



ON THE MOVE FROM GOOD TO GREAT

ANNUAL REPORT 2009

OUR FIRST FIVE YEARS

2004/05

INCEPTION

- Amalgamated all corporate service functions and staff from three NSW Government agencies.
- Limited standardised processes or compliance framework.
- Implemented SAP at DoCS and DADHC.
- Migrated DoCS infrastructure from CSC.
- Initiated rigorous and robust audit program.

2005/06

IMPLEMENTING

- Developed query handling structure.
- Obtained compliance certifications.
- Developed financial framework.
- Developed service delivery framework.
- Developed control and compliance framework.
- Developed Fee for Service product model.

2006/07

IMPROVING

- Year 1 of Fee for Service unit price product model.
- Improved risk management processes.
- Third Party audit assurance program commenced.
- Capital expenditure planning.
- Opened second data centre.
- Achieved AUS/NZS 7799 certification and AGS 1042 compliance certification.

2007/08

ENHANCING

- Unit price for services remains static.
- New processes improve customer satisfaction rating to 67.1%.
- Further improvements to service capabilities.
- Further improvements to compliance framework.
- Developed data centre risk mitigation strategy.

2008/09

ACCELERATING

- Unit price for services remains static for the third year.
- Customer satisfaction improves to 'good' rating of 70.6%.
- Project and Property Solutions increase product offering to clients.
- Project teams 100% PRINCE2 accredited.
- Increased product development for new end-to-end services.
- Introduced Centres of Capability.
- Commissioned new data centre.
- Increased environmental awareness, reduced carbon footprint.

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OUR STORY IN 2008/09

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LETTER TO THE MINISTER

The Hon. Linda Burney MP
Minister for Community Services
Level 30, Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Dear Minister

I am pleased to submit to you a report on the activities of NSW Businesslink Pty Ltd (Businesslink), for the period 1 July 2008 to 30 June 2009.

During the financial year, Businesslink delivered shared business services primarily to Housing NSW, the Department of Community Services and the Department of Ageing, Disability and Home Care.

This report has been prepared in accordance with provisions of the *Corporations Act 2001 (Cth)*, *Public Finance and Audit Act 1983*, *Freedom of Information Act 1989*, *Disability Services Act 1993* and the regulations under those Acts.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Pat Richards', written in a cursive style.

Pat Richards
Managing Director
30 October 2009

WELCOME FROM THE CHAIR



Welcome to Businesslink's Annual Report for the year ending 30 June 2009, a milestone year for the Company as we celebrate our fifth birthday.

I am pleased to report that over the past year we have worked solidly on achieving the objectives that we set in the Statement of Business Intent. We have constantly looked for opportunities to improve service delivery and capabilities for our clients. We have provided rigorous governance; compliance and quality controls and we have delivered a solid financial performance.

The Board's role in achieving these objectives is to promote a corporate culture focused on service to clients, collaboration and continuous improvement, manage risk through sound and rigorous governance, and oversee Businesslink's corporate social and environmental responsibilities.

It was with some sadness that we said goodbye to Brendan O'Reilly, the former Director General of the Department of Ageing, Disability and Home Care, who retired after five years on the Board of Businesslink. As a founding Director of the Company, Brendan made a significant contribution to the Board and to the successful evolution of the Company over the past five years through his thoughtful approach, sound decision making and interpersonal relationships. On behalf of the Board, I would like to thank Brendan for his efforts and the role he played in Businesslink's success.

During the year, we welcomed Jim Moore, who joined the Board in June 2009 on his appointment as the Director General of the Department of Ageing, Disability and Home Care. Jim brings to the Board a breadth of management, financial, planning and

policy skills that complement those of our other Directors and we look forward to his contribution during the next phase of our development.

In growing our business, the Company is blessed with the services of an extremely talented and competent management team and staff, ably led by the Managing Director, Pat Richards. On behalf of the Board, I thank all of our staff for their hard work during the year.

Jan McClelland
Chair



MANAGING DIRECTOR'S FOREWORD

The 2008/09 financial year was one of more consolidation and growth for Businesslink. We improved our internal processes, delivered more value to our clients and expanded our shared business services offering.

This year also saw us reach a significant milestone: our fifth birthday. We have achieved much during our first five years as a business. We now have a robust financial and technology infrastructure in place and a very strong focus on delivering the most effective and efficient services to our clients so that they too can provide the best possible service to the community we serve.

From a financial perspective, Businesslink's performance for the year met expectations. This was a pleasing result in the context of a serious economic downturn and the flow on effect it had on the need to recognise the superannuation actuarial loss. Our price stability was maintained for the third consecutive year; an important value indicator of the Company's cost containment for our clients.

We also took a significant step forward in improving the security, durability and accessibility of our IT infrastructure. We commissioned a new data centre and commenced the progressive migration of infrastructure and applications from Liverpool. The new data centre will be fully operational by the end of 2009. We will then deliver our services utilising two geographically separate, highly protected data centres, each of which is equipped to sustain our services in the event that one becomes unavailable. This project is essential to mitigating business risk and ensures the delivery of continuous, reliable services.

We recognise that our growth and ongoing success relies on continuous refinement, the creation of new value as technology evolves, and outstanding service. In the customer survey that was undertaken earlier this year, Businesslink achieved an overall satisfaction rating of over 70% – a 'good' rating, with room for improvement. As a result, we have set ourselves a three-year customer service goal: to improve our service delivery rating from 'good' to 'great' and achieve over 80% customer satisfaction by 2012.

In the year ahead, our aim is to build on what we've achieved during our first five years by focusing on our clients, our capabilities and our people to deliver the following key outcomes:

- To continuously improve all aspects of our shared business services offering, including service delivery, processes and quality assurance,
- To provide better value to our clients by creating end-to-end supply chains across all service areas. We will develop transparent and streamlined processes, provide value for money through internal efficiencies and economies of scale and offer improved customer service and easy access to expert advice,
- To advance and expand our service capability by investing in new technologies and methodologies,
- To achieve sustainable business, environmental and social outcomes, and
- To build a great organisation where our people contribute to business performance with energy and enthusiasm.

At Businesslink, our most important asset is our people. I would like to recognise their outstanding contribution to delivering quality services and growing our service capability. I thank them for their conscientious efforts throughout the year, and especially to those who responded so readily and diligently in times of need.

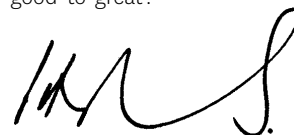
I also extend my sincere thanks to my executive management team for all their hard work and dedicated service that has enabled Businesslink to become what it is today. In particular, I thank Albert Olley, John Kobal and Tarun Gauri for their active participation in corporate oversight and client engagement.

During the year, we bid farewell to our Director of Human Resource Services, Amy Ng. I wish Amy well in her future endeavours and thank her for her strong contribution.

As ever, I value the guidance provided to me by members of our Board and in particular our committed Chair, Jan McClelland, who has journeyed with us over the past five years. I thank them all for their support, encouragement and advice during the course of the year.

I also wish to thank retiring Board Director, Brendan O'Reilly, for his valuable contribution to the development of Businesslink. Brendan's consistent advocacy, collegial approach and wise counsel were of immense value to us in growing our business.

Five years on, I truly believe we can all be proud of what we have achieved in developing Businesslink as a leading provider of shared business services to government. I look forward to the years ahead as together, we strive to achieve our key outcomes and in the process take our service delivery from 'good' to 'great'.



Pat Richards
Managing Director

OUR PURPOSE

HELPING TO CREATE AN
EFFECTIVE AND EFFICIENT
PUBLIC SERVICE SO THAT
OUR NSW COMMUNITY
RECEIVES THE BEST
POSSIBLE CARE AND
ATTENTION.

OUR VISION

TO BE THE KEY LINK
FOR SHARED BUSINESS
SERVICES TO NSW
GOVERNMENT AGENCIES.



Standing from left: Jim Moore, Jennifer Mason and Pat Richards
Seated: Mike Allen and Jan McClelland

COMPANY GOVERNANCE

BOARD OF DIRECTORS

Directors are required to attend regular meetings and may be involved in Board Sub-Committees. A list of the meetings attended by Directors during the year is included in the section 'Our financial performance'. The Directors at 30 June 2009 were:

Jan McClelland, Chair

BA (Hons), BLegS, FAIM, FACEL, MAICD

Jan McClelland was appointed as Chair of Businesslink in July 2004. An experienced senior executive, Jan is the former Director General of the NSW Department of Education and Training and the former Managing Director of the NSW TAFE Commission. She holds a number of directorships.

Jennifer Mason

BA (Hons), BSocWk, MCrim

Jennifer Mason is the Director General, Department of Community Services (DoCS).

Prior to joining DoCS, Jennifer held positions as Director General of the Department of Juvenile Justice, Chief of Staff to the former Attorney General, the Hon Bob Debus and Principal Investigation Officer with the Office of the NSW Ombudsman.

Jim Moore

BA (Hons), Grad Dip (Acc)

Jim Moore is the Director General, Department of Ageing, Disability and Home Care.

Jim has previously held management and policy positions in NSW State and Commonwealth Government departments.

Mike Allen

Grad Dip UEM

Mike Allen is the Director General of Housing NSW which is the largest social housing provider in Australia.

Mike joined Housing NSW in July 1978, and has accrued over 30 years of experience in social housing management and client service delivery, including community and Aboriginal housing.

Pat Richards

Managing Director, CA

Pat Richards is the Managing Director and CEO of Businesslink and is charged with building a world class shared business services organisation.

He has over 25 years experience in finance and shared services. Most recently, he served as the General Manager, Finance and the General Manager, Shared Services for the \$2.5 billion Anchor Group of companies.

BOARD SUB-COMMITTEES

Audit and Risk

The Board is ultimately responsible for ensuring that all financial statements are appropriately managed and that an appropriate financial management framework is in place. They also ensure that the control framework remains effective and supports the Company objectives.

The Audit and Risk Board Sub-Committee assists the Board in carrying out this responsibility. This Sub-Committee has the authority to request information from any employee of Businesslink and is authorised to take such independent, professional advice, as is necessary.

The Sub-Committee comprises two independent members, Jon Isaacs (Chair) and John Hunter. Mike Allen is the Board's representative.

Information Management and Technology (IM&T)

The IM&T Board Sub-Committee is chaired by Pat Richards and includes an independent member, Emmanuel Rodriguez, NSW Government Chief Information Officer.

The Sub-Committee meets quarterly to provide direction on items of a strategic nature relating to IM&T.



BRENDAN O'REILLY RETIRES FROM THE BOARD

The Board and staff wish to thank Brendan O'Reilly for his contribution to Businesslink over the past five years.

Brendan has provided wise counsel and been a strong advocate for Businesslink during his time on the Board.

We have appreciated his contribution to the growth of the business during the Company's formative years.

OUR SHAREHOLDERS

Businesslink was formed on 28 June 2004 under the *Commonwealth Corporations Act 2001*, with equal shareholdings by the NSW Treasurer and the Ministers of the three founding agencies – Department of Ageing, Disability and Home Care (DADHC), Department of Community Services (DoCS) and Housing NSW.

The Company conducts all operating activities, including the provision of services to client agencies.

Direction and oversight is provided through a Company Board of Directors comprising an independent Chair, the Directors General of the three founding agencies and the Managing Director of Businesslink. Under the Shareholders Agreement, Businesslink is required to operate within the parameters of a Statement of Business Intent. This is prepared annually and approved by the shareholders.

Our shareholders at 30 June 2009 were:

The Hon. Eric Roozendaal MLC
NSW Treasurer

The Hon. Paul Lynch MP
Minister for Ageing, Minister for Disability Services

The Hon. Linda Burney MP
Minister for Community Services

The Hon. David Borger MP
Minister for Housing

For administrative purposes, the Portfolio Minister of Businesslink during 2008/09 was the Hon. Carmel Tebbutt MP (Minister for Commerce).

OUR CLIENTS

Businesslink provides the majority of our services to a client base of over 20,000 staff from the following NSW Government agencies:

- Department of Ageing, Disability and Home Care,
- Department of Community Services, and
- Housing NSW.

During the financial year, we commenced providing limited related services to other NSW Government entities.

STATEMENT OF BUSINESS INTENT

The 2008/09 Statement of Business Intent (SBI) comprised both financial and Company-wide non financial performance targets.

Overall the Company delivered a good result against the targets. The complete SBI can be viewed or downloaded from the internet at: www.businesslink.nsw.gov.au/news-publications/

The scorecard below summarises the Company's performance against the targets set.

During the reporting year, the Company developed the 2009/10 Statement of Business Intent (SBI) and Annual Business Plan (ABP). These strategic documents draw on the strong foundations that have been established over the past five years and outline the major activities that Businesslink plans to undertake during 2009/10.

FINANCIAL PERFORMANCE OVERVIEW

This section provides a summary of Businesslink's financial performance for 2008/09 detailed within the audited annual accounts that commence in the 'Our financial performance' section of this report.

OPERATING RESULTS

Businesslink generated a trading surplus of \$0.819M (2007/08: trading surplus \$4.947M), before recognition of superannuation actuarial losses as a result of the Global Financial Crisis (GFC).

The negative impacts of the GFC on the legacy defined benefits superannuation funds for the public sector workforce, resulted in an increase in personnel-related expenses that caused the trading surplus to become a full year operating deficit of \$20.332M (2007/08: operating deficit \$0.966M).

This negative impact arose as a result of declines in the local and international stock markets plus reductions in the benchmark bond rates used for actuarial valuation of the funds and is payable by the Company to the Crown under the terms of its Personnel Supply Agreement.

BUSINESSLINK SCORECARD

ITEM	RESULT
Financial result satisfactory	✓ *
Financial forecast in line with budget	✓
Product volumes in line or ahead of budget	✓
Statutory reporting within timeframes	✓
Key projects operating within tolerances	✓
Corporate risks understood and being managed	✓
Internal audit reports – audit rating 3 or better	✓
Occupational Health and Safety	✓
Environmental accountability	✓
All staff below 40-days accrued leave	x **

* Businesslink generated a trading surplus of \$0.819M, before recognition of superannuation actuarial losses as a result of the Global Financial Crisis (GFC) on superannuation liabilities. This result is in line with budget estimates.

However the negative impacts of the GFC on the legacy defined benefits superannuation funds for the public sector workforce resulted in an increase in personnel-related expenses that caused the trading surplus to become a full year operating deficit of \$20.332M. This is an external impact on the financial performance that management are unable to control.

** As at 30 June 2009, there were 23 staff with greater than 40 days accrued leave. This number, although above the target, represents a 68% reduction from 30 June 2008 when 72 staff had accrued leave greater than 40 days.

Operating revenue

Total revenue including other income was \$167.116M (2007/08: \$159.251M), primarily relating to the sale of services to clients. Growth in revenue was through increased project activity (\$4.305M) and consumption of standard services (\$4.056M). This was offset by a reduction in interest and other revenue of \$0.496M.

Operating expenses

Total expenses were \$187.448M (2007/08: \$160.217M). Material areas of growth in expenses were the GFC impact on personnel costs (\$21.151M) and increased project activity (\$5.764M).

AUDIT OVERVIEW

The Audit Office of New South Wales has completed the annual review of the financial statements and the Auditor-General New South Wales has issued an Unqualified Audit report on the 2008/09 financial statements.

RANGE OF SERVICES PROVIDED

Headquartered in Liverpool, with branches at Parramatta and four regional centres, Businesslink is a company that specialises in shared business services delivery. We provide a broad range of operational, corporate related and organisational infrastructure services and facilities to our clients so as to enable them to deliver their core frontline services in a more cost-effective manner.

The Company is a self-funded entity with a focus on maximising our economies of scale, cash utilisation and end-to-end delivery capability which in turn improves our clients' running costs.

Our Company model creates value for our shareholders by generating economies of scale through the implementation of optimal, common, consistent, repeatable transactional activities, information flows, business processes and capital expenditure utilisation. It creates value for our clients by delivering efficient and price competitive services when compared to managing it themselves.

OUR SERVICES

INFORMATION TECHNOLOGY SERVICES	HUMAN RESOURCES SERVICES	WORKFORCE SOLUTIONS	PROJECT AND PROPERTY SOLUTIONS	FINANCE SERVICES
Application Hosting Data Centre Operations Shared Infrastructure including: <ul style="list-style-type: none"> Managed Desktops, Voice Over Internet Protocol (VoIP), Email, Information Security and Local Area Network. User Support Wide Area Network Data Storage Risk Management Services Strategic Procurement and Vendor Management Services IT Advice and Consulting IT Service Desk	Payroll Transactions and Support Services Industrial Relations Employee Relations Learning and Development Occupational Health and Safety Organisational Development Advice and Consulting HR Service Desk	Hire to Retire Services that incorporate: <ul style="list-style-type: none"> Recruitment services delivered through eRecruitment technologies, Establishment, Position Description writing and evaluation, and Career Transition Register. Recruitment Advice and Consulting Workforce Advice and Consulting	Project Solutions Property Management and Leasing Property Advice and Consulting Project Advice and Consulting Office Related Services Fleet Management Records Management Facilities Management Mail and Courier Services Printing Services	Financial Accounting Management Accounting Accounts Payable Accounts Receivable Fixed Asset Management Cash Management Budget Formulation Taxation Management Costing and Pricing Management Financial Reporting Finance Advice and Consulting



The background of the page is a photograph of an office interior. On the right side, a person's face is partially visible, looking towards the camera. In the foreground, there is a desk with a computer monitor displaying a website. The entire image is overlaid with a semi-transparent blue rectangle on the left side, which contains the main text.

OUR JOURNEY OVER THE PAST YEAR

This year marked Businesslink's fifth anniversary of operation. As a Company, we are proud of our achievements over the past five years. Some of these are highlighted in the timeline on the inside cover of this year's report.

As we enter our sixth year, we have come of age as a shared business services provider. Our improved service capabilities have allowed us to offer our clients service that is increasingly end-to-end – that is, service from concept to delivery. This means that while we focus on providing our clients with the best in business support processes, they can get on with what they do best – delivering their core services to the public of NSW.

As an example, our prompt and professional service response was demonstrated in 2009 when we were able to assist flood-affected communities on the NSW Mid North Coast by establishing Flood Recovery Centres. Our highly committed staff continue to support our community initiatives and we are proud of their achievements.

As Businesslink enters its next phase of operation, we are proactively developing a number of new service lines as well as improving on our existing processes, to assist us in achieving our objective of moving our business from good to great.



MOVING OUR SERVICE FROM GOOD TO GREAT

At Businesslink, we'd like to think that we provide our customers with prompt, efficient service. But what do our customers think?

To find out and, at the same time, enable us to progressively build on the quality of our service offering, in 2007 we introduced a customer satisfaction survey. The survey measures the gap between customer expectations and performance and then assigns an overall customer satisfaction rating to tell us how we're performing. The rating is based on the benchmarks: Low; Fair; Good; Very Good and Excellent (Great).

The first survey, conducted in just our third year of operation, returned a customer service rating of Fair. Clearly, we had more work to do.

So how have we improved since then?

The 2008/09 survey showed we had achieved an improved overall satisfaction rating moving us from the 'Fair' to 'Good' category and in the process, showing that our customers clearly endorse our efforts to improve our service offering. Our customers also told us of the 17 services surveyed:

- 15 showed improvement,
- Four showed a greater than 10% improvement,
- Five achieved an Excellent (Great) rating (two in 2007),
- Two achieved a Very Good rating (two in 2007),
- Five achieved a Good rating (three in 2007),
- One achieved a Fair rating (four in 2007), and
- Four achieved a Low rating (six in 2007).

With further improvement, our objective in future surveys is to achieve and maintain an overall customer satisfaction rating of well over 80% and move our service offering from good to great.

CENTRES OF CAPABILITY

Capability building, and selectively developing 'Centres of Capability', continues to be a priority for Businesslink to enable us to leverage the shared business services approach and reduce the risks and costs of maintaining appropriate expertise and skills.

Significant progress has been made in the following key areas:

TAXATION

Businesslink has continued to develop its Taxation Centre of Capability which commenced in January 2008. The objective of the unit is to:

- Ensure compliance with all Australian Taxation Office (ATO) requirements and deadlines for the payment of tax associated with GST, FBT, Payroll and PAYG,
- Provide advisory services to ensure the correctness in tax treatment of various transactions undertaken by Businesslink or the client agencies and provide technical advice, as required, to ensure tax compliance,
- Minimise the cost of providing taxation services within Businesslink and its clients, and
- Provide strategic advice and identify opportunities for clients and Businesslink to minimise tax exposures or achieve tax savings.

Implementation of the Taxation Centre of Capability has allowed an integrated approach to taxation to be adopted that leverages common processes and technology. This has resulted in streamlining and establishing a robust taxation reporting framework which has led to success in improving the Company and clients' cashflow.

SIEBEL

Siebel software is the product of choice for the provision of frontline service delivery capability and support to manage relationships with at risk community members.

To support this core service delivery function and continue Businesslink's commitment to the whole of government NSW Government Licensing System, a Siebel Practice has been established.

The practice has enabled Businesslink to provide opportunities for increasing staff technical skills, efficiency and service delivery capabilities in Siebel software solutions through the application of consistent industry standard processes and procedures and the targeted training of staff to share and improve knowledge.

The outcome of building this practice has been the consolidation of disparate teams of Siebel-skilled staff across the clients and Businesslink into a single central team where the efficiencies of scale are realised and staff competencies are built.

SAP

SAP is the primary service delivery platform that Businesslink utilises for delivery of its core business services to all clients. Development of the SAP Centre of Capability has enabled it to play a key role in delivering the SAP ERP platform as a strategic service delivery solution that supports the needs of the business and our clients.

Development of the Centre of Capability has enabled greater levels of skill retention, increased knowledge and professionalism within the staff managing the service.

DATA STORAGE

Consumption of data storage capacity is an issue all organisations are challenged by. Businesses world wide have moved from massive growth in physical warehouses that store paper records to an insatiable demand for data storage to hold electronic documents and records.

Data storage was identified as a high risk and high cost area of the business as the complexity and demand continued to grow at ever increasing rates.

To manage and attempt to mitigate the risk associated with providing this service, a Data Storage Centre of Capability has been established to manage all aspects of data storage planning, implementation and operation, providing a one-stop shop for this critical area.

This investment in skills and knowledge was augmented with investment in 'best of breed' tools able to support greater capacity planning and enable the virtualisation of the data storage systems that facilitate greater utilisation of data storage assets.

APPLICATIONS TO BECOME A FOSTER CARER STREAMLINED

The 2008 Wood Commission recommended changes to foster carer applicant management within DoCS.

DoCS lead an initiative to improve the acceptance and handling of foster care applications.

Working in partnership, Businesslink leveraged an existing business solution that enabled DoCS to implement a state-wide solution to manage applications from community members seeking to be considered as foster carers.

This service has improved the application process and experience for potential foster carers.

CRIMTRAC (NATIONAL CRIMINAL RECORDS HISTORY CHECKS)

Businesslink provides its clients on-line National Criminal Record History Checking (NCRHC) through CrimTrac, an Australian Government Agency.

This national service is now available to all clients with a turnaround time of less than 24 hours. Prior to Businesslink's implementation of this service, criminal records checks required a four-week lead time. This has contributed to reducing the overall 'time to fill' for recruitment.

BUSINESS IMPROVEMENT

The Company heightened its focus on Business Improvement during the year and formalised processes and cross functional capabilities to:

- Identify and co-ordinate process improvement,
- Reduce costs,
- Assure legislative compliance,
- Increase customer satisfaction, and
- Improve efficiency and overall performance of Businesslink in the delivery of services to client agencies.

This section lists the major improvement initiatives that the Company has undertaken during the year and highlights some of the key achievements.

Over \$2.2 million in cost avoidance was also delivered as the result of Strategic Vendor Account contract negotiations.

- Converted all clients from desk bank facilities to online banking.
- Implemented virtualisation technology to maximise the number of applications using each server.

269 IT-related projects were successfully completed and at 30 June 2009, 263 projects were in progress.

- Automated Workforce profile reports.
- Determined the Company's business intelligence requirements and technical solution needs.
- Re-engineered the processes for management of Workers' Compensation incidents.
- Implemented a Quality Assurance Framework for the Business Service Centre.

- Replaced Businesslink's ageing desktop and laptop computer fleet.
- Updated core telephony and call centre telephony system.
- Upgraded infrastructure tools and processes to enable centralised backup of all data systems.
- Implemented a Client Feedback Management System for the Business Service Centre.
- Integrated CrimTrac capability to Businesslink's eRecruitment application.
- Transitioned support and maintenance of DADHC CIS Siebel system from an alternative supplier to Businesslink.

During the year, the full framework based on PRINCE2 was rolled out to all projects across the Company with 182 staff gaining the following qualifications:

- Practitioner: 55,
- Foundation: 76, and
- Overview: 51
- Upgraded DADHC telephony at selected sites to a Businesslink managed VoIP/ PABX Hybrid solution.
- Commenced implementation of upgraded technology to consolidate and manage data storage.
- Commenced implementation of upgraded technology to enable virtualisation of stored data.
- Developed and implemented across Businesslink and client agencies a new Modular Single Platform PC Standard Operating Environment (SOE).
- Conducted technology trials of video conferencing over Businesslink VoIP to network PCs.
- Transitioned DoCS Helpline infrastructure to Businesslink.

- Transitioned support of DoCS KiDS Siebel system from an alternative supplier to Businesslink.
- Implemented Electronic Document Management (EDM) within Businesslink offices.
- Commenced implementation of upgraded technology to enable inbound and outbound faxes to be managed more effectively.
- Improved Expense Management software solution.
- Developed and integrated new Foster Carer Applications capability to Businesslink's eRecruitment application.
- Migrated Housing NSW telephony infrastructure from PSTN to Businesslink's VoIP.
- Developed new HR Services delivery model.

HR Services have continued to standardise business processes to improve service delivery by HR teams across the state for all clients regardless of location.

- Re-engineered IT Service Management processes.
- Conducted extensive options analysis for the implementation of a learning management system.
- Finalised the requirements and commenced a project to replace the ageing Liverpool Computer Room.
- Commenced the development of a new Managed Print Service product.
- Implemented a Microsoft SharePoint collaboration platform for the GCIO.
- Commenced the planning to undertake Microsoft SQL Server Consolidation.
- Implemented a new Service Desk for the NSW Government Queanbeyan Shared Service Centre.

- Implemented a new Service Desk for Occupational Health and Safety (OHS) incident and hazard logging and reporting.
- Commenced gap analysis review to improve systems and processes to enable more efficient OHS reporting.

Workforce Solutions deliver an end-to-end (Hire to Retire) specialist shared service offering to its clients.

- Commenced assessment of improved technology options for the development of a Shared Service OHS system.
- Implemented new solution to enable online ordering of Businesslink's products (Linkage).
- Developed new streamlined processes to enable more efficient PAYG taxation on mileage reimbursement.
- Implemented new processes and reporting tools to enable improvements to payroll compliance and service delivery.

Over 14,000 desktop devices are maintained and supported by IT Services.

- Upgraded Quality Centre infrastructure to manage IT quality processes and automate software testing across application environments. Enabling improved release processes through more informed release decisions.
- Developed Reporting Strategy and Implementation Road Map.
- Upgraded all clients to a common SAP core shared service delivery platform.

Property Services coordinate all building works and the management of all aspects of property works, from market search to hand over – a true end-to-end service.

In 2008/09, Property Services successfully delivered:

- 47 large commercial projects.
 - 372 small maintenance projects.
 - 275 minor capital and upgrade projects.
-

- Finalised the Blueprint to enable implementation of SAP Cross Application Time Sheet solution (CATS).
- Commenced SAP infrastructure product disaggregation review.
- Commenced review of business benefits that can be delivered by upgrading from SAP Exchange Infrastructure (XI) to SAP Process Integration (PI).
- Finalised the Blueprint to enable implementation of SAP Productivity Pak.
- Commenced business requirements analysis for the replacement of service management tools.
- Finalised Shared Infrastructure product disaggregation.
- Finalised the business case for Source to Pay.
- Implemented new software and reporting tools to enable payroll process improvement.
- Conducted a successful pilot of new technology to enable the development of secure virtual private network (SSL-VPN) access to Businesslink's infrastructure.
- Implemented a Strategic Vendor Account and Contract Management Framework.

- Developed a modular Standard Operating Environment (SOE) for tablet and notebook computers.
 - End-to-end FBT return process developed by Taxation Services.
-

Taxation Services process reviews have enabled cash flow benefits to both Businesslink and the client agencies.

- Upgraded motor vehicle fleet management software.
 - Implemented Whole of Government Microsoft SharePoint Service Desk.
 - Commenced Wide Area Network (WAN) product disaggregation review.
-

The Business Service Centre (BSC) plays a pivotal role in Businesslink's operations as the first point of contact for all IT, HR and Payroll support activities. On average, the BSC resolves 70% of inbound service requests, minimising client costs and expediting prompt resolution of service related issues.

OCCUPATIONAL HEALTH AND SAFETY (OHS) INCIDENT AND HAZARD REPORTING

Lodgement and management of OHS incidents and hazards is critical within all organisations. For most staff, completing these lodgements is not a day-to-day event leading to staff uncertainty around the process of lodgement. To overcome this exposure, in April 2009 Businesslink launched a telephone and facsimile based OHS Incident and Hazard lodgement service for its clients. This solution enables client staff to telephone or fax incidents to Businesslink who complete the lodgement of the incident or hazard report on behalf of the staff member.

The implementation of this solution enabled Businesslink and its clients to review the end to end cycle of OHS requirements. Options for enhancement of the service are currently being evaluated.





WHAT'S COMING UP

While we celebrate our five years of service to our client agencies, we realise we are still a young business with room to grow and improve.

Over the next 12 months, Businesslink will be developing a number of new products that confirm our commitment to deliver end-to-end solutions which streamline the supply chain, enhance our existing service offering, reduce the complexity in business processes and deliver greater efficiencies and cost savings.

SOURCE TO PAY

The Source to Pay project is a strategic initiative of Businesslink to align and streamline all sourcing, procurement, invoicing and payment related business activities.

Source to Pay will manage, in an automated manner, the complete lifecycle of procurement from product sourcing through to disposal.

The first implementation phase uses an industry standard approach to deploy an automated accounts payable solution, the key elements of which are invoice scanning and optical character recognition to enable automatic matching of invoices.

Additional functionality and process improvements will be progressively implemented over the next 18 months.

DATA CENTRE CAPACITY

Businesslink is in the business of providing robust, highly available and reliable technology solutions. High quality data centre facilities that are rigorously managed are critical to the provision of services to the standard that our clients expect.

During 2008/09, Businesslink commenced migration into a second highly protected data centre to improve its business continuity capability and mitigate the risks associated with reliance on a core single data centre. This migration is expected to be completed in the first half of 2009/10.

MANAGED PRINT SERVICES

Businesslink and its clients are committed to reducing the environmental impact of their operations. However, all offices have an ongoing requirement for printing a range of documents.

Procurement of printers and ancillary items have traditionally been at the discretion of each client. Businesslink identified the opportunity to consolidate provision of this service and gain economies of scale procurement benefits through the provision of a single managed service to all clients.

This solution has been developed for implementation within client agencies during 2009/10. It will deliver a reduction in the total cost of ownership, and will improve the end-to-end procurement and centralised support process. Implementation of the solution will reduce our carbon footprint by automating the dispatch of toner cartridges and centralising their return point to ensure a process of recycling.

CORE IT INFRASTRUCTURE PROGRAM

Businesslink enables the frontline service delivery by its clients through the provision of all the underlying shared IT infrastructure assets and connectivity that enable our clients' staff to access their client management systems.

This infrastructure is nearing the end of its useful life and a review was undertaken to identify the key operational risk to Businesslink and its clients.

To manage and mitigate this risk and ensure continuity of service provision to the general community, a new program has been initiated to progressively refresh and update the infrastructure assets.

The Core IT Infrastructure program of work is likely to take two to three years to be fully implemented; however, it is anticipated that significant components will be delivered in a phased approach during this time.

REBUILD OF HR SERVICES DELIVERY MODEL

As part of our consistent drive to improve end-to-end service delivery, a new framework was successfully established for the delivery of HR Advisory and Consultative Services.

The next phase of the re-development of the HR Services saw a functional review initiated during 2009. This review has resulted in forward planning of the structures for service delivery, further refinement to the pricing formulas and development of product definitions.

This approach is to ensure resources and demand are better matched and to maximise technology infrastructure elements.

Throughout this change, the team has continued to deliver high quality projects to tight timeframes, within and across client agencies.

GIVING BACK TO THE COMMUNITY

Each year, our staff look for ways to give something back to both our local and the wider community. Here is a snapshot of how we have given back over the past year.

OUR BLOOD IS WORTH BOTTLING

Staff members in Liverpool continued their participation during the year in the local Liverpool Blood Bank's Corporate Challenge. The challenge is between organisations to identify who can generate the highest number of donations at the Liverpool Blood Bank within the calendar year.

Businesslink placed second in the challenge with a total of 80 donations. Staff have vowed to beat that total in 2009, with 62 donations made between January and June 2009.

GIVING PAYS

During the year Businesslink assisted DADHC implement their Workplace Giving program, Giving Pays.

Workplace Giving programs allow organisations to facilitate direct pre-tax salary contributions by their staff members to selected charitable organisations. Businesslink provided the back-end technical support through the payroll system and is processing transactions free of charge.

The program has been a success. Businesslink is now setting up a similar program for use by our staff.

VICTORIA BUSHFIRE APPEAL

The bushfire disaster in Victoria with its staggering loss of life and property had quite an impact on all at Businesslink. Staff decided to help raise funds by setting up a collection point to make it easy to donate.

Thank you to all who contributed and, in particular, to the wonderful people who volunteered their time and effort to organise the collection.

FLOOD RELIEF SUPPORT

The floods that occurred through northern NSW dramatically affected the local communities and caused disruption to the delivery of government support services to the impacted communities.

Businesslink was able to establish temporary office facilities that enabled the impacted community support services from Government to continue to provide service to their communities despite their normal offices being unavailable.



From left to right: Albert Olley, Tarun Gauri, Pat Richards and John Kobal

OUR PEOPLE

The Company does not directly employ any staff. All executive personnel and the majority of operational personnel are engaged by the Company under the terms of its Personnel Supply Agreement. Where required these personnel are supplemented through the engagement of external contractors. The following particulars are provided for information purposes only. It highlights our structure, our people and how we operate.

Further details have been provided in the Annual Report for the Department of Commerce.

MANAGEMENT AND STRUCTURE

The following chart lists our leadership team, including the qualifications and positions held.

The chart also includes the group or committee involvement of members of the leadership team. No committees were established or abolished during the year.

MANAGING DIRECTOR'S PERFORMANCE STATEMENT

The Minister has authorised the Chair of the Board of Businesslink to conduct the performance review of the Managing Director. The Chair, Jan McClelland, has indicated her satisfaction with Mr Richards' performance throughout the year, having successfully met his objectives and achieved the outcomes required. Achievements include:

- Achieved price containment for the third consecutive year.
- All financial targets have been achieved.
- Service delivery and product delivery achieved.
- Completed business cases that will enable Businesslink to own and manage IT operational assets that will lower the Total Cost of Ownership (TCO).
- Business Continuity enhanced through the selection and migration of equipment to a new Data Centre site.

- Environmental Framework established.
- Customer Satisfaction Survey conducted with greater than 5% improvement.
- Maintained and improving standard of Audit results plus Risk Management and OHS Awareness.

BUSINESSLINK LEADERSHIP TEAM

NAME	PAT RICHARDS	ALBERT OLLEY	JOHN KOBAL	TARUN GAURI
QUALIFICATIONS	CA	BBus (Accounting and Computing), GradDip Applied Corporate Governance	BE, GradDip Applied Computing	MBA, BA Tech, GradDip Marketing Management
POSITIONS HELD	Managing Director and CEO	Chief Financial Officer Company Secretary Director, Commercial Operations and Corporate Governance	Chief Information Officer	Director, Project and Property Solutions
GROUP AND COMMITTEE INVOLVEMENT	Member, Board of NSW Businesslink Pty Ltd (Managing Director) Chair, Information Management and Technology (IM&T) Board Sub-Committee	Secretary, Board of NSW Businesslink Pty Ltd, Secretary, Information Management and Technology (IM&T) Board Sub-Committee Chair, Client Liaison Group Member, Chief Finance Officer (CFO) Reference Group	Member, Client Liaison Group Member, Chief Information Officer (CIO) Reference Group Member, Information Management and Technology (IM&T) Board Sub-Committee	Member, Client Liaison Group

APPLAUSE REWARD AND RECOGNITION PROGRAM

Applause is Businesslink's staff recognition and rewards program. In 2009, the awards were split into graded categories to encourage recognition of staff at all levels.

The success of this strategy was evident in the increased number of nominations received – 49 nominations covering 230 individual staff across all categories.

The categories were:

- Service Above and Beyond, up to Grade 4,
- Service Above and Beyond, Grades 5-8,
- Service Above and Beyond, Grade 9 and above,
- Innovation and Improvement, and
- Exceptional Delivery (Team).

Awards were presented by last year's winners. The celebration was held in conjunction with Businesslink's fifth birthday celebrations.

GRADUATE PROGRAM

Our Graduate program commenced in February 2008 and is now a well established program supported by a range of documentation and related procedures.

Businesslink has established a partnership with the University of Western Sydney (UWS) which enables us to work together to proactively identify graduates from UWS as candidates for each year's Graduate intake.

Our program commenced with five IT graduates, one of whom has secured a permanent role within the Siebel Support team.

In February 2009, our second intake program commenced and two new graduates were engaged – one each in the areas of Finance/Law and Human Resources/Industrial Relations.



PERFORMANCE AND NUMBERS OF EXECUTIVE OFFICERS

The first table shows the number of executive officers and employees of the Crown by category during 2008/09 as well as the three prior years.

The second table highlights the number of Senior Executive Service positions at each level for the current year and for the three prior years. Also highlighted are the positions filled by women.

SALARY MOVEMENTS

Staff salaries (and wage-related allowances) were increased by 4% for the entire reporting year. This was part of the NSW Government's offer of settlement in relation to the PSA public sector salary claim of 2008 with increases scheduled for July 2009 and July 2010.

EXECUTIVE OFFICERS AND EMPLOYEES

CATEGORY	AT 30 JUNE 2006	AT 30 JUNE 2007	AT 30 JUNE 2008	AT 30 JUNE 2009
Chairpersons	1	1	1	1
Clerical Officer	57	53	43	0
Clerk	410	456	487	557
Senior Executive Service	6	6	5	4
Senior Officer	29	49	47	51
Total	503	565	583	613

SENIOR EXECUTIVE SERVICE POSITIONS

SENIOR EXECUTIVE SERVICE POSITIONS BY LEVEL	AT 30 JUNE 2006	AT 30 JUNE 2007	AT 30 JUNE 2008	AT 30 JUNE 2009
5	1	1	1	1
4	1	2	2	2
3	4	3	2	1
2	0	0	0	0
1	0	0	0	0
Total	6	6	5	4
Positions filled by women	0	1	1	0
Unattached staff	0	0	0	0

REQUIREMENTS ARISING FROM EMPLOYMENT ARRANGEMENTS

Businesslink did not provide personnel services to any statutory bodies.

CONSULTANTS

No consultants engaged by Businesslink were paid more than \$30,000 in the reporting year.

Two consultancies were undertaken where the total value of each consultancy was less than \$30,000. A total of \$40,550 was spent on the two engagements.

SPOKESWOMEN PROGRAM

Six new spokeswomen were elected in 2008 – two regional and four metropolitan staff.

The group developed plans on how they would support female employees throughout Businesslink, as well as provide information of interest to all staff.

Businesslink's Chair Jan McClelland hosted our spokeswomen at a corporate table to celebrate the 2009 International Women's Day.

WORKFORCE DIVERSITY

Businesslink maintains Equal Employment Opportunity (EEO) data and shares this information for use as part of the NSW Public Sector Workforce Profile. The data measures our performance in meeting NSW Government benchmarks for staff from EEO minority groups and assists planning and development of EEO initiatives.

Businesslink's 2009 workforce profile confirmed:

- Women represent 53% of all employees with the highest proportion (35%) employed at the salary level \$68,148 to \$88,127 per year.
- Men represented 47% of all employees with the highest proportion (32%) also employed at the salary level \$68,148 to \$88,127 per year.
- The proportion of Aboriginal and Torres Strait Islander staff was 0.6%, which is unchanged from last year and below the benchmark of 2%.
- The proportion of staff whose language first spoken as a child was not English was 32%, which exceeds the government target of 20%.
- The proportion of staff with a disability was 6%, with 1.5% of staff requiring workplace adjustment.

The proportion of Businesslink staff whose language first spoken as a child was not English was 32%, which exceeds the government target of 20%.

As outlined in the tables below, EEO groups are reasonably represented and distributed within Businesslink. Strategies and improvement programs will be developed in 2009/10.

REPRESENTATION OF EEO GROUPS (AS AT 30 JUNE 2009)

% OF TOTAL STAFF					
EEO GROUP	BENCHMARK OR TARGET	2006	2007	2008	2009
Women	50.0%	55.0%	54.0%	54.0%	53.0%
Aboriginal people and Torres Strait Islanders	2.0%	0.8%	1.1%	0.6%	0.6%
People whose first language was not English	20.0%	29.0%	32.0%	33.0%	32.0%
People with a disability	12.0%	9.0%	8.0%	6.0%	6.0%
People with a disability requiring work-related adjustment	7.0%	2.1%	1.7%	1.5%	1.5%

DISTRIBUTION OF EEO GROUPS (AS AT 30 JUNE 2009)

DISTRIBUTION INDEX					
EEO GROUP	BENCHMARK OR TARGET	2006	2007	2008	2009
Women	100	86	85	86	89
Aboriginal people and Torres Strait Islanders	100	n/a	n/a	n/a	n/a
People whose first language was not English	100	92	94	95	97
People with a disability	100	101	100	98	96
People with a disability requiring work-related adjustment	100	n/a	n/a	n/a	n/a

Notes:

1. Excludes casual staff.
2. A Distribution Index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. The Distribution Index is automatically calculated by the software provided by the Office of Employment Equity and Diversity.
3. The Distribution Index is not calculated where the EEO group or non-EEO group numbers are less than 20.

PROCESS AND CONTROLS

PRIVACY MANAGEMENT PLAN

Businesslink manages privacy within the context of its Privacy Management Plan. This Plan aligns with the *Privacy and Personal Information Act 1998*.

The Act aims to protect the privacy of individuals from the inappropriate collection, storage, use and disclosure of personal information by NSW public sector agencies.

All staff, consultants and contractors engaged by Businesslink are required to comply with the Information Protection Principles contained within the Privacy Management Plan.

The complete Privacy Management Plan is available from the Businesslink Board Secretariat. Staff have access to the plan via Businesslink's intranet.

Several privacy related queries were addressed during the year however no substantiated complaints were received.

RISK, INFORMATION SECURITY AND CONTROL MANAGEMENT (RISC)

Proactively managing risk and monitoring controls is essential to a successful shared business services organisation.

Businesslink's RISC management objective is to implement and effectively facilitate client compliance through the delivery of the following services, which were developed from the RISC management framework:

- Risk identification, assessment and control,
- Information security advice,
- Disaster recovery and business continuity,
- Fraud control strategy, and
- Sound internal audit practices and procedures.

The emphasis of the framework is to provide strategic services, specialist advice and support in relation to identifying and assessing business risks.

The RISC management framework focuses on four core elements:

- Internal Audit,
- Information Security,
- Business Continuity Management, and
- Risk Management and Insurance.

Business improvement and risk mitigation strategies are developed using established information security standards and compliance and controls are confirmed through internal audit reviews.

Internal audit

The internal audit partner and advisor, Deloitte Touche Tohmatsu, undertake a comprehensive annual risk assessment and internal audit program.

The Internal Audit Plan (IAP) and programs are identified and scheduled for review on the basis of the risk associated with the particular function, activity, program or process. The scope of internal audit encompasses an assessment of risk and the examination and evaluation of the adequacy and effectiveness of the system of internal control and associated activities. The IAP covers all activities of Businesslink together with associated organisations and their commercial activities. It involves the review of all financial and non-financial operations.

Third Party Assurances provide Businesslink with a means to provide independent assurance to our clients.

Information Security

In 2005/06, Businesslink achieved and has continued to maintain compliance with AS/NZS 7799.2:2003 Information Security Management (ISM) certification.

During 2008/09, the Company was successful in achieving certification to the international standard ISO/IEC 27001 Information Security Management.

Benefits to Businesslink and client agencies

An effective information security management system (ISMS) provides a framework to:

- Help reduce risk of exposure through new business ventures,
- Help improve productivity between partners and suppliers through defined secure processes,
- Safeguard information from loss or inappropriate dissemination,
- Help prevent exposure to legal actions for confidentiality breaches or supply of inaccurate information which leads to loss or damages, and
- Reduce vulnerabilities which may lead to loss through computer fraud, fire and flood, or denial of service, hacking, computer viruses or other forms of security risks.

By implementing an ISMS which is correlated with each of the shared business service agencies, Businesslink is able to offer a secure environment while benefiting from economies of scale.

DISABILITY ACTION PLAN

During the year, Businesslink developed a draft Disability Action Plan for 2009 to 2012. The Plan was developed in line with DADHC's Guidelines for disability action planning by NSW Government agencies.

The Plan is designed to demonstrate the organisation's systematic approach to the elimination of barriers affecting clients and staff with disabilities.

Business Continuity Management

Businesslink continues to establish and build its Business Continuity Management (BCM) Framework, adopting the British Standard BS25999-1:2006.

Businesslink actively manages and maintains currency of its BCM plan by regularly conducting training and rehearsal sessions for the teams that will manage the disaster and teams that would continue to deliver the business critical services to our clients.

To provide greater organisational resilience, Businesslink has established an alternate working site should Businesslink's head office become unavailable.

To maintain our services, the Company's information technology assets are deployed in two geographically separate world class data centre facilities.

Risk management and insurance activities

Businesslink participates in the NSW Treasury Managed Fund, a self-insurance scheme which provides Workers' Compensation, legal liability, motor vehicles, property and miscellaneous cover. One of the conditions of this insurance coverage is a requirement to place a high priority on the implementation of sound risk-management practices.

Businesslink operates within a dynamically changing environment, reflected in the diversity of our corporate purpose and our corporate objectives. To assist managers to identify, administer and control both corporate and operational risk, the Company has implemented a future-focused framework that is consistent with AS/NZS 4360:2004.

OUR COMMITMENT TO ENVIRONMENTAL SUSTAINABILITY

**Businesslink is
dedicated to
minimising our
carbon footprint.**

During the year, we commenced the development of our Environmental Sustainability Plan. The following are some of our initiatives that support environmental sustainability.

- **Use of E10 fuel** by the Businesslink fleet averaged **31%** throughout the year – exceeding the performance target by **50%**.
- Businesslink **recycled 9.41 tonnes of paper products** and **3.57 tonnes of cardboard**, resulting in a 42 cubic metre reduction in landfill.
- **Electricity consumption reduced by 10%**, a total reduction over the last two years of 16%.
- Our Source to Pay project, which utilises electronic document management, will result in a **reduction in paper use**.
- Our virtualisation strategy **saves space, electricity and introduces significant cost savings**.
- The new Data Centre is designed to **utilise the highest sustainability standards** including the efficient use of power.
- The **replacement of light bulbs with LED lighting will result in significant savings in electricity consumption**. LED lighting uses only 6% of that needed by existing halogen lights bulbs. As part of our ongoing building maintenance program, Businesslink will gradually replace the standard ballasts in our light bulbs with electrical ballasts which create less heat and use less energy.

OTHER REPORTING

The following section includes other compulsory disclosure items required for reporting purposes.

CREDIT CARD CERTIFICATION

There are no credit cards on issue in the name of Businesslink.

ECONOMIC OR OTHER FACTORS

Businesslink's operating objectives were adversely affected by recognition of superannuation actuarial losses as a result of the GFC on the legacy defined benefits superannuation funds for the public sector workforce. This resulted in an increase in personnel related expenses that caused the trading surplus to become a full year operating deficit of \$20.332M (2007/08: operating deficit \$0.966M).

ENERGY MANAGEMENT POLICY

Businesslink is committed to practices which minimise the energy consumption and environmental impacts of its operations.

Two properties occupied by Businesslink, (Liverpool Head Office and Lismore) are included in the Government Energy Management Contract. Each of these locations receives a minimum of six per cent green power under the terms of the contract.

Businesslink sites consumed 4,791,053 KWh/hr of electricity and 4,530,844 MJ of gas – a decrease on the previous year.

From 1 July 2009, Businesslink has increased its use of Green Power from 6% to 10% through the State Government Contract.

...Businesslink has increased its use of Green Power from 6% to 10%...

IMPLEMENTATION OF PRICE DETERMINATION

Businesslink was not subject to a determination or a recommendation of the Tribunal.

LAND DISPOSAL

No property disposals were made on behalf of Businesslink in the reporting period.

LEGAL CHANGE

There have been no changes in Acts or subordinate legislation, nor any significant judicial decisions affecting Businesslink in the reporting period.

NSW FREEDOM OF INFORMATION ACT 1989

During the reporting period there were no requests for information and no requests for notification of or amendments to personal information held under the Act.

Application for access to documents under the *NSW Freedom of Information Act 1989* should be accompanied by a \$30 application fee and forwarded to:

Director, Governance, Services and Finance
Locked Bag 7466
Liverpool BC NSW 1871

OVERSEAS TRAVEL

No overseas travel was undertaken by any Businesslink employee for Company purposes in the reporting year.

REQUIREMENTS ARISING FROM EMPLOYMENT ARRANGEMENTS

Businesslink did not provide personnel services to any statutory bodies.

WASTE MANAGEMENT POLICY

Businesslink continues to develop its Waste Reduction and Purchasing Policy.

The organisation has committed itself to a number of waste reduction and environmentally sound initiatives:

- A preferred supplier agreement, resulting in the supply of office paper containing 50 per cent recycled content, and
- The implementation of a comprehensive office recycling program including:
 - Recycling of all print cartridges.
 - Recycling of redundant computer related equipment through an external vendor whereby components are stripped and used to rebuild or repair other equipment.
 - Recycling of cardboard and paper products.

PAYMENT OF ACCOUNTS

Aged analysis

Accounts payable is closely monitored across Businesslink to ensure accounts are paid according to NSW Treasury directions.

ACCOUNTS PAYABLE RESULTS

QUARTER	CURRENT (WITHIN DUE DATE) \$'000	BETWEEN 30 TO 60 DAYS OVERDUE \$'000	BETWEEN 60 TO 90 DAYS OVERDUE \$'000	OVER 90 DAYS OVERDUE \$'000
September 2008	1,607	–	–	14
December 2008	420	–	–	–
March 2009	988	19	2	9
June 2009	344	–	–	–

Accounts paid on time

No penalty interest was incurred for late payment of accounts.

ACCOUNTS PAID ON TIME

QUARTER	TOTAL ACCOUNTS PAID ON TIME			TOTAL PAID \$'000
	TARGET %	ACTUAL %	\$'000	
September 2008	95.0	80.0	33,061	38,029
December 2008	95.0	82.0	30,298	36,796
March 2009	95.0	80.0	27,038	33,593
June 2009	95.0	86.6	42,326	49,022
Total Year	95.0	84.0	132,723	157,440

WORKERS' COMPENSATION

Businesslink is in its fourth year as a member of the Treasury Managed Fund (TMF), a self insurance scheme owned and underwritten by the NSW Government.

Sixteen (16) new Workers' Compensation claims were lodged in 2008/09 and comprised: psychological injury (4), sprains and strains (2); slips, trips and falls (6); and Motor Vehicle Accidents (4).

The average cost of claims at the end of the 2008/09 financial year (as at 30 June 2009) was \$10,035 which is a decrease of \$3,395 per claim over the previous year.

There were no prosecutions under the *Occupational Health and Safety Act 2000*.

A low-angle, upward-looking photograph of a modern skyscraper with a glass facade. The building's lines converge towards the top right corner of the frame. The sky is a clear, pale blue. A dark teal rectangular overlay covers the upper left portion of the image, serving as a background for the title text.

OUR FINANCIAL PERFORMANCE





GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

NSW Businesslink Pty Ltd

To Members of the New South Wales Parliament and Members of NSW Businesslink Pty Ltd

I have audited the accompanying financial report of NSW Businesslink Pty Ltd (the Company), which comprises the balance sheet as at 30 June 2009, the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Auditor's Opinion

In my opinion the financial report:

- is in accordance with the *Corporations Act 2001*, including:
 - giving a true and fair view of the Company's financial position as at 30 June 2009 and its performance for the year ended on that date; and
 - complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001
- is in accordance with *section 41B* of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

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

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the PF&A Act and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

My opinion does *not* provide assurance:

- about the future viability of the Company,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards, *Corporations Act 2001* and other relevant ethical requirements. The PF&A Act further promotes independence by:

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

I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of NSW Businesslink Pty Ltd on 16 October 2009, would be in the same terms if provided to the directors as at the date of this auditor's report.



Jack Kheir
Director, Financial Audit Services

20 October 2009
SYDNEY

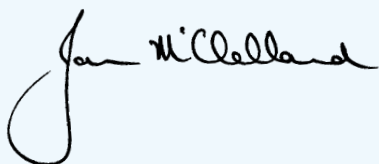
ADOPTION OF FINANCIAL STATEMENTS

1 July 2008 to 30 June 2009

The financial statements of NSW Businesslink Pty Ltd have been prepared in accordance with the statute provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2005*, the *Treasurer's Directions*, and the *Corporations Act 2001*.

Pursuant to section 41C of the *Public Finance and Audit Act 1983*, it is recommended that:

The financial statements for the year ended 30 June 2009 be adopted and the Managing Director provide a statement to the effect that in his opinion the accompanying financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2005*, the *Treasurer's Directions* and the *Corporations Act 2001*, and that as at 16 October 2009 he is not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Jan McClelland (Board Chair)
Director

16 October 2009

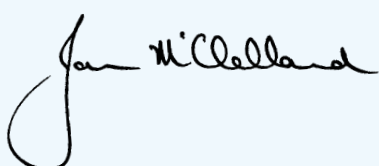
STATEMENT BY THE MEMBERS OF THE BOARD

for and on behalf of NSW Businesslink Pty Ltd

Pursuant to section 41C of the *Public Finance and Audit Act 1983*, we the members, state that in our opinion:

1. The accompanying financial statements exhibit a true and fair view of the financial performance and financial position of NSW Businesslink Pty Ltd as at 30 June 2009 and transactions for the year then ended.
2. The statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2005*, the *Treasurer's Directions* and the *Corporations Act 2001*.
3. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

We are not aware of any circumstances, which would render any particulars included in the financial statements to be misleading or inaccurate.



Jan McClelland
Chair



Pat Richards
Managing Director

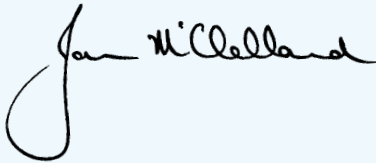
16 October 2009

DIRECTORS' DECLARATION

In the directors' opinion:

- (a) The financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) Complying with Australian Accounting Standards, the *Corporations Regulations 2001*, the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulations 2005* and other mandatory professional reporting requirements; and
 - (ii) Giving a true and fair view of the Company's financial position as at 30 June 2009 and of its performance for the financial year ended on that date; and
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'Jan McClelland', with a large, stylized initial 'J'.

Jan McClelland (Board Chair)
Director

16 October 2009

DIRECTORS' REPORT

The Board of Directors of NSW Businesslink Pty Ltd (the Company) is pleased to submit this report for the year ended 30 June 2009.

OPERATING RESULT

The Company's deficit for the financial year ending 30 June 2009 amounted to (\$20.332) million (2008 – (\$0.966) million).

CORPORATE STRUCTURE

The Company is a company limited by shares that is incorporated and domiciled in Australia.

EMPLOYEES

The Company does not employ any staff, but participates in an agreement for personnel services with the Office of NSWbusinesslink within the Department of Commerce (NSWbusinesslink).

Under the terms of the agreement, staff are employed by NSWbusinesslink under the *Public Sector Employment and Management Act 2002*, with their services being provided to the Company. The Company is required to pay NSWbusinesslink, by way of fees for the services, an amount equivalent to all employee-related costs and all employment administration costs.

REVIEW OF OPERATIONS

The Company derived revenue of \$166.417 million (2008 \$158.056 million) from the provision of services to its clients during the year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant changes in the Company's state of affairs occurred during the financial year.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year were the provision of shared services to clients, further details of which are set out in this report. Each of the Company's clients have signed a Service Partnership Agreement (SPA) for the exclusive provision of designated corporate services. Two of the three clients have entered into renewed agreements until 31 August 2009. The third client is continuing to procure services under the original agreement entered into on 1 September 2004. All SPA's provide for the continuance of the contract where neither party has indicated an intention to withdraw from the agreement. Six months notice is required by either party should they wish to withdraw from the agreement. At the date of this report no party has indicated their intention to withdraw. No significant change in the nature of these activities occurred during the year. The Company's revenue generating model is a unitised-product, Fee for Service model whereby prices are reviewed periodically as agreed with the clients so as to achieve a sustainable not-for-profit business.

FUTURE DEVELOPMENTS

On 27 July 2009 the Public Sector Employment and Management (Departmental Amalgamations) Order published in the Government Gazette of the State of New South Wales Number 108 created the Department of Human Services comprising the three existing client agencies. This change was effective from 1 July 2009. In addition it gave rise to the potential of gaining an additional three agencies. The Personnel Supply Agreement also changed the resource provider from the Department of Commerce to the Department of Human Services.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

There has not been any matter or circumstance occurring subsequent to the end of the financial year that will affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

ENVIRONMENTAL ISSUES

The Company is committed to conducting its business activities with respect for the environment and is committed to achieving a level of environmental performance, which meets or exceeds regulatory requirements, to improve its use of natural resources and to minimise waste, while continuing to meet expectations of its stakeholders. The Directors are not aware of any material breaches of environmental regulations during the year.

DIVIDENDS

No dividends have been paid, declared or recommended since the start of the financial year.

OPTIONS

No options over issued shares or interests in the Company have been granted during or since the end of the financial year and no options were outstanding at the date of this report.

ISSUE OF SHARES

The Company has four shareholders each holding 10 fully paid ordinary shares. The four shareholders are the Minister for Housing; the Treasurer of NSW; the Minister for Community Services; the Minister for Ageing and the Minister for Disability Services.

DIRECTORS' BENEFITS

Since the end of the previous financial year no Director of the Company has received a benefit directly, or indirectly from the Company other

than as mentioned in Note 20 to the Financial Report. Pat Richards, as Managing Director of the Company and Jan McClelland, as Board Chair of the Company both received a salary from NSWbusinesslink, which is regarded as normal for such an appointment.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

A premium has been paid by the Company in respect of a contract of insurance relating to liability to Directors and officers of the Company. In accordance with normal commercial practice the premium amount and the nature of the insured liabilities has not been disclosed in the financial report.

No indemnities have been given or agreed to be given, or insurance premiums paid or agreed to be paid, during or since the end of the financial year, for an officer or auditor of the Company.

If the Company is not able to meet its debts and liabilities as they become due and payable due to unforeseen circumstances or timing, the State of NSW has committed that once all reasonable alternative options to redress the situation have been exhausted, it will provide funds or facilities to the Company sufficient to ensure the Company is able to meet its debts as and when they become due and payable.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

DIRECTORS

The names of the Company's Directors in office during the financial year and until the date of this report are set out in the Annual Report and are also reported below.

The Directors held office during the whole of the financial year and since the end of the financial year, except for:

- Brendan O'Reilly – resigned
14 April 2009.
- Jim Moore – appointed
22 June 2009.

MEETINGS OF DIRECTORS

The numbers of meetings of the Company's Board of Directors and of each Board Sub-Committee held during the year ended 30 June 2009, and the numbers of meetings attended by each Director while they were a Director or committee member are detailed in the table below.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is attached to this report.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report and the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of the Board of Directors.

Pat Richards
Director

Sydney
16 October 2009

MEETINGS OF DIRECTORS

	BOARD		AUDIT		IM&T	
	A	B	A	B	A	B
Jan McClelland (Board Chair) BA (Hons), Bleg S, FAIM, FACEL, MAICD	7	7	4	4	1	1
Brendan O'Reilly MMgmt (Education)	5	5	1	1	–	–
Jennifer Mason BA (Hons), BSocWk, MCrim	5	7	–	–	–	–
Jim Moore BA (Hons), Grad Dip (Acc)	1	1	–	–	–	–
Mike Allen Grad Dip UEM	5	7	2	4	–	–
Pat Richards CA	7	7	4	4	4	4

A = Number of meetings attended.

B = Number of meetings held during the time the Director held office or was an invited member of the committee during the year.

Note 1 – Pat Richards is the Chair of the IM&T Committee.

Note 2 – The Audit Committee has an Independent Chair and an independent committee member.

Note 3 – Mike Allen is the only Director that is a member of the Audit Committee.



GPO BOX 12
Sydney NSW 2001

To the Directors
NSW Businesslink Pty Ltd

Auditor's Independence Declaration

As auditor for the audit of the financial report of NSW Businesslink Pty Ltd for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and
- any applicable code of professional conduct in relation to the audit.

Jack Kheir
Director, Financial Audit Services

16 October 2009
SYDNEY

INCOME STATEMENT (FOR THE YEAR ENDED 30 JUNE 2009)

	NOTES	2009 \$'000	2008 \$'000
Continuing operations			
Revenue	3	166,417	158,056
Other income	4	699	1,195
Fee for personnel services		(73,257)	(53,006)
Depreciation and amortisation expense	8,9	(12,415)	(14,222)
Contractors expense		(57,334)	(55,473)
Consultants expense		(41)	(245)
Training and development expense		(723)	(664)
Rent expense		(3,884)	(3,526)
Building maintenance and utilities expense		(1,076)	(1,078)
Motor vehicle expenses		(205)	(226)
Assets written off due to obsolescence		(79)	(150)
Printing, postage and stationery expense		(1,419)	(1,574)
Telecommunication expense		(9,071)	(9,307)
Information technology		(20,828)	(14,974)
Auditor's remuneration	19	(136)	(148)
Project materials		(5,019)	(2,816)
Impairment of receivables		-	-
Other expenses		(1,389)	(1,683)
Finance costs		(572)	(1,125)
Surplus/(Deficit) for the year		(20,332)	(966)

The above income statement should be read in conjunction with the accompanying notes.

BALANCE SHEET (AS AT 30 JUNE 2009)

	NOTES	2009 \$'000	2008 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	5	6,984	12,595
Trade and other receivables	6	14,108	10,337
Other current assets	7	1,461	3,468
Total current assets		22,553	26,400
Non current assets			
Plant and equipment	8	15,941	13,446
Intangible assets	9	26,644	16,172
Total non current assets		42,585	29,618
Total assets		65,138	56,018
LIABILITIES			
Current liabilities			
Trade and other payables	10	49,078	25,862
Borrowings	11	8,300	9,300
Total current liabilities		57,378	35,162
Non current liabilities			
Provisions	12	680	544
Borrowings	13	4,432	4,679
Total non current liabilities		5,112	5,223
Total liabilities		62,490	40,385
Net assets		2,648	15,633
EQUITY			
Contributed equity	14	–	–
Accumulated funds	15	2,648	15,633
Total equity		2,648	15,633

The above balance sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY (FOR THE YEAR ENDED 30 JUNE 2009)

	ACCUMULATED FUNDS \$'000	TOTAL \$'000
Balance at 1 July 2007	12,262	12,262
Surplus/(Deficit) for year	(966)	(966)
Total recognised income and expense for the year	(966)	(966)
Transfer as part of organisational restructure	4,337	4,337
Balance at 30 June 2008	15,633	15,633
Balance at 1 July 2008	15,633	15,633
Surplus/(Deficit) for year	(20,332)	(20,332)
Total recognised income and expense for the year	(20,332)	(20,332)
Transfer as part of owners equity contribution	7,347	7,347
Balance at 30 June 2009	2,648	2,648

The above statement of changes in equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT (FOR THE YEAR ENDED 30 JUNE 2009)

	NOTES	2009 \$'000	2008 \$'000
Cash flows from operating activities			
Fees for services		203,740	189,308
Interest received		343	661
Payment for services from NSWbusinesslink		(55,962)	(51,812)
Payments to suppliers		(133,155)	(121,075)
Finance costs		(971)	(740)
Net cash inflow from operating activities	18	13,995	16,342
Cash flows from investing activities			
Payments for plant and equipment and intangibles		(18,737)	(12,250)
Proceeds from sale of plant and equipment		131	487
Net cash (outflow) from investing activities		(18,606)	(11,763)
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		(1,000)	-
Net cash (outflow) from financing activities		(1,000)	-
Net increase (decrease) in cash and cash equivalents		(5,611)	4,579
Cash and cash equivalents at the beginning of the financial year		12,595	8,016
Cash and cash equivalents at end of year	5	6,984	12,595

The above cash flow statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2009

NOTE 1.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

NSW Businesslink Pty Ltd (the Company), as a reporting entity, comprises all the operating activities under its control. The Company provides corporate services to Housing NSW, the Department of Community Services, the Department of Ageing, Disability and Home Care, the Department of Commerce and the State Property Authority (Note 23 details client change of names from 27 July 2009).

The Company does not employ any staff, but participates in an agreement for personnel services with the Office of NSWbusinesslink within the Department of Commerce (NSWbusinesslink).

The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

The financial statements for the year ended 30 June 2009 have been authorised for issue by the Board of Directors on 16 October 2009.

(b) Basis of preparation

The financial statements of the Company are a general purpose financial report prepared on an accruals basis and in accordance with applicable Australian Accounting Standards, Australian Accounting Interpretations, the *Corporations Act 2001*, the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2005*. Where there are inconsistencies between these requirements, the Australian Accounting Standards have prevailed.

Except for certain assets and liabilities, which are measured at fair value as noted, the financial statements are prepared in accordance with the historical cost convention. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian dollars. Unless otherwise noted, accounting policies are consistent with those of the previous year.

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

Early adoption of standards

The following standards and amendments, applicable to the Company, were available for early adoption but have not been applied by the reporting entity in these financial statements in accordance with Treasury's mandate:

- AASB 3 (March 2008), AASB 127 and AASB 2008-3 regarding business combinations. Effective for annual reporting periods beginning on or after 1 July 2009.
- AASB 8 and AASB 2007-3 regarding operating segments. Effective for annual reporting periods beginning on or after 1 January 2009.
- AASB 101 (September 2007), AASB 2007-8 and AASB 2007-10 regarding presentation of financial statements. Effective for annual reporting periods beginning on or after 1 January 2009.
- AASB 123 (June 2007) and AASB 2007-6 regarding borrowing costs. Effective for annual reporting periods beginning on or after 1 January 2009.
- AASB 1039 regarding concise financial reports. Effective for annual reporting periods beginning on or after 1 January 2009.
- AASB 2008-1 regarding share based payments. Effective for annual reporting periods beginning on or after 1 January 2009.
- AASB 2008-2 regarding puttable financial instruments. Effective for annual reporting periods beginning on or after 1 January 2009.
- AASB 2008-5 and AASB 2008-6 regarding amendments to Australian Accounting Standards arising from the Annual Improvements Project. Effective for annual reporting periods beginning on or after 1 January 2009.
- AASB 2008-7 regarding costs of an investment in a subsidiary, jointly controlled entity, or an associate. Effective for annual reporting periods beginning on or after 1 January 2009.
- AASB 2008-8 regarding eligible hedged items. Effective for annual reporting periods beginning on or after 1 July 2009.
- AASB 2008-9 regarding AASB 1049 amendments consistent with AASB 101. Effective for annual reporting periods beginning on or after 1 January 2009.
- AASB 2008-11 regarding business combinations with not-for-profit entities. Effective for annual reporting periods beginning on or after 1 July 2009.
- AASB 2009-1 regarding borrowing costs of not for profit public sector entities. Effective for annual reporting periods beginning on or after 1 January 2009 that end on or after 30 April 2009.
- AASB 2009-2 regarding financial instrument disclosures. Effective for annual reporting periods beginning on or after 1 January 2009 that end on or after 30 April 2009.
- Interpretation 15 on construction of real estate. Effective for annual reporting periods beginning on or after 1 January 2009.
- Interpretation 16 on hedges of a net investment in a foreign operation. Effective for annual reporting periods beginning on or after 1 October 2008.
- Interpretation 17 and AASB 2008-13 on distribution of non cash assets to owners. Effective for annual reporting periods beginning on or after 1 July 2009.
- Interpretation 18 on transfers of assets from customers. Effective for annual reporting periods beginning on or after 1 July 2009.

The majority of the standards above are not applicable to the Company and where they are applicable they will not have a material impact on the Company.

Going Concern

There are no concerns regarding the ongoing viability of the Company as a going concern.

Assessment of the ongoing viability of the Company from a current ratio context needs to take into account the influence of the current Payable by the Company to NSWbusinesslink for personnel services (Note 10). The majority of the payable relates to employee entitlements (superannuation and leave) which are not payable in the short term by NSWbusinesslink. This liability is classified as current since the Company does not have an unconditional right to defer settlement of the liability for at least twelve months (AASB 101 Para 60(d)).

As a contingency, the NSW State Government issued a Letter of Comfort on 1 June 2004 guaranteeing that it will, if necessary, provide funds or facilities to enable the Company to meet its debts as and when they become due and payable.

Statement of Compliance

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

(c) Not-for-Profit Status

The Company has done an internal analysis of its classification as a 'for-profit' or 'not-for-profit' entity. Based on this analysis the Company deems that it is a 'not-for-profit' entity. The factors taken into account when determining the status of the Company were:

- Statements about the objectives of the Company in its legislation, regulations, constitution, shareholder resolutions, Ministerial directions and government policy statements.
- The governance framework imposed on the Company by owners.
- The purpose, nature and extent of funding provided by owners.
- The targeted financial performance of the Company.

The Shareholders, inclusive of the Treasurer of NSW have agreed with the above classification.

Notwithstanding the Company's 'not-for-profit status' we have elected to disclose Related Party transactions as they relate to the Company's shareholders and Directors and Treasury. Only transactions directly with the Company have been disclosed.

(d) Cash and cash equivalents

Cash and cash equivalents are cash on hand and at bank.

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand and at bank.

(e) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognised initially at fair value, based on the original invoice. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Debts which are known to be uncollectible are written off as identified.

(f) Plant and equipment

Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Company. 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 attributable to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

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

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

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

Cost and valuation

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP 07-01). This policy adopts fair value in accordance with 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.

Fair value of plant and equipment is determined based on the 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.

Most of the Company's assets (hardware, equipment, motor vehicles and furniture) are nonspecialised with short useful lives and are therefore measured at depreciated historical cost, which equates to fair value. The capitalisation threshold is \$5,000 for physical non-current assets and \$1,000 for computer equipment.

Depreciation

Depreciation is calculated on a straightline basis so as to write off the fair value of each asset over its estimated useful life. Leasehold improvements are depreciated over the period of the lease or the estimated useful life of the improvement, whichever is the shorter.

Estimations on remaining useful lives are made on an annual basis. The expected useful lives are detailed to the right.

(g) Intangible assets

The Company recognises intangible assets only if it is probable that future economic benefits will flow to the Company 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 at the date of acquisition. The capitalisation threshold for intangible assets is \$5,000.

All research costs are expensed in the income statement. Development costs are only capitalised when the Company intends to use the asset to generate future economic benefits for the entity.

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 company's intangible assets, the assets are carried at cost less any accumulated amortisation.

The Company's intangible assets are amortised using the straight line method. During the year the Company reassessed the useful lives of its intangible assets to determine the appropriate amortisation rates for these assets. The review indicated the following useful lives as shown in the table above.

In general, intangible assets are tested for impairment where an indicator of impairment exists. Impairment testing for a not-for-profit entity is based on the applicable recoverable amounts test which is the higher of fair value less costs to sell and depreciated replacement cost.

DEPRECIATION

	2009	2008
Office Equipment	5 years	5 years
Office Furniture	4 to 5 years	4 to 5 years
Computer Equipment	4 years	4 years
Motor Vehicles	7 years	7 years
Leasehold Improvements	3 to 10 years	3 to 6 years

INTANGIBLE ASSETS

ASSET CLASS	2009	2008
Assets Under Construction	–	–
Software	2 to 5 years	2 to 5 years
Internally Generated Assets	3 to 7 years	3 to 7 years

Therefore for fair value assets impairment can only arise if selling costs are material, which is considered improbable.

h) Leases

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at the present value of minimum lease payments at the beginning of the lease term and a liability recognised at the same time and for the same amount. The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a basis which is representative of the pattern of benefits derived from the leased assets. The net present value of future net outlays in respect of surplus space under non-cancellable lease agreements is expensed in the period in which the space becomes surplus.

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is

at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. The amounts are unsecured and usually paid within 30 days of recognition.

(j) Provisions

The Company has no employees and therefore has no employee-related provisions.

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions relate to Make Good costs on the Company's leased office premises. The provision was calculated by using an average rate of \$110.00 per square metre for office accommodation assets and \$150.00 per square metre for information technology related assets which was then indexed for inflation using the budget rate of 2.5% and then discounted to present value using an interest rate reflective of the relevant time period.

(k) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

The Company recognises borrowing costs as an expense in the period in which it is incurred.

(l) Revenue recognition

Revenue is measured at the fair value of the consideration or contribution received or receivable.

Revenue is recognised when the Company has received or has the right to receive inflows of economic benefits, and the right to receive them is probable and can be reliably measured. Interest revenue is recognised as it accrues, using the effective interest method.

Grants from government are recognised as revenue when the Company obtains control over the assets comprising the grant. Control over the contributions is normally obtained upon the receipt of the cash provided there are no conditions attached.

(m) Income tax

When incorporated, NSW Businesslink Pty Ltd was granted tax exemption by Treasury under the Tax Equivalent Regime (TER). As at balance date the Company continues to be exempt from the TER.

(n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of GST receivable or payable. The net GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

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

(o) Change in Accounting estimates

Intangibles

During the financial year the Directors assessed the useful life of certain items of intangible assets focusing principally on the internally generated assets of the Company. The reassessment indicated a reduction in the economic benefits to be derived by the Company. The financial effect of this reassessment, assuming the assets are held until the end of their estimated useful lives, is to decrease consolidated amortisation expense in the current financial year by \$0.025m. In the prior year similar changes had an impact of \$0.049m.

Superannuation

During the financial year NSW Treasury mandated a change in policy for all NSW public sector agencies to recognise superannuation actuarial gains and losses immediately outside the profit and loss in the year in which they occur. Previously superannuation actuarial gains and losses were recognised in profit or loss. This change in policy must be applied retrospectively, as advised in NSW Treasury Circular NSWTC 09/01.

The mandated change has required the Office of NSWbusinesslink to reclassify its actuarial gains/(losses) on its defined benefit schemes from the profit and loss to the statement of changes in equity. This mandated change in policy does not affect the Company as the Company is required to reimburse the Office of NSWbusinesslink for all costs of employment as per the Agreement for Personnel Services (refer Note 16).

(p) Work in progress – project services

Revenue for project services is recognised on a percentage of completion basis. The costs incurred on project services up to the reporting date are known and recognised by reference to the stage of completion. Expenditure incurred but not yet invoiced is reported as Projects Work in Progress as an Other Current Asset within the balance sheet as the future income can be reliably measured. However, expenditure on projects, which are in the initial phase, are recognised directly in the profit and loss, as the future income streams cannot be reliably determined. Also on projects whereby losses are expected to be incurred these amounts when known are recognised directly in the income statement.

(q) Rounding of amounts

The Company is of a kind referred to in Class order 98/100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

NOTE 2.

FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on each of these risks and seeks to minimise potential adverse effects on the financial performance of the Company.

Risk management is carried out by the heads of each central department for each specified risk under policies approved by the Board of Directors. The Board provides written principles on overall operational risk management, as well as specific policies relating to each financial instrument risk which are documented below.

The Company holds the following financial instruments. Statutory assets or liabilities that are not contractual (e.g. taxes, GST as well as prepayments and unearned revenue) are not financial liabilities or assets. Therefore, they are excluded from AASB 7.

(a) Market risk

(i) Foreign exchange risk

The Company only operates domestically and is not exposed to foreign exchange risk.

(ii) Price risk

The Company is indirectly exposed to equity securities price risk. This arises from investments held by the Superannuation Board and affects the valuation of the Superannuation asset or liability classified on the balance sheet of NSWbusinesslink. The movement in equity securities and other investments is reflected in the Fee for Personnel Services charged to the Company from the NSWbusinesslink through the Personnel Supply Agreement.

To manage its price risk arising from investments in equity securities, the Superannuation Board diversifies its portfolio.

Over 50% of the Board's equity investments are in Australian or overseas equities. Approximately 11% of its investments are in Australian or overseas fixed interest securities whilst 10% is in property and a further 8% in cash.

(iii) Cash flow and fair value interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. The Company's main interest rate risk arises from short-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company is limited in its ability to manage these risks due to the fact that the Company can only borrow in the form of T-Corp facilities given that it is a government entity. Interest rates on these facilities are determined by the government and are typically in line with market rates.

The Company analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. The consideration is done on a quarterly basis to verify that the maximum loss potential is within the limit given by the management.

FINANCIAL RISK MANAGEMENT

	NOTE	CATEGORY	2009 \$'000	2008 \$'000
Financial assets				
Cash and cash equivalents	5	N/A	6,984	12,595
Trade and other receivables	6	Loans and receivables (at amortised cost)	9,681	10,313
Total financial assets			16,665	22,908
Financial liabilities				
Trade and other payables	10	Financial liabilities measured at amortised cost	45,096	23,661
Borrowings				
NSW Treasury Corporation Loans	11,13	Financial liabilities measured at amortised cost	12,732	13,979
Total financial liabilities			57,828	37,640

FIXED INTEREST RATE MATURING

2009	WEIGHTED AVERAGE EFFECTIVE RATE	FLOATING INTEREST RATE	WITHIN 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	NON – INTEREST BEARING	TOTAL
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets							
Cash and cash equivalents	2.38	6,978	–	–	–	6	6,984
Trade and other receivables	–	–	–	–	–	9,681	9,681
Total financial assets		6,978	–	–	–	9,687	16,665
Financial liabilities							
Trade and other payables	–	–	–	–	–	45,096	45,096
Commercial loan	3.20	3,650	–	–	–	–	3,650
Commercial loan	2.95	4,650	–	–	–	–	4,650
Commercial loan	7.00	–	–	4,432	–	–	4,432
Total financial liabilities		8,300	–	4,432	–	45,096	57,828
2008							
Financial assets							
Cash and cash equivalents	6.90	12,589	–	–	–	6	12,595
Trade and other receivables	–	–	–	–	–	10,313	10,313
Total financial assets		12,589	–	–	–	10,319	22,908
Financial liabilities							
Trade and other payables	–	–	–	–	–	23,661	23,661
Commercial loan	7.33	4,650	–	–	–	–	4,650
Commercial loan	8.26	4,650	–	–	–	–	4,650
Commercial loan	7.00	–	–	4,679	–	–	4,679
Total financial liabilities		9,300	–	4,679	–	23,661	37,640

(iv) Summarised sensitivity analysis

At 30 June 2009, if interest rates had changed by +0.5% from the year-end cash rates of 2.38% and year-end borrowing rates of 2.95 to 7% with all other variables held constant, post-tax profit for the year would have been \$0.029m lower (2008: \$0.014m lower), mainly as a result of increased income from cash and cash equivalents offset with the higher expense from the Company's borrowings. The sensitivity analysis has been based on the indicative mid-rates quoted on the RBA website for selected Commonwealth Government securities. The Company is also of the view there is little if any likelihood of a further reduction in rates given recent comments by the Reserve Bank, the TCorp Weekly Market and Economics Report and the recent increase in fixed term interest rates on home loans by the major banking corporations. Therefore no analysis has been provided for a reduction in rates.

The tables on the right summarise the sensitivity of the Company's financial assets and financial liabilities to interest rate risk.

(b) Credit risk

Credit risk arises when there is a possibility that the Company's debtors will default on their contractual obligations, resulting in a financial loss to the Company. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to external customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. All trade debtors are recognised as amounts receivable at balance date. Collectibility of trade debtors are reviewed on an ongoing

INTEREST RATE RISK (AT 30 JUNE 2009)

	CARRYING AMOUNT \$'000	-0.5%		+0.5%	
		SURPLUS \$'000	EQUITY \$'000	SURPLUS \$'000	EQUITY \$'000
Financial assets					
Cash and cash equivalents	6,984	-	-	35	35
Trade and other receivables	9,681	-	-	-	-
Financial liabilities					
Trade and other payables	45,096	-	-	-	-
Borrowings	12,732	-	-	(64)	(64)
Total increase/(decrease)		-	-	(29)	(29)

INTEREST RATE RISK (AT 30 JUNE 2008)

	CARRYING AMOUNT \$'000	-1%		+1%	
		SURPLUS \$'000	EQUITY \$'000	SURPLUS \$'000	EQUITY \$'000
Financial assets					
Cash and cash equivalents	12,595	(126)	(126)	126	126
Trade and other receivables	10,313	-	-	-	-
Financial liabilities					
Trade and other payables	23,661	-	-	-	-
Borrowings	13,979	140	140	(140)	(140)
Total increase/(decrease)		14	14	(14)	(14)

basis. Refer to Note 6 for ageing of past due debtors. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30 day terms.

The Company's exposure to credit risk on its receivables is considered minimal because of the nature of its customers – being principally government bodies and agencies. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

Credit risk further arises in relation to financial guarantees given to certain parties. The Company has given no such guarantees. If such a guarantee were given it would only be provided in exceptional circumstances and subject to specific Board approval.

(c) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its payment obligations when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to the nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping committed credit lines available.

The Company continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The majority of the income derived by the Company is from other government agencies on a Fee for Service arrangement. Capital expenditure and maintenance commitments are in part factored into the Fee for Service to ensure that such costs are recouped for the purposes of meeting its working capital costs. Such matters are reviewed in the bi-annual price reviews held with customers with any necessary revisions to prices made as appropriate.

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

In addition, a letter of guarantee exists between the Company and the State of NSW whereby if the Company is unable to meet its debts and liabilities as they become due and payable due to unforeseen circumstances or timing the State of NSW has committed that once all reasonable alternative options to redress the situation have been exhausted it will provide funds or facilities to the Company to ensure the Company is able to meet its obligations.

Prudent guidelines have been established by the Company to allow for no more than 30% of total face value of debt to mature in any one financial year. All breaches of prudential limits are to be reported to the

FORECAST LIQUIDITY RESERVE (AS OF 30 JUNE 2009)

	30 JUNE 2009 \$'000	2010-2014 \$'000
Opening balance for the period	12,595	6,984
Operating proceeds	204,083	942,379
Operating outflows	(190,088)	(829,742)
Cash outflows for plant and equipment	(18,737)	(106,300)
Proceeds from sale of plant and equipment	131	-
Financing proceeds	-	10,000
Payments of debts and dividends	(1,000)	(7,400)
Closing balance for the period	6,984	15,921

MATURITY OF FINANCIAL LIABILITIES (AT 30 JUNE 2009)

	LESS THAN 1 YEAR \$'000	BETWEEN 1 AND 2 YEARS \$'000	BETWEEN 2 AND 5 YEARS \$'000	TOTAL \$'000
Trade and other payables	45,096	-	-	45,096
Commercial loans	3,767	-	-	3,767
Commercial loans	4,787	-	-	4,787
Commercial loans	314	4,644	-	4,958

The table above analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. There are no maturities in excess of two years.

MATURITY OF FINANCIAL LIABILITIES (AT 30 JUNE 2008)

	LESS THAN 1 YEAR \$'000	BETWEEN 1 AND 2 YEARS \$'000	BETWEEN 2 AND 5 YEARS \$'000	TOTAL \$'000
Trade and other payables	23,661	-	-	23,661
Commercial loans	4,819	-	-	4,819
Commercial loans	4,842	-	-	4,842
Commercial loans	314	314	4,644	5,272

THE COMPANY HAS ACCESS TO THE FOLLOWING LINE OF CREDIT WITH WESTPAC BANK

	2009 \$'000	2008 \$'000
Tape Negotiation Authority	3,000	-

This facility was unused as of 30 June 2009. (Nil - 30 June 2008)

Managing Director immediately and to the Board monthly for ratification of action proposed or undertaken.

The forecast liquidity reserve as of 30 June 2009 is detailed in the above table.

(d) Fair value

Financial instruments are generally recognised at cost except where specified. The amortised cost of financial instruments recognised in the balance sheet approximates the fair value, because of the short-term nature of many of the financial instruments.

NOTE 3. REVENUE

REVENUE

	2009 \$'000	2008 \$'000
Fees for Services		
Housing NSW	38,005	36,763
Department of Community Services	50,428	51,504
Department of Ageing, Disability and Home Care	75,099	68,111
Department of Commerce	2,358	1,678
State Property Authority	527	–
	166,417	158,056

NOTE 4. OTHER INCOME

OTHER INCOME

	2009 \$'000	2008 \$'000
Interest earned	297	684
GST refund	–	409
Rental income	211	–
Sundry income	191	102
	699	1,195

NOTE 5. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	2009 \$'000	2008 \$'000
Cash at bank and on hand	6,984	12,595
	6,984	12,595
Cash and cash equivalents recognised in the Balance Sheet are reconciled at the end of the financial year to the Cash Flow Statement as follows:		
Cash and cash equivalents (as per Balance Sheet)	6,984	12,595
Closing cash and cash equivalents (as per Cash Flow Statement)	6,984	12,595

(a) Interest rate risk exposure

The Company's exposure to interest rate risk is discussed in Note 2.

NOTE 6.

CURRENT ASSETS – TRADE AND OTHER RECEIVABLES

CURRENT ASSETS – TRADE AND OTHER RECEIVABLES

	2009 \$'000	2008 \$'000
Trade receivables	81	15
Receivables from related parties	9,600	6,846
Allowance for impairment of receivables	–	–
	9,681	6,861
Interest receivable	–	46
Prepayments	4,427	3,406
GST receivable	–	24
	14,108	10,337

(a) Impaired trade receivables

As at 30 June 2009 current trade receivables of the Company with a nominal value of \$NIL (2008: \$NIL) were impaired. The amount of the provision was \$NIL (2008: \$NIL).

As of 30 June 2009, trade receivables of \$0.700 million (2008: \$0.106 million) were past due but not impaired. These relate to a number of other government entities for whom there is no recent history of default. The ageing analysis of these trade receivables is as shown in table 1.

The ageing analysis excludes statutory receivables as these are not financial assets.

Movements in the allowance for impairment of receivables are as shown in table 2.

TABLE 1: IMPAIRED TRADE RECEIVABLES

	2009 \$'000	2008 \$'000
Less than 3 months	698	101
3 to 6 months	2	5
Over 6 months	–	–

TABLE 2: IMPAIRMENT OF RECEIVABLES

	2009 \$'000	2008 \$'000
At 1 July	–	–
Allowance for impairment recognised during the year	–	–
Receivables written off during the year as uncollectible	–	–
Unused amount reversed	–	–
Balance as at 30 June	–	–

The creation and release of the allowance for impaired receivables is separately disclosed in the income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due.

Further details regarding the Company's exposure to credit risk is discussed in Note 2.

NOTE 7.

**CURRENT ASSETS – OTHER
CURRENT ASSETS****CURRENT ASSETS — OTHER CURRENT ASSETS**

	2009 \$'000	2008 \$'000
Work in progress – Projects Services	1,461	3,468
	1,461	3,468

NOTE 8.

NON-CURRENT ASSETS – PLANT AND EQUIPMENT**NON-CURRENT ASSETS — PLANT AND EQUIPMENT**

	OFFICE FURNITURE \$'000	OFFICE EQUIPMENT \$'000	MOTOR VEHICLES \$'000	LEASEHOLD IMPROVEMENTS \$'000	COMPUTER EQUIPMENT \$'000	TOTAL \$'000
At 1 July 2008						
Gross value	188	1,094	1,097	6,779	22,288	31,446
Accumulated depreciation	(100)	(630)	(127)	(4,441)	(12,702)	(18,000)
Net Fair Value Amount	88	464	970	2,338	9,586	13,446
At 30 June 2009						
Gross value	188	759	1,049	6,950	29,641	38,587
Accumulated depreciation	(153)	(191)	(185)	(5,525)	(16,592)	(22,646)
Net Fair Value Amount	35	568	864	1,425	13,049	15,941
Year ended 30 June 2009						
Opening net fair value amount	88	464	970	2,338	9,586	13,446
Additions	–	256	292	–	6,068	6,616
Make good asset (Refer Note 12)	–	–	–	96	–	96
Disposals	–	–	(250)	–	–	(250)
Assets written off	–	(6)	–	–	(5)	(11)
Transfers from Intangibles	–	–	–	–	1,784	1,784
Depreciation charge	(53)	(146)	(148)	(1,009)	(4,384)	(5,740)
Closing net fair value amount	35	568	864	1,425	13,049	15,941
Year ended 30 June 2009						
Opening accumulated depreciation	(100)	(630)	(127)	(4,441)	(12,702)	(18,000)
Depreciation charge	(53)	(146)	(148)	(1,009)	(4,384)	(5,740)
Disposals	–	585	90	(75)	494	1,094
Assets written off	–	–	–	–	–	–
Closing accumulated depreciation	(153)	(191)	(185)	(5,525)	(16,592)	(22,646)

NON-CURRENT ASSETS — PLANT AND EQUIPMENT CONT.

	OFFICE FURNITURE \$'000	OFFICE EQUIPMENT \$'000	MOTOR VEHICLES \$'000	LEASEHOLD IMPROVEMENTS \$'000	COMPUTER EQUIPMENT \$'000	TOTAL \$'000
At 1 July 2007						
Gross value	179	727	1,146	5,947	16,797	24,796
Accumulated depreciation	(47)	(494)	(154)	(3,207)	(8,346)	(12,248)
Net Fair Value Amount	132	233	992	2,740	8,451	12,548
At 30 June 2008						
Gross value	188	1,094	1,097	6,779	22,288	31,446
Accumulated depreciation	(100)	(630)	(127)	(4,441)	(12,702)	(18,000)
Net Fair Value Amount	88	464	970	2,338	9,586	13,446
Year ended 30 June 2008						
Opening net fair value amount	132	233	992	2,740	8,451	12,548
Additions	9	367	648	288	5,539	6,851
Make good asset (Refer Note 12)	–	–	–	544	–	544
Disposals	–	–	(530)	–	–	(530)
Assets written off	–	–	–	–	–	–
Transfers between classes	–	–	–	–	–	–
Depreciation charge	(53)	(136)	(140)	(1,234)	(4,404)	(5,967)
Closing net fair value amount	88	464	970	2,338	9,586	13,446
Year ended 30 June 2008						
Opening accumulated depreciation	(47)	(494)	(154)	(3,207)	(8,346)	(12,248)
Depreciation charge	(53)	(136)	(140)	(1,234)	(4,404)	(5,967)
Disposals	–	–	167	–	–	167
Assets written off	–	–	–	–	48	48
Closing accumulated depreciation	(100)	(630)	(127)	(4,441)	(12,702)	(18,000)

	2009 \$'000	2008 \$'000
Proceeds from sale	131	487
Less written down value	(156)	(539)
Gain / (Loss) on sale	(25)	(52)

NOTE 9.

NON-CURRENT ASSETS – INTANGIBLE ASSETS

NON-CURRENT ASSETS — INTANGIBLE ASSETS

	SOFTWARE \$'000	ASSETS UNDER CONSTRUCTION \$'000	INTERNALLY GENERATED ASSET \$'000	TOTAL \$'000
At 1 July 2008				
Cost (Gross value)	10,189	2,145	26,769	39,103
Accumulated amortisation	(4,440)	–	(18,491)	(22,931)
Net carrying amount	5,749	2,145	8,278	16,172
At 30 June 2009				
Cost (Gross value)	12,758	11,955	22,987	47,700
Accumulated amortisation	(5,649)	–	(15,407)	(21,056)
Net carrying amount	7,109	11,955	7,580	26,644
Year ended 30 June 2009				
Opening net carrying amount	5,749	2,145	8,278	16,172
Additions	2,826	16,205	–	19,031
Disposals	(7)	–	(93)	(100)
Transfers between classes	7	(4,611)	4,604	–
Transfer to Property Plant & Equipment	–	(1,784)	–	(1,784)
Amortisation charge	(1,466)	–	(5,209)	(6,675)
Closing net carrying amount	7,109	11,955	7,580	26,644
Year ended 30 June 2009				
Opening accumulation amortisation	(4,440)	–	(18,491)	(22,931)
Amortisation charge	(1,466)	–	(5,209)	(6,675)
Disposals	257	–	8,293	8,550
Assets written off	–	–	–	–
Closing accumulated amortisation	(5,649)	–	(15,407)	(21,056)

NON-CURRENT ASSETS — INTANGIBLE ASSETS CONT.

	SOFTWARE \$'000	ASSETS UNDER CONSTRUCTION \$'000	INTERNALLY GENERATED ASSET \$'000	TOTAL \$'000
At 1 July 2007				
Cost (Gross value)	8,151	552	24,929	33,632
Accumulated amortisation	(3,389)	–	(11,729)	(15,118)
Net carrying amount	4,762	552	13,200	18,514
At 30 June 2008				
Cost (Gross value)	10,189	2,145	26,769	39,103
Accumulated amortisation	(4,440)	–	(18,491)	(22,931)
Net carrying amount	5,749	2,145	8,278	16,172
Year ended 30 June 2008				
Opening net carrying amount	4,762	552	13,200	18,514
Additions	2,038	1,971	2,054	6,063
Disposals	–	–	(150)	(150)
Transfers between classes	–	(378)	378	–
Amortisation charge	(1,051)	–	(7,204)	(8,255)
Closing net carrying amount	5,749	2,145	8,278	16,172
Year ended 30 June 2008				
Opening accumulation amortisation	(3,389)	–	(11,729)	(15,118)
Amortisation charge	(1,051)	–	(7,204)	(8,255)
Assets written off	–	–	442	442
Closing accumulated amortisation	(4,440)	–	(18,491)	(22,931)

NOTE 10.

CURRENT LIABILITIES – PAYABLES

The movement in the payable to the NSWbusinesslink is principally related to the Superannuation actuarial losses in the year of \$21.151m.

(a) Fair value disclosures

The carrying amount of all payables approximates their fair value.

(b) Risk exposure

Details of the Company's exposure to risks arising from market risk is provided in Note 2.

CURRENT LIABILITIES — PAYABLES

	2009 \$'000	2008 \$'000
Trade creditors	345	628
Unearned income – projects	3,606	2,201
GST Payable	376	–
Accrued operating expenditure	5,489	6,212
Accrued capital expenditure	295	847
Payable to NSWbusinesslink for personnel services	38,967	15,974
	49,078	25,862

NOTE 11.

CURRENT LIABILITIES – BORROWINGS

There are two T-Corp facilities. \$4.650m with rollover date of 9 March 2010 and \$3.650m with a rollover date of 10 February 2010.

The Company has a borrowing facility with T-Corp. As at 30 June 2009 the Company had approval to borrow up to \$19.1m (2008 – \$19.1m). The undrawn facility as at 30 June 2009 was \$6.4m.

(a) Fair value disclosures

The carrying amount of all payables approximates their fair value.

(b) Risk exposure

Details of the Company's exposure to risks arising from market risk are provided in Note 2.

CURRENT LIABILITIES — BORROWINGS

	2009 \$'000	2008 \$'000
Unsecured		
T-Corp borrowings	8,300	9,300
	8,300	9,300

NOTE 12.

**NON-CURRENT
LIABILITIES – PROVISIONS**

NON-CURRENT LIABILITIES — PROVISIONS

	2009 \$'000	2008 \$'000
Carrying amount at beginning of financial year	544	–
Add		
Change in discount rate	40	–
Make good provision on operating leases (Refer Note 8)	96	544
Carrying amount at end of financial year	680	544

NOTE 13.

**NON-CURRENT LIABILITIES
– BORROWINGS**

NON-CURRENT LIABILITIES — BORROWINGS

	2009 \$'000	2008 \$'000
Unsecured		
T-Corp borrowings	4,432	4,679

	PRINCIPAL \$'000	INTEREST \$'000	TOTAL \$'000
2009			
Not later than 1 year	8,300	479	8,779
Later than 1 year but not later than 5 years	4,432	133	4,565
Later than 5 years	–	–	–
	12,732	612	13,344
2008			
Not later than 1 year	9,300	394	9,694
Later than 1 year but no later than 5 years	4,679	447	5,126
Later than 5 years	–	–	–
	13,979	841	14,820

NOTE 14.**CONTRIBUTED EQUITY**

On 25 June 2004, the Company issued 30 fully paid ordinary shares of \$1 each. Ten (10) shares each were issued to the Minister for Housing; the Treasurer of NSW and Minister for Community Services, Ageing and Disability Services.

On 21 June 2005, the Ministry of Community Services, Ageing and Disability Services was split into two Ministries. Ten (10) fully paid ordinary shares were reissued to the Minister for Community Services and an additional 10 fully paid ordinary shares were issued to the Minister of Ageing and the Minister for Disability Services.

CONTRIBUTED EQUITY

	2009 \$	2008 \$
Share Capital		
Opening balance	40	40
Issued Capital – ordinary shares of \$1 each	–	–
	40	40

NOTE 15.**ACCUMULATED FUNDS****ACCUMULATED FUNDS**

	2009 \$'000	2008 \$'000
Opening Accumulated Funds	15,633	12,262
Changes in equity – transactions with owners as owners		
Increase in net assets from equity transfers	7,347	4,337
Changes in equity – other than transactions with owners as owners		
Surplus / (Deficit) for the year	(20,332)	(966)
Accumulated Funds as at 30 June	2,648	15,633

On 23 June 2008, the Treasurer approved the transfer of the following assets from NSWbusinesslink Department to NSW Businesslink Pty Ltd.

Transfer of Assets from NSWbusinesslink, department

Receivables	–	4,337
Net assets	–	4,337

In June 2009 the following asset was transferred from the Department of Ageing, Disability and Home Care to NSW Businesslink Pty Ltd.

Transfer of assets from Department of Ageing, Disability and Home Care

Intangible assets	7,347	–
Net assets	7,347	–

NOTE 16.

AGREEMENT FOR PERSONNEL SERVICES

An agreement has been entered into between the Company and the Office of NSWbusinesslink within the Department of Commerce for the provision of personnel services. Under the terms of the agreement, staff are employed by NSWbusinesslink under the *Public Sector Employment and Management Act 2002*, with their services being provided to the Company. The Company is required to pay NSWbusinesslink by way of fees for the services, an amount equivalent to all employee related costs and all employment administration costs.

Neither NSWbusinesslink, nor the Company, has control of the other entity. The Company has a Board of Directors independent of NSWbusinesslink.

NOTE 17.

CONTINGENCIES

(a) Contingent assets and liabilities

As at the reporting date, the Company is not aware of any contingent assets or liabilities, which may materially affect its financial position (2008 – \$NIL).

NOTE 18.

RECONCILIATION OF PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Input tax credits of \$15.890 million (2008 – \$13.801 million) are included in Fees for Services and GST of \$12.924 million (2008 – \$11.061 million) paid on supplies, is included in payment to supplier's expenses in the Cash Flow Statement. Actual GST forwarded to the Australian Taxation Office of \$1.811 million (2008 – \$2.377 million) is included in Other expenses and actual GST received of \$0.282 million (2008 – \$0.309 million) is included in Sundry income in the Cash Flow Statement.

RECONCILIATION OF PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2009 \$'000	2008 \$'000
Surplus / (Deficit) for the year	(20,332)	(966)
Depreciation	5,740	5,967
Amortisation	6,675	8,255
Write off of intangible assets	79	150
Net (gain) loss on sale of non-current assets	25	52
Decrease / (Increase) in receivables	(1,764)	3,086
Make good asset (non cash)	-	(544)
Effective interest adjustment to borrowings	(247)	-
Unwinding of discount on make good provision	40	-
Increase / (Decrease) in accounts payable and other creditors	23,779	(202)
Increase in provisions	-	544
Net cash inflow from operating activities	13,995	16,342

NOTE 19.

REMUNERATION OF AUDITORS

REMUNERATION OF AUDITORS

	2009 \$	2008 \$
During the year the following fees were paid or payable for services provided by the auditor of the Company for:		
Audit and review of financial reports	136,400	148,100
Total remuneration for audit services	136,400	148,100

NOTE 20.

DIRECTOR'S REMUNERATION

The names of the persons who were Directors of NSW Businesslink Pty Ltd at any time during the financial year were as follows: Mike Allen, Jennifer Mason (appointed 30 April 2008), Jim Moore (appointed 22 June 2009), Jan McClelland, Brendan O'Reilly (resigned 14 April 2009), Pat Richards and Neil Shepherd (resigned 5 March 2008).

No Director of the Company has received, or become entitled to receive, any benefit by reason of a contract made by the Company with any Director.

Income paid or payable, or otherwise made available, in respect of the financial year, to all Directors of NSW Businesslink Pty Ltd, is paid directly from NSWbusinesslink. (N.B. Apart from Pat Richards and Jan McClelland, this excludes remuneration payments made to the remaining Directors by their own Agencies with respect to their employment with those Agencies).

DIRECTOR'S REMUNERATION

	2009	2008
NIL to \$10,000	4	4
\$40,000 to \$50,000	–	1
\$50,000 to \$60,000	1	–
\$250,000 to \$260,000	1	1
Aggregate Directors Remuneration paid (in whole dollars) to the above Directors was	303,182	295,910

NOTE 21.

RELATED PARTY TRANSACTIONS

Cash Flow Statement

Included in the Cash Flow Statement are payments and receipts totalling 2009 – \$17.904m (2008 – \$14.902m) which relates to Businesslink acting as an agent on behalf of the Department of Ageing and Disability Services and Home Care Services for the payment of leased premises. These payments made by Businesslink are recouped from each agency. As Businesslink acts only as an agent these amounts are not reflected in the Income Statement.

RELATED PARTY TRANSACTIONS

	2009 \$'000	2008 \$'000
Fee for Service		
State Property Authority	527	–
Department of Commerce	2,358	1,678
Housing NSW *	38,005	36,763
Department of Community Services	50,428	51,504
Department of Ageing, Disability and Home Care	75,099	68,111
	166,417	158,056
Receivables		
State Property Authority	45	–
Department of Commerce	343	518
Housing NSW	502	394
Department of Community Services	2,526	2,738
Department of Ageing, Disability and Home Care	6,184	3,196
	9,600	6,846
Payables		
NSWbusinesslink	38,933	15,974
Department of Commerce	62	–
Housing NSW	126	485
Department of Community Services	604	353
Department of Ageing, Disability and Home Care	2,814	1,613
	42,539	18,425

* The Housing Assistance Program in New South Wales is implemented through the entity 'Payments to other Government Bodies Under the Control of the Minister' (the Entity). This entity receives appropriation jointly funded by the Commonwealth and State governments under the Commonwealth State Housing Agreement. Housing NSW administers the transfer of appropriations received by the Entity as grants.

During the year \$33.062 million (2008 – \$33.698 million) was paid by Housing NSW to the Company, as a grant for the provision of corporate services, reimbursable expenditure and project costs.

NSWbusinesslink fee

During the year the Company incurred expenditure relating to personnel services, repayment of state loans and interest, rent and other minor administrative services to the following related parties:

NSWBUSINESSLINK FEE

	2009 \$'000	2008 \$'000
NSWbusinesslink *	74,969	54,458
Housing NSW	177	883
Department of Community Services	–	–
Department of Ageing, Disability and Home Care	30	115
State Property Authority	4,902	–
Department of Commerce	5	–
NSW Treasury	2,104	851

* This includes: \$1.745 million (2008 \$1.452 million) capitalised into the Company's development projects.

Payments for the services of executive officers

	2009 NUMBER OF OFFICERS	2008 NUMBER OF OFFICERS
0 to 10,000	–	1
40,000 to 50,000	1	2
50,000 to 60,000	–	–
150,000 to 160,000	–	1
180,000 to 190,000	1	–
190,000 to 200,000	–	1
200,000 to 210,000	–	1
210,000 to 220,000	1	1
220,000 to 230,000	1	–
250,000 to 260,000	1	1
290,000 to 300,000	1	1
Aggregate executive officers remuneration paid to the above executives was (excluding Executive Directors and including Termination Payments)	1,230,579	1,119,577

NOTE 22. COMMITMENTS

COMMITMENTS

	2009 \$'000	2008 \$'000
(I) PLANT AND EQUIPMENT		
Within one year	167	566
Later than one year but not later than five years	484	484
Later than five years	–	–
Total (including GST)	651	1,050
(II) OPERATING EXPENSES		
Within one year	25,371	28,632
Later than one year but not later than five years	–	3,620
Later than five years	–	–
Total (including GST)	25,371	32,252
(III) OPERATING LEASE OFFICE ACCOMMODATION		
The Company leases various offices under operating leases with varying expiration dates. Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	7,205	3,880
Later than one year but not later than five years	23,360	11,581
Later than five years	8,667	–
Total (including GST)	39,232	15,461
Input Tax credit amounting to \$5.932 million (\$4.433 million in 2008) is claimable from the Australian Taxation Office when the above commitments are paid in the future.		
Included in the commitments above are purchase orders raised on behalf of the client agencies relating to assets and operating costs for Billable Projects. The amounts of these commitments are as follows:		
Department of Community Services	1,564	759
Department of Ageing Disability and Home Care	482	456
Housing NSW	208	50
Department of Commerce	–	–
Total (including GST)	2,254	1,265

All these commitments are due within one year.

NOTE 23.

POST BALANCE DATE EVENTS

On 27 July 2009 the Public Sector Employment and Management (Departmental Amalgamations) Order published in the 2009 Government Gazette of the State of New South Wales Number 108 created the Department of Human Services comprising the three existing client agencies. This change was effective from 1 July 2009. The Personnel Supply Agreement also changed the resource provider from the Department of Commerce to the Department of Human Services.

END OF FINANCIAL STATEMENTS.

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