilitation, long-term support and other services for persons injured in motor accidents;
- ◆ providing claims and medical dispute resolution services and an advisory service;
- ◆ promoting public education and awareness of the Green Slip and various road safety initiatives; and
- ◆ monitoring and reviewing legislation and policy coordination.

The Authority has statutory functions in connection with third party insurance, including its role as the Nominal Defendant, and in the licensing and supervision of insurers.

RECENT DEVELOPMENTS

On behalf of the Crown Finance Entity, the Authority manages HIH payments to claimants and service providers through its agent Allianz Insurance Co. Ltd. The actuarial valuation of HIH claims liabilities was estimated at \$91.1 million (discounted value, net of reinsurance and including claims handling expenses) as at 30 June 2006. The Crown Finance Entity assumed the liabilities for third party motor insurance after the collapse of HIH.

The Authority was closely involved with the setting up of the Lifetime Care and Support Authority of New South Wales to administer care needs to the catastrophic injury victims of motor accidents.

STRATEGIC DIRECTIONS

The Authority aims to administer its programs in an effective, efficient and economical manner, whilst ensuring compliance with all relevant statutory requirements.

The Authority is committed to maintain an affordable, fair and accessible CTP Insurance and Compensation Scheme by:

- ◆ being an effective regulator;
- ◆ promoting appropriate treatment of injured persons;
- ◆ providing medical and claims assessments in disputed cases;
- ◆ providing advice to the Minister, Board and other stakeholders;
- ◆ supporting injury prevention initiatives; and
- ◆ providing services as the Nominal Defendant.

2007-08 BUDGET

Total Expenses

The Authority's total expenses in 2007-08 are estimated to be \$24.9 million. This includes \$7.5 million in grants for road safety and rehabilitation projects.

The Authority derives income primarily from a levy on CTP insurance premiums collected by licensed insurers. For 2007-08, this levy is set at 4 per cent. Though this represents an increase from last year, when the levy was 2.5 per cent, the Authority's revenue is not projected to increase significantly due to an expected decline in the underlying insurance premiums. In 2007-08 a projected deficit of \$1.1 million will be funded from the Authority's retained earnings.

Capital Expenditure

The Authority's capital expenditure program relates solely to office related equipment such as computers, office machines and furniture and is budgeted at \$50,000 for 2007-08.

OFFICE OF THE MOTOR ACCIDENTS AUTHORITY

The Office of the Motor Accidents Authority of New South Wales was established under the *Public Sector Employment and Management Act 2002*. It has statutory functions in connection with the provision and management of personnel services to the Motor Accidents Authority of New South Wales and the Lifetime Care and Support Authority of New South Wales. Lifetime Care is a statutory corporation established on 1 July 2006 under the *Motor Accidents (Lifetime Care and Support) Act 2006*.

RESULTS AND SERVICES

The Office of the Motor Accidents Authority supports the Motor Accidents Authority and the Lifetime Care and Support Authority by undertaking the following tasks:

- ◆ providing and managing manpower services; and
- ◆ providing shared corporate services including business systems, payroll, financial and executive management services.

STRATEGIC DIRECTIONS

The Office of the Motor Accidents Authority aims to implement effective, efficient and economical management practices for the two authorities.

2007-08 BUDGET

Total Expenses

The Authority's total expenses in 2007-08 are estimated to be \$15 million. This includes \$14 million in employee related expenses. The Authority's income is derived from personnel and corporate services charges to the two authorities. The body is expected to run a balanced budget position.

Capital Expenditure

The Authority's capital expenditure program relates solely to office related equipment such as computers, office machines and furniture, and is budgeted at \$376,000 for 2007-08.

WORKERS' COMPENSATION (DUST DISEASES) BOARD

The Workers' Compensation (Dust Diseases) Board was established under the *Workers' Compensation (Dust Diseases) Act 1942*. Under the Act, the Board is required to determine eligibility for, and award compensation to, workers and dependants of deceased workers. The Board is also responsible for administering the Workers' Compensation (Dust Diseases) Fund and the payment of monies for compensation, awards, research grants, fees, salaries and other costs of administering the Act, including the operating expenses of the Dust Diseases Tribunal.

RECENT DEVELOPMENTS

Investment income was significantly stronger than budgeted in 2006-07, due to higher equity prices.

The Board estimates its liabilities on the basis of incurred but not reported claims. The Board's expenses are mostly comprised of compensation payments made, costs associated with claims and any additional dust disease compensation liabilities recognised. Claims expense estimates are based on actuarial advice.

The Board is projecting to have total assets of \$1.6 billion as at June 2008, comprised mainly of \$729 million of cash and other financial assets and \$848 million of receivables, mainly future levy income, to offset total liabilities of \$1.6 billion.

STRATEGIC DIRECTIONS

The Board's policy is to maintain the Dust Diseases levy rate for 2007-08 at a level sufficient to meet liabilities associated with reported claims and claims incurred but not reported over a medium to longer term.

The Board's fundamental objective is to compensate and improve the care, dignity and health of workers suffering from dust diseases. The Board also provides a mobile respiratory screening service for industry and funds numerous research programs including the construction of a \$6.9 million laboratory to research asbestos-related diseases at Concord Repatriation General Hospital and promotes awareness in occupational respiratory health.

Investment returns are not expected to be as strong in 2007-08, with the Board estimating investment income of \$70 million in 2007-08 (\$82.6 million in 2006-07).

2007-08 BUDGET

Total Expenses

Total expenses in 2007-08 are estimated at \$102 million, of which claims payments comprise \$72.3 million.

Capital Expenditure

The Board is budgeting to acquire \$2.7 million of assets in 2007-08, comprising computer equipment, computer software and scientific equipment upgrades.

WORKCOVER AUTHORITY

WorkCover Authority (WorkCover) is a statutory authority with its primary objective being to work in partnership with the NSW community to achieve safer workplaces and effective recovery, return to work and security for injured workers. WorkCover:

- ◆ promotes the prevention of injuries and diseases at the workplace and the development of healthy and safe workplaces;
- ◆ promotes the prompt, efficient and effective management of the return to work of persons injured at work; and
- ◆ regulates the operation of workers' compensation insurance arrangements.

From 1 July 2005 the Nominal Insurer is the insurer for the NSW Workers Compensation Scheme (the Scheme). The Nominal Insurer is responsible for issuing workers compensation policies, managing claims and managing the Workers Compensation Insurance Fund (the Fund). WorkCover exercises the powers of the Nominal Insurer and acts on its behalf.

The State's employers primarily fund WorkCover through a levy on workers compensation premiums. As such, industry bears the direct cost of occupational health and safety services and the management of the workers compensation system in New South Wales.

While the operations of WorkCover are included in the Budget, the Nominal Insurer, the Scheme and the Fund are independent of the Government and do not form part of the State accounts.

RECENT DEVELOPMENTS

The financial position of the Scheme continues to improve. The Scheme, which was \$3.23 billion in deficit in December 2002, was estimated to be \$416 million in surplus as at December 2006.

As a result of the Scheme's improved performance, premium rates have been reduced by 25 per cent over the last 18 months providing cost savings of \$675 million to the State's businesses.

To support injured workers, permanent impairment benefits were increased by 5 per cent in 2005 for workers who suffer serious spinal injuries. There was a further 10 per cent increase across the board from January 2007. This takes the maximum lump sum available to injured workers suffering permanent impairment and pain and suffering to \$281,000, up from \$171,000 prior to the 2001 workers compensation reforms.

STRATEGIC DIRECTIONS

WorkCover is committed to ensuring safe, secure and productive workplaces by working in partnership with the NSW community. Work related fatalities and employment injury rates continue to fall and have dropped to their lowest levels in 18 years. In line with Government priorities, WorkCover is supporting a strong and growing small business sector by improving compliance with workplace safety and workers compensation obligations through a number of initiatives, including:

- ◆ \$12.5 million package to help small businesses via a three-year Small Business Safety Program including \$500 rebates for small businesses that install safety equipment or make safety modifications to their workplace; and
- ◆ 1,500 free safety workshops and seminars across New South Wales, in both metropolitan and regional areas, to provide information and advice on workplace safety and workers compensation obligations.

2007- 08 BUDGET

Total Expenses

Total expenses for 2007-08 are budgeted at \$238.6 million, including:

- ◆ \$74.2 million for the safety inspectorate and the prevention of injuries and diseases at workplaces;
- ◆ \$32.8 million for the resolution of disputes including funding of the Workers' Compensation Commission; and
- ◆ \$26.9 million for the oversight and regulation of workers' compensation insurance arrangements including the support of employers and employees with injury management and return to work programs.

Capital Expenditure

The capital program of \$10.5 million in 2007-08 includes:

- ◆ \$2.5 million for infrastructure solutions to improve the technology platform on which the core business activities of WorkCover are based;
- ◆ \$2.5 million for the ongoing upgrade of regional office accommodation including Wollongong and Londonderry;
- ◆ \$2.3 million for a range of software applications to facilitate Scheme reform and related occupational health and safety initiatives; and
- ◆ \$0.8 million for the purchase of minor technical and computer equipment.

OFFICE OF THE WORKCOVER AUTHORITY

The Office of the WorkCover Authority was established under the *Public Sector Employment and Management Act 2002* as part of the State's WorkChoices insulation legislation. The Office provides personnel services to:

- ◆ WorkCover Authority;
- ◆ Building and Construction Industry Long Service Payments Corporation;
- ◆ Workers' Compensation (Dust Diseases) Board;
- ◆ Workers' Compensation Commission; and
- ◆ Sporting Injuries Committee.

STRATEGIC DIRECTIONS

The Office aims to implement effective, efficient and economical personnel services to the recipient agencies.

2007-08 BUDGET

Total Expenses

Total expenses in 2007-08 are estimated to be \$123.7 million, which solely comprises the cost of providing personnel services to the recipient agencies. The Office has no operating surplus as it only receives funding from the recipient agencies equal to the value of the personnel services it provides to them.

Capital Expenditure

The Office has no capital program.

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

24 DEPARTMENT OF EDUCATION AND TRAINING

| | 2006-07 | | 2007-08 |
|---|------------------|-------------------|-------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 7,061,692 | 7,211,462 | 7,428,191 |
| Other operating expenses | 1,632,783 | 1,624,084 | 1,666,595 |
| Depreciation and amortisation | 329,437 | 339,437 | 366,929 |
| Grants and subsidies | 956,990 | 955,117 | 991,798 |
| Finance costs | 8,704 | 7,711 | 7,054 |
| Total Expenses Excluding Losses | 9,989,606 | 10,137,811 | 10,460,567 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 328,402 | 344,812 | 356,657 |
| Investment income | 26,788 | 30,388 | 30,306 |
| Grants and contributions | 312,330 | 328,616 | 337,589 |
| Other revenue | 8,902 | 10,376 | 32,177 |
| Total Retained Revenue | 676,422 | 714,192 | 756,729 |
| Gain/(loss) on disposal of non current assets | ... | 12,000 | ... |
| Other gains/(losses) | ... | (6) | ... |
| NET COST OF SERVICES | 9,313,184 | 9,411,625 | 9,703,838 |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

24 DEPARTMENT OF EDUCATION AND TRAINING

| | 2006-07 | | 2007-08 Budget \$000 |
|---|--------------------|--------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 6,532,648 | 6,684,745 | 6,838,957 |
| Grants and subsidies | 956,390 | 954,517 | 991,198 |
| Finance costs | 8,704 | 7,711 | 7,054 |
| Other | 1,860,414 | 1,852,575 | 1,938,750 |
| Total Payments | 9,358,156 | 9,499,548 | 9,775,959 |
| Receipts | | | |
| Sale of goods and services | 328,402 | 344,916 | 356,657 |
| Interest | 26,788 | 30,388 | 30,306 |
| Other | 547,534 | 584,079 | 621,082 |
| Total Receipts | 902,724 | 959,383 | 1,008,045 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (8,455,432) | (8,540,165) | (8,767,914) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 48,000 | 126,601 | 14,400 |
| Proceeds from sale of investments | ... | ... | 38 |
| Purchases of property, plant and equipment | (551,655) | (551,618) | (551,703) |
| Purchases of investments | ... | ... | (38) |
| Other | (6,000) | (11,800) | (11,800) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (509,655) | (436,817) | (549,103) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | (33,228) | (77,377) | (1,309) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (33,228) | (77,377) | (1,309) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 8,481,037 | 8,545,460 | 8,838,372 |
| Capital appropriation | 494,684 | 509,177 | 528,388 |
| Cash transfers to Consolidated Fund | ... | (4,892) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 8,975,721 | 9,049,745 | 9,366,760 |
| NET INCREASE/(DECREASE) IN CASH | (22,594) | (4,614) | 48,434 |
| Opening Cash and Cash Equivalents | 518,326 | 553,074 | 548,460 |
| CLOSING CASH AND CASH EQUIVALENTS | 495,732 | 548,460 | 596,894 |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

24 DEPARTMENT OF EDUCATION AND TRAINING

| | 2006-07 | |
|--------|---------|----------------|
| Budget | Revised | 2007-08 |
| \$000 | \$000 | Budget |
| \$000 | \$000 | \$000 |

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

| | | | |
|--|--------------------|--------------------|--------------------|
| Net cost of services | (9,313,184) | (9,411,625) | (9,703,838) |
| Non cash items added back | 835,090 | 855,490 | 916,394 |
| Change in operating assets and liabilities | 22,662 | 15,970 | 19,530 |
| Net cash flow from operating activities | (8,455,432) | (8,540,165) | (8,767,914) |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

24 DEPARTMENT OF EDUCATION AND TRAINING

| | 2006-07 | | 2007-08 |
|--------------------------------------|-------------------|-------------------|-------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 495,732 | 548,460 | 596,894 |
| Receivables | 71,482 | 82,805 | 83,508 |
| Other financial assets | 165 | 5 | 5 |
| Assets held for sale | 60,621 | 83,262 | 68,862 |
| Other | 7,199 | 520 | 520 |
| Total Current Assets | 635,199 | 715,052 | 749,789 |
| Non Current Assets - | | | |
| Receivables | 3,326 | 4,826 | 4,826 |
| Other financial assets | 264 | 428 | 428 |
| Property, plant and equipment - | | | |
| Land and building | 15,207,731 | 16,761,601 | 16,944,129 |
| Plant and equipment | 294,745 | 261,926 | 325,243 |
| Intangibles | 23,780 | 33,160 | 37,137 |
| Total Non Current Assets | 15,529,846 | 17,061,941 | 17,311,763 |
| Total Assets | 16,165,045 | 17,776,993 | 18,061,552 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 175,478 | 266,816 | 277,361 |
| Borrowings at amortised cost | 16,309 | 1,309 | 1,619 |
| Provisions | 98,183 | 212,485 | 215,385 |
| Other | 45,849 | 53,557 | 53,557 |
| Total Current Liabilities | 335,819 | 534,167 | 547,922 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 125,238 | 96,089 | 147,718 |
| Provisions | 149,311 | 28,545 | 35,333 |
| Total Non Current Liabilities | 274,549 | 124,634 | 183,051 |
| Total Liabilities | 610,368 | 658,801 | 730,973 |
| NET ASSETS | 15,554,677 | 17,118,192 | 17,330,579 |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

24 DEPARTMENT OF EDUCATION AND TRAINING

| | 2006-07 | | 2007-08 |
|-----------------------------|-------------------|-------------------|-------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| BALANCE SHEET (cont) | | | |
| EQUITY | | | |
| Reserves | 3,139,871 | 4,727,665 | 4,727,665 |
| Accumulated funds | 12,414,806 | 12,390,527 | 12,602,914 |
| TOTAL EQUITY | 15,554,677 | 17,118,192 | 17,330,579 |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

25 OFFICE OF THE BOARD OF STUDIES

| | 2006-07 | | 2007-08 |
|---|---------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 76,404 | 77,134 | 79,581 |
| Other operating expenses | 21,613 | 21,616 | 21,828 |
| Depreciation and amortisation | 1,494 | 1,494 | 1,207 |
| Finance costs | 23 | 23 | 24 |
| Total Expenses Excluding Losses | 99,534 | 100,267 | 102,640 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 5,138 | 5,880 | 5,457 |
| Investment income | 200 | 270 | 250 |
| Grants and contributions | 600 | 830 | 773 |
| Other revenue | 309 | 460 | 279 |
| Total Retained Revenue | 6,247 | 7,440 | 6,759 |
| Gain/(loss) on disposal of non current assets | 10 | 10 | 10 |
| NET COST OF SERVICES | 93,277 | 92,817 | 95,871 |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

25 OFFICE OF THE BOARD OF STUDIES

| | 2006-07 | | 2007-08 |
|---|-----------------|-----------------|-----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 74,672 | 75,402 | 77,776 |
| Other | 23,304 | 25,046 | 26,623 |
| Total Payments | 97,976 | 100,448 | 104,399 |
| Receipts | | | |
| Sale of goods and services | 5,138 | 5,880 | 5,457 |
| Interest | 200 | 270 | 250 |
| Other | 2,600 | 4,743 | 5,847 |
| Total Receipts | 7,938 | 10,893 | 11,554 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (90,038) | (89,555) | (92,845) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 30 | 30 | 30 |
| Purchases of property, plant and equipment | (416) | (416) | (287) |
| Other | (400) | (400) | (200) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (786) | (786) | (457) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 90,093 | 90,296 | 92,896 |
| Capital appropriation | 816 | 816 | 487 |
| NET CASH FLOWS FROM GOVERNMENT | 90,909 | 91,112 | 93,383 |
| NET INCREASE/(DECREASE) IN CASH | 85 | 771 | 81 |
| Opening Cash and Cash Equivalents | 4,080 | 5,580 | 6,351 |
| CLOSING CASH AND CASH EQUIVALENTS | 4,165 | 6,351 | 6,432 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (93,277) | (92,817) | (95,871) |
| Non cash items added back | 3,070 | 3,070 | 2,846 |
| Change in operating assets and liabilities | 169 | 192 | 180 |
| Net cash flow from operating activities | (90,038) | (89,555) | (92,845) |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

25 OFFICE OF THE BOARD OF STUDIES

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 4,165 | 6,351 | 6,432 |
| Receivables | 753 | 860 | 860 |
| Inventories | 2,485 | 2,542 | 2,542 |
| Other | 203 | ... | ... |
| Total Current Assets | 7,606 | 9,753 | 9,834 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 931 | 886 | 700 |
| Plant and equipment | 1,465 | 1,452 | 1,248 |
| Intangibles | 2,040 | 2,027 | 1,677 |
| Total Non Current Assets | 4,436 | 4,365 | 3,625 |
| Total Assets | 12,042 | 14,118 | 13,459 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 780 | 1,160 | 1,220 |
| Provisions | 1,310 | 2,187 | 2,289 |
| Other | ... | 1,595 | 1,595 |
| Total Current Liabilities | 2,090 | 4,942 | 5,104 |
| Non Current Liabilities - | | | |
| Provisions | 681 | 29 | 33 |
| Other | 447 | 447 | 471 |
| Total Non Current Liabilities | 1,128 | 476 | 504 |
| Total Liabilities | 3,218 | 5,418 | 5,608 |
| NET ASSETS | 8,824 | 8,700 | 7,851 |
| EQUITY | | | |
| Accumulated funds | 8,824 | 8,700 | 7,851 |
| TOTAL EQUITY | 8,824 | 8,700 | 7,851 |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

**BUILDING AND CONSTRUCTION INDUSTRY LONG SERVICE
PAYMENTS CORPORATION**

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 32,850 | 69,195 | 37,650 |
| Retained taxes, fees and fines | 69,000 | 71,000 | 72,200 |
| Other revenue | 5 | 2 | 5 |
| Total Retained Revenue | 101,855 | 140,197 | 109,855 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 5,820 | 900 | 550 |
| Other operating expenses* | 3,795 | 8,146 | 8,841 |
| Depreciation and amortisation | 655 | 509 | 935 |
| Other expenses | 89,400 | 90,437 | 96,700 |
| Total Expenses Excluding Losses | 99,670 | 99,992 | 107,026 |
| Gain/(loss) on disposal of non current assets | 10 | 3 | ... |
| Other gains/(losses) | (8) | (8) | (10) |
| SURPLUS/(DEFICIT) | 2,187 | 40,200 | 2,819 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

**BUILDING AND CONSTRUCTION INDUSTRY LONG SERVICE
PAYMENTS CORPORATION**

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Retained taxes | 68,500 | 69,381 | 70,800 |
| Interest | 150 | 495 | 250 |
| Other | 257 | 459 | 320 |
| Total Receipts | 68,907 | 70,335 | 71,370 |
| Payments | | | |
| Employee related* | 5,528 | 43 | 550 |
| Other* | 54,449 | 59,022 | 84,000 |
| Total Payments | 59,977 | 59,065 | 84,550 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 8,930 | 11,270 | (13,180) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 20 | 29 | ... |
| Proceeds from sale of investments | ... | ... | 11,000 |
| Purchases of property, plant and equipment | (200) | (70) | (750) |
| Purchases of investments | (8,000) | (10,000) | ... |
| Other | (250) | (180) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (8,430) | (10,221) | 10,250 |
| NET INCREASE/(DECREASE) IN CASH | 500 | 1,049 | (2,930) |
| Opening Cash and Cash Equivalents | 3,001 | 6,952 | 8,001 |
| CLOSING CASH AND CASH EQUIVALENTS | 3,501 | 8,001 | 5,071 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 2,187 | 40,200 | 2,819 |
| Non cash items added back | (32,045) | (68,191) | (36,465) |
| Change in operating assets and liabilities | 38,788 | 39,261 | 20,466 |
| Net cash flow from operating activities | 8,930 | 11,270 | (13,180) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

**BUILDING AND CONSTRUCTION INDUSTRY LONG SERVICE
PAYMENTS CORPORATION**

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 3,501 | 8,001 | 5,071 |
| Receivables | 4,150 | 4,275 | 4,250 |
| Other | 100 | ... | ... |
| Total Current Assets | 7,751 | 12,276 | 9,321 |
| Non Current Assets - | | | |
| Other financial assets | 531,621 | 564,105 | 590,505 |
| Property, plant and equipment - Plant and equipment | 892 | 631 | 886 |
| Intangibles | 1,716 | 1,825 | 1,385 |
| Total Non Current Assets | 534,229 | 566,561 | 592,776 |
| Total Assets | 541,980 | 578,837 | 602,097 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 946 | 2,786 | 2,827 |
| Provisions | 57,590 | 57,100 | 57,700 |
| Total Current Liabilities | 58,536 | 59,886 | 60,527 |
| Non Current Liabilities - | | | |
| Provisions | 504,520 | 495,000 | 514,800 |
| Total Non Current Liabilities | 504,520 | 495,000 | 514,800 |
| Total Liabilities | 563,056 | 554,886 | 575,327 |
| NET ASSETS | (21,076) | 23,951 | 26,770 |
| EQUITY | | | |
| Accumulated funds | (21,076) | 23,951 | 26,770 |
| TOTAL EQUITY | (21,076) | 23,951 | 26,770 |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

MOTOR ACCIDENTS AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 1,017 | 1,000 | 577 |
| Retained taxes, fees and fines | 35,516 | 35,000 | 37,303 |
| Other revenue* | 167 | (24,102) | (14,161) |
| Total Retained Revenue | 36,700 | 11,898 | 23,719 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related** | 16,395 | 10,116 | 12,927 |
| Other operating expenses | 22,045 | 19,725 | 18,564 |
| Depreciation and amortisation | 269 | 269 | 261 |
| Grants and subsidies* | ... | (17,182) | (6,845) |
| Total Expenses Excluding Losses | 38,709 | 12,928 | 24,907 |
| Gain/(loss) on disposal of non current assets | ... | ... | 84 |
| SURPLUS/(DEFICIT) | (2,009) | (1,030) | (1,104) |

* Variations from the 2006-07 Budget are due to revaluation adjustments and final payments in connection with HIH liabilities.

** Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

MOTOR ACCIDENTS AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Retained taxes | 36,016 | 35,780 | 37,303 |
| Interest | 1,017 | 1,000 | 577 |
| Other | 23,481 | (1,502) | 6,932 |
| Total Receipts | 60,514 | 35,278 | 44,812 |
| Payments | | | |
| Employee related | 17,166 | 12,858 | 12,927 |
| Grants and subsidies | ... | 7,000 | 7,556 |
| Other | 48,476 | 18,876 | 28,372 |
| Total Payments | 65,642 | 38,734 | 48,855 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (5,128) | (3,456) | (4,043) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | ... | 84 |
| Purchases of property, plant and equipment | (195) | (1,206) | (50) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (195) | (1,206) | 34 |
| NET INCREASE/(DECREASE) IN CASH | (5,323) | (4,662) | (4,009) |
| Opening Cash and Cash Equivalents | 16,597 | 20,927 | 16,265 |
| CLOSING CASH AND CASH EQUIVALENTS | 11,274 | 16,265 | 12,256 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (2,009) | (1,030) | (1,104) |
| Non cash items added back | 269 | 269 | 261 |
| Change in operating assets and liabilities | (3,388) | (2,695) | (3,200) |
| Net cash flow from operating activities | (5,128) | (3,456) | (4,043) |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

MOTOR ACCIDENTS AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 11,274 | 16,265 | 12,256 |
| Receivables | 20,985 | 24,488 | 20,325 |
| Other | 1,000 | ... | ... |
| Total Current Assets | 33,259 | 40,753 | 32,581 |
| Non Current Assets - | | | |
| Receivables | 77,123 | 48,888 | 33,313 |
| Property, plant and equipment - Land and building | 781 | 1,781 | 1,540 |
| Plant and equipment | 89 | 163 | 193 |
| Total Non Current Assets | 77,993 | 50,832 | 35,046 |
| Total Assets | 111,252 | 91,585 | 67,627 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 5 | ... | 5 |
| Provisions | 631 | 550 | ... |
| Other | 17,085 | 21,138 | 15,575 |
| Total Current Liabilities | 17,721 | 21,688 | 15,580 |
| Non Current Liabilities - | | | |
| Provisions | 1,171 | ... | ... |
| Other | 77,123 | 50,059 | 33,313 |
| Total Non Current Liabilities | 78,294 | 50,059 | 33,313 |
| Total Liabilities | 96,015 | 71,747 | 48,893 |
| NET ASSETS | 15,237 | 19,838 | 18,734 |
| EQUITY | | | |
| Accumulated funds | 15,237 | 19,838 | 18,734 |
| TOTAL EQUITY | 15,237 | 19,838 | 18,734 |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

OFFICE OF THE MOTOR ACCIDENTS AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services* | ... | 13,490 | 15,069 |
| Total Retained Revenue | ... | 13,490 | 15,069 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | ... | 13,490 | 14,007 |
| Other operating expenses | ... | ... | 987 |
| Depreciation and amortisation | ... | ... | 75 |
| Total Expenses Excluding Losses | ... | 13,490 | 15,069 |
| SURPLUS/(DEFICIT) | ... | ... | ... |

* The agency was created to provide personnel services to agencies as part of the State's WorkChoices insulation legislation.

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

OFFICE OF THE MOTOR ACCIDENTS AUTHORITY

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | ... | 11,769 | 16,790 |
| Total Receipts | ... | 11,769 | 16,790 |
| Payments | | | |
| Employee related | ... | 11,769 | 11,640 |
| Other | ... | ... | 987 |
| Total Payments | ... | 11,769 | 12,627 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | ... | ... | 4,163 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | ... | ... | (76) |
| Other | ... | ... | (300) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | ... | ... | (376) |
| NET INCREASE/(DECREASE) IN CASH | ... | ... | 3,787 |
| CLOSING CASH AND CASH EQUIVALENTS | ... | ... | 3,787 |
| CASH FLOW RECONCILIATION | | | |
| Non cash items added back | ... | ... | 75 |
| Change in operating assets and liabilities | ... | ... | 4,088 |
| Net cash flow from operating activities | ... | ... | 4,163 |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

OFFICE OF THE MOTOR ACCIDENTS AUTHORITY

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | ... | ... | 3,787 |
| Receivables | ... | 550 | ... |
| Total Current Assets | ... | 550 | 3,787 |
| Non Current Assets - | | | |
| Receivables | ... | 1,171 | ... |
| Property, plant and equipment - Plant and equipment | ... | ... | 51 |
| Intangibles | ... | ... | 250 |
| Total Non Current Assets | ... | 1,171 | 301 |
| Total Assets | ... | 1,721 | 4,088 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Provisions | ... | 550 | 2,741 |
| Total Current Liabilities | ... | 550 | 2,741 |
| Non Current Liabilities - | | | |
| Provisions | ... | 1,171 | 1,347 |
| Total Non Current Liabilities | ... | 1,171 | 1,347 |
| Total Liabilities | ... | 1,721 | 4,088 |
| NET ASSETS | ... | ... | ... |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

WORKERS' COMPENSATION (DUST DISEASES) BOARD

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 350 | 490 | 569 |
| Investment income | 47,428 | 82,590 | 70,048 |
| Retained taxes, fees and fines* | 56,596 | 23,559 | 30,825 |
| Other revenue | 16,524 | 1,180 | 600 |
| Total Retained Revenue | 120,898 | 107,819 | 102,042 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related** | 3,942 | ... | ... |
| Other operating expenses**, *** | 79,427 | (3,308) | (4,044) |
| Depreciation and amortisation | 339 | 373 | 611 |
| Grants and subsidies | 6,455 | 13,962 | 6,222 |
| Finance costs*** | ... | 96,795 | 99,251 |
| Total Expenses Excluding Losses | 90,163 | 107,822 | 102,040 |
| Gain/(loss) on disposal of non current assets | 20 | 3 | (2) |
| Other gains/(losses) | (4) | ... | ... |
| SURPLUS/(DEFICIT) | 30,751 | ... | ... |

* The level of future contributions required to meet liabilities is reduced mainly due to increased investment returns and recognising changes in market value of investments through the operating statement rather than being capitalised to an investment reserve.

** Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

*** Reclassification between line items from the 2006-07 Budget is due to the introduction of Australian Equivalents to International Financial Reporting Standards.

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

WORKERS' COMPENSATION (DUST DISEASES) BOARD

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 374 | 490 | 569 |
| Retained taxes | 72,987 | 79,558 | 90,379 |
| Interest | 3,210 | 64,582 | 62,437 |
| Other | 2,096 | 11,848 | (2,618) |
| Total Receipts | 78,667 | 156,478 | 150,767 |
| Payments | | | |
| Employee related* | 3,926 | ... | ... |
| Grants and subsidies | 6,455 | 13,962 | 6,222 |
| Other*, ** | 59,232 | 78,035 | 82,139 |
| Total Payments | 69,613 | 91,997 | 88,361 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 9,054 | 64,481 | 62,406 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 30 | 62 | 30 |
| Proceeds from sale of investments | 164,195 | 125,639 | 80,000 |
| Purchases of property, plant and equipment | (100) | (3,590) | (2,677) |
| Purchases of investments | (155,699) | (124,848) | (93,974) |
| Other | (12) | (3) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 8,414 | (2,740) | (16,621) |
| NET INCREASE/(DECREASE) IN CASH | 17,468 | 61,741 | 45,785 |
| Opening Cash and Cash Equivalents | 3,762 | 25,695 | 87,436 |
| CLOSING CASH AND CASH EQUIVALENTS | 21,230 | 87,436 | 133,221 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 30,751 | ... | ... |
| Non cash items added back | (43,879) | (17,635) | (7,000) |
| Change in operating assets and liabilities | 22,182 | 82,116 | 69,406 |
| Net cash flow from operating activities | 9,054 | 64,481 | 62,406 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

** Reclassification between line items from the 2006-07 Budget is due to the introduction of Australian Equivalents to International Financial Reporting Standards.

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

WORKERS' COMPENSATION (DUST DISEASES) BOARD

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|------------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 21,230 | 87,436 | 133,221 |
| Receivables | 13,191 | 3,408 | 7,342 |
| Other financial assets | 237,033 | 106,436 | 115,622 |
| Other | 18 | ... | ... |
| Total Current Assets | 271,472 | 197,280 | 256,185 |
| Non Current Assets - | | | |
| Receivables | 970,835 | 900,309 | 840,645 |
| Other financial assets | 403,028 | 467,546 | 479,945 |
| Property, plant and equipment - | | | |
| Land and building | 3,101 | 5,724 | 5,692 |
| Plant and equipment | 208 | 2,177 | 4,282 |
| Intangibles | 9 | 42 | 3 |
| Total Non Current Assets | 1,377,181 | 1,375,798 | 1,330,567 |
| Total Assets | 1,648,653 | 1,573,078 | 1,586,752 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 1,239 | 1,250 | 1,300 |
| Provisions | 74,826 | 82,988 | 88,543 |
| Total Current Liabilities | 76,065 | 84,238 | 89,843 |
| Non Current Liabilities - | | | |
| Provisions | 1,464,295 | 1,487,066 | 1,495,283 |
| Other | ... | 148 | ... |
| Total Non Current Liabilities | 1,464,295 | 1,487,214 | 1,495,283 |
| Total Liabilities | 1,540,360 | 1,571,452 | 1,585,126 |
| NET ASSETS | 108,293 | 1,626 | 1,626 |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

WORKERS' COMPENSATION (DUST DISEASES) BOARD

| | 2006-07 | | 2007-08 |
|-----------------------------|----------------|--------------|--------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| BALANCE SHEET (cont) | | | |
| EQUITY | | | |
| Reserves* | 86,975 | 1,626 | 1,626 |
| Accumulated funds | 21,318 | ... | ... |
| TOTAL EQUITY | 108,293 | 1,626 | 1,626 |

* Movement in the market value of investments previously capitalised to an investment reserve, now brought to account through the operating statement.

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

WORKCOVER AUTHORITY

| | 2006-07 | | 2007-08 |
|--|-----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 42,109 | 33,781 | 42,796 |
| Investment income | 15,083 | 35,000 | 14,300 |
| Retained taxes, fees and fines* | 181,759 | 156,898 | 171,720 |
| Other revenue | 4,548 | 5,663 | 4,596 |
| Total Retained Revenue | 243,499 | 231,342 | 233,412 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related** | 105,601 | 5,114 | 4,768 |
| Other operating expenses** | 105,910 | 186,276 | 182,189 |
| Depreciation and amortisation | 11,167 | 11,167 | 12,505 |
| Grants and subsidies | 9,600 | 5,511 | 6,300 |
| Other expenses | 33,727 | 27,130 | 32,831 |
| Total Expenses Excluding Losses | 266,005 | 235,198 | 238,593 |
| Other gains/(losses) | (2) | ... | ... |
| SURPLUS/(DEFICIT) | (22,508) | (3,856) | (5,181) |

* WorkCover receives a levy of 4 per cent of premiums paid to the Scheme. The 25 per cent reduction in workers compensation premiums since 31 December 2005 has resulted in a reduction in the levy.

** Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

WORKCOVER AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|---|------------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 42,787 | 29,619 | 42,796 |
| Retained taxes* | 174,283 | 156,390 | 171,720 |
| Other | 4,548 | 4,238 | 4,596 |
| Total Receipts | 221,618 | 190,247 | 219,112 |
| Payments | | | |
| Employee related** | 109,106 | 31,939 | 6,368 |
| Grants and subsidies | 9,600 | 5,511 | 6,300 |
| Other** | 254,580 | 195,185 | 314,788 |
| Total Payments | 373,286 | 232,635 | 327,456 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (151,668) | (42,388) | (108,344) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of investments | 175,669 | 4,259 | 218,649 |
| Purchases of property, plant and equipment | (4,106) | 2,936 | (4,825) |
| Purchases of investments | (17,478) | ... | ... |
| Other | (8,590) | (8,280) | (6,350) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 145,495 | (1,085) | 207,474 |
| NET INCREASE/(DECREASE) IN CASH | (6,173) | (43,473) | 99,130 |
| Opening Cash and Cash Equivalents | 29,684 | 48,919 | 5,446 |
| CLOSING CASH AND/ CASH EQUIVALENTS | 23,511 | 5,446 | 104,576 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (22,508) | (3,856) | (5,181) |
| Non cash items added back | (3,916) | (23,833) | (1,795) |
| Change in operating assets and liabilities | (125,244) | (14,699) | (101,368) |
| Net cash flow from operating activities | (151,668) | (42,388) | (108,344) |

* WorkCover receives a levy of 4 per cent of premiums paid to the Scheme. The 25 per cent reduction in workers compensation premiums since 31 December 2005 has resulted in a reduction in the levy

** Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

WORKCOVER AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 23,511 | 5,446 | 104,576 |
| Receivables | 30,900 | 44,244 | 44,244 |
| Other financial assets | 13,000 | ... | ... |
| Inventories | 15 | ... | ... |
| Other | 370 | ... | ... |
| Total Current Assets | 67,796 | 49,690 | 148,820 |
| Non Current Assets - | | | |
| Receivables | 17,128 | 30,330 | 30,330 |
| Other financial assets* | 154,482 | 336,756 | 132,407 |
| Property, plant and equipment - | | | |
| Land and building | 8,994 | 10,033 | 9,903 |
| Plant and equipment | 26,006 | 21,758 | 17,281 |
| Infrastructure systems | 924 | ... | ... |
| Intangibles | 26,136 | 24,508 | 27,110 |
| Total Non Current Assets | 233,670 | 423,385 | 217,031 |
| Total Assets | 301,466 | 473,075 | 365,851 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 12,015 | 60,209 | 59,692 |
| Provisions | 12,873 | 1,759 | 1,759 |
| Other | 13,114 | 18,265 | 11,240 |
| Total Current Liabilities | 38,002 | 80,233 | 72,691 |
| Non Current Liabilities - | | | |
| Provisions* | 205,093 | 225,249 | 130,748 |
| Other | 393 | 31,000 | 31,000 |
| Total Non Current Liabilities | 205,486 | 256,249 | 161,748 |
| Total Liabilities | 243,488 | 336,482 | 234,439 |
| NET ASSETS | 57,978 | 136,593 | 131,412 |

* In 2007-08 liabilities and financial assets relating to the Uninsured Liability and Indemnity Scheme will be transferred from WorkCover to the Scheme.

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

WORKCOVER AUTHORITY

| | 2006-07 | | 2007-08 |
|------------------------------------|---------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| <i>BALANCE SHEET (cont)</i> | | | |
| EQUITY | | | |
| Reserves | 49,408 | 11,054 | 11,054 |
| Accumulated funds | 8,570 | 125,539 | 120,358 |
| TOTAL EQUITY | 57,978 | 136,593 | 131,412 |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

OFFICE OF THE WORKCOVER AUTHORITY

| | 2006-07 | | 2007-08 |
|--|---------|---------|---------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services* | ... | 112,174 | 123,724 |
| Total Retained Revenue | ... | 112,174 | 123,724 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | ... | 112,174 | 123,724 |
| Total Expenses Excluding Losses | ... | 112,174 | 123,724 |
| SURPLUS/(DEFICIT) | ... | ... | ... |

* The agency was created to provide personnel services to agencies as part of the State's WorkChoices insulation legislation.

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

OFFICE OF THE WORKCOVER AUTHORITY

| | 2006-07 | | 2007-08 |
|---|---------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | ... | 120,908 | 123,715 |
| Total Receipts | ... | 120,908 | 123,715 |
| Payments | | | |
| Employee related | ... | 126,495 | 123,715 |
| Other | ... | (5,587) | ... |
| Total Payments | ... | 120,908 | 123,715 |

**MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR
INDUSTRIAL RELATIONS, MINISTER FOR THE CENTRAL COAST,
AND MINISTER ASSISTING THE MINISTER FOR FINANCE**

OFFICE OF THE WORKCOVER AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Receivables | ... | 30,394 | 30,551 |
| Other | ... | 5,587 | 5,587 |
| Total Current Assets | ... | 35,981 | 36,138 |
| Non Current Assets - | | | |
| Receivables | ... | 148 | ... |
| Property, plant and equipment - | | | |
| Total Non Current Assets | ... | 148 | ... |
| Total Assets | ... | 36,129 | 36,138 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | ... | 2,056 | 1,997 |
| Provisions | ... | 28,486 | 28,554 |
| Total Current Liabilities | ... | 30,542 | 30,551 |
| Non Current Liabilities - | | | |
| Other | ... | 5,587 | 5,587 |
| Total Non Current Liabilities | ... | 5,587 | 5,587 |
| Total Liabilities | ... | 36,129 | 36,138 |
| NET ASSETS | ... | ... | ... |

MINISTER FOR EMERGENCY SERVICES, AND MINISTER FOR WATER UTILITIES

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| New South Wales Fire Brigades | | | |
| Total Expenses | 479.1 | 504.4 | 5.3 |
| Capital Expenditure | 44.1 | 40.1 | -8.9 |
| Department of Rural Fire Service | | | |
| Total Expenses | 190.8 | 226.6 | 18.7 |
| Capital Expenditure | 9.5 | 8.9 | -6.0 |
| State Emergency Service | | | |
| Total Expenses | 37.1 | 46.2 | 24.6 |
| Capital Expenditure | 4.5 | 5.3 | 17.7 |
| Total, Minister for Emergency Services, and Minister for Water Utilities | | | |
| Total Expenses | 707.0 | 777.2 | 9.9 |
| Capital Expenditure | 58.1 | 54.3 | -6.5 |

In addition to the agencies listed above, the Minister is also supported by the Department of Water and Energy (Section 19) for the Water Utilities portfolio area.

NEW SOUTH WALES FIRE BRIGADES

The New South Wales Fire Brigades (NSWFB) provides emergency risk management services from 339 fire stations throughout New South Wales. The NSWFB promotes fire safety and manages fire emergencies for 90 per cent of the State's population and also protects all of the State from hazardous material incidents. The NSWFB is the largest provider of non-fire rescue services in New South Wales and is a key participant in planning State-wide counter-terrorism management. The NSW Fire Brigades' governing legislation is the *Fire Brigades Act 1989*.

RESULTS AND SERVICES

The NSWFB aims to enhance community safety, quality of life and confidence, by minimising the impact of hazards and emergency incidents on the people, environment and economy of New South Wales. This is achieved by working towards the following results:

- ◆ New South Wales emergency risks are accurately assessed.
- ◆ Emergency incidents are prevented where possible.
- ◆ Communities are resilient and well-prepared for likely risks.
- ◆ People in New South Wales can easily access fast, reliable, effective and safe emergency response.
- ◆ Disruption of the community is reduced during emergency events.

Key services provided by the NSWFB to contribute to these results include:

- ◆ providing community risk management services in which firefighters use their expertise and experience to inspect premises and educate others in preventing or preparing for emergencies;
- ◆ providing emergency management services in which firefighters provide rapid, reliable help in emergencies - 24 hours a day, seven days a week; and
- ◆ ensuring operational preparedness including developing and testing plans and training for emergencies.

RECENT DEVELOPMENTS

The NSWFB is funded 73.7 per cent by collections from insurance companies, 12.3 per cent by local government and 14 per cent by the State.

During 2006-07, new stations were opened at Hamlyn Terrace, Arncliffe and Bathurst.

By 30 June 2007, the NSWFB will have established 337 Community Fire Units crewed by 6,200 trained volunteers, including approximately 35 per cent women, who assist the fire services to protect homes from bushfire.

In 2006-07, additional funding was provided to:

- ◆ support the operational training program (\$1.7 million);
- ◆ support firefighter recruit training programs (\$1 million); and
- ◆ assist in the funding of retained firefighter costs (\$1.5 million).

STRATEGIC DIRECTIONS

The NSWFB continues to develop initiatives to achieve its vision of Excellence in Emergency Risk Management by maximising the effectiveness and efficiency of service delivery.

A \$72 million program to purchase state-of-the-art urban and rural fire engines, including \$7 million brought forward from 2007-08 to 2006-07, will continue over the next four years. Also, the NSWFB will receive \$43.7 million for information and communications technology over the same period.

Over the next four years, the NSWFB will receive \$16.9 million in capital funding for the purchase of firefighter safety and counter-terrorism equipment. This will significantly increase the NSWFB's capability for counter-terrorism and hazardous materials response.

Over the next four years, the expenditure of the NSWFB will be \$2.1 million recurrent and \$6.4 million capital to establish up to 400 additional Community Fire Units and to maintain and restock existing units.

2007-08 BUDGET

Total Expenses

Total expenses in 2007-08 are budgeted to be \$504.4 million, an increase of 5.3 per cent on the 2006-07 Budget. In 2007-08, the NSWFB will receive funding to:

- ◆ replace the Human Resources Reporting System (\$0.7 million);
- ◆ replace the Record Management System (\$0.5 million);
- ◆ assist in the support of community fire units (\$0.2 million); and
- ◆ improve the capability for firefighting and counter-terrorism (\$1.3 million).

Capital Expenditure

In 2007-08, the NSWFB's capital works program is \$40.1 million. This will fund capital works projects including:

- ◆ \$11 million for continuation of an ongoing program to acquire and replace firefighting appliances;
- ◆ \$3.4 million for the Human Resources Reporting System;
- ◆ \$1 million for the Records Management System;
- ◆ \$5 million for fire station building renovations at Bellingen, Brunswick Heads, Camden, Eastwood, Forster, Greenacre, Huntingwood, Jerilderie, Kyogle, Lidcome, Miranda, Moama, Scarborough and Yamba;
- ◆ \$2.4 million for community fire units; and
- ◆ \$17.3 million for plant and equipment and information technology and communications equipment.

This capital expenditure will benefit both city and rural areas of New South Wales and will continue to address the need for additional facilities in growth areas.

DEPARTMENT OF RURAL FIRE SERVICE

The Department of Rural Fire Service provides a community-based fire service for more than 95 per cent of the State. In doing so, the Service relies on nearly 70,000 volunteers to provide most of its operational and risk management capabilities.

The fire management and fire protection responsibilities of the Service arise from the *Rural Fires Act, 1997*.

The Service is also the host agency for the Office for Emergency Services. The Office is responsible for policy advice to the Minister, as well as providing administrative support to the State Emergency Management Committee, the State Rescue Board and the Natural Disaster Mitigation Program.

RESULTS AND SERVICES

In order to protect the community and our environment, the Department of Rural Fire Service manages the impact of fire and other emergencies by providing the highest standards of safety, training, community awareness, prevention and operational capability. In particular, the Service achieves this by working towards the following results:

- ◆ The community is provided with fire fighting services.
- ◆ The risk and cost of fire to the community is reduced.
- ◆ Fire fighters are safe when responding to emergency incidents.
- ◆ The management of interagency responses to fires and other emergencies is improved.

Key services provided by the Service to contribute to these results include:

- ◆ responding to emergency incidents to prevent injury and loss; and
- ◆ increasing community awareness of the risk posed by bushfires and their participation in minimising that risk.

RECENT DEVELOPMENTS

Expenditure by the Service on bushfire fighting activities is financed by the Consolidated Fund (13 per cent), local government (13.3 per cent) and the insurance industry (73.7 per cent).

The State contribution towards fire fighting services is paid into the Rural Fire Fighting Fund along with the contributions from insurance companies and councils. In 2007-08 contributions provided to the Fund will total \$198.6 million, or \$30.5 million more than in 2006-07.

In 2006-07 funding was provided to:

- ◆ continue the tanker upgrade program for local brigades (\$34.1 million);
- ◆ fund maintenance grants to local councils (\$13.2 million);
- ◆ continue subsidies to councils for brigade stations (\$10 million); and
- ◆ make available funds to the Office for Emergency Services for grants under the Natural Disaster Mitigation Program (\$7.7 million) and the Bushfire Mitigation Program (\$2.7 million).

STRATEGIC DIRECTIONS

The Department of Rural Fire Service is an integral part of a complex bushfire management infrastructure comprising volunteer rural fire brigades, local government councils, land management agencies and other fire authorities.

The Service continues to respond to a wide range of emerging priorities and issues generated through government and community expectations, developments in emergency sector technology as well as through the initiative and contribution of staff and volunteers. The response is encapsulated in the following areas:

- ◆ improving the safety of the community by mitigating the impact of fire through the implementation of programs associated with raising community fire awareness, regulating land use and the management of fuel levels;
- ◆ establishing planning, management and information systems to improve the allocation of resources; and
- ◆ recognising the importance of the contribution of our volunteers, by improving their safety and identifying programs that will accommodate the demands of lifestyles as well as facilitating their involvement in Service activities.

2007-08 BUDGET

Total Expenses

Department of Rural Fire Service 2007-08 expenses are budgeted at \$226.6 million, an increase of 18.7 per cent compared to 2006-07. This increase reflects additional funding for bushfire mitigation works (\$10.4 million), the Commonwealth–State Government Bushfire Mitigation Program (\$4.6 million), the Natural Disaster Mitigation Program (\$1.2 million) and expanding the Bushfire Tanker Replacement, and Brigade Stations and Fire Control Centre Upgrade Programs (\$18.6 million).

Additional funding of \$23.9 million over four years has been provided for the Bushfire Tanker Replacement Program and \$53.2 million over four years for the upgrading of Brigade Stations and Fire Control Centres. The Bushfire Tanker Program will allow the Service to replace and upgrade tankers.

This level of funding will allow the Rural Fire Service to:

- ◆ continue to purchase new and refurbished tankers for local brigades (\$34.5 million);

- ◆ fund maintenance grants to local brigades (\$14 million);
- ◆ continue subsidies to councils for new and upgraded brigade stations and control centres including the installation of rainwater tanks (\$15 million); and
- ◆ provide expenses and staffing to districts (\$42.4 million).

Also included is funding to the Office for Emergency Services for:

- ◆ the Natural Disaster Mitigation Program (\$16.2 million), and
- ◆ the Bushfire Mitigation Program (\$4.6 million).

Capital Expenditure

The Department of Rural Fire Service's \$8.9 million 2007-08 asset capital expenditure program includes provision for the following projects:

- ◆ acquisition of motor vehicles (\$6.5 million); and
- ◆ purchase of computers and other small items of equipment (\$2.4 million).

STATE EMERGENCY SERVICE

The State Emergency Service (SES) is a volunteer based emergency management response and rescue agency, established by the *State Emergency Service Act 1989*.

The Service is the nominated combat agency responsible for floods and storms under the State Disaster Plan. The Service also has responsibility for 90 accredited rescue units and assisting the NSW Police Force, New South Wales Fire Brigades, Department of Rural Fire Service, NSW Ambulance Service and the State Emergency Operations Controller.

The Service's vision is "safe communities supported by motivated, well trained, managed and equipped volunteers". The Service delivers this vision for New South Wales through 10,000 dedicated volunteers across 228 units, supported by 17 regional headquarters and the State headquarters.

RESULTS AND SERVICES

The Service aims to provide a safer and more resilient community by carrying out emergency management functions relating to prevention, preparation, response and recovery. The key results set by the Service are:

- ◆ Emergency service support and assistance to the community are effective before, during and after floods, storms and other emergency events.
- ◆ SES volunteers are prepared, trained and well-equipped to be operationally ready to deal with emergency operations.
- ◆ Communities are educated and prepared to deal with emergency situations.
- ◆ Emergency risk management processes are effective in dealing with continuing risk.

Key services provided by the Service to contribute to these results include:

- ◆ flood emergency management;
- ◆ storm emergency management;
- ◆ rescue services including motor vehicle accidents, land search and vertical rescue;
- ◆ welfare support during emergencies;
- ◆ the conduct of education campaigns (residents, businesses and schools) targeting communities to be better prepared, particularly those in flood prone areas; and
- ◆ advice to councils and other agencies on the suitability of development, especially on flood plains.

RECENT DEVELOPMENTS

The SES has received significant funding increases in recent financial years. This additional funding has enabled the SES to address major priorities in the areas of rescue equipment, protective clothing for all volunteers, nationally recognised competency based training, maintenance of communication equipment, new regional headquarters, additional staff at both state and regional level, and a 24x7 Operations Communication Centre to ensure that calls for help are processed and dispatched in a more timely and efficient manner.

In addition, the Service has delivered a number of computerised projects including the “Request for Assistance” system providing operational management systems for the Operations Communications Centre and regional and unit headquarters.

STRATEGIC DIRECTIONS

The Service is employing a number of strategies to deliver its results and services. These include:

- ◆ continued development of flood intelligence capabilities;
- ◆ delivery of community education at the local level through the facilitation of trained volunteer community education officers;
- ◆ developing telecommunication capabilities to deal with changing telecommunication systems;
- ◆ provision of a governance framework, establishment of standard operating environments for software and hardware and the implementation of a information security management framework;
- ◆ provision of a robust, secure and redundant Wide Area Network; and
- ◆ development and implementation of information services and knowledge management through SES On-Line.

2007-08 BUDGET

Total Expenses

The State Emergency Service’s total expenses are budgeted at \$46.2 million in 2007-08, an increase of 24.6 per cent compared to 2006–07. The increase is mainly due to the organisational capability initiative and increases in depreciation due to asset revaluations in prior years.

In 2007-08, the Service will fund the following:

- ◆ an additional \$0.6 million for the operational expenses of the communication systems;
- ◆ an additional \$1.7 million for the operational expenses information and management technology systems; and
- ◆ an additional \$1.1 million to improve SES organisational capability.

Capital Expenditure

The State Emergency Service capital program is estimated at \$5.3 million in 2007-08.

Capital funding will continue in the following areas:

- ◆ \$1.8 million for communication and paging systems;
- ◆ \$1.4 million for rescue equipment;
- ◆ \$0.3 million to replace motorised hydraulic cutters for road crash rescue units;
- ◆ an additional \$1.4 million for the construction of a warehouse facility for the storage of storm damage mitigation equipment; and
- ◆ an additional \$0.4 million to provide emergency power at State headquarters.

**MINISTER FOR EMERGENCY SERVICES, AND MINISTER FOR
WATER UTILITIES**

26 NEW SOUTH WALES FIRE BRIGADES

| | 2006-07 | | 2007-08 |
|---|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 388,122 | 401,193 | 409,879 |
| Other operating expenses | 61,807 | 64,686 | 63,560 |
| Depreciation and amortisation | 29,047 | 30,000 | 30,947 |
| Finance costs | 132 | 75 | 20 |
| Total Expenses Excluding Losses | 479,108 | 495,954 | 504,406 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 11,238 | 8,129 | 7,590 |
| Investment income | 2,171 | 3,500 | 2,171 |
| Retained taxes, fees and fines | 3,000 | 9,699 | 8,648 |
| Grants and contributions | ... | 283 | ... |
| Other revenue | 91 | 5,115 | 2,605 |
| Total Retained Revenue | 16,500 | 26,726 | 21,014 |
| Gain/(loss) on disposal of non current assets | ... | 1,327 | ... |
| Other gains/(losses) | (900) | (120) | (120) |
| NET COST OF SERVICES | 463,508 | 468,021 | 483,512 |

**MINISTER FOR EMERGENCY SERVICES, AND MINISTER FOR
WATER UTILITIES**

26 NEW SOUTH WALES FIRE BRIGADES

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 388,122 | 401,193 | 409,879 |
| Finance costs | 132 | 75 | 20 |
| Other | 71,007 | 73,904 | 73,340 |
| Total Payments | 459,261 | 475,172 | 483,239 |
| Receipts | | | |
| Sale of goods and services | 9,838 | 7,772 | 7,470 |
| Retained taxes | 3,000 | 4,051 | 3,000 |
| Interest | 2,171 | 3,500 | 2,171 |
| Other | 9,291 | 20,306 | 17,453 |
| Total Receipts | 24,300 | 35,629 | 30,094 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (434,961) | (439,543) | (453,145) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 3,327 | ... |
| Purchases of property, plant and equipment | (44,069) | (48,803) | (40,134) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (44,069) | (45,476) | (40,134) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | 800 | ... | 358 |
| Repayment of borrowings and advances | (2,321) | (776) | (358) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (1,521) | (776) | ... |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 465,829 | 465,829 | 483,870 |
| Capital appropriation | 13,791 | 20,791 | 9,039 |
| NET CASH FLOWS FROM GOVERNMENT | 479,620 | 486,620 | 492,909 |
| NET INCREASE/(DECREASE) IN CASH | (931) | 825 | (370) |
| Opening Cash and Cash Equivalents | 42,708 | 82,655 | 83,480 |
| CLOSING CASH AND CASH EQUIVALENTS | 41,777 | 83,480 | 83,110 |

**MINISTER FOR EMERGENCY SERVICES, AND MINISTER FOR
WATER UTILITIES**

26 NEW SOUTH WALES FIRE BRIGADES

| | 2006-07 | | 2007-08 |
|--|------------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (463,508) | (468,021) | (483,512) |
| Non cash items added back | 29,047 | 30,000 | 30,947 |
| Change in operating assets and liabilities | (500) | (1,522) | (580) |
| Net cash flow from operating activities | (434,961) | (439,543) | (453,145) |

**MINISTER FOR EMERGENCY SERVICES, AND MINISTER FOR
WATER UTILITIES**

26 NEW SOUTH WALES FIRE BRIGADES

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 41,777 | 83,480 | 83,110 |
| Receivables | 10,347 | 9,419 | 9,419 |
| Other financial assets | 9,753 | ... | ... |
| Inventories | 1,193 | 1,150 | 1,193 |
| Assets held for sale | ... | 1,992 | 1,992 |
| Other | 1,153 | 124 | 124 |
| Total Current Assets | 64,223 | 96,165 | 95,838 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 271,276 | 275,684 | 273,941 |
| Plant and equipment | 174,151 | 162,220 | 173,150 |
| Total Non Current Assets | 445,427 | 437,904 | 447,091 |
| Total Assets | 509,650 | 534,069 | 542,929 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 22,473 | 29,536 | 28,999 |
| Provisions | 24,804 | 28,633 | 28,633 |
| Total Current Liabilities | 47,277 | 58,169 | 57,632 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 2,061 | ... | ... |
| Provisions | 15,293 | 37,380 | 37,380 |
| Other | 1,360 | 1,360 | 1,360 |
| Total Non Current Liabilities | 18,714 | 38,740 | 38,740 |
| Total Liabilities | 65,991 | 96,909 | 96,372 |
| NET ASSETS | 443,659 | 437,160 | 446,557 |
| EQUITY | | | |
| Reserves | 198,578 | 196,348 | 196,348 |
| Accumulated funds | 245,081 | 240,812 | 250,209 |
| TOTAL EQUITY | 443,659 | 437,160 | 446,557 |

**MINISTER FOR EMERGENCY SERVICES, AND MINISTER FOR
WATER UTILITIES**

27 DEPARTMENT OF RURAL FIRE SERVICE

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 60,627 | 60,627 | 65,375 |
| Other operating expenses | 12,593 | 13,593 | 13,878 |
| Depreciation and amortisation | 3,000 | 3,000 | 3,500 |
| Grants and subsidies | 106,184 | 173,184 | 138,435 |
| Other expenses | 8,447 | 6,303 | 5,386 |
| Total Expenses Excluding Losses | 190,851 | 256,707 | 226,574 |
| Less: | | | |
| Retained Revenue - | | | |
| Retained taxes, fees and fines | 123,924 | 123,924 | 146,397 |
| Grants and contributions | 22,363 | 88,363 | 26,418 |
| Other revenue | 7,061 | 7,061 | 7,255 |
| Total Retained Revenue | 153,348 | 219,348 | 180,070 |
| NET COST OF SERVICES | 37,503 | 37,359 | 46,504 |

**MINISTER FOR EMERGENCY SERVICES, AND MINISTER FOR
WATER UTILITIES**

27 DEPARTMENT OF RURAL FIRE SERVICE

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 58,755 | 60,696 | 63,519 |
| Grants and subsidies | 84,062 | 151,062 | 109,468 |
| Other | 50,112 | 54,843 | 56,122 |
| Total Payments | 192,929 | 266,601 | 229,109 |
| Receipts | | | |
| Retained taxes | 123,924 | 123,924 | 146,397 |
| Other | 36,374 | 109,874 | 42,055 |
| Total Receipts | 160,298 | 233,798 | 188,452 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (32,631) | (32,803) | (40,657) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 4,980 | 4,980 | 4,980 |
| Purchases of property, plant and equipment | (9,480) | (9,480) | (8,880) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (4,500) | (4,500) | (3,900) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 34,303 | 34,303 | 48,005 |
| Capital appropriation | 1,500 | 1,500 | 900 |
| NET CASH FLOWS FROM GOVERNMENT | 35,803 | 35,803 | 48,905 |
| NET INCREASE/(DECREASE) IN CASH | (1,328) | (1,500) | 4,348 |
| Opening Cash and Cash Equivalents | 14,225 | 10,784 | 9,284 |
| CLOSING CASH AND CASH EQUIVALENTS | 12,897 | 9,284 | 13,632 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (37,503) | (37,359) | (46,504) |
| Non cash items added back | 3,000 | 3,000 | 3,500 |
| Change in operating assets and liabilities | 1,872 | 1,556 | 2,347 |
| Net cash flow from operating activities | (32,631) | (32,803) | (40,657) |

**MINISTER FOR EMERGENCY SERVICES, AND MINISTER FOR
WATER UTILITIES**

27 DEPARTMENT OF RURAL FIRE SERVICE

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 12,897 | 9,284 | 13,632 |
| Receivables | 3,257 | 3,183 | 3,183 |
| Other | 446 | 558 | 558 |
| Total Current Assets | 16,600 | 13,025 | 17,373 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 18,783 | 18,003 | 18,403 |
| Intangibles | ... | 102 | 102 |
| Total Non Current Assets | 18,783 | 18,105 | 18,505 |
| Total Assets | 35,383 | 31,130 | 35,878 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 1,720 | 6,441 | 6,841 |
| Provisions | 12,291 | 6,913 | 7,960 |
| Total Current Liabilities | 14,011 | 13,354 | 14,801 |
| Non Current Liabilities - | | | |
| Provisions | 12,757 | 9,185 | 10,085 |
| Total Non Current Liabilities | 12,757 | 9,185 | 10,085 |
| Total Liabilities | 26,768 | 22,539 | 24,886 |
| NET ASSETS | 8,615 | 8,591 | 10,992 |
| EQUITY | | | |
| Accumulated funds | 8,615 | 8,591 | 10,992 |
| TOTAL EQUITY | 8,615 | 8,591 | 10,992 |

**MINISTER FOR EMERGENCY SERVICES, AND MINISTER FOR
WATER UTILITIES**

28 STATE EMERGENCY SERVICE

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 12,929 | 14,265 | 16,291 |
| Other operating expenses | 12,891 | 12,116 | 13,747 |
| Depreciation and amortisation | 2,520 | 6,338 | 7,434 |
| Grants and subsidies | 8,756 | 7,756 | 8,756 |
| Total Expenses Excluding Losses | 37,096 | 40,475 | 46,228 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 29 | 100 | 30 |
| Investment income | 87 | 230 | 90 |
| Grants and contributions | 5,481 | 5,831 | 5,481 |
| Other revenue | ... | 100 | ... |
| Total Retained Revenue | 5,597 | 6,261 | 5,601 |
| Gain/(loss) on disposal of non current assets | 71 | 21 | 71 |
| NET COST OF SERVICES | 31,428 | 34,193 | 40,556 |

**MINISTER FOR EMERGENCY SERVICES, AND MINISTER FOR
WATER UTILITIES**

28 STATE EMERGENCY SERVICE

| | ———2006-07——— | | 2007-08 |
|---|-----------------|------------------|-------------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 12,164 | 13,663 | 15,672 |
| Grants and subsidies | 8,756 | 7,756 | 8,756 |
| Other | 14,563 | 14,555 | 14,950 |
| Total Payments | 35,483 | 35,974 | 39,378 |
| Receipts | | | |
| Sale of goods and services | 29 | 107 | 30 |
| Interest | 87 | 227 | 90 |
| Other | 7,390 | 7,951 | 6,791 |
| Total Receipts | 7,506 | 8,285 | 6,911 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (27,977) | (27,689) | (32,467) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 71 | 21 | 71 |
| Purchases of property, plant and equipment | (4,507) | (4,022) | (5,305) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (4,436) | (4,001) | (5,234) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 28,312 | 28,312 | 32,502 |
| Capital appropriation | 4,507 | 4,507 | 5,305 |
| NET CASH FLOWS FROM GOVERNMENT | 32,819 | 32,819 | 37,807 |
| NET INCREASE/(DECREASE) IN CASH | 406 | 1,129 | 106 |
| Opening Cash and Cash Equivalents | 3,762 | 4,090 | 5,219 |
| CLOSING CASH AND CASH EQUIVALENTS | 4,168 | 5,219 | 5,325 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (31,428) | (34,193) | (40,556) |
| Non cash items added back | 3,115 | 6,864 | 8,053 |
| Change in operating assets and liabilities | 336 | (360) | 36 |
| Net cash flow from operating activities | (27,977) | (27,689) | (32,467) |

**MINISTER FOR EMERGENCY SERVICES, AND MINISTER FOR
WATER UTILITIES**

28 STATE EMERGENCY SERVICE

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 4,168 | 5,219 | 5,325 |
| Receivables | 488 | 1,014 | 1,014 |
| Inventories | 4,000 | 5,500 | 5,500 |
| Other | 367 | 384 | 277 |
| Total Current Assets | 9,023 | 12,117 | 12,116 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 17,190 | 12,181 | 13,707 |
| Plant and equipment | 14,768 | 17,558 | 13,903 |
| Total Non Current Assets | 31,958 | 29,739 | 27,610 |
| Total Assets | 40,981 | 41,856 | 39,726 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 651 | 879 | 879 |
| Provisions | 830 | 949 | 949 |
| Other | 350 | 350 | 350 |
| Total Current Liabilities | 1,831 | 2,178 | 2,178 |
| Non Current Liabilities - | | | |
| Provisions | 524 | 7 | 7 |
| Total Non Current Liabilities | 524 | 7 | 7 |
| Total Liabilities | 2,355 | 2,185 | 2,185 |
| NET ASSETS | 38,626 | 39,671 | 37,541 |
| EQUITY | | | |
| Reserves | 5,815 | 5,892 | 5,892 |
| Accumulated funds | 32,811 | 33,779 | 31,649 |
| TOTAL EQUITY | 38,626 | 39,671 | 37,541 |

MINISTER FOR FAIR TRADING, MINISTER FOR YOUTH, AND MINISTER FOR VOLUNTEERING

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|--|-----------------------------------|-----------------------------------|------------------------|
| Office for Children | | | |
| Total Expenses | 12.1 | 12.3 | 2.0 |
| Capital Expenditure | 0.3 | 0.1 | -71.3 |
| Rental Bond Board | | | |
| Total Expenses | 33.9 | 39.4 | 33.0 |
| Capital Expenditure | ... | ... | ... |
| Total, Minister for Fair Trading, Minister for Youth, and Minister for Volunteering | | | |
| Total Expenses | 46.0 | 51.7 | 12.4 |
| Capital Expenditure | 0.3 | 0.1 | -66.7 |

In addition to the agencies listed above, the Minister is also supported by the Department of Commerce (Section 20) for the Fair Trading portfolio area, and the Department of Premier and Cabinet (Section 2) for the Volunteering portfolio area.

OFFICE FOR CHILDREN

The Office for Children provides administrative and financial support to the Commission for Children and Young People and the Children's Guardian. The governing legislation is the *Commission for Children and Young People Act 1998* and the *Children and Young Persons (Care and Protection) Act 1998*.

RESULTS AND SERVICES

The Office for Children aims to make New South Wales a better place for children and young people and promotes the best interests and rights of children by working towards the following results:

- ◆ Organisations are child-safe and child-friendly.
- ◆ Child deaths are prevented.

- ◆ Children benefit from improved legislation, policies, practices and services.
- ◆ Children participate in the decisions that affect their lives.

Key services that are provided to contribute to these results include:

- ◆ undertaking background checks and prohibited employment reviews to create child-safe and child-friendly organisations as part of the Working With Children program;
- ◆ reviewing of child deaths;
- ◆ providing policy advice, undertaking research and promoting children's issues;
- ◆ promoting participation programs for children and young people;
- ◆ accrediting of out-of-home care and adoption service providers that demonstrate achievement of approved standards;
- ◆ monitoring the continuing provision of out-of-home care and adoption services against accreditation standards and conditions; and
- ◆ authorising of prescribed employers of children and monitoring of compliance with conditions of their authorities and the mandatory Code of Practice.

RECENT DEVELOPMENTS

During 2006-07 the Commission for Children and Young People:

- ◆ commenced the implementation of the recommendations arising from the Joint Parliamentary Committee on Children and Young People's inquiry into children and the built environment;
- ◆ released new Working With Children Guidelines for Employers;
- ◆ coordinated the involvement of children and young people in the consultations around the development of Health: Future Directions and other key government strategic plans; and
- ◆ published the findings from the research study Children's Understanding of Well-Being.

During 2006-07 the Children's Guardian:

- ◆ measured compliance with legislative requirements of 60 designated agencies that provide out-of-home care, accredited 27 agencies and monitored performance of all 60 agencies through 2,133 case file audits; and
- ◆ granted in excess of 100 employer authorities for the employment of children under 15 years of age in entertainment, still photography and door-to-door sales and monitored compliance over more than 400 productions.

Total expenditure in 2006-07 on Office for Children services is projected to be \$12.1 million.

STRATEGIC DIRECTIONS

In 2007-08, the Commission for Children and Young People will support children by:

- ◆ implementing a certification system for self-employed people in child-related employment;
- ◆ working with local government to develop planning and reporting mechanisms for children and the built environment; and
- ◆ implementing models of participation.

In 2007-08, the Children's Guardian will support children by:

- ◆ implementing the recommendations from a review of its current accreditation process for out-of-home care providers and procedures for the accreditation of adoption service providers; and
- ◆ refining its systems for regulation of children's employment to cater for the increasing demand.

2007-08 BUDGET

Total Expenses

The estimated total expenditure for the Office for Children in 2007-08 is \$12.3 million.

Capital Expenditure

The Office for Children's capital allocation of \$99,000 in 2007-08 is for the purchase and replacement of minor plant and equipment.

RENTAL BOND BOARD

The Rental Bond Board is a statutory corporation, established under the *Landlord and Tenant (Rental Bonds) Act 1977*, and is the custodian of rental bonds taken on private residential tenancies in New South Wales. It comprises five members, one of whom is the Commissioner for Fair Trading.

RECENT DEVELOPMENTS

The Rental Bond Board is a self-funding body, and derives its income from net earnings on rental bond deposits.

The Board will administer \$690 million in rental bond deposits on behalf of landlords in 2007-08. These administered funds do not form part of the assets reported within the balance sheet of the Board.

The Office of Fair Trading, part of the Department of Commerce, undertakes the administrative functions of the Board on a user pays basis.

2007-08 BUDGET

Total expenses are estimated at \$39.4 million in 2007-08 (\$66 million in 2006-07 including a \$30 million grant for Affordable Housing). The Board will earn \$42 million in revenue to support its activities. The Board's expenses include provision for:

- ◆ \$16.3 million to administer the rental bond scheme;
- ◆ \$8.6 million in grants supporting 50 per cent of the costs of the residential tenancy functions of the Consumer, Trader and Tenancy Tribunal. The Tribunal can determine matters relating to the termination of tenancy agreements, payment of rental bonds on termination of tenancies, breaches of tenancy agreements and payment of compensation;
- ◆ \$4.4 million in grants including support of 50 per cent of the costs of the Tenancy Advice and Advocacy Program. This program provides advice, information and advocacy services to public and private tenants and, where appropriate, people seeking to become tenants. These services are provided in accordance with the *Landlord and Tenant (Rental Bonds) Act 1977*;

- ◆ \$0.9 million to fund the Credit Counselling Grants Program;
- ◆ \$7 million to meet the operating costs of providing information, education and mediation services within the framework of the *Retirement Villages Act 1989* to tenants, village residents, landlords, their agents and village managements; and
- ◆ \$1.5 million to meet the operating costs of strata and mediation services.

**MINISTER FOR FAIR TRADING, MINISTER FOR YOUTH, AND
MINISTER FOR VOLUNTEERING**

29 OFFICE FOR CHILDREN

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 6,457 | 6,486 | 6,744 |
| Other operating expenses | 4,914 | 4,892 | 4,830 |
| Depreciation and amortisation | 319 | 359 | 359 |
| Grants and subsidies | 385 | 385 | 385 |
| Total Expenses Excluding Losses | 12,075 | 12,122 | 12,318 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 100 | ... | ... |
| Investment income | 51 | 63 | 69 |
| Grants and contributions | ... | 35 | ... |
| Other revenue | 60 | 160 | 117 |
| Total Retained Revenue | 211 | 258 | 186 |
| NET COST OF SERVICES | 11,864 | 11,864 | 12,132 |

**MINISTER FOR FAIR TRADING, MINISTER FOR YOUTH, AND
MINISTER FOR VOLUNTEERING**

29 OFFICE FOR CHILDREN

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 6,095 | 6,109 | 6,357 |
| Grants and subsidies | 385 | 385 | 385 |
| Other | 5,300 | 5,494 | 5,417 |
| Total Payments | 11,780 | 11,988 | 12,159 |
| Receipts | | | |
| Sale of goods and services | 100 | ... | ... |
| Interest | 51 | 63 | 69 |
| Other | 336 | 782 | 704 |
| Total Receipts | 487 | 845 | 773 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (11,293) | (11,143) | (11,386) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (105) | (150) | (99) |
| Other | (240) | (145) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (345) | (295) | (99) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 11,325 | 11,325 | 11,532 |
| Capital appropriation | 145 | 145 | 99 |
| Cash transfers to Consolidated Fund | ... | (357) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 11,470 | 11,113 | 11,631 |
| NET INCREASE/(DECREASE) IN CASH | (168) | (325) | 146 |
| Opening Cash and Cash Equivalents | 1,336 | 1,147 | 822 |
| CLOSING CASH AND CASH EQUIVALENTS | 1,168 | 822 | 968 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (11,864) | (11,864) | (12,132) |
| Non cash items added back | 668 | 721 | 746 |
| Change in operating assets and liabilities | (97) | ... | ... |
| Net cash flow from operating activities | (11,293) | (11,143) | (11,386) |

**MINISTER FOR FAIR TRADING, MINISTER FOR YOUTH, AND
MINISTER FOR VOLUNTEERING**

29 OFFICE FOR CHILDREN

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 1,168 | 822 | 968 |
| Receivables | 318 | 237 | 237 |
| Other | 23 | 2 | 2 |
| Total Current Assets | 1,509 | 1,061 | 1,207 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 503 | 973 | 772 |
| Intangibles | 241 | 384 | 325 |
| Other | ... | 46 | 46 |
| Total Non Current Assets | 744 | 1,403 | 1,143 |
| Total Assets | 2,253 | 2,464 | 2,350 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 527 | 423 | 423 |
| Provisions | 548 | 656 | 656 |
| Other | 46 | ... | ... |
| Total Current Liabilities | 1,121 | 1,079 | 1,079 |
| Non Current Liabilities - | | | |
| Provisions | 45 | 119 | 119 |
| Other | ... | 156 | 156 |
| Total Non Current Liabilities | 45 | 275 | 275 |
| Total Liabilities | 1,166 | 1,354 | 1,354 |
| NET ASSETS | 1,087 | 1,110 | 996 |
| EQUITY | | | |
| Accumulated funds | 1,087 | 1,110 | 996 |
| TOTAL EQUITY | 1,087 | 1,110 | 996 |

**MINISTER FOR FAIR TRADING, MINISTER FOR YOUTH, AND
MINISTER FOR VOLUNTEERING**

RENTAL BOND BOARD

| | 2006-07 | | 2007-08 |
|--|---------------|-----------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 38,913 | 41,935 | 41,955 |
| Total Retained Revenue | 38,913 | 41,935 | 41,955 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Other operating expenses | 20,914 | 23,001 | 26,385 |
| Grants and subsidies | 13,027 | 43,024 | 13,027 |
| Total Expenses Excluding Losses | 33,941 | 66,025 | 39,412 |
| Other gains/(losses) | (20) | (20) | (20) |
| SURPLUS/(DEFICIT) | 4,952 | (24,110) | 2,523 |

**MINISTER FOR FAIR TRADING, MINISTER FOR YOUTH, AND
MINISTER FOR VOLUNTEERING**

RENTAL BOND BOARD

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | (20) | (20) | (20) |
| Interest | 37,373 | 40,382 | 40,535 |
| Other | 190 | 2,126 | 190 |
| Total Receipts | 37,543 | 42,488 | 40,705 |
| Payments | | | |
| Grants and subsidies | 13,027 | 43,024 | 13,027 |
| Other | 21,104 | 22,789 | 26,575 |
| Total Payments | 34,131 | 65,813 | 39,602 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 3,412 | (23,325) | 1,103 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of investments | ... | 27,317 | ... |
| Advance repayments received | 60 | 68 | 20 |
| Purchases of investments | ... | ... | (2,017) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 60 | 27,385 | (1,997) |
| NET INCREASE/(DECREASE) IN CASH | 3,472 | 4,060 | (894) |
| Opening Cash and Cash Equivalents | 27,360 | 16,063 | 20,123 |
| CLOSING CASH AND CASH EQUIVALENTS | 30,832 | 20,123 | 19,229 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 4,952 | (24,110) | 2,523 |
| Non cash items added back | (1,540) | (1,390) | (1,420) |
| Change in operating assets and liabilities | ... | 2,175 | ... |
| Net cash flow from operating activities | 3,412 | (23,325) | 1,103 |

**MINISTER FOR FAIR TRADING, MINISTER FOR YOUTH, AND
MINISTER FOR VOLUNTEERING**

RENTAL BOND BOARD

| | 2006-07 | | 2007-08 Budget \$000 |
|----------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 30,832 | 20,123 | 19,229 |
| Receivables | 277 | 277 | 277 |
| Other financial assets | 27,893 | ... | 3,417 |
| Total Current Assets | 59,002 | 20,400 | 22,923 |
| Non Current Assets - | | | |
| Other financial assets | 96 | 96 | 96 |
| Total Non Current Assets | 96 | 96 | 96 |
| Total Assets | 59,098 | 20,496 | 23,019 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Other | 600 | 600 | 600 |
| Total Current Liabilities | 600 | 600 | 600 |
| Total Liabilities | 600 | 600 | 600 |
| NET ASSETS | 58,498 | 19,896 | 22,419 |
| EQUITY | | | |
| Accumulated funds | 58,498 | 19,896 | 22,419 |
| TOTAL EQUITY | 58,498 | 19,896 | 22,419 |

MINISTER FOR GAMING AND RACING, AND MINISTER FOR SPORT AND RECREATION

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| Casino Control Authority | | | |
| Total Expenses | 7.2 | 7.1 | -1.3 |
| Capital Expenditure | 0.1 | 0.1 | ... |
| Centennial Park and Moore Park Trust | | | |
| Total Expenses | 22.8 | 22.1 | -3.2 |
| Capital Expenditure | 8.2 | 8.3 | 1.2 |
| Luna Park Reserve Trust | | | |
| Total Expenses | 0.8 | 1.9 | 140.7 |
| Capital Expenditure | ... | ... | ... |
| State Sports Centre Trust | | | |
| Total Expenses | 4.8 | 5.1 | 5.4 |
| Capital Expenditure | 0.4 | 0.1 | -88.8 |
| Total, Minister Gaming and Racing, and Minister for Sport and Recreation | | | |
| Total Expenses | 35.6 | 36.2 | 1.7 |
| Capital Expenditure | 8.7 | 8.5 | -2.3 |

In addition to the agencies listed above, the Minister is also supported by the Department of the Arts, Sport and Recreation (Section 17) for the Sport and Recreation and Gaming and Racing portfolio areas.

CASINO CONTROL AUTHORITY

Established under the *Casino Control Act 1992*, the Casino Control Authority administers the systems for licensing, supervision and control of Star City Casino in New South Wales.

RESULTS AND SERVICES

The Authority protects the integrity of casino gaming by working towards the following results:

- ◆ Management and operation of the casino is free from criminal influence or exploitation.
- ◆ Casino gaming is conducted honestly.
- ◆ The potential for the casino to cause harm is minimised.

Key services provided by the Authority which contribute to these results include:

- ◆ administering regulatory functions (e.g. approving casino internal controls, games and rules of the games and gaming equipment);
- ◆ conducting continuous onsite supervision and monitoring of casino operations;
- ◆ licensing of the casino operator, casino special employees and oversight of controlled contractors;
- ◆ providing intelligence analysis of casino patron activity and obtaining of information for law enforcement agencies under the *Casino Control Act 1992*; and
- ◆ conducting the three-yearly statutory test (and intermediate test) of the casino licensee against regulatory expectations and public interest.

RECENT DEVELOPMENTS

Under Section 31 of the *Casino Control Act 1992*, the Authority is required to conduct an investigation into the casino operator, at an interval not exceeding three years. The latest investigation was completed in December 2006. No major matters were identified. The next investigation is due by 15 December 2009.

STRATEGIC DIRECTIONS

The Authority's strategic direction is to continue streamlining its operations and monitoring the casino's compliance with the recommendations of the three-yearly statutory investigations into the casino licence.

The existing Casino Exclusivity Agreement with the casino operator expires in September 2007. Discussions are continuing regarding future agreements.

2007-08 BUDGET

Total Expenses

Total expenses in 2007-08 are estimated at \$7.1 million. This expenditure reflects the cost of supervising and controlling casino operations in Star City Casino and the investigations and inquiries undertaken in the course of this supervision.

Capital Expenditure

In 2007-08, the Authority will spend \$70,000 on the replacement of office equipment and computer software.

CENTENNIAL PARK AND MOORE PARK TRUST

Centennial Park and Moore Park Trust is responsible for a highly used area of open space in Sydney comprising: Centennial Park; Moore Park, including Fox Studios Australia, the Entertainment Quarter, the Hordern Pavilion and Royal Hall of Industries and the Centennial Parklands Equestrian Centre; and Queens Park. The Trust balances conflicting demands for recreation and leisure use, protection of parklands, financial sustainability and equity of access.

RESULTS AND SERVICES

Centennial Parklands aims to deliver a diverse range of leisure experiences by balancing opportunities to participate in recreational and community activities with the maintenance of sustainable open space. Services provided by the Trust which contribute to these results include:

- ◆ managing open space and heritage assets;
- ◆ providing high quality recreation, sporting and cultural opportunities; and
- ◆ improving visitor security and accessibility.

RECENT DEVELOPMENTS

A seven year program commenced in 2002-03 for the improvement and maintenance of building and infrastructure assets in the Parklands. Achievements in 2006-07 include:

- ◆ commencement of redevelopment of a restaurant facility in Centennial Park;
- ◆ irrigation upgrades and water savings projects;

- ◆ improvements to recreational and leisure facilities in Moore Park and Queens Park;
- ◆ continued improvements to visitor information through Parklands signage; and
- ◆ continuation of a tree planting program supported by the Centennial Parklands Foundation.

STRATEGIC DIRECTIONS

The Trust's key objective for the next four years is positioning Centennial Parklands as the leader in providing visitors with a diverse range of leisure experiences. Priority areas for the Trust in 2007-08 include:

- ◆ maintaining and improving Centennial Parklands;
- ◆ ensuring equity of access and diversity of leisure experience; and
- ◆ maintaining and enhancing business viability.

2007-08 BUDGET

Total Expenses

Total expenses in 2007-08 are estimated at \$22.1 million. Included in this amount are \$4.8 million for depreciation and \$2.9 million for maintenance of buildings and infrastructure in the Parklands.

Capital Expenditure

The Trust's capital program for 2007-08 is \$8.3 million. It is the sixth year of the planned seven year Park Improvement Plan estimated at \$49.5 million. Major works for 2007-08 include:

- ◆ redevelopment of Moore Park Golf facilities including pro-shop, food and beverage areas and meeting rooms;
- ◆ construction of a new restaurant and kiosk facility in Centennial Park;
- ◆ initial works related to the redevelopment of ES Marks Athletic Field; and
- ◆ refurbishment of heritage assets.

LUNA PARK RESERVE TRUST

The role of the Luna Park Reserve Trust (LPRT) is to manage the land and other assets of Luna Park Reserve. In February 2001 the Sydney Harbour Foreshore Authority (SHFA) was appointed to manage the affairs of the LPRT.

RECENT DEVELOPMENTS

Historically, the Trust's expenditure has been for administration, legal and consultancy fees. Expenditure is now related to SHFA's role in managing the ongoing lease held by the operator of Luna Park, Luna Park Sydney Pty Ltd.

There is a commercial lease between LPRT and Luna Park Sydney Pty Ltd. Lease revenue is budgeted to be \$1.3 million in 2007-08, which is in line with expected lease revenue for 2006-07.

2007-08 BUDGET

Total Expenses

The Trust's expenses are budgeted to be \$1.9 million in 2007-08. This is equivalent to the expected level of expenses in 2006-07. Apart from maintenance contributions to the Heritage Infrastructure Fund and depreciation, the remaining costs are either administrative or compliance related.

STATE SPORTS CENTRE TRUST

The State Sports Centre Trust operates three major venues at Sydney Olympic Park and provides affordable world-class facilities to the sporting community. The Trust balances the need to give sporting groups priority access to its facilities with the need to generate a commercial return on the venues and assets it controls.

RECENT DEVELOPMENTS

The Trust's key challenges include increasing revenues from its commercial activities to fund sporting and community activities and to continually improve the quality of services provided. To achieve these objectives, the Trust has developed its venues to cater to sporting groups staging significant events while still meeting the demands of the commercial event market. The Trust has also grown revenues by increasing participation in sport and recreation programs run within its venues and by maximising the return from commercial tenants utilising surplus capacity in its buildings.

STRATEGIC DIRECTIONS

The Trust strives to enhance the quality of events staged in its venues by continually improving facilities and broadening the range of services it offers to all hirers. The long term objective is to attract larger audiences as well as tapping new sources of revenue for both venue hirers and itself.

2007-08 BUDGET

Total Expenses

Trust expenses, estimated at \$5.1 million in 2007-08, will be used to operate and maintain the Centre's sporting facilities.

Capital Expenditure

In 2007-08, the Trust will spend \$50,000 on the replacement of sporting equipment.

**MINISTER FOR GAMING AND RACING, AND MINISTER FOR
SPORT AND RECREATION**

30 CASINO CONTROL AUTHORITY

| | 2006-07 | | 2007-08 |
|--|--------------|--------------|--------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 4,925 | 4,695 | 5,109 |
| Other operating expenses | 2,170 | 1,937 | 1,891 |
| Depreciation and amortisation | 120 | 120 | 120 |
| Total Expenses Excluding Losses | 7,215 | 6,752 | 7,120 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 229 | 150 | 150 |
| Investment income | 32 | 180 | 190 |
| Total Retained Revenue | 261 | 330 | 340 |
| NET COST OF SERVICES | 6,954 | 6,422 | 6,780 |

**MINISTER FOR GAMING AND RACING, AND MINISTER FOR
SPORT AND RECREATION**

30 CASINO CONTROL AUTHORITY

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 4,696 | 4,465 | 4,871 |
| Other | 2,336 | 2,090 | 2,062 |
| Total Payments | 7,032 | 6,555 | 6,933 |
| Receipts | | | |
| Sale of goods and services | 229 | 148 | 150 |
| Interest | 94 | 186 | 227 |
| Other | 166 | 166 | 166 |
| Total Receipts | 489 | 500 | 543 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (6,543) | (6,055) | (6,390) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (50) | (50) | (50) |
| Other | (20) | (20) | (20) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (70) | (70) | (70) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 6,630 | 6,630 | 6,472 |
| Capital appropriation | 70 | 70 | 70 |
| Cash transfers to Consolidated Fund | ... | (996) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 6,700 | 5,704 | 6,542 |
| NET INCREASE/(DECREASE) IN CASH | 87 | (421) | 82 |
| Opening Cash and Cash Equivalents | 2,815 | 3,247 | 2,826 |
| CLOSING CASH AND CASH EQUIVALENTS | 2,902 | 2,826 | 2,908 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (6,954) | (6,422) | (6,780) |
| Non cash items added back | 349 | 341 | 358 |
| Change in operating assets and liabilities | 62 | 26 | 32 |
| Net cash flow from operating activities | (6,543) | (6,055) | (6,390) |

**MINISTER FOR GAMING AND RACING, AND MINISTER FOR
SPORT AND RECREATION**

30 CASINO CONTROL AUTHORITY

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 2,902 | 2,826 | 2,908 |
| Receivables | 54 | 215 | 178 |
| Other | 92 | ... | ... |
| Total Current Assets | 3,048 | 3,041 | 3,086 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 364 | 364 | 334 |
| Intangibles | 73 | 69 | 49 |
| Total Non Current Assets | 437 | 433 | 383 |
| Total Assets | 3,485 | 3,474 | 3,469 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 182 | 187 | 182 |
| Provisions | 354 | 354 | 354 |
| Other | 49 | 49 | 49 |
| Total Current Liabilities | 585 | 590 | 585 |
| Non Current Liabilities - | | | |
| Provisions | 61 | 61 | 61 |
| Other | 33 | 33 | 33 |
| Total Non Current Liabilities | 94 | 94 | 94 |
| Total Liabilities | 679 | 684 | 679 |
| NET ASSETS | 2,806 | 2,790 | 2,790 |
| EQUITY | | | |
| Accumulated funds | 2,806 | 2,790 | 2,790 |
| TOTAL EQUITY | 2,806 | 2,790 | 2,790 |

**MINISTER FOR GAMING AND RACING, AND MINISTER FOR
SPORT AND RECREATION**

CENTENNIAL PARK AND MOORE PARK TRUST

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services* | 15,329 | 11,465 | 11,140 |
| Investment income* | 302 | 5,092 | 5,543 |
| Retained taxes, fees and fines | 220 | 170 | 200 |
| Grants and contributions | 12,253 | 7,617 | 9,955 |
| Other revenue | 250 | 270 | 50 |
| Total Retained Revenue | 28,354 | 24,614 | 26,888 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related** | 5,070 | ... | ... |
| Other operating expenses** | 12,909 | 16,797 | 17,253 |
| Depreciation and amortisation | 4,799 | 4,824 | 4,799 |
| Total Expenses Excluding Losses | 22,778 | 21,621 | 22,052 |
| Gain/(loss) on disposal of non current assets | ... | 15 | ... |
| SURPLUS/(DEFICIT) | 5,576 | 3,008 | 4,836 |

* Reclassification between line items from the 2006-07 Budget is due to the introduction of Australian Equivalents to International Financial Reporting Standards.

** Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR GAMING AND RACING, AND MINISTER FOR
SPORT AND RECREATION**

CENTENNIAL PARK AND MOORE PARK TRUST

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services* | 14,929 | 10,304 | 11,342 |
| Interest | 102 | 320 | 268 |
| Other* | 15,025 | 15,650 | 17,729 |
| Total Receipts | 30,056 | 26,274 | 29,339 |
| Payments | | | |
| Employee related** | 4,855 | ... | ... |
| Other** | 15,975 | 19,762 | 20,162 |
| Total Payments | 20,830 | 19,762 | 20,162 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 9,226 | 6,512 | 9,177 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 35 | ... |
| Purchases of property, plant and equipment | (8,215) | (5,090) | (8,314) |
| Purchases of investments | ... | ... | (129) |
| Other | ... | (55) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (8,215) | (5,110) | (8,443) |
| NET INCREASE/(DECREASE) IN CASH | 1,011 | 1,402 | 734 |
| Opening Cash and Cash Equivalents | 521 | 1,699 | 3,101 |
| Reclassification of Cash Equivalents | (21) | ... | ... |
| CLOSING CASH AND CASH EQUIVALENTS | 1,553 | 3,101 | 3,835 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 5,576 | 3,008 | 4,836 |
| Non cash items added back | 4,599 | 4,582 | 4,687 |
| Change in operating assets and liabilities | (949) | (1,078) | (346) |
| Net cash flow from operating activities | 9,226 | 6,512 | 9,177 |

* Reclassification between line items from the 2006-07 Budget is due to the introduction of Australian Equivalents to International Financial Reporting Standards.

** Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR GAMING AND RACING, AND MINISTER FOR
SPORT AND RECREATION**

CENTENNIAL PARK AND MOORE PARK TRUST

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 1,553 | 3,101 | 3,835 |
| Receivables | 2,261 | 1,656 | 1,454 |
| Other financial assets | 4,763 | 4,825 | 5,066 |
| Inventories | 223 | 231 | 231 |
| Other | 100 | ... | ... |
| Total Current Assets | 8,900 | 9,813 | 10,586 |
| Non Current Assets - | | | |
| Investment properties | 79,731 | 72,287 | 72,287 |
| Property, plant and equipment - | | | |
| Land and building | 375,975 | 374,455 | 377,250 |
| Plant and equipment | 1,253 | 1,193 | 1,240 |
| Infrastructure systems | 203,126 | 267,578 | 268,251 |
| Intangibles | 112 | 87 | 87 |
| Other | 115 | 115 | 105 |
| Total Non Current Assets | 660,312 | 715,715 | 719,220 |
| Total Assets | 669,212 | 725,528 | 729,806 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 1,508 | 2,824 | 2,856 |
| Provisions | 336 | 337 | 337 |
| Other | 123 | 822 | 822 |
| Total Current Liabilities | 1,967 | 3,983 | 4,015 |
| Non Current Liabilities - | | | |
| Provisions | 54 | ... | ... |
| Other | 6,557 | 6,609 | 6,019 |
| Total Non Current Liabilities | 6,611 | 6,609 | 6,019 |
| Total Liabilities | 8,578 | 10,592 | 10,034 |
| NET ASSETS | 660,634 | 714,936 | 719,772 |
| EQUITY | | | |
| Reserves | 107,982 | 134,005 | 134,005 |
| Accumulated funds | 552,652 | 580,931 | 585,767 |
| TOTAL EQUITY | 660,634 | 714,936 | 719,772 |

**MINISTER FOR GAMING AND RACING, AND MINISTER FOR
SPORT AND RECREATION**

LUNA PARK RESERVE TRUST

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 1,144 | 1,326 | 1,339 |
| Investment income | 37 | 39 | 40 |
| Total Retained Revenue | 1,181 | 1,365 | 1,379 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related | 10 | ... | ... |
| Other operating expenses | 799 | 1,293 | 1,368 |
| Depreciation and amortisation | ... | 579 | 579 |
| Total Expenses Excluding Losses | 809 | 1,872 | 1,947 |
| SURPLUS/(DEFICIT) | 372 | (507) | (568) |

**MINISTER FOR GAMING AND RACING, AND MINISTER FOR
SPORT AND RECREATION**

LUNA PARK RESERVE TRUST

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 1,144 | 1,326 | 1,339 |
| Interest | 37 | 39 | 40 |
| Other | 611 | 855 | 910 |
| Total Receipts | 1,792 | 2,220 | 2,289 |
| Payments | | | |
| Employee related | 10 | ... | ... |
| Other | 1,410 | 2,461 | 2,277 |
| Total Payments | 1,420 | 2,461 | 2,277 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 372 | (241) | 12 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | ... | 300 | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | ... | 300 | ... |
| NET INCREASE/(DECREASE) IN CASH | 372 | 59 | 12 |
| Opening Cash and Cash Equivalents | 1,178 | 684 | 743 |
| CLOSING CASH AND CASH EQUIVALENTS | 1,550 | 743 | 755 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 372 | (507) | (568) |
| Non cash items added back | ... | 579 | 579 |
| Change in operating assets and liabilities | ... | (313) | 1 |
| Net cash flow from operating activities | 372 | (241) | 12 |

**MINISTER FOR GAMING AND RACING, AND MINISTER FOR
SPORT AND RECREATION**

LUNA PARK RESERVE TRUST

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 1,550 | 743 | 755 |
| Receivables | 615 | 1,102 | 1,110 |
| Total Current Assets | 2,165 | 1,845 | 1,865 |
| Non Current Assets - | | | |
| Receivables | 3,088 | 2,406 | 1,606 |
| Investment properties | 26,073 | ... | ... |
| Property, plant and equipment - | | | |
| Land and building | ... | 17,676 | 17,452 |
| Plant and equipment | 14 | ... | ... |
| Infrastructure systems | ... | 7,105 | 6,750 |
| Total Non Current Assets | 29,175 | 27,187 | 25,808 |
| Total Assets | 31,340 | 29,032 | 27,673 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 610 | 907 | 916 |
| Total Current Liabilities | 610 | 907 | 916 |
| Non Current Liabilities - | | | |
| Other | 3,088 | 2,406 | 1,606 |
| Total Non Current Liabilities | 3,088 | 2,406 | 1,606 |
| Total Liabilities | 3,698 | 3,313 | 2,522 |
| NET ASSETS | 27,642 | 25,719 | 25,151 |
| EQUITY | | | |
| Reserves | ... | 14,421 | 14,421 |
| Accumulated funds | 27,642 | 11,298 | 10,730 |
| TOTAL EQUITY | 27,642 | 25,719 | 25,151 |

**MINISTER FOR GAMING AND RACING, AND MINISTER FOR
SPORT AND RECREATION**

STATE SPORTS CENTRE TRUST

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 3,276 | 3,687 | 3,599 |
| Investment income | 49 | 81 | 80 |
| Grants and contributions | 1,306 | 1,130 | 1,140 |
| Other revenue | 40 | 40 | 42 |
| Total Retained Revenue | 4,671 | 4,938 | 4,861 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related | 2,288 | 2,324 | 2,325 |
| Other operating expenses | 2,102 | 2,201 | 2,121 |
| Depreciation and amortisation | 433 | 623 | 636 |
| Total Expenses Excluding Losses | 4,823 | 5,148 | 5,082 |
| SURPLUS/(DEFICIT) | (152) | (210) | (221) |

**MINISTER FOR GAMING AND RACING, AND MINISTER FOR
SPORT AND RECREATION**

STATE SPORTS CENTRE TRUST

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 3,268 | 3,647 | 3,482 |
| Interest | 49 | 81 | 80 |
| Other | 1,438 | 1,262 | 1,274 |
| Total Receipts | 4,755 | 4,990 | 4,836 |
| Payments | | | |
| Employee related | 2,175 | 2,271 | 2,286 |
| Other | 2,179 | 2,122 | 2,205 |
| Total Payments | 4,354 | 4,393 | 4,491 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 401 | 597 | 345 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 17 | ... |
| Advance repayments received | ... | 148 | ... |
| Purchases of property, plant and equipment | (447) | (559) | (50) |
| Purchases of investments | (1) | ... | (50) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (448) | (394) | (100) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | (11) | (11) | (13) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (11) | (11) | (13) |
| NET INCREASE/(DECREASE) IN CASH | (58) | 192 | 232 |
| Opening Cash and Cash Equivalents | 629 | 285 | 477 |
| CLOSING CASH AND CASH EQUIVALENTS | 571 | 477 | 709 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (152) | (210) | (221) |
| Non cash items added back | 418 | 623 | 636 |
| Change in operating assets and liabilities | 135 | 184 | (70) |
| Net cash flow from operating activities | 401 | 597 | 345 |

**MINISTER FOR GAMING AND RACING, AND MINISTER FOR
SPORT AND RECREATION**

STATE SPORTS CENTRE TRUST

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 571 | 477 | 709 |
| Receivables | 239 | 491 | 611 |
| Other financial assets | 426 | 850 | 900 |
| Inventories | 11 | 10 | 11 |
| Other | 52 | ... | ... |
| Total Current Assets | 1,299 | 1,828 | 2,231 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 305 | 855 | 615 |
| Plant and equipment | 1,187 | 1,495 | 1,149 |
| Other | 80 | 192 | 172 |
| Total Non Current Assets | 1,572 | 2,542 | 1,936 |
| Total Assets | 2,871 | 4,370 | 4,167 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 374 | 625 | 636 |
| Provisions | 127 | 469 | 487 |
| Other | 169 | 290 | 292 |
| Total Current Liabilities | 670 | 1,384 | 1,415 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 15 | 15 | 2 |
| Provisions | 372 | 18 | 18 |
| Total Non Current Liabilities | 387 | 33 | 20 |
| Total Liabilities | 1,057 | 1,417 | 1,435 |
| NET ASSETS | 1,814 | 2,953 | 2,732 |
| EQUITY | | | |
| Reserves | ... | 747 | 747 |
| Accumulated funds | 1,814 | 2,206 | 1,985 |
| TOTAL EQUITY | 1,814 | 2,953 | 2,732 |

Budget Estimates

2007-08



New South Wales

Budget Paper No. 3

Volume 2

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For further information about the New South Wales Budget Papers, contact the New South Wales Treasury, Governor Macquarie Tower, 1 Farrer Place, Sydney 2000 or email to contact@treasury.nsw.gov.au, NSW Treasury.

MINISTER FOR HEALTH

OVERVIEW

| Agency | Budget 2006-07 \$m | Budget 2007-08 \$m | Variation % |
|--|--------------------------|--------------------------|----------------|
| Department of Health | | | |
| Total Expenses | 11,687.8 | 12,518.7 | 7.1 |
| Capital Expenditure | 573.1 | 654.3* | 14.2 |
| Health Care Complaints Commission | | | |
| Total Expenses | 10.4 | 10.6 | 2.6 |
| Capital Expenditure | 0.2 | ... | -100.0 |
| Cancer Institute NSW | | | |
| Total Expenses | ... | 134.3 | n.a. |
| Capital Expenditure | ... | 2.0 | n.a. |
| Total, Minister for Health** | | | |
| Total Expenses | 11,698.2 | 12,529.3 | 7.1 |
| Capital Expenditure | 573.3 | 656.3 | 14.5 |

* The 2007-08 Budget for Capital Expenditure includes \$71.3 million for projects that will be undertaken as privately financed projects and excludes \$60 million in capital expensing that is included in the 2007-08 Budget for Total Expenses. The total capital works program for 2007-08 is \$714 million.

** The Ministerial total has been reduced to exclude grant payments from the Department of Health to the Cancer Institute NSW.

DEPARTMENT OF HEALTH

The Department of Health is responsible for State-wide policy and planning, performance management and monitoring, and strategic financial and asset management for the NSW public health system. The NSW public health system comprises the Ambulance Service of NSW, eight Area Health Services, five statutory health corporations, 21 affiliated health organisations and a range of health support services provided by the Health Administration Corporation. The Department and the NSW public health system are known collectively as NSW Health.

The Department is also responsible for supporting the NSW Minister for Health in the administration of around 40 Acts allocated to the Health portfolio. This includes undertaking licensing, regulatory and enforcement functions, under Acts such as the *Health Services Act 1997*, *Mental Health Act 1990*, *Private Hospitals and Day Procedure Centres Act 1988*, *Poisons and Therapeutic Goods Act 1966*, *Public Health Act 1991* and *Smoke-free Environment Act 2000*.

RESULTS AND SERVICES

The Department has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priorities:

- ◆ S1: Improved access to quality healthcare.
- ◆ S2: Improved survival rates and quality of life for people with potentially fatal or chronic illness through improvements in health care.
- ◆ S3: Improved health through reduced obesity, smoking, illicit drug use and risk drinking.
- ◆ F3: Improved outcomes in mental health.
- ◆ F5: Reduced avoidable hospital admissions.

NSW Health's overarching vision of "Healthy People - Now and in the Future" is being advanced through the State Health Plan by working towards the following results:

- ◆ People are healthy.
- ◆ The health care people need is provided.
- ◆ Health services are of high quality.
- ◆ Health services are well managed.

Key services provided by NSW Health which contribute to these results include:

- ◆ providing health care to patients admitted to hospitals;
- ◆ providing ambulatory, primary and community-based services in outpatient clinics and community health centres, and in the home;
- ◆ providing emergency transport and emergency treatment;
- ◆ providing community-based and admitted mental health services;
- ◆ providing rehabilitation and long-term care services;
- ◆ providing public health promotion and regulation to protect health; and
- ◆ providing professional training and investment in research.

RECENT DEVELOPMENTS

NSW Health's projected expenditure for 2006-07 is \$11.9 billion. Key achievements in 2006-07 include:

- ◆ better integration of health care including establishment of after-hours GP clinics at Nepean, Albury and Liverpool Hospitals and continuation of the successful after-hours GP clinic at Campbelltown Hospital;
- ◆ better access to care, reflected in improvements in triage performance for patients requiring care in emergency departments and declines in waiting lists for elective surgery;
- ◆ enhanced mental health services including more mental health beds at Dubbo, Broken Hill and Justice Health; expansion of the Housing Accommodation Support Initiative (HASI) to 850 places; and establishment of specialist amphetamine treatment services at Newcastle and St Vincent's Hospitals;
- ◆ increases in the nursing workforce to 42,004 as at March 2007, an increase of 23.5 per cent or 8,000 since January 2002;
- ◆ better access to renal services through upgrading of facilities, an increase in number of dialysis chairs, recruitment and up-skilling of staff, and allocation of more than \$5 million to establish six new in-centre or satellite renal dialysis services at Northern Beaches, Royal Prince Alfred Hospital, Fairfield, Sutherland, Bega and Taree and to expand community and outreach capacity to provide support for patients on home haemodialysis; and
- ◆ better access to cardiac services in rural areas through establishment of specialist services for the diagnosis and treatment of heart conditions, with a third rural public Cardiac Catheterisation Laboratory opened in Coffs Harbour in September 2006.

Health System Demands

Demand and rising costs confront health systems in all developed countries and are being driven by:

- ◆ a growing and ageing population;
- ◆ increasing rates of obesity, diabetes and other lifestyle related illnesses;
- ◆ changes in health technology, including the availability of new and more advanced procedures;

- ◆ community expectations including higher standards of care; and
- ◆ worldwide skill shortages for clinical staff that flow through to service access issues and wage costs.

Increasing pressure on emergency and acute care services

Across New South Wales, emergency and acute care services continue to be significant areas of growing demand.

The Ambulance Service of NSW responds to a call for assistance every 31 seconds on average. Over the nine months to March 2007, ambulance responses increased by 35,223 or 4.7 per cent compared to the same period last year.

Emergency departments treat an average of 6,000 people daily. Over the nine months to March 2007, emergency department attendances were up by 73,694 patients or 5.6 per cent compared to the same period last year.

An average 4,000 people each day are admitted into public hospitals, 30 per cent of these through emergency departments. Over the nine months to March 2007, admissions through emergency departments were up by 20,637 or 7.1 per cent compared to the same period last year.

Diminishing Commonwealth support for public hospitals

While the demand for, and cost of, hospital services is increasing, the Commonwealth Government is restricting growth in the funding it provides to NSW public hospitals under the Australian Health Care Agreement (AHCA). It is estimated that New South Wales will lose some \$712 million in Commonwealth Government funding comprising \$278 million lost in the signing of the 2003-08 AHCA compared to a continuation of the previous 1998-03 agreement, a further \$122 million lost so far under the current AHCA from inadequate indexation adjustments, and a further \$312 million from a one-off Commonwealth adjustment. The loss of \$312 million occurred at the same time as the Commonwealth Government announced its Strengthening Medicare package.

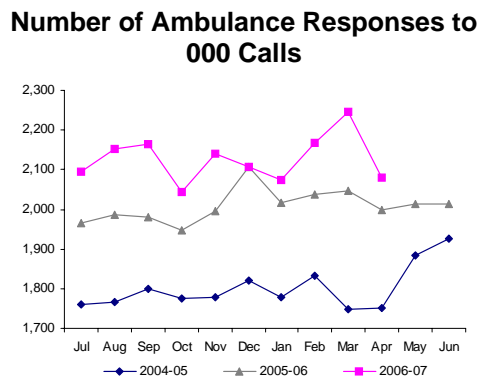
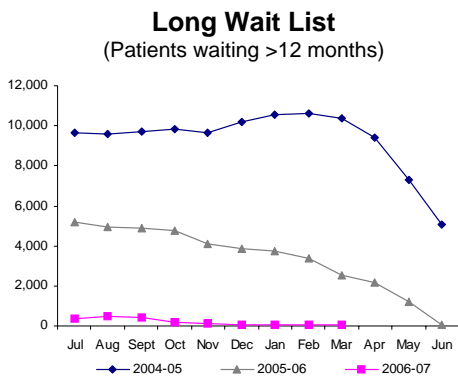
In 2003-04, the NSW Government contributed \$1.61 for every dollar the Commonwealth Government put into the NSW Health budget. In 2007-08, this is forecast to be \$1.72, demonstrating the Commonwealth's unwillingness to match recent NSW Government increases in health funding. Over this period, Commonwealth funding has failed to cover wage rises for public hospital nurses and medical staff.

Health System Performance

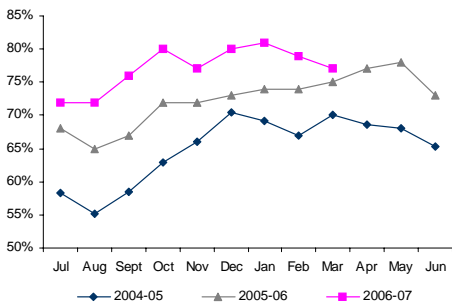
Despite increasing levels of demand, considerable improvements have been realised in key emergency and elective surgery health system performance indicators in 2006-07 (see Chart 12.1). As at March 2007, these include:

- ◆ Sustained State-wide improvement in the proportion of patients being transferred from ambulance to hospital care within 30 minutes of arriving at hospital. Off stretcher time (the percentage of patients transferred within 30 minutes) met or exceeded previous year results for the nine months to March 2007 at a time when emergency department attendances have been increasing. Off stretcher time for March 2007 was 79 per cent.
- ◆ A significant and sustained improvement in the proportion of patients being admitted within eight hours of attendance at emergency departments. Emergency Admission Performance State-wide for the nine months to March 2007 was 79 per cent (compared to 75 per cent for the same period last year).
- ◆ A significant and sustained improvement in the proportion of patients receiving emergency department treatment within national triage benchmarks. The Triage Category 1 national performance benchmark of 100 per cent of patients receiving care within two minutes continued to be met. National performance benchmarks were also achieved in categories in 2, 4 and 5. Performance across triage categories 2 to 5 improved by between three and ten percentage points compared to the same period last year.
- ◆ A reduction of 2,481 patients on the booked surgical waiting list in the 12 months to March 2007.
- ◆ Near elimination of the number of patients waiting longer than 12 months for elective procedures over the past two years. Numbers have dropped from 10,364 in March 2005 to 2,525 in March 2006, and to 72 in March 2007.

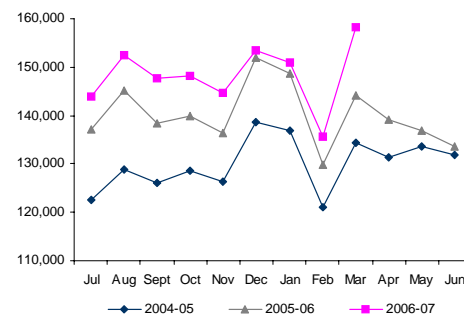
Chart 12.1: NSW Health Performance and Activity Measures



Emergency Admission Performance
(Ward admissions transferred from ED within 8 hours, Greater Metropolitan AHS only)



Emergency Department Attendances
(EDIS hospitals only)



STRATEGIC DIRECTIONS

The NSW Government has responded to the pressures on the health system through key initiatives pursued within an integrated strategic planning framework developed to guide the NSW health system over the next ten to twenty years. This framework is built around the following seven strategic directions:

- ◆ make prevention everybody's business;
- ◆ create better experiences for people using health services;
- ◆ strengthen primary health and continuing care in the community;
- ◆ build regional and other partnerships for health;

- ◆ make smart choices about the costs and benefits of health services;
- ◆ build a sustainable health workforce; and
- ◆ be ready for new risks and opportunities.

Health Services have prepared five year strategic plans which will deliver Government and State Health Plan priorities.

Health Investment and Reinvestment

In 2007-08, work will be escalated to align resources to NSW Health's seven strategic directions. This will involve improving hospital productivity, reviewing and reforming services in light of current evidence and best practice, greater investment in early intervention and prevention activities and increasing the emphasis on health care at home.

NSW Health has redirected \$70 million in savings in 2006-07 and thereafter to an increasing a range of frontline services including joint replacement, neurology, surgery, chronic disease, cardiology and gastroscopy, by reducing over 1,000 administrative positions.

The establishment of HealthSupport as a single State-wide coordinator of linen services, food services, procurement, payroll and accounts management is expected to deliver further efficiency savings for re-direction to frontline health services.

2007-08 BUDGET

Total Expenses

The NSW Government is advancing its record of first class health service delivery through a range of innovative and significant health initiatives for the people of New South Wales.

In 2007-08, NSW Health recurrent expenditure is budgeted to reach \$12.5 billion, an increase of \$830.9 million or 7.1 per cent over the 2006-07 Budget. Health spending represents around 28 per cent of the total NSW State Budget, up from around 24 per cent in 1996-97. In per capita terms, health expenditure in the 2007-08 Budget equates to approximately \$1,800 for every person in New South Wales.

Healthier Communities

The NSW Government will commit \$14.2 million over four years to establish the NSW Statewide Eyesight Pre-Schooler Screening (StEPS) program, which will enable all children to have access to vision screening before they attend school. Commencing in 2007-08, the StEPS program will be delivered as part of the child's four-year-old health check, recommended for all children as part of their NSW Personal Health Record (PHR), also known as "the Blue Book".

Also commencing in 2007-08, a total of \$1.4 million over four years will be spent in providing up-to-date parenting information, which will be available through an updated Personal Health Record (PHR) and through the new resource *Having a Baby*.

A revised PHR has recently been released and is designed to be more user friendly and contain updated resources and information for parents to document their child's progress.

Having a Baby provides information for women on maximising their health during pregnancy and on caring for their newborn in the early days after birth. The 152-page guide covers a wide range of topics such as choices for pregnancy care, labour and birth, the needs of partners and guidance for women about lifestyles considered risky during pregnancy involving alcohol, smoking and drug taking.

Live Life Well

In 2007-08, NSW Health will embark on historic measures to address health risk factors and advance community understanding of:

- ◆ overweight or obesity conditions;
- ◆ physical inactivity;
- ◆ unhealthy diet;
- ◆ smoking;
- ◆ risk drinking; and
- ◆ falls in the elderly.

Under the Australian Better Health Initiative, NSW Health is contributing more than \$6.5 million over four years to support a national campaign to promote the importance of physical activity and healthy diet in reducing chronic disease. NSW Health will also pilot a large diabetes prevention trial, providing those at high risk of diabetes with an intensive lifestyle intervention.

For children, NSW Health will continue the push for healthy school canteens in NSW, rolling out a new booster program targeting schools most in need. For the elderly, NSW Health will expand exercise programs for older adults to limit risk of falls.

While NSW has experienced significant success in reducing the number of smokers in the general population, more needs to be done. NSW Health in partnership with the Cancer Institute will now target groups within the community where the smoking rate is still too high, including training Aboriginal health workers to provide smoking cessation advice to their clients.

Better Integrated Health Care

After-Hours General Practice Services

New after-hours GP clinics are being established to improve access to affordable GP services after-hours. This not only takes pressure off busy emergency departments but also enables communities to be treated in the most appropriate clinical setting. After-hours GP clinics can be particularly important for rural communities where the emergency department and ambulance service are the only 24-hour health care services.

In 2007-08, after-hours GP clinics will be opened at Shoalhaven, Dubbo, Broken Hill and Ryde Hospitals.

Integrated Primary Health and Community Care Services

HealthOne NSW will see the development of comprehensive patient-centred care through a strong, integrated and sustainable primary health care sector.

HealthOne NSW services will involve integration of public and private sector general practices and other health care professional services and focus on health promotion and protection to ease the burden of ill health, especially that of chronic disease.

The first HealthOne NSW service opened in Mt Druitt in early 2007 with planning well advanced for services at Corowa, Cootamundra, Molong, Rylstone and Manilla. These services will open progressively, with Rylstone expected to open in December 2007.

Council of Australian Governments - Health Reforms

As agreed through the Council of Australian Governments (COAG), New South Wales is committing significant resources during 2007-08 to progress a range of initiatives including:

- ◆ National Health Call Centre Network: \$25.6 million over four years to enable people anywhere in Australia to access nurse-based telephone triage and health advice 24 hours a day, seven days a week.
- ◆ Electronic Health Record: New South Wales is committing \$21.7 million over four years to support the National E-Health Transition Authority (NEHTA) develop and implement infrastructure and individual and provider identifiers to enable sharing of electronic health information across Australia.
- ◆ Australian Better Health Initiative: New South Wales is committing \$83.7 million over four years to reduce the burden of chronic disease such as diabetes, stroke and vascular disease by promoting disease prevention, early intervention and self management.

COAG agreed in April 2007 to a range of initiatives to address the growth in Type 2 diabetes. The NSW Diabetes Action Plan addresses:

- ◆ primary prevention including the Good for Kids, Good for Life initiative, Australia's biggest trial of childhood obesity interventions;
- ◆ early detection and intervention through the pilot Healthy Living Program, an intensive lifestyle intervention for people at high risk of diabetes; and
- ◆ integrated care for people with Type 2 diabetes through the Health Care at Home program, which provides rehabilitation and self-management support.

Increased Capacity

Mental Health Improvements

The 2007-08 Budget will see the next stage of the roll-out of the Government's \$939 million five year commitment under NSW: A New Direction for Mental Health. Major initiatives under this package and other recent announcements include:

- ◆ an additional \$5 million per year for the award-winning Mental Health Housing and Accommodation Support Initiative (HASI);
- ◆ an additional \$1.5 million for expansion of the NSW Family and Carer Mental Health Program;

- ◆ \$2 million to support the work of frontline mental health non-government organisations;
- ◆ \$3 million in ongoing annual funding for the Recovery and Resource Services Program to improve access to community, social, leisure and recreational opportunities and vocational services for people with a mental illness;
- ◆ new Safe Start funding of \$3.5 million over four years to expand psychosocial assessment and depression screening for all pregnant and postnatal women, as part of an enhancement to the Families NSW Program; and
- ◆ \$5.3 million in 2007-08 for roll-out of the Mental Health Telephone Access Line which will provide a single state-wide number 24 hours a day for access to a professional mental health initial assessment and referral service.

Increased Access

Elective surgery

In 2007-08, the NSW Government will spend a further \$18.5 million to continue to address elective surgery waiting lists.

The funding will directly contribute to the NSW Government's priority of improving access to quality health care.

NSW Health will continue to collaborate with the NSW Health Surgical Services Taskforce to achieve and maintain a number of benchmarks relating to surgical service delivery including:

- ◆ an elective surgical cancellation benchmark rate of less than 2 per cent established from 1 July 2007;
- ◆ from 1 July 2007, a theatre utilisation benchmark of 80 per cent or greater;
- ◆ all patients who require surgery within 30 days must have their procedure booked to occur within that period by the seventh day; and
- ◆ all patients who require surgery within 12 months must have their procedure booked to occur within that period by the end of the ninth month.

More Dental Services

An additional \$4 million will be provided in 2007-08 (\$8 million per annum since the announcement in the 2006-07 Budget) for a range of dental workforce and infrastructure initiatives. In 2007-08, the budget for public oral health services will be over \$134 million.

Better Ambulance Services

NSW Government strategies to enhance Ambulance Officer numbers have already seen the number of frontline on-road Ambulance staff increase to 2,813 in March 2007, an increase of 12 per cent on July 2004. The 2007-08 Budget provides \$1 million for an additional 11 Ambulance officers.

From May 2007, new arrangements for emergency medical services helicopters in the greater Sydney region will see improvements in patient safety and increased access for people throughout New South Wales to emergency medical care. Under the new arrangements, the Ambulance Service will have access to helicopters with increased load capacity, greater range, better reliability, enhanced poor weather capacity, improved speed, and standardised fit-out and equipment.

Healthy at Home

Building on successful pilots in the Queanbeyan, Hornsby, Greater Newcastle and St George areas, the Healthy at Home Program provides \$18 million over four years from 2007-08 to assist the elderly stay out of hospital.

The program assists frail older persons in the community at the first signs of deterioration by providing access to healthcare workers and community case managers to meet the short and long term needs of clients and their carers. By intervening early, subsequent need for hospital admission is often averted.

Expanded Renal Services

Demand for renal services across NSW continues to grow. In response, the 2007-08 Budget provides an additional \$3 million to support patients with renal conditions.

Sustainable Workforce

Investing in Nurses

Education and training for nurses is a key focus for the Government.

From 2007-08, the Government will provide 800 scholarships for enrolled nurses and 800 scholarships for registered nurses at a cost of \$8 million over four years.

Professional development opportunities for 800 Nurse Unit Managers will be provided over four years commencing from 2007-08 to allow these important staff to enhance their skills and knowledge, and \$6 million over four years will be directed to establish 30 Nurse Practitioner positions in nursing and midwifery. From 2007-08, \$14 million will be spent over four years to create a further 80 Clinical Nurse Educator positions to increase nursing workforce skills and enhance patient safety. The role for enrolled nurses in specialist areas also will be expanded.

Funding of \$2.5 million over four years from 2007-08 will enable 125 rural midwives to undergo additional education and support a further 125 scholarships to attract midwives to rural communities.

The Government will provide \$2.8 million over four years from 2007-08 to support the Invest in Nursing in Schools program aimed at providing high school students with a head start in becoming nurses.

The rolling out of ten-hour night shifts has been an important ongoing initiative for the NSW Government. The 2007-08 Budget provides an additional \$3.6 million on top of \$3.6 million last year to introduce ten-hour night shifts in the Tamworth, Coledale, Murwillumbah and John Hunter Hospitals. The ten-hour night shifts program has been implemented across 52 sites as at March 2007.

In 2007-08, the Government will also spend \$46.5 million for ongoing initiatives to expand nurse numbers and enhance their clinical expertise.

Patient Focussed Quality of Care

NSW Health's Information and Communication Technology (ICT) Strategy will deliver more patient-focused and informed care leading to better patient outcomes by ensuring that information is available when and where it is needed.

Key initiatives for 2007-08 include:

- ◆ progressive State-wide implementation of the Electronic Medical Record (eMR) to manage patients more effectively and safely in the hospital environment by providing doctors, nurses and allied health clinicians the right information at the right time. eMR is the major component of an \$18 million Patient and Clinical Systems Program in 2007-08;
- ◆ evaluation of the Electronic Health Record (eHR) pilots targeting chronic disease in the Hunter and child health in Greater Western Sydney, to inform preparation for the state-wide rollout of the eHR; and
- ◆ commencing implementation of a Medical Imaging System that integrates digital imaging and radiology systems across New South Wales to better support remote diagnostic reporting by specialists and minimise delay and travel for patients in rural and remote areas. Funding of \$11.1 million will be provided in 2007-08 for this new works program.

Projects are also underway to provide the corporate systems and management information needed to manage the health system efficiently by implementation of:

- ◆ a State-wide Human Resources Information System to provide more effective management and support of the State's health workforce;
- ◆ a common system across New South Wales to improve patient billing and improve efficiency in recording all billable services, produce invoices and electronically submit claims against Medicare, the Department of Veterans' Affairs, health funds and other debtors;
- ◆ a Corporate Systems Information Strategy to provide the infrastructure supporting the Shared Corporate Services Program; and
- ◆ a Business Information Strategy to extend the availability of tools to support decision-making by frontline clinicians and begin the transition to a more responsive, flexible information infrastructure being accessible at all levels across the State.

CAPITAL EXPENDITURE

The NSW Government is committed to a capital works program for NSW Health of \$2.4 billion over the next four years. The 2007-08 capital program (including \$60 million capital expensing, and recognition of \$71.3 million for the Mater Hospital redevelopment as a Privately Financed Project) totals \$714 million.

- ◆ Major new works include planning the redevelopment of Narrabri Hospital, increasing the capacity of the Maitland Hospital Emergency Department and upgrade works at Ryde Hospital. New works will also include the implementation of statewide information systems to support clinical service redesign and corporate service delivery including Medical Imaging, Billing and the Business Information Strategy.
- ◆ Mental health remains a NSW Government priority and accordingly the Mental Health Capital Program will continue in 2007-08. This includes projects to expand capacity, improve infrastructure and establish additional mental health services. The projects include Forensic and Tertiary Mental Health Units at Bloomfield Hospital, Child and Adolescent Units at the Sydney Children's Hospital and at Shellharbour, and Non Acute Mental Health Units at Sutherland, St George, James Fletcher and Coffs Harbour Hospitals. Funds also have been allocated to commence planning on Stage 4 of the Program.
- ◆ Major projects introduced in 2006-07 will continue, including Auburn Health Services Redevelopment and Liverpool Hospital Redevelopment Stage 2. The 2007-08 Budget provides for continuation of large scale programs including major upgrading and redevelopment works within the Royal North Shore Hospital Redevelopment, the Newcastle Strategy, and the Western Sydney Strategy at Westmead.
- ◆ Major projects in regional New South Wales will also continue, including the Bathurst and Orange Campus Redevelopments, and Queanbeyan Hospital Redevelopment.
- ◆ The Rural Hospital and Health Service Program continues in 2007-08. Phase 3 of the Program comprises 14 rural and remote projects. Portland, Tullamore and Guyra were completed in late 2006 while construction of Dunedoo, Junee, Tottenham and Walcha will be finalised during 2007-08. Funds also have been allocated to commence planning Phase 4 of the Program.
- ◆ Support for cancer services continues with an ongoing commitment to breast cancer screening and radiotherapy services. A new program, to be administered by the Cancer Institute NSW, introducing digital imaging technology to enhance breast cancer detection will commence in 2007-08. The next phase of the radiotherapy services strategy will include expansion of existing services and replacement of linear accelerators in various locations.
- ◆ The Ambulance Service of NSW capital enhancement program will provide for construction of new ambulance stations at Nelson Bay and Deniliquin, and the upgrade of the Ambulance Computer Aided Dispatch System.

HEALTH CARE COMPLAINTS COMMISSION

The Health Care Complaints Commission is an independent statutory body reporting directly to the Minister for Health and to the Joint Parliamentary Committee on the Health Care Commission. The Commission is responsible for dealing with complaints against all health practitioners, hospitals, institutions and health programs in New South Wales to protect the health and safety of the public. The Commission's governing legislation is the *Health Care Complaints Act 1993*.

RESULTS AND SERVICES

The Commission contributes to an improved protection of the health and safety of the public by working towards the following results:

- ◆ The community has confidence that health care complaints reported are being properly investigated.
- ◆ Consumers have a positive and active role in their health care complaint outcomes.
- ◆ Health providers view health care complaints as a valuable tool to identify health service improvements.
- ◆ The community regards the Commission as the most effective means to prosecute serious cases of inappropriate health care.
- ◆ Systemic health care issues are addressed through recommendations to health service organisations.

Key services provided by the Commission which contribute to these results include:

- ◆ assessing, resolving and investigating health care complaints;
- ◆ providing community based complaint resolution services including facilitated conciliation processes; and
- ◆ rigorously prosecuting serious cases of inappropriate health care.

RECENT DEVELOPMENTS

The Commission is focused on investigating serious complaints about health service providers and has improved the handling and investigation of complaints.

Recent legislation will give the Commission power to investigate and impose prohibition orders on health practitioners who are a danger to the public and do not come within a statutory registration scheme.

STRATEGIC DIRECTIONS

In 2007-08, the Commission will focus on:

- ◆ continuing to improve and develop its complaint resolution, investigative and prosecution services;
- ◆ further developing its capacity to make effective recommendations to improve the delivery of health services;
- ◆ developing effective processes to manage complaints about unregistered health practitioners; and
- ◆ improving the Commission's business processes, particularly in the area of case management and performance tracking through enhancements to its Casemate computer system.

2007-08 BUDGET

Total Expenses

Estimated total expenses of the Commission in 2007-08 are \$10.6 million.

Capital Expenditure

There are no major asset acquisitions planned for 2007-08.

CANCER INSTITUTE NSW

The Cancer Institute NSW was established in July 2003 by the *Cancer Institute NSW Act 2003* as a response to the need to further decrease the devastating impact of cancer on our society. The life time risk of cancer is one in two for men and one in three for women. Under this legislation, the Cancer Institute NSW is charged with substantially improving cancer control in New South Wales.

The Cancer Institute NSW is being reported for the first time in the Budget Papers as a general government non-budget dependent agency. Funding for the Cancer Institute NSW is predominantly derived from a grant from the Department of Health.

RESULTS AND SERVICES

The Cancer Institute NSW contributes to decreasing the impact of cancer on our society by working towards the following results:

- ◆ Incidence of cancer in the community is reduced.
- ◆ Likelihood of cure and longer survival is increased.
- ◆ Quality of life for cancer patients and their carers is improved.
- ◆ Research discoveries are translated into effective clinical practice, preventative and early detection measures.

Key services provided by the Cancer Institute NSW to contribute to these results include:

- ◆ preventative campaigns targeting reductions in risky behaviours, and funding of programs to support smokers seeking to quit smoking;
- ◆ management of screening services to ensure effective delivery to detect cancers early to enable early intervention and treatment;
- ◆ promotion of improvements in clinical practice by developing, coordinating and funding strategic programs to redesign clinical care;
- ◆ funding research programs to enable translation of research discoveries into more effective clinical practice; and
- ◆ collection and analysis of cancer information to support improvements in clinical practice.

RECENT DEVELOPMENTS

The BreastScreen and Cervical Screening programs previously managed by the Sydney West Area Health Service were transferred to the Cancer Institute NSW from 1 July 2005.

Additional funding and effective management of screening programs have resulted in:

- ◆ an increase of 7 per cent in the proportion of women aged 50-69 who have had a mammogram in BreastScreen NSW since July 2005;
- ◆ a reduction of 18 per cent in breast cancer and 52 per cent in cervical cancer mortality rates over the last ten years, mainly due to screening; and
- ◆ development of web-based treatment modules on cancer incidence, mortality and treatment (containing more than 350 cancer treatment programs) which are currently receiving over 300,000 hits per month by patients, doctors, nurses and carers.

The Tobacco Prevention initiatives undertaken by the Cancer Institute NSW have delivered significant results:

- ◆ Calls to the Quitline more than doubled since 2003, as a result of mass media campaigns on tobacco run by the Cancer Institute NSW, to over 58,000 in 2006.
- ◆ An estimated 150,000 smokers have reported quitting in the last three years.
- ◆ Smoking rates in NSW have fallen to the lowest levels recorded. The 2007 New South Wales Population Health survey estimated 17.7 per cent of adults smoke but only 13.9 per cent of people, including 12.9 per cent of women and 15 per cent of men, smoke every day.
- ◆ The 4.6 per cent reduction in smoking rates in the last three years is estimated to save the NSW community between \$2.2 billion and \$5.3 billion over the next 20 years. The Australian Institute of Health and Welfare has estimated that every dollar spent on tobacco control saves two dollars in direct health costs.

STRATEGIC DIRECTIONS

A NSW Cancer Plan for 2007-10 has been developed by the Cancer Institute NSW following a consultative process with relevant stakeholders. The initiatives from this plan will enable the Cancer Institute NSW to achieve the planned results in cancer services and outcomes. Key initiatives include:

- ◆ a continued strong focus on successful tobacco control programs with savings in health costs;

- ◆ expansion of other cancer prevention programs with an increased focus on sun exposure risk and lifestyle cancers, caused by alcohol, obesity and lack of physical activity;
- ◆ continued promotion of the benefits of screening for breast and cervical cancers and a new focus on the Commonwealth Government's bowel cancer screening program to detect small curable cancers;
- ◆ development of smarter care models and a Cancer Services Accreditation Program to improve the quality and efficiency of cancer services;
- ◆ establishment of the NSW Cancer Trials Network to apply new research discoveries directly to more effective treatment as quickly as possible;
- ◆ expansion of cancer information databases to include cancer screening and hereditary cancers, and improved dissemination of information to researchers, government and practitioners; and
- ◆ increased partnering with the private sector to leverage their skills and expertise and use their capacity to reduce health costs.

2007-08 BUDGET

Total Expenses

Total expenses for the Cancer Institute NSW in the 2007-08 Budget are \$134.3 million. \$118.6 million or 88 per cent of these expenses will be for clinical responsibilities which relate to funding of initiatives in the Area Health Services and hospitals. Significant areas of expenditure in 2007-08 will include:

- ◆ Prevention programs developed and coordinated by the Cancer Institute NSW which have been allocated \$18.0 million in 2007-08.
- ◆ Screening programs which have been allocated \$49.5 million for 2007-08. \$46.7 million of this allocation relates to BreastScreen and Cervical Screening. The Cancer Institute NSW will allocate \$5 million to achieve improved breast screening participation rates through enhanced services and awareness campaigns.
- ◆ Cancer Services and Education for which the budget for 2007-08 is \$29.5 million. This includes approximately \$11 million for approved ongoing funding for positions such as lead clinicians, care coordinators and cancer service development managers in the Area Health Services for improved cancer treatments. This also includes a \$5 million allocation to radiotherapy operating expenditure in public hospitals.

- ◆ A budget allocation in 2007-08 of \$27.6 million for research activities to fund various research programs to enable translation of new cancer research discoveries into more effective clinical practice.
- ◆ An allocation of \$9.9 million to cancer information and registries in 2007-08. This includes the Central Cancer Registry, the Pap Test Registry and the Hereditary Cancer Registry.

The 2007-08 Budget will see the roll-out of the Government's commitment to expand BreastScreen services. The introduction of digital mammography imaging technology will provide faster results and improve breast cancer detection. The desired outcome is for the x-ray or mammogram to be able to be electronically sent across the state or elsewhere to ensure the doctor or patient can get the images as quickly as possible.

The expansion of services will be rolled out in three stages, with stage one covering locations in Western Sydney and Tamworth in the first year. The rest of the State will be covered in 2008-09. The program is administered by the Cancer Institute NSW through funding from Department of Health.

Capital Expenditure

The proposed capital expenditure for the Cancer Institute NSW in 2007-08 is \$2 million with:

- ◆ \$1 million for the redesign of the Cancer Registry, enabling electronic transmission and recording of incidences to provide quicker, accurate and more enhanced information;
- ◆ \$0.2 million for the Cancer Institute Standard Cancer Treatment Protocol information technology redevelopment;
- ◆ \$0.5 million for research software for ethics, grant applications and clinical trials; and
- ◆ \$0.3 million for the design and implementation of the Institute's website, intranet and extranet.

MINISTER FOR HEALTH
31 DEPARTMENT OF HEALTH

| | 2006-07 | | 2007-08 |
|--|-------------------|-------------------|-------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 7,125,434 | 7,298,453 | 7,577,502 |
| Other operating expenses | 3,318,874 | 3,308,218 | 3,504,850 |
| Depreciation and amortisation | 418,033 | 425,453 | 434,474 |
| Grants and subsidies | 708,568 | 779,812 | 886,836 |
| Finance costs | 5,892 | 2,892 | 2,611 |
| Other expenses | 110,990 | 110,990 | 112,465 |
| Total Expenses Excluding Losses | 11,687,791 | 11,925,818 | 12,518,738 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 1,089,789 | 1,180,936 | 1,205,298 |
| Investment income | 71,803 | 77,803 | 77,193 |
| Grants and contributions | 208,139 | 245,344 | 286,334 |
| Other revenue | 80,224 | 98,224 | 93,474 |
| Total Retained Revenue | 1,449,955 | 1,602,307 | 1,662,299 |
| Other gains/(losses) | (15,643) | (21,643) | (20,542) |
| NET COST OF SERVICES | 10,253,479 | 10,345,154 | 10,876,981 |

MINISTER FOR HEALTH
31 DEPARTMENT OF HEALTH

| | 2006-07 | | 2007-08 |
|---|---------------------|---------------------|---------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 6,932,071 | 6,988,265 | 7,376,539 |
| Grants and subsidies | 685,568 | 756,812 | 808,836 |
| Finance costs | 5,892 | 2,892 | 2,611 |
| Other | 4,046,095 | 4,079,439 | 4,235,214 |
| Total Payments | 11,669,626 | 11,827,408 | 12,423,200 |
| Receipts | | | |
| Sale of goods and services | 1,083,326 | 1,180,427 | 1,199,408 |
| Interest | 71,803 | 77,803 | 77,193 |
| Other | 865,776 | 905,097 | 947,788 |
| Total Receipts | 2,020,905 | 2,163,327 | 2,224,389 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (9,648,721) | (9,664,081) | (10,198,811) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 47,620 | 15,519 | 51,444 |
| Purchases of property, plant and equipment | (553,094) | (568,126) | (562,976) |
| Other | (20,000) | (20,000) | (20,000) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (525,474) | (572,607) | (531,532) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | ... | ... | 1,157 |
| Repayment of borrowings and advances | (4,017) | (4,017) | (2,648) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (4,017) | (4,017) | (1,491) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 9,821,729 | 9,838,917 | 10,350,496 |
| Capital appropriation | 385,685 | 385,735 | 385,439 |
| Asset sale proceeds transferred to the Consolidated Fund Entity | (9,000) | (9,000) | ... |
| NET CASH FLOWS FROM GOVERNMENT | (10,198,414) | (10,215,652) | (10,735,935) |
| NET INCREASE/(DECREASE) IN CASH | 20,202 | (25,053) | 4,101 |
| Opening Cash and Cash Equivalents | 641,949 | 642,246 | 617,193 |
| CLOSING CASH AND CASH EQUIVALENTS | 662,151 | 617,193 | 621,294 |

MINISTER FOR HEALTH
31 DEPARTMENT OF HEALTH

| 2006-07 | | 2007-08 |
|---------|---------|---------|
| Budget | Revised | Budget |
| \$000 | \$000 | \$000 |

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

| | | | |
|--|--------------------|--------------------|---------------------|
| Net cost of services | (10,253,479) | (10,345,154) | (10,876,981) |
| Non cash items added back | 544,595 | 582,539 | 643,922 |
| Change in operating assets and liabilities | 60,163 | 98,534 | 34,248 |
| Net cash flow from operating activities | (9,648,721) | (9,664,081) | (10,198,811) |

MINISTER FOR HEALTH
31 DEPARTMENT OF HEALTH

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|------------------|-------------------|---|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 669,724 | 617,193 | 621,294 |
| Receivables | 163,103 | 283,297 | 276,908 |
| Other financial assets | 243,948 | 184,450 | 184,450 |
| Inventories | 74,186 | 77,363 | 77,052 |
| Assets held for sale | 51,020 | 51,444 | 41,880 |
| Other | 38,597 | ... | ... |
| Total Current Assets | 1,240,578 | 1,213,747 | 1,201,584 |
| Non Current Assets - | | | |
| Receivables | 2,251 | 6,064 | 6,064 |
| Other financial assets | 35,735 | 35,269 | 35,269 |
| Property, plant and equipment - | | | |
| Land and building | 7,602,962 | 7,777,013 | 7,850,899 |
| Plant and equipment | 683,366 | 739,428 | 787,494 |
| Infrastructure systems | 287,109 | 322,072 | 322,072 |
| Intangibles | 52,644 | 54,286 | 55,286 |
| Other | 4,751 | 11,350 | 11,350 |
| Total Non Current Assets | 8,668,818 | 8,945,482 | 9,068,434 |
| Total Assets | 9,909,396 | 10,159,229 | 10,270,018 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 645,962 | 661,222 | 554,202 |
| Borrowings at amortised cost | 17,713 | 391 | 2,113 |
| Provisions* | 605,405 | 1,921,465 | 2,036,259 |
| Other | 32,369 | 57,462 | 57,462 |
| Total Current Liabilities | 1,301,449 | 2,640,540 | 2,650,036 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 64,957 | 34,629 | 102,746 |
| Provisions* | 1,267,563 | 96,839 | 116,613 |
| Other | 30,695 | 32,021 | 32,021 |
| Total Non Current Liabilities | 1,363,215 | 163,489 | 251,380 |
| Total Liabilities | 2,664,664 | 2,804,029 | 2,901,416 |
| NET ASSETS | 7,244,732 | 7,355,200 | 7,368,602 |

* Reclassification between line items from the 2006-07 Budget is due to the introduction of Australian Equivalents to International Financial Reporting Standards.

MINISTER FOR HEALTH
31 DEPARTMENT OF HEALTH

| | 2006-07 | | 2007-08 |
|------------------------------------|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| <hr/> | | | |
| <i>BALANCE SHEET (cont)</i> | | | |
| EQUITY | | | |
| Reserves | 1,192,246 | 1,388,172 | 1,388,172 |
| Accumulated funds | 6,052,486 | 5,967,028 | 5,980,430 |
| TOTAL EQUITY | 7,244,732 | 7,355,200 | 7,368,602 |

MINISTER FOR HEALTH
32 HEALTH CARE COMPLAINTS COMMISSION

| | 2006-07 | | 2007-08 |
|--|---------------|---------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 7,138 | 7,000 | 7,330 |
| Other operating expenses | 2,845 | 3,090 | 2,969 |
| Depreciation and amortisation | 370 | 293 | 320 |
| Total Expenses Excluding Losses | 10,353 | 10,383 | 10,619 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 5 | 2 | 2 |
| Investment income | 46 | 105 | 75 |
| Other revenue | 185 | 314 | 186 |
| Total Retained Revenue | 236 | 421 | 263 |
| NET COST OF SERVICES | 10,117 | 9,962 | 10,356 |

MINISTER FOR HEALTH
32 HEALTH CARE COMPLAINTS COMMISSION

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 6,796 | 6,679 | 6,865 |
| Other | 2,928 | 3,337 | 3,299 |
| Total Payments | 9,724 | 10,016 | 10,164 |
| Receipts | | | |
| Sale of goods and services | 5 | 2 | 2 |
| Interest | 46 | 105 | 75 |
| Other | 329 | 643 | 475 |
| Total Receipts | 380 | 750 | 552 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (9,344) | (9,266) | (9,612) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (162) | (115) | ... |
| Other | ... | (150) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (162) | (265) | ... |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 9,384 | 9,384 | 9,594 |
| Capital appropriation | 12 | 12 | ... |
| NET CASH FLOWS FROM GOVERNMENT | 9,396 | 9,396 | 9,594 |
| NET INCREASE/(DECREASE) IN CASH | (110) | (135) | (18) |
| Opening Cash and Cash Equivalents | 1,665 | 2,044 | 1,909 |
| CLOSING CASH AND CASH EQUIVALENTS | 1,555 | 1,909 | 1,891 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (10,117) | (9,962) | (10,356) |
| Non cash items added back | 689 | 591 | 645 |
| Change in operating assets and liabilities | 84 | 105 | 99 |
| Net cash flow from operating activities | (9,344) | (9,266) | (9,612) |

MINISTER FOR HEALTH
32 HEALTH CARE COMPLAINTS COMMISSION

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 1,555 | 1,909 | 1,891 |
| Receivables | 372 | 169 | 198 |
| Other | 10 | ... | ... |
| Total Current Assets | 1,937 | 2,078 | 2,089 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 157 | 205 | 100 |
| Plant and equipment | 541 | 359 | 272 |
| Intangibles | 288 | 458 | 330 |
| Total Non Current Assets | 986 | 1,022 | 702 |
| Total Assets | 2,923 | 3,100 | 2,791 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 352 | 328 | 351 |
| Provisions | 550 | 633 | 738 |
| Total Current Liabilities | 902 | 961 | 1,089 |
| Non Current Liabilities - | | | |
| Provisions | 91 | 4 | 4 |
| Total Non Current Liabilities | 91 | 4 | 4 |
| Total Liabilities | 993 | 965 | 1,093 |
| NET ASSETS | 1,930 | 2,135 | 1,698 |
| EQUITY | | | |
| Accumulated funds | 1,930 | 2,135 | 1,698 |
| TOTAL EQUITY | 1,930 | 2,135 | 1,698 |

**MINISTER FOR HEALTH
CANCER INSTITUTE NSW**

| | 2006-07 | | 2007-08 |
|--|---------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | ... | 1,566 | 520 |
| Grants and contributions | ... | 126,462 | 134,501 |
| Other revenue | ... | 700 | 350 |
| Total Retained Revenue | ... | 128,728 | 135,371 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related | ... | 12,868 | 14,731 |
| Other operating expenses | ... | 33,594 | 28,051 |
| Depreciation and amortisation | ... | 739 | 836 |
| Grants and subsidies | ... | 91,097 | 90,700 |
| Total Expenses Excluding Losses | ... | 138,298 | 134,318 |
| SURPLUS/(DEFICIT) | ... | (9,570) | 1,053 |

**MINISTER FOR HEALTH
CANCER INSTITUTE NSW**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Interest | ... | 1,566 | 520 |
| Other | ... | 141,742 | 149,334 |
| Total Receipts | ... | 143,308 | 149,854 |
| Payments | | | |
| Employee related | ... | 12,868 | 15,040 |
| Grants and subsidies | ... | 91,097 | 90,700 |
| Other | ... | 48,427 | 41,855 |
| Total Payments | ... | 152,392 | 147,595 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | ... | (9,084) | 2,259 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | ... | (1,470) | (2,000) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | ... | (1,470) | (2,000) |
| NET INCREASE/(DECREASE) IN CASH | ... | (10,554) | 259 |
| Opening Cash and Cash Equivalents | ... | 29,606 | 19,052 |
| CLOSING CASH AND CASH EQUIVALENTS | ... | 19,052 | 19,311 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | ... | (9,570) | 1,053 |
| Non cash items added back | ... | 739 | 836 |
| Change in operating assets and liabilities | ... | (253) | 370 |
| Net cash flow from operating activities | ... | (9,084) | 2,259 |

**MINISTER FOR HEALTH
CANCER INSTITUTE NSW**

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | ... | 19,052 | 19,311 |
| Receivables | ... | 1,994 | 1,811 |
| Total Current Assets | ... | 21,046 | 21,122 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | ... | 3,281 | 4,455 |
| Intangibles | ... | 17 | 7 |
| Total Non Current Assets | ... | 3,298 | 4,462 |
| Total Assets | ... | 24,344 | 25,584 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | ... | 9,394 | 9,890 |
| Provisions | ... | 1,312 | 1,312 |
| Total Current Liabilities | ... | 10,706 | 11,202 |
| Non Current Liabilities - | | | |
| Provisions | ... | 348 | 39 |
| Other | ... | 229 | 229 |
| Total Non Current Liabilities | ... | 577 | 268 |
| Total Liabilities | ... | 11,283 | 11,470 |
| NET ASSETS | ... | 13,061 | 14,114 |
| EQUITY | | | |
| Accumulated funds | ... | 13,061 | 14,114 |
| TOTAL EQUITY | ... | 13,061 | 14,114 |

MINISTER FOR HOUSING, AND MINISTER FOR TOURISM

OVERVIEW

| Agency | Budget 2006-07 \$m | Budget 2007-08 \$m | Variation % |
|--|--------------------------|--------------------------|----------------|
| Payments to Other Government Bodies Under the Control of the Minister | | | |
| Total Expenses* | 540.4 | 529.3 | -2.1 |
| Capital Expenditure | ... | ... | ... |
| Aboriginal Housing Office | | | |
| Total Expenses** | 94.7 | 74.3 | -21.5 |
| Capital Expenditure | 17.7 | 13.5 | -23.9 |
| Home Purchase Assistance Fund | | | |
| Total Expenses | 14.1 | 17.5 | 2.4 |
| Capital Expenditure | ... | ... | ... |
| Total, Minister for Housing, and Minister for Tourism*** | | | |
| Total Expenses | 600.6 | 583.3 | -2.9 |
| Capital Expenditure | 17.7 | 13.5 | -23.7 |

* The reduction in Total Expenses between 2006-07 and 2007-08 is due to the reclassification of some of the Aboriginal Communities Development Program to non-housing related programs, which will now be directly appropriated to the Department of Aboriginal Affairs.

** The reduction in Total Expenses between 2006-07 and 2007-08 is due to the reclassification of some of the Aboriginal Communities Development Program to non-housing related programs, which will now be directly appropriated to the Department of Aboriginal Affairs, as well as a change in the accounting treatment of rental subsidy expenses.

*** The Ministerial total has been reduced to exclude recurrent amounts paid from Payments to Other Government Bodies Under the Control of the Minister to the Aboriginal Housing Office.

In addition to the agencies listed above, the Minister is also supported by the Department of State and Regional Development (Section 19) for the Tourism portfolio area.

PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE CONTROL OF THE MINISTER

Payments through the Housing Policy and Assistance Program will assist almost 440,000 people in housing need. The Department of Housing, which operates under the auspices of the *Housing Act 2001*, and the Aboriginal Housing Office, which operates under the auspices of the *Aboriginal Housing Act 1998*, will use these payments and internal funding sources to provide support to:

- ◆ approximately 310,000 people in Government-subsidised housing managed by public, community and Aboriginal housing providers;
- ◆ around 4,500 crisis accommodation places for nearly 42,000 people; and
- ◆ around 89,000 private renters and homebuyers with financial assistance.

RECENT DEVELOPMENTS

The Department of Housing is focused on increasing efficiency while maintaining core client services and programs. A priority in 2006-07 was implementing the Reshaping Public Housing reforms. These reforms are designed to ensure a fair, more efficient and effective public housing system capable of meeting current and future demands. Key areas of the reform include:

- ◆ Eligibility - from 1 July 2006, a revised assessment criterion for those seeking entry to public housing was introduced to support the policy of targeting public housing to those in most need.
- ◆ Length of assistance - a revised criterion for determining a tenant's eligibility was introduced, with tenure also linked to a client's level of need.
- ◆ Water charges - a standard charge for water was introduced in December 2005 which has significantly reduced water consumption.
- ◆ Accord - the New South Wales Housing and Human Services Accord was announced in April 2007. The Accord is a formal agreement between the Department of Housing and other government human service agencies to improve interagency responses for "shared" social housing clients with complex needs.
- ◆ Reconfiguration of the asset portfolio - the Department of Housing is using housing assets more cost effectively to support the Department's objectives and better match client profiles.

The Department of Housing continued to pilot the Maintenance Reform Program (MRP) together with upgrading fire safety systems across the property portfolio. The MRP establishes a new direction in the maintenance of public housing through a more cost effective, systematic lifecycle planning approach.

STRATEGIC DIRECTIONS

The Department of Housing's core objectives are to:

- ◆ maintain a strong and fair public housing system for people most in need;
- ◆ support a robust and diverse community housing system;
- ◆ drive innovative solutions to meet a range of housing needs; and
- ◆ work in partnership to strengthen the capacity of individuals, families and communities.

A recent initiative announced by the Government in March 2007 aims to expand affordable rental housing through:

- ◆ piloting long term leases with a number of community housing providers to give them greater income security to raise private finance and grow the community housing sector;
- ◆ additional support to community housing providers to build their own houses and encourage growth in the sector;
- ◆ creation of an Affordable Housing Innovations Fund, with \$30 million being provided by the Rental Bond Board, to support affordable housing initiatives; and
- ◆ provision of further Rental Bond Board funding for the development of the ADI site at St Marys for affordable housing in the west of Sydney.

Some of these initiatives will underpin the *NSW Planning for the Future: Community Housing* strategy which aims to increase the number of houses managed by the community housing sector over the next ten years.

The Department is also implementing the following major strategic redevelopments and initiatives:

- ◆ West Dubbo Transformation – this involves the Department implementing a staged re-development of the West Dubbo estate over the next three years to provide better and more appropriate housing for clients in Dubbo.

- ◆ Living Communities Program Bonnyrigg - this involves a public private partnership which harnesses community, government and private sector participation in a staged redevelopment of the existing 833 social housing dwellings.
- ◆ Living Communities Program Minto - this involves the staged redevelopment of approximately 1,000 properties on the Minto public housing estate in Sydney's South West. The aim of the project is to renew the suburb of Minto with a mix of public and private housing.
- ◆ Building Stronger Communities program - \$66 million will be spent over four years to deliver stronger, more vibrant and supportive communities for social housing tenants in six major locations covering 18 housing estates.
- ◆ Inner West Redevelopment Strategy - this will result in 228 new homes.
- ◆ Social housing for older people - the Department's capital supply budget for 2007-08 includes an allocation of \$49.9 million (inclusive of commitments carried forward from 2006-07) for provision of 262 new homes for the elderly.

2007-08 BUDGET

Total Expenses

In 2007-08, \$529.3 million will be provided from the Budget for the Housing Policy and Assistance Program of which \$224.5 million is from the NSW Government. This program is supported by a further \$233.9 million utilised from the internal sources of the Department of Housing and the Aboriginal Housing Office. This total budget of \$763.2 million will be broadly applied in three areas as described below: housing supply; asset management for existing dwellings; and other housing assistance for people in housing need.

Housing Supply Program

The housing supply program of \$392.2 million will fund new capital works, works in progress, and existing and new leased housing in the public, community and Aboriginal housing sectors. This includes:

- ◆ \$235.9 million for public housing which will fund the commencement of 1,013 new dwellings, the completion of 807 dwellings, continuation of 2,659 existing leases and the addition of 389 new leases from the private market;

- ◆ \$128.1 million for community housing (excluding crisis accommodation) which will fund the commencement of 339 new dwellings, the completion of 358 dwellings and subsidies for 5,642 existing leases and 90 new leases;
- ◆ \$19.1 million for the Aboriginal Housing Office to commence or acquire 31 new dwellings and to continue to construct 30 dwellings to be managed by the Aboriginal Housing Office, as well as for 14 additional dwellings to be managed by the Aboriginal community housing sector; and
- ◆ \$9.1 million for crisis accommodation which will fund the commencement of 26 new dwellings, the completion of 28 dwellings, 245 existing leases and 15 new leases.

In total, 1,717 better configured dwellings will be added to the social housing portfolio through capital completions or purchases (1,223 units) and leasing from the private market (494 units). This will be offset by a number of demolitions, sales and conversions during the year.

Funding of \$1 million will be provided for 100 units (50 are new in 2007-08 and 50 will be continued from 2006-07) of supported accommodation for people with a mental illness, under the Housing and Accommodation Support Initiative (HASI), jointly managed with the Department of Health.

Asset Management Program

To improve the standard of housing stock, allocations of \$177.9 million, \$6.2 million and \$17.9 million will be made to public, community (including crisis) and Aboriginal housing respectively, for improvements to dwellings. Improvements range from minor repairs and painting to major upgrade works. Asset management improvements also contribute to community regeneration of public housing estates.

Other Programs

The Government assists disadvantaged and lower income people renting in the private rental market. In 2007-08, \$26.9 million will be available to fund Rentstart, a program that provides financial assistance, such as payment of rental bond, for private renters. Under the Special Assistance Subsidy (SAS) program, \$10.2 million will assist eligible people with disabilities and people living with HIV/AIDS to access the private rental market.

The Government also assists lower income earners to own their own home through the Mortgage Assistance Scheme. \$1 million in revolving funds is provided for mortgage assistance in 2007-08.

Other programs funded in this Budget for community and public housing include:

- ◆ \$1.4 million for programs to tackle homelessness in the State;
- ◆ \$1.1 million for grants to bodies that address housing related issues;
- ◆ \$1.4 million for the Centre for Affordable Housing; and
- ◆ \$0.8 million (\$4 million over four years) for the Care Call initiative announced by the Government in March 2007. Care Call is a program to contact frail and aged tenants, living alone in public housing, on a regular basis.

The Aboriginal Housing Office will allocate \$9.1 million to fund non-asset related programs, such as resourcing Aboriginal community organisations and providing sector support. A further \$7 million will be provided for the Aboriginal Communities Development Program.

ABORIGINAL HOUSING OFFICE

The Aboriginal Housing Office (AHO) is a statutory authority with an all Aboriginal board, established in 1998 pursuant to the *Aboriginal Housing Act 1998*. The AHO plans and administers the policies, programs and asset base for the delivery of Aboriginal housing in New South Wales. This includes resource allocation, sector-wide policy, strategic planning and monitoring outcomes and performance in the Aboriginal housing sector.

The AHO manages and coordinates an annual capital works program, and develops and implements a range of financial and resourcing strategies. In addition, the AHO has an important role in facilitating and improving training and employment opportunities for Aboriginal people.

RECENT DEVELOPMENTS

Recent policy developments that will impact the AHO's activities include:

- ◆ the AHO's Sector Reform Strategy, which includes the development of policies to reform the indigenous community housing sector, the introduction of a regulatory framework for Aboriginal Housing Providers, and better targeting of existing resources and funding;
- ◆ the re-negotiation of the Commonwealth-State Housing Agreement and the Indigenous Housing and Infrastructure Agreement, which are due to expire in June 2008; and

- ◆ the Commonwealth Government's review of the Community Housing and Infrastructure Program, and the joint Commonwealth-State review of Aboriginal housing and related infrastructure programs in New South Wales.

Total expenditure in 2006-07 is forecast at \$66.9 million. This is less than the \$94.7 million published in the 2006-07 Budget due to changes in the accounting treatment of rental subsidies and delays in finalising Commonwealth approval for the annual Aboriginal Housing Program.

STRATEGIC DIRECTIONS

The three key strategies that underpin the AHO's activities are *Sustainable Services*, *Sustainable Growth* and *Sustainable Assets*. The AHO's annual Aboriginal Housing Program, which allocates resources and funding within the indigenous housing sector, is developed in consultation with key stakeholders, including Aboriginal communities and Aboriginal Housing Providers.

Program funding is directed towards long-term sustainable housing outcomes in Aboriginal communities, as well as to immediate housing need, repairs and maintenance, and asset management. Specific strategies include assisting Aboriginal Housing Providers to remain viable and become sustainable. This is achieved through a range of capacity building programs for providers and their staff, assisting them to develop asset management plans for acquisitions and repairs and maintenance, and the roll out of coordinated and resource effective models of management.

The AHO's strategic directions are set out in its Strategic Plan for 2005-06 to 2007-08, and are closely linked to:

- ◆ the *Aboriginal Housing Act 1998*;
- ◆ the national indigenous housing policy *Building a Better Future: Indigenous Housing to 2010*; and
- ◆ the Commonwealth-State Government funded, *Indigenous Housing and Infrastructure Agreement 2005-06 to 2007-08*.

2007-08 BUDGET

Total Expenses

In 2007-08, the AHO's total expenses are budgeted to be \$74.3 million. This includes:

- ◆ \$6.1 million in grants to Aboriginal communities for an additional 14 community-owned dwellings;

- ◆ \$16.8 million for repairs and maintenance works to community-owned dwellings;
- ◆ \$10.3 million for repairs and maintenance works to AHO-owned dwellings;
- ◆ \$7 million for the housing component of the Aboriginal Communities Development Program;
- ◆ \$7.9 million for resourcing community organisations, sector support and training; and
- ◆ \$2.3 million for other minor initiatives.

Capital Expenditure

In 2007-08, the AHO's capital expenditure will be \$13.5 million, comprising:

- ◆ \$7.4 million for indigenous housing works in progress – 30 dwellings;
- ◆ \$5.6 million for new indigenous housing works – 31 dwellings; and
- ◆ \$0.5 million for office plant and equipment.

HOME PURCHASE ASSISTANCE FUND

The Home Purchase Assistance Fund was established by Trust Deed in 1989 to support and administer government home purchase assistance programs. Income earned by the Fund's investments is used to meet shortfalls in the HomeFund Scheme and other programs supporting home purchase. The Department of Housing oversees the management of the Fund.

RECENT DEVELOPMENTS

Rationalisation of the HomeFund Scheme structure is now well advanced with consolidation of 29 FANMAC mortgage trusts into a Master Trust. The remaining mortgage trust with bonds held by external parties matured in May 2006 and the mortgages were transferred into the Master Trust at that time.

STRATEGIC DIRECTIONS

The management of the Fund continues to be focused on risk containment, prudent asset investment, cost minimisation and the careful administration of borrowings. Within this structure, the Fund's key objective is to maintain sufficient levels of capital to meet its HomeFund support obligations. These HomeFund support obligations have reduced significantly in recent years, and the financial structure of the Fund will be reviewed in line with the Fund's future obligations. The matured long term investments are currently reinvested in the short term investments.

2007-08 BUDGET

Total Expenses

Total expenses are budgeted at \$17.5 million in 2007-08. This includes \$16.2 million for interest expenses on borrowings and \$0.7 million for funding of Master Trust shortfalls on HomeFund mortgages guaranteed by the NSW Government.

MINISTER FOR HOUSING, AND MINISTER FOR TOURISM
33 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE
CONTROL OF THE MINISTER

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Grants and subsidies* | 540,408 | 534,113 | 529,310 |
| Total Expenses Excluding Losses | 540,408 | 534,113 | 529,310 |
| NET COST OF SERVICES | 540,408 | 534,113 | 529,310 |

* This includes \$29.2 million in 2007-08 covering the provision of corporate services, reimbursable expenditure and projects to the Department of Housing by NSWbusinesslink Pty Limited. Estimate for 2006-07 is \$30 million which is within the budgeted appropriation.

MINISTER FOR HOUSING, AND MINISTER FOR TOURISM
33 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE
CONTROL OF THE MINISTER

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Grants and subsidies | 540,408 | 534,113 | 529,310 |
| Total Payments | 540,408 | 534,113 | 529,310 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (540,408) | (534,113) | (529,310) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 540,408 | 534,113 | 529,310 |
| NET CASH FLOWS FROM GOVERNMENT | 540,408 | 534,113 | 529,310 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (540,408) | (534,113) | (529,310) |
| Net cash flow from operating activities | (540,408) | (534,113) | (529,310) |

MINISTER FOR HOUSING, AND MINISTER FOR TOURISM
ABORIGINAL HOUSING OFFICE

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|----------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services* | 39,601 | 23,635 | 24,806 |
| Investment income | 1,000 | 1,500 | 1,500 |
| Grants and contributions | 64,314 | 60,568 | 53,508 |
| Total Retained Revenue | 104,915 | 85,703 | 79,814 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related | 7,135 | 7,385 | 7,682 |
| Other operating expenses | 22,092 | 26,139 | 24,274 |
| Depreciation and amortisation | 5,893 | 5,939 | 6,178 |
| Grants and subsidies | 43,758 | 27,418 | 36,190 |
| Other expenses* | 15,836 | ... | ... |
| Total Expenses Excluding Losses | 94,714 | 66,881 | 74,324 |
| Gain/(loss) on disposal of non current assets | 100 | 100 | 100 |
| Other gains/(losses) | (500) | (500) | (500) |
| SURPLUS/(DEFICIT) | 9,801 | 18,422 | 5,090 |

* Other expenses of \$15.8 million in the 2006-07 Budget are for rental subsidies. Since then, the accounting treatment of these subsidies has changed through the use of a contra-revenue account. This is reflected by the lower figures in the Revised 2006-07 Budget and 2007-08 Budget for Sales of goods and services and Other expenses.

MINISTER FOR HOUSING, AND MINISTER FOR TOURISM
ABORIGINAL HOUSING OFFICE

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 23,293 | 23,123 | 24,306 |
| Interest | 1,000 | 1,500 | 1,500 |
| Other | 65,261 | 59,358 | 54,851 |
| Total Receipts | 89,554 | 83,981 | 80,657 |
| Payments | | | |
| Employee related | 6,483 | 6,421 | 7,530 |
| Grants and subsidies | 43,698 | 24,164 | 36,190 |
| Other | 23,642 | 27,794 | 25,534 |
| Total Payments | 73,823 | 58,379 | 69,254 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 15,731 | 25,602 | 11,403 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 1,000 | 1,123 | 3,000 |
| Purchases of property, plant and equipment | (17,646) | (22,598) | (13,500) |
| Other | (100) | (336) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (16,746) | (21,811) | (10,500) |
| NET INCREASE/(DECREASE) IN CASH | (1,015) | 3,791 | 903 |
| Opening Cash and Cash Equivalents | 26,265 | 35,836 | 39,627 |
| CLOSING CASH AND CASH EQUIVALENTS | 25,250 | 39,627 | 40,530 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 9,801 | 18,422 | 5,090 |
| Non cash items added back | 5,893 | 5,939 | 6,178 |
| Change in operating assets and liabilities | 37 | 1,241 | 135 |
| Net cash flow from operating activities | 15,731 | 25,602 | 11,403 |

MINISTER FOR HOUSING, AND MINISTER FOR TOURISM
ABORIGINAL HOUSING OFFICE

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|---|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 25,250 | 39,627 | 40,530 |
| Receivables | 3,628 | 2,004 | 2,211 |
| Other | 10 | 1,152 | 1,206 |
| Total Current Assets | 28,888 | 42,783 | 43,947 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 859,209 | 820,363 | 825,127 |
| Plant and equipment | 1,759 | 1,496 | 1,308 |
| Infrastructure systems | 9,073 | 12,968 | 12,968 |
| Intangibles | 272 | 513 | 359 |
| Other | 668 | 120 | 123 |
| Total Non Current Assets | 870,981 | 835,460 | 839,885 |
| Total Assets | 899,869 | 878,243 | 883,832 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 1,696 | 3,990 | 4,288 |
| Provisions | 2,850 | 3,813 | 3,949 |
| Other | 10,000 | ... | ... |
| Total Current Liabilities | 14,546 | 7,803 | 8,237 |
| Non Current Liabilities - | | | |
| Provisions | 1,092 | 1,587 | 1,652 |
| Other | ... | 210 | 210 |
| Total Non Current Liabilities | 1,092 | 1,797 | 1,862 |
| Total Liabilities | 15,638 | 9,600 | 10,099 |
| NET ASSETS | 884,231 | 868,643 | 873,733 |
| EQUITY | | | |
| Reserves | 375,570 | 342,485 | 342,485 |
| Accumulated funds | 508,661 | 526,158 | 531,248 |
| TOTAL EQUITY | 884,231 | 868,643 | 873,733 |

MINISTER FOR HOUSING, AND MINISTER FOR TOURISM
HOME PURCHASE ASSISTANCE FUND

| | 2006-07 | | 2007-08 |
|--|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 12 | 22 | 22 |
| Investment income | 24,985 | 25,272 | 26,802 |
| Other revenue | ... | 84 | ... |
| Total Retained Revenue | 24,997 | 25,378 | 26,824 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Other operating expenses | 285 | 456 | 419 |
| Grants and subsidies | 262 | 262 | 264 |
| Finance costs | 12,470 | 16,444 | 16,159 |
| Other expenses | 1,072 | 750 | 660 |
| Total Expenses Excluding Losses | 14,089 | 17,912 | 17,502 |
| SURPLUS/(DEFICIT) | 10,908 | 7,466 | 9,322 |

MINISTER FOR HOUSING, AND MINISTER FOR TOURISM
HOME PURCHASE ASSISTANCE FUND

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 12 | 22 | 22 |
| Interest | 26,638 | 27,289 | 28,914 |
| Other | ... | 106 | 17 |
| Total Receipts | 26,650 | 27,417 | 28,953 |
| Payments | | | |
| Grants and subsidies | 262 | 262 | 264 |
| Finance costs | 12,470 | 12,470 | 12,071 |
| Other | 957 | 1,220 | 1,096 |
| Total Payments | 13,689 | 13,952 | 13,431 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 12,961 | 13,465 | 15,522 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of investments | 14,994 | 10,657 | 74,481 |
| Advance repayments received | 571 | 652 | 417 |
| Purchases of investments | (16,565) | (12,849) | (2,981) |
| Other | (2,905) | (2,905) | (77,983) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (3,905) | (4,445) | (6,066) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | (9,056) | (9,055) | (9,456) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (9,056) | (9,055) | (9,456) |
| NET INCREASE/(DECREASE) IN CASH | ... | (35) | ... |
| Opening Cash and Cash Equivalents | 5 | 37 | 2 |
| CLOSING CASH AND CASH EQUIVALENTS | 5 | 2 | 2 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 10,908 | 7,466 | 9,322 |
| Non cash items added back | 1,653 | 5,628 | 5,073 |
| Change in operating assets and liabilities | 400 | 371 | 1,127 |
| Net cash flow from operating activities | 12,961 | 13,465 | 15,522 |

MINISTER FOR HOUSING, AND MINISTER FOR TOURISM
HOME PURCHASE ASSISTANCE FUND

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 5 | 2 | 2 |
| Receivables | 6,680 | 4,424 | 3,297 |
| Other financial assets | 148,015 | 246,594 | 246,153 |
| Total Current Assets | 154,700 | 251,020 | 249,452 |
| Non Current Assets - | | | |
| Other financial assets | 279,666 | 184,112 | 111,651 |
| Property, plant and equipment - | | | |
| Total Non Current Assets | 279,666 | 184,112 | 111,651 |
| Total Assets | 434,366 | 435,132 | 361,103 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 228 | 165 | 165 |
| Borrowings at amortised cost | 9,455 | 5,367 | 5,763 |
| Total Current Liabilities | 9,683 | 5,532 | 5,928 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 258,337 | 173,122 | 167,358 |
| Provisions | 2,800 | ... | ... |
| Total Non Current Liabilities | 261,137 | 173,122 | 167,358 |
| Total Liabilities | 270,820 | 178,654 | 173,286 |
| NET ASSETS | 163,546 | 256,478 | 187,817 |
| EQUITY | | | |
| Accumulated funds | 163,546 | 256,478 | 187,817 |
| TOTAL EQUITY | 163,546 | 256,478 | 187,817 |

MINISTER FOR JUVENILE JUSTICE, MINISTER FOR WESTERN SYDNEY, AND MINISTER ASSISTING THE PREMIER ON CITIZENSHIP

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| Department of Juvenile Justice | | | |
| Total Expenses | 141.9 | 156.1 | 9.9 |
| Capital Expenditure | 8.0 | 8.9 | 11.6 |
| Total, Minister for Juvenile Justice, Minister for Western Sydney, and Minister Assisting the Premier on Citizenship | | | |
| Total Expenses | 141.9 | 156.1 | 9.9 |
| Capital Expenditure | 8.0 | 8.9 | 11.6 |

In addition to the agencies listed above, the Minister is also supported by the Department of Premier and Cabinet (Section 2) for the Western Sydney Portfolio area.

DEPARTMENT OF JUVENILE JUSTICE

The Department of Juvenile Justice supervises juvenile offenders when mandated by an order of the court and administers youth justice conferences. Court-ordered supervision is conducted either in the community or in Juvenile Justice Centres.

Principal legislation administered by the Department includes the *Young Offenders Act 1997* (Part 5 and Schedule 1), the *Children (Community Services Orders) Act 1987*, the *Children (Detention Centres) Act 1987*, and the *Children (Interstate Transfer of Offenders) Act 1988*.

RESULTS AND SERVICES

The Department contributes to safer communities by working towards the following results:

- ◆ Young offenders reduce their re-offending.

- ◆ Young offenders are effectively managed in custody and in the community to complete their sentences.
- ◆ Where appropriate, young offenders have an effective community-based alternative to formal court orders.

Key services provided by the Department to contribute to these results include:

- ◆ supervising juvenile offenders ordered by the courts to remain in custody pending the outcome of their court cases and those sentenced by the courts to a period of detention;
- ◆ administering youth justice conferences for juvenile offenders referred by the police and courts;
- ◆ supervising juvenile offenders on bail and community-based sentences on order of the courts;
- ◆ providing reports to the courts to assist in sentencing and parole decisions;
- ◆ providing counselling and interventions to address the risk of young offenders re-offending; and
- ◆ transporting and supervising juvenile detainees at court.

RECENT DEVELOPMENTS

The Department of Juvenile Justice fulfils a 'downstream' function in the justice sector in that the number of juvenile detainees is primarily driven by court and police decisions, the seriousness of the offending behaviour and changes in legislation. Total admissions have risen from 3,403 in 2003-04 to an estimated 4,220 in 2006-07, with around 90 per cent on remand. The growing trend is anticipated to peak in 2007-08, with a progressive decline thereafter as the Department's diversionary programs start to take effect.

This, in turn, has resulted in increased expenditure levels for the Department as it responds to the demand for additional custodial units. Additional recurrent funding, amounting to \$9 million in 2007-08 and \$7 million per annum from 2008-09 to 2010-11 has been provided to meet the projected growth in juvenile detainees.

During 2006-07, the Department strengthened its efforts to assist young people in meeting court imposed bail requirements and implemented measures to improve corporate systems. During the year, the Department:

- ◆ implemented the Intensive Bail Supervision Program;
- ◆ continued the upgrade of fences and cameras at Juvenile Justice Centres – a four year program totalling \$6 million;
- ◆ commenced a comprehensive review of behaviour management in Juvenile Justice Centres;
- ◆ implemented a restructure of community-based juvenile offender services;
- ◆ commenced a new training program for community-based staff;
- ◆ completed reviews of the Department's Rural and Regional Alcohol and Other Drug Counselling Program, the Sex Offender Program, the Rural Residential Drug Rehabilitation Program and a review of the Drug Intelligence Unit;
- ◆ completed the final phase of transferring responsibility from the NSW Police Force for the transport and court supervision of juvenile detainees across the whole of the State;
- ◆ commenced work on a project to identify and respond to issues for people with disabilities participating in youth justice conferences as part of the Department's Disability Action Plan, in collaboration with NGOs and government services in all disability areas;
- ◆ collaborated with the NSW Police Force in the revision of the accredited Specialist Youth Officers Training Manual;
- ◆ completed the \$3.8 million upgrade of the Client Information Management System;
- ◆ commenced a project to replace ageing and obsolete information technology infrastructure, upgrading all old PCs, laptops and servers during 2006-07 and 2007-08 at a total cost of \$4 million; and
- ◆ commenced a project to implement a Corporate Information System that will allow the Department to accurately measure and report on its performance, a four year program with a total cost of \$5 million.

STRATEGIC DIRECTIONS

A key initiative of the Department over the next five years is the implementation of the Community Integration Project which focuses on the most effective methods of managing young offenders in the community and in diverting juveniles from custody. The project has a number of facets including the restructure of community-based offender services, further development of an evidence-based model of practice, a staff training strategy, development of a quality assurance framework, and major initiatives such as the Intensive Bail Supervision Program introduced in 2006 and the Intensive Supervision Program for young offenders.

The Intensive Supervision Program (based on the Multisystemic Therapy Program from the United States) will be piloted in 2007-08. The program, which targets serious and repeat juvenile offenders, is designed to address the root causes of juvenile offending using the family-based treatment model. Small multi-discipline teams work intensively with offenders and their families to provide caregivers with the skills and resources to address anti-social behaviour, and provide juveniles with the skills to address the underlying causes of their offending.

The Department will continue to focus on implementing programs based on national and international research that demonstrates a positive impact on re-offending. A centralised Programs Unit will be established to improve the Department's capability to research, develop and implement evidence-based standard program interventions that are responsive to individual characteristics and needs with specific focus on programming for Aboriginal young people.

Consistent with the objects, purposes and provisions of the *Young Offenders Act 1997*, the Department will also enhance the capacity of youth justice conferences to identify the factors related to the young offender's needs and the likelihood of re-offending.

In addition, the Department will improve its capability to measure and monitor its corporate performance through enhanced information technology systems and improved consistency in business definitions, classifications and performance measurement.

Collaborative efforts with partner agencies will be advanced through whole-of-government and justice and welfare cluster initiatives.

The Department's strategic direction will improve outcomes for the community by:

- ◆ offering a more effective and proven response to reduce the offending behaviour of young people;

- ◆ achieving greater value for money for the community over the medium to longer term; and
- ◆ focusing on services and programs for young Aboriginal offenders and young people with mental health problems.

2007-08 BUDGET

Total Expenses

Total expenses for 2007-08 are budgeted at \$156.1 million, an increase of 10 per cent compared to 2006-07. This includes:

- ◆ additional funding to meet increased demands on juvenile custodial accommodation (\$9 million);
- ◆ \$4.4 million which has been provided under the Government Plan of Action on Drugs;
- ◆ \$0.4 million for the implementation of a 12-month trial of a Youth Conduct Orders Program to impose restrictions on the behaviour and movement of juvenile offenders charged and/or found guilty of anti-social behaviour offences;
- ◆ \$0.9 million for the introduction of a new Intensive Supervision Program to work with young offenders in a family setting. This model is currently used to deal with 10,000 serious juvenile offenders around the world each year. Independent evaluations have shown a reduction of between 25 to 70 per cent in recidivism in serious and violent young offenders at one, two and four year follow ups; and
- ◆ Cyclic maintenance programs at Juvenile Justice Centres and community offices are ongoing, and the 2007-08 maintenance budget is estimated at \$3.7 million.

Capital Expenditure

Capital expenditure is estimated at \$8.9 million in 2007-08. The major works program of \$5.8 million includes:

- ◆ \$0.7 million to commence the construction of a new accommodation unit at Orana Juvenile Justice Centre, Dubbo;
- ◆ \$0.7 million to begin the upgrade of Ellipse, the Department's enterprise resource management system;

- ◆ \$1.7 million for the development of the Corporate Information System, to support strategic decision making and performance monitoring;
- ◆ \$1.6 million for the Custodial Accommodation Management Project (upgrade of security cameras and fences at Juvenile Justice Centres); and
- ◆ \$1.2 million to continue the IT Infrastructure Renewal Project which involves the replacement of outdated IT infrastructure.

A total of \$3.1 million has been allocated to the minor capital works program.

**MINISTER FOR JUVENILE JUSTICE, AND MINISTER FOR
WESTERN SYDNEY, AND MINISTER ASSISTING THE PREMIER ON
CITIZENSHIP**

34 DEPARTMENT OF JUVENILE JUSTICE

| | 2006-07 | | 2007-08 |
|---|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 103,442 | 107,866 | 116,285 |
| Other operating expenses | 20,927 | 20,829 | 21,471 |
| Depreciation and amortisation | 7,810 | 7,510 | 8,061 |
| Grants and subsidies | 6,702 | 6,484 | 6,952 |
| Other expenses | 3,063 | 3,319 | 3,316 |
| Total Expenses Excluding Losses | 141,944 | 146,008 | 156,085 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | ... | 6 | 6 |
| Investment income | 486 | 736 | 495 |
| Grants and contributions | 2,423 | 2,243 | 2,243 |
| Other revenue | 363 | 2,130 | 361 |
| Total Retained Revenue | 3,272 | 5,115 | 3,105 |
| Gain/(loss) on disposal of non current assets | ... | 21 | ... |
| NET COST OF SERVICES | 138,672 | 140,872 | 152,980 |

**MINISTER FOR JUVENILE JUSTICE, AND MINISTER FOR
WESTERN SYDNEY, AND MINISTER ASSISTING THE PREMIER ON
CITIZENSHIP**

34 DEPARTMENT OF JUVENILE JUSTICE

| | 2006-07 | | 2007-08 Budget \$000 |
|---|------------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 99,311 | 104,256 | 111,706 |
| Grants and subsidies | 6,702 | 6,484 | 6,952 |
| Other | 28,075 | 28,936 | 28,872 |
| Total Payments | 134,088 | 139,676 | 147,530 |
| Receipts | | | |
| Sale of goods and services | ... | 6 | 6 |
| Interest | 556 | 693 | 605 |
| Other | 6,951 | 8,630 | 6,689 |
| Total Receipts | 7,507 | 9,329 | 7,300 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (126,581) | (130,347) | (140,230) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 23 | 376 |
| Purchases of property, plant and equipment | (7,405) | (6,918) | (7,265) |
| Other | (603) | (1,090) | (1,671) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (8,008) | (7,985) | (8,560) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 127,687 | 127,687 | 140,308 |
| Capital appropriation | 8,008 | 8,008 | 8,936 |
| Cash transfers to Consolidated Fund | ... | (234) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 135,695 | 135,461 | 149,244 |
| NET INCREASE/(DECREASE) IN CASH | 1,106 | (2,871) | 454 |
| Opening Cash and Cash Equivalents | 10,759 | 13,146 | 10,275 |
| CLOSING CASH AND CASH EQUIVALENTS | 11,865 | 10,275 | 10,729 |

**MINISTER FOR JUVENILE JUSTICE, AND MINISTER FOR
WESTERN SYDNEY, AND MINISTER ASSISTING THE PREMIER ON
CITIZENSHIP**

34 DEPARTMENT OF JUVENILE JUSTICE

| | 2006-07 | | 2007-08 |
|--|------------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (138,672) | (140,872) | (152,980) |
| Non cash items added back | 11,291 | 10,991 | 11,801 |
| Change in operating assets and liabilities | 800 | (466) | 949 |
| Net cash flow from operating activities | (126,581) | (130,347) | (140,230) |

**MINISTER FOR JUVENILE JUSTICE, AND MINISTER FOR
WESTERN SYDNEY, AND MINISTER ASSISTING THE PREMIER ON
CITIZENSHIP**

34 DEPARTMENT OF JUVENILE JUSTICE

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 11,865 | 10,275 | 10,729 |
| Receivables | 1,819 | 2,406 | 2,296 |
| Assets held for sale | ... | 376 | ... |
| Other | 550 | ... | ... |
| Total Current Assets | 14,234 | 13,057 | 13,025 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 203,255 | 185,744 | 185,476 |
| Plant and equipment | 6,657 | 7,878 | 7,980 |
| Infrastructure systems | 16,481 | 29,045 | 29,748 |
| Intangibles | 4,735 | 5,304 | 5,642 |
| Total Non Current Assets | 231,128 | 227,971 | 228,846 |
| Total Assets | 245,362 | 241,028 | 241,871 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 3,226 | 4,055 | 4,547 |
| Provisions | 6,574 | 9,435 | 9,782 |
| Other | 4 | ... | ... |
| Total Current Liabilities | 9,804 | 13,490 | 14,329 |
| Non Current Liabilities - | | | |
| Provisions | 3,338 | 650 | 650 |
| Total Non Current Liabilities | 3,338 | 650 | 650 |
| Total Liabilities | 13,142 | 14,140 | 14,979 |
| NET ASSETS | 232,220 | 226,888 | 226,892 |
| EQUITY | | | |
| Reserves | 57,475 | 60,573 | 60,573 |
| Accumulated funds | 174,745 | 166,315 | 166,319 |
| TOTAL EQUITY | 232,220 | 226,888 | 226,892 |

MINISTER FOR LANDS, MINISTER FOR RURAL AFFAIRS, AND MINISTER FOR REGIONAL DEVELOPMENT

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| Department of Lands | | | |
| Total Expenses | 87.6 | 92.2 | 5.2 |
| Capital Expenditure | 3.4 | 1.7 | -50.1 |
| Land and Property Information New South Wales | | | |
| Total Expenses | 144.9 | 164.6 | 13.6 |
| Capital Expenditure | 19.5 | 19.0 | -2.6 |
| Total, Minister for Lands, Minister for Rural Affairs, and Minister for Regional Development | | | |
| Total Expenses | 232.5 | 256.8 | 10.5 |
| Capital Expenditure | 22.9 | 20.7 | -9.6 |

In addition to the agencies listed above, the Minister is also supported by the Department of State and Regional Development (Section 19) for the Regional Development portfolio area.

DEPARTMENT OF LANDS

The Department administers Crown Land within New South Wales on behalf of the Crown Entity as well as environmental soil conservation earthworks and consulting services to landowners. Land and Property Information New South Wales (a division within the Department), also undertakes property valuations and provides guarantee of title to land on a fee for service basis.

The Department operates from 68 rural and regional locations with its major governing legislation being the *Crown Lands Act 1989*, the *Soil Conservation Act 1938*, the *Valuation of Land Act 1916* and the *Real Property Act 1900*.

RESULTS AND SERVICES

The Department contributes to the State's natural resource infrastructure management and economic activity levels by working towards the following results:

- ◆ Sustainable natural resource management.
- ◆ Increased economic returns from State land infrastructure assets.

Key services provided by the Department which contribute to these results include:

- ◆ collecting revenue and undertaking other Crown land administrative activities;
- ◆ marketing and disposal of Crown land for residential, commercial, industrial and rural use;
- ◆ managing Crown reserves for the benefit and use of the public, in partnership with local councils and community trusts;
- ◆ management of Crown land for environmental conservation and sustainability in public use and industry;
- ◆ managing indigenous land rights issues under Aboriginal Land Rights and Native Title legislation;
- ◆ skills and knowledge in managing and implementing soil conservation earthworks and consultancy services; and
- ◆ engagement of rural communities throughout New South Wales to develop solutions to address issues affecting their sustainability.

RECENT DEVELOPMENTS

During 2006-07 the administration of the Western Lands Commission was transferred to the Department from the former Department of Natural Resources. This means that the Department is now responsible for the Western Lands Division.

STRATEGIC DIRECTIONS

Over the last few years Parliament has approved changes to the *Crown Lands Act 1989* to simplify Crown land lease and licence administration. These changes will result in the divestment of some lands to their users while other land will be put to the open market. In 2007-08 the Department will continue to incorporate the legislative changes in operational practices.

Work is continuing to refocus the Soil Conservation Service to make it commercially viable whilst providing value added services to its rural and regional customers.

2007-08 BUDGET

Total Expenses

Total expenses for 2007-08 are \$92.2 million, including \$59.6 million for the maintenance and management of Crown Lands (including \$5.5 million to meet the Government's commitments under the Tweed River Sand Bypassing Act), \$19.4 million for soil conservation activity and \$13.2 million paid to Land and Property Information New South Wales. Additional Government funding of \$0.9 million in 2007-08 has been provided to address spatial data requirements for counter-terrorism initiatives.

Capital Expenditure

The total capital program for the Department for 2007-08 is \$1.7 million, including funding of \$0.9 million for the continuation of remediation work to a number of minor dams, \$0.3 million for plant and equipment and \$0.3 million for building refurbishments to continue to address occupational health and safety issues. It is also planned that \$0.3 million for equipment acquisition will be spent within the Soil Services program.

LAND AND PROPERTY INFORMATION NEW SOUTH WALES

Through the Surveyor General, Registrar General and Valuer General statutory positions, Land and Property Information (LPI) manages the State's land and property registration system, mapping, survey and land valuation services.

RECENT DEVELOPMENTS

LPI's overall business grows in line with the increasing number of properties in New South Wales. However, LPI's operations are subject to the volatility of the property market. In March 2007, LPI took over part of the valuation services previously delivered by the State Valuation Office.

STRATEGIC DIRECTIONS

LPI continues to invest in integrating its data sets and in electronic delivery of its information to improve efficiency and convenience for its customers. LPI will also work with the other jurisdictions to develop a National Electronic Conveyancing System. When fully implemented this system will further enhance the way conveyancing is undertaken across Australia.

2007-08 BUDGET

Total Expenses

Total expenses for 2007-08 are estimated to be \$164.6 million. The majority of this expenditure is spent on statutory land valuations, land title creation and registration services, spatial information, survey and mapping services and technical support.

Capital Expenditure

The 2007-08 Budget for capital expenditure is \$19 million. The program for LPI includes improving land information systems, enhancing and developing electronic service delivery capabilities and the renewal of plant and equipment.

New projects include:

- ◆ improving Government Property Holding information systems;
- ◆ developing enhanced systems for electronic lodgement of plans;
- ◆ improving spatial data infrastructure including geographical coding of addresses, topographical and cadastral data systems, and survey and spatial data services;
- ◆ maintaining and digitising historical aerial photography; and
- ◆ converting the Old Form Register to digital format.

Ongoing projects include:

- ◆ development of a National Electronic Conveyancing System;
- ◆ conversion of Crown parcels;
- ◆ conservation and digitisation of historical plans;
- ◆ upgrade of rural addresses; and
- ◆ development of e-channel services.

**MINISTER FOR LANDS, MINISTER FOR RURAL AFFAIRS, AND
MINISTER FOR REGIONAL DEVELOPMENT**

35 DEPARTMENT OF LANDS

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 41,111 | 44,567 | 44,995 |
| Other operating expenses | 17,345 | 19,693 | 18,342 |
| Depreciation and amortisation | 1,960 | 1,816 | 1,795 |
| Grants and subsidies | 25,033 | 26,309 | 25,126 |
| Finance costs | 1,094 | 1,094 | 863 |
| Other expenses | 1,080 | 1,880 | 1,080 |
| Total Expenses Excluding Losses | 87,623 | 95,359 | 92,201 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 17,675 | 20,158 | 18,748 |
| Investment income | 822 | 1,160 | 892 |
| Retained taxes, fees and fines | 3,183 | 3,583 | 3,507 |
| Grants and contributions | 3,711 | 4,400 | 3,851 |
| Other revenue | 1,479 | 2,679 | 1,666 |
| Total Retained Revenue | 26,870 | 31,980 | 28,664 |
| Gain/(loss) on disposal of non current assets | ... | 20 | ... |
| Other gains/(losses) | (59) | (59) | (145) |
| NET COST OF SERVICES | 60,812 | 63,418 | 63,682 |

**MINISTER FOR LANDS, MINISTER FOR RURAL AFFAIRS, AND
MINISTER FOR REGIONAL DEVELOPMENT**

35 DEPARTMENT OF LANDS

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 38,766 | 40,113 | 42,046 |
| Grants and subsidies | 25,033 | 26,309 | 25,126 |
| Finance costs | 1,094 | 1,094 | 863 |
| Other | 22,425 | 28,313 | 23,457 |
| Total Payments | 87,318 | 95,829 | 91,492 |
| Receipts | | | |
| Sale of goods and services | 18,916 | 23,200 | 19,938 |
| Interest | 822 | 1,160 | 892 |
| Other | 12,277 | 9,411 | 11,324 |
| Total Receipts | 32,015 | 33,771 | 32,154 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (55,303) | (62,058) | (59,338) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 80 | ... |
| Advance repayments received | 2,500 | 1,838 | 2,595 |
| Purchases of property, plant and equipment | (3,368) | (3,124) | (1,681) |
| Advances made | (2,500) | (3,705) | (2,500) |
| Other | ... | 1,169 | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (3,368) | (3,742) | (1,586) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | (550) | (323) | (945) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (550) | (323) | (945) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 58,723 | 62,815 | 60,680 |
| Capital appropriation | 2,652 | 2,652 | 1,431 |
| Cash transfers to Consolidated Fund | ... | (79) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 61,375 | 65,388 | 62,111 |
| NET INCREASE/(DECREASE) IN CASH | 2,154 | (735) | 242 |
| Opening Cash and Cash Equivalents | 8,008 | 12,154 | 11,419 |
| CLOSING CASH AND CASH EQUIVALENTS | 10,162 | 11,419 | 11,661 |

MINISTER FOR LANDS, MINISTER FOR RURAL AFFAIRS, AND
MINISTER FOR REGIONAL DEVELOPMENT

35 DEPARTMENT OF LANDS

| | 2006-07 | | 2007-08 |
|--|-----------------|-----------------|-----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (60,812) | (63,418) | (63,682) |
| Non cash items added back | 4,483 | 4,358 | 5,044 |
| Change in operating assets and liabilities | 1,026 | (2,998) | (700) |
| Net cash flow from operating activities | (55,303) | (62,058) | (59,338) |

**MINISTER FOR LANDS, MINISTER FOR RURAL AFFAIRS, AND
MINISTER FOR REGIONAL DEVELOPMENT**

35 DEPARTMENT OF LANDS

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 10,162 | 11,419 | 11,661 |
| Receivables | 12,804 | 11,777 | 11,777 |
| Other financial assets | ... | 5,805 | 5,710 |
| Inventories | 179 | 137 | 137 |
| Other | 500 | ... | ... |
| Total Current Assets | 23,645 | 29,138 | 29,285 |
| Non Current Assets - | | | |
| Receivables | ... | 3,100 | 3,100 |
| Other financial assets | 17,511 | 13,300 | 13,300 |
| Property, plant and equipment - | | | |
| Land and building | 8,026 | 16,363 | 16,413 |
| Plant and equipment | 10,487 | 7,253 | 7,962 |
| Infrastructure systems | 15,758 | 15,675 | 15,335 |
| Intangibles | 1,802 | 2,093 | 1,560 |
| Total Non Current Assets | 53,584 | 57,784 | 57,670 |
| Total Assets | 77,229 | 86,922 | 86,955 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 7,559 | 3,753 | 3,253 |
| Borrowings at amortised cost | 1,130 | 1,500 | 1,200 |
| Provisions | 3,879 | 6,460 | 6,460 |
| Other | ... | 2,601 | 2,401 |
| Total Current Liabilities | 12,568 | 14,314 | 13,314 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 13,295 | 12,660 | 12,015 |
| Provisions | 9,464 | 7,916 | 7,916 |
| Total Non Current Liabilities | 22,759 | 20,576 | 19,931 |
| Total Liabilities | 35,327 | 34,890 | 33,245 |
| NET ASSETS | 41,902 | 52,032 | 53,710 |

**MINISTER FOR LANDS, MINISTER FOR RURAL AFFAIRS, AND
MINISTER FOR REGIONAL DEVELOPMENT**
35 DEPARTMENT OF LANDS

| | ———2006-07——— | | 2007-08 |
|------------------------------------|---------------------|---------------------|-------------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| <hr/> | | | |
| <i>BALANCE SHEET (cont)</i> | | | |
| EQUITY | | | |
| Reserves | 594 | 7,425 | 7,425 |
| Accumulated funds | 41,308 | 44,607 | 46,285 |
| TOTAL EQUITY | <hr/> 41,902 | <hr/> 52,032 | <hr/> 53,710 |

**MINISTER FOR LANDS, MINISTER FOR RURAL AFFAIRS, AND
MINISTER FOR REGIONAL DEVELOPMENT**

LAND AND PROPERTY INFORMATION NEW SOUTH WALES

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 141,515 | 141,940 | 165,847 |
| Investment income | 400 | 2,750 | 2,300 |
| Grants and contributions | 13,168 | 14,558 | 13,168 |
| Total Retained Revenue | 155,083 | 159,248 | 181,315 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related | 89,605 | 91,208 | 103,540 |
| Other operating expenses | 40,788 | 42,632 | 45,567 |
| Depreciation and amortisation | 14,182 | 14,151 | 15,121 |
| Grants and subsidies | 301 | 1,050 | 350 |
| Total Expenses Excluding Losses | 144,876 | 149,041 | 164,578 |
| SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS | 10,207 | 10,207 | 16,737 |
| Distributions - | | | |
| Dividends and capital repatriations | 6,074 | 6,074 | 9,958 |
| Tax equivalents | 3,062 | 3,062 | 5,021 |
| SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS | 1,071 | 1,071 | 1,758 |

**MINISTER FOR LANDS, MINISTER FOR RURAL AFFAIRS, AND
MINISTER FOR REGIONAL DEVELOPMENT**

LAND AND PROPERTY INFORMATION NEW SOUTH WALES

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 141,702 | 140,008 | 166,837 |
| Interest | 362 | 2,604 | 3,000 |
| Other | 18,660 | 19,963 | 19,076 |
| Total Receipts | 160,724 | 162,575 | 188,913 |
| Payments | | | |
| Employee related | 91,575 | 86,835 | 105,663 |
| Grants and subsidies | 301 | 1,050 | 350 |
| Equivalent Income Tax | 3,321 | 7,114 | 4,532 |
| Other | 44,522 | 50,658 | 53,962 |
| Total Payments | 139,719 | 145,657 | 164,507 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 21,005 | 16,918 | 24,406 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (2,000) | (5,496) | (4,500) |
| Other | (17,500) | (14,001) | (14,500) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (19,500) | (19,497) | (19,000) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Dividends paid | (8,128) | (14,556) | (6,073) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (8,128) | (14,556) | (6,073) |
| NET INCREASE/(DECREASE) IN CASH | (6,623) | (17,135) | (667) |
| Opening Cash and Cash Equivalents | 20,402 | 36,812 | 19,677 |
| CLOSING CASH AND CASH EQUIVALENTS | 13,779 | 19,677 | 19,010 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year before distributions | 7,145 | 7,145 | 11,716 |
| Non cash items added back | 14,182 | 14,151 | 15,121 |
| Change in operating assets and liabilities | (322) | (4,378) | (2,431) |
| Net cash flow from operating activities | 21,005 | 16,918 | 24,406 |

**MINISTER FOR LANDS, MINISTER FOR RURAL AFFAIRS, AND
MINISTER FOR REGIONAL DEVELOPMENT**

LAND AND PROPERTY INFORMATION NEW SOUTH WALES

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 13,779 | 19,677 | 19,010 |
| Receivables | 12,508 | 14,184 | 14,440 |
| Inventories | 369 | 369 | 378 |
| Other | 1,691 | ... | ... |
| Total Current Assets | 28,347 | 34,230 | 33,828 |
| Non Current Assets - | | | |
| Inventories | 1,474 | 1,474 | 1,511 |
| Property, plant and equipment - | | | |
| Land and building | 50,643 | 65,080 | 65,727 |
| Plant and equipment | 11,263 | 11,497 | 10,871 |
| Intangibles | 30,750 | 30,213 | 34,071 |
| Total Non Current Assets | 94,130 | 108,264 | 112,180 |
| Total Assets | 122,477 | 142,494 | 146,008 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 6,986 | 4,571 | 4,111 |
| Tax | 766 | 766 | 1,255 |
| Provisions | 14,437 | 18,203 | 22,267 |
| Total Current Liabilities | 22,189 | 23,540 | 27,633 |
| Non Current Liabilities - | | | |
| Provisions | 114,698 | 48,072 | 45,735 |
| Total Non Current Liabilities | 114,698 | 48,072 | 45,735 |
| Total Liabilities | 136,887 | 71,612 | 73,368 |
| NET ASSETS | (14,410) | 70,882 | 72,640 |
| EQUITY | | | |
| Reserves | ... | 14,125 | 14,125 |
| Accumulated funds | (14,410) | 56,757 | 58,515 |
| TOTAL EQUITY | (14,410) | 70,882 | 72,640 |

MINISTER FOR LOCAL GOVERNMENT, MINISTER FOR ABORIGINAL AFFAIRS, AND MINISTER ASSISTING THE MINISTER FOR HEALTH (MENTAL HEALTH)

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|--|-----------------------------------|-----------------------------------|------------------------|
| Department of Local Government | | | |
| Total Expenses | 90.4 | 91.3 | 1.0 |
| Capital Expenditure | 0.2 | 0.2 | ... |
| Department of Aboriginal Affairs | | | |
| Total Expenses* | 49.5 | 29.2 | -40.9 |
| Capital Expenditure | 0.4 | 0.4 | ... |
| Total, Minister for Local Government, Minister for Aboriginal Affairs, and Minister Assisting the Minister for Health (Mental Health) | | | |
| Total Expenses | 139.9 | 120.5 | -13.9 |
| Capital Expenditure | 0.6 | 0.6 | ... |

* *The reduction in Total Expenses between 2006-07 and 2007-08 is mainly due to the winding down of the Aboriginal Communities Development Program, which is in the final years of operation.*

DEPARTMENT OF LOCAL GOVERNMENT

The Department of Local Government provides the policy and legislative framework to local government in New South Wales. The Department aims to ensure local councils are sustainable and deliver quality services to their communities. The key pieces of legislation administered by the Department are the *Local Government Act 1993* and the *Companion Animals Act 1998*.

RESULTS AND SERVICES

The Department contributes to the development of a sustainable local government sector through monitoring of councils and the delivery of capacity building programs. These programs are designed to achieve the following results:

- ◆ Good governance and strong leadership.

- ◆ Sound policy to support excellence in decision making.
- ◆ Representative councils that are supported by and connected to their community.
- ◆ Meaningful planning and appropriate allocation of council resources.

Key services provided by the Department to contribute to these results include:

- ◆ conducting Better Practice Reviews and monitoring council finances;
- ◆ developing and implementing an integrated planning and reporting framework including an asset management framework;
- ◆ facilitating strategic cooperation between councils;
- ◆ implementing leadership development training for councillors;
- ◆ providing policy advice and guidelines on a broad range of local government issues such as community consultation, councillor pecuniary interests, workforce planning and skills shortages; and
- ◆ drafting supporting legislation, circulars and guidelines.

RECENT DEVELOPMENTS

As part of the reform program for local government introduced in September 2003, the Department implemented Promoting Better Practice Reviews. These reviews are in the form of a 'health check' of council operations that enable the Department to identify poor performance and promote examples of good practice.

In late 2006 the Department issued a paper entitled "*A New Direction for Local Government - A Position Paper*". This paper sets out a proposed reform agenda for local government for the next three years. It signals a strengthening of the Department's capacity building program designed to build the elements required for a strong sustainable local government sector.

STRATEGIC DIRECTIONS

Cooperation between councils is being further encouraged through the reforms in "*A New Direction for Local Government*". The Department is developing a coordinated approach to resource sharing between councils through the Strategic Alliance Network.

Key elements of the program proposed in “*A New Direction for Local Government*” position paper include the development and implementation of an integrated planning and reporting framework that incorporates an asset management planning system consistent with National Sustainability Frameworks. The success of the Department’s capacity building program is dependent upon State and local government working together.

2007-08 BUDGET

Total Expenses

Estimated total expenses for the Department in 2007-08 are \$91.3 million, including:

- ◆ \$76 million for the Pensioner Council Rates Rebate Scheme;
- ◆ \$5.6 million for Companion Animals administration and payments to local councils; and
- ◆ \$0.5 million to review proposed projects under the Public-Private Partnership Program.

Capital Expenditure

The Department’s capital allocation of \$0.2 million provides for new computer and office equipment.

DEPARTMENT OF ABORIGINAL AFFAIRS

The Department of Aboriginal Affairs, through the partnership between the Government and the Aboriginal people of New South Wales, is the lead agency for driving positive change and achievements in Aboriginal affairs and strengthening Aboriginal communities. The Department is also responsible for the administration of the *Aboriginal Land Rights Act 1983*.

RESULTS AND SERVICES

The Department has lead agency responsibility for coordinating with partner agencies to ensure delivery of the following State Plan priority:

- ◆ F1: Improved health and education for Aboriginal people.

The Department achieves this and the strengthening of Aboriginal communities by working towards the following results:

- ◆ Aboriginal communities are socially, economically and culturally strong.

- ◆ NSW Government agencies are responsive to the needs of Aboriginal people, and coordinate on Aboriginal issues.
- ◆ Aboriginal people and communities are engaged in developing and implementing government policies and programs on Aboriginal issues.
- ◆ Aboriginal people have access to culturally appropriate services.

Key services provided by the Department to contribute to these results include:

- ◆ advising and influencing government agencies in their development of policies and delivery of services to overcome Aboriginal disadvantage;
- ◆ coordinating the NSW Government Aboriginal Affairs Plan 2003-2012 - *Two Ways Together* which achieves a collaborative approach by relevant agencies in addressing Aboriginal issues;
- ◆ providing clear and appropriate policy advice to the Minister for Aboriginal Affairs on the impact of government programs, services and decisions on Aboriginal people;
- ◆ promoting and advocating Aboriginal culture through administration of the *Aboriginal Land Rights Act 1983*, support for local projects and events and maintenance of the Aboriginal family records database;
- ◆ supporting Aboriginal participation in decision making at regional, state and local levels; and
- ◆ coordinating the work of agencies addressing access for Aboriginal communities to satisfactory environmental health infrastructure through the Aboriginal Communities Development Program.

RECENT DEVELOPMENTS

In 2006-07, the Department continued to focus on the delivery of services and programs under the *Two Ways Together* framework, and used its greater regional focus to enhance the delivery of these services and programs to Aboriginal communities across New South Wales.

The Aboriginal Communities Development Program (ACDP), which is a \$240 million capital construction and infrastructure upgrade program for better wellbeing in Aboriginal communities across New South Wales, continued during 2006-07. The program is aimed at raising the health and living standards of 22 priority Aboriginal communities by providing environmental health and essential infrastructure targeting a high level of identified need in housing, water, sewerage, roads, and recreational and cultural facilities. Expenditure in 2006-07 on ACDP is expected to be \$27.5 million, which is less than the budgeted amount, owing to delays in construction and other approvals.

The review of the *Aboriginal Land Rights Act 1983* was completed and Stage 1 amendments were passed by Parliament.

The Department continued improving access to records to provide verification of claims under the Aboriginal Trust Fund Repayment Scheme. The Scheme was established to repay Aboriginal people's "stolen wages".

STRATEGIC DIRECTIONS

The Department has an ongoing commitment to key initiatives for increasing social, economic and cultural strength for Aboriginal people in New South Wales. These include the continued development of the *Two Ways Together* framework under the Aboriginal Affairs Plan, as a whole-of-government approach to achieving improved outcomes for Aboriginal people across a range of priority areas.

The *Two Ways Together* Package, which commenced in 2004-05, is a four year, \$10 million per annum multi-agency response to the Aboriginal Affairs Plan priorities.

The Department is coordinating the development of the *Two Ways Together* Regional Action Plans which focus cross agency effort on a small number of priority goals in each region. The Plans are intended to make a practical difference in the coordination and delivery of services to Aboriginal people.

Aboriginal Job Compacts and Aboriginal language programs will continue to be supported and promoted.

A bilateral agreement with the Commonwealth forms the basis for joint planning and investment to fill service gaps and eliminate duplication in service delivery to Aboriginal people. The agreement outlines how the Governments will work together through the establishment of a state-level Steering Committee and involvement of Commonwealth agencies in *Two Ways Together*.

The Department of Aboriginal Affairs is the lead agency in coordinating and monitoring NSW Government agencies' responses to the Aboriginal Child Sexual Assault Taskforce recommendations. The responses include State-wide and specific location actions.

2007-08 BUDGET

Total Expenses

Estimated total expenses for 2007-08 are \$29.2 million. The decline of expenditure in 2007-08 when compared to the 2006-07 Budget is due to the winding down of the Aboriginal Communities Development Program, which is in the final years of operation.

Expenses for 2007-08 include:

- ◆ \$16.9 million for the Aboriginal Communities Development Program including new housing, non-housing infrastructure and housing for health, which involves conducting repairs and replacements so that houses are safe and the occupants have the ability to carry out healthy living practices;
- ◆ \$0.8 million for the Aborigines Assistance Program allocated to support Aboriginal Job Compacts, Aboriginal Language Programs and significant Aboriginal sponsorships and events;
- ◆ \$0.7 million for the Registrar Aboriginal Land Rights Act to support the work of the Registrar's Office; and
- ◆ \$0.2 million continuing support for the NSW Reconciliation Council to assist promoting the way Indigenous and non-Indigenous people live together.

Capital Expenditure

Capital expenditure is budgeted at \$39,000 for 2007-08 for minor improvements and upgrading of computer and office equipment.

**MINISTER FOR LOCAL GOVERNMENT, MINISTER FOR
ABORIGINAL AFFAIRS, AND MINISTER ASSISTING THE MINISTER
FOR HEALTH (MENTAL HEALTH)**

36 DEPARTMENT OF LOCAL GOVERNMENT

| | 2006-07 | | 2007-08 |
|--|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 6,433 | 6,643 | 6,889 |
| Other operating expenses | 7,128 | 7,943 | 7,583 |
| Depreciation and amortisation | 304 | 274 | 285 |
| Grants and subsidies | 76,500 | 76,500 | 76,500 |
| Total Expenses Excluding Losses | 90,365 | 91,360 | 91,257 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 56 | ... | 20 |
| Investment income | 328 | 328 | 350 |
| Retained taxes, fees and fines | 4,500 | 5,500 | 5,500 |
| Other revenue | ... | 56 | 30 |
| Total Retained Revenue | 4,884 | 5,884 | 5,900 |
| NET COST OF SERVICES | 85,481 | 85,476 | 85,357 |

**MINISTER FOR LOCAL GOVERNMENT, MINISTER FOR
ABORIGINAL AFFAIRS, AND MINISTER ASSISTING THE MINISTER
FOR HEALTH (MENTAL HEALTH)**

36 DEPARTMENT OF LOCAL GOVERNMENT

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 6,104 | 6,323 | 6,557 |
| Grants and subsidies | 76,500 | 76,500 | 76,500 |
| Other | 7,533 | 8,302 | 7,813 |
| Total Payments | 90,137 | 91,125 | 90,870 |
| Receipts | | | |
| Sale of goods and services | 56 | ... | 20 |
| Interest | 328 | 380 | 350 |
| Other | 4,740 | 5,796 | 5,751 |
| Total Receipts | 5,124 | 6,176 | 6,121 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (85,013) | (84,949) | (84,749) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (150) | (150) | (150) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (150) | (150) | (150) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 84,383 | 84,383 | 84,545 |
| Capital appropriation | 150 | 150 | 150 |
| NET CASH FLOWS FROM GOVERNMENT | 84,533 | 84,533 | 84,695 |
| NET INCREASE/(DECREASE) IN CASH | (630) | (566) | (204) |
| Opening Cash and Cash Equivalents | 9,665 | 7,172 | 6,606 |
| CLOSING CASH AND CASH EQUIVALENTS | 9,035 | 6,606 | 6,402 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (85,481) | (85,476) | (85,357) |
| Non cash items added back | 633 | 597 | 617 |
| Change in operating assets and liabilities | (165) | (70) | (9) |
| Net cash flow from operating activities | (85,013) | (84,949) | (84,749) |

**MINISTER FOR LOCAL GOVERNMENT, MINISTER FOR
ABORIGINAL AFFAIRS, AND MINISTER ASSISTING THE MINISTER
FOR HEALTH (MENTAL HEALTH)**

36 DEPARTMENT OF LOCAL GOVERNMENT

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 9,035 | 6,606 | 6,402 |
| Receivables | 1 | 1,103 | 1,132 |
| Total Current Assets | 9,036 | 7,709 | 7,534 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 481 | 589 | 539 |
| Intangibles | 164 | 142 | 57 |
| Total Non Current Assets | 645 | 731 | 596 |
| Total Assets | 9,681 | 8,440 | 8,130 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 1,358 | 1,484 | 1,504 |
| Provisions | 531 | 942 | 942 |
| Total Current Liabilities | 1,889 | 2,426 | 2,446 |
| Non Current Liabilities - | | | |
| Provisions | ... | 5 | 5 |
| Total Non Current Liabilities | ... | 5 | 5 |
| Total Liabilities | 1,889 | 2,431 | 2,451 |
| NET ASSETS | 7,792 | 6,009 | 5,679 |
| EQUITY | | | |
| Accumulated funds | 7,792 | 6,009 | 5,679 |
| TOTAL EQUITY | 7,792 | 6,009 | 5,679 |

**MINISTER FOR LOCAL GOVERNMENT, MINISTER FOR
ABORIGINAL AFFAIRS, AND MINISTER ASSISTING THE MINISTER
FOR HEALTH (MENTAL HEALTH)**

37 DEPARTMENT OF ABORIGINAL AFFAIRS

| | 2006-07 | | 2007-08 |
|--|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 6,498 | 6,500 | 6,767 |
| Other operating expenses | 4,002 | 4,371 | 4,095 |
| Depreciation and amortisation | 402 | 402 | 266 |
| Grants and subsidies | 38,598 | 28,707 | 18,111 |
| Total Expenses Excluding Losses | 49,500 | 39,980 | 29,239 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | ... | 3 | ... |
| Investment income | 12 | 100 | 52 |
| Grants and contributions | 18,000 | 11,840 | 7,150 |
| Total Retained Revenue | 18,012 | 11,943 | 7,202 |
| NET COST OF SERVICES | 31,488 | 28,037 | 22,037 |

**MINISTER FOR LOCAL GOVERNMENT, MINISTER FOR
ABORIGINAL AFFAIRS, AND MINISTER ASSISTING THE MINISTER
FOR HEALTH (MENTAL HEALTH)**

37 DEPARTMENT OF ABORIGINAL AFFAIRS

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 6,230 | 6,227 | 6,485 |
| Grants and subsidies | 38,598 | 28,707 | 18,111 |
| Other | 8,072 | 16,013 | 8,641 |
| Total Payments | 52,900 | 50,947 | 33,237 |
| Receipts | | | |
| Sale of goods and services | ... | 3 | ... |
| Interest | 12 | 100 | 52 |
| Other | 22,058 | 15,899 | 11,607 |
| Total Receipts | 22,070 | 16,002 | 11,659 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (30,830) | (34,945) | (21,578) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (39) | (39) | (39) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (39) | (39) | (39) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 30,645 | 30,645 | 21,319 |
| Capital appropriation | 39 | 39 | 39 |
| NET CASH FLOWS FROM GOVERNMENT | 30,684 | 30,684 | 21,358 |
| NET INCREASE/(DECREASE) IN CASH | (185) | (4,300) | (259) |
| Opening Cash and Cash Equivalents | 15,353 | 9,165 | 4,865 |
| CLOSING CASH AND CASH EQUIVALENTS | 15,168 | 4,865 | 4,606 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (31,488) | (28,037) | (22,037) |
| Non cash items added back | 670 | 670 | 545 |
| Change in operating assets and liabilities | (12) | (7,578) | (86) |
| Net cash flow from operating activities | (30,830) | (34,945) | (21,578) |

**MINISTER FOR LOCAL GOVERNMENT, MINISTER FOR
ABORIGINAL AFFAIRS, AND MINISTER ASSISTING THE MINISTER
FOR HEALTH (MENTAL HEALTH)**

37 DEPARTMENT OF ABORIGINAL AFFAIRS

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 15,168 | 4,865 | 4,606 |
| Receivables | 1,914 | 1,298 | 1,311 |
| Other | 69 | 38 | 38 |
| Total Current Assets | 17,151 | 6,201 | 5,955 |
| Non Current Assets - | | | |
| Receivables | 124 | 125 | 87 |
| Property, plant and equipment - Plant and equipment | 933 | 1,009 | 803 |
| Intangibles | 47 | 40 | 19 |
| Total Non Current Assets | 1,104 | 1,174 | 909 |
| Total Assets | 18,255 | 7,375 | 6,864 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 204 | 639 | 560 |
| Provisions | 662 | 878 | 890 |
| Other | ... | 38 | 38 |
| Total Current Liabilities | 866 | 1,555 | 1,488 |
| Non Current Liabilities - | | | |
| Provisions | 59 | 17 | 11 |
| Other | 124 | 125 | 87 |
| Total Non Current Liabilities | 183 | 142 | 98 |
| Total Liabilities | 1,049 | 1,697 | 1,586 |
| NET ASSETS | 17,206 | 5,678 | 5,278 |
| EQUITY | | | |
| Accumulated funds | 17,206 | 5,678 | 5,278 |
| TOTAL EQUITY | 17,206 | 5,678 | 5,278 |

**MINISTER FOR PLANNING,
MINISTER FOR REDFERN WATERLOO,
AND MINISTER FOR THE ARTS**

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| Department of Planning | | | |
| Total Expenses | 89.5 | 118.2 | 32.1 |
| Capital Expenditure | 4.8 | 3.8 | -21.0 |
| Department of the Arts, Sport and Recreation | | | |
| Total Expenses | 421.2 | 574.8 | 36.5 |
| Capital Expenditure | 32.8 | 19.9 | -39.2 |
| Sydney Olympic Park Authority | | | |
| Total Expenses | 94.1 | 110.3 | 17.2 |
| Capital Expenditure | 24.1 | 28.9 | 20.3 |
| Minister Administering the Environmental Planning and Assessment Act | | | |
| Total Expenses | 47.0 | 47.2 | 0.5 |
| Capital Expenditure | 173.5 | 308.5 | 77.9 |
| Growth Centres Commission | | | |
| Total Expenses | 6.0 | 14.7 | 146.4 |
| Capital Expenditure | ... | ... | ... |
| Honeysuckle Development Corporation | | | |
| Total Expenses | 12.2 | 8.3 | -31.6 |
| Capital Expenditure | ... | ... | ... |
| Western Sydney Parklands Trust | | | |
| Total Expenses | ... | 4.3 | n.a. |
| Capital Expenditure | ... | 2.7 | n.a. |
| Redfern-Waterloo Authority | | | |
| Total Expenses | 16.6 | 19.8 | 19.0 |
| Capital Expenditure | 34.6 | 13.8 | -60.2 |
| State Library of New South Wales | | | |
| Total Expenses | 84.6 | 83.0 | -1.9 |
| Capital Expenditure | 12.9 | 11.3 | -12.4 |
| Australian Museum | | | |
| Total Expenses | 34.6 | 34.7 | 0.3 |
| Capital Expenditure | 20.3 | 28.7 | 41.4 |

| Agency | Budget 2006-07 \$m | Budget 2007-08 \$m | Variation % |
|---|--------------------------|--------------------------|----------------|
| Museum of Applied Arts and Sciences | | | |
| Total Expenses | 46.2 | 42.4 | -8.2 |
| Capital Expenditure | 7.8 | 2.1 | -73.1 |
| Historic Houses Trust of New South Wales | | | |
| Total Expenses | 23.9 | 27.6 | 15.5 |
| Capital Expenditure | 1.9 | 1.4 | -26.3 |
| Art Gallery of New South Wales | | | |
| Total Expenses* | 37.6 | 36.7 | -2.4 |
| Capital Expenditure | 2.8 | 5.2 | 85.7 |
| New South Wales Film and Television Office | | | |
| Total Expenses | 10.1 | 10.8 | 6.9 |
| Capital Expenditure | ... | ... | ... |
| Total, Minister for Planning, Minister for Redfern Waterloo, and Minister for the Arts | | | |
| Total Expenses | 923.6 | 1,132.8 | 22.7 |
| Capital Expenditure | 315.5 | 426.3 | 35.1 |

* The reduction in Total Expenses between 2006-07 and 2007-08 is mainly due to a reduction in the cost of insurance for international art exhibitions.

DEPARTMENT OF PLANNING

The Department of Planning oversees and implements the Government's policies on land use planning and development, ensuring the ongoing sustainability of NSW communities and supporting local government planning functions.

It plays a critical role as lead agency advising the Minister and the Government on the approval of major development and infrastructure projects of significance to New South Wales' economy and employment.

The Department leads and coordinates State-wide planning strategies to guide growth and development in New South Wales and to inform infrastructure planning, staging and delivery.

The Department's governing legislation is set out in the *Environmental Planning and Assessment Act 1979*, the *Heritage Act 1977* and the *Coastal Protection Act 1979*.

RESULTS AND SERVICES

The Department has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priorities:

- ◆ E5: Jobs closer to home.
- ◆ E6: Housing affordability.

In delivering the priorities and objectives of its Acts, the Department works towards a number of results for the community, including:

- ◆ Major projects and infrastructure are assessed effectively and in a timely manner.
- ◆ Residential and employment growth are aligned with infrastructure investment and high value natural resources are protected.
- ◆ A detailed strategic framework guides the priorities for land release, infrastructure and natural resources.
- ◆ Planning instruments and development approvals are aligned with strategies.
- ◆ The community knows, values, and cares for the State's heritage.

Key services provided by the Department to contribute to these results include:

- ◆ assessing and approving major development and infrastructure projects of State importance;
- ◆ reviewing legislation and developing and implementing planning reforms that ensure up-to-date and efficient plan-making; developing and managing planning systems and building systems; managing sections of the building profession; and administering funding programs;
- ◆ overseeing the performance of local councils in the area of land use planning and development decisions;
- ◆ developing and implementing State strategic and statutory plans, policies and planning objectives to facilitate investment and land release for housing and employment; assessing local government statutory plans; and coordinating major projects; and
- ◆ managing the listing of heritage items; promoting local government and community partnerships for heritage management; and monitoring and assisting heritage conservation.

RECENT DEVELOPMENTS

The Department is implementing major planning reforms legislated in 2005 and 2006 to improve major project development assessment and approval processes, simplify local plan-making, improve strategic planning and diversify the planning contributions system.

The Government's Metropolitan Strategy and regional strategies for the Lower Hunter, Far North Coast, Illawarra and South Coast have been delivered and will guide future growth and development. The remaining strategies, including the Mid North Coast and Central Coast, were released as drafts for community comment. The release of regional strategies has provided a complete regional planning framework for the coastal areas of New South Wales protecting significant environmental values while planning for the growth of regional centres.

The Department of Planning, along with other NSW Government agencies, are working to implement other actions outlined in City of Cities – A Plan for Sydney's Future.

In 2006-07, the NSW Government has:

- ◆ approved funding of \$1.5 million to establish a Flying Squad unit to assist councils with rezoning and subdivision applications in the land supply process;
- ◆ planned for an additional 500,000 new jobs in Sydney by 2031 and released an Employment Lands for Sydney Action Plan, which outlines measures to boost the supply of employment lands across the Sydney region to cater for at least 125,000 new jobs over the next 25 years;
- ◆ approved two landmark urban renewal projects, at Chippendale's Carlton and United Brewery site and Barangaroo (formerly East Darling Harbour), which are expected to deliver billions of dollars in capital investment for Sydney and thousands of construction jobs;
- ◆ released the Metropolitan Development Program 2007 Update which shows a surge in Sydney's land supply since 2003 – with almost 33,000 greenfield lots now zoned and serviced;
- ◆ transferred the Transport Planning and the Transport and Population Data Centre to the Ministry of Transport;
- ◆ significantly progressed sub-regional planning to provide housing and employment capacity targets in brownfield sites; and
- ◆ released City Centre Plans for Wollongong, Gosford, Liverpool, Penrith, Parramatta and Newcastle as part of the Cities Taskforce project, which is supported by the Department and relevant local council.

The Department continues to assess major development and infrastructure projects delivering economic investment and jobs across New South Wales. Since August 2005, the Department has approved 559 major development and infrastructure projects that have a capital investment of approximately \$16.8 billion.

The Heritage Office continues to implement business improvement initiatives, including: the introduction of a service costing system and improved financial monitoring; streamlining its business processes; and recovering the costs of its statutory work through fees and charges established under the *Heritage Regulation 2005*.

STRATEGIC DIRECTIONS

The focus of the Department of Planning will be:

- ◆ continuing to implement the Metropolitan Strategy and the sub-regional strategies for Sydney with particular emphasis on land release and the provision of employment and housing land;
- ◆ implementing operational improvements to ensure the efficient and timely assessment of major development and infrastructure projects;
- ◆ completing and implementing regional strategies for regional New South Wales;
- ◆ implementing the planning reform legislation and regulatory framework; and
- ◆ providing a robust strategic framework and upfront certainty for developers and the community by making plans, policies, processes and practice clearer, and reducing red tape and approval time frames.

The Department will achieve its planned results with the following priorities and continuing activities:

- ◆ improve pre-lodgement processes for development proposals to identify and resolve key issues early, to make expectations clear upfront, and to reduce costs and time frames;
- ◆ plan for land release for residential and employment growth;
- ◆ manage rural lands planning issues;
- ◆ monitor local government performance and, if necessary, to recommend to the Minister to appoint panels or Planning Administrators to undertake certain local government functions;

- ◆ plan for urban renewal including proposals for surplus government land;
- ◆ deliver a Heritage Register that reflects the diversity of New South Wales; and
- ◆ improve methods for levying infrastructure contributions for regional infrastructure, services, and the environment.

2007-08 BUDGET

Total Expenses

Total expenses in 2007-08 are estimated at \$118 million. This compares with a 2006-07 Budget revised estimate of \$103.9 million. This increase is mainly due to a \$14.8 million increase in the grant for the South West rail corridor. The major areas of expenditure are:

- ◆ \$91 million for the major development assessment and strategy implementation program, including grants to local government (\$4.2 million), the Redfern-Waterloo Authority (\$7 million), the Growth Centres Commission (\$6 million), the Minister Administering the Environmental Planning and Assessment Act (\$5 million) and for the South West Rail Corridor (\$21 million);
- ◆ \$17.6 million for strategy and policy development; and
- ◆ \$9.6 million for the heritage policy and assistance program including \$2.6 million in heritage assistance grants.

Total Revenue

Total revenue in 2007-08 is estimated at \$44 million. This includes the planning reform fee and fees for development assessment services.

Capital Expenditure

The capital expenditure program for 2007-08 is estimated at \$3.8 million including \$3 million for coastal land acquisitions under the Coastal Land Protection Scheme.

DEPARTMENT OF THE ARTS, SPORT AND RECREATION

The Department of the Arts, Sport and Recreation (DASR) supports the Minister for the Arts, and the Minister for Gaming and Racing and the Minister for Sport and Recreation (Section 11).

DASR works to improve the wellbeing of both individuals and the community through fostering arts, sport and recreation and by ensuring the proper conduct and balanced development of the liquor, gaming, racing and charity industries.

DASR combines Arts NSW, New South Wales Office of Liquor, Gaming and Racing, and New South Wales Sport and Recreation. The Department also has administrative relationships with Centennial Park and Moore Park Trust; the Parramatta Park Trust and several other sport and recreation venue trusts in New South Wales, as well as the State's cultural institutions: Art Gallery of New South Wales, Australian Museum, Historic Houses Trust of New South Wales, Museum of Applied Arts and Sciences, New South Wales Film and Television Office, State Library of New South Wales and Sydney Opera House.

RESULTS AND SERVICES

The Department has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priority:

- ◆ E8: More people using parks, sporting and recreational facilities, and participating in the arts and cultural activity.

The Department contributes to community cohesion and individual health and wellbeing by working towards the following results:

- ◆ Increased participation in arts and cultural, and sport and recreation activities.
- ◆ Viable and innovative arts, sport and recreation sectors.
- ◆ Ethical conduct by the sport and recreation, and the gambling, racing and charity sectors.
- ◆ Reduced harm associated with gambling and alcohol abuse.
- ◆ World-class standards in achievement and performance in the arts and sport are maintained.

Key services provided by the Department to contribute to these results include:

- ◆ implementing Government policy and regulatory frameworks for the development and responsible conduct of the arts, sport and recreation, and hospitality sectors;
- ◆ conducting compliance and education programs to assist the ethical conduct of the sport and recreation industry, gambling, racing and fundraising, and the responsible service of alcohol;
- ◆ creating sport and recreation and arts participation opportunities, particularly for under-represented groups and for people in regional areas;
- ◆ administering arts and sports grants programs, including for sports facilities and venues;
- ◆ managing the State's arts, sporting and recreation facilities; and
- ◆ providing governance support and advice to cultural institutions, sporting trusts, and the administrations of Centennial Park and Moore Park Trust and Parramatta Park Trust.

RECENT DEVELOPMENTS

During 2006-07 DASR focussed on identifying cross-agency opportunities for efficiencies and more effective service delivery as well as progressing a number of new initiatives. DASR will build on the achievements of 2006-07 including:

- ◆ identifying opportunities to improve service delivery through an integrated approach to recreation and leisure across arts, sport and recreation and the hospitality sectors;
- ◆ opening of the CarriageWorks, Redfern as a new home for contemporary arts;
- ◆ completing a range of new cultural facilities in Western Sydney as part of the Western Sydney Arts Strategy;
- ◆ supporting the Brown Review into the thoroughbred racing industry to support the integrity, independence and long-term viability of the industry;
- ◆ growing and supporting Liquor Accords throughout New South Wales;
- ◆ progressing the draft Liquor Bill to implementation stage;

- ◆ implementing the recommendations from the IPART Review of Responsible Gambling Measures and the New South Wales Summit on Alcohol Abuse;
- ◆ opening the new NSW Institute of Sport building and establishing Sports House at Sydney Olympic Park;
- ◆ launching an up-dated Sports Rage program to mitigate aggressive behaviour in sport;
- ◆ consulting with the sport and recreation industry in preparation for the development of a strategic plan to cover the industry for the next five years; and
- ◆ developing the New South Wales Disability Sport and Physical Activity Framework.

STRATEGIC DIRECTIONS

During 2007-08 DASR will continue to focus on cross-agency opportunities for efficiencies, including combining corporate services functions. Priority areas in 2007-08 include:

- ◆ developing a strategy to improve the quality of arts, and sport and recreation facilities through closer collaboration with local governments and State government entities;
- ◆ developing an Arts NSW property strategy;
- ◆ enhancing the role of the arts in lifelong learning through extending the ConnectEd partnership with the Department of Education and Training;
- ◆ improving services to Indigenous communities, including implementation of an Indigenous Arts and Cultural Expression strategy;
- ◆ promoting online access to the State's cultural collections;
- ◆ continuing the reform of compliance operations, and working with liquor and gaming industry stakeholders to realise their community responsibilities;
- ◆ continuing participation in the Crime Prevention Partnerships Program for alcohol related anti-social behaviour;
- ◆ reviewing the *Gaming Machines Act 2001*;

- ◆ working with the thoroughbred racing industry to implement the final recommendations from the Brown report into the industry;
- ◆ designing an innovative volunteer model for recruiting and retaining volunteers in sport and recreation;
- ◆ facilitating the finalisation of a five year plan for the sport and recreation industry and developing a specific State-wide plan on sport and physical activity for people with a disability; and
- ◆ facilitating the improvement of sporting venues including Drummoyne Oval, Leichhardt Oval, Energy Australia Stadium at Newcastle, Parramatta Stadium and Penrith Stadium.

2007-08 BUDGET

Total Expenses

Total expenses in 2007-08 are estimated at \$574.8 million. This includes:

- ◆ grants totalling \$220.7 million to assist in the operation of the State's arts and cultural institutions;
- ◆ \$78.4 million for sport and recreation programs coordinated by the Department's Regional Offices and provided at its Centres and Academies;
- ◆ \$29.3 million for the Cultural Grants Program;
- ◆ \$20.4 million in payments from the Sport and Recreation Fund for the operation of sporting associations, sports development grants and sporting facility capital grants;
- ◆ ongoing funding of the Responsible Gambling Fund (formerly the Casino Community Benefit Fund) of \$12.2 million from a 2 per cent levy on Star City Casino;
- ◆ provision of a central monitoring fee assistance package for small clubs of \$1.3 million; and
- ◆ administrative grants funding towards the operation of the NSW Institute of Sport (\$9.2 million); Centennial Park and Moore Park Trust (\$6.4 million); Sydney 2009 World Masters Games Organising Committee (\$1.4 million); and the Parramatta Park Trust (\$1.3 million).

Capital Expenditure

The Department's 2007-08 capital program is \$19.9 million. The major components of the program are:

- ◆ \$11.6 million to upgrade infrastructure at the: Sydney Academy of Sport; Newcastle Showground; Sydney International Equestrian Centre; Southern Highlands Regional Shooting Complex; and the Jindabyne, Berry, and Borambola Sport and Recreation Centres;
- ◆ \$5.5 million for upgrading at Sport and Recreation Centres; and
- ◆ \$1.4 million for upgrading Wharf 4/5 and the Lilyfield arts facility.

SYDNEY OLYMPIC PARK AUTHORITY

The Sydney Olympic Park Authority (SOPA) operates under the *Sydney Olympic Park Authority Act 2001* to manage the long-term future of Sydney Olympic Park.

In this role SOPA is responsible for the management, economic development and use of Sydney Olympic Park and for the promotion and coordination of sporting, educational, recreational, cultural, commercial and tourist activities.

RESULTS AND SERVICES

The Authority contributes to delivering returns (financial, economic and social) on the Government's investment in Sydney Olympic Park and achieving a lasting Olympic legacy; establishing the Park as a national centre for health, leisure and wellbeing; and establishing a sustainable community. Key result areas include:

- ◆ Improving the Government's financial return on investment within the Park.
- ◆ Increasing visitation and use of the Park.
- ◆ Creating a world-class urban parkland in central Sydney.
- ◆ Achieving sustainable urban development outcomes.

Results for the Authority are achieved through services covering: maintenance of parklands, public infrastructure and Government owned sports venues within the Park; managing property and car park operations; marketing, advertising and events management; urban planning and approvals; and environmental management and monitoring.

Achievements over the past year include: commencing construction of new office accommodation for the Commonwealth Bank and a new five-star Sofitel Hotel; and completing the first stage of the new Blaxland Riverside Park.

RECENT DEVELOPMENTS

The Sydney Olympic Park precinct is expected to attract approximately 35,000 workers and residents over the next 20 years. A viable precinct will be built around six themes of sport; education; environment; health, leisure and wellbeing; events; and culture, the arts and entertainment. Since the 2000 Olympic Games, the Authority has entered into contracts with the private sector for new property development projects having a market value in excess of \$1 billion.

SOPA is the owner of the Sydney Olympic Park Aquatic and Athletic Centre which attracts approximately 1 million visitors per annum. SOPA assumed operational responsibility for the Centre effective 1 July 2006 following the end of the Operators Agreement with the Sydney Cricket and Sports Ground Trust.

SOPA is responsible for the budget funding of other Government owned venues at Sydney Olympic Park and is custodian of funds for the long-term maintenance of the Sydney Showground.

Under the terms entered into by the NSW Government with the private sector, Telstra Stadium and Acer Arena are subject to long-term leases until 2031. SOPA progressively recognises ownership of these assets until the end of the lease period, at which time they revert to the Government.

STRATEGIC DIRECTIONS

Sydney Olympic Park continues to play a vital role in hosting the State's iconic sporting and show events and supports the State's ability to host major national and international events.

SOPA will establish a sustainable community that demonstrates best practice in social and environmental management. Under a new Master Plan, all future development will be connected to the Park's world-class water recycling scheme. The Plan also promotes innovative examples of energy management, high-quality urban and architectural design and integrated social housing models.

In 2006 a Parklands Foundation was established as a subsidiary corporation of SOPA. The Foundation aims at attracting individual and corporate sponsors and will focus on enhancing the social, cultural educational, and environmental values of the Parklands.

2007-08 BUDGET

Total Expenses

Operating expenses in 2007-08 are estimated at \$110.3 million, with depreciation accounting for \$40.9 million of this amount. Government funding of the operating budget is \$37.4 million.

The majority of expenses relate to maintaining the parklands and common areas within the Park.

Capital Expenditure

The Authority's 2007-08 capital program is \$28.9 million. The major components of the program are \$10 million for a public car park beneath two new office buildings being constructed for the Commonwealth Bank and \$11.7 million of developer funded works. These developments are critical to the Park's new town centre.

MINISTER ADMINISTERING THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT

The Minister Administering the Environmental Planning and Assessment Act was established to acquire land for planning purposes within the Sydney region. This includes land suitable for regional open space, public transport corridors, and land for projects such as the Rouse Hill Regional Centre.

Most of the activities of the agency are managed through separate funds established under the *Environmental Planning and Assessment Act 1979*, including the Sydney Region Development Fund (the Fund).

RESULTS AND SERVICES

In delivering its priorities and objectives, the agency works towards a number of results for the community, including:

- ◆ Land for infrastructure is acquired in accordance with Government priorities.
- ◆ Appropriate levels and types of regional open space are provided for the community.
- ◆ Sound financial management of the Fund.

Key services provided by the Agency to contribute to these results include:

- ◆ acquiring land for the North West and South West rail corridors and for regional recreation purposes; and
- ◆ administering grant programs that promote open space and environmental protection.

RECENT DEVELOPMENTS

Expenditure is mainly incurred for land acquisition, sale of surplus land, administration and borrowing costs. Grants to improve open space are also provided in partnership with local councils and community organisations.

The Fund's land acquisition program includes the purchase of regional open space in the Sydney Metropolitan Area. The Fund purchases land within the Western Sydney Parklands to be developed for long term recreation and conservation purposes. Other recent open space purchases include land in the Ropes Creek and South Creek corridors of Western Sydney and sites on the Central Coast.

The other major component of the Fund's acquisition program is the purchase of rail corridors in the North West and South West of Sydney. This program is being undertaken to meet commitments set out in the Urban Transport Statement to complete the South West Rail Link to Leppington and the North West Rail Link to Rouse Hill.

The Fund facilitates development of significant metropolitan open space precincts and contributes to initiatives such as the Greenspace program, Cooks River Foreshore program and the Sydney Harbour Access program to improve liveability in areas of Sydney. The Fund also manages a heritage asset management program, under the *Heritage Act 1977*.

The Fund holds land that is no longer needed for planning purposes as well as fragments that can be aggregated and sold. The proceeds from the sale of such properties are the main source of funding for the Fund's ongoing acquisition program.

The Fund is currently selling surplus sites for major employment lands in Western Sydney. Surplus lands have been identified at Doonside for residential development and Huntingwood West for employment lands. Disposal of surplus lands is also occurring in partnership with Landcom at Hoxton Park and Minto, as well as land sales at Seaforth and South Turramurra.

The Rouse Hill Regional Centre continues to be developed on land purchased by the Fund. This regional centre will include retail, commercial, community, education, recreational, transport and residential uses, developed in partnership with Landcom and the private sector.

STRATEGIC DIRECTIONS

The agency has a range of strategies for the future including:

- ◆ prudent financial management to ensure adequate capital funding and to achieve an optimal return on surplus assets;
- ◆ the ongoing purchase of rail corridors for the North West and South West rail links;
- ◆ ongoing review and disposal of surplus land and land to be acquired within the Sydney region with the objective of maintaining the self-funding model of the Fund; and
- ◆ a focus on implementing the intended outcomes for open space land strategies and lands purchased for other planning purposes.

2007-08 BUDGET

Total Expenses

The agency's total recurrent expenses for 2007-08 are estimated at \$47.2 million, which includes \$3.2 million for grants to improve open space land, \$5 million for lands transferred to local councils and \$18.6 million for borrowing costs.

Total Revenue

Total revenue for 2007-08 is estimated at \$58 million, including contributions from local councils and a grant from the Government of \$21 million for the acquisition of the South West rail corridor.

Capital Expenditure

The agency buys land for planning purposes such as regional open space through its capital program. The capital expenditure program now also includes buying land for the South West and North West rail links. Associated expenses, such as planning studies for redevelopment, are also capitalised.

In 2007-08, acquisition costs are estimated at \$308.5 million, which includes \$19.5 million to buy open space and other land for planning purposes, \$84 million for South West rail corridor land acquisitions and \$205 million for the North West rail corridor land. Asset disposal is estimated at \$50 million.

GROWTH CENTRES COMMISSION

The Growth Centres Commission was established in July 2005, under the *Growth Centres (Development Corporations) Act 1974* to manage the land release plan for the North-West and South-West sectors of Sydney. Up to 181,000 homes will be built in these sectors over the next 30 years.

The Commission's role is to ensure that Sydney's growth in the centres occurs in a sustainable way and that new infrastructure is appropriately planned, funded and linked to a properly sequenced program of land release.

The Commission is accountable to the Minister for Planning through its independent Board; and works in partnership with infrastructure agencies, local government, industry, landowners and the community to implement plans for the growth centres.

RECENT DEVELOPMENTS

During 2006-07, the Commission started precinct planning in the Oran Park and Turner Road (Badgally Road) precincts in the South-West growth centre; and Alex Avenue, North Kellyville, and Riverstone precincts in the North-West growth centre. Edmondson Park and Colebee have already been rezoned. In total, these precincts have a total capacity of approximately 39,500 lots.

The Oran Park and Turner Road precincts will be rezoned in the 2007-08 year, reducing rezoning time from seven years to one year. Additionally, in 2007-08 it is proposed that the Commission will begin precinct planning in the Riverstone West and Area 20 Precincts.

In October 2006, the Commission released its Growth Centres Development Code. The Code guides the planning and design of precincts, including town centres and neighbourhoods. It is the link to the State Environmental Planning Policy and the Structure Plan. It is intended as a reference to generate ideas and provide a guide to best practice.

In February 2007, the Commission exhibited the Growth Centres Draft Conservation Plan. The objectives of the Conservation Plan are to seek biodiversity certification for the whole of the Growth Centres under the *Threatened Species Conservation Act 1995*.

The Commission has sought community feedback on the Plan.

STRATEGIC DIRECTIONS

The Growth Centres Commission will coordinate the release of land in the North-West and South-West sectors sufficient to accommodate up to 181,000 homes together with appropriate infrastructure and services over the next 30 years. This goal will be achieved by:

- ◆ preparing Precinct Plans with Councils;
- ◆ recommending new precincts for staged land release to the Government;
- ◆ negotiating with Government agencies, landowners and industry to ensure development occurs in a sustainable and timely way;
- ◆ coordinating Government agencies' planning and delivery of infrastructure consistent with the Government's land release program; and
- ◆ administering the Special Infrastructure Contribution to ensure the timely delivery and sequencing of infrastructure to support the land release program.

2007-08 BUDGET

Total Expenses

Total expenses for 2007-08 are estimated at \$14.7 million. This reflects an increase of \$8.7 million over the 2006-07 Budget and is attributed to increasing activity on precinct planning. During 2007-08, the Commission will continue to undertake precinct planning and coordinate the delivery of regional infrastructure. The time from releasing land until its delivery to the market will be streamlined.

The Commission's expenses include \$7.8 million for precinct planning including studies into land capability for urban development and satisfying various legislative requirements.

HONEYSUCKLE DEVELOPMENT CORPORATION

The Corporation focusses on the revitalisation of inner Newcastle. The relevant area is situated adjacent to the Newcastle Central Business District (CBD) and comprises 50 hectares of former industrial land on the shores of Newcastle Harbour.

RECENT DEVELOPMENTS

The Corporation is funded through land sales and borrowings.

Over the life of the Corporation, \$92.5 million in community contributions have been made in the form of grants to other organisations, housing, public domain and open space landscaping.

Some 50 sites have been released to the market with 46 settled, two under conditional contract, and another two sites awaiting expressions of interest. The total end value of works associated with the sites is estimated to be over \$680 million.

STRATEGIC DIRECTIONS

The major features of the Corporation's strategic directions are:

- ◆ preparing and marketing the Honeysuckle site (formerly surplus Government land) for private sector development;
- ◆ providing new and improving old infrastructure to encourage private sector development of the Honeysuckle site;
- ◆ stimulating development in adjacent areas;
- ◆ ensuring the community has access to the harbour foreshore;
- ◆ creating publicly owned and accessible places on the Honeysuckle site; and
- ◆ making Newcastle's central business district an even more attractive place to live, work and visit.

2007-08 BUDGET

Total Expenses

Total expenses for the Corporation for 2007-08 are budgeted at \$8.3 million. The primary components are the cost of selling land and property of \$1.7 million and community contributions of \$3.4 million.

The variation in expenses between the 2006-07 projection and 2007-08 budget is an increase of approximately \$677,000 reflecting the timing of community works.

The forecast deficit in 2007-08 is primarily due to non-income generating community works that will be undertaken by the Corporation.

Capital Expenditure

In accordance with accounting standards, the Corporation's property development activities are capitalised as inventory not property assets. The Corporation is planning no capital expenditure for 2007-08.

WESTERN SYDNEY PARKLANDS TRUST

The *Western Sydney Parklands Act 2006* was passed late last year. This legislation established the Western Sydney Parklands and created a Trust to develop and manage the Parklands system.

RECENT DEVELOPMENTS

The Western Sydney Parklands comprises 5,218 hectares of land that stretches 27 kilometres from Doonside to Leppington. A large amount of land within the parklands boundary will be owned by the new Western Sydney Parklands Trust. This includes properties previously owned by the Minister Administering the Environmental Planning and Assessment Act as well as the existing Western Sydney Regional Park and Plough and Harrow Park at Abbotsbury. Some land will continue to be owned by existing agencies, such as Prospect Reservoir and Blacktown Olympic Park.

The Western Sydney Parklands Trust is scheduled to start operations in mid 2007. The Trust will receive initial loan funding from the Sydney Region Development Fund of \$3.1 million in 2007-08. Additional income will be derived in part from the sale of lands at Huntingwood West and Doonside.

STRATEGIC DIRECTIONS

The Trust will consolidate and better coordinate the management of Government land and facilities within the Parklands and ensure the development of the parklands for public enjoyment. The Government's long-term vision for the site will guide the Trust in its management of the Parklands.

2007-08 BUDGET

Total Expenses

The Trust's total recurrent expenses for 2007-08 are estimated at \$4.3 million.

Total Revenue

The Trust's revenue for 2007-08 is estimated at \$4.3 million, including \$1.4 million in rental revenue, a \$2.5 million grant from the Department of Environment and Climate Change and funds from the sale of surplus lands.

Capital Expenditure

Capital expenditure in 2007-08 includes \$2 million for works on a pathway system to open up the entire length of the Parklands. Funding has also been allocated to commence restoration of Western Sydney's indigenous and endangered Cumberland Plain Woodlands (conservation works).

REDFERN-WATERLOO AUTHORITY

The role of the Authority is to encourage and promote the orderly development of Redfern, Eveleigh, Darlington and Waterloo suburbs. The Authority aims to transform these suburbs into an active, vibrant and sustainable community displaying greater social cohesion and community safety, and one where the Aboriginal community is supported and respected. Its operational area comprises approximately 350 hectares.

The Authority is a formally constituted statutory authority with a Board reporting directly to the Minister.

RESULTS AND SERVICES

The Authority seeks to promote urban renewal by working towards the following results:

- ◆ Increased business investment in the local area.
- ◆ Promotion of new and improved public infrastructure.
- ◆ Provision of affordable housing.
- ◆ Increased participation and integration in community activities.
- ◆ Enhanced community safety.
- ◆ Increased participation in education and vocational training.
- ◆ Job creation for local residents.
- ◆ Improved access to health, education, employment and other essential human services.

Key services provided by the Authority which contribute to these results include:

- ◆ providing for a potential 600,000 square metres of commercial and residential floor space, particularly on surplus Government lands;
- ◆ developing the Australian Technology Park's roads and infrastructure including a pedestrian link to North Eveleigh;
- ◆ developing the North Eveleigh Training Centre, focussing on construction and hospitality industries;
- ◆ encouraging partnerships with the private sector and service providers to foster literacy and numeracy programs; and
- ◆ positive engagement and connection between younger and older people, reduced social isolation and increased access to employment activities.

RECENT DEVELOPMENTS

During 2006-07 the Authority's achievements included:

- ◆ work on construction of Building D at the Australian Technology Park;
- ◆ construction of roads within Australian Technology Park to facilitate the Park's future development;
- ◆ finalisation of the Built Environment Plan, which aims to stimulate economic and social development; and
- ◆ re-location of the Seven Network's and Pacific Magazines' commercial premises to Redfern.

2007-08 BUDGET

Total Expenses

Total expenses for 2007-08 are estimated at \$19.8 million. The majority of expenditure is for planning, urban renewal, infrastructure expenses and information technology systems. It also includes place management expenses and costs associated with running the conference centre at the Australian Technology Park.

Capital Expenditure

The Authority's capital program for 2007-08 is \$13.8 million. Major infrastructure development includes the completion of the Building D construction, remediation and public domain works on the Channel 7 site and preliminary works on the construction of the North Eveleigh Pedestrian link.

STATE LIBRARY OF NEW SOUTH WALES

The State Library of New South Wales is the major public reference and research library and information service for the people of New South Wales. It comprises the heritage Mitchell and Dixson Libraries, the State Reference Library and web services.

The Library Council of New South Wales is the Library's governing body. The *Library Act 1939* and *Library Regulation 2005* define the Council's objects, powers and duties, and the Library's role and responsibilities. The Library's mission is to strengthen the community by being the trusted provider of quality information services.

RESULTS AND SERVICES

The Library's vision is to be the pre-eminent and welcoming cultural destination acknowledged for excellent client service and staff expertise; an innovative gateway to information and cultural enrichment; recognised for a unique and accessible collection; an active advocate for the NSW public library network; and a proactive partner in knowledge creation.

The State Library's strategic goal is increased value for the community through improved Library services. This strategic goal is achieved by working towards the following results:

- ◆ A client focused library.
- ◆ An effective public library network.

Key services that contribute to these results include:

- ◆ providing information services and cultural programs for clients with onsite, online and offsite accessibility;
- ◆ managing the collections, including the Mitchell and Dixson Libraries of historical and Australian resources, the documented cultural heritage of New South Wales; and ensuring the building, preservation, digitisation and the security of the collections;

- ◆ managing the heritage building and technology to satisfy client expectations and demands for services and programs; and
- ◆ providing professional advisory services for public libraries, access to specialist collections and expertise and managing *NSW.net* to enable affordable access to the internet for New South Wales Councils, public libraries and communities.

RECENT DEVELOPMENTS

At the end of 2005-06, the Library's total collection assets were valued at \$1.9 billion and land and buildings were valued at \$238 million.

To preserve and maintain the Library's collections to appropriate standards, the Library took delivery, in April 2007, of a state-of-the art offsite storage facility located at Moorebank.

Increased effort and expenditure is being allocated to improve community access to State Library collections through the expansion of electronic catalogue records, online service delivery and access to online and digitised information content.

STRATEGIC DIRECTIONS

Major strategies to achieve a client-focused Library and an effective public library network are to:

- ◆ develop an understanding of our client base so as to improve client satisfaction with services and programs;
- ◆ increase awareness and use of the information services and cultural programs;
- ◆ maximise the value of current and future technologies; and
- ◆ develop collaborative and cooperative relationships with stakeholders.

2007-08 BUDGET

Total Expenses

Total expenses are estimated at \$83 million, of which the Library will distribute \$23.5 million under the State's public library subsidies and grants program, including costs associated with *NSW.net*.

Capital Expenditure

Total capital expenditure in 2007-08 is estimated at \$11.3 million comprising:

- ◆ \$2.8 million for major asset management and maintenance works;
- ◆ collection acquisitions of \$7.6 million, including books, journals, pictures, maps, manuscripts and electronic resources; and
- ◆ other minor works of \$0.9 million.

AUSTRALIAN MUSEUM

The Australian Museum is Australia's leading natural and cultural history museum. Its mission is to inspire the exploration of nature and cultures. The Museum's activities take place at its main site at College Street, Sydney and throughout New South Wales through its regional museum partnerships, outreach and rural and regional support programs. Worldwide access has grown dramatically during recent years via the internet. The Museum's governing legislation is the *Australian Museum Trust Act 1975*.

RESULTS AND SERVICES

The Museum will continue to work towards the following results:

- ◆ Scientific researchers, and the community more generally, have access to the Museum's natural history and cultural collections.
- ◆ Knowledge generated by scientific research within the Museum is accessible to the public, other government agencies and private parties.
- ◆ The community has access to a wide range of information about natural history and cultures.

Completion of the Museum Renewal Program will support the ongoing delivery of the Museum's primary services:

- ◆ managing the collection;
- ◆ undertaking scientific research; and
- ◆ delivering public programs.

RECENT DEVELOPMENTS

The Government has committed \$40.9 million for the renewal of the Australian Museum. This program includes gallery refurbishment and accommodation improvements and addresses a range of health, safety and security issues.

STRATEGIC DIRECTIONS

The Museum's focus in 2007-08 will continue to be on scientific research, exhibitions and education, and it will continue to actively develop research partnerships with scientific, government and commercial organisations. Reaching its audience through outreach, rural and regional programs, and the internet will remain a significant pursuit. The presentation of Pacific rim cultures in innovative programs remains a commitment of the Museum.

2007-08 BUDGET

Total Expenses

Total expenses for the Museum are budgeted at \$34.7 million. The Museum will direct its resources to activities that include staging exhibitions, development of educational programs, conservation and recording work on its collections and scientific research. Scientific research will continue to be focused in the areas of biological sciences, geosciences and anthropology.

Exhibitions planned for 2007-08 will include *Face to Face*, *On Track* and *Africa*, together with the continued exhibition of selected items from the Museum's collections. The Museum will also stage a program of visitor services, smaller exhibitions and theatre style programs that will include *Wildlife Photographer of the Year*, as well as extensive outreach and web-based programs to counter the issues that may be presented by the closure of galleries during the current Museum Renewal Program.

Capital Expenditure

Total capital expenditure in 2007-08 is estimated at \$28.7 million. Budget funding totalling \$40.9 million (\$23.7 million in 2007-08) was allocated over five years for a program of gallery refurbishment and accommodation improvements. This will also address a range of health, safety and security issues. Refurbishment of the Museum's Barnett and Vernon galleries will be completed late in the 2007-08 financial year and will showcase the Museum's new *Dinosaur* and *Australia* permanent exhibitions.

Other significant projects include self-funded work on the refurbishment of buildings at the Lizard Island Reef Research Station (\$1.4 million in 2007-08).

MUSEUM OF APPLIED ARTS AND SCIENCES

The Museum of Applied Arts and Sciences consists of the Powerhouse Museum, the Powerhouse Discovery Centre at Castle Hill and the Sydney Observatory. The Museum's focus is on promoting awareness and understanding of the past, present and future of Australian society through research, scholarship and the acquisition, conservation and integrated presentation of material in the fields of science, design, decorative arts and social history. Public engagement is optimised through museum partnerships, outreach and regional support programs within New South Wales, and worldwide by enabling internet access to the Museum's collection and scholarship.

RESULTS AND SERVICES

The Museum is working towards the following results:

- ◆ Greater community understanding and knowledge of New South Wales and Australia and its role in the world.
- ◆ Community understanding of and respect for diversity of cultures.
- ◆ New South Wales' cultural heritage is valued by the community and the world.

Key services provided by the Museum which contribute to these results include:

- ◆ providing public access to the collection, scholarship and cultural programs, principally through the presentation of exhibitions, public programs and online services; and
- ◆ managing cultural heritage collections and assets held in trust for the people of New South Wales.

RECENT DEVELOPMENTS

In March 2007, the Museum opened the Powerhouse Discovery Centre at Castle Hill. This facility allows public access to that part of the collection normally held in storage, through open days and guided tours.

STRATEGIC DIRECTIONS

The Strategic Plan 2005 to 2008 commits the Museum to refreshing five key dimensions of museum operations. This commitment to refresh recognises that it is nearly 20 years since the Powerhouse opened and that a strategic and coordinated re-invigoration of spaces, services and programs is timely. The five key areas being refreshed are:

- ◆ *refreshing our programs* which focuses on the development of integrated exhibitions and public programs linked to audience research and the identification of key audience targets;
- ◆ *refreshing our positioning* which recognises the reach of the Museum to regional audiences, the development of strategic partnerships and membership base;
- ◆ *refreshing our people* which acknowledges the benefit of workplace strategies which encourage workplace flexibility and which supports creativity and innovation in staff;
- ◆ *refreshing our processes* which reflects a commitment to resource planning and risk management focused on becoming a sustainable organisation in an environmental, financial and social context. The introduction of a commissioning process enables the streamlined development and delivery of exhibitions and programs; and
- ◆ *refreshing our presence* which acknowledges the physical presence and functionality of the Museum. Master planning at the Powerhouse focuses on refreshing the overall visitor experience through improvements to exhibition spaces, signage and lighting. The Powerhouse Discovery Centre at Castle Hill, with publicly accessible areas, offers opportunities to engage audiences in north-western Sydney. Sydney Observatory will celebrate its one hundred and fiftieth anniversary in 2008.

Creativity and innovation are common themes within the five refresh areas, reflecting a commitment to bring to the fore the values which underpin the Museum's mission and purpose.

2007-08 BUDGET

Total Expenses

Total expenses for 2007-08 are budgeted at \$42.4 million.

Capital Expenditure

Total capital expenditure in 2007-08 is estimated at \$2.1 million. This will be used for purchasing and assessing collection items; the replacement and upgrade of computers, plant and equipment; and other minor works.

HISTORIC HOUSES TRUST OF NEW SOUTH WALES

The Historic Houses Trust of New South Wales is entrusted with the care of historically significant heritage properties in the State. The Trust provides the public with access to places of cultural significance and enables them to gain a greater awareness and interest in the State's cultural heritage. The Trust's governing legislation is the *Historic Houses Act 1980*.

RESULTS AND SERVICES

The Trust is focused on achieving the following results:

- ◆ Properties and collections are conserved to international best practice standard.
- ◆ The New South Wales community is provided with the latest conservation information, advice and services.
- ◆ Efficient and effective services are provided to the public and obtain best value for money.

The key services provided by the Trust that contribute to these results are:

- ◆ conserving heritage properties;
- ◆ providing access to heritage properties, exhibitions, regional programs and a schools education program; and
- ◆ managing heritage properties.

RECENT DEVELOPMENTS

With its increased portfolio of 13 historic properties and in accordance with its increased responsibilities, the Trust's operating expenses have increased from \$25.6 million in 2005-06 to \$27.6 million in 2007-08, an increase of 7.7 per cent over two years.

STRATEGIC DIRECTIONS

The *Historic Houses Act 1980* was amended in 2005 to more accurately reflect the role of the Historic Houses Trust in managing and maintaining not only historic houses but also other buildings, structures and sites.

The Historic Houses Trust continues to work with a number of government agencies in the planning for the North-West Sector Growth Area, which surrounds Rouse Hill estate. This includes the diversion of Windsor Road away from Rouse Hill estate and development of community facilities in the former Rouse Hill Public School, now a property of the Trust.

The Historic Houses Trust has been working with the Heritage Council and the Department of Planning in relation to a transfer of some property assets to the Trust, under the Trust's Endangered Houses project initiative.

2007-08 BUDGET

Total Expenses

Total expenses in 2007-08 are estimated at \$27.6 million including \$3.7 million for maintenance work to properties in accordance with the Government's policy on heritage asset management, and to continue a range of exhibitions and publications.

Capital Expenditure

Total capital expenditure in 2007-08 is estimated at approximately \$1.4 million including:

- ◆ \$0.8 million for necessary capital works, including improved security and presentation and environmental standards of the State Rooms at Government House;
- ◆ \$0.2 million for purchase of collection items and the replacement and upgrade of computers, plant and equipment; and
- ◆ \$0.4 million for other minor works.

ART GALLERY OF NEW SOUTH WALES

The Art Gallery of New South Wales is one of the State's leading cultural institutions and, on behalf of the NSW community, collects, conserves, interprets and displays works of art with a special emphasis on the artistic traditions of Australia and our neighbouring regions. Governing legislation is the *Art Gallery of New South Wales Act 1980*.

RESULTS AND SERVICES

The Art Gallery of New South Wales seeks to contribute to sustaining and enriching the cultural wellbeing of the NSW community by working towards the following results:

- ◆ Art collections are enhanced and conserved, keeping them vital and available for presentation now, and for future generations.
- ◆ The heritage building meets international museum standards for display and storage of art works (including major works of art on temporary loan to the gallery).
- ◆ Engagement with audiences increases both the value they place on understanding their cultural heritage and their appreciation of the New South Wales' cultural wealth embodied in the Art Gallery's art collections and heritage building.

Key services provided by the Art Gallery which contribute to these results include:

- ◆ collecting the best works of art available providing an enduring representation of the visual arts of our time;
- ◆ maintaining of a iconic heritage building for daily public access as this State's premier art gallery;
- ◆ engaging people to participate in the life of the gallery through quality exhibitions, publications, inspiring education activities, enjoyable communal and family programs, and membership opportunities; and
- ◆ encouraging private benefaction and corporate sector sponsorship to further support a prosperous cultural life for the people of New South Wales.

RECENT DEVELOPMENTS

Total expenses have increased from \$30.2 million in 2004-05 to an estimated \$38.1 million for 2006-07, an increase of 26 per cent. Insurance costs for 2006-07 were \$3.3 million due to the value of international art exhibitions commenced in the period however this amount reduces to \$0.5 million in the coming year.

The art collections continue to be enhanced with private funds used for acquisition of a Fauvist painting *Les voiles blanches à Chatou* 1906 by Maurice de Vlaminck and by significant gifts from leading contemporary artists including Lewis Morley and Jeffrey Smart. In 2006-07, major exhibitions have continued to be developed by the Art Gallery's curators including *Goddess: Divine Energy* which attracted both large community based audiences and outstanding critical reviews.

STRATEGIC DIRECTIONS

The Art Gallery's continuing main strategic objective is to operate an energetic and easily accessible arts institution that plays a vital part in Sydney's cultural life.

2007-08 BUDGET

Total Expenses

Operating expenses for 2007-08 are budgeted at \$36.7 million. Major exhibitions are planned for 2007-08 including a retrospective on pre-eminent Australian artist Sidney Nolan. The Art Gallery's commitment to the annual *Artexpress* exhibition of HSC student art will continue and the popular *Archibald Prize* will again be toured to regional galleries in New South Wales.

Capital Expenditure

Total capital expenditure in 2007-08 is estimated at \$5.2 million. This includes:

- ◆ \$3.2 million for the ongoing heritage building upgrade and minor works; and
- ◆ \$2 million for the ongoing acquisition of works of art. It is also anticipated that the Art Gallery's collections will be further enhanced with major contributions from the Art Gallery Society, the Art Gallery Foundation and other private benefactors.

NEW SOUTH WALES FILM AND TELEVISION OFFICE

The New South Wales Film and Television Office fosters and facilitates creative excellence and commercial growth in the film and television industry in New South Wales.

RESULTS AND SERVICES

The Office is working towards the following results:

- ◆ Support and encouragement of talented people and quality projects to develop the New South Wales film and television industries.
- ◆ New South Wales is established as the preferred choice for local and international filming.
- ◆ Increased public interest in film as a medium of communication and as an art form, and a wide audience for locally produced film and television.

Key services provided by the Office that contribute to these results include:

- ◆ participating in projects that are likely to be commercially successful, receive critical acclaim, substantially contribute to the economic wellbeing of New South Wales and are culturally relevant;
- ◆ providing production attraction advisory services and marketing New South Wales as a filming destination;
- ◆ developing film makers through workshops, script development grants and traineeship schemes; and
- ◆ providing grants for industry and audience development and regional film making.

RECENT DEVELOPMENTS

The Office provided production investment funding of \$4.3 million in 2005-06 and \$3.6 million in 2006-07.

The Office has given high priority in its production investment decisions to maximising New South Wales employment and production, as well as encouraging our innovative post production and visual effects sector.

Two more projects developed by the successful Aurora script development program have been financed into production. The business skills schemes, Enterprise Tasman and Hothouse, and the new Enterprise Loan Scheme are achieving results. The recipient company of the Office's inaugural Enterprise Loan has already developed a slate of highly successful projects.

STRATEGIC DIRECTIONS

Key priorities of the Office are:

- ◆ the promotion of employment, investment and export growth and a commitment to quality, innovation and local identity; and
- ◆ initiatives to promote a viable industry through development of business skills and expertise of established talent.

The Office's Aurora script development program remains central to its strategy of improving the quality and production-readiness of scripts.

The Office has led in initiatives that build business skills of established filmmakers, promote enterprise sustainability and ensure greater visibility in the international marketplace for Australian projects and companies. These include Enterprise Tasman, currently being reviewed in conjunction with other States, and Hothouse, a business skills scheme for documentary producers run in association with Film Australia.

The Office continues to be instrumental in gaining access for New South Wales projects to invitation only international financing markets such as No Borders in New York and Cinemart in Rotterdam.

2007-08 BUDGET

Total Expenses

Total expenses for the Office for 2007-08 are estimated at \$10.7 million. Major activities to be funded include:

- ◆ \$3.6 million for production investment;
- ◆ \$2.2 million for production loan financing; and
- ◆ \$1.2 million for script and project development.

Capital Expenditure

Total capital expenditure in 2007-08 is estimated at \$44,000 for minor works to improve and replace office equipment.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

38 DEPARTMENT OF PLANNING

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related* | 39,953 | 54,718 | 56,663 |
| Other operating expenses | 10,809 | 14,671 | 13,026 |
| Depreciation and amortisation | 554 | 1,209 | 1,294 |
| Grants and subsidies | 33,105 | 28,241 | 42,156 |
| Other expenses | 5,034 | 5,034 | 5,034 |
| Total Expenses Excluding Losses | 89,455 | 103,873 | 118,173 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services* | 15,815 | 36,013 | 42,037 |
| Investment income | 503 | 70 | 269 |
| Grants and contributions | 5,597 | 876 | 118 |
| Other revenue | 1,597 | 1,500 | 1,550 |
| Total Retained Revenue | 23,512 | 38,459 | 43,974 |
| Gain/(loss) on disposal of non current assets | 600 | ... | 600 |
| Other gains/(losses) | (13) | (1,714) | (13) |
| NET COST OF SERVICES | 65,356 | 67,128 | 73,612 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

38 DEPARTMENT OF PLANNING

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related* | 35,822 | 49,915 | 52,946 |
| Grants and subsidies | 33,105 | 28,241 | 42,156 |
| Other | 16,208 | 25,008 | 18,360 |
| Total Payments | 85,135 | 103,164 | 113,462 |
| Receipts | | | |
| Sale of goods and services* | 15,802 | 36,000 | 42,024 |
| Interest | 503 | (30) | 269 |
| Other | 7,634 | 2,355 | 1,668 |
| Total Receipts | 23,939 | 38,325 | 43,961 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (61,196) | (64,839) | (69,501) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 600 | ... | 600 |
| Purchases of property, plant and equipment | (4,764) | (4,164) | (3,764) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (4,164) | (4,164) | (3,164) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 61,195 | 62,801 | 69,632 |
| Capital appropriation | 4,164 | 4,164 | 3,164 |
| NET CASH FLOWS FROM GOVERNMENT | 65,359 | 66,965 | 72,796 |
| NET INCREASE/(DECREASE) IN CASH | (1) | (2,038) | 131 |
| Opening Cash and Cash Equivalents | 8,076 | 2,912 | 874 |
| CLOSING CASH AND CASH EQUIVALENTS | 8,075 | 874 | 1,005 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (65,356) | (67,128) | (73,612) |
| Non cash items added back | 4,760 | 6,998 | 5,165 |
| Change in operating assets and liabilities | (600) | (4,709) | (1,054) |
| Net cash flow from operating activities | (61,196) | (64,839) | (69,501) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

38 DEPARTMENT OF PLANNING

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 8,075 | 874 | 1,005 |
| Receivables | 465 | 6,656 | 6,956 |
| Other financial assets | 886 | ... | ... |
| Total Current Assets | 9,426 | 7,530 | 7,961 |
| Non Current Assets - | | | |
| Receivables | ... | 1,720 | 1,720 |
| Other financial assets | 932 | ... | ... |
| Property, plant and equipment - | | | |
| Land and building | 30,714 | 25,431 | 28,431 |
| Plant and equipment | 3,611 | 7,475 | 7,603 |
| Infrastructure systems | 5,376 | ... | ... |
| Intangibles | ... | 1,060 | 402 |
| Total Non Current Assets | 40,633 | 35,686 | 38,156 |
| Total Assets | 50,059 | 43,216 | 46,117 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 3,440 | 8,657 | 8,657 |
| Provisions | 5,889 | 5,624 | 5,470 |
| Other | ... | 130 | 130 |
| Total Current Liabilities | 9,329 | 14,411 | 14,257 |
| Non Current Liabilities - | | | |
| Provisions | 901 | 986 | 986 |
| Other | 3 | ... | ... |
| Total Non Current Liabilities | 904 | 986 | 986 |
| Total Liabilities | 10,233 | 15,397 | 15,243 |
| NET ASSETS | 39,826 | 27,819 | 30,874 |
| EQUITY | | | |
| Reserves | 1,321 | ... | ... |
| Accumulated funds | 38,505 | 27,819 | 30,874 |
| TOTAL EQUITY | 39,826 | 27,819 | 30,874 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

39 DEPARTMENT OF THE ARTS, SPORT AND RECREATION

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related* | 58,385 | 215,129 | 218,064 |
| Other operating expenses | 36,091 | 37,265 | 42,086 |
| Depreciation and amortisation | 10,475 | 11,559 | 12,489 |
| Grants and subsidies | 304,040 | 405,376 | 289,977 |
| Other expenses | 12,205 | 12,200 | 12,200 |
| Total Expenses Excluding Losses | 421,196 | 681,529 | 574,816 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services* | 33,015 | 180,213 | 183,947 |
| Investment income | 1,739 | 4,822 | 2,265 |
| Grants and contributions | 2,115 | 2,894 | 2,968 |
| Other revenue | 2,449 | 1,771 | 1,552 |
| Total Retained Revenue | 39,318 | 189,700 | 190,732 |
| Other gains/(losses) | ... | (35) | (36) |
| NET COST OF SERVICES | 381,878 | 491,864 | 384,120 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
39 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related* | 54,475 | 211,758 | 206,861 |
| Grants and subsidies | 304,040 | 405,376 | 289,977 |
| Other | 66,910 | 69,196 | 72,894 |
| Total Payments | 425,425 | 686,330 | 569,732 |
| Receipts | | | |
| Sale of goods and services* | 33,016 | 183,178 | 182,927 |
| Interest | 1,739 | 5,112 | 2,265 |
| Other | 23,128 | 24,757 | 23,109 |
| Total Receipts | 57,883 | 213,047 | 208,301 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (367,542) | (473,283) | (361,431) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (32,736) | (33,662) | (19,619) |
| Other | (50) | (2,297) | (300) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (32,786) | (35,959) | (19,919) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 370,303 | 465,126 | 362,810 |
| Capital appropriation | 32,786 | 32,529 | 19,919 |
| Cash transfers to Consolidated Fund | ... | (2,473) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 403,089 | 495,182 | 382,729 |
| NET INCREASE/(DECREASE) IN CASH | 2,761 | (14,060) | 1,379 |
| Opening Cash and Cash Equivalents | 43,895 | 47,391 | 33,331 |
| CLOSING CASH AND CASH EQUIVALENTS | 46,656 | 33,331 | 34,710 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (381,878) | (491,864) | (384,120) |
| Non cash items added back | 13,986 | 21,403 | 22,688 |
| Change in operating assets and liabilities | 350 | (2,822) | 1 |
| Net cash flow from operating activities | (367,542) | (473,283) | (361,431) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
39 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 46,656 | 33,331 | 34,710 |
| Receivables* | 4,463 | 20,780 | 21,318 |
| Other financial assets | 368 | 440 | 440 |
| Other | 231 | 2,908 | 2,908 |
| Total Current Assets | 51,718 | 57,459 | 59,376 |
| Non Current Assets - | | | |
| Receivables | ... | 1,211 | 1,693 |
| Other financial assets | 1,946 | 1,925 | 1,925 |
| Property, plant and equipment - | | | |
| Land and building | 387,324 | 454,199 | 461,905 |
| Plant and equipment | 14,500 | 12,291 | 12,285 |
| Infrastructure systems | 44,984 | ... | ... |
| Intangibles | 1,315 | 5,305 | 5,035 |
| Total Non Current Assets | 450,069 | 474,931 | 482,843 |
| Total Assets | 501,787 | 532,390 | 542,219 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 2,869 | 4,472 | 4,602 |
| Provisions* | 4,828 | 20,081 | 20,969 |
| Other | 4,353 | 4,123 | 4,123 |
| Total Current Liabilities | 12,050 | 28,676 | 29,694 |
| Non Current Liabilities - | | | |
| Provisions | 664 | 1,104 | 1,107 |
| Other | 330 | 330 | 330 |
| Total Non Current Liabilities | 994 | 1,434 | 1,437 |
| Total Liabilities | 13,044 | 30,110 | 31,131 |
| NET ASSETS | 488,743 | 502,280 | 511,088 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**
39 DEPARTMENT OF THE ARTS, SPORT AND RECREATION

| | 2006-07 | | 2007-08 |
|------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| <hr/> | | | |
| <i>BALANCE SHEET (cont)</i> | | | |
| EQUITY | | | |
| Reserves | 37,749 | 59,536 | 59,536 |
| Accumulated funds | 450,994 | 442,744 | 451,552 |
| TOTAL EQUITY | 488,743 | 502,280 | 511,088 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

40 SYDNEY OLYMPIC PARK AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 15,154 | 20,877 | 21,010 |
| Other operating expenses | 40,075 | 44,730 | 47,249 |
| Depreciation and amortisation | 33,604 | 40,456 | 40,867 |
| Grants and subsidies | 5,088 | 800 | 800 |
| Finance costs | 226 | ... | 420 |
| Total Expenses Excluding Losses | 94,147 | 106,863 | 110,346 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 17,889 | 26,731 | 29,440 |
| Investment income | 5,233 | 3,960 | 4,327 |
| Retained taxes, fees and fines | 300 | 550 | 300 |
| Grants and contributions | 832 | 2,522 | 911 |
| Other revenue | 17,523 | 22,686 | 23,551 |
| Total Retained Revenue | 41,777 | 56,449 | 58,529 |
| Gain/(loss) on disposal of non current assets | 6,713 | 1,963 | 1,008 |
| Other gains/(losses) | (2,475) | (1,666) | (2,800) |
| NET COST OF SERVICES | 48,132 | 50,117 | 53,609 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

40 SYDNEY OLYMPIC PARK AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 14,275 | 20,138 | 20,240 |
| Grants and subsidies | 5,088 | 800 | 800 |
| Finance costs | 226 | ... | 420 |
| Other | 49,072 | 56,833 | 61,096 |
| Total Payments | 68,661 | 77,771 | 82,556 |
| Receipts | | | |
| Sale of goods and services | 18,061 | 27,385 | 29,437 |
| Interest | 3,574 | 3,840 | 4,017 |
| Other | 10,548 | 14,599 | 21,005 |
| Total Receipts | 32,183 | 45,824 | 54,459 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (36,478) | (31,947) | (28,097) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 23,762 | 19,012 | 19,008 |
| Purchases of property, plant and equipment | (23,947) | (15,819) | (30,433) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (185) | 3,193 | (11,425) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | 10,000 | ... | 7,000 |
| Repayment of borrowings and advances | (4,924) | ... | ... |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | 5,076 | ... | 7,000 |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 36,871 | 36,871 | 37,375 |
| Capital appropriation | 13,111 | 13,111 | 5,811 |
| Asset sale proceeds transferred to the Consolidated Fund Entity | (21,387) | (20,219) | (19,008) |
| NET CASH FLOWS FROM GOVERNMENT | 28,595 | 29,763 | 24,178 |
| NET INCREASE/(DECREASE) IN CASH | (2,992) | 1,009 | (8,344) |
| Opening Cash and Cash Equivalents | 30,679 | 33,572 | 34,581 |
| CLOSING CASH AND CASH EQUIVALENTS | 27,687 | 34,581 | 26,237 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
40 SYDNEY OLYMPIC PARK AUTHORITY**

| | 2006-07 | | 2007-08 |
|--|-----------------|-----------------|-----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (48,132) | (50,117) | (53,609) |
| Non cash items added back | 17,179 | 20,054 | 18,523 |
| Change in operating assets and liabilities | (5,525) | (1,884) | 6,989 |
| Net cash flow from operating activities | (36,478) | (31,947) | (28,097) |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
40 SYDNEY OLYMPIC PARK AUTHORITY**

| | 2006-07 | | 2007-08 Budget \$000 |
|---|------------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 27,687 | 34,581 | 26,237 |
| Receivables | 19,844 | 32,501 | 14,291 |
| Inventories | 107 | 150 | 150 |
| Other | 224 | ... | ... |
| Total Current Assets | 47,862 | 67,232 | 40,678 |
| Non Current Assets - | | | |
| Receivables | ... | 153,161 | 146,380 |
| Investments accounted for using the equity method | 2,964 | ... | ... |
| Inventories | 14,395 | 15,867 | 15,705 |
| Investment properties | 18,637 | ... | ... |
| Property, plant and equipment - | | | |
| Land and building | 760,395 | 776,235 | 786,752 |
| Plant and equipment | 40,011 | 41,882 | 38,310 |
| Infrastructure systems | 362,043 | 358,292 | 346,186 |
| Other | 320,644 | 146,931 | 170,020 |
| Total Non Current Assets | 1,519,089 | 1,492,368 | 1,503,353 |
| Total Assets | 1,566,951 | 1,559,600 | 1,544,031 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 6,576 | 6,797 | 5,364 |
| Borrowings at amortised cost | 3,069 | ... | 7,000 |
| Provisions | 1,318 | 1,364 | 1,364 |
| Other | 1,476 | 4,796 | 1,627 |
| Total Current Liabilities | 12,439 | 12,957 | 15,355 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 2,007 | ... | ... |
| Provisions | 222 | 221 | 221 |
| Other | ... | 33,099 | 43,818 |
| Total Non Current Liabilities | 2,229 | 33,320 | 44,039 |
| Total Liabilities | 14,668 | 46,277 | 59,394 |
| NET ASSETS | 1,552,283 | 1,513,323 | 1,484,637 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
40 SYDNEY OLYMPIC PARK AUTHORITY**

| | 2006-07 | | 2007-08 |
|------------------------------------|------------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| <hr/> | | | |
| <i>BALANCE SHEET (cont)</i> | | | |
| EQUITY | | | |
| Reserves | 270,854 | 270,854 | 270,854 |
| Accumulated funds | 1,281,429 | 1,242,469 | 1,213,783 |
| TOTAL EQUITY | 1,552,283 | 1,513,323 | 1,484,637 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

**MINISTER ADMINISTERING THE ENVIRONMENTAL PLANNING AND
ASSESSMENT ACT**

| | 2006-07 | | 2007-08 |
|---|----------------|----------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 6,900 | 6,600 | 5,600 |
| Investment income | 2,300 | 1,318 | 850 |
| Retained taxes, fees and fines | 6,353 | 6,353 | 6,544 |
| Grants and contributions | 13,534 | 7,534 | 26,034 |
| Other revenue | 6,547 | 5,800 | 19,064 |
| Total Retained Revenue | 35,634 | 27,605 | 58,092 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 3,573 | 477 | 455 |
| Other operating expenses* | 13,110 | 15,899 | 14,579 |
| Depreciation and amortisation | 143 | 69 | ... |
| Grants and subsidies | 13,570 | 13,070 | 13,545 |
| Finance costs | 16,570 | 9,036 | 18,630 |
| Total Expenses Excluding Losses | 46,966 | 38,551 | 47,209 |
| Gain/(loss) on disposal of non current assets | 3,323 | 3,000 | 5,000 |
| SURPLUS/(DEFICIT) | (8,009) | (7,946) | 15,883 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**
**MINISTER ADMINISTERING THE ENVIRONMENTAL PLANNING AND
ASSESSMENT ACT**

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 9,330 | 8,588 | 3,542 |
| Interest | 300 | 1,158 | 850 |
| Other | 27,429 | 20,682 | 52,637 |
| Total Receipts | 37,059 | 30,428 | 57,029 |
| Payments | | | |
| Employee related* | 3,563 | 655 | 455 |
| Grants and subsidies | 8,570 | 8,070 | 8,545 |
| Finance costs | 16,570 | 9,036 | 18,630 |
| Other* | (1,039) | 1,562 | 33,311 |
| Total Payments | 27,664 | 19,323 | 60,941 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 9,395 | 11,105 | (3,912) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 33,343 | 29,834 | 50,000 |
| Proceeds from sale of investments | ... | 8,869 | ... |
| Purchases of property, plant and equipment | (173,458) | (76,537) | (308,514) |
| Advances made | ... | ... | (3,074) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (140,115) | (37,834) | (261,588) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | 132,174 | 47,500 | 268,000 |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | 132,174 | 47,500 | 268,000 |
| NET INCREASE/(DECREASE) IN CASH | 1,454 | 20,771 | 2,500 |
| Opening Cash and Cash Equivalents | 22,777 | 23,487 | 44,258 |
| CLOSING CASH AND CASH EQUIVALENTS | 24,231 | 44,258 | 46,758 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

**MINISTER ADMINISTERING THE ENVIRONMENTAL PLANNING AND
ASSESSMENT ACT**

| | 2006-07 | | 2007-08 |
|--|--------------|---------------|-----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (8,009) | (7,946) | 15,883 |
| Non cash items added back | 3,143 | 4,909 | 5,000 |
| Change in operating assets and liabilities | 14,261 | 14,142 | (24,795) |
| Net cash flow from operating activities | 9,395 | 11,105 | (3,912) |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**
**MINISTER ADMINISTERING THE ENVIRONMENTAL PLANNING AND
ASSESSMENT ACT**

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|------------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 24,231 | 44,258 | 46,758 |
| Receivables | 4,001 | 4,943 | 7,001 |
| Other financial assets | 22,263 | ... | ... |
| Other | 500 | 34 | 34 |
| Total Current Assets | 50,995 | 49,235 | 53,793 |
| Non Current Assets - | | | |
| Other financial assets | ... | ... | 3,074 |
| Property, plant and equipment - | | | |
| Land and building | 1,087,044 | 1,336,094 | 1,341,050 |
| Plant and equipment | 68 | ... | ... |
| Total Non Current Assets | 1,087,112 | 1,336,094 | 1,344,124 |
| Total Assets | 1,138,107 | 1,385,329 | 1,397,917 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 28,087 | 43,213 | 25,476 |
| Borrowings at amortised cost | 23,875 | 35,840 | 105,540 |
| Provisions | 258 | 187 | 187 |
| Other | 811 | 236 | 236 |
| Total Current Liabilities | 53,031 | 79,476 | 131,439 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 223,435 | 107,518 | 305,818 |
| Provisions | 73 | ... | ... |
| Other | ... | 1 | 1 |
| Total Non Current Liabilities | 223,508 | 107,519 | 305,819 |
| Total Liabilities | 276,539 | 186,995 | 437,258 |
| NET ASSETS | 861,568 | 1,198,334 | 960,659 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

**MINISTER ADMINISTERING THE ENVIRONMENTAL PLANNING AND
ASSESSMENT ACT**

| | 2006-07 | | 2007-08 |
|------------------------------------|----------------|------------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| <i>BALANCE SHEET (cont)</i> | | | |
| EQUITY | | | |
| Reserves | 457,140 | 766,020 | 632,643 |
| Accumulated funds | 404,428 | 432,314 | 328,016 |
| TOTAL EQUITY | 861,568 | 1,198,334 | 960,659 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
GROWTH CENTRES COMMISSION**

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 50 | 106 | 50 |
| Grants and contributions | 6,000 | 6,000 | 6,000 |
| Total Retained Revenue | 6,050 | 6,106 | 6,050 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 3,000 | 1,256 | 1,440 |
| Other operating expenses* | 2,952 | 8,434 | 12,793 |
| Depreciation and amortisation | 10 | 33 | 39 |
| Finance costs | ... | ... | 420 |
| Total Expenses Excluding Losses | 5,962 | 9,723 | 14,692 |
| SURPLUS/(DEFICIT) | 88 | (3,617) | (8,642) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
GROWTH CENTRES COMMISSION**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Interest | 50 | 106 | 50 |
| Other | 6,000 | 6,000 | 6,000 |
| Total Receipts | 6,050 | 6,106 | 6,050 |
| Payments | | | |
| Employee related* | 3,000 | 1,256 | 1,440 |
| Finance costs | ... | ... | 420 |
| Other* | 2,952 | 7,719 | 13,259 |
| Total Payments | 5,952 | 8,975 | 15,119 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 98 | (2,869) | (9,069) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | ... | (23) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | ... | (23) | ... |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | ... | 5,000 | 9,000 |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | ... | 5,000 | 9,000 |
| NET INCREASE/(DECREASE) IN CASH | 98 | 2,108 | (69) |
| Opening Cash and Cash Equivalents | ... | 1,717 | 3,825 |
| CLOSING CASH AND CASH EQUIVALENTS | 98 | 3,825 | 3,756 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 88 | (3,617) | (8,642) |
| Non cash items added back | 10 | 33 | 39 |
| Change in operating assets and liabilities | ... | 715 | (466) |
| Net cash flow from operating activities | 98 | (2,869) | (9,069) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
GROWTH CENTRES COMMISSION**

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 98 | 3,825 | 3,756 |
| Receivables | ... | 140 | 140 |
| Total Current Assets | 98 | 3,965 | 3,896 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | ... | 16 | 16 |
| Plant and equipment | 580 | 71 | 32 |
| Infrastructure systems | 100 | ... | ... |
| Total Non Current Assets | 680 | 87 | 48 |
| Total Assets | 778 | 4,052 | 3,944 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 78 | 1,654 | 1,188 |
| Provisions | 61 | 111 | 111 |
| Other | 10 | ... | ... |
| Total Current Liabilities | 149 | 1,765 | 1,299 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | ... | 5,000 | 14,000 |
| Provisions | 166 | ... | ... |
| Total Non Current Liabilities | 166 | 5,000 | 14,000 |
| Total Liabilities | 315 | 6,765 | 15,299 |
| NET ASSETS | 463 | (2,713) | (11,355) |
| EQUITY | | | |
| Accumulated funds | 463 | (2,713) | (11,355) |
| TOTAL EQUITY | 463 | (2,713) | (11,355) |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
HONEYSUCKLE DEVELOPMENT CORPORATION**

| | 2006-07 | | 2007-08 |
|--|----------------|--------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 8,426 | 7,245 | 4,094 |
| Investment income | 208 | 362 | 201 |
| Grants and contributions | 997 | 119 | 25 |
| Total Retained Revenue | 9,631 | 7,726 | 4,320 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 1,694 | ... | ... |
| Other operating expenses* | 5,136 | 5,865 | 4,624 |
| Depreciation and amortisation | 69 | 40 | 41 |
| Grants and subsidies | 4,984 | 1,702 | 3,445 |
| Finance costs | 304 | 49 | 223 |
| Total Expenses Excluding Losses | 12,187 | 7,656 | 8,333 |
| SURPLUS/(DEFICIT) | (2,556) | 70 | (4,013) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
HONEYSUCKLE DEVELOPMENT CORPORATION**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 8,434 | 7,415 | 4,176 |
| Interest | 208 | 362 | 201 |
| Other | 997 | 119 | 25 |
| Total Receipts | 9,639 | 7,896 | 4,402 |
| Payments | | | |
| Employee related* | 1,694 | 190 | ... |
| Grants and subsidies | 4,984 | 1,702 | 3,445 |
| Finance costs | 304 | 49 | 223 |
| Other* | 3,283 | 4,115 | 4,820 |
| Total Payments | 10,265 | 6,056 | 8,488 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (626) | 1,840 | (4,086) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | ... | (58) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | ... | (58) | ... |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | 626 | ... | 3,566 |
| Repayment of borrowings and advances | ... | (1,400) | ... |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | 626 | (1,400) | 3,566 |
| NET INCREASE/(DECREASE) IN CASH | ... | 382 | (520) |
| Opening Cash and Cash Equivalents | 54 | 142 | 524 |
| CLOSING CASH AND CASH EQUIVALENTS | 54 | 524 | 4 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (2,556) | 70 | (4,013) |
| Non cash items added back | 69 | 40 | 41 |
| Change in operating assets and liabilities | 1,861 | 1,730 | (114) |
| Net cash flow from operating activities | (626) | 1,840 | (4,086) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
HONEYSUCKLE DEVELOPMENT CORPORATION**

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 54 | 524 | 4 |
| Receivables | 60 | 167 | 88 |
| Inventories | 5,775 | 1,694 | 5,380 |
| Other | 30 | ... | ... |
| Total Current Assets | 5,919 | 2,385 | 5,472 |
| Non Current Assets - | | | |
| Inventories | 9,514 | 14,376 | 9,300 |
| Property, plant and equipment - Plant and equipment | 276 | 339 | 298 |
| Total Non Current Assets | 9,790 | 14,715 | 9,598 |
| Total Assets | 15,709 | 17,100 | 15,070 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 896 | 905 | 913 |
| Borrowings at amortised cost | 2,977 | ... | 3,566 |
| Provisions | 1,172 | 212 | 353 |
| Other | ... | 103 | ... |
| Total Current Liabilities | 5,045 | 1,220 | 4,832 |
| Non Current Liabilities - | | | |
| Other | 1,489 | 1,641 | 12 |
| Total Non Current Liabilities | 1,489 | 1,641 | 12 |
| Total Liabilities | 6,534 | 2,861 | 4,844 |
| NET ASSETS | 9,175 | 14,239 | 10,226 |
| EQUITY | | | |
| Accumulated funds | 9,175 | 14,239 | 10,226 |
| TOTAL EQUITY | 9,175 | 14,239 | 10,226 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

WESTERN SYDNEY PARKLANDS TRUST

| | 2006-07 | | 2007-08 |
|--|---------|---------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | ... | ... | 1,400 |
| Grants and contributions | ... | ... | 2,905 |
| Total Retained Revenue | ... | ... | 4,305 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Other operating expenses | ... | ... | 4,304 |
| Depreciation and amortisation | ... | ... | 40 |
| Total Expenses Excluding Losses | ... | ... | 4,344 |
| SURPLUS/(DEFICIT) | ... | ... | (39) |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
WESTERN SYDNEY PARKLANDS TRUST**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | ... | ... | 1,400 |
| Other | ... | ... | 2,905 |
| Total Receipts | ... | ... | 4,305 |
| Payments | | | |
| Other | ... | ... | 4,304 |
| Total Payments | ... | ... | 4,304 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | ... | ... | 1 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | ... | ... | (2,650) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | ... | ... | (2,650) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | ... | ... | 3,074 |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | ... | ... | 3,074 |
| NET INCREASE/(DECREASE) IN CASH | ... | ... | 425 |
| CLOSING CASH AND CASH EQUIVALENTS | ... | ... | 425 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | ... | ... | (39) |
| Non cash items added back | ... | ... | 40 |
| Net cash flow from operating activities | ... | ... | 1 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

WESTERN SYDNEY PARKLANDS TRUST

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | ... | ... | 425 |
| Total Current Assets | ... | ... | 425 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | ... | ... | 253,558 |
| Infrastructure systems | ... | ... | 2,610 |
| Total Non Current Assets | ... | ... | 256,168 |
| Total Assets | ... | ... | 256,593 |
| LIABILITIES - | | | |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | ... | ... | 3,074 |
| Total Non Current Liabilities | ... | ... | 3,074 |
| Total Liabilities | ... | ... | 3,074 |
| NET ASSETS | ... | ... | 253,519 |
| EQUITY | | | |
| Accumulated funds | ... | ... | 253,519 |
| TOTAL EQUITY | ... | ... | 253,519 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

REDFERN-WATERLOO AUTHORITY

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 11,345 | 12,487 | 14,629 |
| Grants and contributions | 7,190 | 7,467 | 7,102 |
| Other revenue | 1,040 | 1,901 | 1,353 |
| Total Retained Revenue | 19,575 | 21,855 | 23,084 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related | 4,856 | 4,208 | 4,432 |
| Other operating expenses | 9,579 | 10,020 | 11,685 |
| Depreciation and amortisation | 946 | 747 | 1,088 |
| Finance costs | 1,253 | 986 | 2,594 |
| Total Expenses Excluding Losses | 16,634 | 15,961 | 19,799 |
| Other gains/(losses) | (38) | (38) | (38) |
| SURPLUS/(DEFICIT) | 2,903 | 5,856 | 3,247 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
REDFERN-WATERLOO AUTHORITY**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 11,154 | 12,962 | 14,163 |
| Other | 9,377 | 10,558 | 9,951 |
| Total Receipts | 20,531 | 23,520 | 24,114 |
| Payments | | | |
| Employee related | 4,718 | 4,150 | 4,357 |
| Finance costs | 1,253 | 986 | 2,594 |
| Other | 10,680 | 13,030 | 12,878 |
| Total Payments | 16,651 | 18,166 | 19,829 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 3,880 | 5,354 | 4,285 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (34,573) | (32,307) | (13,764) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (34,573) | (32,307) | (13,764) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | 26,100 | 23,735 | 14,300 |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | 26,100 | 23,735 | 14,300 |
| NET INCREASE/(DECREASE) IN CASH | (4,593) | (3,218) | 4,821 |
| Opening Cash and Cash Equivalents | 21,933 | 27,028 | 23,810 |
| CLOSING CASH AND CASH EQUIVALENTS | 17,340 | 23,810 | 28,631 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 2,903 | 5,856 | 3,247 |
| Non cash items added back | 946 | 747 | 1,088 |
| Change in operating assets and liabilities | 31 | (1,249) | (50) |
| Net cash flow from operating activities | 3,880 | 5,354 | 4,285 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
REDFERN-WATERLOO AUTHORITY**

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 17,340 | 23,810 | 28,631 |
| Receivables | 1,100 | 1,565 | 2,090 |
| Other | 150 | ... | ... |
| Total Current Assets | 18,590 | 25,375 | 30,721 |
| Non Current Assets - | | | |
| Investment properties* | ... | 132,850 | 180,350 |
| Property, plant and equipment - | | | |
| Land and building* | 182,647 | 33,701 | ... |
| Plant and equipment | 5,088 | 8,375 | 7,252 |
| Other | ... | 86 | 86 |
| Total Non Current Assets | 187,735 | 175,012 | 187,688 |
| Total Assets | 206,325 | 200,387 | 218,409 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 3,303 | 5,794 | 6,194 |
| Provisions | 310 | 675 | 725 |
| Total Current Liabilities | 3,613 | 6,469 | 6,919 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 29,958 | 27,785 | 42,085 |
| Provisions | 240 | 50 | 75 |
| Total Non Current Liabilities | 30,198 | 27,835 | 42,160 |
| Total Liabilities | 33,811 | 34,304 | 49,079 |
| NET ASSETS | 172,514 | 166,083 | 169,330 |
| EQUITY | | | |
| Accumulated funds | 172,514 | 166,083 | 169,330 |
| TOTAL EQUITY | 172,514 | 166,083 | 169,330 |

* Reclassification between line items from the 2006-07 Budget is due to the introduction of Australian Equivalents to International Financial Reporting Standards.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
STATE LIBRARY OF NEW SOUTH WALES**

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 2,114 | 1,914 | 1,900 |
| Investment income | 2,046 | 2,467 | 2,440 |
| Grants and contributions | 73,290 | 75,745 | 73,067 |
| Other revenue | 2,946 | 10 | 10 |
| Total Retained Revenue | 80,396 | 80,136 | 77,417 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 29,492 | ... | ... |
| Other operating expenses* | 13,403 | 42,646 | 42,575 |
| Depreciation and amortisation | 17,136 | 16,124 | 16,885 |
| Grants and subsidies | 24,548 | 24,551 | 23,528 |
| Finance costs | 25 | 9 | 2 |
| Total Expenses Excluding Losses | 84,604 | 83,330 | 82,990 |
| Other gains/(losses) | (13) | (15) | ... |
| SURPLUS/(DEFICIT) | (4,221) | (3,209) | (5,573) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
STATE LIBRARY OF NEW SOUTH WALES**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 2,101 | 1,747 | 1,898 |
| Interest | 2,046 | 2,450 | 2,440 |
| Other | 75,888 | 75,065 | 75,456 |
| Total Receipts | 80,035 | 79,262 | 79,794 |
| Payments | | | |
| Employee related* | 26,556 | ... | ... |
| Grants and subsidies | 24,548 | 24,551 | 23,528 |
| Finance costs | 25 | 9 | 2 |
| Other* | 15,991 | 41,509 | 44,667 |
| Total Payments | 67,120 | 66,069 | 68,197 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 12,915 | 13,193 | 11,597 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of investments | ... | 383 | ... |
| Purchases of property, plant and equipment | (12,915) | (12,915) | (11,266) |
| Purchases of investments | ... | (300) | (700) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (12,915) | (12,832) | (11,966) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | (60) | (124) | (42) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (60) | (124) | (42) |
| NET INCREASE/(DECREASE) IN CASH | (60) | 237 | (411) |
| Opening Cash and Cash Equivalents | 1,769 | 2,211 | 2,448 |
| CLOSING CASH AND CASH EQUIVALENTS | 1,709 | 2,448 | 2,037 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (4,221) | (3,209) | (5,573) |
| Non cash items added back | 17,136 | 16,319 | 16,885 |
| Change in operating assets and liabilities | ... | 83 | 285 |
| Net cash flow from operating activities | 12,915 | 13,193 | 11,597 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
STATE LIBRARY OF NEW SOUTH WALES**

| | 2006-07 | | 2007-08 |
|--------------------------------------|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 1,709 | 2,448 | 2,037 |
| Receivables | 712 | 1,523 | 1,331 |
| Inventories | 246 | 237 | 237 |
| Other | 663 | ... | ... |
| Total Current Assets | 3,330 | 4,208 | 3,605 |
| Non Current Assets - | | | |
| Other financial assets | 15,633 | 16,657 | 17,357 |
| Property, plant and equipment - | | | |
| Land and building | 238,066 | 234,505 | 230,495 |
| Plant and equipment | 1,880,785 | 1,884,429 | 1,882,825 |
| Intangibles | ... | 12 | 7 |
| Total Non Current Assets | 2,134,484 | 2,135,603 | 2,130,684 |
| Total Assets | 2,137,814 | 2,139,811 | 2,134,289 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 2,749 | 3,589 | 3,652 |
| Borrowings at amortised cost | 106 | 42 | ... |
| Provisions | 2,311 | 3,042 | 3,072 |
| Total Current Liabilities | 5,166 | 6,673 | 6,724 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 120 | ... | ... |
| Provisions | 584 | ... | ... |
| Other | ... | 33 | 33 |
| Total Non Current Liabilities | 704 | 33 | 33 |
| Total Liabilities | 5,870 | 6,706 | 6,757 |
| NET ASSETS | 2,131,944 | 2,133,105 | 2,127,532 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
STATE LIBRARY OF NEW SOUTH WALES**

| | 2006-07 | | 2007-08 |
|------------------------------------|------------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| <i>BALANCE SHEET (cont)</i> | | | |
| EQUITY | | | |
| Reserves | 519,098 | 518,928 | 518,928 |
| Accumulated funds | 1,612,846 | 1,614,177 | 1,608,604 |
| TOTAL EQUITY | 2,131,944 | 2,133,105 | 2,127,532 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

AUSTRALIAN MUSEUM

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 5,800 | 5,403 | 6,121 |
| Investment income | 300 | 869 | 803 |
| Grants and contributions | 44,637 | 49,625 | 47,006 |
| Other revenue | 1,106 | ... | ... |
| Total Retained Revenue | 51,843 | 55,897 | 53,930 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 20,353 | ... | ... |
| Other operating expenses* | 10,784 | 31,616 | 30,979 |
| Depreciation and amortisation | 3,387 | 3,538 | 3,585 |
| Grants and subsidies | 87 | 87 | 87 |
| Total Expenses Excluding Losses | 34,611 | 35,241 | 34,651 |
| Gain/(loss) on disposal of non current assets | ... | 4 | ... |
| SURPLUS/(DEFICIT) | 17,232 | 20,660 | 19,279 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

AUSTRALIAN MUSEUM

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 5,700 | 4,153 | 6,221 |
| Interest | 300 | 869 | 803 |
| Other | 44,637 | 49,940 | 45,862 |
| Total Receipts | 50,637 | 54,962 | 52,886 |
| Payments | | | |
| Employee related* | 18,991 | ... | ... |
| Grants and subsidies | 87 | 87 | 87 |
| Other* | 11,305 | 30,884 | 30,220 |
| Total Payments | 30,383 | 30,971 | 30,307 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 20,254 | 23,991 | 22,579 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 4 | ... |
| Advance repayments received | 10 | 10 | ... |
| Purchases of property, plant and equipment | (20,297) | (15,170) | (28,715) |
| Purchases of investments | ... | (299) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (20,287) | (15,455) | (28,715) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | ... | 200 | ... |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | ... | 200 | ... |
| NET INCREASE/(DECREASE) IN CASH | (33) | 8,736 | (6,136) |
| Opening Cash and Cash Equivalents | 8,000 | 9,272 | 18,008 |
| CLOSING CASH AND CASH EQUIVALENTS | 7,967 | 18,008 | 11,872 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 17,232 | 20,660 | 19,279 |
| Non cash items added back | 3,387 | 3,387 | 3,585 |
| Change in operating assets and liabilities | (365) | (56) | (285) |
| Net cash flow from operating activities | 20,254 | 23,991 | 22,579 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS**

AUSTRALIAN MUSEUM

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 7,967 | 18,008 | 11,872 |
| Receivables | 2,024 | 2,024 | 1,924 |
| Other financial assets | 1,800 | 500 | 500 |
| Inventories | 191 | 191 | 191 |
| Total Current Assets | 11,982 | 20,723 | 14,487 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 168,663 | 163,563 | 190,202 |
| Plant and equipment | 549,389 | 549,579 | 548,544 |
| Infrastructure systems | 474 | 474 | ... |
| Total Non Current Assets | 718,526 | 713,616 | 738,746 |
| Total Assets | 730,508 | 734,339 | 753,233 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 3,387 | 4,815 | 4,430 |
| Borrowings at amortised cost | 200 | 200 | 200 |
| Provisions | 1,517 | ... | ... |
| Other | 172 | 172 | 172 |
| Total Current Liabilities | 5,276 | 5,187 | 4,802 |
| Non Current Liabilities - | | | |
| Provisions | 386 | ... | ... |
| Other | ... | 386 | 386 |
| Total Non Current Liabilities | 386 | 386 | 386 |
| Total Liabilities | 5,662 | 5,573 | 5,188 |
| NET ASSETS | 724,846 | 728,766 | 748,045 |
| EQUITY | | | |
| Reserves | 154,000 | 154,000 | 154,000 |
| Accumulated funds | 570,846 | 574,766 | 594,045 |
| TOTAL EQUITY | 724,846 | 728,766 | 748,045 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
MUSEUM OF APPLIED ARTS AND SCIENCES**

| | 2006-07 | | 2007-08 |
|---|---------------|---------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 5,379 | 4,617 | 4,467 |
| Investment income | 135 | 417 | 138 |
| Grants and contributions | 41,437 | 45,406 | 34,403 |
| Other revenue | 1,923 | 142 | 55 |
| Total Retained Revenue | 48,874 | 50,582 | 39,063 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 25,371 | ... | ... |
| Other operating expenses* | 15,136 | 42,297 | 36,084 |
| Depreciation and amortisation | 5,694 | 5,660 | 6,271 |
| Total Expenses Excluding Losses | 46,201 | 47,957 | 42,355 |
| Gain/(loss) on disposal of non current assets | ... | 218 | ... |
| SURPLUS/(DEFICIT) | 2,673 | 2,843 | (3,292) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
MUSEUM OF APPLIED ARTS AND SCIENCES**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 5,382 | 3,888 | 4,760 |
| Interest | 135 | 326 | 137 |
| Other | 41,451 | 46,829 | 33,052 |
| Total Receipts | 46,968 | 51,043 | 37,949 |
| Payments | | | |
| Employee related* | 23,265 | ... | ... |
| Other* | 15,916 | 43,588 | 34,209 |
| Total Payments | 39,181 | 43,588 | 34,209 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 7,787 | 7,455 | 3,740 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 218 | ... |
| Proceeds from sale of investments | 7,124 | ... | 7,124 |
| Purchases of property, plant and equipment | (7,787) | (3,568) | (2,065) |
| Purchases of investments | (7,124) | ... | (6,458) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (7,787) | (3,350) | (1,399) |
| NET INCREASE/(DECREASE) IN CASH | ... | 4,105 | 2,341 |
| Opening Cash and Cash Equivalents | 89 | 1,051 | 5,156 |
| CLOSING CASH AND CASH EQUIVALENTS | 89 | 5,156 | 7,497 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 2,673 | 2,843 | (3,292) |
| Non cash items added back | 4,714 | 5,569 | 5,291 |
| Change in operating assets and liabilities | 400 | (957) | 1,741 |
| Net cash flow from operating activities | 7,787 | 7,455 | 3,740 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
MUSEUM OF APPLIED ARTS AND SCIENCES**

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 89 | 5,156 | 7,497 |
| Receivables | 518 | 1,262 | 668 |
| Other financial assets | ... | 17 | ... |
| Inventories | ... | 228 | 228 |
| Other | 150 | ... | ... |
| Total Current Assets | 757 | 6,663 | 8,393 |
| Non Current Assets - | | | |
| Other financial assets | 3,749 | 4,925 | 4,021 |
| Property, plant and equipment - | | | |
| Land and building | 118,118 | 114,828 | 111,557 |
| Plant and equipment | 423,386 | 419,162 | 419,207 |
| Total Non Current Assets | 545,253 | 538,915 | 534,785 |
| Total Assets | 546,010 | 545,578 | 543,178 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 3,126 | 2,898 | 3,433 |
| Provisions | 2,500 | 2,425 | 2,593 |
| Total Current Liabilities | 5,626 | 5,323 | 6,026 |
| Non Current Liabilities - | | | |
| Provisions | 444 | ... | ... |
| Other | ... | ... | 444 |
| Total Non Current Liabilities | 444 | ... | 444 |
| Total Liabilities | 6,070 | 5,323 | 6,470 |
| NET ASSETS | 539,940 | 540,255 | 536,708 |
| EQUITY | | | |
| Reserves | 141,022 | 140,846 | 140,591 |
| Accumulated funds | 398,918 | 399,409 | 396,117 |
| TOTAL EQUITY | 539,940 | 540,255 | 536,708 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
HISTORIC HOUSES TRUST OF NEW SOUTH WALES**

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 4,010 | 5,510 | 5,662 |
| Investment income | 100 | 286 | 286 |
| Grants and contributions | 20,008 | 21,825 | 20,816 |
| Other revenue | 350 | 120 | 120 |
| Total Retained Revenue | 24,468 | 27,741 | 26,884 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 14,000 | ... | ... |
| Other operating expenses* | 8,384 | 26,647 | 26,186 |
| Depreciation and amortisation | 1,485 | 1,403 | 1,401 |
| Total Expenses Excluding Losses | 23,869 | 28,050 | 27,587 |
| Gain/(loss) on disposal of non current assets | 10 | 12 | 10 |
| Other gains/(losses) | (1) | ... | ... |
| SURPLUS/(DEFICIT) | 608 | (297) | (693) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
HISTORIC HOUSES TRUST OF NEW SOUTH WALES**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 4,009 | 5,337 | 5,662 |
| Interest | 100 | 279 | 286 |
| Other | 20,936 | 21,805 | 20,529 |
| Total Receipts | 25,045 | 27,421 | 26,477 |
| Payments | | | |
| Employee related* | 13,770 | ... | ... |
| Other* | 9,192 | 25,068 | 25,779 |
| Total Payments | 22,962 | 25,068 | 25,779 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 2,083 | 2,353 | 698 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 10 | 12 | 10 |
| Purchases of property, plant and equipment | (1,881) | (2,054) | (1,365) |
| Purchases of investments | ... | (73) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (1,871) | 2,115 | (1,355) |
| NET INCREASE/(DECREASE) IN CASH | 212 | 238 | (657) |
| Opening Cash and Cash Equivalents | 8,191 | 8,808 | 9,046 |
| CLOSING CASH AND CASH EQUIVALENTS | 8,403 | 9,046 | 8,389 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 608 | (297) | (693) |
| Non cash items added back | 1,485 | 1,403 | 1,401 |
| Change in operating assets and liabilities | (10) | 1,247 | (10) |
| Net cash flow from operating activities | 2,083 | 2,353 | 698 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
HISTORIC HOUSES TRUST OF NEW SOUTH WALES**

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 8,403 | 9,046 | 8,389 |
| Receivables | 316 | 355 | 355 |
| Other financial assets | 1,326 | 1,441 | 1,441 |
| Inventories | 701 | 653 | 653 |
| Total Current Assets | 10,746 | 11,495 | 10,838 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 201,453 | 201,691 | 201,505 |
| Plant and equipment | 26,965 | 27,892 | 28,103 |
| Intangibles | 201 | 61 | ... |
| Total Non Current Assets | 228,619 | 229,644 | 229,608 |
| Total Assets | 239,365 | 241,139 | 240,446 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 1,011 | 1,357 | 1,357 |
| Provisions | 952 | 1,251 | 1,251 |
| Total Current Liabilities | 1,963 | 2,608 | 2,608 |
| Non Current Liabilities - | | | |
| Provisions | 142 | ... | ... |
| Other | 28 | 9 | 9 |
| Total Non Current Liabilities | 170 | 9 | 9 |
| Total Liabilities | 2,133 | 2,617 | 2,617 |
| NET ASSETS | 237,232 | 238,522 | 237,829 |
| EQUITY | | | |
| Reserves | 102,504 | 103,015 | 103,015 |
| Accumulated funds | 134,728 | 135,507 | 134,814 |
| TOTAL EQUITY | 237,232 | 238,522 | 237,829 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
ART GALLERY OF NEW SOUTH WALES**

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 7,288 | 7,380 | 7,980 |
| Investment income | 810 | 2,060 | 1,486 |
| Grants and contributions | 28,910 | 38,990 | 28,227 |
| Other revenue | 1,089 | ... | ... |
| Total Retained Revenue | 38,097 | 48,430 | 37,693 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 18,449 | ... | ... |
| Other operating expenses* | 16,792 | 35,698 | 34,383 |
| Depreciation and amortisation | 2,362 | 2,362 | 2,300 |
| Total Expenses Excluding Losses | 37,603 | 38,060 | 36,683 |
| Gain/(loss) on disposal of non current assets | ... | 17 | ... |
| SURPLUS/(DEFICIT) | 494 | 10,387 | 1,010 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
ART GALLERY OF NEW SOUTH WALES**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 7,288 | 6,888 | 7,980 |
| Interest | 810 | 815 | 836 |
| Other | 27,094 | 37,580 | 26,879 |
| Total Receipts | 35,192 | 45,283 | 35,695 |
| Payments | | | |
| Employee related* | 15,775 | ... | ... |
| Other* | 17,595 | 35,564 | 33,962 |
| Total Payments | 33,370 | 35,564 | 33,962 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 1,822 | 9,719 | 1,733 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 66 | ... |
| Proceeds from sale of investments | 37,532 | ... | ... |
| Purchases of property, plant and equipment | (2,770) | (7,350) | (5,220) |
| Purchases of investments | (37,208) | (1,450) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (2,446) | (8,734) | (5,220) |
| NET INCREASE/(DECREASE) IN CASH | (624) | 985 | (3,487) |
| Opening Cash and Cash Equivalents | 854 | 2,422 | 17,973 |
| Reclassification of Cash Equivalents | ... | (14,566) | ... |
| CLOSING CASH AND CASH EQUIVALENTS | 230 | 17,973 | 14,486 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 494 | 10,387 | 1,010 |
| Non cash items added back | 1,362 | (648) | 650 |
| Change in operating assets and liabilities | (34) | (20) | 73 |
| Net cash flow from operating activities | 1,822 | 9,719 | 1,733 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
ART GALLERY OF NEW SOUTH WALES**

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 230 | 17,973 | 14,486 |
| Receivables | 964 | 922 | 922 |
| Other financial assets | 13,308 | ... | ... |
| Inventories | 1,260 | 1,170 | 1,170 |
| Other | 96 | 234 | 234 |
| Total Current Assets | 15,858 | 20,299 | 16,812 |
| Non Current Assets - | | | |
| Other financial assets | 8,038 | 10,241 | 10,891 |
| Property, plant and equipment - | | | |
| Land and building | 133,165 | 133,147 | 132,917 |
| Plant and equipment | 624,944 | 636,737 | 640,887 |
| Total Non Current Assets | 766,147 | 780,125 | 784,695 |
| Total Assets | 782,005 | 800,424 | 801,507 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 2,002 | 3,643 | 3,715 |
| Provisions | 1,291 | ... | ... |
| Total Current Liabilities | 3,293 | 3,643 | 3,715 |
| Non Current Liabilities - | | | |
| Provisions | 271 | ... | ... |
| Other | ... | 13 | 14 |
| Total Non Current Liabilities | 271 | 13 | 14 |
| Total Liabilities | 3,564 | 3,656 | 3,729 |
| NET ASSETS | 778,441 | 796,768 | 797,778 |
| EQUITY | | | |
| Reserves | 150,896 | 153,471 | 153,471 |
| Accumulated funds | 627,545 | 643,297 | 644,307 |
| TOTAL EQUITY | 778,441 | 796,768 | 797,778 |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
NEW SOUTH WALES FILM AND TELEVISION OFFICE**

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | ... | 1,065 | 1,065 |
| Investment income | 180 | 80 | 186 |
| Grants and contributions | 9,118 | 9,158 | 9,055 |
| Other revenue | 578 | 550 | 564 |
| Total Retained Revenue | 9,876 | 10,853 | 10,870 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 1,989 | 98 | 104 |
| Other operating expenses* | 1,793 | 4,345 | 4,753 |
| Depreciation and amortisation | 55 | 133 | 44 |
| Grants and subsidies | 6,300 | 6,300 | 5,855 |
| Total Expenses Excluding Losses | 10,137 | 10,876 | 10,756 |
| Gain/(loss) on disposal of non current assets | ... | 7 | ... |
| SURPLUS/(DEFICIT) | (261) | (16) | 114 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
NEW SOUTH WALES FILM AND TELEVISION OFFICE**

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | ... | 1,040 | 1,024 |
| Interest | 180 | 80 | 49 |
| Other | 10,497 | 10,475 | 10,459 |
| Total Receipts | 10,677 | 11,595 | 11,532 |
| Payments | | | |
| Employee related* | 1,961 | 98 | 104 |
| Grants and subsidies | 6,300 | 6,300 | 5,855 |
| Other* | 2,622 | 5,704 | 5,460 |
| Total Payments | 10,883 | 12,102 | 11,419 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (206) | (507) | 113 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 7 | ... |
| Advance repayments received | ... | 429 | ... |
| Purchases of property, plant and equipment | (44) | (41) | (44) |
| Advances made | (343) | ... | (764) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (387) | 395 | (808) |
| NET INCREASE/(DECREASE) IN CASH | (593) | (112) | (695) |
| Opening Cash and Cash Equivalents | 5,132 | 6,115 | 6,003 |
| CLOSING CASH AND CASH EQUIVALENTS | 4,539 | 6,003 | 5,308 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (261) | (16) | 114 |
| Non cash items added back | 55 | 133 | 44 |
| Change in operating assets and liabilities | ... | (624) | (45) |
| Net cash flow from operating activities | (206) | (507) | 113 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN
WATERLOO, AND MINISTER FOR THE ARTS
NEW SOUTH WALES FILM AND TELEVISION OFFICE**

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 4,539 | 6,003 | 5,308 |
| Receivables | 287 | 818 | 642 |
| Other financial assets | 1,760 | 996 | 1,760 |
| Other | 57 | ... | ... |
| Total Current Assets | 6,643 | 7,817 | 7,710 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | ... | 322 | 354 |
| Plant and equipment | 110 | 120 | 88 |
| Total Non Current Assets | 110 | 442 | 442 |
| Total Assets | 6,753 | 8,259 | 8,152 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 729 | 1,011 | 905 |
| Provisions | 141 | 160 | 160 |
| Total Current Liabilities | 870 | 1,171 | 1,065 |
| Non Current Liabilities - | | | |
| Provisions | 5 | ... | ... |
| Other | 52 | 172 | 57 |
| Total Non Current Liabilities | 57 | 172 | 57 |
| Total Liabilities | 927 | 1,343 | 1,122 |
| NET ASSETS | 5,826 | 6,916 | 7,030 |
| EQUITY | | | |
| Accumulated funds | 5,826 | 6,916 | 7,030 |
| TOTAL EQUITY | 5,826 | 6,916 | 7,030 |

MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| Ministry for Police | | | |
| Total Expenses | 7.4 | 7.3 | -1.4 |
| Capital Expenditure | 0.1 | ... | -100.0 |
| NSW Police Force | | | |
| Total Expenses..... | 2,181.0 | 2,271.1 | 4.1 |
| Capital Expenditure | 111.1 | 102.2 | - 8.0 |
| New South Wales Crime Commission | | | |
| Total Expenses | 17.6 | 17.2 | -2.1 |
| Capital Expenditure | 2.6 | 1.6 | -39.0 |
| Police Integrity Commission | | | |
| Total Expenses..... | 18.3 | 18.9 | 3.4 |
| Capital Expenditure | 2.4 | 0.7 | -71.3 |
| Total, Minister for Police, and Minister for the Illawarra | | | |
| Total Expenses | 2,224.3 | 2,314.5 | 4.1 |
| Capital Expenditure | 116.2 | 104.5 | -10.1 |

MINISTRY FOR POLICE

The Ministry for Police provides the Minister for Police with independent policy advice and strategic coordination for the Police portfolio and supports the Minister in the performance of ministerial and parliamentary functions. The Ministry develops and assists the passage of legislation to meet the Government's law and order objectives.

RESULTS AND SERVICES

The Ministry assists the Minister and the other portfolio agencies to effectively discharge their responsibilities by working towards the following results:

- ◆ Improved policy concerning law enforcement, crime prevention, public safety and the criminal justice system.

- ◆ Effective legislative powers for the police to carry out their duties.

Key services provided by the Ministry which contribute to these results include:

- ◆ developing policies and legislation;
- ◆ providing advice to the Minister;
- ◆ evaluating, monitoring and reviewing materials passed between agencies within the portfolio to ensure consistency;
- ◆ undertaking comparative studies with other jurisdictions; and
- ◆ working towards ensuring legislative tools are practical and applicable to police on the frontline.

RECENT DEVELOPMENTS

Achievements during 2006-07 include:

- ◆ completed a review of street and drag racing legislation to help improve police enforcement;
- ◆ worked with the Attorney General's Department to develop and pass legislation to improve the operation of the *Terrorism (Police Powers) Act 2002*;
- ◆ with the NSW Police Force, developed a package of changes to the *Law Enforcement (Powers and Responsibilities) Act 2002* to improve enforcement and reduce red tape for frontline officers;
- ◆ created a new offence of possessing tablet pressing machinery (used for making illicit drugs) without lawful excuse;
- ◆ created new gang offences to better crack down on organised crime and violent mobs;
- ◆ amended the *Child Protection (Offenders Registration) Regulation 2001* to recognise additional corresponding Acts and Commonwealth legislation;
- ◆ managed the Government response to the Ombudsman's report into a trial of stopping and screening vehicles in non-metropolitan areas to better intercept road based transportation of drugs;

- ◆ with the Roads and Traffic Authority of New South Wales, led the policy development of the introduction of random roadside drug testing of drivers and post-accident drug testing of drivers involved in fatalities; and
- ◆ amended the *Witness Protection Act 1995* to better protect participants in the NSW Police Force's Witness Protection Program.

STRATEGIC DIRECTIONS

The Ministry provides an important source of policy ideas and proposals for the Government and the portfolio agencies. It supports the Minister's legislative program which covers a wide range of issues. These include police reform, police powers, confiscation of proceeds of crime, firearms, the security industry and registration of child sex offenders. The Ministry is also involved in wider policy issues arising from, and impacting on, the criminal justice system.

Effective resource allocation and management continue to be a focus of attention across the portfolio. These include monitoring recurrent and capital budgets, police strength, the use of technology, corporate services and performance monitoring and improvement.

During 2007-08, the Ministry's focus will be on developing and implementing legislation to support the Government's law enforcement election policies. These will cover areas such as counter terrorism, reducing youth crime and anti-social behaviour, cutting red tape for police and managing as well as monitoring the implementation of commitments across the portfolio. The Ministry will also continue to promulgate policy initiatives from portfolio agencies.

2007-08 BUDGET

Total Expenses

The Ministry's 2007-08 Budget will support its core functions of developing policy advice and legislation, monitoring and managing portfolio budgets and continuing to support the Office of the Inspector of the Police Integrity Commission.

Total expenses are estimated at \$7.3 million in 2007-08, compared with 2006-07 expenses of \$7.3 million.

Capital Expenditure

The Ministry will spend \$29,000 in 2007-08 on minor equipment, including continuation of transition from lease to purchase of IT equipment.

NSW POLICE FORCE

The NSW Police Force provides community-based policing services from 80 Local Area Commands. The agency's governing legislation is the *Police Act 1990*. The actions of police officers are guided by the *Law Enforcement (Powers and Responsibilities) Act 2002*.

RESULTS AND SERVICES

The NSW Police Force has lead agency responsibility for coordinating with partner agencies to ensure delivery of the following State Plan priorities:

- ◆ R1: Reduced rates of crime, particularly violent crime.
- ◆ R3: Reduced levels of anti-social behaviour.

The NSW Police Force works towards the following results to promote a safe and harmonious community:

- ◆ Levels of crime and violence are reduced with offenders brought to justice.
- ◆ The community has confidence in police and works with the NSW Police Force to improve personal and public safety.
- ◆ Road and public transport safety are improved.
- ◆ The rights of victims are upheld and witnesses and alleged offenders are dealt with fairly.

The key services provided by the NSW Police Force that contribute to these results include:

- ◆ responding to crime, emergencies and other calls for assistance;
- ◆ investigating crime, and detecting and prosecuting offenders;
- ◆ ensuring a counter-terrorism capability commensurate to threat levels;
- ◆ patrolling identified crime hot spots, providing a visible police presence at public events and contributing to the security of critical infrastructure;
- ◆ patrolling roads and public transport and investigating major traffic accidents; and
- ◆ educating the community on crime prevention and road safety.

RECENT DEVELOPMENTS

Recent initiatives, including the increase in the NSW Police Force's average authorised strength to 15,206 officers at 31 January 2007, have significantly strengthened its ability to respond to public order or terrorist incidents. The Force's capacity to plan, coordinate and provide policing services for major events, such as the upcoming APEC forum and World Youth Day, has also been enhanced.

Other recent developments include:

Reduced Levels of Crime

The latest crime statistics released by the Bureau of Crime Statistics and Research (BOCSAR) show a significant downward trend in violent and serious crimes over the past fifteen years. Robberies with firearms have dropped by 51 per cent, while murders have fallen by 34 per cent.

Households are also considerably safer with burglary offences at their lowest level in the past 15 years. Motor vehicle thefts have also reduced by 55 per cent over this period.

Taskforces and High Visibility Policing

Viking Operations exemplify the NSW Police Force's approach to crime prevention and high visibility policing. Viking Operations rely on intelligence to target crime hot spots at times when the risk is highest, using both general duties police and resources from specialist units, including drug and firearm detection dogs and police helicopters.

In the 16 months from January 2006 until March 2007, around 23,000 additional police shifts were dedicated to Viking Operations, resulting in the laying of more than 9,000 charges. Higher profile operations over this period included additional patrols at Macquarie Fields in the lead up to the anniversary of the 2005 public disturbances and 'Operation Beachsafe', which ran between December 2006 and March 2007, to ensure that there was no repeat of the public order incident at Cronulla.

Police Facilities

The Government is committed to providing appropriate facilities and up-to-date technology for police officers to enhance the effectiveness of the services that they deliver to the community.

During 2006-07, new police stations were opened at Muswellbrook and Armidale. The new Forensic Research and Investigative Science Centre at Prospect was also completed.

Work is continuing to replace or upgrade a further 20 police stations throughout the State. In addition, the Government has committed an amount of \$50 million per annum over the next four years for continuing improvements to the NSW Police Force's information technology and communications systems.

Asia-Pacific Economic Cooperation (APEC) Forum Security Command

In 2007, Australia will host the APEC forum. The Leaders' Meeting will be held in Sydney in September 2007.

APEC comprises 21 member countries, including Australia, the People's Republic of China, the Russian Federation and the United States of America. Member countries represent a third of the world's population and approximately 47 per cent of world trade. The forum will attract up to 5,000 officials, including the heads of Government of the member countries, and 1,500 media, creating the biggest security event that New South Wales has ever hosted.

The NSW Police Force's APEC 2007 Security Command is managing the planning, coordination and implementation of security arrangements for this major event. This involves liaison with other Australian police and security agencies and the security agencies from attending countries.

STRATEGIC DIRECTIONS

The Government is supporting a number of initiatives to assist the NSW Police Force in achieving its goal of reducing crime, violence and anti-social behaviour. These include:

Police Numbers

January 2007 saw the fulfilment of the Government's commitment to increase the NSW Police Force's average authorised police numbers by 750 positions to 15,206 officers. The Government has committed an additional \$134.2 million over the next four years to increase the average authorised strength by a further 750 police by December 2011.

These extra positions will strengthen current programs and support new initiatives to reduce crime, violence and community fear.

Counter-Terrorism

The Counter-Terrorism and Special Tactics Command (CTSTC) manages the investigation of potential terrorist activities, dignitary protection, critical infrastructure protection and other high level threats. The Command works closely with other state, national and international agencies on joint counter-terrorism operations and investigations.

The Government increased the authorised strength of the CTSTC by 100 officers in January 2007 to enhance its capacity to provide a comprehensive and coordinated police response to terrorism or politically motivated violence.

Public Order Riot Squad

In 2006, the Government established a permanent Public Order Riot Squad. The Squad has been equipped with the specialist resources necessary to maintain and restore law and order to ensure public safety and security.

The Squad's authorised strength was boosted to 101 police officers in January 2007 to improve its capacity to provide a 24 hour, seven days a week first response to any outbreak of public disorder, disturbance or unrest.

Enhanced DNA Testing

The NSW Police Force has achieved significant success in combating crime by using DNA testing as an investigative tool. DNA testing allows police to link a suspect to a crime scene, or to link previously unrelated crimes. DNA can also exclude suspects from an investigation, saving police resources.

From January 2002 to December 2006, DNA testing has resulted in 7,738 links of a suspect to a crime and 4,888 links between crime scenes.

The Government has committed an additional \$25.7 million over the next four years for DNA testing and related initiatives to further enhance technical support for criminal investigations. This includes funding of \$5.2 million for cutting edge, robotic technology to automate the DNA analysis process and speed up testing, \$1.5 million to apply DNA analysis specifically to the re-investigation of 'cold cases', and \$2.3 million to purchase and deploy a mobile forensic laboratory.

2007-08 BUDGET

Total Expenses

Total expenses are budgeted to increase by \$90.2 million to almost \$2.3 billion in 2007-08, an increase of 4.1 per cent compared to last year's allocation.

Funding has been provided for a number of new and continuing initiatives within the NSW Police Force budget. These include:

- ◆ \$75 million for the ongoing training and deployment of the recent permanent increase of 750 officers in average authorised police strength, including 100 additional Highway Patrol Officers;
- ◆ \$24.4 million to meet the ongoing costs of recent IT infrastructure upgrades;
- ◆ \$4.3 million for additional forensic DNA testing;
- ◆ \$3.6 million for the ongoing employment of civilian managers in Police and Community Youth Clubs;
- ◆ \$1 million for ongoing drug program initiatives; and
- ◆ \$0.4 million to establish new community and business liaison units within the Counter-Terrorism Command.

Capital Expenditure

The 2007-08 capital program provides for expenditure of \$102.2 million on asset acquisitions. The NSW Police Force's capital program aims to:

- ◆ provide functional and cost effective accommodation where it is needed;
- ◆ improve the safety of operational police;
- ◆ equip police to perform their role effectively; and
- ◆ increase the efficient use of operational and administrative data.

Major New Works

The capital program provides for the commencement of major new works with a total estimated cost of \$53 million.

The State-wide police station upgrade and replacement program will continue, with work scheduled to commence on three new police stations at Bowral, Camden and Leichhardt.

An amount of \$2.4 million has been allocated to enhance the forensic capabilities of the NSW Police Force. This includes the acquisition of an additional Spheron Imaging System and a Robotic DNA Analysis Platform to automate DNA processing and speed up testing.

To expand the options available to police to maintain public order, \$0.5 million has also been provided to purchase a new prime mover for the Special Services Group's Advance Technology Centre Electronics Trailer. Ten additional mobile police vans also will be acquired at a cost of \$1.1 million.

The Government has made a provision of \$50 million per annum to meet the costs of continuing improvements to information technology and communications systems. These funds are in addition to the NSW Police Force's capital allocation and will be progressively released during the year as detailed business cases for new projects are finalised and approved.

Work-in-Progress

A total of \$66.7 million has been provided in 2007-08 for works-in-progress, including:

- ◆ \$23.2 million to complete new police stations at Campsie, Corrimal, Fairfield, Lismore, Orange, St Mary's and Yamba;
- ◆ \$26.1 million to continue the construction of new police stations at Burwood, Dubbo, Granville, Kempsey, Lake Illawarra, Port Stephens, The Rocks in Sydney, Wagga Wagga, Windsor and Wyong;
- ◆ \$6.1 million for the Marine Fleet Replacement Program;
- ◆ \$1.2 million for continuing enhancements to the NSW Police Force's motor vehicle fleet; and
- ◆ \$10.1 million for information technology projects including \$1.9 million for the Computer Aided Dispatch System; \$1.5 million for the Alcohol Related Crime Information Exchange; \$2.8 million for portable electronic fingerprint devices; and \$3.9 million for a Forensic Services Digital Imaging System.

Minor Works

In addition to funding for the pre-planning of future new police stations and minor building works, the 2007-08 minor works allocation of \$28.2 million includes \$12.1 million for minor information technology projects and equipment replacement and \$5.6 million to upgrade general and specialist equipment.

NEW SOUTH WALES CRIME COMMISSION

The New South Wales Crime Commission was established under the *New South Wales Crime Commission Act 1985* to combat illegal drug trafficking, organised crime and other serious crime in New South Wales. This involves obtaining evidence for prosecutions and/or the forfeiture of criminal assets.

RESULTS AND SERVICES

The Commission aims to reduce the incidence of drug trafficking and organised crime and its impact on the community by working towards the following results:

- ◆ High-level drug traffickers and other serious criminals are investigated, apprehended and referred for prosecution.
- ◆ The assets of serious criminals are identified, restrained and confiscated.

Key services provided by the Commission that contribute to these results include:

- ◆ focusing on high-level drug traffickers and other serious criminals through the use of the Commission's surveillance and investigative capacity;
- ◆ assembling admissible evidence for the successful prosecution of serious criminals and the confiscation of their assets; and
- ◆ collecting, disseminating and analysing intelligence to advance criminal investigations.

RECENT DEVELOPMENTS

The Commission has an ongoing program of developing and implementing advanced technology to keep pace with changes in the technical environment, especially telecommunications networks. The scale of the challenges in this field are such that the Commission is looking to meet them in collaboration with other agencies.

The Commission has continued to focus attention on money laundering operations due to the scale and prevalence of this area of crime.

The Commission has had success in confiscating proceeds of crime. Due to the similarity of legislation in all Australian jurisdictions, there is substantial overlap with other agencies. The Commission continues to work with other jurisdictions, particularly the Commonwealth, to reduce incidences of overlapping confiscation actions and replication of effort.

STRATEGIC DIRECTIONS

Keeping pace with changing technology, particularly in the area of electronic surveillance, remains a challenge. The Commission maintains a significant investment in technology and expects to extend the capacity and scope of its electronic surveillance systems in the coming year through greater collaboration with other agencies in the field.

The Commission will continue to apply its technological resources to investigate new and emerging areas of crime and those which are sufficiently serious and prevalent to warrant application of the Commission's special powers.

As in 2006-07, the Commission is adjusting its practices and funding arrangements to meet the increasing demand for witness protection in future years.

2007-08 BUDGET

Total Expenses

The Commission's total expenses are estimated at \$17.2 million in 2007-08. This represents a decrease of \$0.4 million or 2.1 per cent compared to 2006-07.

Capital Expenditure

The use of technology to combat serious crime continues to evolve. The capital allocation of \$1.6 million will allow the Commission to keep abreast of changing technologies, especially in the area of electronic surveillance systems.

POLICE INTEGRITY COMMISSION

The Police Integrity Commission is responsible for preventing, detecting and subsequently investigating serious police misconduct. The Commission oversees and manages other agencies involved with the investigation of serious police misconduct. Relevant legislation is the *Police Integrity Commission Act 1996*.

RESULTS AND SERVICES

The Commission aims to assure the community that there is vigilant oversight of police in New South Wales by working towards the following results:

- ◆ The incidence of serious police misconduct is reduced in the NSW Police Force.
- ◆ Systems and practices that support ethical behaviour are improved in the NSW Police Force.

Key services provided by the Commission that contribute to these results include:

- ◆ investigating and exposing serious police misconduct through investigations, hearings and reports;
- ◆ evaluating complaints of serious misconduct against police officers and non-sworn police staff;

- ◆ deterring misconduct through effective detection and prosecution;
- ◆ making recommendations for reform in the NSW Police Force to encourage ethical behaviours by officers; and
- ◆ participating in education programs to raise awareness of ethical issues among police and non-sworn staff.

RECENT DEVELOPMENTS

Investigations and public hearings into instances of police misconduct drive the costs of the Commission.

In 2006-07 the Commission undertook a number of investigations and research projects. The Commission completed a research project which assessed the management of the risk of misconduct in the NSW Police Force Counter-Terrorism Coordination Command. Recommendations were given to the *Inquiry into the Scrutiny of NSW Police Counter-Terrorism and Other Powers* conducted by the Committee on the Ombudsman's Office and the Police Integrity Commission.

STRATEGIC DIRECTIONS

The Commission balances its core investigative and research functions to achieve ongoing reductions in the incidence of serious police misconduct in New South Wales.

Reports of the Commission's activities will continue to focus on practical recommendations for system improvements that support ethical behaviour within the NSW Police Force.

Public hearings and public reporting, where appropriate, will continue to reassure the community that there is effective oversight of the NSW Police Force.

2007-08 BUDGET

Total Expenses

The Commission's total expenses are estimated at \$18.9 million in 2007-08. This represents an increase of \$0.6 million or 3.4 per cent compared to 2006-07.

Capital Expenditure

The Commission's capital allocation of \$0.7 million will be used to purchase IT and technical equipment.

MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA
41 MINISTRY FOR POLICE

| | 2006-07 | | 2007-08 |
|--|--------------|--------------|--------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 3,608 | 3,909 | 4,029 |
| Other operating expenses | 1,313 | 1,038 | 1,061 |
| Depreciation and amortisation | 216 | 168 | 188 |
| Grants and subsidies | 2,250 | 2,170 | 2,008 |
| Total Expenses Excluding Losses | 7,387 | 7,285 | 7,286 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 2 | 1 | 1 |
| Investment income | 60 | 89 | 60 |
| Other revenue | ... | 2 | 2 |
| Total Retained Revenue | 62 | 92 | 63 |
| NET COST OF SERVICES | 7,325 | 7,193 | 7,223 |

MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA
41 MINISTRY FOR POLICE

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 3,426 | 4,438 | 3,811 |
| Grants and subsidies | 2,250 | 2,170 | 2,008 |
| Other | 1,528 | 1,251 | 1,275 |
| Total Payments | 7,204 | 7,859 | 7,094 |
| Receipts | | | |
| Sale of goods and services | 2 | 1 | 1 |
| Interest | 62 | 89 | 67 |
| Other | 215 | 220 | 217 |
| Total Receipts | 279 | 310 | 285 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (6,925) | (7,549) | (6,809) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (107) | (107) | (29) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (107) | (107) | (29) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 7,154 | 7,739 | 7,025 |
| Capital appropriation | 107 | 107 | 29 |
| Cash transfers to Consolidated Fund | ... | (1,641) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 7,261 | 6,205 | 7,054 |
| NET INCREASE/(DECREASE) IN CASH | 229 | (1,451) | 216 |
| Opening Cash and Cash Equivalents | 1,078 | 1,857 | 406 |
| CLOSING CASH AND CASH EQUIVALENTS | 1,307 | 406 | 622 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (7,325) | (7,193) | (7,223) |
| Non cash items added back | 450 | 443 | 359 |
| Change in operating assets and liabilities | (50) | (799) | 55 |
| Net cash flow from operating activities | (6,925) | (7,549) | (6,809) |

MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA
41 MINISTRY FOR POLICE

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 1,307 | 406 | 622 |
| Receivables | 88 | 82 | 75 |
| Other | 4 | 4 | 4 |
| Total Current Assets | 1,399 | 492 | 701 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 1,138 | 1,131 | 972 |
| Intangibles | 183 | ... | ... |
| Total Non Current Assets | 1,321 | 1,131 | 972 |
| Total Assets | 2,720 | 1,623 | 1,673 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 147 | 127 | 142 |
| Provisions | 451 | 715 | 748 |
| Total Current Liabilities | 598 | 842 | 890 |
| Non Current Liabilities - | | | |
| Provisions | 411 | 6 | 6 |
| Total Non Current Liabilities | 411 | 6 | 6 |
| Total Liabilities | 1,009 | 848 | 896 |
| NET ASSETS | 1,711 | 775 | 777 |
| EQUITY | | | |
| Accumulated funds | 1,711 | 775 | 777 |
| TOTAL EQUITY | 1,711 | 775 | 777 |

**MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA
42 NSW POLICE FORCE**

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 1,656,304 | 1,677,124 | 1,745,764 |
| Other operating expenses | 387,366 | 393,585 | 376,617 |
| Depreciation and amortisation | 82,507 | 90,112 | 96,916 |
| Grants and subsidies | 3,490 | 4,390 | 3,621 |
| Finance costs | 12,609 | 12,609 | 12,508 |
| Other expenses | 38,681 | 38,681 | 35,684 |
| Total Expenses Excluding Losses | 2,180,957 | 2,216,501 | 2,271,110 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 19,522 | 20,870 | 20,177 |
| Investment income | 1,210 | 1,700 | 1,251 |
| Grants and contributions | 45,517 | 50,481 | 43,821 |
| Other revenue | 4,679 | 5,627 | 4,836 |
| Total Retained Revenue | 70,928 | 78,678 | 70,085 |
| Gain/(loss) on disposal of non current assets | (1,240) | 193 | 227 |
| Other gains/(losses) | (26) | (175) | (26) |
| NET COST OF SERVICES | 2,111,295 | 2,137,805 | 2,200,824 |

**MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA
42 NSW POLICE FORCE**

| | 2006-07 | | 2007-08 |
|---|--------------------|--------------------|--------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 1,518,635 | 1,521,884 | 1,596,518 |
| Grants and subsidies | 3,490 | 4,390 | 3,621 |
| Finance costs | 12,309 | 12,309 | 12,208 |
| Other | 497,161 | 508,674 | 473,167 |
| Total Payments | 2,031,595 | 2,047,257 | 2,085,514 |
| Receipts | | | |
| Sale of goods and services | 19,449 | 16,578 | 25,752 |
| Interest | 1,210 | 1,721 | 1,251 |
| Other | 106,328 | 117,375 | 104,746 |
| Total Receipts | 126,987 | 135,674 | 131,749 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (1,904,608) | (1,911,583) | (1,953,765) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 10,000 | 10,160 | 10,000 |
| Purchases of property, plant and equipment* | (111,091) | (116,713) | (100,782) |
| Other | ... | (17,011) | (1,457) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (101,091) | (123,564) | (92,239) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | (1,785) | (1,785) | (2,385) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (1,785) | (1,785) | (2,385) |

* 2007-08 Budget excludes a provision of \$50 million for continuing improvements to the NSW Police Force's information technology and communications systems. These funds will be released during the year as business cases for new projects are finalised and approved.

**MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA
42 NSW POLICE FORCE**

| | 2006-07 | | 2007-08 |
|--|--------------------|--------------------|--------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 1,896,169 | 1,915,960 | 1,965,306 |
| Capital appropriation | 101,091 | 123,724 | 92,239 |
| Cash transfers to Consolidated Fund | ... | (5,959) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 1,997,260 | 2,033,725 | 2,057,545 |
| NET INCREASE/(DECREASE) IN CASH | (10,224) | (3,207) | 9,156 |
| Opening Cash and Cash Equivalents | 34,585 | 41,996 | 38,789 |
| CLOSING CASH AND CASH EQUIVALENTS | 24,361 | 38,789 | 47,945 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (2,111,295) | (2,137,805) | (2,200,824) |
| Non cash items added back | 216,849 | 224,429 | 236,631 |
| Change in operating assets and liabilities | (10,162) | 1,793 | 10,428 |
| Net cash flow from operating activities | (1,904,608) | (1,911,583) | (1,953,765) |

**MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA
42 NSW POLICE FORCE**

| | 2006-07 | | 2007-08 |
|--------------------------------------|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 24,361 | 38,789 | 47,945 |
| Receivables | 15,019 | 33,860 | 28,310 |
| Inventories | 2,420 | 2,390 | 2,390 |
| Other | 6,732 | ... | ... |
| Total Current Assets | 48,532 | 75,039 | 78,645 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 966,624 | 963,136 | 982,010 |
| Plant and equipment | 226,934 | 252,432 | 235,642 |
| Intangibles | 93,367 | 85,019 | 80,485 |
| Total Non Current Assets | 1,286,925 | 1,300,587 | 1,298,137 |
| Total Assets | 1,335,457 | 1,375,626 | 1,376,782 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 38,406 | 51,885 | 58,063 |
| Borrowings at amortised cost | 2,385 | 2,385 | 3,112 |
| Provisions* | 149,206 | 278,097 | 278,097 |
| Other | 17,479 | 18,242 | 18,192 |
| Total Current Liabilities | 207,476 | 350,609 | 357,464 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 185,926 | 185,926 | 182,814 |
| Provisions* | 128,563 | 20,821 | 20,821 |
| Other | 7,722 | 8,499 | 7,476 |
| Total Non Current Liabilities | 322,211 | 215,246 | 211,111 |
| Total Liabilities | 529,687 | 565,855 | 568,575 |
| NET ASSETS | 805,770 | 809,771 | 808,207 |
| EQUITY | | | |
| Reserves | 312,544 | 312,544 | 314,544 |
| Accumulated funds | 493,226 | 497,227 | 493,663 |
| TOTAL EQUITY | 805,770 | 809,771 | 808,207 |

* Reclassification between line items from the 2006-07 Budget is due to the introduction of Australian Equivalents to International Financial Reporting Standards.

**MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA
43 NEW SOUTH WALES CRIME COMMISSION**

| | 2006-07 | | 2007-08 |
|---|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 11,581 | 11,214 | 11,397 |
| Other operating expenses | 4,207 | 3,890 | 3,940 |
| Depreciation and amortisation | 1,333 | 1,477 | 1,430 |
| Other expenses | 431 | 450 | 421 |
| Total Expenses Excluding Losses | 17,552 | 17,031 | 17,188 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 5 | 35 | 52 |
| Investment income | 30 | 38 | 31 |
| Other revenue | 3,362 | 2,700 | 3,000 |
| Total Retained Revenue | 3,397 | 2,773 | 3,083 |
| Gain/(loss) on disposal of non current assets | ... | (10) | ... |
| Other gains/(losses) | (3) | (3) | (40) |
| NET COST OF SERVICES | 14,158 | 14,271 | 14,145 |

**MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA
43 NEW SOUTH WALES CRIME COMMISSION**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 11,109 | 10,534 | 11,119 |
| Other | 4,952 | 4,962 | 4,745 |
| Total Payments | 16,061 | 15,496 | 15,864 |
| Receipts | | | |
| Sale of goods and services | 3 | (15) | 55 |
| Interest | 30 | 26 | 31 |
| Other | 3,555 | 3,558 | 3,240 |
| Total Receipts | 3,588 | 3,569 | 3,326 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (12,473) | (11,927) | (12,538) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (2,461) | (1,409) | (1,461) |
| Other | (100) | (162) | (100) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (2,561) | (1,571) | (1,561) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 12,194 | 12,194 | 12,271 |
| Capital appropriation | 2,561 | 1,561 | 1,561 |
| NET CASH FLOWS FROM GOVERNMENT | 14,755 | 13,755 | 13,832 |
| NET INCREASE/(DECREASE) IN CASH | (279) | 257 | (267) |
| Opening Cash and Cash Equivalents | 723 | 537 | 794 |
| CLOSING CASH AND CASH EQUIVALENTS | 444 | 794 | 527 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (14,158) | (14,271) | (14,145) |
| Non cash items added back | 1,742 | 2,016 | 1,788 |
| Change in operating assets and liabilities | (57) | 328 | (181) |
| Net cash flow from operating activities | (12,473) | (11,927) | (12,538) |

**MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA
43 NEW SOUTH WALES CRIME COMMISSION**

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 444 | 794 | 527 |
| Receivables | 1,753 | 1,833 | 1,940 |
| Other | 120 | ... | ... |
| Total Current Assets | 2,317 | 2,627 | 2,467 |
| Non Current Assets - | | | |
| Receivables | 160 | ... | ... |
| Property, plant and equipment - | | | |
| Land and building | 13,266 | 13,258 | 13,028 |
| Plant and equipment | 5,661 | 4,564 | 4,925 |
| Intangibles | 381 | 272 | 272 |
| Total Non Current Assets | 19,468 | 18,094 | 18,225 |
| Total Assets | 21,785 | 20,721 | 20,692 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 660 | 674 | 630 |
| Borrowings at amortised cost | 413 | 413 | 400 |
| Provisions | 780 | 767 | 780 |
| Total Current Liabilities | 1,853 | 1,854 | 1,810 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 139 | 139 | 152 |
| Provisions | 179 | 179 | 136 |
| Total Non Current Liabilities | 318 | 318 | 288 |
| Total Liabilities | 2,171 | 2,172 | 2,098 |
| NET ASSETS | 19,614 | 18,549 | 18,594 |
| EQUITY | | | |
| Reserves | 7,313 | 7,313 | 7,313 |
| Accumulated funds | 12,301 | 11,236 | 11,281 |
| TOTAL EQUITY | 19,614 | 18,549 | 18,594 |

**MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA
44 POLICE INTEGRITY COMMISSION**

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 12,200 | 12,101 | 13,255 |
| Other operating expenses | 4,789 | 3,945 | 4,586 |
| Depreciation and amortisation | 1,319 | 1,043 | 1,091 |
| Total Expenses Excluding Losses | 18,308 | 17,089 | 18,932 |
| Less: | | | |
| Retained Revenue - | | | |
| Investment income | 50 | 86 | 86 |
| Total Retained Revenue | 50 | 86 | 86 |
| NET COST OF SERVICES | 18,258 | 17,003 | 18,846 |

**MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA
44 POLICE INTEGRITY COMMISSION**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 11,634 | 11,535 | 12,501 |
| Other | 5,399 | 4,555 | 5,166 |
| Total Payments | 17,033 | 16,090 | 17,667 |
| Receipts | | | |
| Interest | 53 | 89 | 86 |
| Other | 580 | 580 | 580 |
| Total Receipts | 633 | 669 | 666 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (16,400) | (15,421) | (17,001) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (2,082) | (2,355) | (680) |
| Other | (290) | (17) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (2,372) | (2,372) | (680) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 16,567 | 15,739 | 17,020 |
| Capital appropriation | 2,372 | 2,372 | 680 |
| Cash transfers to Consolidated Fund | ... | (283) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 18,939 | 17,828 | 17,700 |
| NET INCREASE/(DECREASE) IN CASH | 167 | 35 | 19 |
| Opening Cash and Cash Equivalents | 969 | 1,114 | 1,149 |
| CLOSING CASH AND CASH EQUIVALENTS | 1,136 | 1,149 | 1,168 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (18,258) | (17,003) | (18,846) |
| Non cash items added back | 1,867 | 1,590 | 1,735 |
| Change in operating assets and liabilities | (9) | (8) | 110 |
| Net cash flow from operating activities | (16,400) | (15,421) | (17,001) |

**MINISTER FOR POLICE, AND MINISTER FOR THE ILLAWARRA
44 POLICE INTEGRITY COMMISSION**

| | 2006-07 | 2007-08 | |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 1,136 | 1,149 | 1,168 |
| Receivables | 221 | 659 | 659 |
| Other | 411 | ... | ... |
| Total Current Assets | 1,768 | 1,808 | 1,827 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 95 | 452 | 348 |
| Plant and equipment | 4,096 | 3,979 | 3,687 |
| Intangibles | 309 | 41 | 26 |
| Total Non Current Assets | 4,500 | 4,472 | 4,061 |
| Total Assets | 6,268 | 6,280 | 5,888 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 189 | 176 | 244 |
| Provisions | 777 | 983 | 1,025 |
| Total Current Liabilities | 966 | 1,159 | 1,269 |
| Non Current Liabilities - | | | |
| Provisions | 135 | ... | ... |
| Total Non Current Liabilities | 135 | ... | ... |
| Total Liabilities | 1,101 | 1,159 | 1,269 |
| NET ASSETS | 5,167 | 5,121 | 4,619 |
| EQUITY | | | |
| Accumulated funds | 5,167 | 5,121 | 4,619 |
| TOTAL EQUITY | 5,167 | 5,121 | 4,619 |

**MINISTER FOR PRIMARY INDUSTRIES,
MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND
MINISTER FOR STATE DEVELOPMENT**

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|--|-----------------------------------|-----------------------------------|------------------------|
| Department of Primary Industries | | | |
| Total Expenses | 399.4 | 449.7 | 12.6 |
| Capital Expenditure | 21.3 | 23.1 | 8.6 |
| New South Wales Rural Assistance Authority | | | |
| Total Expenses | 40.7 | 202.5 | 398.1 |
| Capital Expenditure | 0.1 | 0.1 | ... |
| Department of Water and Energy | | | |
| Total Expenses | 573.2 | 429.4 | -25.1 |
| Capital Expenditure | 10.7 | 9.2 | -14.4 |
| New South Wales Coal Compensation Board | | | |
| Total Expenses | 7.1 | 5.2 | -27.3 |
| Capital Expenditure | 0.1 | ... | -100.0 |
| Department of State and Regional Development | | | |
| Total Expenses | 181.0 | 181.9 | 0.5 |
| Capital Expenditure | 1.7 | 0.4 | -75.2 |
| NSW Food Authority | | | |
| Total Expenses | 21.9 | 21.2 | -3.2 |
| Capital Expenditure | 2.5 | 1.2 | -52.1 |
| Total, Minister for Primary Industries, Minister for Energy, Minister for Mineral Resources, and Minister for State Development | | | |
| Total Expenses | 1,223.3 | 1,289.9 | 5.4 |
| Capital Expenditure | 36.4 | 34.0 | -6.6 |

DEPARTMENT OF PRIMARY INDUSTRIES

The Department of Primary Industries (DPI) supports the development of profitable primary industries that create a more prosperous New South Wales and contribute to a better environment through the sustainable use of natural resources. The Department maintains close links with industry and has industry competitiveness and front line service delivery as priorities.

RESULTS AND SERVICES

The Department contributes to profitable and sustainable primary industries by aiming for the following results:

- ◆ Primary industries perform strongly in the economy.
- ◆ Primary industries have appropriate access to natural resources and manage them wisely.
- ◆ Primary industries' products are healthy and safe because risks to the environment, human health and economy are excluded, eradicated or effectively managed; and mining industry safety is maintained and improved.

Key services provided by the Department include:

- ◆ providing science, research, and innovative technologies to improve the competitiveness of NSW primary industries in an environmentally sustainable way;
- ◆ providing a biosecurity framework to support and improve domestic and international market access for NSW primary industries products;
- ◆ developing and delivering education and extension services for primary industries with particular emphasis on the development and delivery of the PROfarm program;
- ◆ planning, managing, and regulating the sustainable commercial and recreational use of the State's fisheries resources;
- ◆ licensing and inspecting animal research and exhibited animal establishments, and administering animal welfare legislation;
- ◆ assessing the State's geology and mineral resources, and allocating them for exploration and mining; and
- ◆ regulating exploration and mining activities for safety and environmental performance.

RECENT DEVELOPMENTS

Forecast recurrent expenditure for 2006-07 is \$513 million. Significant initiatives and developments during 2006-07 include:

- ◆ commencing partnerships in a number of Cooperative Research Centres (CRCs) such as the Seafood CRC, the CRC for Sheep Industry Innovation and the CRC for Future Farm Industries;
- ◆ providing input into State and national policy setting for salinity management through the research results obtained from the Salinity Key Sites Project;
- ◆ supporting the wild harvest fisheries program by opening a new \$1 million state-of-the-art research facility at the Cronulla Fisheries Research Centre;
- ◆ launching two major new testing services, the Feed Quality Service to provide farmers with accurate data to make best use of the available feed; and the Australian Oil Laboratory Service to provide accurate testing of edible oil quality;
- ◆ commencing a pilot project to facilitate clean coal development and identify potential storage sites for the permanent storage of carbon dioxide;
- ◆ assessing the potential for coal mining in the Watermark area near Gunnedah;
- ◆ extending the Government's Exploration NSW initiative to support increased mineral and petroleum exploration under the New Frontiers program with additional funding of \$4 million for 2006-07;
- ◆ significantly increasing security deposits to over \$670 million to ensure satisfactory mine rehabilitation by implementing the new Rehabilitation Security Deposits Policy;
- ◆ implementing the recommendations of the Wran Mine Safety Review and introducing new mine safety legislation resulting in the lowest ever levels of fatality and injury;
- ◆ facilitating structural adjustment in the fisheries industry by rolling out share management for five commercial fisheries;
- ◆ delivering on-ground conservation outcomes across agriculture and fisheries industries by managing projects to the value of \$24.6 million such as the Healthy Soils, Healthy Landscapes project, and the Bringing Back the Fish project;
- ◆ completing the zoning plans for the Port Stephens-Great Lakes and Batemans marine parks and administering the associated \$20 million buyout program;

- ◆ further developing the PROfarm initiative with 150 short courses available for delivery on demand and 440 PROfarm courses delivered to 5,125 clients in 2006;
- ◆ developing internationally recognised guidelines for care and housing of laboratory animals;
- ◆ coordinating the NSW Government response to drought. State expenditure on drought assistance through DPI and other agencies is predicted to be \$109 million in 2006-07, bringing the total to \$325 million since the current drought began in 2002-03;
- ◆ implementing the Cattle National Livestock Identification Scheme to achieve consistent national compliance levels;
- ◆ entering into the Wine Futures Agreement with industry with a total investment of \$30 million; and
- ◆ ensuring market access for NSW grape production areas through the successful implementation of biosecurity programs resulting in the areas being declared phylloxera free.

STRATEGIC DIRECTIONS

The Department delivers its services through four operational divisions: Agriculture and Fisheries; Mineral Resources; Biosecurity, Compliance and Mine Safety; and Science and Research. The Department has a strong rural and regional focus and works with other agencies to develop regional innovation strategies to strengthen the capability of primary industries.

In particular, the Department has the following strategic directions for each industry:

- ◆ agricultural industries rapidly implement new technologies to increase economic performance whilst reducing environmental impacts; in particular, on-farm water is used efficiently and risks posed by pests, diseases and chemicals are excluded, eradicated or effectively managed;
- ◆ the fishing industry harvests at levels which allow sustainable regeneration of fish stocks; the living aquatic environment is conserved and protected for current and future generations; and
- ◆ the mining industry operates to best practice health, safety and environmental standards, and New South Wales attracts new investment from the exploration and mining industry.

The strategic directions for each division are as follows:

Agriculture and Fisheries

- ◆ enhance the delivery of agricultural education, including post school and adult education initiatives to help primary producers to manage risks and use innovative technologies;
- ◆ prepare and deliver agricultural industry development strategies for key industries to increase investment in rural and regional New South Wales;
- ◆ implement advisory services to facilitate the adaptation to climate change by primary industries, such as adoption of technology to mitigate the production of greenhouse gases;
- ◆ improve the profitability and sustainability of commercial fisheries by building on the introduction of share management and exploring opportunities for streamlined and simplified regulatory approaches; and
- ◆ develop opportunities for increasing community involvement in recreational angling.

Mineral Resources

- ◆ implement a pilot project to facilitate clean coal development, expected to run to 2013;
- ◆ continue to provide world class geoscience information to support exploration, mining investment and geosequestration in New South Wales;
- ◆ facilitate mineral and petroleum exploration and new resource developments to maximise social and economic benefits and minimise adverse environmental impacts;
- ◆ regulate mine safety to ensure the health and safety of mine workers, and further improve the environmental performance of the NSW mining industry;
- ◆ identify additional coal development areas for future tender allocation to increase the competitiveness of the NSW mining industry; and
- ◆ implement targeted health and safety education programs that address priority areas identified by the 2005 NSW Safety Summit.

Biosecurity, Compliance and Mine Safety

- ◆ review biosecurity legislation with the aim of reducing cost to industry whilst improving biosecurity outcomes;
- ◆ implement a regulatory reform agenda for the mining industry that focuses on a systematic risk management approach and improved consultation arrangements between employee and employer groups;
- ◆ implement a comprehensive biosecurity strategy aimed at the protection of the economy, environment and public health from the negative impacts associated with pest, diseases and weeds; and
- ◆ develop information, communication and technology platforms to better manage exotic disease incursions, routine surveillance and market access.

Science and Research

- ◆ provide the underpinning research to enable primary industries to better adapt to and mitigate the impacts of climate change;
- ◆ contribute to the development of regional innovation strategies so that NSW primary industries maintain a sound rate of productivity growth;
- ◆ use research derived innovation to drive the productivity and sustainability of primary industries;
- ◆ continue to ensure that research is aligned with government priorities with an appropriate level of funding from potential beneficiaries; and
- ◆ develop a new feed analytical laboratory to provide additional capability and capacity to the Feed Quality Service.

2007-08 BUDGET

Total Expenses

The Department of Primary Industries' total expenses for 2007-08 are budgeted at \$449.7 million.

The major areas of expenditure include:

- ◆ \$111.6 million for the Agriculture and Fisheries Program;
- ◆ \$47.7 million for the Mineral Resources Program;
- ◆ \$99.5 for the Biosecurity, Compliance and Mine Safety Program;
- ◆ \$139.7 million for the Science and Research Program; and
- ◆ \$51.2 million for the provision of Personnel Services.

Major initiatives for 2007-08 include:

- ◆ \$4 million in total for exploration ensuring continuity of production of geoscientific data and assessment of the prospectivity of New South Wales for petroleum and minerals; and
- ◆ \$2.4 million to cover the NSW contribution towards eradication of Red Imported Fire Ants being undertaken by the Queensland Department of Primary Industries.

Capital Expenditure

The Department of Primary Industries' capital expenditure is \$23.1 million for 2007-08, of which \$6.9 million is reinvestment of proceeds from sale of assets. The Department's Towards 2020 Asset Sale and Reinvestment capital program is well advanced to consolidate and modernise research facilities. The program will continue to contribute to better research results and improve partnerships with industry.

Major projects within the Department's capital program include:

Replacing and maintaining departmental infrastructure

- ◆ \$6 million to purchase new and replacement plant and equipment, and marine craft; and
- ◆ \$7.3 million to rationalise and replace information, communications and technology infrastructure.

Maintaining and upgrading research facilities

- ◆ \$1.3 million to construct a new laboratory at Wagga Wagga for food evaluation, research and assessment;
- ◆ \$4 million for Stage 1 of rationalisation and relocation of facilities from Narara to Somersby;
- ◆ \$0.7 million to provide electronic surveillance on the Queensland border to monitor cattle movements into New South Wales associated with the control of cattle tick; and
- ◆ \$0.9 million for health, safety, environment and compliance upgrades of laboratories, buildings and infrastructure.

Improving facilities for Fisheries and Marine Parks officers

- ◆ \$0.9 million, for Stage 2 of construction of a new joint office for the Department's Fisheries officers, the Marine Parks Authority and Maritime Authority of New South Wales; and
- ◆ \$0.3 million for the Port Stephens-Great Lakes Marine Park offices.

NEW SOUTH WALES RURAL ASSISTANCE AUTHORITY

The New South Wales Rural Assistance Authority, under the *Rural Assistance Act 1989*, promotes the efficient delivery of programs of assistance to farmers and others engaged in rural industries.

RESULTS AND SERVICES

The Authority supports the strong economic performance of primary industries, mainly by providing interest subsidies, loans, grants and mediation services to help farmers to manage debt and business risks such as natural disasters and drought. The Authority also encourages the sustainable use of natural resources through the provision of low-interest loans for works to improve land management.

The Authority aims to administer, monitor and influence adjustment and assistance programs which encourage self reliance, facilitate appropriate change and mitigate extreme events while being aware of the welfare of the people in the targeted business. The Authority has developed the following planned results to achieve government objectives:

- ◆ The agricultural and small business sector is able to recover from the effects of natural disasters and exceptional circumstances.
- ◆ The agricultural sector is able to manage business risks such as drought and disease.
- ◆ The agricultural sector is able to co-exist with and support the natural environment.
- ◆ Farm debt disputes are resolved efficiently and equitably.

Key services provided by the Authority to contribute to these results include:

- ◆ loans to farmers and small businesses to allow them to continue their normal operations following a natural disaster;

- ◆ interest subsidies to help farmers affected by exceptional circumstances to obtain carry-on finance, restructure debt and implement productivity improvements;
- ◆ loans to farmers aimed at promoting improved land management practices; and
- ◆ administration of the *Farm Debt Mediation Act 1994*.

RECENT DEVELOPMENTS

Expenditure in 2006-07 has increased compared with 2005-06 mainly due to the extension of Exceptional Circumstances provisions throughout the State. Projected expenditure for 2006-07 is \$292.2 million, compared to budgeted expenditure of \$40.7 million. Exceptional Circumstances assistance is expected to total \$256.8 million due to the continuing effects of the drought, enhanced levels of assistance and further extension of the recovery period in most drought-affected areas.

The Authority participated in partnership with the former Department of Natural Resources to facilitate the Extraordinary Assistance Program for irrigators in the Murray and Murrumbidgee valleys. This program involved the assessment and payment of ex-gratia funding to eligible applicants in the Murray and Murrumbidgee valleys. Expenditure for this program is expected to be \$20 million in 2006-07.

Support for the Special Conservation Scheme, which includes enhanced drought assistance measures, is continuing with loans totalling \$13.5 million expected in 2006-07.

STRATEGIC DIRECTIONS

The Authority recognises the importance of developing, implementing and maintaining measures which improve industry productivity, profitability, sustainability and farm financial management skills. Strategies employed by the Authority to ensure achievement of planned results are:

- ◆ promotion to increase awareness of assistance programs, and provision of advice about eligibility requirements to potential applicants;
- ◆ periodic reviews of specific programs and continued development and monitoring of result indicators and service measures;
- ◆ effective management of the Authority's loan portfolio to limit the risk of non-repayment; and

- ◆ ongoing review and refinement of internal policies and procedures, and identifying synergies within government and statutory authorities for streamlining the provision of assistance measures.

The Authority has also developed partnerships with other government agencies, such as the Department of Primary Industries, to deliver various assistance programs. The Authority has assisted other government agencies with the administration of the following programs in 2006-07:

- ◆ AgStart – assisting young farmers to enter agribusiness or farming related industries;
- ◆ Brigalow Assistance Scheme – assistance for forest related industries affected by the closure of the Brigalow State Forest;
- ◆ Forging Partnerships Program – payments of grant and sponsorship funding approved by the former Department of Natural Resources; and
- ◆ Native Vegetation Assistance Package – assistance to disadvantaged landholders as a consequence of refusal of consent to clear land under the *Native Vegetation Act 2003*.

In addition, the Authority has been involved in a pilot scheme with the Lachlan Catchment Management Authority focussed on the provision of coordinated government services to rural and regional New South Wales. It is proposed that this arrangement be extended to incorporate other New South Wales Catchment Management Authorities also interested in streamlining the provision of government services to their clients.

2007-08 BUDGET

Total Expenses

In 2007-08, total expenses of the Authority are budgeted at \$202.5 million. The Advancing Australian Agriculture program, which includes the Exceptional Circumstances scheme, is the largest component with an allocation of \$193.4 million.

The Authority also manages the Special Conservation Scheme, which provides loans at low interest rates for works such as soil conservation, irrigation and water supply. Loans are provided on the basis that the proposed works will have a beneficial impact on the land, the community and the environment. The scheme has been extended to include drought-related initiatives such as stock and domestic water supply and dam desilting. An amount of \$18 million has been provided for the scheme in 2007-08.

The Authority also manages the Natural Disaster Relief Scheme on behalf of the State. Under this Scheme, low interest rate loans are made available to assist eligible primary producers and small businesses recover from the effects of natural disasters, such as storms, floods or bushfires. In 2007-08, \$2 million has notionally been provided for this scheme. Actual expenditure will depend on the occurrence of natural disasters.

Capital Expenditure

The Authority receives a minor allocation of \$50,000 for the replacement and upgrade of office facilities.

DEPARTMENT OF WATER AND ENERGY

The Department of Water and Energy, which commenced operating in April 2007, delivers the Government's policy and reform agenda for the water and energy sectors in New South Wales. The Department provides policy, legislative, regulatory and management advice in relation to water and energy matters to the Minister for Energy, the Minister for Climate Change, Environment and Water (Section 6) and the Minister for Water Utilities (Section 9).

RESULTS AND SERVICES

The Department has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priorities:

- ◆ E1: A secure and sustainable water supply for all users.
- ◆ E2: A reliable electricity supply with increased use of renewable energy.

The Department works with the water management, energy and urban water industries, government agencies, industry, business and consumer groups and other stakeholders towards achieving the following results:

- ◆ A sustainable allocation of water between the environment, communities, farmers and industry.
- ◆ Energy and urban water services are safe, reliable and secure, while supply of these services is efficient and affordable.

Key services provided by the Department contributing to these results include:

- ◆ water resource management and planning;

- ◆ sharing of water between the environment and water users through statutory water plans;
- ◆ water licensing and compliance and supporting water trading;
- ◆ water resource quantity and quality, and associated ecological, monitoring and evaluation;
- ◆ leadership and guidance in best practice management, operation and maintenance for urban water utilities, along with financial support for water and sewerage infrastructure and emergency drought assistance in rural and regional New South Wales;
- ◆ urban water planning and policy in support of the Metropolitan Water Plan;
- ◆ promoting and maintaining appropriate and effective competition in energy supply markets, including the further development of national market frameworks in partnership with other States;
- ◆ electricity and gas network and high pressure pipeline regulation and performance monitoring;
- ◆ consumer protection frameworks and support programs for residential energy and urban water customers; and
- ◆ supply and demand forecasting.

RECENT DEVELOPMENTS

The Government has made significant progress in developing and implementing statutory water sharing plans, converting licences to water access licences under the *Water Management Act 2000* to facilitate water trading, providing more secure water rights and allocating water for the environment, to achieve the requirements of the National Water Initiative. The Commonwealth's National Plan for Water Security regarding management of the Murray Darling Basin could impact on these initiatives.

New rules will allow private competitors access to urban water supply and pipes, mains and sewers to treat and supply water, wastewater and recycled water services. This significant reform will increase industry recycling and stimulate private sector investment in water infrastructure. New South Wales is the first State to move to open its metropolitan water markets to competition. Changes have also been made to the law to make it easier for households to install grey water reuse systems.

Increase in funding for the Country Towns Water Supply and Sewerage Program was approved last year, with funding increasing by an additional \$160 million bringing the total to over \$1 billion.

Up to \$20 million has also been made available for the proposed Goulburn emergency water supply pipeline, and \$5 million for other emergency town water supply drought works.

The NSW Government has adopted a NSW Renewable Energy Target. The Target will require 10 per cent of NSW end use electricity consumption by 2010 and 15 per cent by 2020 to be sourced from renewable electricity generation anywhere in the National Electricity Market. An explanatory paper outlining the proposed design, implementation and administration of the Target was released in late 2006.

STRATEGIC DIRECTIONS

- ◆ Lead the New South Wales implementation of the National Water Initiative. Finalise and implement macro and other water sharing plans and convert licences under the *Water Management Act 2000*. Facilitate water trading and ensure allocation of water for the environment and appropriate water pricing to support efficient water usage. Ensure the State's interests are achieved under the proposed \$10 billion National Plan for Water Security.
- ◆ Drought management and water conservation will be critical priorities in pursuing reliability and security of supply. The Department will continue to address continuity of supply, growth in regional demand, recycling, and rainwater harvesting, consistent with the National Water Initiative.
- ◆ A key priority for the Department will be to lead the transformation of the regulatory structure of the National Energy Market to transform the disparate State-based electricity and gas markets into a harmonious national regime ensuring New South Wales's economic, social and environmental interests.
- ◆ Implement policies and regulations to improve electricity supply reliability, increase the use of renewable energy and reduce greenhouse gas emissions.

2007-08 BUDGET

Total Expenses

Estimated total expenses for the Department in 2007-08 will be \$429.4 million. Major items include:

- ◆ pensioner energy and electricity life support rebates of \$84.8 million;

- ◆ social program payments of \$106.2 million to Sydney and Hunter Water Corporations largely for pensioner, exempt property and un-sewered area concessions;
- ◆ government contributions of \$42.2 million towards expenditure of \$61.2 million on the Country Towns Water Supply and Sewerage Program;
- ◆ government contributions to State Water of \$23.8 million, comprising a transitional operating subsidy and an Independent Pricing and Regulatory Tribunal determined capital and recurrent contribution;
- ◆ Energy Accounts Payment Assistance Program totalling \$9.2 million;
- ◆ \$21.5 million as the State's share of operating costs and works programs for irrigation areas with similar ongoing expenditure;
- ◆ \$1 million in 2007-08 as part of a \$5 million Aboriginal Water Trust to assist Aboriginal communities in the development of water-based farming and aquaculture enterprises;
- ◆ \$5.5 million for conserving and restoring groundwater resources of the Great Artesian Basin under the Cap and Pipe the Bores Program; and
- ◆ up to \$20 million for the Goulburn emergency water supply pipeline.

Capital Expenditure

The Department's capital expenditure program for 2007-08 is estimated at \$9.2 million. This includes \$6.1 million for Water Management Information Systems projects and \$2.4 million for general plant and equipment including computers.

NEW SOUTH WALES COAL COMPENSATION BOARD

The Coal Compensation Board is responsible for the acquisition of, and compensation for, private coal in New South Wales. Under its legislation it manages four schemes: the compensation scheme for private coal acquired in 1981; the reacquisition scheme for private coal reacquired after 1997; the voluntary acquisition scheme for coal purchased from private owners; and the coal restitution scheme for former owners preferring the return of their coal rights to compensation.

RESULTS AND SERVICES

The Board aims to provide fair and equitable compensation by working towards the following results:

- ◆ Compensation, reacquisition and restitution arrangements are fair, consistent and carried out in accordance with the relevant legislation.
- ◆ The public accepts these arrangements.

The key services provided by the Board which contribute to these results include:

- ◆ assessing and determining claims and paying compensation to former owners of private coal acquired by the State;
- ◆ restoring selected coal titles to former owners; and
- ◆ purchasing, through voluntary acquisition, private coal titles offered to the State.

RECENT DEVELOPMENTS

Through a program of accelerated payment of compensation initiated in 2005-06, the Board had determined the majority of its outstanding claims for coal compensation by the end of March 2007. The balance of claims included Native Title and those still under appeal before the Coal Compensation Review Tribunal.

STRATEGIC DIRECTIONS

The Board is a sunset organisation whose work will cease once all claims are settled.

As the Board's work nears its completion, staffing numbers have been progressively reduced from a total of 57 in December 2006 to less than 15 by the end of June 2007. Apart from Native Title claims, most of the remaining work involves resolution of claims in appeal.

It is expected that the Board will cease operations by December 2007.

2007-08 BUDGET

Total Expenses

At March 2007, total compensation paid by the Board was \$732.2 million.

The Board will pay all remaining compensation in 2007-08. This compensation is currently estimated at \$7.4 million however it may vary as a result of ongoing litigation. The Board's total expenses are budgeted to be \$5.2 million in 2007-08.

Capital Expenditure

As the Board is due to wind up its operations during the year, no capital has been allocated in its 2007-08 budget.

DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

The Department of State and Regional Development supports the Minister for State Development, the Minister for Regional Development (Section 15), the Minister for Small Business and Regulatory Reform (Section 21), the Minister for Tourism (Section 13) and the Minister for Science and Medical Research (Section 23).

The Department provides advice and services to advance the economic development of metropolitan and regional New South Wales.

RESULTS AND SERVICES

The Department has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priorities:

- ◆ P1: Increased business investment.
- ◆ P6: Increased business investment in rural and regional New South Wales.

The Department aims to increase investment in and productivity of the State's economy to contribute to the stock of rewarding and high skill jobs, by working towards the following results:

- ◆ Greater investment in regional and metropolitan areas by new and established companies.
- ◆ Increased internationalisation of the NSW business sector.
- ◆ Increased growth and innovation by NSW companies.
- ◆ Improved business climate.

Key services include:

- ◆ programs to secure major new investment for New South Wales;
- ◆ small business development, innovation, export growth and regional development programs;
- ◆ domestic and international marketing, communications and online tourism programs;
- ◆ executive and policy support for the Major Events Board; and
- ◆ advice to the Government on economic, industry development, science, innovation and tourism issues.

RECENT DEVELOPMENTS

During 2006-07, the Department worked to secure major investments in New South Wales with an estimated value of over \$2.06 billion and an employment impact of over 6,543 jobs.

Significant projects included: OneSteel's upgrade of its Rooty Hill plant; Accenture's business process outsourcing centre for Wollongong; the Commonwealth Bank's consolidation and relocation to Homebush; the establishment by SCT Logistics of an intermodal freight terminal at Parkes; the expansion by Bega Co-operative Society Limited to continuous 24-hour operations of their cheese manufacturing facilities; the attraction of the Australia-US Studies Centre and the Baz Luhrmann film "Australia."

Support activities for regional and metropolitan small and medium companies included:

- ◆ export development trade missions to Asia Pacific and Middle Eastern markets and trade exhibitions in Dubai, Dusseldorf, Boston, San Francisco and Tokyo;
- ◆ a focus on generating new sales for regionally based food businesses, by linking suppliers and buyers through the Regional Food tour to the Hunter and Orana Regions and recruiting regional NSW firms to exhibit on the NSW Government stand at the Fine Food Show in Melbourne;
- ◆ red tape regulation reviews for the motor vehicle retailing and services, metal manufacturing and accommodation and hospitality industries;

- ◆ funding for the Industry Capability Network, which helped NSW companies win over \$180 million in project supply contracts, about 70 per cent in regional New South Wales; and
- ◆ market entry support for NSW sports infrastructure companies in relation to the major sports events in Delhi (2010 Commonwealth Games), Beijing (Summer Olympics 2008) and Doha (Asian Games 2006).

Tourism NSW's program included:

- ◆ investment in regional New South Wales and Sydney tourism advertising and promotions in support of Brand NSW, and publication of a suite of seven new Holiday Planners. Tourism NSW worked in a new media partnership to extend the value and length of campaign activities; and
- ◆ a series of Destination Development Workshops in partnership with Regional Tourism Organisations, to increase local government, industry and operators' understanding of consumer needs, tourism planning and partnership opportunities.

Golf Australia has committed to hold the Men's Australian Open Golf Championships in Sydney for four years from 2006.

Science and medical research activities during 2006-07 included allocation of more than \$58 million on a competitive basis to 11 medical research organisations under the NSW Medical Research Support Program for the 2006 to 2009 triennium. A further \$2 million in transitional funding was provided to support the research activities of health and medical research organisations in New South Wales. A new round of funding was announced under the Life Sciences Awards to attract senior researchers to the State, bringing to 16 the total number of researchers supported under the program.

STRATEGIC DIRECTIONS

The NSW Government Statement on Innovation provides the basis for refinement of the Government's approach to growing investment. It states that investment attraction and business programs should focus on key sectors and that the Department should pursue policies to reduce red tape, increase Commonwealth policy support for New South Wales, improve access for business to science and technology and develop skills for business.

The Department's goals are to create an environment that demonstrates that New South Wales is an attractive place to both start and expand in business, and that regional New South Wales is a viable business destination, to foster a sustainable tourism economy and to advance science and medical research in the State.

2007-08 BUDGET

Total Expenses

The Department's total budgeted expenses for delivery of services across five portfolio areas in 2007-08 are \$181.9 million. Expenses for each of the five portfolios, including funding for staffing and corporate services, and key activities, are expected to be:

State Development – budgeted expenses for the delivery of this portfolio program are \$37.2 million. Activities include:

- ◆ attracting investment, particularly from the growth markets of India and China;
- ◆ building on the State's competitive industries by working with private sector companies and investment projects that face complexities and impediments;
- ◆ supporting innovation in business by attracting, developing and diffusing advanced skills and technologies; and
- ◆ attracting and retaining skilled professionals to maintain a pool of talent in New South Wales in key industries and regional areas.

Regional Development - budgeted expenses for the delivery of this portfolio program are \$38.5 million. Activities include:

- ◆ delivery and monitoring of the \$95 million Payroll Tax Incentive Scheme for new or expanding businesses in areas with persistently high unemployment rates; and
- ◆ ensuring business growth and investment opportunities are converted to stronger regional economies through better coordination between government agencies.

Small Business – budgeted expenses for the delivery of this portfolio program are \$19.7 million. Activities include:

- ◆ conducting three industry-specific red tape reviews of existing regulation in the retail, road transport and real estate sectors;
- ◆ supporting entry to exporting by small and medium businesses by building skills and providing access to specialist export advisory services; and
- ◆ providing accessible business advisory services for start-up and small firms and mentoring group support for businesses in growing industries.

Tourism – budgeted expenses for the delivery of this portfolio program is \$55.9 million. Activities include:

- ◆ growing and developing tourism in New South Wales through targeted local and international campaigns promoting Sydney and regional destinations;
- ◆ winning major events for New South Wales;
- ◆ further extending the reach of the New South Wales brands through innovative partnerships and cooperative marketing; and
- ◆ further leveraging government alliances to facilitate investment, export and global promotion.

Science and Medical Research - budgeted expenses for the delivery of this portfolio program are \$30.6 million. Activities include:

- ◆ managing NSW medical research programs and creating clinical research networks in line with the burden of disease, to build capacity and maximise further investment and health outcomes; and
- ◆ establishing the Clinical Trials Business Development Centre, at a cost of \$1 million, to encourage clinical trials in New South Wales by providing a one stop shop for organisations wishing to conduct them.

Capital Expenditure

The Department's capital expenditure program for 2007-08 is \$413,000 and will be applied to essential fit out works, replacement of plant and equipment and support for tourism signposting initiatives in New South Wales.

NSW FOOD AUTHORITY

The NSW Food Authority is responsible for ensuring food safety and compliance with food standards from production on-farm, or by harvest or catch, through processing and manufacture to retail and service of food. The role of the Authority is to improve food safety, reduce food-borne illness and improve the general health of the community. The Authority also supports and assists the food regulatory activities of local councils, all of which are prescribed “enforcement agencies” under the *Food Act 2003*.

RESULTS AND SERVICES

The Authority contributes to building healthier communities and a stronger New South Wales economy by working towards the following results:

- ◆ Food is correctly labelled and identified.
- ◆ Consumers are educated and handle food safely and properly.
- ◆ The food regulatory framework in New South Wales is sound and the food industry is aware of and complies with food regulatory requirements.
- ◆ Costs to industry are minimised and market access increased by coordinated State, Local and Commonwealth food regulation.

Key services provided by the Authority which contribute to these results include:

- ◆ development and review of the food regulatory framework;
- ◆ consulting with industry and providing training and advice;
- ◆ monitoring NSW food industry compliance with regulatory requirements by licensing food businesses and auditing and inspecting their operations;
- ◆ investigating consumer and food industry complaints and taking enforcement action for breaches of food laws;
- ◆ communication and coordination with other government agencies; and
- ◆ informing and educating the public on safe and proper food handling and providing a single point of contact for food safety issues for consumers and industry.

RECENT DEVELOPMENTS

Projected recurrent expenditure for 2006-07 is \$21.9 million and is similar to that of recent years. Key initiatives and developments during the year include:

- ◆ commencement of implementation of the Food Regulation Partnership Model previously agreed with the local government sector, including the conduct of local government forums, communication and training programs to which Government has contributed \$1.6 million;
- ◆ continued development of the Byte system (previously Paddock to Plate) for managing interactions with NSW food businesses including management of food-borne illness issues to enable timely intervention to prevent their spread;
- ◆ continued work on implementation of an egg food safety scheme and continuing development of proposed schemes in the areas of aged care, hospitals, nursing homes, childcare, delivered meals and high-risk catering, a number of which are scheduled for regulation in 2007-08;
- ◆ review of funding arrangements for the NSW Shellfish program and resultant allocation of \$0.7 million toward the program in 2006-07; and
- ◆ continued contribution to the development of national standards, including the Food Standards Code.

STRATEGIC DIRECTIONS

The Authority's mission is to ensure that food in New South Wales is safe and correctly labelled, and that consumers are able to make informed choice about the food they eat.

The Authority's key strategies for achieving this are:

- ◆ ensuring that food is safe and correctly labelled as required;
- ◆ providing the regulatory framework for industry to produce safe and correctly labelled food and ensuring industry compliance through advice and trialling and consistent interpretation and enforcement of requirements;
- ◆ informing and educating consumers about food safety and how to make appropriate choices about food consumption; and
- ◆ being the State's recognised authority and reference point on food safety.

2007-08 BUDGET

Total Expenses

The Authority is funded on a shared basis by the Government and industry with the Government contributing \$11.5 million in 2007-08 toward the agency's total planned expenditure of \$21.2 million. Expenditure relates mainly to the provision of food safety audit, compliance, enforcement, scheme development, implementation and licensing services along with communication, consumer information and education, policy and scientific services.

Total expenditure is similar to the revised budget for 2006-07, and includes government funded expenditure of \$10.5 million for existing food regulatory activities and additional government expenditure of \$1 million toward the continued implementation of the food regulation partnership model with local government. This has involved establishment of a framework for the administration, support and coordination of local government's role in food regulation and includes a communications program and training for local government officers.

Capital Expenditure

The Authority's capital expenditure program is estimated at \$1.2 million in 2007-08. This includes \$0.6 million for the purchase of replacement motor vehicles and \$0.6 million on information technology and other equipment.

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

45 DEPARTMENT OF PRIMARY INDUSTRIES

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related* | 218,179 | 267,824 | 273,631 |
| Other operating expenses | 100,665 | 112,069 | 100,446 |
| Depreciation and amortisation | 20,132 | 20,241 | 21,364 |
| Grants and subsidies | 39,420 | 81,698 | 46,205 |
| Finance costs | 1,347 | 1,897 | 1,418 |
| Other expenses | 19,686 | 29,292 | 6,666 |
| Total Expenses Excluding Losses | 399,429 | 513,021 | 449,730 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services* | 52,403 | 101,454 | 108,357 |
| Investment income | 3,053 | 3,118 | 3,155 |
| Retained taxes, fees and fines | 10,327 | 10,327 | 10,673 |
| Grants and contributions | 49,106 | 68,350 | 40,955 |
| Other revenue | 177 | 600 | 183 |
| Total Retained Revenue | 115,066 | 183,849 | 163,323 |
| Gain/(loss) on disposal of non current assets | 6,150 | 179 | 4,866 |
| NET COST OF SERVICES | 278,213 | 328,993 | 281,541 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

45 DEPARTMENT OF PRIMARY INDUSTRIES

| | 2006-07 | | 2007-08 Budget \$000 |
|---|------------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related* | 201,030 | 248,757 | 257,738 |
| Grants and subsidies | 39,420 | 81,698 | 46,205 |
| Finance costs | 1,347 | 1,347 | 1,031 |
| Other | 133,351 | 160,495 | 120,112 |
| Total Payments | 375,148 | 492,297 | 425,086 |
| Receipts | | | |
| Sale of goods and services* | 52,403 | 104,027 | 108,357 |
| Interest | 3,053 | 3,118 | 3,155 |
| Other | 72,610 | 92,277 | 64,811 |
| Total Receipts | 128,066 | 199,422 | 176,323 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (247,082) | (292,875) | (248,763) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 20,284 | 2,831 | 19,835 |
| Purchases of property, plant and equipment | (19,136) | (18,058) | (23,132) |
| Other | (2,169) | (2,267) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (1,021) | (17,494) | (3,297) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | (6,397) | (3,447) | (7,034) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (6,397) | (3,447) | (7,034) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

45 DEPARTMENT OF PRIMARY INDUSTRIES

| | 2006-07 | | 2007-08 Budget \$000 |
|--|------------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 234,490 | 280,841 | 236,932 |
| Capital appropriation | 13,246 | 12,472 | 13,704 |
| Asset sale proceeds transferred to the Consolidated Fund Entity | (5,829) | ... | (350) |
| Cash transfers to Consolidated Fund | ... | (1,927) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 241,907 | 291,386 | 250,286 |
| NET INCREASE/(DECREASE) IN CASH | (12,593) | (22,430) | (8,808) |
| Opening Cash and Cash Equivalents | 73,110 | 62,856 | 40,426 |
| CLOSING CASH AND CASH EQUIVALENTS | 60,517 | 40,426 | 31,618 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (278,213) | (328,993) | (281,541) |
| Non cash items added back | 37,281 | 34,708 | 37,644 |
| Change in operating assets and liabilities | (6,150) | 1,410 | (4,866) |
| Net cash flow from operating activities | (247,082) | (292,875) | (248,763) |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

45 DEPARTMENT OF PRIMARY INDUSTRIES

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 60,517 | 40,426 | 31,618 |
| Receivables | 19,844 | 28,111 | 28,111 |
| Inventories | 7,317 | 7,903 | 7,903 |
| Assets held for sale | ... | 24,946 | 24,669 |
| Other | 2,420 | ... | ... |
| Total Current Assets | 90,098 | 101,386 | 92,301 |
| Non Current Assets - | | | |
| Receivables | ... | 14,589 | 14,589 |
| Other financial assets | 527 | 943 | 943 |
| Property, plant and equipment - | | | |
| Land and building | 193,957 | 181,347 | 170,212 |
| Plant and equipment | 36,987 | 41,852 | 45,077 |
| Infrastructure systems | 41,191 | 34,188 | 29,633 |
| Intangibles | 4,174 | 4,464 | 4,005 |
| Total Non Current Assets | 276,836 | 277,383 | 264,459 |
| Total Assets | 366,934 | 378,769 | 356,760 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 11,191 | 14,581 | 14,581 |
| Borrowings at amortised cost | 3,723 | 7,381 | 4,469 |
| Provisions | 28,223 | 44,000 | 44,000 |
| Other | 2,217 | ... | ... |
| Total Current Liabilities | 45,354 | 65,962 | 63,050 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 23,321 | 19,466 | 15,731 |
| Provisions | 5,540 | 5,629 | 5,629 |
| Total Non Current Liabilities | 28,861 | 25,095 | 21,360 |
| Total Liabilities | 74,215 | 91,057 | 84,410 |
| NET ASSETS | 292,719 | 287,712 | 272,350 |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

45 DEPARTMENT OF PRIMARY INDUSTRIES

| | 2006-07 | | 2007-08 |
|-----------------------------|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| BALANCE SHEET (cont) | | | |
| EQUITY | | | |
| Reserves | 138,388 | 137,976 | 137,976 |
| Accumulated funds | 154,331 | 149,736 | 134,374 |
| TOTAL EQUITY | 292,719 | 287,712 | 272,350 |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

46 NEW SOUTH WALES RURAL ASSISTANCE AUTHORITY

| | 2006-07 | | 2007-08 |
|--|---------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 2,110 | 2,923 | 3,056 |
| Other operating expenses | 2,378 | 3,606 | 3,693 |
| Depreciation and amortisation | 18 | 18 | 18 |
| Grants and subsidies | 32,110 | 281,382 | 191,197 |
| Finance costs | 4,036 | 4,269 | 4,540 |
| Total Expenses Excluding Losses | 40,652 | 292,198 | 202,504 |
| Less: | | | |
| Retained Revenue - | | | |
| Investment income | 4,257 | 4,840 | 4,943 |
| Grants and contributions | 1,920 | 6,087 | 2,510 |
| Other revenue | 60 | 60 | 62 |
| Total Retained Revenue | 6,237 | 10,987 | 7,515 |
| NET COST OF SERVICES | 34,415 | 281,211 | 194,989 |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

46 NEW SOUTH WALES RURAL ASSISTANCE AUTHORITY

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 1,917 | 2,742 | 2,911 |
| Grants and subsidies | 32,110 | 281,382 | 191,197 |
| Finance costs | 4,036 | 3,445 | 3,730 |
| Other | 5,878 | 22,500 | 8,747 |
| Total Payments | 43,941 | 310,069 | 206,585 |
| Receipts | | | |
| Interest | 221 | 595 | 413 |
| Other | 7,180 | 20,932 | 8,072 |
| Total Receipts | 7,401 | 21,527 | 8,485 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (36,540) | (288,542) | (198,100) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Advance repayments received | 19,036 | 17,745 | 18,030 |
| Purchases of property, plant and equipment | (50) | (60) | (50) |
| Advances made | (15,000) | (13,500) | (18,000) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 3,986 | 4,185 | (20) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | 15,000 | 13,500 | 18,000 |
| Repayment of borrowings and advances | (15,290) | (14,594) | (14,514) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (290) | (1,094) | 3,486 |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 35,743 | 282,700 | 196,205 |
| Capital appropriation | 50 | 50 | 50 |
| Cash transfers to Consolidated Fund | ... | (1,259) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 35,793 | 281,491 | 196,255 |
| NET INCREASE/(DECREASE) IN CASH | 2,949 | (3,960) | 1,621 |
| Opening Cash and Cash Equivalents | 10,038 | 16,096 | 12,136 |
| CLOSING CASH AND CASH EQUIVALENTS | 12,987 | 12,136 | 13,757 |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

46 NEW SOUTH WALES RURAL ASSISTANCE AUTHORITY

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (34,415) | (281,211) | (194,989) |
| Non cash items added back | (3,882) | (3,279) | (3,571) |
| Change in operating assets and liabilities | 1,757 | (4,052) | 460 |
| Net cash flow from operating activities | (36,540) | (288,542) | (198,100) |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

46 NEW SOUTH WALES RURAL ASSISTANCE AUTHORITY

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 12,987 | 12,136 | 13,757 |
| Receivables | 906 | 3,726 | 3,226 |
| Other financial assets | 5,246 | 4,073 | 4,073 |
| Total Current Assets | 19,139 | 19,935 | 21,056 |
| Non Current Assets - | | | |
| Other financial assets | 80,566 | 76,545 | 81,045 |
| Property, plant and equipment - Plant and equipment | 118 | 132 | 164 |
| Total Non Current Assets | 80,684 | 76,677 | 81,209 |
| Total Assets | 99,823 | 96,612 | 102,265 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 12,749 | 7,507 | 7,507 |
| Borrowings at amortised cost | 10,790 | 11,161 | 10,957 |
| Provisions | 377 | 337 | 351 |
| Total Current Liabilities | 23,916 | 19,005 | 18,815 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 77,332 | 69,847 | 74,347 |
| Provisions | 53 | 105 | 51 |
| Total Non Current Liabilities | 77,385 | 69,952 | 74,398 |
| Total Liabilities | 101,301 | 88,957 | 93,213 |
| NET ASSETS | (1,478) | 7,655 | 9,052 |
| EQUITY | | | |
| Accumulated funds | (1,478) | 7,655 | 9,052 |
| TOTAL EQUITY | (1,478) | 7,655 | 9,052 |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

47 DEPARTMENT OF WATER AND ENERGY

| | 2006-07 | | 2007-08 |
|---|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 56,717 | 60,433 | 59,716 |
| Other operating expenses | 23,898 | 28,537 | 27,238 |
| Depreciation and amortisation | 6,515 | 5,783 | 6,090 |
| Grants and subsidies | 434,561 | 320,504 | 308,906 |
| Finance costs | 175 | 175 | 163 |
| Other expenses | 51,293 | 23,857 | 27,263 |
| Total Expenses Excluding Losses | 573,159 | 439,289 | 429,376 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 41,843 | 38,258 | 45,364 |
| Investment income | 1,428 | 1,812 | 1,179 |
| Grants and contributions | 37,762 | 20,789 | 24,442 |
| Other revenue | 1,725 | 2,960 | 1,502 |
| Total Retained Revenue | 82,758 | 63,819 | 72,487 |
| Gain/(loss) on disposal of non current assets | (1,560) | (1,560) | (1,560) |
| Other gains/(losses) | (450) | (562) | (250) |
| NET COST OF SERVICES | 492,411 | 377,592 | 358,699 |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

47 DEPARTMENT OF WATER AND ENERGY

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 52,488 | 55,087 | 53,573 |
| Grants and subsidies | 434,561 | 321,362 | 309,706 |
| Finance costs | 175 | 175 | 163 |
| Other | 87,204 | 131,612 | 90,969 |
| Total Payments | 574,428 | 508,236 | 454,411 |
| Receipts | | | |
| Sale of goods and services | 41,974 | (5,988) | 45,264 |
| Interest | 1,478 | 1,404 | 1,179 |
| Other | 49,588 | 94,385 | 34,823 |
| Total Receipts | 93,040 | 89,801 | 81,266 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (481,388) | (418,435) | (373,145) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 840 | 840 | 840 |
| Advance repayments received | 122 | 122 | 133 |
| Purchases of property, plant and equipment | (10,743) | (1,937) | (3,011) |
| Other | ... | (3,144) | (6,187) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (9,781) | (4,119) | (8,225) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | (150) | (247) | (150) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (150) | (247) | (150) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 479,066 | 387,610 | 372,822 |
| Capital appropriation | 10,227 | 5,475 | 7,855 |
| NET CASH FLOWS FROM GOVERNMENT | 489,293 | 393,085 | 380,677 |
| NET INCREASE/(DECREASE) IN CASH | (2,026) | (29,716) | (843) |
| Opening Cash and Cash Equivalents | 24,941 | 73,287 | 43,571 |
| CLOSING CASH AND CASH EQUIVALENTS | 22,915 | 43,571 | 42,728 |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

47 DEPARTMENT OF WATER AND ENERGY

| | 2006-07 | | 2007-08 |
|--|------------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (492,411) | (377,592) | (358,699) |
| Non cash items added back | 10,785 | (16,442) | (15,976) |
| Change in operating assets and liabilities | 238 | (24,401) | 1,530 |
| Net cash flow from operating activities | (481,388) | (418,435) | (373,145) |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

47 DEPARTMENT OF WATER AND ENERGY

| | 2006-07 | | 2007-08 Budget \$000 |
|----------------------------------|-----------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 22,915 | 43,571 | 42,728 |
| Receivables | 43,801 | 49,777 | 50,230 |
| Other financial assets | 147 | 158 | 170 |
| Other | 40 | 300 | 300 |
| Total Current Assets | 66,903 | 93,806 | 93,428 |
| Non Current Assets - | | | |
| Other financial assets | 1,576 | 650,654 | 678,700 |
| Property, plant and equipment - | | | |
| Land and building | 50,501 | 46,485 | 48,849 |
| Plant and equipment | 17,430 | 9,896 | 7,375 |
| Infrastructure systems | 37,933 | 18,074 | 12,814 |
| Intangibles | ... | 14,315 | 20,440 |
| Other | ... | 1,052 | 752 |
| Total Non Current Assets* | 107,440 | 740,476 | 768,930 |
| Total Assets | 174,343 | 834,282 | 862,358 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 29,651 | 29,465 | 29,553 |
| Borrowings at amortised cost | 150 | 150 | 150 |
| Provisions | 9,814 | 15,152 | 15,219 |
| Other | 3,793 | ... | ... |
| Total Current Liabilities | 43,408 | 44,767 | 44,922 |

* Increase in non current assets is due to a change in the accounting treatment of the New South Wales contribution to the Murry Darling Basin Commission, which is now treated as an investment in an associate and subject to equity accounting under the accounting standards.

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

47 DEPARTMENT OF WATER AND ENERGY

| | 2006-07 | | 2007-08 |
|--------------------------------------|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| BALANCE SHEET (cont) | | | |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 1,403 | 1,403 | 1,253 |
| Provisions | 1,627 | 2,753 | 3,021 |
| Other | ... | 1,052 | 752 |
| Total Non Current Liabilities | 3,030 | 5,208 | 5,026 |
| Total Liabilities | 46,438 | 49,975 | 49,948 |
| NET ASSETS | 127,905 | 784,307 | 812,410 |
| EQUITY | | | |
| Reserves | 25,545 | 155,573 | 155,573 |
| Accumulated funds | 102,360 | 628,734 | 656,837 |
| TOTAL EQUITY | 127,905 | 784,307 | 812,410 |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

48 NEW SOUTH WALES COAL COMPENSATION BOARD

| | 2006-07 | | 2007-08 |
|--|--------------|---------------|--------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 4,857 | 6,889 | 3,885 |
| Other operating expenses | 2,142 | 2,511 | 1,260 |
| Depreciation and amortisation | 111 | 320 | 25 |
| Other expenses | ... | 6,971 | ... |
| Total Expenses Excluding Losses | 7,110 | 16,691 | 5,170 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 15 | 40 | 7 |
| Investment income | 90 | 130 | 10 |
| Total Retained Revenue | 105 | 170 | 17 |
| NET COST OF SERVICES | 7,005 | 16,521 | 5,153 |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

48 NEW SOUTH WALES COAL COMPENSATION BOARD

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 4,065 | 5,510 | 4,857 |
| Other | 55,483 | 66,828 | 8,925 |
| Total Payments | 59,548 | 72,338 | 13,782 |
| Receipts | | | |
| Sale of goods and services | 15 | 40 | 7 |
| Interest | 55 | 192 | (29) |
| Other | 18 | 374 | (66) |
| Total Receipts | 88 | 606 | (88) |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (59,460) | (71,732) | (13,870) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (50) | (40) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (50) | (40) | ... |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 55,042 | 75,849 | 12,105 |
| Capital appropriation | 50 | 40 | ... |
| Cash reimbursements from the Consolidated Fund Entity | 346 | 280 | ... |
| Cash transfers to Consolidated Fund | ... | (2,108) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 55,438 | 74,061 | 12,105 |
| NET INCREASE/(DECREASE) IN CASH | (4,072) | 2,289 | (1,765) |
| Opening Cash and Cash Equivalents | 4,590 | 2,463 | 4,752 |
| CLOSING CASH AND CASH EQUIVALENTS | 518 | 4,752 | 2,987 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (7,005) | (16,521) | (5,153) |
| Non cash items added back | 767 | 901 | 318 |
| Change in operating assets and liabilities | (53,222) | (56,112) | (9,035) |
| Net cash flow from operating activities | (59,460) | (71,732) | (13,870) |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
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STATE DEVELOPMENT**

48 NEW SOUTH WALES COAL COMPENSATION BOARD

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 518 | 4,752 | 2,987 |
| Receivables | 182 | 140 | 246 |
| Other | 7 | ... | ... |
| Total Current Assets | 707 | 4,892 | 3,233 |
| Non Current Assets - | | | |
| Property, plant and equipment - Plant and equipment | 393 | 173 | 148 |
| Total Non Current Assets | 393 | 173 | 148 |
| Total Assets | 1,100 | 5,065 | 3,381 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 312 | 8,383 | 27 |
| Provisions | 235 | 432 | 82 |
| Total Current Liabilities | 547 | 8,815 | 109 |
| Non Current Liabilities - | | | |
| Provisions | 125 | 241 | 18 |
| Total Non Current Liabilities | 125 | 241 | 18 |
| Total Liabilities | 672 | 9,056 | 127 |
| NET ASSETS* | 428 | (3,991) | 3,254 |
| EQUITY | | | |
| Accumulated funds | 428 | (3,991) | 3,254 |
| TOTAL EQUITY | 428 | (3,991) | 3,254 |

* Any net assets at the date the Board ceases operations will be transferred to the Crown Finance Entity.

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

49 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

| | 2006-07 | | 2007-08 |
|---|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 45,271 | 44,309 | 48,110 |
| Other operating expenses* | 53,264 | 56,340 | 20,421 |
| Depreciation and amortisation | 1,031 | 1,624 | 1,368 |
| Grants and subsidies* | 47,438 | 55,155 | 61,634 |
| Other expenses* | 33,973 | 30,989 | 50,373 |
| Total Expenses Excluding Losses | 180,977 | 188,417 | 181,906 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 1,009 | 1,009 | 1,023 |
| Investment income | 922 | 1,562 | 2,283 |
| Grants and contributions | 6,365 | 6,228 | 5,567 |
| Other revenue | 707 | 718 | 524 |
| Total Retained Revenue | 9,003 | 9,517 | 9,397 |
| Gain/(loss) on disposal of non current assets | ... | 1,950 | ... |
| NET COST OF SERVICES | 171,974 | 176,950 | 172,509 |

* Variations from the 2006-07 reflects reclassification of operation expenses related to the Department's strategic programs as either grants or other expenses.

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

49 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

| | 2006-07 | | 2007-08 Budget \$000 |
|---|------------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 42,161 | 41,226 | 44,925 |
| Grants and subsidies | 52,438 | 60,155 | 66,634 |
| Other | 89,658 | 90,250 | 74,535 |
| Total Payments | 184,257 | 191,631 | 186,094 |
| Receipts | | | |
| Sale of goods and services | 1,007 | 1,007 | 1,023 |
| Interest | 932 | 1,572 | 2,283 |
| Other | 14,336 | 14,710 | 13,997 |
| Total Receipts | 16,275 | 17,289 | 17,303 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (167,982) | (174,342) | (168,791) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 3,500 | ... |
| Purchases of property, plant and equipment | (1,667) | (1,924) | (413) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (1,667) | 1,576 | (413) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 167,633 | 173,809 | 167,713 |
| Capital appropriation | 1,667 | 1,924 | 413 |
| NET CASH FLOWS FROM GOVERNMENT | 169,300 | 175,733 | 168,126 |
| NET INCREASE/(DECREASE) IN CASH | (349) | 2,967 | (1,078) |
| Opening Cash and Cash Equivalents | 19,067 | 20,105 | 23,072 |
| CLOSING CASH AND CASH EQUIVALENTS | 18,718 | 23,072 | 21,994 |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

49 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

| | 2006-07 | |
|--|---------|---------|
| | Budget | Revised |
| | \$000 | \$000 |

| | 2007-08 Budget |
|--|-------------------|
| | \$000 |

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

| | | | |
|--|------------------|------------------|------------------|
| Net cost of services | (171,974) | (176,950) | (172,509) |
| Non cash items added back | 3,980 | 4,573 | 4,496 |
| Change in operating assets and liabilities | 12 | (1,965) | (778) |
| Net cash flow from operating activities | (167,982) | (174,342) | (168,791) |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

49 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 18,718 | 23,072 | 21,994 |
| Receivables | 5,714 | 8,245 | 8,249 |
| Other financial assets | 130 | ... | ... |
| Assets held for sale | ... | 119 | 119 |
| Other | 1,733 | 200 | 200 |
| Total Current Assets | 26,295 | 31,636 | 30,562 |
| Non Current Assets - | | | |
| Other financial assets | 918 | 959 | 959 |
| Property, plant and equipment - | | | |
| Land and building | 4,417 | 2,635 | 2,635 |
| Plant and equipment | 7,047 | 4,916 | 4,085 |
| Intangibles | ... | 558 | 434 |
| Other | 45 | 735 | 735 |
| Total Non Current Assets | 12,427 | 9,803 | 8,848 |
| Total Assets | 38,722 | 41,439 | 39,410 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 6,188 | 6,266 | 5,490 |
| Provisions | 4,406 | 4,829 | 4,829 |
| Other | 494 | 926 | 926 |
| Total Current Liabilities | 11,088 | 12,021 | 11,245 |
| Non Current Liabilities - | | | |
| Provisions | 863 | 360 | 362 |
| Other | 45 | 1,245 | 1,245 |
| Total Non Current Liabilities | 908 | 1,605 | 1,607 |
| Total Liabilities | 11,996 | 13,626 | 12,852 |
| NET ASSETS | 26,726 | 27,813 | 26,558 |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

49 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

| | 2006-07 | | 2007-08 |
|-----------------------------|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| BALANCE SHEET (cont) | | | |
| EQUITY | | | |
| Reserves | 17 | 17 | 17 |
| Accumulated funds | 26,709 | 27,796 | 26,541 |
| TOTAL EQUITY | 26,726 | 27,813 | 26,558 |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

NSW FOOD AUTHORITY

| | 2006-07 | | 2007-08 |
|--|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 918 | 1,200 | 300 |
| Investment income | 615 | 900 | 900 |
| Retained taxes, fees and fines | 6,052 | 6,092 | 6,947 |
| Grants and contributions | 12,426 | 12,426 | 11,462 |
| Total Retained Revenue | 20,011 | 20,618 | 19,609 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related | 12,733 | 13,316 | 14,032 |
| Other operating expenses | 7,639 | 7,854 | 6,502 |
| Depreciation and amortisation | 1,560 | 707 | 706 |
| Total Expenses Excluding Losses | 21,932 | 21,877 | 21,240 |
| SURPLUS/(DEFICIT) | (1,921) | (1,259) | (1,631) |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT
NSW FOOD AUTHORITY**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 918 | 1,200 | 300 |
| Retained taxes | 1,025 | 1,027 | 1,053 |
| Interest | 615 | 900 | 900 |
| Other | 17,965 | 18,765 | 17,106 |
| Total Receipts | 20,523 | 21,892 | 19,359 |
| Payments | | | |
| Employee related | 11,731 | 12,451 | 12,991 |
| Other | 8,151 | 8,106 | 7,274 |
| Total Payments | 19,882 | 20,557 | 20,265 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 641 | 1,335 | (906) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 600 | 600 | 600 |
| Purchases of property, plant and equipment | (1,262) | (1,200) | (1,000) |
| Other | (1,243) | (1,243) | (200) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (1,905) | (1,843) | (600) |
| NET INCREASE/(DECREASE) IN CASH | (1,264) | (508) | (1,506) |
| Opening Cash and Cash Equivalents | 6,148 | 6,144 | 5,636 |
| CLOSING CASH AND CASH EQUIVALENTS | 4,884 | 5,636 | 4,130 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (1,921) | (1,259) | (1,631) |
| Non cash items added back | 1,560 | 707 | 706 |
| Change in operating assets and liabilities | 1,002 | 1,887 | 19 |
| Net cash flow from operating activities | 641 | 1,335 | (906) |

**MINISTER FOR PRIMARY INDUSTRIES, MINISTER FOR ENERGY,
MINISTER FOR MINERAL RESOURCES, AND MINISTER FOR
STATE DEVELOPMENT**

NSW FOOD AUTHORITY

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 4,884 | 5,636 | 4,130 |
| Receivables | 1,226 | 1,030 | 1,793 |
| Other financial assets | 8,615 | 8,665 | 8,665 |
| Other | 65 | ... | ... |
| Total Current Assets | 14,790 | 15,331 | 14,588 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 6,535 | 6,430 | 6,224 |
| Plant and equipment | 1,329 | 1,809 | 1,909 |
| Intangibles | 1,267 | 1,711 | 1,711 |
| Other | 1,614 | 1,047 | 1,047 |
| Total Non Current Assets | 10,745 | 10,997 | 10,891 |
| Total Assets | 25,535 | 26,328 | 25,479 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 1,868 | 1,863 | 1,861 |
| Provisions | 3,627 | 5,769 | 6,810 |
| Other | 1,274 | 1,274 | 1,017 |
| Total Current Liabilities | 6,769 | 8,906 | 9,688 |
| Non Current Liabilities - | | | |
| Provisions | 11,873 | ... | ... |
| Total Non Current Liabilities | 11,873 | ... | ... |
| Total Liabilities | 18,642 | 8,906 | 9,688 |
| NET ASSETS | 6,893 | 17,422 | 15,791 |
| EQUITY | | | |
| Accumulated funds | 6,893 | 17,422 | 15,791 |
| TOTAL EQUITY | 6,893 | 17,422 | 15,791 |

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE

OVERVIEW

| Agency | Budget 2006-07 \$m | Budget 2007-08 \$m | Variation % |
|---|--------------------------|--------------------------|----------------|
| Roads and Traffic Authority of New South Wales | | | |
| Total Expenses* | 2,350.8 | 2,330.1 | -0.9 |
| Capital Expenditure | 1,606.0 | 1,910.5 | 19.0 |
| Department of Commerce | | | |
| Total Expenses | 680.1 | 815.5 | 19.9 |
| Capital Expenditure | 351.8 | 317.1 | -9.9 |
| State Records Authority | | | |
| Total Expenses | 15.3 | 16.1 | 5.1 |
| Capital Expenditure | 1.1 | 1.4 | 24.1 |
| NSWbusinesslink Pty Limited | | | |
| Total Expenses | 114.1 | 118.5 | 3.9 |
| Capital Expenditure | 6.9 | 6.0 | -13.1 |
| Total, Minister for Roads, and Minister for Commerce | | | |
| Total Expenses | 3,160.3 | 3,280.2 | 3.8 |
| Capital Expenditure | 1,965.8 | 2,235.0 | 13.7 |

* The reduction in Total Expenses between 2006-07 and 2007-08 is mainly due to a higher proportion of maintenance works capitalised in the latter period.

ROADS AND TRAFFIC AUTHORITY OF NEW SOUTH WALES

The key focus of the Roads and Traffic Authority of New South Wales (RTA) is to deliver a safe, sustainable and efficient road network. The RTA manages, maintains and develops the NSW road network, regulating road use and educating users.

The RTA is responsible for managing 20,865 kilometres of roads across the state, registering 5.1 million vehicles and licensing 4.5 million drivers (including issuing an estimated 200,000 new licenses in 2006-07).

The RTA is a statutory authority established in 1989 under the *Transport Administration Act 1988*.

RESULTS AND SERVICES

The Government is delivering a record roads budget of \$3.6 billion in 2007-08 following the \$3.3 billion budget for 2006-07.

The RTA has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priority:

- ◆ S7: Safer Roads.

The RTA is committed to delivering:

- ◆ A road transport system which provides reliable and efficient access between commercial, residential and recreational locations.
- ◆ Safer road user behaviour, vehicles and road environment.
- ◆ Minimising the impact of roads and traffic on the natural, cultural and built environments.

Key services provided by the RTA to contribute to these results include:

- ◆ planning, designing, scheduling and managing the development and delivery of road and bridge works;
- ◆ managing the road network through a program of maintenance and reconstruction works;
- ◆ implementing initiatives to increase safe road use behaviour including licensing and registration; and
- ◆ improving road network performance through traffic control systems, managing incidents and route management strategies.

RECENT DEVELOPMENTS

Total operating expenses for the RTA in 2006-07 are estimated at \$2,358 million. Capital expenditure is projected to be \$1,553 million and the total Capital and Maintenance Program is projected at \$2,317 million.

STRATEGIC DIRECTIONS

The RTA's operating and capital programs have been developed to achieve Government priorities including commitments set out in the recently released Urban Transport Statement and the Sydney Metropolitan Strategy.

Urban Transport Statement

In November 2006 the Premier released the Urban Transport Statement - a \$660 million package of new and accelerated initiatives to address Sydney's present and future transport needs.

The Statement is an action plan that responds to growing transport challenges in Sydney as its population grows to more than five million within 20 years.

The Statement contains a number of initiatives including:

- ◆ a \$100 million upgrade of Victoria Road. This project includes the duplication of the Iron Cove Bridge to provide tidal flow and increased bus reliability;
- ◆ an additional \$100 million to accelerate bus priority works on the Strategic Bus Corridor Network; and
- ◆ a \$100 million Pinch Points program – aimed at improving traffic flows on Sydney's major traffic corridors by targeting known peak hour traffic hotspots.

Western Sydney

Sydney's north-west and south-west are currently experiencing high rates of residential and commercial growth. The RTA has upgraded key routes serving these areas including the \$500 million upgrade of Windsor and Old Windsor Roads.

The Government is continuing its major upgrade program for key roads in Sydney's south-west - Horsley Drive, Elizabeth Drive, Narellan Road and Cowpasture Road. In 2007-08 the RTA will commence construction on the next stage of the Cowpasture Road widening, while planning continues on the widening of Hoxton Park Road and Camden Valley Way.

The Sydney Motorway Network

The opening of the \$1.1 billion Lane Cove Tunnel and expanded Gore Hill Freeway in March completed the 110km Sydney Orbital Network. This network improves road links between business and residential areas, reduces congestion on surrounding roads, and improves road safety.

Future development opportunities for the Sydney Motorway Network include further planning of the F3 to Sydney Orbital link and an investigation into the extension of the M4 Motorway.

Pacific Highway

Over the ten years from 1996, the New South Wales and Commonwealth Governments have invested \$2.3 billion on the Pacific Highway Upgrade Program. The State has contributed \$1.6 billion, or 72 per cent. Following the completion of the ten year program in 2006, both governments have agreed to continue funding of \$640 million each (\$1.28 billion in total) to 2009.

As part of the agreement the Government has committed \$160 million, matched by the Commonwealth Government, to accelerating the Moorland to Herons Creek project and for special road safety works.

Hume Highway

The RTA is continuing the accelerated program to duplicate 67 kilometres of single carriageway south of the Sturt Highway to Albury, to be completed in 2009. Planning will continue during 2007-08 on the remaining 20 kilometres which has yet to be redeveloped. The final section, which comprises the bypasses of Tarcutta, Holbrook and Woomargama, is planned for completion by 2012 under the AusLink program.

Coastal and Country Works

The Central Coast road widening program continues with construction projects along the Pacific Highway, the Central Coast Highway and the Entrance Road. The F3 is being widened to six lanes from Wahroonga to Kariong.

Work north of the F3 continues on the Weakleys Drive interchange, and construction of a third Hunter River crossing is planned to commence in 2007-08.

The Princes Highway is being upgraded between Oak Flats and Dunmore (to complete four lanes to Kiama) and at Pambula River Bridge. Construction is also continuing on Main Road 92 between Nowra and Nerriga. Route options will also be developed for the Gerringong to Bomaderry section of the Princes Highway.

The Government is investing \$60 million in a three year Timber Bridges Partnership with Councils and Shires to upgrade their timber bridges. This 50:50 initiative will boost rural economies, improve safety for road users and reduce maintenance costs.

Blue Mountains

Construction on the Great Western Highway is progressing between Leura and Katoomba, and at Hazelbrook. Planning for upgrade work at Lawson is underway, and construction on further works at Hazelbrook is planned to commence in 2007-08.

Railway Level Crossings

The Government will continue its program of railway level crossing improvements. Planning is underway for a rail overpass at Riverstone to replace the level crossing on Garfield Road.

Road Management Program

Integrated Transport

Bus priority measures will continue to support the operation of an identified network of strategic bus corridors in Sydney, Wollongong, Newcastle and the Central Coast. Implementation includes new bus lanes, intersection improvements, responsive priority for buses at traffic signals, bus lane enforcement camera systems and bus only Transitways.

The Parramatta-Rouse Hill segment of the North West Transitway has been opened to traffic. Construction of the Blacktown-Parklea link is underway and will be completed in 2007.

The Government has allocated \$100 million in 2007-08 for bus priority measures as part of the Urban Transport Statement. This is made up of \$65 million for strategic bus corridors and \$35 million to complete the North West Transitway.

Traffic Management

The Traffic Management Centre (TMC) is a state-of-the-art facility for traffic management operations, including monitoring traffic systems, managing incidents and events, and providing information to road users. More than 700 closed-circuit television cameras monitor Sydney roads, the approaches to Sydney and the Pacific Highway.

The TMC uses an innovative system called the Sydney Coordinated Adaptive Traffic System (SCATS) to manage 3,400 sets of traffic signals across New South Wales. SCATS is able to react to changing traffic conditions by adjusting the phasing of each traffic light cycle.

Each year the TMC receives over 220,000 calls from the community reporting incidents and conditions. Real time travel information is communicated through the TMC's Traffic Information Line, as well as a network of over 100 Variable Message Signs and the RTA's website.

Maintenance Strategy

The RTA gives priority to managing its road network as a long-term renewable asset to ensure reliability, safety and retained value. The RTA's maintenance strategy focuses on ensuring timely intervention to minimise whole-of-life costs and ensure the ongoing serviceability of its roads.

The ongoing renewal of road and bridge assets is also necessary to ensure structural capacity, safety and sustainability of the asset to meet road user needs. In managing the road network the RTA also looks to minimise inconvenience to road users resulting from maintenance works and incidents on the road network.

M5 East Air Quality Improvement Plan

The plan has three components:

- ◆ installation of filtration technology;
- ◆ video identification of polluting heavy vehicles (recording since January 2007) that are directed to the Department of Environment and Climate Change for follow up action; and
- ◆ improved ventilation flows with an extra 12 jet fans (commissioned in December 2006) and a revised ventilation strategy to be implemented.

Road Use Program

Road Safety

Road safety is a key organisational priority for the RTA, with road safety imperatives being integrated across all operations. Each program is now directly responsible for the safety outcomes of their activities and for the promotion of safety. The RTA will continue to develop and maintain initiatives that address speed, fatigue, drink and drug driving, pedestrian, motorcyclist, cyclist and vehicle safety and improvements to the road environment.

The 2006 NSW road toll was a record low since World War II. Significant road safety improvements will continue through implementation of blackspot programs, intersection upgrades and major upgrade projects on key highways and urban arterial routes.

The RTA will continue to work closely with State, local and federal government agencies, key non-government organisations and community groups to develop and implement road safety programs. The RTA's continued partnerships with the NSW Police Force and the Department of Education and Training will play an integral role.

A program has commenced to upgrade 59 marked pedestrian crossings on multi – lane State roads at a total estimated cost of \$18.3 million over three years, including \$6 million in 2007-08. The upgrades will include traffic signal installation at most sites with other more suitable options at remaining locations.

Camera Enforcement

The RTA currently manages around 200 enforcement cameras. These include speed cameras, bus lane cameras, smoky vehicle cameras, toll enforcement cameras, and Safe-T-Cam (heavy vehicle trip monitoring).

Heavy Vehicle Management

The RTA will undertake a wide range of initiatives for improving safety, efficiency and compliance of heavy vehicles and road freight transport. These include:

- ◆ enforcing chain of responsibility legislation which is designed to ensure all parties in the road transport supply chain take positive steps to prevent a breach of road transport mass, dimension, and load restraint laws;
- ◆ managing higher mass limit vehicles and implementing the Intelligent Access Program which will use in-vehicle telematics, particularly a Global Positioning System, to monitor and enforce route compliance;
- ◆ promoting greater use of innovative, higher productivity vehicles, which will better meet the growing freight task with improved safety and reduced impact on infrastructure; and
- ◆ engaging with the heavy vehicle industry, and drivers in particular, both to promote safety and compliance and to consult on potential improvements.

In addition, the RTA is increasingly making use of technology and intelligence in road side enforcement to target underperforming vehicles and operators.

Customer Service

The RTA is committed to improving customer service.

There will be a continued focus on providing a more flexible customer service environment through implementation of a service delivery model with a primary focus on increasing customer accessibility, streamlining processes and increasing the value of service to our customers. Access to registration and licensing services is provided through 168 locations, the RTA Contact Centre and through the internet.

Electronic Tolling

The Government is committed to increasing e-tag use to improve traffic flow on Sydney's Orbital Network.

Electronic tolling is available on all tollways, and tags issued for each system can be used on all Australian tollways. Recent tollways such as the Lane Cove Tunnel, Westlink M7 and the Cross City Tunnel will operate without cash tollbooths to improve traffic flow.

The RTA will expand electronic tolling facilities to all lanes on the Sydney Harbour Bridge and will move the Sydney Harbour Tunnel to a fully cashless operation in July 2007.

M4/M5 Cashback

Expenditure under the M4/M5 Cashback Scheme to reimburse tolls paid is expected to be \$92 million in 2006-07 and \$97 million in 2007-08.

Identity Management

The RTA works with other New South Wales and Commonwealth agencies to strengthen identity management systems and processes to reduce fraud, improve national security, and prevent crime.

Initiatives include implementation of robust identity management systems and processes to:

- ◆ enhance customer identification and participation;
- ◆ strengthen document verification and security;
- ◆ investigate biometric identification technology including facial recognition software; and
- ◆ facilitate the work of the RTA Proof of Identity Unit.

2007-08 BUDGET

The Government is delivering a record roads budget in 2006-07 of \$3.6 billion. The main features include:

- ◆ major infrastructure projects in Sydney, regional and rural New South Wales;
- ◆ continued implementation of road safety, licensing and vehicle management strategies;
- ◆ enhanced traffic management;

- ◆ continuation of the M4/M5 cashback scheme; and
- ◆ delivery of an integrated road maintenance program.

Total Expenses

The RTA's total expenditure is estimated at \$2,330 million in 2007-08.

Capital Expenditure

The total Roads Program capital expenditure is estimated at \$1,910 million in 2007-08.

DEPARTMENT OF COMMERCE

The Department of Commerce supports the Minister for Commerce, the Minister for Industrial Relations (Section 8) and the Minister for Fair Trading (Section 10).

The role of the Department is to help make doing business in New South Wales simple and fair and to ensure government gets the best value for money when constructing and maintaining public assets or purchasing goods and services.

The Department of Commerce includes the Office of Fair Trading, the Office of Industrial Relations, the Office of Public Works and Services and New South Wales Procurement.

The State Records Authority joined the Department of Commerce in November 2006. NSWbusinesslink (which provides corporate services to a number of human services agencies) and the corporate services area of the former Department of Natural Resources joined the Department of Commerce from 27 April 2007.

RESULTS AND SERVICES

The Department contributes to the NSW Government's priorities of growing prosperity and delivering better government services by working towards the following results:

- ◆ Simplify processes for dealing with government.
- ◆ Fair marketplace for consumers and traders.
- ◆ Fair and productive workplaces.

Key services provided by the Department to contribute to these results include:

- ◆ reviewing policy and enforcing fair trading and industrial relations legislation;
- ◆ providing marketplace and workplace information and helping in fair trading and industrial relations;
- ◆ providing architectural and engineering design services and project management services for water, engineering and waste water services;
- ◆ providing fleet management, vehicle leasing, corporate shared services and facilities management;
- ◆ providing government advertising and publication services;
- ◆ assisting NSW Treasury in development and implementation of NSW Government procurement policy;
- ◆ delivering online procurement tools and solutions;
- ◆ supporting the operations of the State Contracts Control Board;
- ◆ developing and overseeing implementation of the NSW Government Information and Communications Technology (ICT) Plan; and
- ◆ managing operations of key government ICT infrastructure and coordinating emergency services communications.

A range of key services in fair trading, industrial relations and public works are delivered through a regional network.

RECENT DEVELOPMENTS

The Department of Commerce works extensively with other Government agencies to help reduce costs and improve Government-wide capability in procurement and information and communications technology.

With a view to whole-of-government initiatives, the Department:

- ◆ is developing an accreditation scheme for goods and services procurement to enhance the Government's procurement capability;
- ◆ expanded the application of the NSW e-Tendering site to provide a consistent and a single access point for government business; and

- ◆ launched *People First* which established a new direction for information technology in New South Wales to improve and provide more consistent government services, increase electronic self-service access by the public and business, and improve access to government information and services. *People First* is expected to deliver capital and recurrent savings of \$565 million over four years.

During 2006-07 the Department of Commerce:

- ◆ delivered 74 major capital school projects valued at \$121 million, 11 TAFE college projects valued at \$44 million and 20 modular classrooms to support smaller classes, as part of a \$371 million three year program;
- ◆ worked with the Sydney Catchment Authority to investigate and undertake several major projects to secure Sydney's water supply;
- ◆ managed a \$110 million capital works program for the Department of Corrective Services, including the construction of the Wellington Correctional Centre and Silverwater Women's Prison staged redevelopment;
- ◆ identified potential savings of over six million litres of water each day through the provision of specialist water saving advice and water use monitoring;
- ◆ provided advice resulting in the reduction of up to 1,224 tonnes per annum of carbon dioxide equivalent through large building lighting upgrades;
- ◆ reduced electricity costs in government buildings by approximately 20 per cent over the last year;
- ◆ helped government agencies exceed the Government Cleaner Fleet target;
- ◆ avoided expenditure or provided savings of \$600 million to government through a range of procurement initiatives, including aggregated purchasing contracts, strategic sourcing and e-procurement solutions;
- ◆ undertook Gateway reviews on construction, ICT, capital equipment, and services projects valued at approximately \$8 billion to help minimise the risk of cost and time overruns of capital projects;
- ◆ introduced major fair trading measures including compulsory fitting of smoke alarms in rented properties; changes to the Motor Dealers Regulation; new safety standards for portable soccer goal posts; and the establishment of the Do Not Call register; and
- ◆ carried out Australia's largest workplace compliance program, with more than 12,500 workplaces inspected during 2006-07.

STRATEGIC DIRECTIONS

In order to achieve its major results in 2007-08, the Department is pursuing a number of broad strategies.

- ◆ *Consumers and traders operate in a fair and productive marketplace (the Office of Fair Trading):*
 - enhancing marketplace compliance through cost effective fair trading law enforcement strategies; and
 - providing better services, matching resources to changing customer service delivery preferences.
- ◆ *New South Wales has fair and productive workplaces (the Office of Industrial Relations):*
 - advising the Government on the fairness and responsiveness of the industrial relations framework and regulations;
 - promoting compliance with industrial relations regulations, including access to information on rights and obligations; and
 - promoting and implementing New South Wales' new child employment laws, which oblige constitutional corporations to provide fair employment contracts to workers under the age of 18 years.
- ◆ *New South Wales Government performance is improved (the Office of New South Wales Procurement and the Office of Public Works and Services):*
 - removing duplication across government through central delivery of procurement systems and services;
 - improving government procurement capability and productivity through greater use of electronic systems and by using solutions and services tailored to each client;
 - establishing and delivering common ICT infrastructure strategies for government by setting standards and encouraging collaboration across agencies. These include establishing common infrastructure and applications; sharing operational experience and capabilities; and optimising investment in technology;
 - delivering value and managing time and cost risks in building infrastructure; and
 - delivering optimal outcomes for projects of State significance and mitigating the impact on service delivery from natural disasters or terrorism.

2007-08 BUDGET

Total Expenses

The Department's total expenses for 2007-08 are \$815.5 million compared to projected expenditure of \$780.7 million in 2006-07.

The Department's total expenses include the cost of corporate services functions provided to the former Department of Natural Resources. Restructuring of these functions is still being finalised and some corporate support services may be transferred to other agencies during 2007-08.

Budgeted expenses of the Department of Commerce include:

- ◆ \$123 million for project management services to assist agencies in the construction of buildings and engineering works;
- ◆ \$86 million for enforcement of fair trading laws including business licensing/registration and the Consumer, Trader and Tenancy Tribunal;
- ◆ \$69 million for fair trading information and assistance services to consumers and traders;
- ◆ \$62 million for Government ICT services, including managing the Government Radio Network and Long Term Radio Strategy projects. The Department also provides advice to New South Wales government agencies to minimise risk and gain the best value from information and communications technology;
- ◆ \$29 million for the Central Corporate Services Unit to manage corporate services on behalf of 30 agencies and to reduce the cost of corporate services generally across the public sector;
- ◆ \$28 million to provide technical and design advice and contract administration services for dams, water and waste water infrastructure;
- ◆ \$23 million for expert technical advice from the Government Architect's Office;
- ◆ \$21 million for review and advice on industrial relations regulations, compliance and information to employers and employees on regulations;

- ◆ \$18 million for the management of goods and services standing offer agreements and client specific contracts; and
- ◆ \$14 million to deliver online procurement tools including smartbuy® and e-tendering and other tools and services.

Capital Expenditure

The Department of Commerce's capital expenditure in 2007-08 is estimated at \$317.1 million compared to projected expenditure of \$339 million in 2006-07. The variation is mainly due to projected savings in the purchase cost of motor vehicles by StateFleet following the Government's decision to generally replace six cylinder cars with four cylinder cars (except emergency services vehicles).

The Department's capital expenditure includes provision for development of infrastructure to provide a single toll-free phone service and a single web-portal that can be used to access any part of the NSW Government.

An amount of \$271 million is estimated to be spent in 2007-08 on motor vehicles by StateFleet to provide vehicles to support front line services and includes ambulances, operational police cars and vehicles specifically designed to transport people with disabilities as well as vehicles to support health services, the rural fire service, community services and ageing and disability services. Allowing for proceeds from the sale of government cars, the net cash outflow is approximately \$120 million.

Other spending in 2007-08 includes \$3.2 million on the Government Radio Network which supports the State's emergency response, \$17.4 million on computer projects including upgrades and replacement and \$10.6 million on accommodation related costs.

STATE RECORDS AUTHORITY

The State Records Authority is the State's archives institution and records management authority and administers the *State Records Act 1998*. The Authority's whole-of-government strategy, regulatory and archival functions and services receive funding support from the Budget (through the Department of Commerce) while the Government Records Repository, operated by the State Records Authority, is self-funded.

RESULTS AND SERVICES

The Authority contributes to good governance and to the enrichment of the community by working towards the following results:

- ◆ The New South Wales public sector has reliable, well-managed records that are available when needed.
- ◆ The State's official archives are preserved and available for use by the community and the Government.

Key services provided by the State Records Authority contributing to these results include:

- ◆ establishing a whole-of-government records and archives management strategy;
- ◆ setting and monitoring standards for, and providing guidance and training on, public sector records management;
- ◆ providing records storage and associated services to the sector; and
- ◆ identifying, documenting, preserving and providing access to the State's official archives.

RECENT DEVELOPMENTS

Over the last five years total expenses have increased from \$14.5 million in 2002-03 to an expected \$15.7 million in 2006-07.

Following a review by the Council on the Cost and Quality of Government, the Authority was transferred to the Department of Commerce on 1 November 2006 to strengthen the Authority's effectiveness in its whole-of-government role.

The Government also approved recommendations from the review that the Authority should: establish, jointly with the Government Chief Information Office, a whole-of-government digital records and information strategy; and manage a program to ensure that all agencies know how long to keep their records and reduce the Government's storage costs through better records retention and disposal practices.

STRATEGIC DIRECTIONS

The State Records Authority's key priorities in 2007-08 will be to undertake the whole-of-government records management strategies noted above, with the aim that all agencies have:

- ◆ comprehensive records retention and disposal authority coverage by 2010; and
- ◆ fully compliant records management systems and relevant business applications by 2012.

2007-08 BUDGET

Total Expenses

Total expenses are budgeted at \$16.1 million in 2007-08. This includes:

- ◆ \$8 million for the Authority's regulatory and archival collection and service delivery functions; and
- ◆ \$8.1 million for operating expenses of the Government Records Repository.

Capital Expenditure

Total capital expenditure in 2007-08 is estimated at \$1.4 million, including \$1 million to complete the recladding and refurbishment of the Kingswood Stage 2 repository building to prolong the life of the asset and meet current archival storage and occupational health and safety requirements.

NSWBUSINESSLINK PTY LIMITED

NSWbusinesslink Pty Ltd (Businesslink) was established to provide shared corporate services for the Departments of Ageing, Disability and Home Care, Community Services and Housing. These services cover the areas of finance, human resources, property, records management and information technology services.

Businesslink aims to support these agencies in their service delivery by providing more efficient and better services through economies of scale.

RECENT DEVELOPMENT

During 2006-07, Businesslink:

- ◆ moved to a unitised product fee-for-service business model;
- ◆ benchmarked its product pricing structure and validated its competitiveness with similar products provided in the broader shared services market place;
- ◆ commenced development of centres of capability in data centre management, SAP, Siebel and recruitment; and
- ◆ continued to implement its Future Directions Strategy which will promote efficiency in service delivery and Businesslink's overall long term sustainability.

STRATEGIC DIRECTIONS

In 2007-08, Businesslink will continue to:

- ◆ provide high quality, cost effective and efficient services;
- ◆ develop its internal capabilities to respond to the changing needs of its clients along with strong operational controls and compliance;
- ◆ achieve sound financial performance and a financially sustainable business in line with the Future Directions Strategy;
- ◆ identify new opportunities for improvement in its productivity; and
- ◆ provide the NSW Government with a satisfactory return on its investment.

2007-08 BUDGET

Total Expenses

Total expenses for Businesslink in 2007-08 are estimated at \$118.5 million.

Capital Expenditure

Businesslink's 2007-08 asset acquisition program of \$6 million will fund the following minor works program initiatives:

- ◆ shared services technology infrastructure including desktops, networks, printers, servers, databases and data storage (\$3 million);
- ◆ periodic replacement of plant, equipment, motor vehicles and administrative assets (\$2.2 million);

- ◆ information security and compliance (\$0.3 million); and
- ◆ records and document management system (\$0.5 million).

There is scope for Businesslink's capital program to vary in response to changing priorities and emerging demand of its clients.

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
50 ROADS AND TRAFFIC AUTHORITY OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 435,474 | 441,694 | 501,856 |
| Other operating expenses | 1,093,943 | 1,084,245 | 949,489 |
| Depreciation and amortisation | 755,427 | 759,427 | 785,639 |
| Grants and subsidies | 11,199 | 14,906 | 40,906 |
| Finance costs | 53,996 | 57,626 | 51,352 |
| Other expenses | 771 | 810 | 810 |
| Total Expenses Excluding Losses | 2,350,810 | 2,358,708 | 2,330,052 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 254,856 | 286,268 | 281,821 |
| Investment income | 3,055 | 7,883 | 6,385 |
| Grants and contributions | 39,659 | 51,795 | 28,183 |
| Other revenue | 92,885 | 76,190 | 86,691 |
| Total Retained Revenue | 390,455 | 422,136 | 403,080 |
| Gain/(loss) on disposal of non current assets | 252 | 9,893 | 222 |
| Other gains/(losses) | (1,000) | (1,000) | (1,000) |
| NET COST OF SERVICES | 1,961,103 | 1,927,679 | 1,927,750 |

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
50 ROADS AND TRAFFIC AUTHORITY OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|---|--------------------|--------------------|--------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 427,553 | 522,266 | 540,008 |
| Grants and subsidies | 11,970 | 15,716 | 41,716 |
| Finance costs | 52,391 | 55,636 | 49,617 |
| Other | 1,325,312 | 1,388,005 | 1,204,878 |
| Total Payments | 1,817,226 | 1,981,623 | 1,836,219 |
| Receipts | | | |
| Sale of goods and services | 254,988 | 285,268 | 280,821 |
| Interest | 3,055 | 7,883 | 6,385 |
| Other | 241,145 | 285,989 | 261,377 |
| Total Receipts | 499,188 | 579,140 | 548,583 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (1,318,038) | (1,402,483) | (1,287,636) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 23,102 | 25,270 | 23,247 |
| Advance repayments received | 9,233 | ... | ... |
| Purchases of property, plant and equipment | (1,608,255) | (1,579,372) | (1,906,525) |
| Other | ... | (4,000) | (4,000) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (1,575,920) | (1,558,102) | (1,887,278) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | 8,290 | 8,290 | ... |
| Repayment of borrowings and advances | (83,433) | (1,090) | (83,707) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (75,143) | 7,200 | (83,707) |

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
50 ROADS AND TRAFFIC AUTHORITY OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 Budget \$000 |
|--|--------------------|--------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 1,412,889 | 1,454,444 | 1,429,710 |
| Capital appropriation | 1,524,912 | 1,552,893 | 1,828,911 |
| Cash transfers to Consolidated Fund | ... | (28,050) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 2,937,801 | 2,979,287 | 3,258,621 |
| NET INCREASE/(DECREASE) IN CASH | (31,300) | 25,902 | ... |
| Opening Cash and Cash Equivalents | 143,264 | 140,975 | 166,877 |
| CLOSING CASH AND CASH EQUIVALENTS | 111,964 | 166,877 | 166,877 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (1,961,103) | (1,927,679) | (1,927,750) |
| Non cash items added back | 665,099 | 694,430 | 714,275 |
| Change in operating assets and liabilities | (22,034) | (169,234) | (74,161) |
| Net cash flow from operating activities | (1,318,038) | (1,402,483) | (1,287,636) |

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
50 ROADS AND TRAFFIC AUTHORITY OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|---|-------------------|-------------------|-------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 111,964 | 166,877 | 166,877 |
| Receivables | 133,256 | 111,143 | 111,143 |
| Inventories | 6,322 | 7,446 | 7,446 |
| Assets held for sale | 37,265 | 38,282 | 38,282 |
| Other | 6,273 | ... | ... |
| Total Current Assets | 295,080 | 323,748 | 323,748 |
| Non Current Assets - | | | |
| Receivables | 2,931 | 10,402 | 12,419 |
| Other financial assets | 82,072 | 80,267 | 85,737 |
| Property, plant and equipment - | | | |
| Land and building | 3,403,177 | 2,848,071 | 2,850,571 |
| Plant and equipment | 96,383 | 104,169 | 106,615 |
| Infrastructure systems | 70,832,964 | 68,540,007 | 69,637,922 |
| Intangibles | ... | 27,329 | 26,329 |
| Other | 1,130,763 | 961,430 | 1,029,059 |
| Total Non Current Assets | 75,548,290 | 72,571,675 | 73,748,652 |
| Total Assets | 75,843,370 | 72,895,423 | 74,072,400 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 438,271 | 387,545 | 384,389 |
| Borrowings at amortised cost | 160,585 | 147,097 | 147,188 |
| Other financial liabilities at fair value | ... | 21 | 21 |
| Provisions | 83,862 | 245,291 | 241,762 |
| Other | 102,847 | 110,230 | 111,292 |
| Total Current Liabilities | 785,565 | 890,184 | 884,652 |

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
50 ROADS AND TRAFFIC AUTHORITY OF NEW SOUTH WALES

| | 2006-07 | | 2007-08 |
|--------------------------------------|-------------------|-------------------|-------------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| BALANCE SHEET (cont) | | | |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 588,263 | 693,855 | 611,792 |
| Provisions | 563,645 | 124,744 | 90,121 |
| Other | 695,997 | 695,067 | 663,391 |
| Total Non Current Liabilities | 1,847,905 | 1,513,666 | 1,365,304 |
| Total Liabilities | 2,633,470 | 2,403,850 | 2,249,956 |
| NET ASSETS | 73,209,900 | 70,491,573 | 71,822,444 |
| EQUITY | | | |
| Reserves | 30,564,685 | 27,761,023 | 27,761,023 |
| Accumulated funds | 42,645,215 | 42,730,550 | 44,061,421 |
| TOTAL EQUITY | 73,209,900 | 70,491,573 | 71,822,444 |

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
51 DEPARTMENT OF COMMERCE

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related* | 316,979 | 376,936 | 396,319 |
| Other operating expenses | 137,384 | 147,137 | 169,933 |
| Depreciation and amortisation | 132,916 | 157,761 | 177,759 |
| Grants and subsidies | 38,423 | 44,979 | 29,148 |
| Finance costs | 39,797 | 31,579 | 40,245 |
| Other expenses | 14,636 | 22,351 | 2,072 |
| Total Expenses Excluding Losses | 680,135 | 780,743 | 815,476 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services* | 522,371 | 555,780 | 633,990 |
| Investment income | 9,794 | 14,030 | 14,557 |
| Retained taxes, fees and fines | 43,063 | 47,234 | 46,208 |
| Grants and contributions | 9,628 | 9,462 | 9,338 |
| Other revenue | 424 | 2,179 | 1,750 |
| Total Retained Revenue | 585,280 | 628,685 | 705,843 |
| Gain/(loss) on disposal of non current assets | (30,839) | (11,817) | (3,176) |
| Other gains/(losses) | (1,749) | (1,704) | (1,670) |
| NET COST OF SERVICES | 127,443 | 165,579 | 114,479 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
51 DEPARTMENT OF COMMERCE

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related* | 324,474 | 371,014 | 403,711 |
| Grants and subsidies | 38,423 | 44,979 | 29,148 |
| Finance costs | 39,797 | 31,579 | 40,245 |
| Other | 432,020 | 435,562 | 459,934 |
| Total Payments | 834,714 | 883,134 | 933,038 |
| Receipts | | | |
| Sale of goods and services* | 521,021 | 539,053 | 632,715 |
| Retained taxes | ... | (1,511) | (1,472) |
| Interest | 8,476 | 10,132 | 11,222 |
| Other | 336,409 | 349,933 | 349,723 |
| Total Receipts | 865,906 | 897,607 | 992,188 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 31,192 | 14,473 | 59,150 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 118,808 | 116,154 | 166,800 |
| Proceeds from sale of investments | ... | 3,653 | 5,630 |
| Purchases of property, plant and equipment | (335,957) | (312,281) | (296,158) |
| Purchases of investments | (4,584) | ... | (3,039) |
| Other | (15,838) | (20,122) | (20,922) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (237,571) | (212,596) | (147,689) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | 74,476 | 71,402 | ... |
| Repayment of borrowings and advances | ... | ... | (26,271) |
| Other | (5,578) | (5,579) | (24,800) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | 68,898 | 65,823 | (51,071) |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
51 DEPARTMENT OF COMMERCE

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 129,381 | 164,194 | 150,546 |
| Capital appropriation | 11,072 | 41,419 | 21,191 |
| NET CASH FLOWS FROM GOVERNMENT | 140,453 | 205,613 | 171,737 |
| NET INCREASE/(DECREASE) IN CASH | 2,972 | 73,313 | 32,127 |
| Opening Cash and Cash Equivalents | 120,404 | 299,795 | 373,108 |
| CLOSING CASH AND CASH EQUIVALENTS | 123,376 | 373,108 | 405,235 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (127,443) | (165,579) | (114,479) |
| Non cash items added back | 138,073 | 160,676 | 181,922 |
| Change in operating assets and liabilities | 20,562 | 19,376 | (8,293) |
| Net cash flow from operating activities | 31,192 | 14,473 | 59,150 |

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
51 DEPARTMENT OF COMMERCE

| | 2006-07 | | 2007-08 |
|----------------------------------|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 123,376 | 373,108 | 405,235 |
| Receivables | 164,998 | 154,453 | 157,785 |
| Other financial assets | 217,201 | 28,363 | 29,072 |
| Inventories | 972 | 655 | 670 |
| Assets held for sale | ... | 16,000 | ... |
| Other | 50,788 | 136,200 | 153,802 |
| Total Current Assets | 557,335 | 708,779 | 746,564 |
| Non Current Assets - | | | |
| Other financial assets | ... | 17 | 17 |
| Inventories | 11,752 | 5,950 | 6,099 |
| Property, plant and equipment - | | | |
| Land and building | 30,050 | 24,638 | 24,258 |
| Plant and equipment | 556,459 | 575,253 | 548,537 |
| Intangibles | 57,268 | 79,218 | 91,659 |
| Other | 59,399 | 80 | 82 |
| Total Non Current Assets | 714,928 | 685,156 | 670,652 |
| Total Assets | 1,272,263 | 1,393,935 | 1,417,216 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 315,902 | 277,694 | 284,621 |
| Borrowings at amortised cost | 86,181 | 254,584 | 241,449 |
| Tax | 942 | ... | ... |
| Provisions | 46,975 | 135,082 | 137,731 |
| Other | 3,993 | 2,089 | 2,139 |
| Total Current Liabilities | 453,993 | 669,449 | 665,940 |

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
51 DEPARTMENT OF COMMERCE

| | 2006-07 | | 2007-08 |
|--------------------------------------|----------------|----------------|----------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| BALANCE SHEET (cont) | | | |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 351,958 | 254,599 | 241,463 |
| Provisions | 85,190 | 5,756 | 5,756 |
| Other | 2,321 | 212 | 217 |
| Total Non Current Liabilities | 439,469 | 260,567 | 247,436 |
| Total Liabilities | 893,462 | 930,016 | 913,376 |
| NET ASSETS | 378,801 | 463,919 | 503,840 |
| EQUITY | | | |
| Reserves | 18,607 | 18,607 | 18,607 |
| Accumulated funds | 360,194 | 445,312 | 485,233 |
| TOTAL EQUITY | 378,801 | 463,919 | 503,840 |

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
STATE RECORDS AUTHORITY

| | 2006-07 | | 2007-08 |
|--|---------------|---------------|---------------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 9,743 | 10,150 | 10,793 |
| Investment income | 20 | 80 | 50 |
| Grants and contributions | 5,572 | 5,907 | 6,220 |
| Other revenue | 396 | ... | ... |
| Total Retained Revenue | 15,731 | 16,137 | 17,063 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 9,611 | ... | ... |
| Other operating expenses* | 3,252 | 13,214 | 13,682 |
| Depreciation and amortisation | 1,901 | 1,908 | 1,900 |
| Finance costs | 519 | 544 | 486 |
| Total Expenses Excluding Losses | 15,283 | 15,666 | 16,068 |
| SURPLUS/(DEFICIT) | 448 | 471 | 995 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
STATE RECORDS AUTHORITY

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 9,743 | 8,700 | 10,748 |
| Interest | 40 | 35 | 80 |
| Other | 6,308 | 8,936 | 7,410 |
| Total Receipts | 16,091 | 17,671 | 18,238 |
| Payments | | | |
| Employee related* | 9,205 | 810 | 25 |
| Finance costs | 556 | 434 | 486 |
| Other* | 4,042 | 14,314 | 14,858 |
| Total Payments | 13,803 | 15,558 | 15,369 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 2,288 | 2,113 | 2,869 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (1,945) | (1,100) | (1,365) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (1,945) | (1,100) | (1,365) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | (710) | (205) | (2,175) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (710) | (205) | (2,175) |
| NET INCREASE/(DECREASE) IN CASH | (367) | 808 | (671) |
| Opening Cash and Cash Equivalents | 1,489 | 707 | 1,515 |
| CLOSING CASH AND CASH EQUIVALENTS | 1,122 | 1,515 | 844 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 448 | 471 | 995 |
| Non cash items added back | 1,901 | 1,908 | 1,900 |
| Change in operating assets and liabilities | (61) | (266) | (26) |
| Net cash flow from operating activities | 2,288 | 2,113 | 2,869 |

* Variations from the 2006-07 Budget are principally attributable to the introduction of the State's WorkChoices insulation legislation.

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
STATE RECORDS AUTHORITY

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 1,122 | 1,515 | 844 |
| Receivables | 1,495 | 1,809 | 1,830 |
| Inventories | 55 | 80 | 80 |
| Other | 118 | 810 | 835 |
| Total Current Assets | 2,790 | 4,214 | 3,589 |
| Non Current Assets - | | | |
| Property, plant and equipment - | | | |
| Land and building | 46,103 | 42,501 | 41,871 |
| Plant and equipment | 4,332 | 7,067 | 7,162 |
| Other* | 606 | ... | ... |
| Total Non Current Assets | 51,041 | 49,568 | 49,033 |
| Total Assets | 53,831 | 53,782 | 52,622 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 1,569 | 1,040 | 1,020 |
| Borrowings at amortised cost | 1,127 | 2,013 | 127 |
| Provisions | 781 | 1,800 | 1,840 |
| Total Current Liabilities | 3,477 | 4,853 | 2,987 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 7,906 | 7,024 | 6,735 |
| Provisions* | 720 | ... | ... |
| Total Non Current Liabilities | 8,626 | 7,024 | 6,735 |
| Total Liabilities | 12,103 | 11,877 | 9,722 |
| NET ASSETS | 41,728 | 41,905 | 42,900 |
| EQUITY | | | |
| Reserves | 4,823 | 4,823 | 4,823 |
| Accumulated funds | 36,905 | 37,082 | 38,077 |
| TOTAL EQUITY | 41,728 | 41,905 | 42,900 |

* Reclassification between line items from the 2006-07 Budget is due to the introduction of Australian Equivalents to International Financial Reporting Standards.

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
NSWBUSINESSLINK PTY LIMITED

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 62,723 | 109,414 | 85,497 |
| Investment income | 295 | 300 | 345 |
| Grants and contributions | 33,582 | 29,987 | 29,235 |
| Other revenue | 13,811 | 3,529 | 3,115 |
| Total Retained Revenue | 110,411 | 143,230 | 118,192 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related* | 67,625 | 35,080 | 5,254 |
| Other operating expenses* | 33,052 | 94,760 | 99,401 |
| Depreciation and amortisation | 12,230 | 11,406 | 12,697 |
| Finance costs | 1,175 | 1,021 | 1,125 |
| Total Expenses Excluding Losses | 114,082 | 142,267 | 118,477 |
| SURPLUS/(DEFICIT) | (3,671) | 963 | (285) |

* Variations from the 2006-07 Budget are principally attributable to the administrative order of April 2007 which transferred NSWbusinesslink staff to the Department of Commerce. NSWbusinesslink now makes contractual payments to the Department of Commerce for the provision of staff services.

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
NSWBUSINESSLINK PTY LIMITED

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|----------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 62,723 | 109,414 | 85,497 |
| Interest | 295 | 300 | 345 |
| Other | 65,334 | 48,068 | 50,977 |
| Total Receipts | 128,352 | 157,782 | 136,819 |
| Payments | | | |
| Employee related* | 67,625 | 55,724 | 5,254 |
| Finance costs | 1,175 | 1,021 | 1,125 |
| Other* | 50,993 | 83,057 | 127,028 |
| Total Payments | 119,793 | 139,802 | 133,407 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 8,559 | 17,980 | 3,412 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | (5,401) | (4,500) | (3,500) |
| Other | (1,500) | (2,441) | (2,500) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (6,901) | (6,941) | (6,000) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | (500) | (245) | (2,000) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (500) | (245) | (2,000) |
| NET INCREASE/(DECREASE) IN CASH | 1,158 | 10,794 | (4,588) |
| Opening Cash and Cash Equivalents | 6,518 | 10,233 | 21,027 |
| CLOSING CASH AND CASH EQUIVALENTS | 7,676 | 21,027 | 16,439 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (3,671) | 963 | (285) |
| Non cash items added back | 12,230 | 11,406 | 12,697 |
| Change in operating assets and liabilities | ... | 5,611 | (9,000) |
| Net cash flow from operating activities | 8,559 | 17,980 | 3,412 |

* Variations from the 2006-07 Budget are principally attributable to the administrative order of April 2007 which transferred NSWbusinesslink staff to the Department of Commerce. NSWbusinesslink now makes contractual payments to the Department of Commerce for the provision of staff services.

MINISTER FOR ROADS, AND MINISTER FOR COMMERCE
NSWBUSINESSLINK PTY LIMITED

| | 2006-07 | | 2007-08 |
|--------------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 7,676 | 21,027 | 16,439 |
| Receivables | 3,470 | 11,842 | 11,842 |
| Other | 1,785 | ... | ... |
| Total Current Assets | 12,931 | 32,869 | 28,281 |
| Non Current Assets - | | | |
| Receivables | ... | 2,202 | 2,202 |
| Property, plant and equipment - | | | |
| Land and building | 6,092 | 3,116 | 3,116 |
| Plant and equipment | 9,617 | 9,228 | 7,382 |
| Intangibles | 12,106 | 20,840 | 15,989 |
| Total Non Current Assets | 27,815 | 35,386 | 28,689 |
| Total Assets | 40,746 | 68,255 | 56,970 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 7,882 | 37,549 | 28,549 |
| Borrowings at amortised cost | ... | 2,000 | 2,000 |
| Total Current Liabilities | 7,882 | 39,549 | 30,549 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 23,000 | 16,000 | 14,000 |
| Total Non Current Liabilities | 23,000 | 16,000 | 14,000 |
| Total Liabilities | 30,882 | 55,549 | 44,549 |
| NET ASSETS | 9,864 | 12,706 | 12,421 |
| EQUITY | | | |
| Accumulated funds | 9,864 | 12,706 | 12,421 |
| TOTAL EQUITY | 9,864 | 12,706 | 12,421 |

MINISTER FOR SMALL BUSINESS AND REGULATORY REFORM, AND MINISTER FOR PORTS AND WATERWAYS

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| Maritime Authority of New South Wales | | | |
| Total Expenses | 93.5 | 106.5 | 14.0 |
| Capital Expenditure | 16.9 | 23.0 | 36.1 |
| Total, Minister for Small Business and Regulatory Reform, and Minister for Ports and Waterways | | | |
| Total Expenses | 93.5 | 106.5 | 14.0 |
| Capital Expenditure | 16.9 | 23.0 | 36.1 |

In addition to the agency above, the Minister is also supported by the Department of State and Regional Development (Section 19) for the Small Business and Regulatory Reform portfolio area.

MARITIME AUTHORITY OF NEW SOUTH WALES

The Maritime Authority of New South Wales regulates marine safety. This is achieved through encouraging a strong safety culture across all maritime activities. The Authority is also responsible for the management of its properties in Sydney Harbour, Botany Bay, Newcastle and Port Kembla.

RESULTS AND SERVICES

The Authority works towards a number of results for the community, including:

- ◆ Ports that support a growing economy.
- ◆ Safe and sustainable waterways.
- ◆ Improved infrastructure and access to waterways.

Key services provided by the Authority which contribute to these results include:

- ◆ providing advice to the Minister on maritime and port matters;
- ◆ regulating the safe navigation of recreational and commercial vessels;
- ◆ administering Port Safety Operating Licences at the major ports and managing the regional ports of Eden and Yamba;
- ◆ ensuring the protection of the environment in State waters; and
- ◆ managing vested maritime properties.

RECENT DEVELOPMENTS

The Authority's major recent achievements include:

- ◆ the remediation of Homebush Bay including the removal of hazardous debris from the Bay, with the total project costing \$21 million;
- ◆ the Manly Wharf upgrade which will improve passenger access and safety;
- ◆ reform of the ownership of all Sydney Harbour commuter wharves by their transfer to the Authority and the development of an integrated maintenance and capital plan; and
- ◆ development of the Rozelle Bay maritime precinct including the re-alignment of James Craig Road.

STRATEGIC DIRECTIONS

The Authority is committed to working with all sectors of the boating community, maritime industry, government and the general community to strive for equity, safety and environmental sustainability in the use of our waterways.

The Authority has developed a number of strategies to meet this objective, including:

- ◆ reviewing the operation and audit mechanisms of the Port Safety Operating Licence;
- ◆ investigating maritime incidents to identify safety and compliance issues;
- ◆ coordinating Government policy with respect to maritime security for ports and for commercial vessels;

- ◆ providing input into port planning;
- ◆ providing safe commuter wharves;
- ◆ introducing a more rigorous recreational licence testing process;
- ◆ using the audit process to assist commercial operators to fully implement effective safety management systems; and
- ◆ developing a ten year Maritime Infrastructure Program.

Commercial strategies developed for the Authority's property assets are:

- ◆ completing the implementation of the Independent Pricing and Regulatory Tribunal recommendations on rentals for private non-commercial wetland leases;
- ◆ introducing and implementing a revised commercial lease policy;
- ◆ developing a State-wide Boat Storage Strategy; and
- ◆ ongoing development of maritime precincts in Sydney Harbour.

2007-08 BUDGET

Total Expenses

Total expenses in 2007-08 are expected to be \$106.5 million. This includes providing recreational boating functions involving the promotion of safety and environmental protection on the water through boat licences and registrations, patrols, contributions to volunteer marine rescue organisations, education programs, seminars, publications, compliance and enforcement activities.

Funds will be spent conducting commercial vessel surveys, providing environmental services in Sydney Harbour and Myall Lakes, navigation aid maintenance, accident investigation, wharf and building maintenance, construction of key waterway infrastructure as well as conducting safety audits of commuter wharves.

Capital Expenditure

The total capital program for 2007-08 is \$23 million. This includes the refurbishment of the commuter wharves and the relocation and replacement of Circular Quay Wharf 1 as well as various projects in the redevelopment of the Rozelle Bay Maritime Precinct.

**MINISTER FOR SMALL BUSINESS AND REGULATORY REFORM,
AND MINISTER FOR PORTS AND WATERWAYS
MARITIME AUTHORITY OF NEW SOUTH WALES**

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 64,405 | 61,886 | 67,388 |
| Investment income | 6,902 | 7,212 | 6,264 |
| Retained taxes, fees and fines | 34,857 | 35,042 | 36,636 |
| Grants and contributions | 20,890 | 5,500 | 23,400 |
| Other revenue | 3,273 | 2,425 | 3,873 |
| Total Retained Revenue | 130,327 | 112,065 | 137,561 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Employee related | 34,894 | 32,025 | 37,426 |
| Other operating expenses | 29,764 | 33,494 | 39,491 |
| Depreciation and amortisation | 8,527 | 8,116 | 7,661 |
| Grants and subsidies | 3,449 | 3,361 | 3,689 |
| Finance costs | 16,825 | 16,825 | 18,260 |
| Total Expenses Excluding Losses | 93,459 | 93,821 | 106,527 |
| Gain/(loss) on disposal of non current assets | 84 | 123 | 84 |
| SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS | 36,952 | 18,367 | 31,118 |
| Distributions - | | | |
| Dividends and capital repatriations | 32,640 | 15,225 | 27,277 |
| SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS | 4,312 | 3,142 | 3,841 |

**MINISTER FOR SMALL BUSINESS AND REGULATORY REFORM,
AND MINISTER FOR PORTS AND WATERWAYS
MARITIME AUTHORITY OF NEW SOUTH WALES**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 64,405 | 61,887 | 67,388 |
| Interest | 6,979 | 6,580 | 5,561 |
| Other | 65,622 | 43,747 | 72,024 |
| Total Receipts | 137,006 | 112,214 | 144,973 |
| Payments | | | |
| Employee related | 33,909 | 31,190 | 36,062 |
| Grants and subsidies | 3,449 | 3,361 | 3,689 |
| Finance costs | 16,825 | 16,825 | 18,260 |
| Other | 62,173 | 50,258 | 72,559 |
| Total Payments | 116,356 | 101,634 | 130,570 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 20,650 | 10,580 | 14,403 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 750 | 10,272 | 750 |
| Purchases of property, plant and equipment | (16,759) | (23,486) | (22,865) |
| Other | (115) | (115) | (107) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (16,124) | (13,329) | (22,222) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | (2,098) | (2,098) | (1,985) |
| Dividends paid | (32,075) | (14,660) | (26,420) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (34,173) | (16,758) | (28,405) |
| NET INCREASE/(DECREASE) IN CASH | (29,647) | (19,507) | (36,224) |
| Opening Cash and Cash Equivalents | 55,532 | 70,151 | 50,644 |
| CLOSING CASH AND CASH EQUIVALENTS | 25,885 | 50,644 | 14,420 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year before distributions | 36,952 | 18,367 | 31,118 |
| Non cash items added back | 8,527 | 7,962 | 7,507 |
| Change in operating assets and liabilities | (24,829) | (15,749) | (24,222) |
| Net cash flow from operating activities | 20,650 | 10,580 | 14,403 |

**MINISTER FOR SMALL BUSINESS AND REGULATORY REFORM,
AND MINISTER FOR PORTS AND WATERWAYS
MARITIME AUTHORITY OF NEW SOUTH WALES**

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 25,885 | 50,644 | 14,420 |
| Receivables | 3,625 | 4,822 | 4,815 |
| Other financial assets | 60,121 | 63,730 | 63,730 |
| Inventories | 77 | 130 | 130 |
| Other | 62 | ... | ... |
| Total Current Assets | 89,770 | 119,326 | 83,095 |
| Non Current Assets - | | | |
| Receivables | 6,419 | 6,420 | 4,948 |
| Investment properties | 123,200 | 130,000 | 130,000 |
| Property, plant and equipment - | | | |
| Land and building | 145,091 | 124,416 | 127,001 |
| Plant and equipment | 15,770 | 14,551 | 16,113 |
| Infrastructure systems | 353,331 | 362,659 | 373,236 |
| Intangibles | 748 | 371 | 292 |
| Other | ... | 4,049 | 4,049 |
| Total Non Current Assets | 644,559 | 642,466 | 655,639 |
| Total Assets | 734,329 | 761,792 | 738,734 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 11,972 | 40,277 | 20,479 |
| Borrowings at amortised cost | 1,985 | 1,985 | 1,880 |
| Provisions | 30,312 | 32,012 | 27,605 |
| Other | 29,683 | 24,128 | 24,128 |
| Total Current Liabilities | 73,952 | 98,402 | 74,092 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 8,453 | 8,453 | 6,573 |
| Provisions | 11,900 | 3,822 | 3,822 |
| Other | 7,856 | 70,026 | 69,317 |
| Total Non Current Liabilities | 28,209 | 82,301 | 79,712 |
| Total Liabilities | 102,161 | 180,703 | 153,804 |
| NET ASSETS | 632,168 | 581,089 | 584,930 |

**MINISTER FOR SMALL BUSINESS AND REGULATORY REFORM,
AND MINISTER FOR PORTS AND WATERWAYS
MARITIME AUTHORITY OF NEW SOUTH WALES**

| | ———2006-07——— | | 2007-08 |
|------------------------------------|-----------------|------------------|-------------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| <i>BALANCE SHEET (cont)</i> | | | |
| EQUITY | | | |
| Reserves | 127,566 | 127,566 | 127,566 |
| Accumulated funds | 504,602 | 453,523 | 457,364 |
| TOTAL EQUITY | 632,168 | 581,089 | 584,930 |

TREASURER, MINISTER FOR INFRASTRUCTURE, AND MINISTER FOR THE HUNTER

OVERVIEW

| <i>Agency</i> | <i>Budget 2006-07 \$m</i> | <i>Budget 2007-08 \$m</i> | <i>Variation %</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| Treasury | | | |
| Total Expenses | 475.8 | 525.7 | 10.5 |
| Capital Expenditure | 6.4 | 5.1 | -20.6 |
| Crown Finance Entity | | | |
| Total Expenses | 4,121.1 | 3,309.1 | -19.7 |
| Capital Expenditure | 10.0 | 10.0 | ... |
| Crown Leaseholds Entity | | | |
| Total Expenses | 40.0 | 24.2 | -39.5 |
| Capital Expenditure | ... | ... | ... |
| NSW Self Insurance Corporation | | | |
| Total Expenses | 1,086.6 | 1,353.3 | 24.5 |
| Capital Expenditure | 0.6 | 0.3 | -48.8 |
| Liability Management Ministerial Corporation | | | |
| Total Expenses | 8,703.6 | ... | -100.0 |
| Capital Expenditure | ... | ... | ... |
| Electricity Tariff Equalisation Ministerial Corporation | | | |
| Total Expenses | 0.5 | 0.5 | ... |
| Capital Expenditure | ... | ... | ... |
| Crown Property Portfolio | | | |
| Total Expenses | 152.5 | ... | -100.0 |
| Capital Expenditure | 82.4 | ... | -100.0 |
| Advance to the Treasurer | | | |
| Total Expenses | 245.0 | 215.0 | -12.2 |
| Capital Expenditure | 110.0 | 110.0 | ... |
| Total, Treasurer, Minister for Infrastructure, and Minister for the Hunter | | | |
| Total Expenses | 14,825.1 | 5,427.8 | -63.4 |
| Capital Expenditure | 209.4 | 125.4 | -40.1 |

TREASURY

Treasury comprises the Office of Financial Management and the Office of State Revenue.

RESULTS AND SERVICES

Office of Financial Management (OFM)

OFM has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priorities:

- ◆ P5: AAA rating maintained.
- ◆ P2: Maintain and invest in infrastructure.

OFM promotes state resource management to achieve better public services and a stronger economy by working towards the following result areas:

- ◆ Ensuring state finances support delivery and long run affordability of services.
- ◆ Implementing policy settings that promote a competitive State economy.

Key services provided by OFM which contribute to these results include:

- ◆ advising on economic and fiscal strategies;
- ◆ advising on the efficiency and effectiveness of general government agencies, NSW Government businesses and other commercial activities;
- ◆ managing the State Budget aggregates and Budget process and reporting on State finances;
- ◆ developing and implementing public sector management systems including frameworks for general government financial management, operation of government businesses and Total Asset Management;
- ◆ overseeing the State Infrastructure Strategy including infrastructure investment and maintenance, and delivery of projects by private finance; and
- ◆ managing Crown Finance Entity financial assets and liabilities (including debt and superannuation matters).

Office of State Revenue (OSR)

OSR provides revenue administration services to ensure the NSW Government is able to fund its programs and thereby continue to improve its service delivery. OSR is working towards the following results:

- ◆ All due revenue is collected.
- ◆ All fines are processed correctly and on time.
- ◆ Eligible applicants receive their benefits.

Key services provided by OSR which contribute to these results include:

- ◆ revenue administration services, including conducting compliance programs to ensure revenue is collected;
- ◆ infringement processing and fine enforcement management on behalf of the Crown, commercial clients and some other NSW Government agencies; and
- ◆ managing benefit payments relating to the unclaimed money program, First Home Owner Grant Scheme, First Home Plus Scheme (including First Home Plus One) and Petroleum Product Subsidies.

RECENT DEVELOPMENTS

Office of Financial Management

Over the past five years, OFM's role has been strengthened through the transfer of functions from other agencies, specifically in the areas of infrastructure, asset management and procurement. More recently, OFM took a lead role in advising on the development of the National Reform Agenda involving regulatory and human capital reforms, and competition policy. The additional activities involved modest increases in overall expenses over the period.

Achievements during 2006-07 include:

Strong State finances supporting the delivery and long run affordability of Government Services:

- ◆ Maintained the State's AAA rating following independent assessments of the State's finances by ratings agencies.
- ◆ Implemented a framework for improved property management and utilisation through the establishment of the State Property Authority.

- ◆ Began the process of integrating the State Plan with the Budget cycle through the development of the Performance Management and Budgeting System (PMBS) utilising Results and Services Plans (RSPs) and Total Asset Management (TAM) Plans.

Policy settings that promote a competitive State economy:

- ◆ Advised on the development of the National Reform Agenda and participated in the development of policy initiatives aimed at improving competitiveness.
- ◆ Agreed on payroll tax harmonisation measures with Victoria, to cut red tape to businesses via standardised eligibility and definitions.

Office of State Revenue

As the Government's key revenue collection agency, OSR has concentrated its efforts on implementing a number of measures to ensure efficient revenue administration and to enhance service delivery. Key initiatives include:

All revenue is collected:

- ◆ Through business process improvements, OSR is conducting compliance activity earlier in the revenue administration process to maximise compliance and reduce overall costs of collection.
- ◆ A working group was established to introduce changes to harmonise the legislation and administrative processes for payroll tax for a 1 July 2007 start date. Other red tape reduction initiatives are being progressed by OSR.
- ◆ Integrated two of OSR's operational divisions, Client Service and Compliance Divisions, into an Operations Division from 1 July 2006 aimed at realising synergies, avoiding duplication, improving compliance and increasing client service. In turn, this will improve the way the entire lifecycle of tax revenue is managed.
- ◆ Implemented business intelligence initiatives to better meet corporate objectives, particularly compliance effectiveness.

All fines are processed and enforced correctly and on time:

- ◆ State Debt Recovery Office continues to improve the effectiveness of its compliance activity. This includes improved management of the statutory declaration and nomination processes to maintain the integrity of the system and ensure the correct allocation of demerit points.

- ◆ Realising benefits from the integration of the Infringement Processing and Fine Enforcement Branches of the Office by making enhancements to processes and procedures to maximise service to clients and internal efficiencies.

Eligible applicants receive their payments:

- ◆ The number of First Home Owner Grants has been steadily increasing since 2003-04 and is 12 per cent higher than last financial year. To date, grants totalling almost \$2.3 billion have been paid to first home buyers since the introduction of the grants in 2000.

One reason for the increase is the relatively low cost of housing for first home buyers particularly in the outer metropolitan area. It is projected that the number of grants will continue to increase in 2007-08. First Home Plus One, will give first home buyers who enter into shared equity arrangements access to stamp duty concessions. This measure was implemented from 1 May 2007.

- ◆ There has been a 25 per cent increase in the number of unclaimed money claims in 2006-07. This can largely be attributed to the Government's proactive approach to increase media coverage of unclaimed money.

STRATEGIC DIRECTIONS

Office of Financial Management

A number of initiatives to develop better public services and a stronger NSW economy are planned for the coming year.

Strong State finances supporting the delivery and long run affordability of Government Services:

- ◆ Maintaining appropriate Budget surpluses in line with the State's fiscal strategy.
- ◆ Monitoring progress against the medium and long term targets for major budget aggregates as set out in the *Fiscal Responsibility Act 2005*.
- ◆ Developing and implementing the Performance Management and Budgeting System (PMBS) to ensure ongoing alignment of State Plan priorities and delivery within the State Plan's cost-neutral framework.
- ◆ Ensuring that agency efficiency dividends are achieved for 2007-08 and forward years.

- ◆ Maintaining Results and Services Plans as the basis of the PMBS to achieve better resource allocation and management.
- ◆ Oversighting implementation of the State Infrastructure Strategy.

Policy settings that promote a competitive State economy:

- ◆ Ongoing implementation of the National Reform Agenda with a focus on regulatory and human capital reforms, and competition policy.
- ◆ Implementing payroll tax harmonisation with other States to further simplify requirements for business.
- ◆ Continuing participation in red tape reviews to reduce the burden on both government and private sector organisations.

Office of State Revenue

As the Government's key revenue collection agency, OSR is implementing a number of measures to ensure that revenue obligations are met.

Revenue performance is being enhanced by improving compliance, ensuring the NSW Community understands its revenue rights and obligations and improving legislation when necessary.

Effectiveness and efficiency of service delivery is being continually improved by embracing changes to technology that meet the requirements of both OSR and its many customers. OSR forges productive relationships with stakeholders at all levels to identify opportunities for process improvements.

2007-08 BUDGET

Total Expenses

The estimated expenses for Treasury are \$525.7 million including First Home Owner Grant payments estimated to be \$322 million. Excluding First Home Owner Grants, Treasury expenses are \$203.7 million and will be used for the following:

- ◆ \$44.7 million to promote state resource management to achieve better public services and a stronger NSW economy;
- ◆ \$101.8 million to ensure effective and equitable collection of revenue from taxes, duties and other sources;

- ◆ \$50 million to ensure effective and timely infringement processing and fine enforcement services; and
- ◆ \$7.2 million to ensure eligible applicants receive benefits due under Commonwealth and State Government schemes.

Capital Expenditure

OFM's allocation of \$0.4 million will be used to upgrade existing equipment under the asset replacement program and for general enhancements to existing financial collection and information systems.

OSR's capital allocation is \$4.8 million. The key programs planned for 2007-08 include:

- ◆ \$4.4 million for maintenance of OSR's information technology infrastructure and core business applications; and
- ◆ \$0.4 million for the replacement of leased and minor assets.

CROWN FINANCE ENTITY

The Crown Finance Entity is responsible for assets and liabilities, and their related transactions, that are managed centrally and for which individual agencies are not directly accountable. The major components are defined benefit superannuation contributions, long service leave payments on behalf of general government budget dependent agencies, and interest payments on government debt and bank balances held by general government agencies in the Treasury Banking System.

In addition, the State is required to contribute to the cost of administration of the GST. Other major payments include HIH policyholder claims, refunds and remissions of Crown revenue, natural disasters assistance, debt and investment management costs, and payments for community service obligations to Country Energy.

RECENT DEVELOPMENTS

The Government has approved the cash transfer of the balance of the General Government Liability Management Fund of \$7,176 million to SAS Trustee Corporation (State Super) by 30 June 2007. Accordingly, the Crown Finance Entity will cease providing annual grants to the Fund in 2006-07.

A special rail grant of \$960 million was paid in 2006-07 for rail debt repayment.

Due to ongoing favourable insurance claim experience and higher than expected investment returns, the Treasury Managed Fund, administered by the NSW Self Insurance Corporation, transferred \$910 million to the Consolidated Fund during 2006-07. Based on the current net asset forecast, a further transfer of \$200 million is expected to be transferred in 2007-08.

2007-08 BUDGET

Total Expenses

Estimated total expenses in 2007-08 are \$3,309 million, with the major components being:

- ◆ \$1,732.4 million for payment on behalf of general government budget dependent agencies of employer superannuation contributions under the defined benefit schemes and long service leave expenses;
- ◆ \$881.5 million for interest expenses on new and existing debt held mainly with New South Wales Treasury Corporation and the Commonwealth Government. This debt contributes to funding the State's record capital works program;
- ◆ \$209.6 million as reimbursement to the Australian Taxation Office for GST administration and related payments;
- ◆ \$89.9 million in capital grants to agencies;
- ◆ \$75 million for redundancy payments for various government agencies which are restructuring for improved efficiency;
- ◆ \$41 million to subsidise petroleum products for on-road use near the Queensland border;
- ◆ \$30 million as a provision for natural disaster grants;
- ◆ \$23 million as a capital grant to the Department of Health. This was formerly funded from investment earnings on the Health Super Growth Fund;
- ◆ \$19.9 million to offset GST payments for clubs; and
- ◆ \$5.1 million to be invested in projects with the aim of increasing the flow of water in the Snowy River.

Total Revenue

All revenue received is passed on to the Consolidated Fund. None is retained by the Crown Finance Entity. Estimated total revenue in 2007-08 is \$397 million, with the major components being:

- ◆ \$200 million financial surplus transferred from the Treasury Managed Fund;
- ◆ \$101.2 million as interest on Crown advances to public sector agencies;
- ◆ \$35.3 million in contributions by agencies for superannuation and long service leave;
- ◆ \$20 million in recoveries from the HIH liquidators; and
- ◆ \$7.8 million income from leasing motor vehicles to government agencies. This is a reduction from previous years due to a decision that the Department of Commerce would take responsibility for all new leases after 2005-06.

Capital Expenditure

In 2007-08, purchases of property, plant and equipment will total \$10 million.

CROWN LEASEHOLDS ENTITY

The Crown Leaseholds Entity is administered by the Department of Lands under the *Crown Lands Act 1989*.

The Crown Leaseholds Entity collects proceeds from the sale of Crown land and revenue from leases, licences and permissive occupancies of Crown land and reports the value of vacant Crown land. The Crown Leaseholds Entity also collects fees and levies associated with the *Water Act 1912* and the Coomealla Pipeline.

The Crown Leasehold Entity land holdings include unallocated Crown land and Crown reserves for which no reserve trust has been established. Unallocated Crown land includes land on the continental shelf within the three nautical mile zone.

Operating expenses have decreased from \$40 million in 2006-07 to \$24.2 million in 2007-08. This is due mainly to a change to accounting standards whereby the waiving of rural rents in the drought affected Western Division is now offset against sales of goods and services.

Retained revenues are estimated to decrease from \$74.8 million in 2006-07 to \$48.9 million in 2007-08. This reflects a reduction in transfers from Crown Reserves and the aforementioned change to accounting standards. Volatility in the level of Crown Leaseholds entity is expected given that there are 37,000 Crown reserve trusts.

Land within the Crown Leaseholds Entity, that is subject to lease arrangements, is revalued every year. A detailed revaluation of other Crown land is being undertaken in 2006-07 following an initial valuation in 2002. It is expected that the value of land within the Crown Leaseholds Entity will increase to approximately \$6.5 billion as a result of this revaluation. This movement reflects changes in property values over the intervening five year period.

NSW SELF INSURANCE CORPORATION

The NSW Self Insurance Corporation (SICorp) was established by the *NSW Self Insurance Corporation Act 2004*. Its main functions are:

- ◆ the administration of the Treasury Managed Fund (TMF), which provides insurance cover for general government sector budget dependent agencies (other than compulsory third party insurance). TMF membership is also available to other public sector agencies on a voluntary basis;
- ◆ the management of the Governmental Workers' Compensation Account, the Transport Accidents Compensation Fund and the Pre-Managed Fund Reserve; and
- ◆ the collection and analysis of data provided by contracted TMF claims managers; systems management of the TMF data warehouse; provision of reporting functions to member agencies; and monitoring the claims managers.

RECENT DEVELOPMENTS

The State accumulates financial assets in order to meet employee superannuation and the Government's insurance liability costs as they fall due rather than place an undue burden on future generations.

The TMF manages assets to fund the Government's insurance liability costs. Recent portfolio investment performance in relation to these assets has been high and the forward estimates assume investment returns will return to the long run trend of 7 per cent.

Strong investment returns, together with a favourable claims experience, has enabled the Fund to make repayments of Crown Contributions.

The repayment of contributions is designed to avoid the Fund accumulating excess reserves. The Insurance Reserve Policy dictates the appropriate level of reserves for the TMF. This policy sets the TMF reserve for insurance activity at an amount equal to 10 per cent of outstanding claims liabilities plus the amount the Fund retains for a single major loss before its reinsurance protection is activated. The net asset position is reviewed each 31 December. Following the 2006 review of reserve requirements, a surplus above the insurance reserve requirement was identified. The net surplus assets position allowed for a transfer of \$910 million to the Consolidated Fund as a repayment of Crown contributions.

The repayment of Crown contributions, aimed at preventing the accumulation of excess reserves, results in a small projected operating deficit of \$16.3 million in 2006-07.

The TMF target premium for 2007-08 of \$857.3 million is 1.3 per cent higher than for 2006-07. Major variations are workers' compensation premiums (up \$18.6 million or 4.3 per cent) and public liability premiums (down \$10.2 million or 3.4 per cent).

STRATEGIC DIRECTIONS

Since 1 July 2005, the claims management of the insurance businesses (workers' compensation, motor vehicle, property, liability and miscellaneous) has been distributed between three claims managers. Previously GIO Australia Limited was the single private insurer, managing the assessment and processing of claims.

Three workers' compensation providers, Employers Mutual Limited, Allianz Australia Limited and GIO Australia Limited, were appointed. The claims management of other claims, including liability and property, remains with GIO Australia Limited. There are also separate long term contracts for risk management (Suncorp Risk Management Services), reinsurance (Benfield (Australia) Pty Limited) and actuarial services (PricewaterhouseCoopers and Taylor Fry).

The key objectives of this structure are to improve TMF performance by promoting competition; generating cost savings and efficiency gains; reducing the systemic risk associated with a single provider; and enabling comparison and benchmarking between providers.

In 2007-08, the TMF will provide coverage to over 140 public sector agencies.

2007-08 BUDGET

Favourable claims experience is expected to continue in 2007-08 while investment returns are assumed to be in line with long term trends. Reflecting these developments, TMF assets are estimated to rise to \$5.1 billion in 2007-08 and assets are estimated to exceed outstanding claim liabilities by \$758 million.

The Budget estimates assume that the maintenance of net assets in line with the Insurance Reserve Policy will allow a further repayment of \$200 million in Crown contributions. The repayment is subject to the Self Insurance Corporation's financial position as at 31 December 2007 being in accord with its Insurance Reserve Policy. On current projections, the Fund will have an operating deficit for 2007-08 of \$163.4 million which results from the implementation of the Insurance Reserve Policy.

Capital Expenditure

The capital program of \$0.3 million in 2007-08 is primarily for computer requirements.

LIABILITY MANAGEMENT MINISTERIAL CORPORATION

The Liability Management Ministerial Corporation controls the General Government Liability Management Fund. The fund was established to accumulate financial assets to improve the financial management of the general government sector's balance sheet and allow flexibility in the timing of superannuation contributions to the public sector defined benefit schemes.

The legislation establishing the General Government Liability Management Fund provided that the balance in the fund can initially only be used to meet superannuation liabilities with any residual funds being used for debt reduction.

In 2006-07 the balance of the fund, estimated at \$7.2 billion (including transfers from the NSW Self Insurance Corporation of \$1 billion and the Health Super Growth Fund of \$420 million), will be transferred to SAS Trustee Corporation (State Super) and invested in line with the strategic asset allocation of State Super. Once this transfer has been completed, the operations of the Corporation and the fund will be discontinued. However, both the Corporation and the General Government Liability Management Fund will remain in existence to assist in the future management of the State's assets and liabilities.

RECENT DEVELOPMENTS

Total government employer contributions of \$5.8 billion including interest, made to the General Government Liability Management Fund, are in accordance with the funding profile established under the Crown Funding Plan for the elimination of unfunded superannuation liabilities.

The Crown Funding Plan was developed through actuarial assessment of the minimum level of contributions necessary to meet the superannuation funding target. This Funding Plan is consistent with the *Fiscal Responsibility Act 2005* which includes the long term fiscal target of eliminating total state sector unfunded superannuation liabilities by 2030.

The cash contributions to the fund are \$200 million in 2006-07.

STRATEGIC DIRECTIONS

In accordance with the provisions of the *General Government Liability Management Fund Act 2002*, a Management Committee advises the Secretary of the Treasury on matters relating to the management of the fund, including:

- ◆ investment strategy;
- ◆ appointment of asset custodians, consultants, investment managers and other service providers;
- ◆ monitoring and reviewing the performance of assets, investments and service providers;
- ◆ compliance with the Government's fiscal strategy; and
- ◆ transfer of funds to State Super.

2007-08 BUDGET

The Liability Management Ministerial Corporation ceases operations in 2006-07. This will result in a nil balance sheet as at 30 June 2007.

ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION

The Electricity Tariff Equalisation Ministerial Corporation commenced administration of the Electricity Tariff Equalisation Fund (ETEF) on 1 January 2001.

The fund manages the cost risk of electricity purchases by standard state-owned electricity retail suppliers (Energy Australia, Integral Energy and Country Energy) that are required to supply electricity to small retail customers in New South Wales at tariffs determined by the Independent Pricing and Regulatory Tribunal (IPART).

IPART determinations cover residential and small business customers consuming less than 160 MWh per annum who have not elected to enter into a negotiated supply contract.

Standard retail suppliers are required to contribute to the fund when wholesale prices are lower than the energy cost component charged to customers buying power under regulated tariffs. When wholesale prices are higher than the energy cost component in the regulated tariff, the ETEF makes payments to the standard retail suppliers from the Fund to ensure they earn the regulated return.

In this way, the Fund is able to smooth the volatility in wholesale prices for those state-owned retailers that are required to sell at regulated tariffs. At the same time, the Fund ensures that standard retail suppliers do not face a commercial advantage or disadvantage because they supply regulated customers.

In the event there is a sustained rise in pool prices and there are insufficient funds within the ETEF, New South Wales state-owned electricity generators are well placed to 'top-up' the ETEF from funds generated by high wholesale prices. Generator payments to the fund are repaid whenever standard retail suppliers make a payment into the fund. The involvement of generators ensures that the fund can never be in deficit.

RECENT DEVELOPMENTS

Section 43ES of the *Electricity Supply Act 1995* states the fund was to cease operation on 30 June 2004. A regulation gazetted on 19 September 2003 extended the fund until 30 June 2007. The Government recently decided to gradually phase out the fund in the period to June 2010.

The average New South Wales wholesale electricity price for 2005-06 was \$37.24 MWh with average monthly prices varying from \$20.61 MWh to \$71.55 MWh. Currently, average monthly prices for 2006-07 have varied from \$21.00 MWh to \$77.89 MWh. The fund balance at 30 June 2007 is estimated at \$267 million.

While for accounting reasons the movement in the ETEF balance is treated as Budget revenue, in practice the ETEF is managed as a separate fund which can be called upon in periods of high prices.

STRATEGIC DIRECTIONS

The ETEF arrangement is aimed at managing the electricity purchase risk of standard retail suppliers. The Government has decided that the fund will be phased out by June 2010 to allow adequate time for adjustments to occur in the energy trading market. Although this will expose retailers to price risk, it is expected to generate the right incentives to attract investment in electricity generation. There will be no impact on retail customers as electricity prices are determined by IPART.

The Treasurer has initiated a regular audit of the standard retail suppliers. The focus of the audit is a review of the data provided by the standard retail suppliers to the Fund Administrator.

2007-08 BUDGET

The fund is an equalisation mechanism in that surpluses resulting from low prices in one period are paid out in future periods to offset higher prices. The regulated energy price is set by IPART and is based on the long run generation costs. On this basis, the fund is forecast to increase only by investment income in 2007-08.

CROWN PROPERTY PORTFOLIO

The Crown Property Portfolio (CPP) comprises NSW Government owned and leased multi-occupancy office buildings located throughout the State. The portfolio also contains a diverse range of non-office properties that are outside the core activities of other agencies and/or have entered the Portfolio as a result of a strategic decision to restructure particular agencies.

The State Property Authority (SPA) manages the Portfolio under a management agreement with New South Wales Treasury, and is responsible for the collection of rents and other associated activities. Day-to-day property management of the office buildings is contracted to a private sector agent.

RECENT DEVELOPMENTS

Expenditure is mainly incurred on office building head lease payments and finance lease interest payments.

Construction commenced on the new Government Office Building in Penrith which will house the head office of the Sydney Catchment Authority and branches of the Department of Community Services and the Office of Fair Trading. Construction is scheduled for completion in 2007-08.

Construction continued on the Government Office Building in Queanbeyan which is scheduled for completion in 2008-09.

Construction also continued on the Parramatta Justice Office Building which is part of the Parramatta Justice Precinct and will house the head offices of the Attorney General's Department, Office of the Protective Commissioner and Public Guardian, and the Legal Aid Commission's Parramatta office. Construction commenced on this project in 2005-06 and is scheduled for completion in 2007-08.

STRATEGIC DIRECTIONS

SPA was established in September 2006 to improve property management outcomes and operational efficiencies in the use of properties of government agencies, particularly generic properties such as offices, warehouses, depots and car parks.

The CPP was identified as suitable for transfer to SPA due to the primarily generic nature of its properties. On 1 July 2007, all the properties contained in the CPP will vest in SPA and the CPP will cease as a separate reporting agency. The CPP's accounts will be consolidated with those of SPA's from 2007-08 onwards.

2007-08 BUDGET

Total Expenses

The CPP does not have any budgeted expenses for 2007-08 as its accounts will be consolidated with those of SPA.

Capital Expenditure

The CPP does not have a capital allocation in 2007-08 as its accounts will be consolidated with those of SPA.

ADVANCE TO THE TREASURER

\$325 million has been allocated in 2007-08 to the Treasurer as an advance to allow for supplementary expenses, comprising \$215 million for recurrent services and \$110 million for capital works and services. Actual expenses will be recorded in the expenses of the appropriate agencies.

At \$215 million the recurrent services advance represents a contingency of less than 1 per cent of budgeted operating expenses.

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**

52 TREASURY

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 115,369 | 113,332 | 123,753 |
| Other operating expenses | 44,077 | 43,882 | 42,948 |
| Depreciation and amortisation | 14,648 | 13,373 | 14,630 |
| Grants and subsidies | 301,679 | 340,679 | 344,351 |
| Other expenses | ... | ... | 42 |
| Total Expenses Excluding Losses | 475,773 | 511,266 | 525,724 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 27,183 | 28,083 | 30,286 |
| Investment income | 1,379 | 1,816 | 1,769 |
| Retained taxes, fees and fines | 21 | 174 | 180 |
| Grants and contributions | ... | 4 | ... |
| Other revenue | 5,846 | 5,942 | 5,874 |
| Total Retained Revenue | 34,429 | 36,019 | 38,109 |
| Gain/(loss) on disposal of non current assets | ... | (90) | ... |
| NET COST OF SERVICES | 441,344 | 475,337 | 487,615 |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**

52 TREASURY

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related | 109,276 | 108,084 | 117,633 |
| Grants and subsidies | 301,679 | 340,679 | 344,351 |
| Other | 51,493 | 49,921 | 50,674 |
| Total Payments | 462,448 | 498,684 | 512,658 |
| Receipts | | | |
| Sale of goods and services | 27,183 | 28,616 | 30,286 |
| Interest | 1,379 | 1,939 | 1,769 |
| Other | 13,283 | 12,302 | 13,738 |
| Total Receipts | 41,845 | 42,857 | 45,793 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (420,603) | (455,827) | (466,865) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 8 | ... |
| Purchases of property, plant and equipment | (1,082) | (1,402) | (1,834) |
| Other | (5,362) | (5,600) | (3,285) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (6,444) | (6,994) | (5,119) |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 419,206 | 458,206 | 465,229 |
| Capital appropriation | 6,444 | 6,444 | 5,119 |
| Cash transfers to Consolidated Fund | ... | (571) | ... |
| NET CASH FLOWS FROM GOVERNMENT | 425,650 | 464,079 | 470,348 |
| NET INCREASE/(DECREASE) IN CASH | (1,397) | 1,258 | (1,636) |
| Opening Cash and Cash Equivalents | 14,056 | 17,436 | 18,694 |
| CLOSING CASH AND CASH EQUIVALENTS | 12,659 | 18,694 | 17,058 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | (441,344) | (475,337) | (487,615) |
| Non cash items added back | 20,741 | 19,262 | 20,750 |
| Change in operating assets and liabilities | ... | 248 | ... |
| Net cash flow from operating activities | (420,603) | (455,827) | (466,865) |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**

52 TREASURY

| | 2006-07 | | 2007-08 Budget \$000 |
|--|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 12,659 | 18,694 | 17,058 |
| Receivables | 10,050 | 11,205 | 11,205 |
| Other | 807 | ... | ... |
| Total Current Assets | 23,516 | 29,899 | 28,263 |
| Non Current Assets - | | | |
| Receivables | ... | 110 | 110 |
| Property, plant and equipment - Plant and equipment | 9,352 | 29,558 | 25,317 |
| Intangibles | 35,271 | 17,868 | 12,598 |
| Other | 114 | ... | ... |
| Total Non Current Assets | 44,737 | 47,536 | 38,025 |
| Total Assets | 68,253 | 77,435 | 66,288 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 5,861 | 5,366 | 5,366 |
| Provisions | 8,985 | 10,338 | 10,338 |
| Other | 176 | 165 | 165 |
| Total Current Liabilities | 15,022 | 15,869 | 15,869 |
| Non Current Liabilities - | | | |
| Provisions | 2,141 | 121 | 121 |
| Other | 371 | 43 | 43 |
| Total Non Current Liabilities | 2,512 | 164 | 164 |
| Total Liabilities | 17,534 | 16,033 | 16,033 |
| NET ASSETS | 50,719 | 61,402 | 50,255 |
| EQUITY | | | |
| Accumulated funds | 50,719 | 61,402 | 50,255 |
| TOTAL EQUITY | 50,719 | 61,402 | 50,255 |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**

53 CROWN FINANCE ENTITY

| | 2006-07 | | 2007-08 |
|---|--------------------|--------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Employee related | 895,877 | 1,146,824 | 1,883,317 |
| Other operating expenses | 32,656 | 44,146 | 58,094 |
| Depreciation and amortisation | 18,524 | 19,740 | 5,574 |
| Grants and subsidies* | 1,961,481 | 1,352,699 | 172,588 |
| Finance costs | 895,365 | 812,935 | 883,509 |
| Other expenses | 317,177 | 292,141 | 305,964 |
| Total Expenses Excluding Losses | 4,121,080 | 3,668,485 | 3,309,046 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 37,986 | 42,785 | 22,796 |
| Investment income | 155,518 | 130,121 | 101,222 |
| Grants and contributions** | 8,700,000 | 8,085,831 | 200,000 |
| Other revenue | 33,304 | 127,722 | 73,363 |
| Total Retained Revenue | 8,926,808 | 8,386,459 | 397,381 |
| Gain/(loss) on disposal of non current assets | (16,600) | (7,500) | (7,400) |
| Other gains/(losses) | 40,279 | 52,445 | 69,264 |
| NET COST OF SERVICES | (4,829,407) | (4,762,919) | 2,849,801 |

* Revised estimates for 2006-07 include a \$960 million grant to the Transport Infrastructure Development Corporation for the repayment of the entity's debt. The Budget for 2007-08 reflects the impact of a reduction in contribution to the General Government Liability Management Fund.

** Represents repayment by Liability Management Ministerial Corporation and NSW Self Insurance Corporation for Crown contributions.

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**

53 CROWN FINANCE ENTITY

| | 2006-07 | | 2007-08 Budget \$000 |
|---|--------------------|--------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee related* | 9,124,688 | 7,725,827 | 1,482,593 |
| Grants and subsidies** | 2,028,603 | 1,430,212 | 231,124 |
| Finance costs | 890,210 | 803,957 | 901,114 |
| Other | 335,821 | 193,796 | 343,137 |
| Total Payments | 12,379,322 | 10,153,792 | 2,957,968 |
| Receipts | | | |
| Sale of goods and services | 33,413 | 27,605 | 7,795 |
| Interest | 155,513 | 121,076 | 82,742 |
| Other*** | 8,772,804 | 8,249,450 | 295,364 |
| Total Receipts | 8,961,730 | 8,398,131 | 385,901 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (3,417,592) | (1,755,661) | (2,572,067) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 116,616 | 64,674 | 31,284 |
| Proceeds from sale of investments | (7,995) | 166 | 95 |
| Advance repayments received | 141,598 | 149,656 | 90,890 |
| Purchases of property, plant and equipment | (10,000) | (3,000) | (10,000) |
| Purchases of investments | ... | (182) | ... |
| Advances made | (75,000) | (95,000) | (100,000) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 165,219 | 116,314 | 12,269 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings and advances | 3,335,000 | 494,087 | 2,318,270 |
| Repayment of borrowings and advances | (179,658) | (156,357) | (94,675) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | 3,155,342 | 337,730 | 2,223,595 |

* 2006-07 figures reflect lump sum payment of \$7.2 billion Crown employer contribution to SAS Trustee.

** Revised estimates for 2006-07 include a \$960 million grant to the Transport Infrastructure Development Corporation for the repayment of the entity's debt. The Budget for 2007-08 reflects the impact of a reduction in contribution to the General Government Liability Management Fund.

*** 2006-07 figures reflect repayment of Crown contributions from NSW Self Insurance Corporation and Liability Management Ministerial Corporation; 2007-08 figure reflects repayment solely by NSW Self Insurance Corporation.

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**

53 CROWN FINANCE ENTITY

| | 2006-07 | | 2007-08 Budget \$000 |
|---|--------------------|--------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| CASH FLOW STATEMENT (cont) | | | |
| CASH FLOWS FROM GOVERNMENT | | | |
| Recurrent appropriation | 3,680,460 | 2,907,533 | 2,925,643 |
| Capital appropriation | 164,824 | 162,443 | 187,776 |
| Amount collected on behalf of and transferred to the Consolidated Fund | (3,721,059) | (1,836,139) | (2,762,674) |
| NET CASH FLOWS FROM GOVERNMENT | 124,225 | 1,233,837 | 350,745 |
| NET INCREASE/(DECREASE) IN CASH | 27,194 | (67,780) | 14,542 |
| Opening Cash and Cash Equivalents | 144,633 | 260,180 | 192,400 |
| CLOSING CASH AND CASH EQUIVALENTS | 171,827 | 192,400 | 206,942 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | 4,829,407 | 4,762,919 | (2,849,801) |
| Non cash items added back | (37,562) | (45,221) | (64,835) |
| Change in operating assets and liabilities | (8,209,437) | (6,473,359) | 342,569 |
| Net cash flow from operating activities | (3,417,592) | (1,755,661) | (2,572,067) |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**

53 CROWN FINANCE ENTITY

| | 2006-07 | | 2007-08 Budget \$000 |
|--|---------------------|---------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 171,827 | 192,400 | 206,942 |
| Receivables | 22,014 | 10,651 | 10,536 |
| Other financial assets | 152,094 | 71,140 | 66,012 |
| Total Current Assets | 345,935 | 274,191 | 283,490 |
| Non Current Assets - | | | |
| Other financial assets | 2,074,001 | 1,775,419 | 1,874,776 |
| Property, plant and equipment - Land and building | 10,000 | 3,000 | 13,000 |
| Plant and equipment | 9,829 | 47,879 | 3,621 |
| Total Non Current Assets | 2,093,830 | 1,826,298 | 1,891,397 |
| Total Assets | 2,439,765 | 2,100,489 | 2,174,887 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 235,370 | 238,173 | 210,353 |
| Borrowings at amortised cost | 3,803,015 | 2,628,495 | 3,584,440 |
| Provisions | 3,139,850 | 2,787,631 | 3,763,383 |
| Other | 74,271 | 139,898 | 132,954 |
| Total Current Liabilities | 7,252,506 | 5,794,197 | 7,691,130 |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 10,861,572 | 8,826,033 | 10,108,488 |
| Provisions | 14,572,500 | 16,726,832 | 16,151,819 |
| Other | 255,883 | 98,484 | 67,563 |
| Total Non Current Liabilities | 25,689,955 | 25,651,349 | 26,327,870 |
| Total Liabilities | 32,942,461 | 31,445,546 | 34,019,000 |
| NET ASSETS | (30,502,696) | (29,345,057) | (31,844,113) |
| BALANCE SHEET (cont) | | | |
| EQUITY | | | |
| Reserves | 10,100 | ... | ... |
| Accumulated funds | (30,512,796) | (29,345,057) | (31,844,113) |
| TOTAL EQUITY | (30,502,696) | (29,345,057) | (31,844,113) |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**

54 CROWN LEASEHOLDS ENTITY

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Expenses Excluding Losses - | | | |
| Operating expenses - | | | |
| Other operating expenses | 18,017 | 163 | 166 |
| Grants and subsidies | 21,950 | 50,681 | 23,999 |
| Total Expenses Excluding Losses | 39,967 | 50,844 | 24,165 |
| Less: | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 58,096 | 42,254 | 43,352 |
| Investment income | 2,832 | 3,766 | 2,915 |
| Retained taxes, fees and fines | 1,572 | 1,572 | 1,597 |
| Grants and contributions | 12,328 | 20,000 | 1,031 |
| Total Retained Revenue | 74,828 | 67,592 | 48,895 |
| Gain/(loss) on disposal of non current assets | 6,297 | (7,192) | 6,615 |
| Other gains/(losses) | (5,087) | (18,143) | (5,089) |
| NET COST OF SERVICES | (36,071) | 8,587 | (26,256) |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**

54 CROWN LEASEHOLDS ENTITY

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Grants and subsidies | ... | 1,500 | 1,500 |
| Other | 21,693 | 1,043 | 4,810 |
| Total Payments | 21,693 | 2,543 | 6,310 |
| Receipts | | | |
| Sale of goods and services | 50,492 | 21,152 | 44,793 |
| Interest | 2,832 | 3,688 | 2,915 |
| Other | 5,403 | 5,332 | 7,471 |
| Total Receipts | 58,727 | 30,172 | 55,179 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 37,034 | 27,629 | 48,869 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | 14,963 | 21,391 | 13,999 |
| Advance repayments received | ... | 347 | 589 |
| Advances made | ... | ... | (612) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 14,963 | 21,738 | 13,976 |
| CASH FLOWS FROM GOVERNMENT | | | |
| Cash transfers to Consolidated Fund | (57,259) | (50,620) | (57,388) |
| NET CASH FLOWS FROM GOVERNMENT | (57,259) | (50,620) | (57,388) |
| NET INCREASE/(DECREASE) IN CASH | (5,262) | (1,253) | 5,457 |
| Opening Cash and Cash Equivalents | 9,194 | 12,500 | 11,247 |
| CLOSING CASH AND CASH EQUIVALENTS | 3,932 | 11,247 | 16,704 |
| CASH FLOW RECONCILIATION | | | |
| Net cost of services | 36,071 | (8,587) | 26,256 |
| Non cash items added back | 14,622 | 47,096 | 26,468 |
| Change in operating assets and liabilities | (13,659) | (10,880) | (3,855) |
| Net cash flow from operating activities | 37,034 | 27,629 | 48,869 |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**

54 CROWN LEASEHOLDS ENTITY

| | 2006-07 | | 2007-08 Budget \$000 |
|--|------------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 3,932 | 11,247 | 16,704 |
| Receivables | 30,023 | 37,298 | 35,857 |
| Other financial assets | ... | 2,223 | 2,112 |
| Total Current Assets | 33,955 | 50,768 | 54,673 |
| Non Current Assets - | | | |
| Receivables | 22,365 | ... | ... |
| Other financial assets* | ... | 22,231 | 22,365 |
| Property, plant and equipment - Land and building | 4,549,451 | 6,521,651 | 6,500,000 |
| Total Non Current Assets | 4,571,816 | 6,543,882 | 6,522,365 |
| Total Assets | 4,605,771 | 6,594,650 | 6,577,038 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 8,348 | 8,622 | 7,328 |
| Other | 26,603 | 24,655 | 27,268 |
| Total Current Liabilities | 34,951 | 33,277 | 34,596 |
| Total Liabilities | 34,951 | 33,277 | 34,596 |
| NET ASSETS | 4,570,820 | 6,561,373 | 6,542,442 |
| EQUITY | | | |
| Reserves | 878,394 | 2,933,489 | 2,945,690 |
| Accumulated funds | 3,692,426 | 3,627,884 | 3,596,752 |
| TOTAL EQUITY | 4,570,820 | 6,561,373 | 6,542,442 |

* Reclassification between line items from the 2006-07 Budget is due to the introduction of Australian Equivalents to International Financial Reporting Standards.

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER
NSW SELF INSURANCE CORPORATION**

| | 2006-07 | | 2007-08 Budget \$000 |
|--|------------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 883,203 | 878,880 | 819,040 |
| Investment income | 406,643 | 607,021 | 369,720 |
| Other revenue | 2,000 | ... | ... |
| Total Retained Revenue | 1,291,846 | 1,485,901 | 1,188,760 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Other operating expenses | 1,085,494 | 316,691 | 872,541 |
| Depreciation and amortisation | 1,120 | 998 | 1,150 |
| Grants and subsidies* | ... | 910,000 | 200,000 |
| Finance costs** | ... | 271,452 | 277,038 |
| Other expenses | ... | 2,482 | 2,549 |
| Total Expenses Excluding Losses | 1,086,614 | 1,501,623 | 1,353,278 |
| Other gains/(losses) | ... | (530) | 1,100 |
| SURPLUS/(DEFICIT) | 205,232 | (16,252) | (163,418) |

* Represents repayment of Crown contributions by NSW Self Insurance Corporation.

** Reclassification between line items from the 2006-07 Budget is due to the introduction of Australian Equivalents to International Financial Reporting Standards.

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER
NSW SELF INSURANCE CORPORATION**

| | 2006-07 | | 2007-08 |
|---|------------------|------------------|------------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 883,203 | 878,880 | 819,040 |
| Interest | 3,351 | 4,184 | 4,297 |
| Other | 120,114 | 73,467 | 77,742 |
| Total Receipts | 1,006,668 | 956,531 | 901,079 |
| Payments | | | |
| Employee related* | ... | 327,384 | 381,100 |
| Grants and subsidies | ... | 910,000 | 200,000 |
| Other* | 968,878 | 580,758 | 580,475 |
| Total Payments | 968,878 | 1,818,142 | 1,161,575 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 37,790 | (861,611) | (260,496) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of investments | ... | 910,000 | 265,479 |
| Purchases of property, plant and equipment | (100) | (171) | (19) |
| Purchases of investments | (55,376) | (154,536) | ... |
| Other | (467) | (1,534) | (270) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (55,943) | 753,759 | 265,190 |
| NET INCREASE/(DECREASE) IN CASH | (18,153) | (107,852) | 4,694 |
| Opening Cash and Cash Equivalents | 338,702 | 304,796 | 196,944 |
| CLOSING CASH AND CASH EQUIVALENTS | 320,549 | 196,944 | 201,638 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 205,232 | (16,252) | (163,418) |
| Non cash items added back | (402,172) | (601,309) | (365,373) |
| Change in operating assets and liabilities | 234,730 | (244,050) | 268,295 |
| Net cash flow from operating activities | 37,790 | (861,611) | (260,496) |

* Variations from the 2006-07 Budget reflects the reclassification of workers' compensation payments.

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER
NSW SELF INSURANCE CORPORATION**

| | 2006-07 | | 2007-08 Budget \$000 |
|--|------------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 335,549 | 196,944 | 201,638 |
| Receivables* | 27,257 | 118,697 | 121,887 |
| Other financial assets** | 198,900 | 1,200 | 900 |
| Other | 900 | ... | ... |
| Total Current Assets | 562,606 | 316,841 | 324,425 |
| Non Current Assets - | | | |
| Receivables | 155,523 | 161,179 | 173,187 |
| Other financial assets | 5,461,636 | 4,797,193 | 4,897,137 |
| Property, plant and equipment - Plant and equipment | 593 | 499 | 334 |
| Intangibles | 3,450 | 3,235 | 2,539 |
| Other | ... | 101 | 82 |
| Total Non Current Assets | 5,621,202 | 4,962,207 | 5,073,279 |
| Total Assets | 6,183,808 | 5,279,048 | 5,397,704 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables* | ... | 111,857 | 116,366 |
| Borrowings at amortised cost | 15,000 | ... | ... |
| Other financial liabilities at fair value** | 200,800 | 3,600 | 2,200 |
| Provisions | 630,124 | 611,560 | 620,700 |
| Other | 8,382 | ... | ... |
| Total Current Liabilities | 854,306 | 727,017 | 739,266 |

* Variations from the 2006-07 Budget reflects GST receivables and payables from premium invoices issued in June.

** Variations from the 2006-07 Budget reflects changes in disclosure of derivative financial instruments in accordance with Australian Equivalents to International Financial Reporting Standards.

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER
NSW SELF INSURANCE CORPORATION**

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|------------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| <i>BALANCE SHEET (cont)</i> | | | |
| Non Current Liabilities - | | | |
| Provisions | 167,215 | 199,933 | 196,018 |
| Other | 3,870,400 | 3,443,191 | 3,716,931 |
| Total Non Current Liabilities | 4,037,615 | 3,643,124 | 3,912,949 |
| Total Liabilities | 4,891,921 | 4,370,141 | 4,652,215 |
| NET ASSETS | 1,291,887 | 908,907 | 745,489 |
| EQUITY | | | |
| Accumulated funds | 1,291,887 | 908,907 | 745,489 |
| TOTAL EQUITY | 1,291,887 | 908,907 | 745,489 |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**

LIABILITY MANAGEMENT MINISTERIAL CORPORATION

| | 2006-07 | | 2007-08 |
|--|--------------------|--------------------|---------|
| | Budget | Revised | Budget |
| | \$000 | \$000 | \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 171,451 | 271,310 | ... |
| Grants and contributions | 1,801,175 | 181,201 | ... |
| Total Retained Revenue | 1,972,626 | 452,511 | ... |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Other operating expenses | 3,640 | 5,293 | ... |
| Grants and subsidies | 8,700,000 | 7,175,831 | ... |
| Total Expenses Excluding Losses | 8,703,640 | 7,181,124 | ... |
| SURPLUS/(DEFICIT) | (6,731,014) | (6,728,613) | ... |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**
LIABILITY MANAGEMENT MINISTERIAL CORPORATION

| | 2006-07 | | 2007-08 |
|---|--------------------|--------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Interest | 248,247 | ... | ... |
| Other | 1,801,175 | 181,201 | ... |
| Total Receipts | 2,049,422 | 181,201 | ... |
| Payments | | | |
| Grants and subsidies | 8,700,000 | 7,175,831 | ... |
| Other | 4,111 | 5,742 | ... |
| Total Payments | 8,704,111 | 7,181,573 | ... |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | (6,654,689) | (7,000,372) | ... |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of investments | 8,626,765 | 7,175,831 | ... |
| Purchases of investments | (1,974,368) | (181,195) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 6,652,397 | 6,994,636 | ... |
| NET INCREASE/(DECREASE) IN CASH | (2,292) | (5,736) | ... |
| Opening Cash and Cash Equivalents | 2,292 | 5,736 | ... |
| CLOSING CASH AND CASH EQUIVALENTS | ... | ... | ... |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | (6,731,014) | (6,728,613) | ... |
| Non cash items added back | ... | (271,310) | ... |
| Change in operating assets and liabilities | 76,325 | (449) | ... |
| Net cash flow from operating activities | (6,654,689) | (7,000,372) | ... |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**

ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION

| | 2006-07 | | 2007-08 |
|--|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Investment income | 9,500 | 17,000 | 12,000 |
| Total Retained Revenue | 9,500 | 17,000 | 12,000 |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Other operating expenses | 454 | 559 | 489 |
| Total Expenses Excluding Losses | 454 | 559 | 489 |
| SURPLUS/(DEFICIT) | 9,046 | 16,441 | 11,511 |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**
ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Retained taxes | (592) | 2,837 | ... |
| Interest | 9,500 | 17,000 | 12,000 |
| Total Receipts | 8,908 | 19,837 | 12,000 |
| Payments | | | |
| Other | 454 | 554 | 489 |
| Total Payments | 454 | 554 | 489 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 8,454 | 19,283 | 11,511 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of investments | (8,454) | ... | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (8,454) | ... | ... |
| NET INCREASE/(DECREASE) IN CASH | ... | 19,283 | 11,511 |
| Opening Cash and Cash Equivalents | ... | 247,728 | 267,011 |
| CLOSING CASH AND CASH EQUIVALENTS | ... | 267,011 | 278,522 |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year | 9,046 | 16,441 | 11,511 |
| Change in operating assets and liabilities | (592) | 2,842 | ... |
| Net cash flow from operating activities | 8,454 | 19,283 | 11,511 |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER**

ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION

| | 2006-07 | | 2007-08 |
|----------------------------------|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | ... | 267,011 | 278,522 |
| Receivables | 20,784 | 20,784 | 20,784 |
| Other financial assets | 208,299 | ... | ... |
| Total Current Assets | 229,083 | 287,795 | 299,306 |
| Total Assets | 229,083 | 287,795 | 299,306 |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 43 | 43 | 43 |
| Total Current Liabilities | 43 | 43 | 43 |
| Total Liabilities | 43 | 43 | 43 |
| NET ASSETS | 229,040 | 287,752 | 299,263 |
| EQUITY | | | |
| Accumulated funds | 229,040 | 287,752 | 299,263 |
| TOTAL EQUITY | 229,040 | 287,752 | 299,263 |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER
CROWN PROPERTY PORTFOLIO**

| | 2006-07 | | 2007-08 Budget \$000 |
|---|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| OPERATING STATEMENT | | | |
| Retained Revenue - | | | |
| Sales of goods and services | 153,002 | 149,631 | ... |
| Investment income | 6,117 | 6,044 | ... |
| Grants and contributions | 85,764 | 96,830 | ... |
| Total Retained Revenue | 244,883 | 252,505 | ... |
| Less: | | | |
| Expenses Excluding Losses - | | | |
| Operating Expenses - | | | |
| Other operating expenses | 120,073 | 126,429 | ... |
| Depreciation and amortisation | 14,792 | 5,535 | ... |
| Finance costs | 17,622 | 4,575 | ... |
| Total Expenses Excluding Losses | 152,487 | 136,539 | ... |
| Gain/(loss) on disposal of non current assets | ... | (65) | ... |
| Other gains/(losses) | (100) | (100) | ... |
| SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS | 92,296 | 115,801 | ... |
| Distributions - | | | |
| Dividends and capital repatriations | 26,785 | 28,624 | ... |
| SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS | 65,511 | 87,177 | ... |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER
CROWN PROPERTY PORTFOLIO**

| | 2006-07 | | 2007-08 |
|---|-----------------|------------------|-----------------|
| | Budget \$000 | Revised \$000 | Budget \$000 |
| CASH FLOW STATEMENT | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | 153,002 | 149,506 | ... |
| Interest | 6,137 | 7,166 | ... |
| Other | 81,608 | 125,568 | ... |
| Total Receipts | 240,747 | 282,240 | ... |
| Payments | | | |
| Grants and subsidies | 5,988 | 8,953 | ... |
| Finance costs | 689 | 689 | ... |
| Other | 142,428 | 170,478 | ... |
| Total Payments | 149,105 | 180,120 | ... |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 91,642 | 102,120 | ... |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | ... | 325 | ... |
| Purchases of property, plant and equipment | (82,429) | (94,833) | ... |
| Other | ... | (112,657) | ... |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (82,429) | (207,165) | ... |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings and advances | (506) | (506) | ... |
| Dividends paid | (26,785) | (28,624) | ... |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (27,291) | (29,130) | ... |
| NET INCREASE/(DECREASE) IN CASH | (18,078) | (134,175) | ... |
| Opening Cash and Cash Equivalents | 139,050 | 148,593 | ... |
| CLOSING CASH AND CASH EQUIVALENTS | 120,972 | 14,418 | ... |
| CASH FLOW RECONCILIATION | | | |
| Surplus/(deficit) for year before distributions | 92,296 | 115,801 | ... |
| Non cash items added back | 14,792 | 5,535 | ... |
| Change in operating assets and liabilities | (15,446) | (19,216) | ... |
| Net cash flow from operating activities | 91,642 | 102,120 | ... |

**TREASURER, MINISTER FOR INFRASTRUCTURE,
AND MINISTER FOR THE HUNTER
CROWN PROPERTY PORTFOLIO**

| | 2006-07 | | 2007-08 Budget \$000 |
|--------------------------------------|-----------------|------------------|-------------------------------------|
| | Budget \$000 | Revised \$000 | |
| BALANCE SHEET | | | |
| ASSETS - | | | |
| Current Assets - | | | |
| Cash assets | 120,972 | 14,418 | ... |
| Receivables | 11,593 | 12,660 | ... |
| Total Current Assets | 132,565 | 27,078 | ... |
| Non Current Assets - | | | |
| Receivables | ... | 10,850 | ... |
| Investment properties | 374,153 | 15,718 | ... |
| Property, plant and equipment - | | | |
| Land and building | 252,574 | 624,341 | ... |
| Plant and equipment | (74,542) | 21 | ... |
| Intangibles | 1,980 | 3,922 | ... |
| Other | 144,164 | ... | ... |
| Total Non Current Assets | 698,329 | 654,852 | ... |
| Total Assets | 830,894 | 681,930 | ... |
| LIABILITIES - | | | |
| Current Liabilities - | | | |
| Payables | 2,431 | 5,997 | ... |
| Borrowings at amortised cost | 1,195 | 550 | ... |
| Provisions | 43,947 | 3,718 | ... |
| Other | 11,352 | 8,370 | ... |
| Total Current Liabilities | 58,925 | 18,635 | ... |
| Non Current Liabilities - | | | |
| Borrowings at amortised cost | 6,815 | 7,460 | ... |
| Other | 147,054 | 193,181 | ... |
| Total Non Current Liabilities | 153,869 | 200,641 | ... |
| Total Liabilities | 212,794 | 219,276 | ... |
| NET ASSETS | 618,100 | 462,654 | ... |
| EQUITY | | | |
| Reserves | 68,532 | 211,218 | ... |
| Accumulated funds | 549,568 | 251,436 | ... |
| TOTAL EQUITY | 618,100 | 462,654 | ... |

**MINISTER FOR WOMEN,
MINISTER FOR SCIENCE AND
MEDICAL RESEARCH, MINISTER ASSISTING
THE MINISTER FOR HEALTH (CANCER),
AND MINISTER ASSISTING
THE MINISTER FOR CLIMATE CHANGE,
ENVIRONMENT AND WATER (ENVIRONMENT)**

The Minister is assisted in her activities by the following entities.

The Office for Women, Department of Premier and Cabinet (Section 2), is responsible for providing support in the Minister's capacity as Minister for Women. It is the key advisor to the State Government on women's policies and develops programs, policies and projects. It also contributes to discussions on important social and economic issues relevant to women.

The Office of Science and Medical Research, Department of State and Regional Development (Section 19), provides support to the Minister in her capacity as Minister for Science and Medical Research. The Office aims to drive growth and innovation in science and medical research to achieve better health, environmental and economic outcomes for the people of New South Wales. Key programs include:

- ◆ the grant and funding programs which are part of the BioFirst Strategy and the Spinal Cord Injuries and Conditions Fund; and
- ◆ new areas such as the development of a Medical Research Plan and an Approach to Innovation and Science in New South Wales.

The Minister is responsible for the *Cancer Institute NSW Act 2003* and the operations of the Cancer Institute of NSW (Section 12). The Cancer Institute, based at the Advanced Technology Park site, is Australia's first State-wide, government supported cancer control agency. Its work is saving lives through promoting cancer research, prevention, early-detection, treatment and education initiatives.

As Minister assisting the Minister for Climate Change, Environment and Water (Environment) (Section 6), the Minister has the lead role in the following areas of environmental regulation: marine parks; biodiversity, including bio-banking; pollution, including contaminated lands and waste; and Aboriginal cultural heritage. These areas are supported by the Department for Environment and Climate Change.

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| Aboriginal and Torres Strait Islanders | 2-3 |
| Aboriginal Communities Development Program | 16-1, 16-4, 16-6 |
| Aboriginal Housing Office | 13-6, 13-12 |
| Aboriginal Justice Program | 5-2 |
| Aboriginal students | 8-4 |
| Aboriginal Trust Fund Repayment Scheme | 2-5 |
| Aboriginal Water Trust | 19-14 |
| Adult and Community Education | 8-2 |
| Advancing Australian Agriculture | 19-10 |
| Ageing, Disability and Home Care, Department of | 4-1, 4-8 |
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| Ambulance response times | 12-4 |
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| Botanic Gardens | 6-14, 6-27 |
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| Child protection | 7-2 |
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| Children and Young People, Commission for | 10-1 |
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| Children's Guardian | 10-1, 10-3 |
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| Coal Compensation Board | 19-14, 19-38 |
| Commerce, Department of | 20-9, 20-24 |
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| Community Justice Centres | 5-4 |
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| Community Services, Department of | 7-1, 7-7 |
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