

A N N U A L R E P O R T

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ANNUAL
REPORT
2005 - 2006

The Hon Morris Iemma MP
Premier, Minister for State Development and Minister for Citizenship
Parliament House
SYDNEY NSW 2000

23 October 2006

Dear Premier

I have pleasure in submitting for your presentation to both Houses of Parliament the Annual Report and Financial Statements of the State Electoral Office.

The activities of the Office for the year ended 30 June 2006 are reviewed in this Report. The Report has been prepared in accordance with the requirements of the *Annual Report (Departments) Act 1985* and the *Public Finance and Audit Act 1983*.

Yours sincerely

A handwritten signature in black ink that reads "Colin Barry". The signature is written in a cursive style with a long horizontal stroke extending from the end of the name.

Colin Barry
Electoral Commissioner

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The State Electoral Office

History

The State Electoral Office (SEO) occupies a special position within the structure of government in New South Wales (NSW). The SEO has its roots in the development of representative government dating back to 1843 when the first election of 24 representatives to the NSW Council was conducted by the Elections Branch in the Chief Secretary's Department. The Council was composed of 36 members, 24 elected and 12 appointed. At that election 9,315 electors were enrolled to vote. In 1928 the office of Electoral Commissioner was established pursuant to the *Parliamentary Electorates and Elections Act 1912*. In 2006 there are some 4.3 million electors enrolled in NSW.

SEO's Mission

The SEO's mission is to provide high quality election services that are impartial, effective, efficient and in accordance with the law.

SEO's Values

The SEO values:

- integrity in the way that we approach our work
- impartiality in the conduct of elections to gain and maintain the confidence of clients and the community
- respect for the needs of all in our community to ensure equal access to democracy
- professionalism in providing election services
- a learning culture amongst our staff members to ensure that the SEO reflects on how it delivers its services and remains a modern, forward thinking organisation that can meet the challenges of emerging issues.

Work Governed by Legislation

The SEO's work is governed by the following nine main pieces of legislation:

- *Constitution Act 1902*
- *Parliamentary Electorates and Elections Act 1912*
- *Local Government Act 1993*
- *Registered Clubs Act 1976*
- *Industrial Relations Act 1996*
- *Election Funding Act 1981*
- *The City of Sydney Act 1988*
- *Privacy and Personal Information Protection Act 1998*
- *Public Finance and Audit Act 1983*

The last change to the *Parliamentary Electorates and Elections Act 1912* occurred in 2002. Under the *Parliamentary Electorates and Elections Amendment (Party Registration) Act 2002* specific authority was conferred on the Electoral Commissioner to apply particular tests for the purposes of determining whether a party is eligible to be registered.

On 8 June 2006 the Premier, the Hon Morris Iemma, MP, announced that the Government would release a consultation draft Bill on proposed amendments to the *Parliamentary Electorates and Elections Act 1912*. The Bill reflects a number of recommendations made by the Electoral Districts Commissioners, the Council on the Cost and Quality of Government (CCQG) and the parliamentary Joint Standing Committee on Electoral Matters (JSCEM) and the Electoral Commissioner.

The last change to the *Local Government Act 1993* occurred in 2003 and provided for elections to be held on the fourth Saturday in September in every fourth year after 2004.

Electoral Responsibilities

The Electoral Commissioner is responsible for the registration of political parties, enrolment of electors, preparation of lists and rolls of electors and the conduct of elections. The Electoral Commissioner is the Returning Officer for the periodic Legislative Council elections and is also one of three Electoral Districts Commissioners appointed by the Governor to carry out electoral district redistributions according to law.

The SEO is the administrative agency by which the Electoral Commissioner exercises statutory functions.

The SEO:

- conducts elections for the Parliament of NSW and elections for local government councils.
- conducts elections for registered clubs, statutory boards and State registered industrial organisations.
- works with the Australian Electoral Commission (AEC) in the management of the joint Commonwealth - state electoral roll.
- provides administrative support to the Election Funding Authority (EFA).

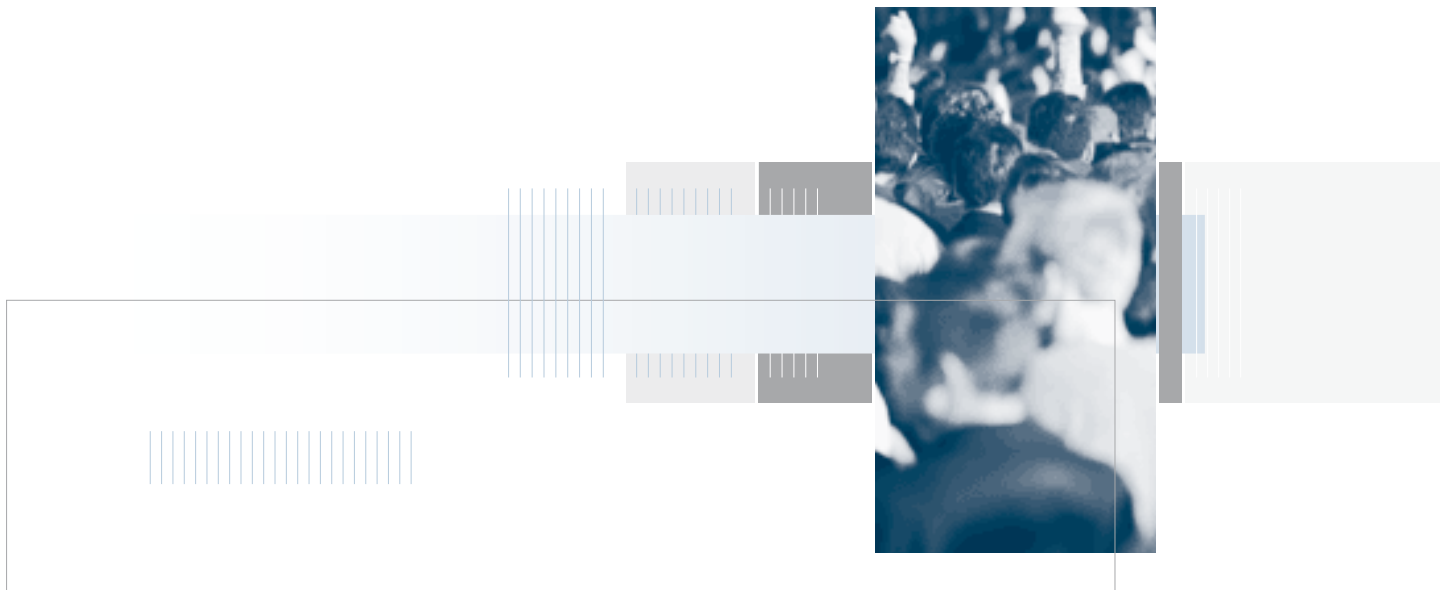
Resources

As at 30 June 2006 the SEO had 33 permanent employees. During the year the SEO earned \$740,000 from user pays and commercial activities. The Office received \$12.2 million from the NSW Government for recurrent expenses.

Stakeholders

Our stakeholders are:

- the people and electors of New South Wales
- the Parliament of New South Wales
- local government councils
- candidates and other participants at elections
- the Election Funding Authority
- registered political parties
- industrial organisations, registered clubs and statutory bodies
- the media



The Year at a Glance

Review and Reform

Council on the Cost and Quality of Government

The Council on the Cost and Quality of Government undertook a major review of the SEO in 2004-05. An overview of the work to implement the review recommendations endorsed by the Government can be found at page 15.

Joint Standing Committee on Electoral Matters

In September 2005 the Committee released its report on the inquiry into the administration of the 2003 election and related matters. More information is available at page 16.

In May 2006 the Committee inquired into voter enrolment in NSW. The SEO made a submission. More information is available at page 18.

Legislative Reform

During the reporting year, the SEO has worked with The Cabinet Office on amendments to the *Parliamentary Electorates and Elections Act 1912*. On 8 June 2006 the Premier, the Hon Morris Iemma, MP, announced that the Government would release a consultation draft Bill. See page 19 for more information.

Key Activities

Summary of key activities	2002-03	2003-04	2004-05	2005-06
Number of electors enrolled as at 30 June	4.2M	4.3M	4.3 M	4.3 M
Parliamentary General Elections conducted	1	-	-	-
Parliamentary by-elections conducted	-	-	1	4
Local government ordinary elections conducted	18	338	9	1
Local government by-elections conducted		-	8	15
Registered club elections conducted	39	43	48	36
Statutory board and industrial ballots conducted and enterprise agreements managed	61	48	51	41
Staff numbers as at 30 June (permanent)	21	19	19	33
Total Expenditure	\$38.6M	\$13.2M	\$9.2M	\$12.8M

Our Election Services

Objectives

- To provide excellent, impartial and reliable election services that meet the needs of the people and electors of NSW and other stakeholders including the Parliament.
- To ensure our electoral processes are efficient, accurate and support equal access to democracy.

Main Achievements and Events

- Introduced a programme management approach to planning and managing the 2007 General Election projects.
- Reviewed the Returning Officer (RO) programme to ensure that those recruited have the core competencies to carry out the important duties and responsibilities of the role, and developed comprehensive training and support strategies to assist them.
- Implemented a new approach to local government election services to ensure they are provided on a true cost-recovery basis.
- Developed a new Election Management Application (EMA) to be used by Returning Officers at a Parliamentary election.
- Conducted a review of polling places and staffing and declared institutions to bring them into line with federal polling places and staffing.
- Developed the Equal Access to Democracy Plan to provide people with a disability access to improved electoral information and services within the constraints of electoral law.
- Transferred electors to the new electoral districts as determined by the redistribution conducted in 2004 and jointly with the Australian Electoral Commission (AEC) validated the electoral roll.

- Conducted four parliamentary by-elections for the electoral districts of Macquarie Fields, Maroubra, Marrickville and Pittwater and provided reports to Parliament on the administration and conduct of the by-elections.
- Conducted one local government ordinary election, 15 local government by-elections, 36 registered club elections and 41 statutory boards and industrial ballots.
- Issued approximately 45,000 penalty notices or enforcement orders for failure to vote in local government or State elections.
- Provided advice to the community through 26,000 monthly website visits, and in excess of 29,000 telephone and email inquiries during the reporting period.
- Reformed the procedures for managing the Legislative Council count.
- Revised and updated all election business processes and election products.
- Reformed the party registration processes for local and state government.
- Managed the registration of two new political parties and the continued registration process for 48 registered local government and state parties.
- Implemented a comprehensive media communications strategy and provided media assistance during the parliamentary by-elections and local government by-elections.
- Managed the parliamentary by-election information campaigns and inquiry services.
- Commenced the redevelopment of the SEO and Election Funding Authority websites.
- Developed a comprehensive voter information campaign for the 2007 General Election.

Challenges

- Implement amendments to the *Parliamentary Electorates and Elections Act 1912* if passed by the Parliament.
- Implement the new Returning Officer and RO support programme.
- Implement the new Election Management Application.
- Implement the new management systems for the Legislative Council election.
- Implement a new website designed to meet the needs of voters, registered political parties, the community and the media.
- Deliver a comprehensive voter information campaign for electors at the 2007 State General Election.
- Implement the recommendations from the Equal Access to Democracy Plan in the operations for the 2007 State General Election.
- Conduct a successful General Election in March 2007.

Our Operations

Objectives

- To maintain a strong system of governance.
- To attract and retain knowledgeable and appropriately skilled people.
- To support our services with robust, relevant and responsive business processes including a systematic project-management and risk-management approach to General Election preparations.

Achievements and Events

- Developed the SEO's Results and Services Plan 2005-2006 to quantify the desired outcomes the Office wishes to achieve from the services it delivers.
- Developed organisational readiness for the 2007 General Election.
- Developed and implemented several business improvement projects.
- Supported staff with learning and development in election project management and operations.
- Managed compulsory voting through the non-voter penalty system.
- Commissioned a new content management system for the Office's website.
- Maintained business continuity in the move to new accommodation to coincide with the expiry of the SEO's existing lease.

Challenges

- Implement a fully integrated electronic records management system.
- Develop a new Information Management and Technology (IM&T) Strategic Plan.
- Review the Corporate Plan and develop business planning systems.
- Establish a new website specifically for recruitment.
- Review training needs to identify any further training required for the 2008 Local Government General Election.

Our Finances

Objectives

- To prudently manage our financial performance in accordance with the *Public Finance and Audit Act 1983* and the Treasurer's Directions.
- To provide effective financial management systems within a recognised risk-management framework.

Achievements and Events

- Introduced programme budgeting and implemented appropriate financial reporting to support business requirements.
- Aligned SEO's budget to services and worked with Treasury to improve the Office's Results and Services Plan.
- Introduced an activity-based costing model to prepare the budget for the General Election.
- Integrated human resource management and payroll systems.
- Introduced centralised payroll and accounts payable system for Returning Officers.
- Implemented full cost recovery for the provision of local government election services.
- Managed the Office's financial activities.
- Managed the Office's human resources, including providing training opportunities, recruitment and payroll.

Challenges

- Promote election participants' awareness of obligations under the *Election Funding Act 1981*.
- Increase level of compliance by registered political parties and candidates in relation to the disclosure of election funding.
- Implement centralised payroll system for 25,000 election officials for the 2007 General Election.



Electoral Commissioner's Report

The work of the SEO in the past year has focused on preparation for the State General Election in March 2007 and continues the implementation of the key organisational and business reforms commenced in 2004.

The Government announced that it would introduce a Bill to amend the *Parliamentary Electorates and Elections Act* 1912. The Bill contains reforms that will modernise and improve the administration of NSW parliamentary elections.

Internally, the year has been one of consolidating the development of the SEO as a professional, responsive and learning organisation committed to excellence in our work. Operating within the Office's Corporate Plan for 1 July 2005 to 30 June 2007, senior appointments were made within the new four branch structure to lead strategic reform in the areas of Election Operations, Corporate Communications, Financial and Administrative Services and IT Services.

Improved financial and resource arrangements have been put in place to enable the SEO's key services to be performed; a new chart of accounts to reflect areas of corporate responsibility was established and comprehensive bottom-up budgeting was introduced to serve the planning and reporting needs of the organisation, including the 2007 General Election. Following the election the SEO will have actual costs for all projects which will assist future parliamentary election budgeting.

Party registration processes for parliamentary and local government elections have been re-engineered to introduce efficiencies in compliance with the legislative framework. A streamlined annual continued registration process was introduced to ensure parties were provided with the maximum notice and assistance to complete their returns to satisfy the legal eligibility requirements to contest the General Election.

A State General Election is a major logistical event that occurs once every four years. Our preparations for the election are well advanced using an organisation-wide programme and project management approach as the basis for planning and delivery. This is a new way of doing work. It has required SEO staff members to develop new skills in the areas of planning, scheduling, risk assessing, resource identification and project management.

The procedural and logistical basis of running the General Election has been systematically reviewed including all electoral forms and furniture. Polling places throughout the State have also been reviewed to reflect new electoral boundaries and provide optimal access for electors. Registered political parties have been consulted on the proposed location of polling places. As far as possible polling places and staffing are generally in line with the Commonwealth arrangements.

Resourcing and warehousing operations have been put on a more efficient footing. A state-wide public recruitment

campaign seeking suitable people to be trained as Returning Officers was undertaken. The SEO has developed a professional training programme for Returning Officers and election officials, based on adult learning principles. It develops competencies in key election tasks and emphasises the need for consistency in election operations.

The development of the IT and communications infrastructure for some 93 remote offices is well advanced. Key to the successful conduct of the General Election is a robust IT election management system that supports the efficient and secure processing of election results at polling places. The SEO engaged IPP and LogicaCMG to modernise the Election Management Application (EMA). EMA will streamline many of the repetitive administrative processes undertaken by Returning Officers and provide results to the Tally Room, media and the web.

The SEO has also let a contract for the redevelopment of the website to ensure it meets the information needs of stakeholders including electors with a disability.

In preparation for the 2007 General Election, the SEO engaged George Patterson Y & R to develop and manage a voter information campaign that will reach the whole community. Six agencies on the government advertising panel contract were invited to bid for the work, and selection occurred only after a competitive quotation and evaluation process, extensive due diligence and independently commissioned focus group research.

Looking externally, the SEO consolidated its new working partnership with local government councils in the delivery of election services. The SEO receives no funding from the Government for the preparation and conduct of local government elections. As council elections are expected to be conducted on a full cost recovery basis an external review was commissioned to develop a new cost model for these services based on full cost recovery.

The SEO also commenced an ongoing process to provide improved information and voting services to electors with a disability. An extensive consultation process involving input from 17 peak industry and consumer bodies culminated in the development of an Equal Access to Democracy Plan, which outlines strategies to deliver practical achievable improvements at the 2007 State General Election. One initiative is the trial of Vision Australia and Spastic Centre premises as polling places to provide all electors who use them with options for casting their vote using assisted technology such as closed circuit TV for print magnification.

Early in February 2006 following the expiry of its former lease the SEO moved to new premises to accommodate the growth in staff necessary to service the General Election and local government preparations. This occurred over one weekend to ensure minimum disruption to our services.

Like many service organisations our staff members are our major asset. In recognition of this we have provided targeted training and development and exposure to the operations of other jurisdictions. This will help us meet the needs of our stakeholders and the citizens of New South Wales.

In looking forward, our preparations for the General Election over the next nine months will build confidently on the sound base of planning, training and development that has been embedded in all our operations.

The year's achievements would not have been possible without the commitment, dedication and consistent hard work of the SEO staff members.



Colin Barry
Electoral Commissioner



Review and Reform

Council on the Cost and Quality of Government Review

Review recommendations

In 2004-2005 the Council on the Cost and Quality of Government (CCQG) undertook a wide ranging review of the Office and the Government endorsed a number of recommendations for strategic and operational change.

Implementation of the review recommendations

The SEO has continued implementing those recommendations for which it has direct responsibility. As well, it has made recommendations to the Government regarding amendments to the *Parliamentary Electorates and Elections Act 1912* (See Legislative Reform page 19).

In the reporting year the SEO has:

- Reviewed staffing levels of head office and field staff (including number and location of polling places) to ensure optimal staffing and budget arrangements (over a four year cycle).
- Implemented better financial and budget management systems, including global and divisional budgeting and activity-based costing of services.
- Developed and implemented a performance and programme management strategy for the delivery of all core services, covering:
 - a strategic programme approach for planning and conducting elections on a four year basis

- environmental scanning and business planning
 - formal stakeholder management programme including needs analysis, consultations and satisfaction surveys
 - a communications strategy for all stakeholders based on state and local government election cycles
 - clear public guidelines and reports on the conduct, administration and outcomes of elections
 - relevant training for head office and field staff, particularly in project management skills
 - a programme for mapping, re-engineering and documenting core business functions and processes
 - improved risk management controls, including a more strategic internal auditing programme.
- Planned for the use of full-time Australian Electoral Commission staff to assist in managing the count of Legislative Council ballot papers.
 - Developed a programme to increase support to Returning Officers (and other field staff) including:
 - updating, compiling and simplifying procedure manuals using plain English
 - revamping Returning Officer training and formal post election evaluation processes.
 - Developed comprehensive plain English manuals and guidelines for candidates and registered political parties.

The SEO has also made significant progress towards implementing the following recommendations:

- Commenced negotiations to confer on SEO a regulatory role for registered club, industrial and statutory board elections with direct services provided by accredited third parties.
- Upgrade the website to provide readily accessible information to stakeholders and clients especially during elections.

Joint Standing Committee on Electoral Matters

In 2004 the NSW Parliament appointed a Joint Standing Committee on Electoral Matters (JSCEM) to inquire into and report on any of the following matters upon reference from either House of Parliament or a Minister:

- (a) The following electoral laws:
- (i) *Parliamentary Electorates and Elections Act 1912* (other than Part 2)
 - (ii) *Election Funding Act 1981*
 - (iii) those provisions of the *Constitution Act 1902* that relate to the procedures for, and conduct of, elections for members of the Legislative Assembly and the Legislative Council (other than sections 27, 28 and 28A).
- (b) The administration of and practices associated with the electoral laws described at (a).

In October 2004 the Committee resolved to conduct an inquiry into the 2003 State General Election and related matters.

Report on the 2003 General Election

In September 2005 the Committee issued its report on the Inquiry into the 2003 State election and related matters. A copy of the report can be found on the New South Wales Parliament website www.parliament.nsw.gov.au.

The Committee made 34 recommendations under three broad categories:

- The role of the SEO
 - Electoral legislation
 - Resources of the SEO
 - Input by political parties in the operations of the SEO
 - Electoral education

- Administration of Elections
 - Improve the lines of accountability for officers involved in the election process
 - Consistency in advice provided by polling officials and staff of the SEO
 - Consistency of procedures across state and federal elections
 - Postal voting
 - How-to-vote material
 - Information for scrutineers
 - Information about and designation of polling booths
 - Declaration voting
 - Overseas voting arrangements
 - Reporting on elections by the SEO
 - Nominations process
 - Voting by people with disabilities
 - Security of ballot papers
 - Political advertising
 - Voter identification
 - Confirmation of enrolment and voter registration

- Counting of votes for the Legislative Council at the 2003 election

As with the findings of the CCQG Report, the SEO has commenced implementing those agreed recommendations for which it has direct responsibility. For more detail see the achievements of Elections Branch (page 21), Corporate Communications Branch (page 26), Finance and Administration Branch (page 32) and Information Technology Branch (page 34) .

2006 inquiry into voter enrolment

In May 2006 the JSCEM received a reference from the Premier of NSW, The Hon Morris Iemma, MP, to inquire into and report on:

1. The current level of voter enrolment in New South Wales, particularly among young people and any other group with special needs in relation to voter enrolment.
2. The impact on voter enrolment of Commonwealth reforms to introduce new identification requirements for people seeking to enrol to vote or change their enrolment details.
3. Any additional strategies to maintain or improve the level of voter enrolment and to ensure that the roll remains up to date, with particular regard to the needs of particular groups (such as young people) and other demographic changes (such as the ageing population).

Submission to JSCEM

On 25 May 2006 the JSCEM called for submissions on matters within the terms of reference of the Inquiry. The SEO made a submission to the JSCEM regarding each of the terms of reference. The Final Report is due from the Committee in September 2006.

Legislative Reform

Proposed amendments to the *Parliamentary Electorates and Elections Act 1912* have been made in recent reviews.

In 2004-2005 the CCQG made recommendations that the Act be amended to give the NSW Electoral Commissioner similar responsibilities, authority and accountabilities to his counterparts in other jurisdictions, for example, overall management of election processes, direct supervision of Returning Officers and accountability for the accuracy of election results.

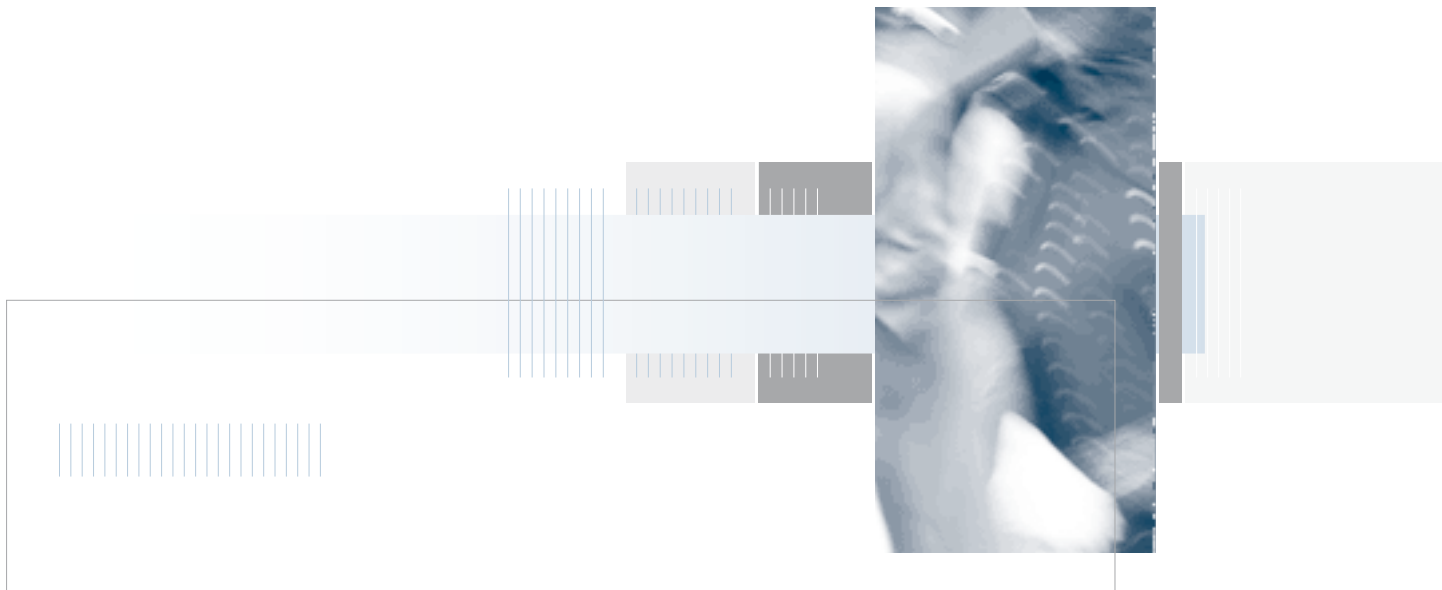
The JSCEM in its 2005 report into the 2003 General Election identified other areas where reform of the legislation would be beneficial.

On 8 June 2006 the Premier, the Hon Morris Iemma, MP, announced that the Government would release a consultation draft Bill, reflecting a number of the recommendations made in the CCQG review and the findings of the 2004 JSCEM inquiry.

The Bill, if enacted, will modernise the structural arrangements for the conduct of elections in New South Wales, and enhance the role and responsibilities of the Electoral Commissioner in the process.

Some of the key proposals are to:

- rename the SEO as the New South Wales Electoral Commission and appoint the Electoral Commissioner on a fixed-term basis
- give the Electoral Commissioner direction and control over Returning Officers
- provide for Returning Officers to be appointed for a specified period or election
- bring a number of registered general postal voter enrolment-related requirements into line with Commonwealth legislation
- regulate access to, and sale of, the electoral roll and introduce significant penalties for misuse of electoral information
- require all election-related material to be distributed on election day to be registered with the Electoral Commissioner
- prohibit the canvassing of votes within six metres of a polling place in line with Commonwealth legislation
- remove the role of the Electoral Commissioner in the conduct of all union and statutory board elections.



Our Electoral Services

The SEO recognises the diversity of the New South Wales community and the demand for high quality election services to meet a wide range of needs, expectations and levels of understanding of the democratic system.

Elections are conducted in a high profile environment where impartiality, accuracy, reliability and efficiency are essential.

We recognise an increasing community demand for access to election services and higher community expectations regarding the handling of electors' and candidates' personal information.

Throughout the 2005-06 reporting year the Office's election services were delivered through the following four branches:

- Elections Branch
- Corporate Communications Branch
- Finance and Administration Branch
- Information Technology Branch

Elections Branch

Elections Branch is responsible for the planning, preparation and conduct of operational aspects of parliamentary, local government and other elections, including the selection and training of Returning Officers.

Throughout the reporting year the Elections Branch has contributed to the Office's preparations for the 2007 General Election by developing the Returning Officers programme and reviewing polling places, modernising procedures and rewriting manuals and forms.

Achievements of the Branch

Parliamentary by-elections

In the reporting year the SEO conducted four parliamentary by-elections for the electoral districts of Macquarie Fields, Maroubra, Marrickville and Pittwater.

The SEO conducted the Macquarie Fields, Maroubra and Marrickville by-elections on 17 September 2005. The Pittwater by-election was held on 26 November 2005.

The Macquarie Fields by-election was necessary as a result of the resignation of the sitting member, the Hon. Craig Knowles, MP. Mr Mario Saliba was appointed as the Returning Officer and the by-election was conducted from leased premises at 110 Railway Parade, Glenfield.

The Maroubra by-election was necessary as a result of the resignation of the sitting member, the Hon. Robert (Bob) Carr, MP. Mr Stephen Mellor was appointed as the Returning Officer and the by-election was conducted from leased premises at Suite 1, Level 1, 166 Maroubra Road, Maroubra.

The Marrickville by-election was necessary as a result of the resignation of the sitting member the Hon. Dr Andrew Refshauge, MP. Mr Greg Greening was appointed as the Returning Officer. The by-election was conducted from leased premises at 132 Marrickville Road, Marrickville.

The Pittwater by-election was necessary as a result of the resignation of the sitting member, the Hon. Mr John Brogden, MP. Mr Chris McGuckin was appointed as the Returning Officer and the by-election was conducted from leased premises at Shop 4, 1785 Pittwater Road, Pittwater.

The SEO appointed Liaison Officers between the SEO and the Returning Officers for the by-elections. The Liaison Officers provided full reports and made recommendations for the more efficient use of premises, staff, equipment and material in future elections. The SEO held debriefings with the Returning Officers to review operational processes and instructional manuals provided to polling officials.

By-election services to registered political parties and candidates

For each by-election a "Candidates Handbook for State by-elections" was distributed to prospective candidates. Nomination forms were available from the Returning Officer, head office and from the SEO website.

Candidates who nominated for an election received a map of the electoral district, three copies of the printed reference roll for the electoral district, a "Guide for Scrutineers", as well as Scrutineer appointment forms.

The Returning Officers conducted information sessions for the candidates and parties which covered such topics as postal voting, pre-poll and interstate voting, declared institutions, the Easy Voter Card, polling places, method of voting, formality, registration of electoral material, conduct of scrutineers and party workers, arrangements for polling day, Sunday check count, the distribution of preferences, when the result could be expected, Court of Disputed Returns and responsibilities under the *Election Funding Act 1981*.

Circulars from the Electoral Commissioner

The Electoral Commissioner issued regular Circulars to the registered political parties advising them of key by-election information.

The Circulars covered matters such as Election Funding Authority constituency funds, scrutiny and counting of declaration votes, and registration of how-to-vote material.

Registration of how-to-vote material

Advertisements were placed in The Sydney Morning Herald and The Daily Telegraph as well as relevant local and community language newspapers advising candidates that material to be distributed on polling day must be registered with the SEO. They also contained information on what is considered to be electoral material, where an application could be obtained and where material was to be lodged for registration.

Provision of election results

All candidates, major political parties, print and electronic media were contacted and advised that progressive results would be available on the SEO 'Election Results' website on the evening of the by-election.

The Polling Place Managers telephoned through the first preference and notional distribution results to the Returning Officer for the polling place. The results were then emailed by the Returning Officer to the SEO. Results were then posted on the website. Further results were posted on the SEO website as they became available.

The SEO published to the 'Election Results' website the final preferential count results for the by-elections.

Local government elections

During the reporting year the Branch conducted one ordinary local government election and 15 local government by-elections.

The Branch conducted an ordinary local government election for Mid-Western Regional Council on 25 March 2006. This election was the result of an amalgamation of four Councils. On 26 May 2004, the Governor for New South Wales proclaimed the amalgamation of Coolah Shire, Mudgee Shire, Merriwa Shire and Rylstone Shire to form the Mid-Western Regional Council.

Each local government by-election was due to a vacancy in a local government ward or council. By law a by-election must be held within three months of the vacancy occurring.

Details of the local government elections and by-elections conducted are at Appendix I.

Implementation of the new approach to managing local government elections

The SEO consolidated its new approach to working with local government councils in providing election services. The law provides that the Electoral Commissioner is responsible for the conduct of local government elections and that each council will pay to the SEO the costs for the conduct of their election. The SEO receives no funding from the Government for the conduct of these elections as it is expected that the elections will be fully self-funding.

The SEO's internal auditor Walter Turnbull conducted a review of the commercial costing arrangements for the provision of non-parliamentary election services. The report has been accepted by the SEO Executive and a new costing schedule commences on 1 July 2006. The new approach has been explained to councils that have by-elections. Councils appreciate the pre-election cost estimation and final post election reporting arrangements including a comprehensive analysis and de-brief.

Once the date of the by-election is agreed the SEO discusses with the council additional services the council may require from the SEO in terms of its electoral information strategy. For more information see 48.

Services to local government councils

The Office's election services are tailored to the needs of each individual council. Prior to each election, the SEO consulted with each council's General Manager to discuss and plan service arrangements.

Following the elections the SEO held a debriefing with the council General Managers and staff. The debriefings were attended by the Electoral Commissioner and the SEO staff member handling the election in head office. These debriefings provide the SEO with important information on how the election processes and services can be improved.

Services to local government candidates and scrutineers

The SEO held information sessions as a service to potential candidates. The information sessions were conducted by an experienced SEO head office staff member and the local Returning Officer was present to answer any questions regarding local administrative arrangements. In some cases the council used the opportunity to also provide information regarding the duties, responsibilities and commitment required by elected councillors. The information sessions are an important forum for the SEO to explain election procedures including:

- the nomination process
- the rules regarding candidates forming groups
- group voting squares and above the line voting (if applicable)
- registration of how-to-vote material
- how votes will be counted in above the line voting
- postal and declared institution voting arrangements.

As a service to candidates and their scrutineers in those elections where above the line voting applied, the SEO held a briefing session on the Sunday after election day to explain the operations of the ballot paper data entry process for calculating the election result. This was considered to be an important initiative to assist candidates and their scrutineers.

Elections for clubs and statutory boards and industrial ballots

Details of the elections for clubs and statutory boards and industrial ballots conducted are at Appendix 2.

Voting services for overseas and interstate electors

The SEO provides services to electors from interstate and overseas which allow these electors to cast their vote in advance of polling day.

During the reporting year the SEO provided voting services for the following interjurisdictional elections:

- New Zealand General Election
- South Australian General Election
- Tasmanian General Election
- Victoria Park, Western Australia by-election.

For the New Zealand election, the SEO provided a dedicated voting facility at 207 Kent Street for visitors from New Zealand and for New Zealand residents living in Australia, who retain an entitlement to vote. A total of 430 ballot papers were issued.

The Office has liaised with New Zealand's Chief Electoral Officer regarding the likelihood of providing a similar service to NSW electors visiting New Zealand at the time of our next General Election in March 2007.

For the interstate elections, 125 ballot papers were issued for South Australia, five for Tasmania and one for the Victoria Park by-election. These services are provided on a reciprocal basis with interjurisdictional electoral authorities.

Services to culturally and linguistically diverse (CALD) communities

The Office aims to ensure that its services are accessible to all members of the NSW public, including those from culturally and linguistically diverse communities including indigenous communities, who may face difficulties in finding out election information, or accessing services. We are committed to consulting with community groups regarding election services and maintaining strong relationships with key organisations.

Returning Officers programme

Returning Officers play a pivotal role in the conduct of a General Election. They are the front line managers at the time of parliamentary and local government elections responsible for the impartial administration of electoral laws, policies and procedures to ensure the integrity of election results.

The SEO requires 93 Returning Officers to conduct the General Election and in September 2008 the number required to conduct the local government elections is some 150. The work is very demanding and is not full time. By its very nature it suits those in the community who have either a background in administration or well developed organisational skills.

The development of the Returning Officers programme has been a key project for Elections Branch. This programme includes recruitment of new Returning Officers, implementation of competency based training, revision of all forms and manuals and the development of a support system during the election.

Polling place review

A review of polling places used at the last General Election has been undertaken in preparation for the 2007 General Election. The review is based on a statistical analysis of past voter information patterns, information from the 2004 electoral district redistribution (which will come into effect at the 2007 State General Election) in respect of current enrolment figures in and around polling places and projected enrolment figures as at the date of the next General Election.

The purpose of the polling place review is to determine which to keep, which to abolish and which to consolidate. Where possible the Office has endeavoured to achieve consistency of location between polling places and used at State and Commonwealth elections. Where new boundaries affected the locations of polling places the review considered whether the previous location was still the best available. Above all, the location of polling places must continue to meet the needs of the community. Registered political parties were consulted on the locations of polling places.

Reform to the management of the Legislative Council election

Regional counting centres (RCC)

Reforms have been put in place for the management of the Legislative Council count. The SEO will establish 47 regional counting centres that will be used after election day to count Legislative Council ballot papers. Arrangements have been made with the Australian Electoral Commission (AEC) to use their experienced staff to manage the regional counting centres. Each RCC will receive Legislative Council ballot papers, from two electoral districts. District Returning Officers will continue to receive Legislative Council ballot papers from polling places on election night. Each RCC will have approximately 20 staff engaged by the SEO and scrutineers will be entitled to be in attendance during the count of ballot papers.

Extensive planning has been undertaken to re-engineer the business processes involved in the count. Elections Branch has prepared comprehensive RCC procedures. This reform implements key recommendations of the CCQG review and the 2005 JSCEM Report both of which advocated greater use of AEC systems and processes in the management of the Legislative Council count.

Central counting centre (CCC)

In addition, a central counting centre for the data entry of Legislative Council ballot papers will be established. Details of the count of ballot papers marked above the line from the RCCs will be sent to the CCC for data entry into a purpose built computer application which will produce the final result for the Legislative Council election. Below the line ballot papers will be sent to the CCC for individual data entry. Scrutineers will be entitled to observe the CCC operations.

Review of election processes and products

The Branch has undertaken a full review of election systems, procedures and products including ballot papers, forms and manuals, ballot boxes, voting stations and signage to ensure they are responsive to the needs of the whole community including electors with a disability. This review included the procedures and processes at Returning Officers' offices and at polling places.

All election manuals and forms for candidates, scrutineers and election officials have been reviewed and rewritten for the General Election. Considering that for many election officials they undertake election work once every few years, instructional manuals and forms must be simple and have been written in plain English.

As part of the review process, the SEO engaged a small number of experienced Returning Officers to assist with the review process. They provided valuable comments from the user's perspective.

Much work has also been undertaken in restocking supplies of election materials and equipment. The cardboard furniture used at polling places is being redesigned to comply with accessibility principles and requires considerable lead time for production. Work is well under way to ensure that the material will be ready when required.

Corporate Communications Branch

The Corporate Communications Branch is responsible for developing and implementing information strategies for parliamentary and local government elections, managing the joint roll agreement, dealing with requests for access to electors' enrolment information, maintaining the registration of political parties, producing reports to Parliament and local government councils on the conduct of elections, managing the Corporate Plan, business plan and annual reporting process.

Throughout the reporting year the Corporate Communications Branch has contributed to the Office's preparations for the 2007 General Election by developing the Equal Access to Democracy Plan, re-engineering party registration processes and commissioning services for the development of the SEO and EFA websites and the General Election voter information campaign.

Achievements of the Branch

Reform of party registration processes

The Corporate Communications Branch reformed the initial registration, continued registration and deregistration processes. The review of these business processes was necessary to ensure adequate systems were in place for the 2007 General Election and to ensure that the community, parties and media can access electoral information in a timely and accessible way. All of these business improvements were designed around principles of compliance with electoral and privacy law and codes of conduct.

Registration of parties under the Parliamentary Electorates and Elections Act 1912

The Branch is responsible for the registration of political parties according to the requirements of the *Parliamentary Electorates and Elections Act 1912*. One new party was registered under this Act during the reporting year. Parties currently registered are set out in Appendix 3.

Registration of parties under the Local Government Act 1993

The Branch is responsible for the registration of political parties according to the requirements of the *Local Government Act 1993*. One new party was registered under this Act during the reporting year. Parties currently registered are set out in Appendix 4.

Continued registration of political parties

Once registered, it is a requirement under the *Parliamentary Electorates and Elections Act 1912* and the *Local Government Act 1993* that parties seek continued registration on an annual basis. The Branch is involved in assisting the parties to understand the requirements of the legislation, and provides ongoing advice to the parties to enable them to comply with those requirements. In the reporting year the Office provided this high level assistance to 17 state parties and 29 local government parties.

Cancellation of parties' registration

During the year one party had its registration cancelled under the provisions of the *Parliamentary Electorates and Elections Act 1912*. Seven parties had their registration cancelled under the provisions of the *Local Government Act 1993*. Parties de-registered are set out in Appendix 5.

Public access to the Register of Parties and the Local Government Register of Parties

Under the *Parliamentary Electorates and Elections Act 1912* and the *Local Government Act 1993* the Office is required to maintain public registers that contain key information relating to each registered political party. The actual form of the registers and the procedures for public access to the registers were reviewed during the reporting year to ensure conformity with the legislative requirements.

Media communications strategy and protocol

The SEO implemented a new media communications strategy and media protocol and built systems to support this strategy through everyday business, by-elections and general elections. The new media protocol sets service standards for enquiries, information kits, releases and access to electoral events.

The SEO has also developed effective relationships with State political reporters in all media – print, television, radio and internet.

The media protocol was piloted at the Macquarie Fields, Maroubra and Marrickville by-elections and following the by-elections a media de-brief was held to ensure that our media services were meeting the needs of the industry.

By-election services to media

Media access

The SEO coordinated media access to election events during the by-elections. The media had opportunities to access polling places, Returning Officers' offices, the draw of candidates and the declaration of the poll.

Media information kits

In the weeks prior to the parliamentary by-elections the media were provided with an Information Kit which provided comprehensive profiles for the electoral districts. The profiles included historical information relating to the electoral districts and statistical information from the Australian Bureau of Statistics based on 2001 Census data.

Parliamentary by-election information campaigns and inquiries services

A personally addressed household brochure containing key election information was mailed to 192,125 electors in the electoral districts of Macquarie Fields, Maroubra, Marrickville and Pittwater for the by-elections held in these areas.

An Easy Voter card formed part of the brochure to facilitate the process of electors having their name marked off the roll. Advertisements were also placed in major and local newspapers.

During the period of the Marrickville, Maroubra and Macquarie Fields by-elections held on 17 September 2005 the Branch provided a dedicated off-site telephone inquiry centre to provide information to electors regarding candidates' names, polling place locations and what to do if an elector could not vote on election day.

By-election reports to parliament

The SEO produced reports on the administration and conduct of the by-elections which the Premier tabled in the Parliament on 23 May 2006. All Members of Parliament and registered political parties were provided with a copy of the by-election reports.

Information services for local government elections

The provision of information to electors is always a priority for the Office and councils. Councils usually want to use the most economic means of getting essential election information into the community. There is a statutory minimum number of advertisements which must be placed in respect of every local government election. The SEO provides advice on what information campaigns are available beyond the minimum required under statute. Many additional approaches have been adopted by councils to maximise voter turnout including:

- a comprehensive suite of advertisements in local newspapers
- householder brochures
- individualised letters to every enrolled elector
- the use of regular council newsletters
- regular council articles in local newspapers
- local radio and television advertisements.

The promotion of local government by-elections and ordinary elections was supported by the media protocol.

Despite comprehensive campaigns, in some instances, voter turnout could be improved. In conjunction with councils, the SEO will examine the options to enhance communication strategies to increase voter turnout.

SEO and EFA website redevelopment

The SEO's website is a major communications interface with the public and a key communication tool in the lead up to the 2007 NSW State General Election. The SEO commissioned a new content management system MySource Matrix to enable efficient and reliable website maintenance.

Separately, the SEO also commissioned a complete redevelopment of the SEO website and the development of a separate EFA website including a full review of the Office's website business requirements. A comprehensive stakeholder analysis of the needs of registered political parties, media, the community in general and peak disability groups (through the Equal Access to Democracy consultation process) was a key element of the business requirements phase.

The intention is to upgrade the existing website including content and navigation prior to the General Election in 2007 to meet stakeholder information needs and to comply with government accessibility criteria. The new website is intended to be integrated with other election management systems such as Election Management Application to enable the rapid posting of election results and minimise double handling of corporate information.

Voter information campaign for 2007 General Election

The voter information campaign will provide electors with key information for the 2007 General Election. The process to select an advertising agency to develop and manage this campaign was concluded in June. The SEO invited six agencies on the Government Advertising Agency (GAA) panel contract to present a quotation for services to develop and manage the voter information campaign. The SEO established a Request for Quotation

evaluation panel consisting of SEO staff, an AEC communications expert, and a representative from the GAA, Department of Commerce to evaluate the proposals and make a recommendation to the Electoral Commissioner.

Before making the recommendation the SEO undertook due diligence analysis of the short listed agencies and commissioned an external organisation to undertake focus group testing and a community acceptance analysis of the proposed campaign themes. George Patterson Y & R were the successful agency.

Transfer of electors to new Legislative Assembly electoral districts

Following the Electoral Districts Commissioners' release of the new electoral boundaries for the Legislative Assembly in December 2004, the SEO, the NSW Department of Lands and the AEC commenced work to transfer electors to the new electoral districts. This is an exacting and time-consuming process that requires close cooperation of the three agencies. The AEC has completed transferring the electors to the new districts on the computerised roll management system.

Once transferred each elector's record must be validated for quality assurance purposes. The SEO and the AEC are well advanced on the validation of the electoral roll information. This work will be completed in time for the General Election on 24 March 2007. Prior to the election the SEO will inform all electors of their new electoral district in an individualised elector brochure mailed to each elector. This strategy will support the SEO's commitment to maximise voter turnout at the General Election.

Equal access to democracy

The SEO has developed an Equal Access to Democracy Plan which aims to improve access to election services for people with a disability and to provide more doors to the electoral process. The plan fulfils a commitment made in the SEO's Corporate Plan for 2005 to 2007 to provide election services that promote equal access and participation and addresses the priority areas identified in the NSW Disability Policy Framework.

In February 2006, the SEO held three consultation workshops involving 17 peak disability consumer and industry organisations which were facilitated by Mr Peter Abbinga of Participation Works Group and Mr Tony Clarke of Vision Australia.

The workshops provided the SEO with valuable feedback from the peaks about key issues that currently impact on access and participation in the democratic process for people with disabilities. The discussions also provided the SEO with practical, achievable suggestions to improve the provision of election services for people with a disability at the March 2007 General Election.

Following the consultations, the Equal Access to Democracy Report was developed and distributed to the peaks who attended the workshops for feedback and comment from their members. All comments were considered in the development of the Equal Access to Democracy Plan which was finalised on 30 June 2006. For more information on the Plan see page 50 or download a copy from the website www.elections.nsw.gov.au.

Strategies for people from culturally and linguistically diverse (CALD) communities

The Office will provide key electoral information for the 2007 General Election in up to 24 languages to be communicated throughout the State through print, radio and television advertising. In addition a Multi-Lingual Voters Guide will be available at every polling place and a telephone interpreter service will be available and widely advertised throughout the General Election.

Our Ethnic Affairs Priority Statement is detailed in Appendix 6.

Management of the Joint Roll Agreement

Under the *Parliamentary Electorates and Elections Act 1912*, there is established a Joint Roll Agreement between the State and the Commonwealth for the purposes of preparing, updating and revising rolls of electors for State elections. The work is undertaken by the Australian Electoral Commission on behalf of the Office. The Branch continued to oversight and monitor the agreement to ensure it continued to meet the State's needs.

Tally Room for General Election results

The Tally Room provides a centralised point for the display of election results on election night. For the 2007 General Election it will be situated at the Acer Arena (former Sydney Superdome), Sydney Olympic Park Homebush.

The Tally Room will communicate the election results in real time as they are received from the Returning Officers via the Election Management Application. The results will be displayed at the venue on four electronic screens located at one end of the Tally Room arena. The results will also simultaneously be fed to the four major television networks who present their election coverage from temporary sets constructed on the arena floor with the Tally Room electronic screens used as their backdrop. The election results will be published on the SEO website, and the SEO will provide a data feed of results to numerous organisations on election night.

It is expected that the Tally Room will be attended by print and radio media, television networks, registered political parties and invited electoral officials from other jurisdictions.

The Office is working on the following areas:

- establishing the technical infrastructure required for the display of results
- consulting with the media and registered political parties
- installing the electronic tally screens
- establishing seating/production set arrangements for all attendees
- organising the electricity supply, air conditioning, carpet, screens/curtains, telecommunication/data lines, computer cabling, tables, chairs, office machines
- ensuring sufficient security arrangements are in place.

Information Kit for 2007 General Election

A comprehensive Information Kit has been developed by the Office for distribution to media, registered political parties and other stakeholders interested in the 2007 NSW General Election. The Kit has been designed to provide key electoral information and changes to the electoral landscape since the 2003 General Election.

The Kit is made up of two sections. The first section contains information detailing the composition of the NSW Parliament, the list of registered political parties, a history of electoral development in New South Wales and key amendments to the *Parliamentary Elections and Electorates Act 1912*.

The second section of the Kit contains 93 electoral profiles - one for each electoral district. Each profile includes a geographic snapshot of the electorate, a detailed map and a locator map, the electoral district's historical voting pattern, a summary of the electoral district's 2003 General Election results and a comprehensive statistical profile based on the Australian Bureau of Statistics 2001 census.

Finance and Administration Branch

The Finance and Administration Branch is responsible for managing the SEO's financial activities, human resources, and administrative functions such as non-voter penalties, accommodation and office support. The Branch also provides services to the Election Funding Authority.

Throughout the reporting year the Finance and Administration Branch has contributed to the Office's preparations for the 2007 General Election by reforming internal processes, implementing electronic payment systems and developing enhanced reporting systems.

Achievements of the Branch

Business improvement projects

The Branch implemented several business improvement projects during the year. These included:

- introduction of Electronic Funds Transfer for payments
- a new chart of accounts to reflect areas of corporate responsibility
- detailed 'bottom-up' budgets and monthly variance reporting
- consolidated payroll systems
- electronic systems for the recording of flex time
- transfer of paper based leave entitlements to electronic systems.

These reviews were necessary to ensure adequate systems were in place for the 2007 General Election. All these business improvements have been designed around principles of ensuring excellent corporate governance and minimising risk management concerns.

Results and Services Plan

The SEO has developed a comprehensive Results and Services Plan to quantify the desired outcomes the Office wishes to achieve from the services it delivers. The key results outlined in the Plan are aligned with the key service areas identified in the Corporate Plan. Consideration has been given in the Plan to operational constraints and business risks. Unlike many other government agencies the SEO's work demands fluctuate according to election cycles. The plan reflects the key results that the SEO aims to deliver, namely, delivery of impartial elections, maximisation of voter participation, and open disclosure of campaign funding.

The key service areas through which these results are to be delivered are described as: conduct of elections; electoral roll management; communications and public awareness; and funding and disclosure.

Managing compulsory voting - parliamentary and local government elections

Failure to vote

The *Parliamentary Electorates and Elections Act 1912* and *Local Government Act 1993* prescribe that an elector who fails to vote at an election without sufficient reason is guilty of an offence. After an election the SEO is responsible for following up all enrolled electors who for whatever reason did not vote. This involves issuing penalty notices and/or considering the electors' reasons for not voting.

The penalty notice provides its recipient with the options of supplying a sufficient reason for failing to vote, payment of the penalty, or having the matter dealt with by a court.

Penalty reminder notices are issued to electors who do not reply to the penalty notice or who provide an insufficient reason for failure to vote. Matters which are outstanding, or for which an unacceptable reply was received, are subsequently referred to the State Debt Recovery Office for enforcement. The enforcement process can reach across financial years. Increases or decreases in the number of enforcement matters are a product of elector turnout and the size and number of electoral events across a period of time.

The volume of processing is very considerable as the following figures demonstrate:

Summary of penalties	2004-05	2005-06
Penalty notices local government by-election issued	30,998	20,958
Penalty notices State by-election issued	3,109	19,566
Penalty notices State General Election issued	N/A	N/A
Enforcement orders issued	104,090*	4,632

* Note: the number of enforcement orders reflects cumulative activity over prior reporting periods

Multiple voting

There have been no instances of multiple voting at any parliamentary by-elections or local government elections conducted during the reporting period that have required referral to the police for investigation.

Financial management

For more information on the financial management of the SEO see page 45.

Human resources management

For more information on the Office's Human Resources management see page 39.

Information Technology Branch

The Information Technology Branch is responsible for developing and administering the SEO's IT strategic plan, including the new election management system and ITC infrastructure for the next General Election. This Branch is also responsible for managing the Office's IT infrastructure including the provision of a secure information environment, maintaining the Office software and training and supporting users of IT equipment and systems.

Throughout the reporting year the Branch has contributed to the Office's preparations for the 2007 General Election by developing an Election Management Application (EMA) and enhancements to the Legislative Council counting system.

Achievements of the Branch

New computerised Election Management Application (EMA)

During the reporting year the Branch has made significant progress in developing EMA, a new web based core business system for the 2007 General Election. EMA comprises an integrated suite of software including modules that will assist with:

- nominations
- election administration (election set up, polling places)
- declaration voting eg absent, postal and pre-poll voting
- election results
- non-voter excuses
- public funding of elections and funding disclosure information
- engaging staff for polling places.

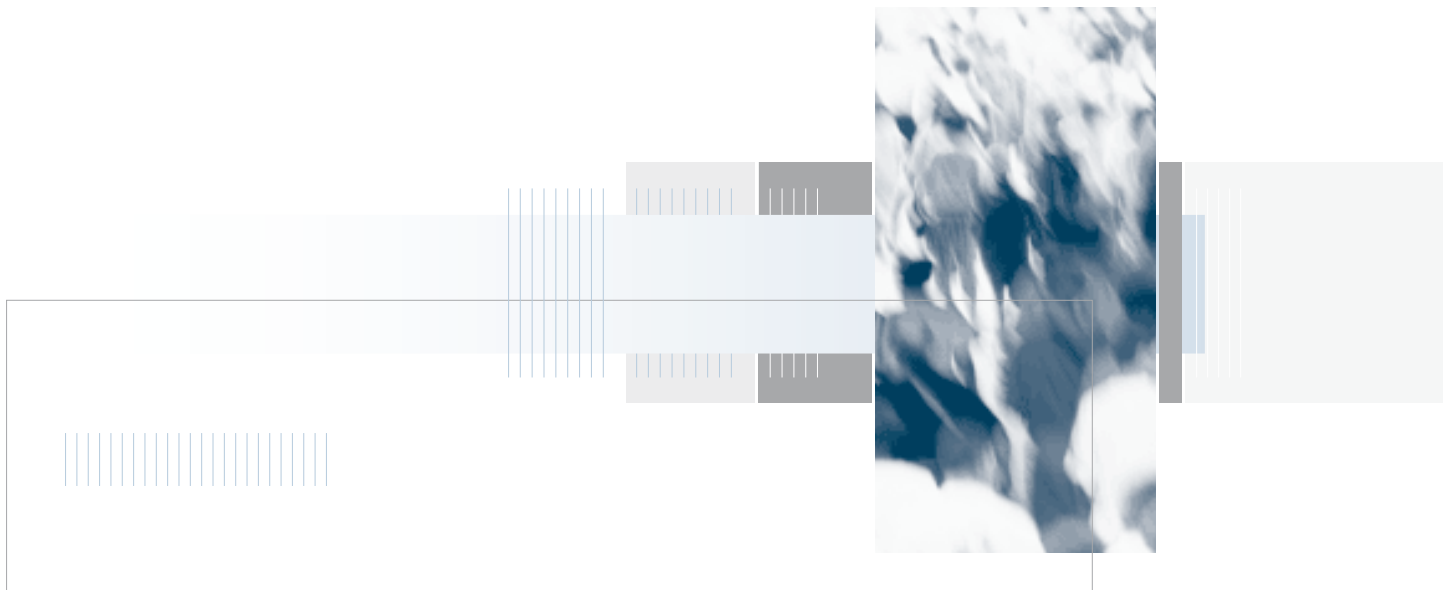
The EMA application will also support provision of election night results to the media attending the Tally Room and the website. The Office commissioned IPP Consultancy Services Pty Ltd and LogicaCMG to develop the system. By 30 June 2006 the system's design had been completed along with about half of the software's development. The project is planned for handover in October 2006.

Legislative Council system enhancements

Enhancements were made to the computerised Legislative Council counting system during the reporting year in accordance with recommendations of the JSCEM 2005 Report. The objective of the enhancements was to make the system more reliable, easy to use and to provide a third party endorsement of the system's integrity. These enhancements will contribute to the new system for management of the Legislative Council election.

Website

The technical side of the Office website was redeveloped through the commissioning of a new content management system. Squiznet was engaged to install MySource Matrix into the Office environment. The implementation of this new content management system has enabled efficient and reliable website maintenance and provides a sound base for the redesign of the website's architecture, navigation and accessibility. See page 29 for details of the website redesign project.



Our Operations

Corporate Governance and Accountability

Our vision is to be recognised as a provider of excellent, reliable and impartial election services. To achieve it our services need to be supported by robust, relevant and responsive business processes. An important part of this is our governance structure which provides direction to staff, monitors our progress against our corporate and business plans, manages key risks and provides oversight of our operations to ensure we are complying with relevant laws, practices and procedures.

Central to the SEO's governance is the executive management team which sets the strategic direction of the Office and monitors performance.

The SEO has set up an independent review panel the Internal Audit Committee to review the SEO's practices and processes. The audit committee can make recommendations designed to reduce business risk and improve corporate governance.



From left to right - Trevor Follett, Colin Barry, Brian DeCelis, Nicholle Nobel, Ian Brightwell

Electoral Commissioner



Colin Barry
Electoral Commissioner
(From 1 July 2005 – 30 June 2006)

Colin Barry was appointed Electoral Commissioner from 1 July 2004. The Electoral Commissioner is appointed in accordance with section 21A of the *Parliamentary Electorates and Elections Act 1912* and may hold office until attaining the age of sixty-five years.

Executive Management Team



Brian DeCelis
Director
Elections Branch
(From 1 July 2005 – 30 June 2006)



Trevor Follett
Director
Finance and Administration Branch
(From 19 October 2005 – 30 June 2006)



Nicholle Nobel
Director
Corporate Communications Branch
(From 13 September 2005 – 30 June 2006)



Ian Brightwell
Director
Information Technology Branch
(From 1 July 2005 – 30 June 2006)

Details of the Office's Senior Executive Service profile is available at Appendix 7.

Details of the work undertaken for external committees and panels can be found at Appendix 8.

New organisational structure for the SEO

On 1 July 2005, the new four branch organisational structure came into effect. This structure has focused the organisation on its core business: the conduct of parliamentary and local government elections; and provision of election services to registered clubs, statutory boards and industrial organisations until new arrangements for the conduct of these elections are established.

In the reporting year, the SEO appointed 33 permanent employees to the new organisational structure which comprises 39 established positions. In addition nine election project positions were filled on a short term basis to provide essential support to key General Election projects.

The SEO staff profile is available at Appendix 9 and the organisation chart is available at Appendix 10.

The SEO Audit Committee

The SEO's Audit Committee advises on matters of accountability and internal control affecting the SEO's operations. The Committee consists of:

- Jim Mitchell Chairman
- Geoff Lyons nominee of the Secretary of the Treasury up to 7 June 2006
- Brian Waddington nominee of the Secretary of the Treasury from 7 June 2006
- Kathleen Haddock Returning Officer
- Colin Barry Electoral Commissioner
- Trevor Follett Director Finance and Administration
- Don Walter nominee of contracted Internal Auditor Walter Turnbull

The Committee held four meetings during the reporting period. It has adopted an Audit Plan and contracted Walter Turnbull to conduct specific projects for the Committee.

Walter Turnbull delivered reports to the Audit Committee on the following areas:

- Accounts Payable (including purchasing, tendering and ordering functions)
- Review of Non-Voter penalty processes and controls
- Review of Payroll Processing
- Election Management Application
- Returning Officer Recruitment and Training Strategies

In all cases there were no major issues identified. A number of business improvement strategies were suggested and the SEO management team is working through a plan to deliver on the recommendations during the next reporting year.

Corporate Plan

The SEO is working under a Corporate Plan for the period 1 July 2005 to 30 June 2007, which will cover the next parliamentary General Election in March 2007. Our Corporate Plan is based on our vision of being recognised for the provision of high quality election services that are effective, efficient and in accordance with law. It sets out our key corporate objectives, strategies and outcomes.

Unlike other government agencies, the SEO's work demands fluctuate according to election cycles. A parliamentary General Election occurs every four years (the fourth Saturday in March) and as such the SEO's workload reaches a peak in the period twelve months before the election and is sustained for the period up to six months after the election.

Local government elections are now held on a four year cycle occurring in September in the year following the State General Election. The next local government General Election will be in September 2008.

The SEO's business cycle is heavily structured around these two main events (parliamentary and local government General elections). The Corporate Plan will be reviewed and revised in July 2007 after the parliamentary General Election to examine the challenges the Office faces as well as our strengths and weaknesses as we prepare for the local government General Election due in September 2008.

The Corporate Plan identifies five key result areas with strategies and performance measures. These are:

- high quality election services
- effective electoral roll management
- provision of election services that promote equal access
- effective management of election funding and disclosure
- organisational effectiveness.

The Corporate Plan is available on the SEO's website www.elections.nsw.gov.au.

Human Resources Management

Our staff members are the key to achieving our vision to be recognised as providers of excellent, reliable and impartial election services. We recognise the need to assess the current skill base of the Office and update our recruitment practices to reflect new competencies and changing skill needs. Throughout this process the SEO continues to support all staff with appropriate learning and development, including opportunities to observe the conduct of elections in other jurisdictions, to deliver our services efficiently and effectively.

The focus in 2005-2006 has been the development of a completely new Returning Officer programme with extensive training and development for the 2007 parliamentary General Election.

Learning and development

The opportunity to foster a learning culture within the SEO, to support the promotion and maintenance of professional and committed staff is an essential pre-requisite to delivering our services effectively. In this regard a skills and training needs analysis was undertaken to ensure that skill gaps and training priorities were identified. The first priority was to ensure staff had the skills and knowledge to meet the challenges of the 2007 State General Election particularly in regard to project management.

Targeted training was provided to officers together with avenues to enhance their electoral knowledge, through networking opportunities with colleagues in other electoral administrations.

Training in the past year was provided to staff in the following areas:

- project management
- electoral administration
- media management
- transport and distribution
- information technology / software.

As well as providing on the job training as outlined above, key SEO staff attended the Tasmanian and South Australian State elections. These opportunities are very valuable occasions for SEO staff to observe and learn from other jurisdictions. On this occasion emphasis was given to the management of communications with the media and the Tally Room. SEO staff have developed relations with their interstate counterparts.

It is anticipated that training in the following year will focus on election project management and the implementation of associated election management systems. Following the General Election a review of training needs will be undertaken to identify any training needs for the 2008 local government General Election.

Occupational health and safety (OH&S)

During the year there were five reported safety incidents. Of the five injuries, two resulted in a claim for medical expenses, with one claim for time lost from work. That officer has returned to work. Details are available at Appendix 11.

Improvement targets with respect to injury management were considered in the revision of our Return to Work Programme which was undertaken and issued to staff. In the Programme emphasis will be placed on safe working systems.

Occupational health and safety risks are at their highest at the time of the State General Election. Training and policies associated with warehouse activities have been reviewed, together with risk management strategies aimed at mitigating injuries to employees and the public attending polling places.

Sick leave management

The Office monitors individual sick leave to allow for early intervention and assistance to officers. In a small agency the performance measures used to assess the success of strategies to manage work absences can be skewed by a small number of staff taking bona fide lengthy periods of sick leave.

In this regard it is pleasing to note that 65% of staff took less than two sick days in the last year. Details of sick leave averages are available at Appendix 12.

Equal employment opportunity (EEO) achievements

Appropriate change management strategies were put in place in the move to the new structure. The implementation process did not adversely affect any EEO group member. In particular the representation of women permanently employed in the SEO increased to 55%. EEO group statistics are detailed in Appendix I3.

The application of EEO and anti-discrimination principles in our election recruitment activities supports the reputation of the SEO in the community. To this end all trainee Returning Officer positions were advertised in a range of media, and participants selected to undertake the Returning Officer Training Programme based on merit. All appointments to Returning Officer positions for the State General Election will be based on identified competencies and merit principles.

Disability Action Plan

The SEO's Disability Action Plan 2003-06 was developed in accordance with section 9 of the *NSW Disability Services Act 1993* No.3. The plan outlines the Office's commitment to:

- ensuring people with disabilities have full access to services
- ensuring people with disabilities have maximum opportunities to use their skills and abilities within the Office
- providing appropriate adjustments for employees with disabilities.

The Office's Equal Opportunity Advisory Committee is tasked with developing and implementing the SEO's Disability Action Plan in accordance with the NSW Government Disability Policy Framework.

The Plan is scheduled for review in 2007. Key result areas of the plan will focus on access, employment and services.

Access

It is standard practice to provide physical access to the SEO's work locations and to electoral events organised by the Office.

Access to people with disabilities is addressed in the following ways:

- Ongoing assessment of the accessibility associated with the numerous premises used for elections.
- Use of electronic-mail broadcasts as the primary mode of distributing information to staff. This mode of communication is preferable from an access perspective, as it is readily available to staff who are deaf or hearing impaired.

Employment

The Office attempts to address employment issues for people with disabilities with programmes enacted both inside and beyond the Office itself.

Internally, the Office has an ongoing commitment to equality of employment opportunities. These include:

- An Adjustment Policy for employees with disabilities is included in the Office's manual and on the intranet.
- Appropriate workplace adjustments are made for individual employees with a disability, including special equipment, job design, access, training and development.
- Flexible work arrangements for people with disabilities are available through the Office's Flexible Work Hours Agreement.

Services

The Office has committed to improving service provision for people with disabilities through its Equal Access to Democracy Plan available at www.elections.nsw.gov.au. For more information see page 30 and 50.

The Office's website is undergoing development to improve usability and accessibility.

Overseas visits

There were no overseas visits undertaken by any staff members.

Consultation with unions

There was appropriate consultation with the Public Service Association regarding the proposed new structure. No significant industrial issues were raised.

Code of conduct

The integrity and reputation of the SEO is supported by a clear statement of expected behaviour detailed in our code of Conduct.

There has been no change to our Code, but rather a reinforcement of Office guidelines in the use of computer, internet and email facilities. Under the provisions of the NSW Workplace Surveillance Act 2005 the SEO has notified staff of any surveillance involving the use of video, computer or tracking technologies.

Committees and special offices

A detailed list of SEO Committees and Special Offices is available at Appendix 14.

Administrative Services

Waste Reduction Plan

Our strategies have been developed to avoid paper product waste, increase the purchase of recycled product content and increase resource recovery. This Office concentrates its efforts on waste mitigation and minimisation strategies as follows:

Key areas:

- paper products
- office equipment and consumables (eg toner cartridges).

Reducing the generation of waste

Our website is being redeveloped, together with an increased emphasis on increasing office efficiency and effectiveness through the computerisation of office administration and electoral processes.

Strategies to reduce paper generation are being developed as part of the website redevelopment to enable the public inspection of election funding returns on-line, the confirmation of enrolment details, and electronic self service for leave management.

The conduct of elections is predominantly a paper-based activity, with significant legislative, technical and cost considerations impacting on consideration of electronic voting initiatives.

Use of recycled material – purchase of recycled content materials

Contracts for the purchase of ballot boxes and voting screens made of recycled content continue to be implemented.

Resource recovery – waste reuse and recycling

Reuse of election material in the local community is our first strategy priority, with material that cannot be re-used (including ballot papers) recycled.

Energy Management Plan

The Office supports energy management as a key mechanism for pursuing both environmental and financial benefits. The level of electoral activity in any given period of time has a direct relationship to energy consumption. This aspect and the fact that SEO has increased its staffing and resource levels significantly over the past year, means that performance measures against baseline data will be misleading.

Thus the Office aims to mitigate consumption rather than make comparisons against baseline data.

Premier's Memorandum 2004-4 set out new requirements to improve the greenhouse performance of NSW Government office buildings and tenancies using the Australian Building Greenhouse Rating (ABGR) scheme.

SEO moved to a new tenancy in 2006 with the ABGR requirements a key criterion in the selection of premises and subsequent fit-out works.

Risk management and insurance activities

The Office maintains five policies of insurance under the risk management system, namely, public liability, workers compensation, motor vehicle, property and miscellaneous insurances.

Public liability coverage is met by the Office on behalf of lessors of polling place premises for elections.

Risks are at their peak at the time of such major electoral events. Incidents relating to the activities of election officials and the attendance of electors at polling places are mitigated via training programmes for election officials that emphasise risk management initiatives.

Move to new accommodation

Following the recommendations in the CCQG review for the SEO to employ additional staff the Office made arrangements to move to larger accommodation. The Office relocated to new premises at Level 25, 201 Kent Street, Sydney on 20 February 2006.

The timing of the move to new accommodation coincided with the expiry of the SEO's former lease in March 2006.

The Office informed stakeholders including registered political parties, the media, Ministers and the general public of the relocation via a comprehensive communications strategy. This strategy utilised a variety of communication vehicles including advertising, signage and direct mail.

The move was effected over one weekend to ensure minimal disruption to business.

Information Management

Privacy and data protection

Personal information is not collected, used, disclosed or accessed for purposes other than provided for in privacy legislation, electoral legislation or purposes directly related to the electoral process. The printed electoral roll is available for inspection and purchase at the office of the SEO.

Currently access to the electoral roll is strictly confined to organisations that have signed a safeguard agreement to protect the information on the roll. The roll is currently distributed to registered political parties, elected independents and selected NSW government departments and medical research organisations.

The SEO has suspended considering further applications for access to the electoral roll until Parliament's consideration of the draft *Parliamentary Electorates and Elections Bill* has concluded.

The protection of personal information and the privacy of individuals is of paramount concern for the Office and is provided for in this Office's Privacy Management Plan developed under the *Privacy and Personal Information Protection Act 1998*. That plan will be reviewed in the next year. In the reporting year the Office briefed a consultant to revise the SEO's policy on the handling of personal information especially regarding the disclosure of electoral enrolment information, and to ensure full compliance with the *Privacy and Personal Information Protection Act 1998* and the Codes and Directions made by the NSW Privacy Commissioner, which vary the application of the Information Privacy Principles.

Provision of electoral information, telephone, media and inquiry services

The SEO continued to provide its clients with a range of electoral information through a variety of channels including telephone, website, email, facsimile, media, telephone typewriter and interpreting services. Information in alternative formats is made available through the National Information Library Service.

Summary of primary information services	2005-2006
telephone enquiries per annum	26,514
email enquiries per annum	3114
telephone interpreting per annum	46
website visits per month	26,700

Protected Disclosures Act 1999

No officer made a protected disclosure.

Corruption prevention policy

There were no reports of suspected corrupt conduct lodged via the internal reporting system.

Guarantee of service

The Office Guarantee of service can be found on the Office website www.elections.nsw.gov.au

Freedom of information (FOI)

The Office has both a Statement of Affairs and a Summary of Affairs which are available on request. Pursuant to section 14 of the *Freedom of Information Act* 1989 the Office published a Summary of Affairs in the Government Gazette on 30 December 2005 and 30 June 2006.

In the reporting year the Office did not receive any FOI applications.

Website

As recommended by the CCQG review, the SEO website is currently being redeveloped to meet the needs of a modern election services provider. For more information see page 29 and 35.

Publications

In the reporting year the SEO published reports on the local government and parliamentary by-elections that were contested. The Office also published the Annual Report 04-05.

Most of these publications are available for purchase or download on the Office's website www.elections.nsw.gov.au.

Financial Performance

Financial position and performance

The SEO carries out its functions in accordance with the *Public Finance and Audit Act* 1983 and the Treasurer's Directions. Audited Financial Statements accompany this report.

The net cost of services for the year ending 30 June 2006 was \$11.9 million. This did not vary significantly from Budget.

Employee related expenses exceeded budget by \$1.4 million while other operating expenses exceeded budget by \$1.7 million. This was due to the conduct of four parliamentary by-elections, 15 local government by-elections and increased activity towards the next State General election.

Other expenses of \$3.4 million relate to the payments made under the Joint Roll Agreement with the Commonwealth to share the costs involved in maintaining the NSW Electoral Roll.

Revenue of \$881,000 is comprised primarily of earnings from conducting local government by-elections, statutory and industrial ballots and interest earnings.

Transfers amounting to \$2 million to the Election Funding Authority were made to meet that Authority's obligations under the *Election Funding Act* 1981. For further details on the EFA see the EFA Annual Report.

Assets at year end totalled \$5.9 million comprised of plant and equipment and intangible assets (\$3.8 million), cash \$1.6 million and receivables \$448,000.

Liabilities totalled \$2.4 million, the major components being payables and provisions.

Payment performance indicators

The payment performance indicators reflect a continued high performance of an average of 94% of all accounts being paid on time.

Generally the performance indicators reflect a small number of instances of invoices being in dispute and discrepancies in billings. Aged analysis of payment performance indicators is available at Appendix 15.

Major works

There were no major works undertaken by the Office in 2005/06.

Consultancies

The Office spent \$224,000 on consultants in 2005/06. \$104,000 was spent with SMS Technology, who provided expertise and training of SEO staff members in programme and project management for the upcoming 2007 General Election. Participation Works Groups provided expertise in the planning, consultation and implementation of the Equal Access to Democracy Plan for electors with a disability at a cost of \$35,000. The balance of \$85,000 has been spent on various other consulting projects throughout the year.

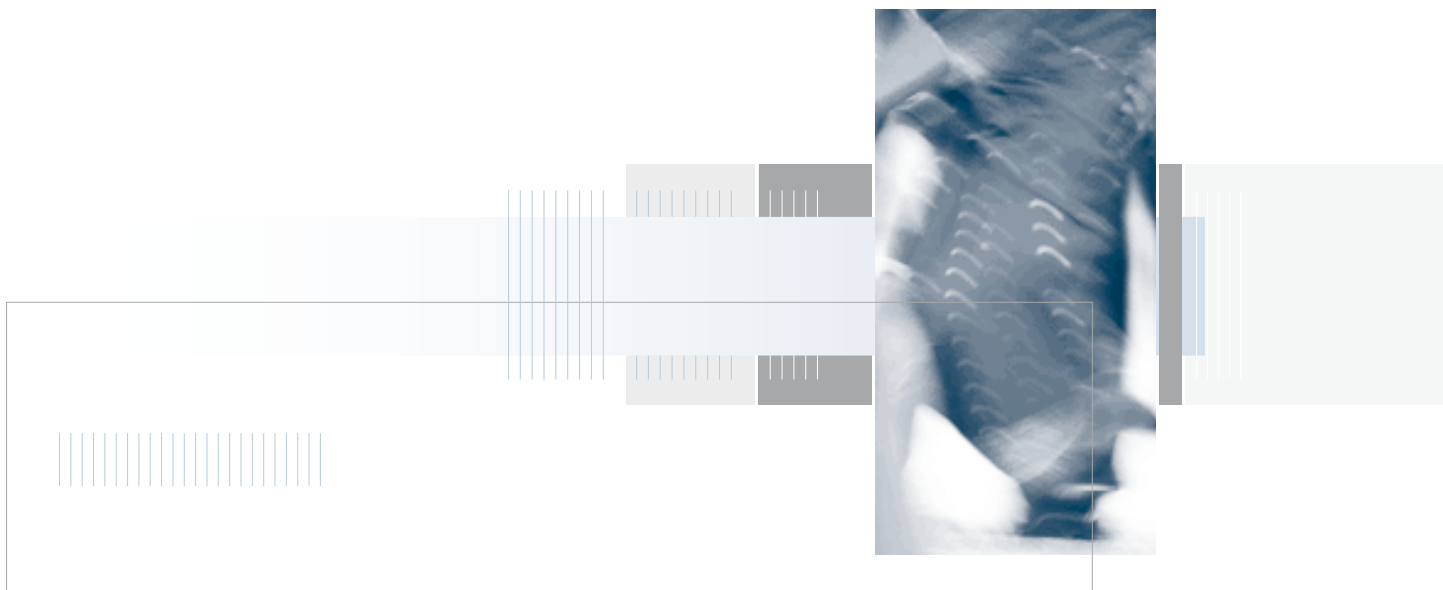
Major assets

The SEO has \$5.9 million of assets. The majority of the rest of the assets are plant and equipment (\$1.9 million) and intangible assets (\$1.9 million). \$2.1 million of these assets are held in cash and receivables. A list of the SEO's major assets is available at Appendix 16.

Leave entitlements

It is recognised that recreation leave accruals for some officers are in excess of the maximum accrual provided for in policy. Following the State General Election an agreed plan to reduce leave balances in line with policy will be considered.

Our liabilities in respect of leave entitlements are available at Appendix 17.



New Strategic Directions

Programme management approach to the 2008 local government General Election

Following the introduction of a programme management approach to the 2007 General Election, the SEO will consider introducing a similar strategy to the planning and management of the September 2008 local government General Election. This will include the appointment of a Programme Manager.

The local government General Election is a large scale logistical operation that requires considerable planning, budgeting and the establishment of service level agreements with councils. One of the challenges of this event is that there are some 152 councils with different views on the services that they would like for their electors. While the law requires councils to have their elections conducted by the SEO, the councils have to pay for the cost of these services. Understandably, councils want to ensure that they get value for money. Provision of the services must also reflect the actual cost to the SEO. In moving towards a service provider model, the SEO is committed to establishing a transparent costing approach which will involve consulting with councils on the services that they require.

The costing model that has been established for local government by-elections will not be an appropriate one for the conduct of the local government General Election. Rather the programme management approach used for the 2007 State General Election will provide a sound basis of identifying the real costs of delivering the 2008 local government General Election. This election will be run on a full cost recovery basis. Work on the full cost recovery model will commence soon after the March 2007 NSW General Election.

Client service officers to meet with councils regarding election services

After the March 2007 General Election, the SEO will meet with each local government council to discuss service levels for the 2008 local government General Election. This is an important initiative so that councils have a say in the services that are provided to their residents. As with council by-elections, the SEO will establish a basic framework for the conduct of the General Election and provide councils with options in regard to advertising and direct mail to ensure that all electors are aware of their obligation to vote. The consultative approach which includes predictive budgets is much appreciated as it allows councils to have a say in the cost of their election.

Returning Officer programme for 2008 local government General Election

The SEO will build on the successful approach adopted for recruitment and training of senior election officials to be trained as parliamentary Returning Officers in order to secure a pool of suitable people to be trained as local government Returning Officers.

After the March 2007 State General Election the Office will lose some of the experienced senior election officials due to natural attrition. The SEO has to replenish its pool of suitable people to be trained as Returning Officers before the local government General Election. Whereas at a parliamentary election some 93 Returning Officers are required, at a local government General Election some 150 Returning Officers are required.

Returning Officer infrastructure for 2008 local government General Election

The SEO will consider adopting a different approach to the infrastructure for the local government General Election. In the past the SEO has appointed one Returning Officer for each of the 152 councils. An alternative approach is to appoint one RO to run more than one council election. This approach would mean that councils would benefit from having one office and infrastructure to share between councils. The work load for each Returning Officer would not be unmanageable as the size of two local government areas would be no more than the size of a Legislative Assembly district. This approach will be considered as an option to minimise costs to councils.

Regional computer counts for 2008 local government General Election

Following the March 2004 local government General Election a number of un-subdivided councils that are required to have the election counted by a computer system expressed concern about the SEO's centralised counting centre in Sydney. However it was explained that it was necessary for the SEO to establish a centralised counting centre in Sydney as it required specialised staff to set up and operate. The computerised counting system is the same system as that used for the Legislative Council count. The system is not designed to operate simultaneously in a number of locations.

A number of rural and regional councils have requested that the SEO undertake computer counts at a regional location. The SEO will therefore explore the opportunity to provide the computerised counting on a regional basis. This will require changes to the computer counting software to enable it to be operated in many locations simultaneously.

Initiatives to assist electors with a disability at the 2007 General Election

The Equal Access to Democracy Plan identifies improvements and initiatives for services to electors with disabilities. The Office will implement positive practical solutions at the March 2007 State General Election which will enable real improvements to current arrangements. Some of the initiatives include:

- customised election information for persons with a disability that is inclusive and provides greater information access
- training of election officials to recognise the needs of people with disabilities
- a review of election furniture, forms and signage to follow optimal accessibility principles
- in partnership with Vision Australia and the Spastic Centre, a trial of the use of their premises as voting centres for use by the whole community but specifically designed to provide improved access for electors with a disability.

The plan is intended to be a living document and will be reviewed after the March 2007 State General Election to examine what further improvements can be made to improve access to the electoral system for voters with a disability at the September 2008 local government General Election.

Polling place mapping

For the 2007 General Election, the SEO has customised the computerised redistribution system to enable polling places to be plotted and certain voting information based on the March 2003 General Election to be attached to each polling place. The process is undertaken using a Geographic Information System rather than the past practice of plotting polling places onto paper maps. Once polling places and declared institutions are plotted into the system, it is possible to use computer applications to assist with estimating the likely number of voters at each polling place.

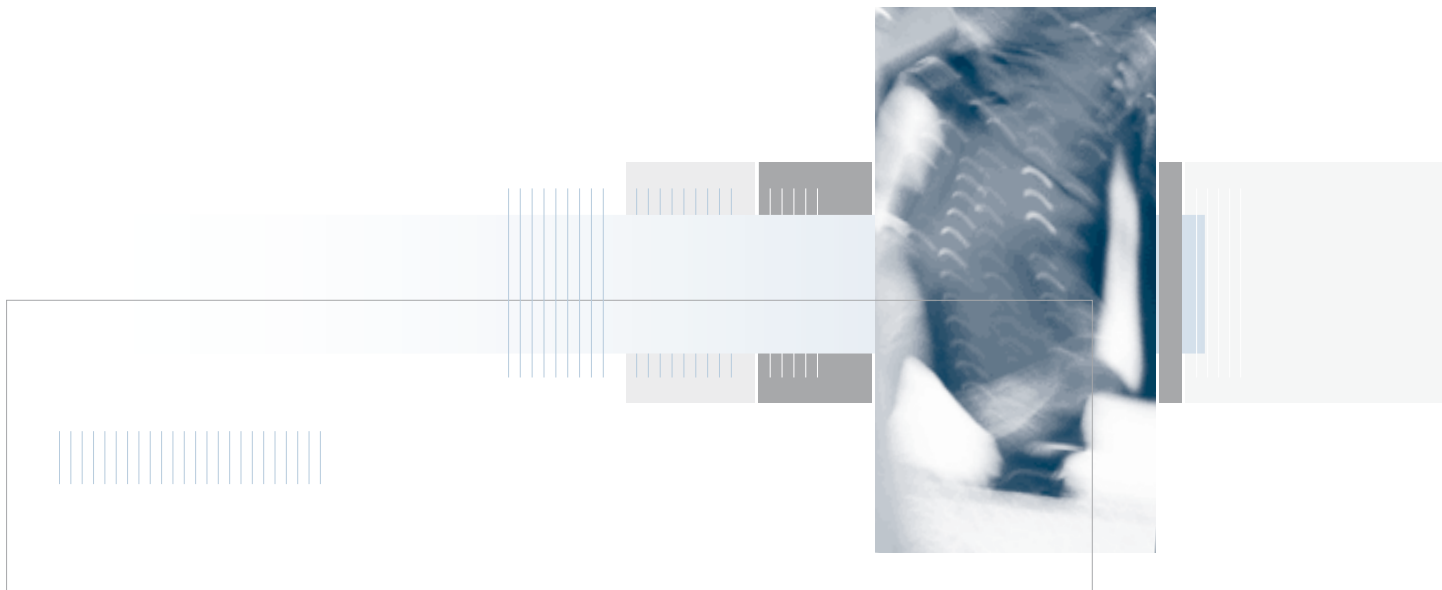
The SEO will transfer the system for use at local government elections. It will explore the opportunity to make the information available on the website.

New arrangements to pay election officials

The SEO is looking to achieve efficiencies and improve accountability in paying polling and election officials. In the past officials were paid by the appropriate Returning Officer. Payment was by cheque drawn from the Returning Officer's election account.

New arrangements will mean that all election officials will be paid by direct bank credit from the SEO. Each Returning Officer will have responsibility for employment and certification that the person worked. The SEO is confident that the centralisation of the payroll will free Returning Officers of a very time-consuming administrative function. The centralisation of the pay system will also introduce further controls and minimise risk of misappropriation.

The SEO has trialled the new pay system at local government by-elections and will continue to refine the system at future local government by-elections conducted before the 2007 General Election.



Financial Statements

Statement by the Electoral Commissioner

Pursuant to Section 45F of the *Public Finance and Audit Act 1983* I, to the best of my knowledge and belief, state that:

- (a) the accompanying financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the Financial Reporting Code for Budget Dependent General Government Sector Agencies, the applicable clauses of the *Public Finance and Audit Regulation 2000* and the Treasurer's Directions;
- (b) the statements exhibit a true and fair view of the financial position of the SEO as at 30 June 2006, and transactions for the year then ended;
- (c) there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Colin Barry
Electoral Commissioner
20 September 2006



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDIT REPORT

State Electoral Office

To Members of the New South Wales Parliament

Audit Opinion

In my opinion, the financial report of the State Electoral Office:

- presents fairly the State Electoral Office's financial position as at 30 June 2006 and its performance for the year ended on that date, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia, and
- complies with section 45E of the *Public Finance and Audit Act 1983* (the Act) and the *Public Finance and Audit Regulation 2005*.

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

Scope

The Financial Report and Electoral Commissioner's Responsibility

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

The Electoral Commissioner of the State Electoral Office is responsible for the preparation and true and fair presentation of the financial report in accordance with the Act. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

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

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

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

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

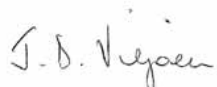
My opinion does *not* provide assurance:

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

Audit Independence

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

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



John Viljoen CPA
Director, Financial Audit Services

SYDNEY
20 September 2006

Operating Statement for the Year Ended 30 June 2006

	Notes	Actual 2006 \$'000	Budget 2006 \$'000	Actual 2005 \$'000
Expenses excluding losses				
Operating expenses				
Employee related	2(a)	4,889	3,470	2,471
Other operating expenses	2(b)	3,610	1,913	3,217
Depreciation and amortisation	2(c)	870	825	761
Other expenses	2(d)	3,402	5,982	3,315
Total Expenses excluding losses		12,771	12,190	9,764
Less :				
Revenue				
Sale of goods and services	3(a)	740	447	972
Investment income	3(b)	109	55	169
Other revenue	3(c)	32	-	93
Total Revenue		881	502	1,234
Net Cost of Services	20	11,890	11,688	8,530
Government Contributions				
Recurrent appropriation	4	10,166	10,667	7,593
Capital appropriation	4	3,308	1,500	45
Acceptance by the Crown Entity of employee benefits and other liabilities	5	337	217	211
Total Government Contributions		13,811	12,384	7,849
SURPLUS / (DEFICIT) FOR THE YEAR		1,921	696	(681)

The accompanying notes form part of these financial statements

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

	Notes	Actual 2006 \$'000	Budget 2006 \$'000	Actual 2005 \$'000
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	-	-	-	
Surplus / (Deficit) for the Year	16	1,921	696	(681)
TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR		1,921	696	(681)

The accompanying notes form part of these financial statements

Balance Sheet as at 30 June 2006

	Notes	Actual 2006 \$'000	Budget 2006 \$'000	Actual 2005 \$'000
Assets				
Current Assets				
Cash and cash equivalents	8	1,585	1,498	1,509
Receivables	9	448	445	430
Other	10	55	144	111
Total Current Assets		2,088	2,087	2,050
Non-Current Assets				
Property, Plant and Equipment				
- Plant and Equipment	11	1,884	227	226
Intangible assets	12	1,941	1,768	1,109
Total Non-Current Assets		3,825	1,995	1,335
Total Assets		5,913	4,082	3,385
Liabilities				
Current Liabilities				
Payables	13	1,406	1,231	1,059
Provisions	14	555	228	382
Other	15	-	184	183
Total Current Liabilities		1,961	1,643	1,624
Non-Current Liabilities				
Provisions	14	428	-	158
Total Non-Current Liabilities		428	-	158
Total Liabilities		2,389	1,643	1,782
Net Assets		3,524	2,439	1,603
Equity				
Accumulated funds	16	3,524	2,439	1,603
Total Equity		3,524	2,439	1,603

The accompanying notes form part of these financial statements

Cash Flow Statement for the Year Ended 30 June 2006

	Notes	Actual 2006 \$'000	Budget 2006 \$'000	Actual 2005 \$'000
Cash Flows From Operating Activities				
Payments				
Employee related		(4,170)	(3,235)	(2,228)
Other		(7,680)	(8,303)	(7,768)
Total Payments		(11,850)	(11,538)	(9,996)
Receipts				
Sale of goods and services		1,085	397	3,353
Interest received		96	55	149
Other		917	408	668
Total Receipts		2,098	860	4,170
Cash Flows from Government				
Recurrent appropriation		10,166	10,667	7,760
Capital appropriation		3,308	1,500	45
Cash reimbursements from the Crown Entity		-	-	92
Cash transfers to the Consolidated Fund		(167)	-	(413)
Net Cash Flows from Government		13,307	12,167	7,484
Net Cash Flows From Operating Activities	20	3,555	1,489	1,658
Cash Flows From Investing Activities				
Purchases of Plant and Equipment & Intangibles		(3,479)	(1,500)	(45)
Net Cash Flows From Investing Activities		(3,479)	(1,500)	(45)
Cash Flows From Financing Activities				
Repayment of borrowings and advances		-	-	(3,800)
Net Cash Flows From Financing Activities		-	-	(3,800)
NET INCREASE / (DECREASE) IN CASH		76	(11)	(2,187)
Opening cash and cash equivalents		1,509	2,194	3,696
CLOSING CASH AND CASH EQUIVALENTS	8	1,585	2,183	1,509

The accompanying notes form part of these financial statements

Program Statement - Expenses and Revenues for the Year Ended 30 June 2006

SEO's Expenses and Revenues	Program 7.1.1*		Program 7.1.2*		Program 7.1.3*		Program 7.1.4*		Not Attributable		TOTAL	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Expenses excluding losses												
Operating expenses												
Employee related	3,960	2,164	385	213	272	47	272	47	-	-	4,889	2,471
Other operating expenses	2,932	2,786	170	299	254	66	254	66	-	-	3,610	3,217
Depreciation and amortisation	705	664	71	67	47	15	47	15	-	-	870	761
Other expenses	3,402	3,315	-	-	-	-	-	-	-	-	3,402	3,315
Total Expenses excluding losses	10,999	8,929	626	579	573	128	573	128	-	-	12,771	9,764
Revenue												
Sale of goods and services	17	28	-	-	388	491	335	453	-	-	740	972
Investment income	109	169	-	-	-	-	-	-	-	-	109	169
Other revenue	32	93	-	-	-	-	-	-	-	-	32	93
Total Revenue	158	290	-	-	388	491	335	453	-	-	881	1,234
Net Cost of Services	10,841	8,639	626	579	185	(363)	238	(325)	-	-	11,890	8,530
Government contributions**	-	-	-	-	-	-	-	-	13,811	7,849	13,811	7,849
NET EXPENDITURE / (REVENUE) FOR THE YEAR	10,841	8,639	626	579	185	(363)	238	(325)	13,811	7,849	(1,921)	681
Administered Expenses & Revenues	Program 7.1.1*		Program 7.1.2*		Program 7.1.3*		Program 7.1.4*		Not Attributable		TOTAL	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Administered Expenses												
Transfer Payments***	-	-	2,000	1,766	-	-	-	-	-	-	2,000	1,766
Total Administered Expenses	-	-	2,000	1,766	-	-	-	-	-	-	2,000	1,766
Administered Revenues												
Transfer Receipts	-	-	2,000	1,766	-	-	-	-	-	-	2,000	1,766
Consolidated Fund												
Taxes, fees and fines	198	1,544	-	-	-	-	-	-	-	-	198	1,544
Total Administered Revenues	198	1,544	2,000	1,766	-	-	-	-	-	-	2,198	3,310
Administered Revenues less Expenses	198	1,544	0	0	-	-	-	-	-	-	198	1,544

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

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

***Transfer payments are excluded from the primary financial report. Refer Note 6.

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Summary of Compliance with Financial Directives

	2006				2005			
	Recurrent appropriation	Expenditure / net claim on consolidated fund	Capital appropriation	Expenditure / net claim on consolidated fund	Recurrent appropriation	Expenditure / net claim on consolidated fund	Capital appropriation	Expenditure / net claim on consolidated fund
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Original budget								
Appropriation / expenditure								
Appropriation act	10,667	8,114	1,500	1,500	9,251	8,962	0	0
	10,667	8,114	1,500	1,500	9,251	8,962	0	0
Other appropriations / expenditure								
Treasurer's advance	1,499	4,052	1,808	1,808	414	397	75	45
	1,499	4,052	1,808	1,808	414	397	75	45
Total appropriations								
Expenditure/net claim on consolidated fund (includes transfer payments)	12,166	12,166	3,308	3,308	9,665	9,359	75	45
Amount drawn down against appropriation	-	12,166	-	3,308	-	9,526	-	45
Liability to consolidated fund	-	0	-	0	-	167	-	0

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

Notes to the Financial Statements

I. Summary of significant accounting policies

(a) Reporting entity

The SEO includes the commercial activities of conducting Statutory and Industrial Ballots and Local Government Elections.

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

This financial report for the year ended 30 June 2006 has been authorised for issue by the Electoral Commissioner on 20 September 2006.

(b) Basis of preparation

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

- applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AIFRS))
- the requirements of the *Public Finance and Audit Act and Regulation 2005*
- the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer under section 9(2) of the Act.

Plant and equipment are measured at fair value. Other financial report items are prepared in accordance with the historical cost convention.

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

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

(c) Statement of compliance

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

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

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

The basis used to prepare the 2004/05 comparative information for financial instruments under previous Australian Accounting Standards is discussed in Note 1 (w) below. The financial instrument accounting policies for 2005/06 are specified in Notes (q) and (t).

Reconciliations of AEIFRS equity and surplus or deficit for 30 June 2005 to the balances reported in the 30 June 2005 financial report are detailed in Note 25. This note also includes separate disclosure of the 1 July 2005 equity adjustments arising from the adoption of AASB 132 and AASB 139.

(d) Administered activities

The agency administers, but does not control, certain activities on behalf of the Crown Entity. It is accountable for the transactions relating to those administered activities but does not have the discretion, for example, to deploy the resources for the achievement of the agency's own objectives.

Transactions and balances relating to the administered activities are not recognised as the agency's revenues, expenses, assets and liabilities.

Administered revenue is regarded as being able to be measured reliably when the funds are received.

(e) Income recognition

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

(i) Parliamentary appropriations and contributions

Parliamentary appropriations and contributions are generally recognised as income when the agency obtains control over the assets comprising the appropriations / contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

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

Any liability is disclosed in Note 15 as part of 'Current Liabilities - Other'. The liability is extinguished when it is repaid in the next financial year. Any liability in respect of transfer payments is disclosed in Note 21 "Administered assets and liabilities."

(ii) Sale of goods

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

(iii) Rendering of services

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

(iv) Investment revenue

Interest revenue is recognised as it accrues using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement.

(f) Employee benefits and other provisions

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

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

Long-term annual leave that is not expected to be taken within twelve months is measured at present value in accordance with AASB 119 *Employee Benefits*. Market yields on government bonds of 5.78% are used to discount long-term annual leave.

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

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

(ii) Long service leave and superannuation

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

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

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

(iii) Other provisions

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

Any provisions for restructuring are recognised only when the agency has a detailed formal plan and has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

If the effect of the time value of money is material, provisions are discounted at 5.78%, which is a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

(g) Insurance

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

(h) Accounting for the goods and services tax (GST)

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

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

(i) Acquisition of assets

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

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

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

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

(j) Capitalisation thresholds

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

(k) Revaluation of plant and equipment

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

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

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

The agency non-current assets are comprised wholly of plant and equipment, which are valued at fair value.

(l) Impairment of plant and equipment

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

(m) Depreciation of plant and equipment

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the agency.

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

Asset type	Useful life
Computer Equipment	4 Years
Plant and Equipment	7 Years
Furniture and Fixtures	8 Years
Leasehold Improvements	7 Years

(n) Restoration costs

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

(o) Maintenance

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

(p) Leased assets

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

No assets have been acquired under finance lease arrangements.

(q) Loans and receivables – year ended 30 June 2006 (refer to note (w) for 2004/05 policy)

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

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

(r) Intangible assets

The agency recognises intangible assets only if it is probable that future economic benefits will flow to the agency and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

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

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

The agency's intangible assets are amortised using the straight line method over a period of 4 years. Currently, the agency's intangible assets solely comprise software.

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

(s) Other assets

Other assets are recognised on a cost basis.

(t) Payables year ended 30 June 2006 (refer to note (w) for 2004/05 policy)

These amounts represent liabilities for goods and services provided to the agency and other amounts.

Other payables predominantly relate to the Office's Sydney accommodation lease, which provides for a lease incentive in the form of rent free period. The lease incentive has been accounted for as a liability, which reduces over the lease term as it is repaid through a component of the periodic rental payments.

(u) Budgeted amounts

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

The budgeted amounts in the Operating Statement and the Cash Flow Statement are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the Balance Sheet, the amounts

vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts i.e. per the audited financial report (rather than the carried forward estimates).

(v) Comparative information

Comparative figures have been restated based on AEIFRS with the exception of financial instruments information, which has been prepared under previous AGAAP Standard (AAS 33) as permitted by AASB 1.36A (refer para (w) below). The transition date to AEIFRS for financial instruments was 1 July 2005. The impact of adopting 132 / 139 is further discussed in Note 25.

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

Investment income

Interest revenue is recognised as it accrues.

Receivables

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

Payables

These amounts represent liabilities for goods and services provided to the agency.

(x) New Australian accounting standards issued but not effective

The impact of the following new accounting standards is not able to be reliably measured at this stage.

AASB No.	Name	Application Date
7	Financial Instruments: Disclosures	Annual reporting periods beginning on or after 1 January 2007
119	Employee Benefits (compiled version issued April 2006)	Annual reporting periods beginning on or after 1 January 2006
2004-3	Amendments to Australian Accounting Standards	Annual reporting periods beginning on or after 1 January 2006
2005-1	Amendments to Australian Accounting Standard	Annual reporting periods beginning on or after 1 January 2006
2005-4	Amendments to Australian Accounting Standards (AASB 139, AASB 132, AASB 1, AASB 1023, AASB 1038)	Annual reporting periods beginning on or after 1 January 2006
2005-5	Amendments to Australian Accounting Standards (AASB 1 and AASB 139)	Annual reporting periods beginning on or after 1 January 2006
2005-6	Amendments to Australian Accounting Standards (AASB 3)	Annual reporting periods beginning on or after 1 January 2006
2005-9	Amendments to Australian Accounting Standards (AASB 4, AASB 1023, AASB 139 and AASB 132)	Annual reporting periods beginning on or after 1 January 2006
2005-10	Amendments to Australian Accounting Standards (AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 1023, and AASB 1038)	Annual reporting periods beginning on or after 1 January 2007
2006-1	Amendments to Australian Accounting Standards (AASB 121)	Annual reporting periods ending on or after 31 December 2006

2. Expenses excluding losses

(a) Employee related expenses

	2006	2005
	\$'000	\$'000
Salaries and wages (including recreation leave)	3,994	2,087
Superannuation*		
- defined benefit plan	89	150
- defined contribution plan	277	15
Long service leave	261	55
Workers' compensation insurance	19	7
Payroll tax and fringe benefits tax	249	157
	4,889	2,471

* No employee related costs have been capitalised.

(b) Other operating expenses include the following:

	2006	2005
	\$'000	\$'000
Auditor's remuneration		
- audit or review of the financial report	68	92
Operating lease rental expense		
- minimum lease payments	997	666
Storage	399	238
Printing	288	759
Postage	272	245
Consulting	224	244
Software maintenance and licences	167	225
Advertising	288	179
Legal fees	100	6
Restoration Costs	171	-
Insurance	66	100
Telephone	80	83
Plant and equipment and intangible assets written off	119	-
Travel	55	75
Maintenance	5	7
Other	311	298
	3,610	3,217

*Reconciliation – Total maintenance

	2006	2005
	\$'000	\$'000
Maintenance expense – contracted labour and others (non-employee related), as above	5	7
Employee related maintenance expense included in Note 2(a)	-	-
Total maintenance expense included in Note 2(a) and 2(b)	5	7

(c) Depreciation and amortisation

	2006	2005
	\$'000	\$'000
Depreciation	241	132
Amortisation	629	629
	870	761

(d) Other expenses

	2006	2005
	\$'000	\$'000
Joint Roll Agreement (payment to the Commonwealth)	3,402	3,315

Expenses attributable to specific functions of the SEO:

	2006	2005
	\$'000	\$'000
General Election	1,115	474
By-election	1,005	244
Joint Roll Agreement (payment to the Commonwealth)	3,402	3,315
Redistribution of Electoral Boundaries	65	698
	5,587	4,731

3. Revenue

(a) Sale of goods and services

	2006	2005
	\$'000	\$'000
Sale of goods	17	28
Rendering of services	723	944
	740	972

(b) Investment revenue

	2006	2005
	\$'000	\$'000
Interest	109	169

(c) Other revenue

	2006	2005
	\$'000	\$'000
Other	32	93

4. Appropriations

	2006	2005
	\$'000	\$'000
Recurrent appropriations		
Total recurrent draw-downs from NSW Treasury (per Summary of Compliance)	12,166	9,526
Less: Liability to Consolidated Fund (per Summary of Compliance)	-	(167)
	12,166	9,359
Comprising:		
Recurrent appropriations (per Operating Statement)	10,166	7,593
Transfer payments	2,000	1,766
	12,166	9,359
Capital Appropriations		
Total capital draw-downs from NSW Treasury (per Summary of Compliance)	3,308	45
Less: Liability to Consolidated Fund (per Summary of Compliance)	-	-
	3,308	45
Comprising:		
Capital appropriations (per Operating Statement)	3,308	45

5. Acceptance by the crown entity of employee benefits and other liabilities

	2006	2005
	\$'000	\$'000
Superannuation	89	150
Long service leave	243	52
Payroll tax	5	9
	337	211

6. Transfer payments

	2006	2005
	\$'000	\$'000
Election Funding Authority	2,000	1,766

7. Programs / activities of the agency.

(a) Program 7.1.1: Management and Administration of Parliamentary Elections

Objectives:

To independently conduct elections, referendums and ballots for State and Local Government and other organisations. Transferred \$2,000,020 in transfer payments to program 7.1.2 in 2005-06.

(b) Program 7.1.2: Funding of Parliamentary Election Campaigns

Objectives:

To provide an independent source of funding of Parliamentary election campaigns and to require the disclosure by candidates and political parties of political contributions and expenditures. Received \$2,000,020 of transfer payments from Program 7.1.1 in 2005-06.

(c) Program 7.1.3: Management and Administration of Statutory and Industrial Ballots

Objectives:

To provide an independent ballot and elections service for certain organisations as required by legislation.

(d) Program 7.1.4: Management and Administration of Local Government Elections

Objectives:

To provide an independent ballot and elections service with respect to elections and polls under the Local Government Act.

Programs 3 and 4 are commercial programs and are therefore not included in the NSW Treasury budget.

8. Current assets – cash and cash equivalents

	2006	2005
	\$'000	\$'000
Cash at bank and on hand	1,585	1,509

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand and cash at bank.

Cash and cash equivalents assets recognised in the Balance Sheet are reconciled at the end of the financial year to the Cash Flow Statement as follows:

	2006	2005
	\$'000	\$'000
Cash and cash equivalents (per Balance Sheet)	1,585	1,509
Closing cash and cash equivalents (per Cash Flow Statement)	1,585	1,509

9. Current assets – receivables

	2006	2005
	\$'000	\$'000
Sale of goods and services	56	270
GST recoverable from the taxation authority	333	128
Prepayments	59	32
	448	430

As all amounts owing are considered collectable, receivables have not been impaired for doubtful debts.

10. Current assets - other

	2006	2005
	\$'000	\$'000
Accrued interest income	55	42
Accrued income other	-	69
	55	111

11. Non-current assets – plant and equipment

	30 June 2006	1 July 2005
	\$'000	\$'000
Gross carrying amount	2,422	949
Accumulated depreciation	(538)	(723)
Net carrying amount (fair value)	1,884	226

	30 June 2005	1 July 2004
	\$'000	\$'000
Gross carrying amount	949	2,006
Accumulated depreciation	(723)	(1,693)
Net carrying amount (fair value)	226	313

Reconciliation

A reconciliation of the carrying amounts of plant and equipment at the beginning and end of the current reporting period is set out below:

	2006	2005
	\$'000	\$'000
Net carrying amount at start of the year	226	313
Additions	1,973	45
Write offs of assets	(74)	-
Depreciation expense	(241)	(132)
Net carrying amount as at end of the year	1,884	226

12. Intangible assets – softwares

	30 June 2006	1 July 2005
	\$'000	\$'000
Gross carrying amount	4,694	3,619
Accumulated amortisation	(2,753)	(2,510)
Net carrying amount (fair value)	1,941	1,109

	30 June 2005	1 July 2004
	\$'000	\$'000
Gross carrying amount	3,619	2,516
Accumulated amortisation	(2,510)	(778)
Net carrying amount (fair value)	1,109	1,738

Reconciliation

A reconciliation of the carrying amounts of softwares at the beginning and end of the current reporting period is set out below:

	2006	2005
	\$'000	\$'000
Net carrying amount at start of the year	1,109	1,738
Additions	1,506	-
Write offs of assets	(45)	-
Amortisation expense	(629)	(629)
Net carrying amount as at end of the year	1,941	1,109

13. Current liabilities - payables

	2006	2005
	\$'000	\$'000
Accrued salaries, wages and on-costs	1,236	1,000
Creditors	170	59
	1,406	1,059

14. Current / non-current liabilities – provisions

	2006	2005
	\$'000	\$'000
Current		
Employee benefits and related on-costs		
Recreation leave (a)	403	180
Long service leave on-costs (a)	64	47
	467	227
Other provisions		
Lease incentive on rental	88	155
<i>Total current provisions</i>	555	382
Non-current		
Employee benefits and related on-costs		
Long service leave on-costs (a)	3	3
Other provisions		
Lease incentive on rental	255	-
Restoration costs (b)	170	155
	425	155
Total non-current provisions	428	158
	2006	2005
	\$'000	\$'000
Aggregate employee benefits and related on-costs		
Provision – current	467	227
Provision – non-current	3	3
Accrued salaries, wages and on-costs (Note 13)	1,236	1,000
	1,706	1,230

(a) The value of leave and on-costs expected to be taken within twelve months and after twelve months is as follows:

	2006
	\$'000
Short term – less than twelve months	
Recreation leave	122
Long service leave on-costs	7
	129
Long term - after 12 months	
Recreation leave	281
Long service leave on-costs	60
	341

(b) A provision has been recognised for the estimated costs to be incurred for the make good clause on the Kent Street Office fit out once the lease term expires in seven years. A discount rate based on market yield on Commonwealth government bonds has been applied to reflect the present value of the estimated costs to be incurred.

Movements in other provisions

Movements in provisions during the financial year, other than employee benefits, are set out below:

2006	Lease incentive on rental \$'000	Restoration costs \$'000	Total \$'000
Carrying amount at the beginning of financial year	-	155	155
Additional provisions recognised	380	170	550
Amounts used	(37)	(155)	(192)
Carrying amount at end of financial year	343	170	513

15. Current liabilities - other

	2006	2005
	\$'000	\$'000
Liability to Consolidated Fund	-	167
Unearned Revenue	-	16
	-	183

16. Changes in equity

	2006	2005
	\$'000	\$'000
Accumulated Funds		
Balance as the beginning of the financial year	1,603	2,284
<i>Changes in equity – other than transactions with owners as owners</i>		
Surplus/ (deficit) for the year	1,921	(681)
	3,524	1,603

17. Commitments for expenditure

	2006	2005
	\$'000	\$'000
Operating Lease Commitments		
Future non-cancellable operating lease rentals not provided for and payable		
Not later than one year	1,277	523
Later than one year and not later than five years	3,838	411
Later than five years	975	-
Total (including GST)	6,090	934

These operating lease commitments are not recognised in the financial statements as liabilities. GST has been calculated at the rate of 10% and has been assumed to remain constant for the five years.

18. Contingent liabilities and contingent asset

- The SEO has no contingent liabilities.
- The SEO has no contingent assets.

19. Budget review

Net cost of services

The net cost of services budget was exceeded by \$0.2M. This was mainly due to increased expenses in the General Election of \$0.2M.

Assets and liabilities

Expenditure on assets during the year exceeded budget mainly due to software development costs incurred on the Election Management Application (EMA) of \$1.3M and the Fit-Out of the new SEO office at 25/201 Kent Street of \$1.7M.

Cash Flows

The net cash flow increase was negligible.

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

	2006	2005
	\$'000	\$'000
Net cash used on operating activities	3,555	1,658
Cash Flows from government/ Appropriations	(13,307)	(7,392)
Acceptance by the Crown Entity of employee benefits and other liabilities	(337)	(211)
Depreciation and amortisation	(870)	(761)
Increase/(decrease) in receivables and other assets	(38)	(2,252)
(Increase)/decrease in provisions	(443)	(28)
(Increase)/decrease in payables and other liabilities	(332)	456
Plant and equipment & intangible assets written off	(118)	-
Net cost of services	(11,890)	(8,530)

21. Administered assets and liabilities

There are no administered liabilities relating to the Election Funding Authority.

22. Administered revenue - debts written off

There were no debts written off which related to Administered Revenue.

23. Administered revenue - schedule of uncollected amounts

There were no uncollected amounts which related to Administered Revenue.

24. Financial instruments

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

Cash

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

This rate was at 4.75% p.a. as at 30 June 2006 and 4.5% p.a. as at 30 June 2005.

Receivables

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are made on 21 day terms.

Bank Overdraft

The SEO does not have any bank overdraft facility.

Trade Creditors and Accruals

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

Fair value

Financial instruments are carried at cost, with the exception of TCorp Hour Glass facilities, which are carried at fair value. However, the fair value of the other classes of financial instruments approximates their carrying value.

25. The financial impact of adopting Australian equivalents to international financial reporting standards (aeifrs)

The SEO has applied the AEIFRS for the first time in the 2005/06 financial report. The key areas where changes in accounting policies have impacted the financial report are disclosed below. Some of these impacts arise because AEIFRS requirements are different from previous AASB requirements (AGAAP). Other impacts arise from options in AEIFRS that were not available or not applied under previous AGAAP. The SEO has adopted the options mandated by NSW Treasury for all NSW public Sector agencies. The impacts below reflect NSW Treasury's mandates and policy decisions.

The impacts of adopting AEIFRS on total equity and surplus / (deficit) as reported under previous AGAAP are shown below. There are no material impacts on the SEOs cash flows.

(a) Reconciliations – 1 July 2004 and 30 June 2005

Reconciliation of equity under previous Accounting Standards (AGAAP) to equity under AEIFRS:			
		30 June	1 July
		2005**	2004*
	Notes	\$000	\$000
Total equity under previous AGAAP		1,743	2,405
Adjustments to accumulated funds			
Recognition of restoration costs	1(n)	(140)	(121)
Total equity under AEIFRS		1,603	2,284

*= adjustments as at the date of transition

**= cumulative adjustments as at date of transition plus the year ended 30 June 2005

Reconciliation of surplus / (deficit) under previous Accounting Standards (AGAAP) to surplus / (deficit) under AEIFRS:			
Year ended 30 June 2005	Notes		\$000
Surplus / (deficit) under previous AGAAP			(662)
Recognition of depreciation for the provision for restoration costs	1(n)		(19)
Surplus / (deficit) under AEIFRS			(681)

Based on the above, application of AEIFRS in 2004-05, has increased the net cost of services from \$8,511 to \$8,530.

Notes to tables above:

AASB 116 requires the cost and fair value of property, plant and equipment to be increased to include the estimated restoration costs, where restoration provisions are recognised under AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. This treatment was not required under previous AGAAP. As a result, the provision, net carrying amount of property, plant and equipment, depreciation expense and finance costs related to the unwinding of the restoration provision have all increased.

(b) Financial instruments – 1 July 2005 first time adoption impacts

As discussed in Note 1c, the comparative information for 2004/05 for financial instruments has not been restated and is presented in accordance with previous AGAAP.

End of audited financial statements



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Saturday 17 December 2005

Hunters Hill Council – North Ward

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Harden Shire Council

Saturday 25 February 2006

Blue Mountains City Council – Ward 3

Saturday 11 March 2006

Ku-ring-gai Council – Roseville Ward

Saturday 18 March 2006

Muswellbrook Shire Council

Saturday 8 April 2006

Kiama Municipal Council

Eurobodalla Shire Council

Saturday 29 April 2006

Gilgandra Shire Council

Ashfield Municipal Council – South Ward

Appendix 2

Enterprise agreements, statutory & industrial ballots

Date	Ballot
July 2005	Ports Corporation Housing Industry Association
August 2005	Australasian Meat Industry Employees Union TAB Agents Association of NSW The Association of Principals of Independents Schools in NSW The Australian Commercial Dental Laboratories Assoc NSW
September 2005	Pharmacy Board of New South Wales Police Association Salaried Officers Union
October 2005	Australian Institute of Marine & Power - Engineers NSW District Clubs NSW - Board of Directors Housing Industry (Industrial Relations) Association NSW Teachers Federation - Councillors- Casual Vacancies NSW Teachers Federation - Presidential
November 2005	Australian Services Union of NSW - Assistant Secretary Banana Industry Committee - Coffs Harbour & Richmond - Brunswick Bus & Coach Industrial Association of NSW - Council Members/Office Bearers Restaurant & Catering Association - NSW Rice Marketing Board The Local Government Engineer's Association of NSW - Committee of Management The Master Fish Merchants' Association of Australia Uniting Care Burnside - Secret Ballot re Enterprise Agreement
December 2005	The Association of Professional Engineers, Scientist and Managers, Australia (NSW Branch) The Seamens' Union of Australia - NSW Branch
January 2006	Association of Wall and Ceiling Industries of NSW Poultry Meat Industry Advisory Group Professional Hairdressers Association
February 2006	NSW Teachers Federation - Election of Executive members The Funeral & Allied Industries Union of NSW The Lord Howe Island Board
March 2006	Master Plumbers and Mechanical Contractors Association of Australia NSW Teachers Federation - Councillors - Casual Vacancies
April 2006	Housing Industry (Industrial Relations) Association The Development and Environmental Professionals' Association
May 2006	Building Service Contractors Association of Australia - NSW Division NSW Teachers Federation - Administrative Officer - General Secretary NSW Teachers Federation - 2006 Election of Councillors to Vacancies for 05/06 Biennium Shop Assistants and Warehouse Employees' Federation of Australia, Newcastle and Northern New South Wales
June 2006	Dental Board NSW Independent Education Union Shires Association Election Sydney Cricket and Sports Ground Trust - Election of Two Trustees

Appendix 2 continued

Club elections

Date	Election
July 2005	Collaroy Services Beach Club
August 2005	Eden Fishermen's Recreation Club
September 2005	Cabra Vale Ex-Active Servicemen's Club Cabramatta Rugby League Club Coffs Harbour Ex-Services Club Culburra Bowling & Recreation Club Earlwood Ex-Servicemens Club Merimbula-Imlay Bowling Club The Epping Club
October 2005	Auburn Tennis & Recreation Club Camden Haven Golf Club Ettalong Beach War Memorial Club Ettalong Memorial Bowling Club Leichhardt Bowling & Recreation Club Milton & Ulladulla Ex-Servicemen's & Citizens Club Ltd Mt Pritchard and District Community Club South Sydney Junior Rugby League Club Toronto Workers Club
November 2005	Marrickville RSL Club Election Mingara Recreation Club South Newcastle Rugby League Club
March 2006	Auburn RSL Club City Tattersells Club Miranda RSL Sub-Branch Club Pelican Flat RSL Sub-Branch Club
April 2006	Camarvon Golf Club Ltd Malabar RSL Petersham RSL Club
May 2006	Blacktown Workers' Club Canley Heights RSL & Sporting Club North Sydney ANZAC Memorial Club Ramsgate RSL Memorial Club Rooty Hill RSL Club The Eastlakes Golf Club Wentworthville Leagues Club
June 2006	Collaroy Services Beach Club

Appendix 3

Parties registered under Part 4A of the Parliamentary Electorates and Elections Act 1912

Australian Democrats (NSW Division)
Australian Labor Party (NSW Branch)
Australians Against Further Immigration
Christian Democratic Party (Fred Nile Group)
Country Labor Party
Horse Riders Party
Liberal Party of Australia New South Wales Division
National Party of Australia – NSW
One Nation NSW Political Party
Outdoor Recreation Party
Peter Breen – Human Rights Party
Restore the Workers' Rights Party
Save Our Suburbs
Socialist Alliance
The Fishing Party
The Greens
The Shooters Party
Unity Party

Appendix 4

Parties registered under section 320 of the Local Government Act 1993

Bob Thompson's Independent Team
Burwood Community Voice
Canada Bay Independents
Central Coast First
Community Before Developers – Stop Over Development
Community Development "Environment" Save Campbelltown Koalas
Community First Alliance
Community Sports Party
Eurobodalla First
Gosford Community Independents
Holroyd Independents
Kogarah North Ward Progress Association
Leichhardt Council Community Independents
Liverpool Community Independents Team
Living Sydney Team
Lorraine Wearne Independents
No Parking Meters Party
No Politics
Our Community Our Council
Our Sustainable Future
Residents Action Group for Auburn Area
Residents First Woollahra
Russell Matheson Community First Team
Save Tuggerah Lakes
Shire Watch Independents
Shire Wide Action Group
Shoalhaven Independents Group
Totally Locally Committed Party
Tweed Shire Residents & Ratepayers Group
Yvonne Bellamy Independents

Appendix 5

Parties deregistered under Part 4A of the Parliamentary Electorates and Elections Act 1912

No Privatisation People's Party

Parties deregistered under section 320 of the Local Government Act 1993

Blue Mountains First – Community Independents Incorporated

Lismore Community Independents

Mosman Residents Group

Progressive Action Group

Protect Our Garden Shire

Real Peoples Party

Wagga Wagga Ratepayers and Citizens Association

Appendix 6

Ethnic affairs priorities statement (EAPS)

The SEO is mindful of overcoming any perceived barriers which prevent culturally and linguistically diverse communities from participating fully in elections.

In this regard our EAPS outcomes are for all Australian Citizens of different linguistic, cultural, racial and religious backgrounds to be aware of their obligation to enrol and vote, and to participate fully in the electoral process.

Actions continued in the last year include the provision of Multilingual Voting Guides, production of a multilingual Polling Place poster, advertisements placed in foreign language media, and the provision of telephone translating services through the Translating and Interpreting Service (TIS). During the year 46 calls were received through TIS.

We intend to build on our commitment by reviewing our EAPS strategies with a view to the State General Election in 2007. Advertising programmes developed for this major event will be mindful of the NSW Government target of 10% of campaign press expenditure and 5% of campaign electronic media expenditure directed to electors of non-English speaking background.

Appendix 7

Senior executive service (SES)

Number of CES/SES Positions

Remuneration	Total CES/SES	Total CES/SES
Level	30 June 2005	30 June 2006
Electoral Commissioner *	-	-
Level 8	-	-
Level 7	-	-
Level 6	-	-
Level 5	-	-
Level 4	-	-
Level 3	-	-
Level 2	-	-
Level 1	-	-
Total	-	-

* The Electoral Commissioner is not appointed under the *Public Sector Employment and Management Act 2002* and is therefore not part of the Chief Executive Service. At 30 June 2006 the Electoral Commissioner's remuneration, determined by the Statutory and Other Officers Remuneration Tribunal, was \$281,215.

Number of Positions Filled by Women

There were no SES positions (male or female) in the SEO.

Performance Statements – Level 5 and Above

Colin Barry

Position and level	Electoral Commissioner and Department Head of the SEO
Remuneration	\$278,511
Period in position	Full period
Comment	The Electoral Commissioner holds an independent statutory position. There is no performance agreement with, or annual review by, a Minister.

Appendix 8

Work undertaken for external committees and panels

Appearances before Parliamentary Committees

The Electoral Commissioner was not required to make an appearance before the Joint Standing Committee on Electoral Matters during the reporting year.

Service on other Committees

The Electoral Commissioner is a member of the following Committees, panels or working parties:

- Electoral Council of Australia
- Australian Electoral Commission Business Assurance Committee
- Australian Electoral Commission Enrolment Steering Committee
- Continuous Roll Update Steering Committee

Appendix 9

Head office profile

Staff	2003	2004	2005	2006
Actual permanent staff	21	19	20	33

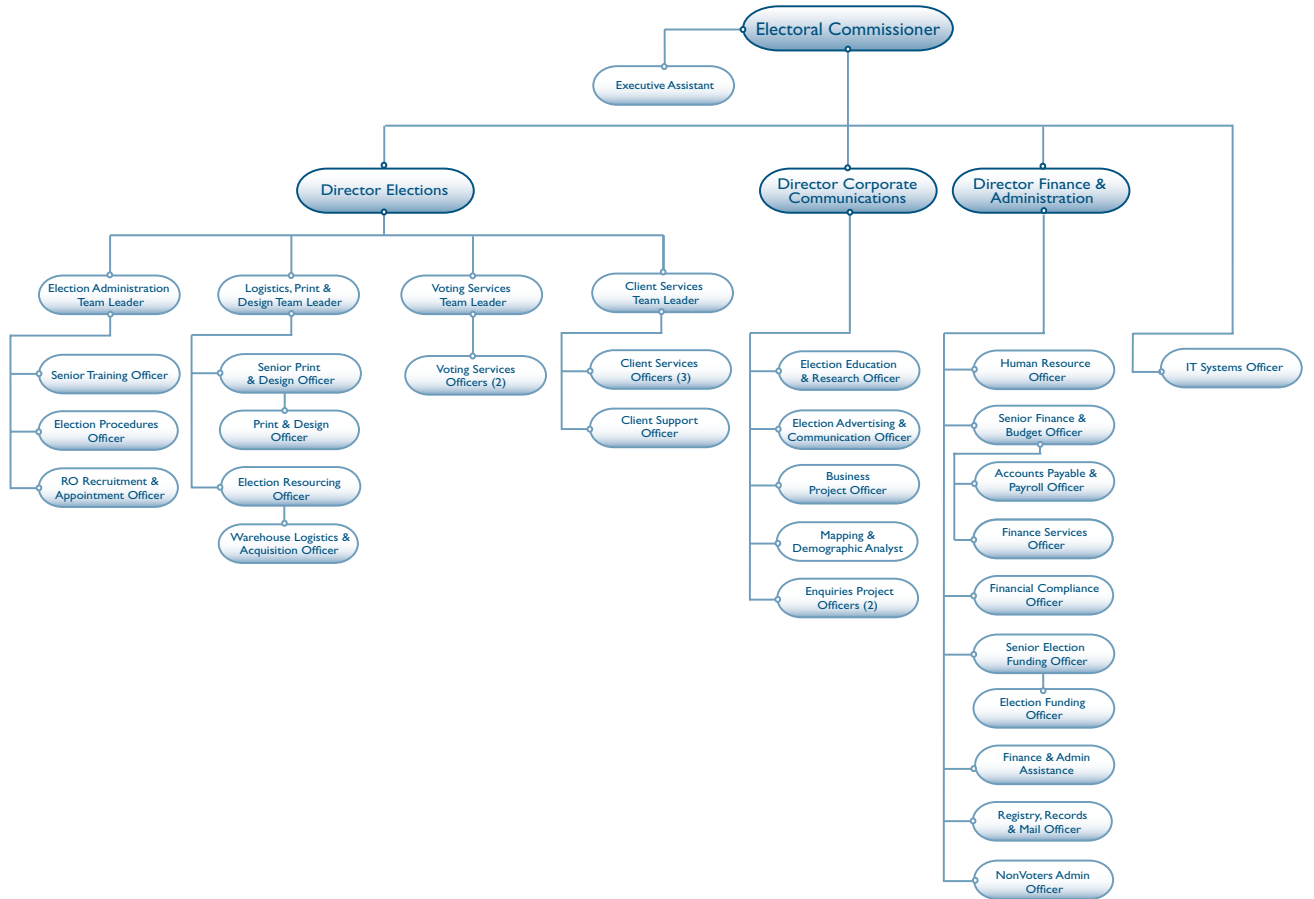
Staff Breakdown	2003	2004	2005	2006
Statutory Appointee	1	0	1	1
Senior Executive Service	N/A	N/A	N/A	N/A
Senior Officer	1	1	1	4
Clerk	6	6	7	28
Clerical Officer	13	12	11	0
Casual Assistant / Temporary Off.	*16	*21	*10	*15

* Indicates casual clerical assistants employed directly by Office during Census period for 2003 State General Election, 2004 local government general election and 2007 State General Election support activities.

Note: There were no exceptional movements in employee wages, salaries or allowances in the reporting year.

Appendix 10

SEO organisational chart



Appendix 11

Occupational health and safety (OH&S)

Injuries/Claims	2004	2005	2006
No. of work related injuries	4	4	5
No. of claims	1	1	2

Appendix 12

Sick leave

Occasions/Absences	2004	2005	2006
Average Occasions	3.95	3.80	3.93
Average Absences	5.20	4.87	8.19*

* Long periods of bone fide sick leave for two officers has raised the Office average. This is an exceptional circumstance.

Appendix I3

Equal employment opportunity statistics

Table A: Trends in the Representation of EEO Groups

% of Total Staff

EEO Group	Benchmark or target	2003	2004	2005	2006
Women	50%	48%	42%	35%	55%
Aboriginal people and Torres Strait Islanders	2%	0%	0%	0%	-
People whose first language is not English	20%	12%	12%	5%	-
People with a disability	12%	5%	5%	5%	-
People with a disability requiring work-related adjustment	7%	0%	0%	0%	-

Table B: Trends in the Distribution of EEO Groups

* Distribution Index

EEO Group	Benchmark or target	2003	2004	2005	2006
Women	100	N/A	N/A	N/A	N/A
Aboriginal people and Torres Strait Islanders	100	N/A	N/A	N/A	N/A
People whose first language was not English	100	N/A	N/A	N/A	N/A
People with a disability	100	N/A	N/A	N/A	N/A
People with a disability requiring work-related adjustment	100	N/A	N/A	N/A	N/A

Notes:

1. Staff numbers are as at 30 June.
2. Excludes casual staff.
3. *A distribution index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at the lower salary levels. The Distribution Index is automatically calculated by the software provided by the Premier's Department.

The Distribution Index is not calculated where EEO group or non-EEO group numbers are less than 20.

Appendix 14

Committees and special offices

SEO and Australian Electoral Commission Liaison Committee

A forum established between the State and Commonwealth to discuss electoral policies and procedures.

Colin Barry
Electoral Commissioner

Brian DeCelis
Director Elections

IT Steering Committee

To review recommendations for the development and implementation of the Office's IT strategies and to advise the Electoral Commissioner.

Colin Barry
Electoral Commissioner

Brian DeCelis
Director Elections

Ian Brightwell
Managing Director, DH4

Equal Employment Opportunity and Advisory Committee

Deals with EEO matters and monitors implementation of the Office's Plan.

Colin Barry
Electoral Commissioner

Greg Brandtman
Human Resources Officer

Hanaan Marroun
Spokeswoman

Appendix I4 Continue

Joint Consultative Committee

A forum for consultation and negotiation between management and unions on structural efficiency strategies and their implementation.

Colin Barry

Electoral Commissioner

Trevor Follett

Director Finance and Administration

Phil Binns

Workplace Delegate PSA

Occupational Health Consultation

A staff consultation process dealing with the *Occupational Health and Safety Act* obligations.

Staff Development Committee

To develop an annual Staff Development Plan and monitor its implementation.

Colin Barry

Electoral Commissioner

Trevor Follett

Director Finance and Administration

Greg Brandtman

Human Resources Officer

Special Offices

Disability services Coordinator

Ethnic Affairs Coordinator

Freedom of Information Coordinator

Women's Liaison Coordinator

Counter-Terrorism Coordinator

Nicholle Nobel

Director Corporate Communications

Director of Employment Equity

Energy Management Coordinator

Protected Disclosures Coordinator

Trevor Follett

Director Finance and Administration

Appendix 14 Continue

Grievance Officers

Trevor Follett

Director Finance and Administration

Greg Brandtman

Human Resources Officer

Spokeswoman

Hanaan Marroun

Accounts Payable and Payroll Officer

Appendix 15

Payment performance indicators

Aged analysis at the end of each quarter:

Quarter	Current (i.e. within due date)	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	More than 90 days overdue
	\$	\$	\$	\$	\$
September	\$914,970	\$18,337	\$4,403	\$0	\$0
December	\$1,984,617	\$71,141	\$10,560	\$0	\$0
March	\$3,504,196	\$248,807	\$990	\$0	\$0
June	\$5,405,008	\$61,765	\$0	\$0	\$0

Accounts paid on time within each quarter

Quarter	Total Accounts Paid on Time			Total Amount Paid
	Target %	Actual %	\$	\$
September	100%	97%	\$914,970	\$937,711
December	100%	89%	\$1,984,617	\$2,066,319
March	100%	87%	\$3,504,196	\$3,753,994
June	100%	99%	\$5,405,008	\$5,446,774

Appendix 16

Major assets

Major non-financial assets of the office

Intangible assets

Election Software	\$1.9M
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Plant and equipment assets

Leasehold improvements	\$1.4M
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Furniture	\$300,000
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Plant and equipment	\$200,000
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Appendix 17

Leave entitlements

The monetary value of recreation leave and long service leave owed to persons employed by the Office is as follows:

Recreation leave	\$403,000
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Long service leave	\$243,000
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LEVEL 25, 201 KENT STREET, SYDNEY NSW 2000

The image features a white background at the top. Below it, a horizontal band of text is centered. The background of the lower half of the image is a vibrant, abstract composition of colors, primarily shades of blue and green, with a prominent, thick, curved line that sweeps across the frame from the left towards the bottom right. The colors are soft and blended, creating a sense of depth and movement.