

DEPARTMENT
OF LANDS
**ANNUAL
REPORT**

2006



Department of Lands



New South Wales Government



The Hon Tony Kelly MLC
Minister for Justice
Minister for Juvenile Justice
Minister for Emergency Services
Minister for Lands
Minister for Rural Affairs
Leader of the House (Legislative Council)
Level 34
Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Minister

I am pleased to submit the Department of Lands (Lands) Annual Report for the year ending 30 June 2006 for your information and presentation to Parliament.

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

This publication has been prepared to include the reports from all administrative areas of the department, the Geographical Names Board and the annual report for the Board of Surveying and Spatial Information of NSW.

I commend this report to you.

Yours sincerely



A handwritten signature in black ink, reading 'Warwick Watkins'.

Warwick Watkins

Director General

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<div>THE DIRECTOR GENERAL'S FOREWORD</div> <div>4</div>				<div>The Department of Lands Annual Report 2005/06</div> <div>5</div>
	<p>The Department of Lands is the NSW Government's lead agency for land and property information and services, spatial information and the Crown lands of New South Wales (NSW), and the provider of specialist soil conservation and environmental services.</p> <p>We are entrusted with the care and management of public land and our land information systems underpin the state's economy, contributing to the development of sustainable rural communities and the provision of specialist land management services.</p> <p>Lands is building the infrastructure for current and future generations through innovative and professional management, sustainable land allocation and by working in partnership with other arms of government, our business clients and the community.</p> <p>Our success is measured through meeting our customer and community needs, achieving sound financial management, continuous performance improvement and building a knowledge-based organisation.</p> <p>This report records Lands' progress over the past 12 months in achieving these aims. It has been a period of consolidation but also one of innovation as the organisation responds to the contemporary demands of our community.</p> <p>This is a hallmark year for Lands as it recognises 150 years of contribution and achievement in land information and management – a milestone we share with the celebration of the sesquicentenary of responsible government.</p>	<p>Land and Property Information Division (LPI) maintained sound business performance of the land title registration service despite a softening property market.</p> <p>A key feature was the substantial increase in the range of LPI products and services available online, an outcome of a strategic drive towards a digital business environment.</p> <p>Customers can now obtain a variety of property documentation on the Lands' website or conduct online searches. Significant progress has also been made with ePlan which builds on the existing electronic plan lodgement capability and will dramatically reduce the number of manual steps in processing a plan.</p> <p>A highlight this year was the launch of the Spatial Information eXchange, providing high resolution aerial photography and satellite imagery via the website, with the option of topographic and cadastral data overlays. This service provides for a whole of government spatial information portal and enhances government's ability to manage the state's built and natural environments and enables better, faster and more efficient decisions.</p> <p>Lands is a driving force in the National Electronic Conveyancing System – a proposed national system for lodging and settling property transactions electronically. The national body has published a detailed business model and will soon consult stakeholders on how the new system should work.</p> <p>LPI has followed through on its commitment to create a single land cadastre with Sydney Water and is well on the way to aligning local government authorities with the unified digital cadastral database.</p>	<p>Crown Lands Division is the custodian of Crown land estate and manages Crown land held under leases, licences and for sale. Land is retained in public ownership to meet the diverse needs of the community from housing, economic and business development to public recreation and conservation.</p> <p>Amendments to the <i>Crown Lands Act 1989</i> took effect this year, enabling a range of contemporary solutions for Crown reserve management, commercial flexibility and strengthened ability to protect environmental values.</p> <p>The division continues to undergo structural reform towards a more efficient administrative and business focus and among a number of notable achievements was the creation of NSW's 10th State Park on the Belmont coastal wetlands south of Newcastle.</p> <p>The land reform program for Crown roads and perpetual leases was strongly supported and has stretched the capacity of our agency to meet the demand in a timely way.</p> <p>Soil Conservation Service (SCS) is well-established in rural NSW as a leader in soil conservation earthworks and consultancy, with projects ranging from maintaining dam foreshores to flood mitigation. While demand for soil conservation earthworks was affected by ongoing drought conditions the division's consultancy business is thriving.</p> <p>As a business, SCS delivers the highest quality product to clients; a fact recognised by its commendation in the Premier's Public Sector Awards for the Tingha sewerage scheme which earlier earned two industry environmental awards.</p>	<p>The Office of Rural Affairs continued its work in raising the concerns of country NSW with government and advising on rural issues, services, policy and initiatives.</p> <p>This year the office supported the Regional Communities Consultative Council in developing a model for coordinating humanitarian refugee settlement in rural and regional areas of the state.</p> <p>This program will assist rural and regional communities in supporting the increasing number of refugees from overseas who settle in NSW.</p> <p>Finally, I wish to thank the management team and staff within our organisation who have enabled the department to meet its financial and service delivery targets.</p> <p>Together we have achieved a great deal in the 12 months under review and I remain very confident of our ability to progress our key initiatives over the next year.</p> <div><div>Warwick Watkins Director General Surveyor General Registrar General</div></div>



DEPARTMENT OF LANDS

Since documenting the first state records under the Office of the Surveyor General in 1788, the Department of Lands has played a pivotal role in the identification, allocation, use and management of public land in New South Wales.

The current formation of Lands was created in 2003, incorporating:

- Three business operational divisions - Land and Property Information, Crown Lands and Soil Conservation Service
- The Office of Rural Affairs
- Internal corporate service areas including Finance and Corporate Support, People and Performance Development Group, Legal Services, Corporate Governance, Information Communication and Technology, Communication Solutions Group, and Native Title, Aboriginal Land Claims and Status Branch.

Lands also provides administrative support to the Board of Surveying and Spatial Information, and the Geographical Names Board.

Land and Property Information Division

Land and Property Information (LPI) is a self-funded valuation, titling, spatial information and surveying service which aims to provide comprehensive, accurate and independent information about land ownership in NSW.

LPI is the leading and definitive source of land information, spatial data and property ownership, which underpins a vibrant and robust NSW property market.

Crown Lands Division

The total area of New South Wales is almost 80 million hectares, half of which is Crown land.

The Crown Lands Division is responsible for the sustainable management of 12.7 million hectares of Crown land. From its 10 state parks, to its walking trails, public reserves, caravan parks and allocated land for varied community and business purposes, such as schools, hospitals and ports.

Crown Lands Division is dedicated to optimising environmental, economic and social outcomes for the benefit of the people of NSW.

Soil Conservation Service Division

Soil Conservation Service (SCS) is a specialist earthworks and environmental consultancy business which is dedicated to the conservation and sustainable management of NSW’s natural soil resources. SCS is a leader in soil and water testing, rehabilitation, erosion and sediment control and revegetation programs. Its efforts ensure the continued sustainable management of NSW land.

Office of Rural Affairs

The Office of Rural Affairs works with rural communities to harness economic, social and environmental opportunities for country NSW, ensuring they have a powerful voice and are in control of their own evolution.

OUR PURPOSE

To provide quality, timely and reliable geospatial information, and land management products and services based on client needs.

OUR VALUES

Customer Service

We are committed to identifying customer needs and providing excellent products and services to clients in all locations.

Accountability

We provide our services in accordance with government and community expectations and manage government finances with strict probity to achieve value for money.

Innovation

We seek to develop innovative strategies and solutions to provide customer services and meet government needs.

Respect

We treat all people with dignity, respect and fairness, acknowledging the different value systems which exist within our multicultural society.

Integrity

We behave with integrity and in the public interest when using departmental resources, managing business and personal information and conducting business transactions.

Teamwork

We encourage a team approach to work, learning and problem solving.

Leadership

We are committed to providing leadership to the community and the public sector in areas of geospatial information and land management, and at all levels across the organisation.

STRATEGIC GOALS

Promote the development and adoption of a comprehensive spatial data infrastructure and a ‘one land cadastre’ policy across New South Wales.

Promote our expertise in soil, water and environmental conservation for the benefit of publicly and privately held lands.

Engaging in legislative and business reform to enhance the stewardship and development of Crown lands in New South Wales.

Implement innovative business solutions, which promote and encourage the effective and efficient management of public and private resources.

Encourage strategic partnerships and alliances across the public and private sectors.

Review internal processes with the view to improving productivity and capturing explicit organisational knowledge.

Engage information technology and communication solutions that deliver improved, customer-focused service delivery options.

Create a ‘learning organisation’ environment, which supports and encourages the development of knowledge and skills.

The provision of efficient, effective and appropriate, quality products and services to the people of New South Wales.

Articulate and demonstrate the public value created by the Department of Lands.

HISTORICAL TIMELINE

1787 – The office of the Surveyor General was established in England with Augustus Alt appointed as Surveyor of Lands.

1834 – The survey of the colony was finally complete and a map of 19 counties was produced.

1856 – Christopher Rolleston was appointed as the first NSW Registrar General.

1859 – The Department of Lands was established.

1975 – The Department of Lands was reformed to comprise the Crown Lands Office, Registrar General, the Western Lands Commission, and the Central Mapping Authority. Land registration was the responsibility of the Registrar General’s Office with land management undertaken by the Crown Lands Office.

1981 – The Department of Lands was amalgamated with the Department of Local Government to form the Department of Local Government and Lands.

1984 – The Department of Lands was re-established.

1986 – The Registrar General’s Office was removed from the Department of Lands and placed under the Attorney General’s Department.

1988 – The Department of Lands consisted of the Crown Lands Office, Central Mapping Authority, Western Lands Commission, State Land Information Council, and the Corporate Services Division.

1991 – The Department of Lands was abolished and along with Soil Conservation Services, the Lands Titles Office and the Valuer General’s Department became the Department of Conservation and Land Management.

1995 – The Department of Conservation and Land Management was abolished and along with the Department of Water Resources and the Water Services Policy Division were amalgamated to form the Department of Land and Water Conservation.

1997 – The Valuer General’s Office was established as a separate Department.

1998 – The Department of Land and Water Conservation consisted of the Land Titles Office, Soil Services, Land NSW and State Water.

1999 – The Land Titles Office was transferred to the Department of Information Technology and Management, the State Valuation Office was transferred to the Department of Public Works and Services.

2003 – The Department of Land and Water Conservation was abolished and the Department of Lands re-established as we now know it.

2006 – The Department of Lands celebrates 150 years since the appointment of first NSW Registrar General – Christopher Rolleston in 1856.

INTELLECTUAL CAPITAL
STATEMENT (ICS)

This is the second Intellectual Capital Statement for the Department of Lands. In this document we seek to articulate the progress made in improving performance and confidence among our management and staff; improve efficiency and the value Lands creates for the government and people of New South Wales.

Management challenges

During 2005/06 management and staff have worked together to analyse and develop solutions to the management challenges identified through our earlier research partnerships. These challenges were identified as employee demographics, service delivery and external relationships. These issues are being addressed through corporate initiatives such as workforce planning, administrative and process reviews and development of partnerships and networks which will assist Lands in delivering organisational and community outcomes now and in the future.

The process of preparing and developing our strategic and corporate initiatives has contributed to Lands’ intellectual capital. By strengthening our focus upon our staff, our internal processes and our relationships and partnerships with other organisations we believe that we will create a more efficient, effective and sustainable organisation.

The maxim, ‘*what is not measured is not managed*’ is an important aspect of the philosophy behind this investigation. Measuring the intangible aspects of Lands remains a challenge. In this regard we are continuing to work in partnership with educational organisations and the newly formed Society for Knowledge Economics to address the issue surrounding the effective measurement and dissemination of intangible assets which will be of benefit to the public, private and not-for-profit sectors. This document is our effort to address this issue.

Internal reporting using the
balanced scorecard

Last year we identified that the Balanced Scorecard framework would continue to be used for internal reporting purposes. The Balanced Scorecard complements the intellectual capital reporting framework by enabling Lands to test organisational goals and provide feedback which can help us to adjust our strategies.

The integration of these reporting frameworks is represented in the diagram below, which reflects the synergies between the two reporting mechanisms and their relationship to Lands’ overall objectives.

The structure of this intellectual capital statement is based on this diagrammatic representation of the relationship between the Balanced Scorecard and intellectual capital reporting framework. Information concerning our performance against balanced scorecard strategic objectives and key performance indicators appears in the tables following this intellectual capital statement.

This statement omits the financial reports which are outlined later in this Annual Report.

Customer and community
External relationships

The Department of Lands has continued to develop its external relationships with key stakeholders and establish cooperative relationships. While Lands has well established connections with key groups through established liaison committees, during the past year we have seen the improvement of relationships with well established stakeholders such as the legal and conveyancing professions. Our relationships have also improved with other sectors of government; through participation in the development of Masterplans and community partnerships with local councils; working with Rural Lands Protection Boards to transfer travelling stock routes; working with other land management organisations; catchment management authorities and rural communities to reduce the impact of soil degradation; working with the Emergency Service Organisations in relation to emergency response information management needs; and engaging with rural and regional communities through the Office of Rural Affairs.

We have continued a strong involvement in research and development projects including involvement with the Co-operative Research Centre for Spatial Information, as well as scientific and policy issues in relation to the Marine Cadastre to assist environmental and planning outcomes.

Lands has also continued to work with bodies such as the Australian Government Consultative Committee on Knowledge Capital, Global Access Partners and the Society for Knowledge

Economics to develop and improve our understanding and ability to measure, manage and report on Intellectual Capital. During this year we contributed to the GAP Knowledge Capital Congress, a seminal event which launched the draft Australian Guiding Principles on Extended Performance Management and featured the work completed to that time at Lands.

The research undertaken during 2004/05 by Professor James Guthrie, Christina Boedker and Suresh Cuganesan, was rewarded with the Emerald Literati Network Award for their paper, *An integrated framework for visualising intellectual capital*, based on their observations of Lands.

Research relating to intellectual capital continued during the current reporting year with research partners including the University of Sydney, Macquarie Graduate School of Management, the University of New South Wales, Cranfield University (United Kingdom) and Bocconi University, Milan.

Several academic papers have been written by researchers for publication or presentation at conferences demonstrating the leading edge work being undertaken at Lands in relation to Intellectual Capital based practices.

In 2006/07 we propose to undertake further research programs. We are partnering once again with Sydney University to seek Australian Research Council funding to continue research on Intellectual Capital based practices. We also propose to undertake research to develop a framework for valuation of information and information systems.

Public trust, value and confidence

The strength of our relationships with stakeholders, other government organisations and the wider community

contributes to the value we deliver to the public. These relationships also contribute to the creation of public trust and confidence in our organisation, its products and services, as well as a contribution to society in general.

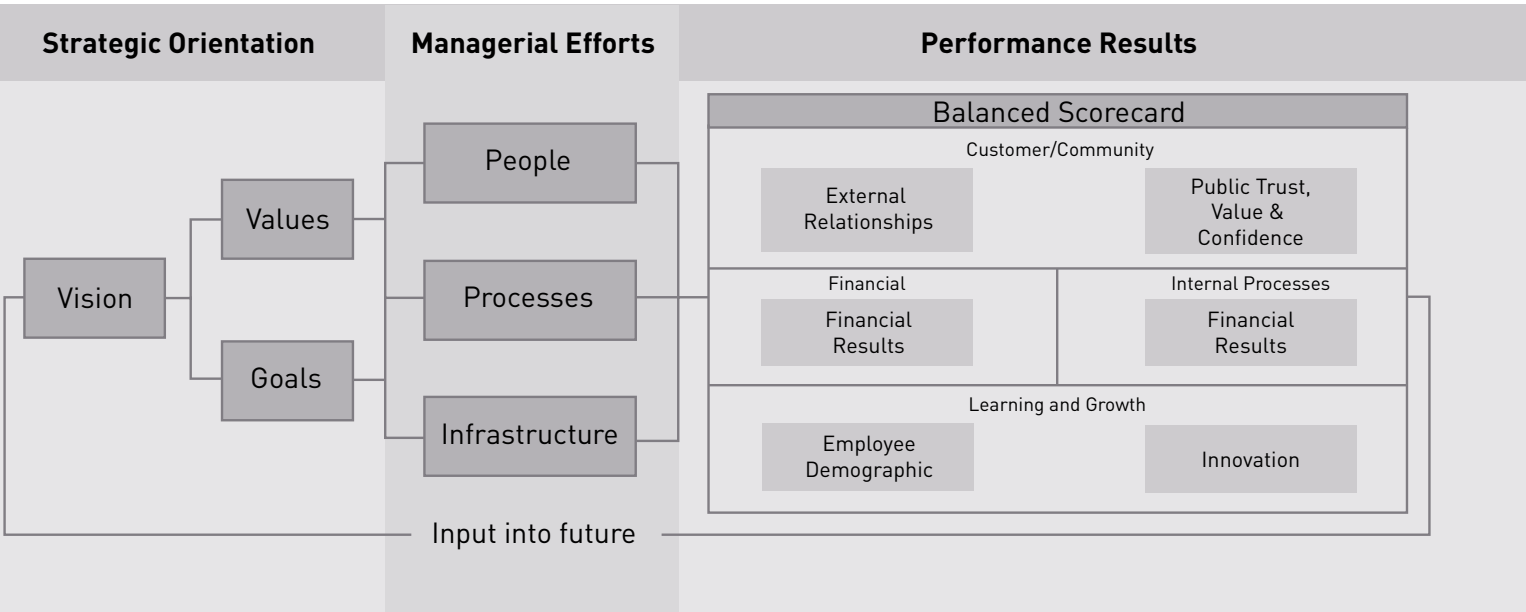
The contribution of Lands is not only in the supply of direct products and services, whether they relate to conveyancing, the management of Crown land, the supply of spatially related information or the remediation of farming and other land. It is also the value to the wider society through economic, social and environmental outcomes; the value of a reliable and accurate land titling system which underpins investment in our state; the importance of public spaces and community facilities; the significance of accessing complex information sets through visual maps and the importance of rehabilitating land for community safety; improved access and improved economic performance.

Value, trust and confidence are complex concepts which need to be interpreted within our organisational context. During the 2006/07 reporting year Lands intends to develop a public value statement which articulates our contribution to the public good.

Internal processes
Service delivery

Online service delivery remains a focus of government and for Lands, enabling us to provide information and services to the community regardless of the hours our ‘shop fronts’ are open for business or the geographical location of our clients and customers. Online service delivery is complemented by telephone based and personal ‘over the counter’ service options through our metropolitan and regional office locations.

Integration of Balanced Scorecard and Intellectual Capital framework



What is not
measured is not
managed

Lands continues to examine and develop processes which provide support to and improve our service delivery options. We are currently undertaking projects in relation to manual and old system titles involving the conversion of information to our digital titling system. The Data Conversion and Cleansing Program also includes the capture of our film-based aerial photography in digital form to enable wider access to the important historical material and reducing the risk of handling fragile film medium. Overall these projects will collectively enable greater equity of access to our land and spatial information products.

During the reporting year the further development of our responsibilities for all Crown land including the submerged reserved land to three nautical miles to sea has involved new challenges in protecting the history, safety, environmental and economic well-being of the community.

Further information about our service delivery improvement projects appear later in this Annual Report.

Learning and growth
Employee demographics

Lands began by analysing existing data within the organisation in different ways to assist managers in identifying



areas of risk. For example, information concerning the age profile is reported in the KPI table on page 17 as an average across the organisation. The age profile can also be provided to managers at a divisional level to assist management in identifying strategies and solutions required for different parts of Lands depending upon the combination of issues to be addressed.

For example, the Land and Property Information Division (LPI) has a slightly higher age profile than some other areas of Lands and a very experienced and specialised workforce. During the reporting year LPI took significant steps to integrate strategies relating to staff profile and skills development, internal process and improved partnerships into its corporate and operational plans ensuring that all aspects of their operations are involved and have the opportunity to participate in finding solutions.

During the 2005/06 reporting year there has been a slight increase in staff figures reflecting new service delivery responsibilities and the implementation of strategies to strengthen our organisational capability.

Several projects have already commenced including reviewing and

documenting processes, engaging graduates from secondary and tertiary schools and working with staff to identify issues and potential remedial actions. In our last report we referred to the development of Certificate 3 courses developed in partnership with TAFE NSW. These courses were developed in several areas of Lands and have been successful in introducing our staff to learning strategies, developing existing skills and knowledge, enabling staff to understand and undertake a wider role within the organisation, building confidence and developing networks which assist in modelling organisational learning behaviours.

Innovation
Innovation means to 'bring in or introduce something new' – whether that is an idea, a process or a device. Innovation often involves novelty, advancement, improvement and change. Importantly it must also involve application.

Lands has long been an innovative organisation. It is a leader in adopting electronic land information systems, implementing award winning soil conservation works, and adapting land management practices to accommodate community needs as they emerge. In many cases Lands' innovations have developed incrementally, building upon

sound, proven practices to ensure that the integrity of our processes is maintained.

Lands is facing a future with many challenges in relation to maintaining the expertise and skills of our workforce, the rapidly changing technological environment, the demand for faster delivery of services and meeting the diverse needs of government and the community. We ask, 'How can we continue to support innovation, with the resources we have and in the timeframes required to ensure we can meet the demands of the future?'

In the first instance we have sought to understand more about our future skills requirements and to respond with training and education of our staff and to seek new skills sets. We believe that training and education at all levels not only provides the skills we need but challenges our internal paradigms as well as providing new opportunities and challenges for our staff.

Our challenge in the coming year is to understand more about the conditions that enable successful innovation in organisations and to adapt our own structures and communication mechanisms to support creative leadership.

Our ICS achievements

In 2005/06 Lands has:

- Incorporated the learnings and perspective gained from the Intellectual Capital research into its strategic and corporate reporting processes as evidenced in the documents Vision 2013 and Vision 2020
- Examined factors relating to employee and organisational capability and implemented projects to develop our skills and build on our experience
- Improved service delivery through data conversion projects enabling access to a wider range of data
- Undertaken new service delivery responsibilities
- Developed and strengthened relationships with customers and stakeholders
- Engaged in research and development activities which contribute to the value of our organisation
- Continued to innovate and adapt to meet the needs of customers and stakeholders.



Strategies

Customer/community

Provide land information and management services that are accessible and responsive to meet the needs of our diverse client base

Develop partnerships and improve relationships with other agencies, business and the community.

Key outcomes

85% of the 36,000 enquiries received by Valuation Services' call centre were resolved at first contact (p.48).

SCS developed recording procedures for client dissatisfaction in Quality Management System to address complaints and improve system/ procedures.

The range of LPI products and services available online was significantly increased (p.46).

A new requisitions database was implemented to support dealings and plan lodgements by automating notices to lodging parties.

SCS continued working with rural landholders in NSW to implement conservation earthworks (p.64).

SCS continued working with the Sydney Catchment Authority under an inter-government agreement, the Hunter Central Rivers Catchment Management Authority, and the Department of Natural Resources to undertake significant projects (p.64).

LPI facilitated the formation of the National Steering Committee for the development of a National Electronic Conveyancing System (p.52).

In collaboration with Value-Added Reseller clients, LPI developed new licensing agreements for product bundling, pricing and delivery of property sales data.

Crown Lands continued partnership with Game Council NSW for the control of feral animals on Crown land (p.59).

Creation of Barigan Multi-Purpose Reserve offering 25,500 hectares for recreational and multi use purposes (p.59).

Future focus

Develop a new integrated Land Information Portal to facilitate access to online transactions through a new streamlined business channel.

Continue to develop additional online portals tailored to the land information needs of specific professional market segments.

Enhance Spatial Information Exchange to include personalised channels to support various government business and operational functions.

Develop ePlan, a program building on the existing electronic lodgement facility for plans that will see earlier digitisation of plan data and its use to update multiple systems and datasets.

SCS will maintain and develop further working relationships with a range of government agencies and authorities including Roads and Traffic Authority, Department of Environment and Conservation (DEC), and Catchment Management Authorities.

Crown Lands will continue to develop partnerships with state and local government and industry.

Crown Lands aims to improve environmental outcomes by collaborating with Catchment Management Authorities.

Continued development of Rail Trail and walking tracks.

Continue working with the NSW Game Council to allocate Crown land for controlled feral animal reduction.

Strategies

Financial

Contribute to the economic sustainability of NSW by efficiently using available human, financial and physical assets

To implement economic and organisational reform of government businesses within the agency

Providing spatial information and other data that supports public and private sector growth.

Key outcomes

The Bathurst and Queens Square data centres' environments were upgraded to support 24 hour a day, 7 days a week operations.

A Topographic Road Centreline (TRCL) dataset was created for the entire state (p.47).

The Minister, Tony Kelly, launched the Spatial Information Exchange in Bathurst in March 2006 (p.47).

SCS Consult's net income for the year was \$7.7m, on existing staff levels, and was a \$1.3m (20%) increase on the 2004/05 result. Sales contracts for Consult work increased by 50% on 2004/05 (p.67)

SCS Works' income was down and well below budget (\$7.9m) at \$7.3m, significantly impacted by ongoing drought conditions across NSW. In the latter part of the year income was improved through works with Catchment Management Authorities and local government implementing Commonwealth funded environmental works (p.67).

During the year SCS continued to review operations, restructuring to reduce operational costs and increase revenue streams. The River Operations team was restructured.

Analysis of SCS business metrics in preparation of 2005-2008 business plan.

Analysis of SCS financing options for tractor replacement program.

Since 2000, LPI has reduced its workforce by 19%, achieving salaries savings of \$17million.

LPI returned an operating profit of \$94.5 million during the financial year, well in excess of targets.

Crown Lands Division implemented IPART recommendations for Domestic Water Front Licences, Enclosure Permits and Perpetual Lease Conversions.

Future focus

Progress SCS's business plan with Treasury and in particular implement a plant replacement program to alleviate the current issue with excessive plant down time and high maintenance costs.

Continue the expansion of SCS's Consult operations and recruit appropriate staff in areas of high work demand.

Implement structural changes in LPI to clearly delineate major development programs from ongoing operations, and provision for adequate resourcing of both streams.

Fully implement the Government Property Register and the Single Land Cadastre, spatial data systems of fundamental importance to government and the private sector.

Crown Lands division will continue implementation of IPART recommendations for Telecommunication sites.



Strategies

Internal processes

Review internal business processes to deliver improvements in the quality of our services and products, to reduce inefficiencies and to achieve desirable financial, environmental and social outcomes.

Key outcomes

A new Integrated Development Environment (IDE) based on IBM's Rational Application Developer was implemented allowing developers located in Bathurst and Queens Square to work on a common environment and share source libraries.

During the 2005/06 reporting period, SCS's quality management system and procedures were externally accredited and received certification ISO 9001:2000 (p.66).

LPI converted remaining Old System parcels of land and 33,500 paper based Torrens titles to the automated Integrated Titling System (p.49).

LPI implemented additional process controls to enhance the accuracy of the valuation system through review and amendment of procedures manuals and the introduction of a new system Valmap (p.49).

Crown Lands implemented a Management Operating System to identify and create service delivery efficiencies.

Crown Lands continued to implement improved business processes to address government reforms to NSW Crown land management.

Future focus

Maintain accreditation of SCS's quality management system and extend accreditation to a further three offices.

Develop existing SCS's documentation to provide environmental and OH&S quality systems to complement management system.

Continue to benchmark corporate support costs against other agencies, review processes and services towards efficiency improvements.

Analyse corporate support activities to review overlaps and possible activities/ tasks that could be improved.

Conversion of Crown reserves to the Integrated Titling System.

Replacement of existing analogue camera technology for aerial photography with digital photography.

Continue promotion of Crown Lands' Management Operating System.

Prepare and implement a fire management program for Crown land in NSW.

Develop Regional Crown Reserve network to provide more effective management structure for Crown land.

Develop Master Plans for the future direction and development of Crown land maritime precinct at Coffs Harbour, Southern Harbour, Tweed Heads, Ulladulla, Bateman's Bay and Port Stephens.

Implement corporate records system across Crown Lands Division.

Strategies

Learning and growth

Develop a dynamic, integrated organisation by sharing, retaining and building corporate knowledge, adopting 'smart' technologies, and by encouraging innovation and teamwork.

Key outcomes

An Enterprise Storage Area Network was implemented to store personal, workgroup, and common data files for easy access.

The corporate mail systems and standard operating environment was upgraded to the latest Microsoft Exchange and Office platforms to take advantage of collaboration, searching and document sharing features.

SCS continued working with Crown Lands using knowledge transfer and skill sharing e.g. fire trail maintenance, river entrance and dam upgrades (p.59).

LPI commenced an intensive workforce planning process – 'Vision 2013' (p.50).

LPI recruited 14 temporary trainees to undertake a two year rotational development program and associated TAFE studies.

Crown Lands continued to encourage and support staff development with over 60 staff completing certificate or diploma qualifications (p.59)

Future focus

Migrate the corporate internet and intranet to a new content management system, My.Source.Matrix.

Introduce Share Point Portal for staff to subscribe and publish documents which will lessen the need for disseminating multiple emails with attachments.

Training of new staff by mentoring with key senior staff approaching retirement.

Development of financial management training program for cost centre managers, including monitoring of capital and recurrent budgets.

Continuation of development of 'Vision 2013' strategies at the local workplace level.

Continue promotion of recognition of prior learning in Certificate 111 Government (Land Management).

Identify and implement appropriate strategy for training opportunities for Crown Lands' staff in management and project management.

KEY
PERFORMANCE
INDICATORS

16



17

Key performance indicators	division	2004/05	2005/06	% change	Expected Trend	Key performance indicators	division	2004/05	2005/06	% change	Expected Trend
Customer/community						Total debt to total assets (actual)	LPI	112%	59%	-47%	↓
Land title transactions registered	LPI	806,965	810,037	0.4%	→	Profit margin	LPI	11%	61%	455%	→
Plans registered	LPI	13,181	11,912	-10%	→	Revenue	SCS	\$6.4m	\$7.7m	20%	→
Copies of land title related documents supplied to customers	LPI	4.25m	4.27m	0.5%	→	- Consult	SCS	\$7.0m	\$7.3m	4%	→
Boundary determinations	LPI	17	16	-6%	→	- Works	SCS	\$3.2m	\$3.3m	3%	→
New land valuations issued to Office of State Revenue	LPI	2.4m	2.4m	-	→	- Operations					
New land valuations issued for rating purposes	LPI	683,000	817,000	20%	→	Internal processes					
Supplementary valuations issued	LPI	46,806	41,987	-10.3%	→	Hectares treated with conservation earthworks	SCS	32,536ha	23,375ha	-28%	→
Land valuation objections received	LPI	16,515	11,000	-33%	→	No. of projects undertaken	SCS	216	263	22%	→
Land valuation objections processed	LPI	10,179	14,400	41%	→	- Consult	SCS	795	700	-12%	↑
Percentage of land valuations changed as a result of objection	LPI	29%	36%	24%	→	- Works	SCS	24	33	37%	↑
Survey enquiries (including SCIMS searches)	LPI	88,081	78,970	-10%	→	- Operations					
Number of formal customer complaints	SCS	4	3	-25%	→	Number of weed control projects supported by Crown Lands	CL	120	100	-16%	→
Number of new clients	SCS	22	25	14%	↑	New survey marks established or replaced	LPI	8,821	5,429	-38%	→
- Consult	SCS	269	226	-16%	↑	Updates to the Digital Cadastral Database	LPI				
- Works	SCS	5	6	20%	↑	- Polygons	LPI	56,009	185,926	232%	→
- Operations						- Legal parcels	LPI	49,804	133,857	169%	→
Percentage of perpetual leases converted	CL	-	36.48%	-	→	Feature changes to Digital Topographic Database	LPI	1.83m	.89m	-51%	→
Percentage of enclosure permits granted	CL	-	22.57%	-	→	Aerial photographs	LPI	16,166	13,785	-15%	→
Number of Community Trust Boards	CL	658	661	0.5%	→	LPI aircraft flying hours (for aerial photography)	LPI	387	413	7%	→
New State Parks established	CL	-	1	-	↑	Land parcels converted to Torrens Title	LPI				
New Regional Reserves established	CL	-	3	-	↑	- Old System	LPI	4,577	7,905	73%	↓
No. of internet feedback requests (monthly av.)	Dept/ ICS	285	232	-19%	↓	- Manual Torrens (excl. lease folios)	LPI	2,333	31,119	1,2334%	↓
No. of hits on website (monthly av.)	Dept/ ICS	1.8m	2.3m	28%	↑	Learning and growth					
Financial						Number of employees as at 30 June	Dept/ ICS	1,427	1,453	2%	→
Revenue from administered activities	Dept.	\$115.4m	\$91.5m	-21%	→	Average age of employees	Dept/ ICS	45	46.49	3%	↓
Total value of assets	Dept.	\$116.8m	\$140.7m	16%	↑	% of staff who identify as being of NESB	Dept/ ICS	15.3%	15.2%	-0.6%	→
Maintenance costs as a % of asset value	Dept.	3%	2%	-33%	↑	Women as a % of total staff as at 30 June	Dept/ ICS	36.5%	36.3%	-0.5%	→
Value of Crown land sold in support of regional economies	CL	\$54.2m	\$48.51m	-10%	→	Internal courses – number of staff attending	Dept/ ICS	429	643	50%	↑
Revenue collected as an administrative activity on behalf of the Crown entity	CL	\$45.57m	\$65.73m	44%	↑	External courses – number of staff attending	Dept/ ICS	261	562	115%	↑
Operating profit before income tax	LPI	\$17m	\$94.5m	458%	→	No. of significant committees and statutory bodies involving Lands representatives	Dept/ ICS	29	65	124%	→
Return on assets	LPI	12%	69%	475%	→	Research partnerships	Dept/ICS	6	5	17%	→
						SCS – Soil Conservation Service Division	Dept. – Department of Lands				
						LPI – Land and Property Information Division	ICS – Intellectual Capital Statement measure				
						CL – Crown Lands Division					

Contributing to
the economic
sustainability of
New South Wales



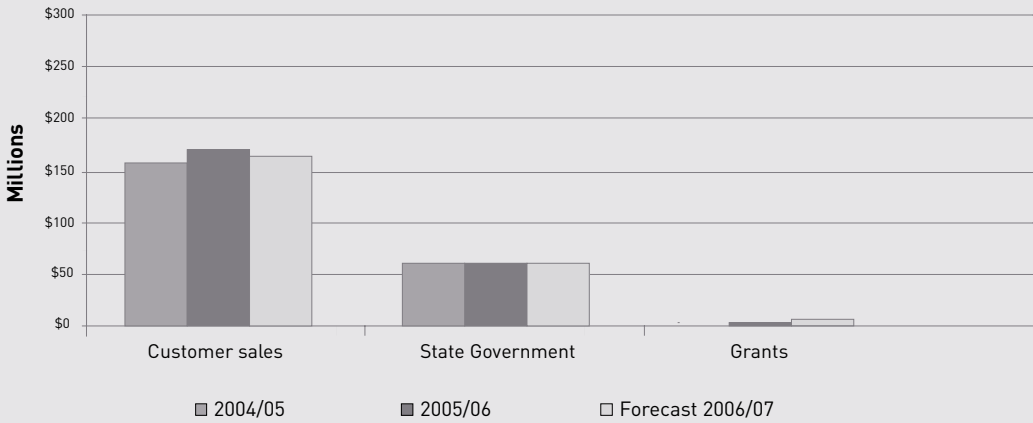
FINANCIAL SUMMARY

During 2005/06, the Department of Lands successfully met revenue and expenditure targets. Some decreases were experienced in revenue streams linked with the property market. The forecast for customer sales reflects an expectation for similar trends during 2006/07. Business operations are continually reviewed to identify fluctuations in activity levels, as well as opportunities for growth and efficiency improvements.

During the 2006/07 financial year, Lands will have increasing savings targets to achieve, in line with overall efficiencies across the NSW Public Sector.

In addition to revenue shown in the table on the next page, Lands generated revenue of \$91.5 million from Crown leases, licences and sales of Crown land, which was above the target of \$77.8 million. As these activities are administered on behalf of the Crown Entity, this revenue is not retained by Lands but is paid to the Crown Entity within the Consolidated Fund.

Revenue by source

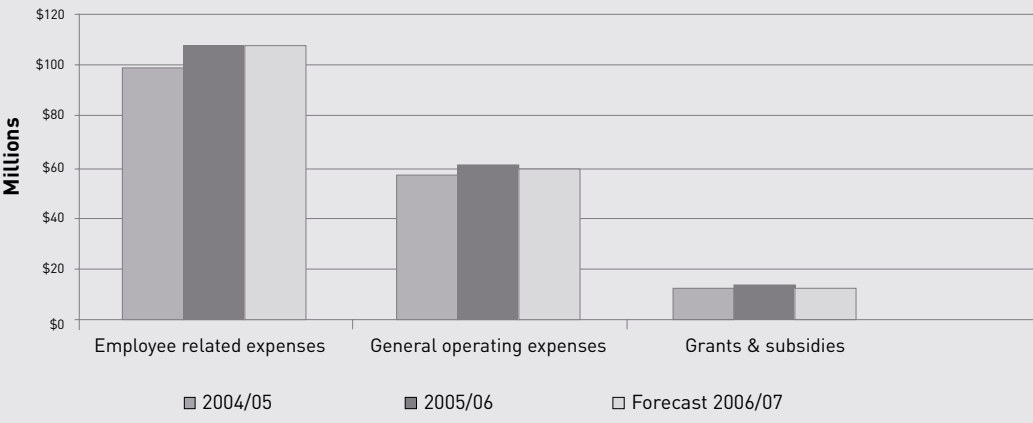


Revenue

	Actual 2004/05	Actual 2005/06	Forecast 2006/07
Customer sales	\$160.3m (73.0%)	\$170.2m (74%)	\$165.1m (73%)
State Government ¹	\$58.7m (26.7%)	\$56.8 m (25%)	\$57.4 m (25%)
Grants	\$0.6m (0.3%)	\$2.3 m (1%)	\$3.7m (2%)

1. State Government funding is provided to meet the costs of Crown land administration and policy development, community service obligation grants to LPL and funding to meet operating costs of the Office of Rural Affairs.

Major expenditure categories



Expenditure

	Actual 2004/05	Actual 2005/06	Forecast 2006/07
Employee related expenses ²	\$92.8m (53.3%)	\$108.2m (59%)	\$107.4 m (60%)
General operating expenses	\$56.5m (32.5%)	\$60.4 m (33%)	\$59.5 m (33%)
Grants & subsidies	\$12.6m (7%)	\$13.6 m (8%)	\$12.0 m (7%)

2. For comparative purposes, employee related expenses are shown excluding superannuation costs and prior period adjustments related to AEIFRS transition.



Director General, Surveyor General and Registrar General
Warwick Watkins AMP:ISMP (Harv), MNatRes, DipScAgr, HDA (Hons), FAPI, FISA (NSW), JP

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

Mr Watkins is President of the Board of Surveying and Spatial Information, Chair of the Geographical Names Board and Chair of the Australian and New Zealand Land Information Council (ANZLIC), Deputy Chair of the CSIRO Research Flagship, Water for a Healthy Country, a member of the ARC Centre of Excellence for Ultra-high Bandwidth Devices for Optical Systems, a member of the National Spatial Information for National Security Committee and Deputy Chair of the Cooperative Research Centre for Spatial Information. He is also a Pro Chancellor of the University of Technology, Sydney and a past foundation director of Landcare Australia Limited and former Deputy Chair of Land and Water Australia Board.



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

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

He is a Director of PSMA (Public Sector Mapping Agencies) Australia and a member of the National Steering Committee for Electronic Conveyancing. He is also an alternate Director of the Governing Board of the Cooperative Research Centre for Spatial Information (CRC-SI). Mr Mooney is also a registered surveyor and registered valuer.



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

Philip Western was appointed Valuer General in September 2003.

He is the principal advisor to the New South Wales government on valuation issues. His responsibilities include the regulatory functions relating to statutory land valuations, professional conduct of and ensuring the integrity of the valuation system and processes.

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

Philip has been responsible for some significant enhancements to the NSW valuation system, in a drive to improve the accuracy and consistency of land values and to provide more transparency in the valuation system.

Previously General Manager, Quotable Value Australia, Philip had responsibility for driving business growth for rating, taxation and valuation consultancy work, in New South Wales. This was undertaken in tandem with his role as General Manager, Rating and Taxation for Quotable Value New Zealand. His focus was on development of valuation business with local government customers throughout New Zealand.

Philip is a Fellow of the New South Wales division of the Australian Institute of Valuers. He is currently a member of the Continuing Professional Development and Education Committee and has served on a number of sub committees.

In his spare time, Philip is a member of the Board of Gymnastics NSW and a member of the NSW Rhythmic Gymnastics Sports Management Committee and the Competition Coordinator for NSW rhythmic gymnastics.



General Manager Crown Lands Division
Graham Harding

Graham Harding was appointed as General Manager Crown Lands Division in 2004.

With 38 years experience in public land management, Graham is now driving the most significant reforms for Crown land since the 1989 legislation.

The structure of the division has been streamlined to a program management model that will have greater capacity to respond to government directives and improving public value outcomes.

Strong partnerships have been developed with industry and local government leaders to ensure that Crown land assets provide the economic social and environmental deliverables that support communities and government initiatives.

In the last 12 months he has completed a management review of Rookwood Necropolis Cemetery and submitted a report to government on the construction of Crown roads. Currently he chairs the Interdepartmental Committee on Dredging and the Interstate Committee for the Tweed River Estuary Sand By-Pass.



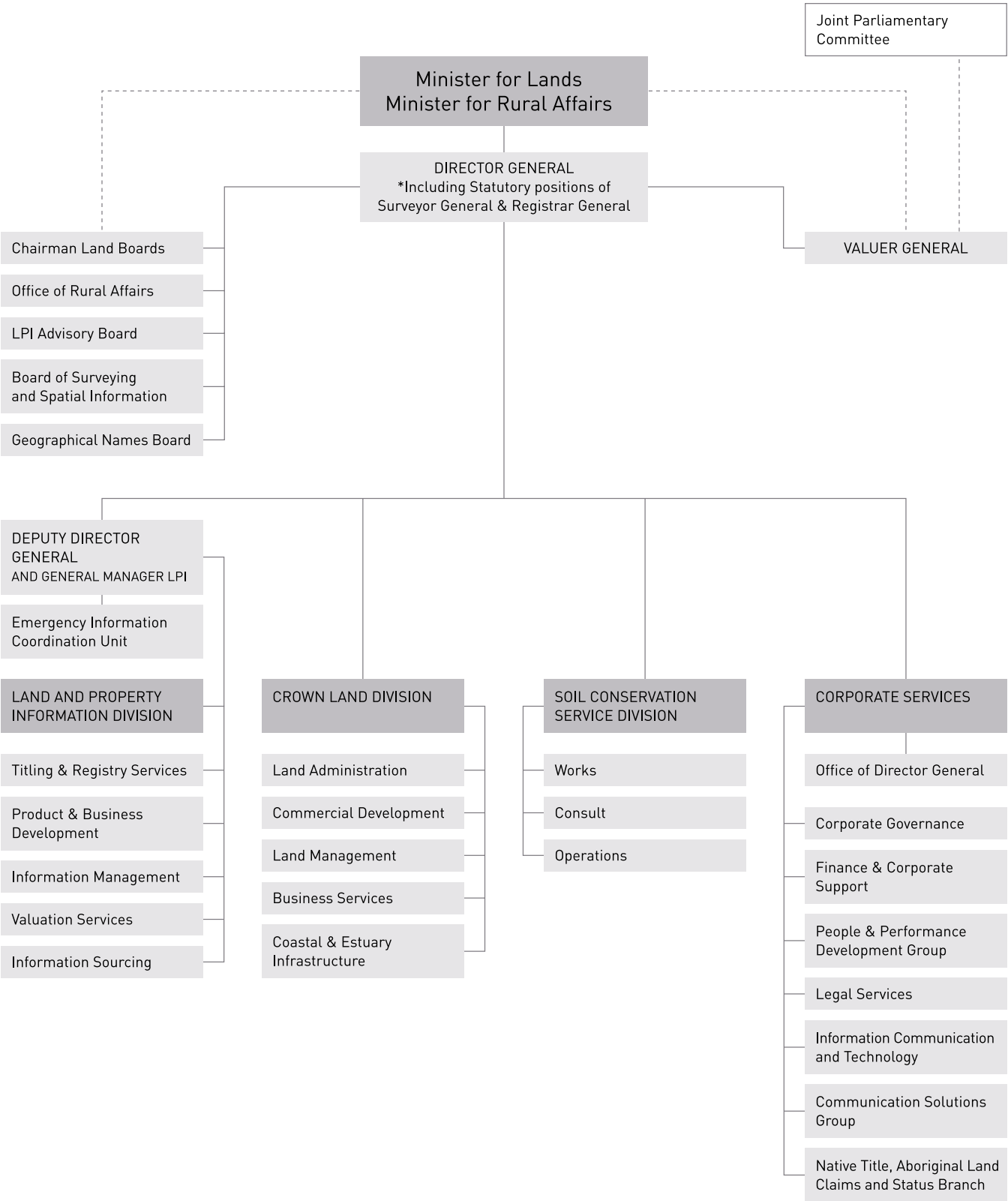
General Manager Soil Conservation Service Division
Paul Jones B.Eng (Civil), Certified Professional Erosion and Sediment Control (CPESC)

Paul Jones joined the Department of Lands as acting General Manager, transferring from the former Department of Land and Water Conservation when the Soil Conservation Service Division was transferred to the new department in April 2003. Paul was appointed to the General Manager position in February 2004.

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

With a civil engineering background for 25 years he has extensive experience in soil conservation works and managing a commercial earthmoving and environmental consultancy group. During his career he has also worked with various government departments in a range of engineering positions involving river, flood mitigation, coast and ports works and government facilities.

NSW DEPARTMENT OF LANDS ORGANISATIONAL CHART



AUDIT COMMITTEE

The Lands' Audit Committee (the Committee) has been established to enhance the effectiveness of the internal control systems within Lands.

The primary objective of the Committee is to assist the Director General in fulfilling his corporate governance and overseeing responsibilities in relation to Lands' financial reporting, internal control structure, risk management systems, legal compliance, and the external and internal audit functions. Specifically, the Committee is responsible for:

- The oversight of Lands'
 - financial management and reporting practices
 - business ethics, policies and practices
 - accounting policies
 - risk management systems and internal controls
 - compliance with legal and regulatory obligations

- Providing a structured reporting line for internal audit and facilitating the objectivity of the internal auditor
- Providing a forum for communication between the Director General, senior management and both the internal and external auditors
- The oversight of reports on key results of audits of the internal control system and outcomes from those audits
- Review and recommendation to the Director General, of the internal audit plans, coverage of internal control, staffing and budgets related to the internal audit function
- Communication and coordination with the external auditor, and
- Improving the quality of internal and external reporting of financial and non-financial information and reports.

Members and attendance at meetings
The Committee comprises two independent members, one of whom presides as Chairman, and three internal members. The term of appointment for the two independent members is on an annual basis. The five members provide expertise in financial management, business development, legal matters, audit and property information. The Committee held five formal meetings during the year.

Members of Audit Committee	Position	Attendance
Joanne Rees	Chair, external member	5 meetings
Ron Cunningham	External member	5 meetings
Des Mooney	Deputy Director General	5 meetings
Philip Western	Valuer General	3 meetings
Eduardo Alegado	Director Corporate Governance	5 meetings

Auditing of the organisation

The internal audit function, which the Corporate Governance Unit manages, is a fundamental element of the corporate governance structure within Lands. Its mission is to provide an innovative, responsive, independent, objective assurance and advisory service designed to add value and promote continuous improvement of Lands’ operations to enable the department to accomplish its objectives and statutory obligations. Further, internal audit also aims to raise awareness of risk and provide counsel to management in order to assist in enhancing the performance of Lands.

The main role of Internal Audit is to provide the Director General, management and the audit committee with regular objective and professional opinions on Lands’ systems of internal control. Internal Audit does this by reviewing control procedures, within the terms of relevant policies and procedures, Acts, Regulations, relevant government directives and best practice guidelines.

A total of seventeen planned reviews were completed during the financial year 2005/06.

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

- IT Major Systems – Administration and Knowledge Capture
- Torrens Assurance Fund
- Crown Lands Reserve Trust Reviews
- Service Level Agreements to the Valuer General.

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



RISK MANAGEMENT

Lands is committed to the implementation and maintenance of a Risk Management framework in managing its risks, to minimise adverse effects and enhance its potential in meeting its responsibilities and the achievement of its vision, objectives and goals.

The execution of Lands’ Risk Management policy has been delegated by the Director General to the executive team and senior management and it is the responsibility of these officers to implement risk management processes and maintain sound risk management practices within their areas of responsibility in accordance with the policy.

The Director, Corporate Governance, is responsible for facilitating risk management within Lands. The Director also sits as a Committee member on the Public Sector Risk Management Association, which incorporates 160 agencies within the NSW Public Sector.

The process for managing risk in Lands is consistent with the process contained in the Australian Standard on Risk Management AS/NZS 4360:2004, and is based on the following:

- management of risk in a holistic way, at both strategic and operational levels
- an organisational culture that encourages the maximisation of opportunities for organisational growth
- integration and alignment of risk management with corporate planning to ensure that opportunities are considered when the future direction of the organisation is being set
- integration and alignment of risk

management with performance agreements, project management and other existing management processes to ensure risk management is an integral part of decision making

- assignment of responsibility for managing specific risks to senior executive staff through their performance agreements
- application of the risk management process, based on the Australian Standard on Risk Management, consistently across Lands using a common risk language
- involvement of all Lands business unit managers to create an environment of commitment to and responsibility for managing risk at all levels of the organisation
- provision of support to all staff in the effective implementation of risk management processes in their areas of responsibility
- reporting of significant risks through formal documentation to the Lands Audit Committee and the Lands executive team on a regular basis.

CORPORATE GOVERNANCE
UNIT HIGHLIGHTS FOR
2005/06

- Provided awareness and facilitated Lands’ integrated risk management policy and framework
- Enhanced Lands’ governance related policies
- Managed and implemented a comprehensive internal audit program
- Supported and managed Lands response to issues arising from external regulatory bodies
- Managed investigations into corrupt conduct and other related matters
- Supported the functions of the Lands Audit and Risk Committee
- Provided strategic advice on a number of key projects and management issues
- Reviewed and enhanced the Audit Committee Charter.

Future Challenges

- Continue to facilitate the development of the Lands Fraud Prevention Strategy
- Develop an annual strategic audit plan
- Enhance Lands’ complaints handling process
- Develop an Online Risk Management learning module.

Providing leadership
and advice to
government on
surveying and spatial
information



The Surveyor General of NSW is one of the oldest government positions dating back to 1787 when it was established in England prior to the sailing of the first fleet. Since then the Surveyor General has continued to provide leadership and advice to government on surveying and spatial information.

The past year has seen a focus on careers promotion and industry capacity building to address the current skills shortage and moves to improve policy co-ordination and legislative frameworks.

Promotion of the profession through a series of historical surveying events in partnership with industry associations and National Trust of Australia provided a number of highlights during the 2006 Heritage Festival featuring ‘Celebrate Surveying’ as one of the handful of signature events.

Policy co-ordination and legislation

Achievements during the past year include:

- Facilitation of a workshop in conjunction with Melbourne University on ‘Marine Administration – Understanding the Spatial Dimension’. The workshop attracted over 50 delegates to discuss policy issues and future research directions in the development of a marine cadastre able to describe, visualise and manage rights, restrictions and responsibilities in the marine environment.
- Commenced the second stage of the development of a NSW Spatial Information Strategy which will provide a whole of industry policy framework for spatial information.
- Passage of the *Surveying Amendment Act* on 15 July 2005 clarifying the operation of disciplinary and

committee functions of the Board of Surveying and Spatial Information (BOSSI).

- The BOSSI Spatial Information Committee was reconstituted to include a broad range of key industry stakeholders. Committee members collectively represent over 100 entities across public, private and academic sectors ensuring a comprehensive input on policy and co-ordination issues.

Skills and education capacity building

The Surveyor General initiated or coordinated a number of new incentives to build capacity and encourage excellence in the areas of skills formation through:

- Creation of two new Scholarships in Surveying and Spatial Information (S&SI)
 - Surveyor General’s Undergraduate Scholarship in S&SI
 - Surveyor General’s International Fellowship in S&SI
- Sponsorship for TAFE Surveying students to gain essential Occupational Health and Safety training in conjunction with Sydney Water, NSW Maritime and Newcastle Port Corporation
- Assisting the promotion of surveying as a career, resulting in a record number of attendees at the Kurri Kurri candidate surveyor workshop.

Commemorative proclamation of the NSW/Victorian border

In February 2006, the Governor of Victoria John Landy and the Governor of NSW Professor Marie Bashir formalised the adoption of part of the NSW/Victorian border near Delegate known as the Black-Allen Line.

Due to a quirk of history this section of the border had not previously been proclaimed. At a major event involving state ministers, the local community and surveyors, both Governors formally acknowledged the adoption of the border survey by surveyors Alexander Black and Alexander Allan. Governors Landy and Bashir paid tribute to this extraordinary survey which traversed over 300 miles across some of Australia’s wildest country and the personal contributions by surveyors Black and Allan and the survey profession to statehood and democracy.

Celebrate surveying

The Surveyor General was a major sponsor of and participant in the 2006 National Trust Heritage Festival in Canberra, Queanbeyan and regional NSW which included:

- Unveiling a plaque in Queanbeyan at the foot of a statue of William Farrer, famous wheat breeder, acknowledging his contributions as a licensed surveyor prior to becoming a wheat scientist
- Participation in a ceremony to officially open ‘Surveyors Park’ within State Circle on Capital Hill, Canberra, dedicated to all surveyors who have contributed to Australia’s development
- Preservation and protection of the historic Lake George Trigonometrical Baseline near Bungendore at a ceremony involving all Surveyors General from Australia and New Zealand
- Sponsorship and publication of the ‘States of a Nation – the Politics and Surveys of the Australian State Borders’ which relates the story not only of the politics that created

REPORT OF
THE
SURVEYOR
GENERAL

the position of the borders but also the work of the ‘quiet achievers’ – the surveyors who surveyed the demarcation between the states.

The Surveyor General is President of the Board of Surveying and Spatial Information and a report of The Board begins on page 72.

Warwick Watkins

Warwick Watkins
Surveyor General

REPORT OF
GEOGRAPHICAL
NAMES BOARD

Preserving the history,
culture and identity of
New South Wales



REPORT OF GEOGRAPHICAL NAMES BOARD				The Department of Lands Annual Report 2005/06							
30				31							
<p>In 1966 the New South Wales Government constituted the Geographical Names Board (the Board) and conferred on it certain powers with respect to the naming of places. The Board is empowered by the <i>Geographical Names Act 1966</i> which enables it to:</p> <ul style="list-style-type: none">• assign names to places• approve that a recorded name of a place shall be its geographical name• alter a recorded name or a geographical name• determine whether the use of a recorded name or a geographical name shall be discontinued• adopt rules of orthography, nomenclature and pronunciation with respect to geographical names• investigate and determine<ul style="list-style-type: none">• the form, spelling, meaning, pronunciation, origin and history of any geographical name• the application of any geographical name with regard to position, extent or otherwise• compile and maintain a vocabulary of Aboriginal words used or suitable for use in geographical names and to record their meaning and tribal origin• compile and maintain a dictionary of geographical names with a record of their form, spelling, meaning, pronunciation, origin and history• publish a gazetteer of geographical names• inquire into and make recommendations on any matters relating to the names of places referred to it by the Minister		<ul style="list-style-type: none">• compile, maintain and publish a list of road names. <p>The Board proactively seeks to abide by these statutory provisions through the adoption of nomenclature policies and procedures which are both nationally and internationally recognised.</p> <p>Interesting and unusual place names</p> <p>The Board was encouraged to see that the origin of the names formalised this year show strong trends towards recognising Aboriginal language, cultural diversity and commemoration. Equally encouraging, however, were proposals considered by the Board to be both creative and unique in their own right.</p> <p>This uniqueness was demonstrated when residents in Fennell Bay proposed the name ‘Trickle Under Creek’ for a water course which was piped under an urban subdivision. Similarly, ‘Tin Hare Creek’ and ‘Coffee Pot Creek’ owe their creative origin to the railway that traversed them. Both creek names were colloquial terms for locomotives that used the line.</p> <p>Another creative proposal was that of Bob-a-Day Park. This name commemorates the significant contribution made by labourers who were responsible for landscaping the original Prince Henry Hospital site. These men were given labouring work in return for board, lodging and one ‘bob’ (one shilling) a day.</p>		<p>Recognising Aboriginal culture</p> <p>The Board has been committed to the preservation and promotion of Aboriginal languages since its inception in 1966. This commitment is demonstrated in the names assigned in the reporting period. Over ten percent of these names have established Aboriginal origins, whilst many others were known to be derived from Aboriginal languages.</p> <p>The Board has continued to recognise important traditional Aboriginal placenames alongside longstanding introduced names. In January 2006 the Board officially dual named Mount Warning. This mountain remains significant to Aboriginal people, providing a mythology that extends back to the dreamtime. The traditional Aboriginal name Wollumbin now sits side by side with the name Mount Warning for this prominent peak.</p> <p>To ensure the ongoing support of Aboriginal communities, the Board has continued with its targeted training initiatives. In December 2005 Indigenous language workers representing the Dharug, Gamilaraay, Gumbaynggir, Ngiyampaa, Wiradjuri and Yugambeh Aboriginal Nation groups met at Tranby Aboriginal College in Sydney to learn more about how to research traditional placenames. This course was arranged as a follow-up to the series of twelve workshops held in regional centres of the state between June 2004 and May 2005.</p> <p>On 2 May 2006 the Board met with Byron Shire Council to discuss issues pertaining to the recognition of Aboriginal culture through placenaming. As a result of this meeting the Board has agreed to host a workshop in the Shire which aims to educate the community in researching historical written source material on Aboriginal placenames</p>		<p>and language, reconstruction of pronunciation and spelling of traditional Aboriginal placenames, the recognition of significant Aboriginal placenames in the mainstream community and the promotion of government policies in relation to reconciliation.</p> <p>Acknowledging excellence in the community</p> <p>The Board seeks to recognise outstanding achievement in the community by commemoratively naming relevant geographical features. Acts of bravery, community service and exceptional accomplishment by both individuals and groups are grounds for this recognition.</p> <p>Honours of this nature have been bestowed on over forty individuals and groups during the reporting year. Returned service men and women, famous sporting identities, educators, industry leaders, former elected civic officials, famous Aboriginee, community leaders and everyday Australians have all been commemorated in this fashion.</p> <p>Legal addresses in NSW</p> <p>Both the Board and the Department of Lands are committed to Disaster Recovery and Emergency Services. Authoritative addressing is seen as a major benchmark in this commitment as it provides a navigable reference to all properties within NSW. For the address to be seen as authoritative both the road and address locality names have to be official.</p> <p>In the reporting year the Board has formally assigned over 280 address locality names and concurred with 1099 new road names.</p> <p>In an endeavour to ensure this information is relayed to all relevant emergency services, the Board has also made a commitment to re-engineering</p>		<p>its information systems. It has embarked on a project to upgrade and expand the Geographical Names Register of NSW (the GNR) and other associated databases. The Spatial Enablement of Road and Place Names (SERPN) project seeks to remodel these applications so as to allow integration with key departmental spatial datasets and other external gazetteers. SERPN also aims to expand the current GNR so as to record authoritative information for road names in NSW.</p> <p>Goals for the Geographical Names Board</p> <ul style="list-style-type: none">• To continue to preference Aboriginal placenames in a manner which seeks to recognise and publicise these names and in so doing promote the use of traditional Aboriginal languages within New South Wales• To develop and implement initiatives that enforce authoritative addresses thus ensuring a robust system for the delivery of emergency services to the community• To finalise address locality boundaries for all areas within NSW by 2007• To continue to recognise the contribution to the community by everyday Australians through commemoratively naming geographical features within the state• To continue the redevelopment of the Board’s information systems so as to ensure maximum efficiencies• To accomplish over four hundred placename determinations in the reporting year• To ensure high standards for the naming of the roads, schools and National Parks in NSW through a continued commitment to a		<p>concurrence role for toponyms that fall outside the Board’s jurisdiction</p> <ul style="list-style-type: none">• To encourage the standardisation and promotion of geographical names on a state, national and international basis. <p>Members and attendance at meetings</p> <p>The Surveyor General of NSW chairs the Board which consists of members representing the Royal Australian Historical Society, the Local Government and Shires Association, the State Library of NSW, the Community Relations Commission, the Geographical Society of NSW, the NSW Aboriginal Land Council and the Department of Planning.</p> <p>Per the provision of the <i>Geographical Names Act 1966</i> the Board may appoint Counsellors to advise it on matters within its powers and functions. The Board has appointed four Counsellors to advise it on issues regarding addressing, history and linguistics.</p> <p>The Board met formally on five occasions during the year. Five members form a quorum. The person presiding at the meeting has a deliberative vote and casting vote. The list over the page shows the number of meetings attended by each Board Member and Counsellor.</p>	

Members of Board	Position	Attendance	Publications	Facts and figures																																																																																																																																																																																																																																	
Warwick Watkins AMP:ISMP (Harv), MNatRes, DipScAgr, HAD (Hons), JP, FAPI, FISA	Surveyor General	5	The Board publishes various documents which are designed to inform the community on issues concerning placenames within NSW. The following publications are available through the Board's website or at the Board's office:	Naming and boundary determinations by category completed during the reporting year:																																																																																																																																																																																																																																	
Paul Harcombe B Surv (UNSW), M Geom	Chief Surveyor	5	<ul style="list-style-type: none">The Recognition of Aboriginal Placenames in NSW	<table><tr><th>Designation</th><th>2002/03</th><th>2003/04</th><th>2004/05</th><th>2005/06</th></tr><tr><td>Airfield</td><td>0</td><td>22</td><td>0</td><td>0</td></tr><tr><td>Airport</td><td>0</td><td>0</td><td>0</td><td>1</td></tr><tr><td>Amphitheatre</td><td>0</td><td>0</td><td>1</td><td>0</td></tr><tr><td>Anabranh</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Bay</td><td>0</td><td>0</td><td>12</td><td>0</td></tr><tr><td>Beach</td><td>2</td><td>5</td><td>6</td><td>12</td></tr><tr><td>Bluff</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Boundary</td><td>0</td><td>0</td><td>1</td><td>0</td></tr><tr><td>Breakwater</td><td>0</td><td>2</td><td>1</td><td>0</td></tr><tr><td>Canyon</td><td>0</td><td>1</td><td>0</td><td>0</td></tr><tr><td>Cave</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Cove</td><td>0</td><td>0</td><td>8</td><td>0</td></tr><tr><td>Butte</td><td>1</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Cemetery</td><td>0</td><td>3</td><td>0</td><td>0</td></tr><tr><td>Channel</td><td>1</td><td>4</td><td>0</td><td>0</td></tr><tr><td>Chasm</td><td>0</td><td>1</td><td>0</td><td>0</td></tr><tr><td>Clearing</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>College</td><td>0</td><td>1</td><td>0</td><td>0</td></tr><tr><td>County</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Cove</td><td>0</td><td>2</td><td>0</td><td>0</td></tr><tr><td>Creek</td><td>10</td><td>4</td><td>5</td><td>5</td></tr><tr><td>Crossing</td><td>0</td><td>0</td><td>1</td><td>1</td></tr><tr><td>Dam</td><td>0</td><td>2</td><td>0</td><td>0</td></tr><tr><td>Dock</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Falls</td><td>2</td><td>1</td><td>0</td><td>0</td></tr><tr><td>Flat</td><td>0</td><td>2</td><td>0</td><td>0</td></tr><tr><td>Ford</td><td>0</td><td>1</td><td>0</td><td>0</td></tr><tr><td>Forest</td><td>0</td><td>1</td><td>0</td><td>2</td></tr><tr><td>Gap</td><td>0</td><td>1</td><td>0</td><td>0</td></tr><tr><td>Glen</td><td>0</td><td>0</td><td>1</td><td>0</td></tr><tr><td>Gradient</td><td>0</td><td>1</td><td>1</td><td>1</td></tr><tr><td>Gully</td><td>6</td><td>1</td><td>0</td><td>16</td></tr><tr><td>Head</td><td>0</td><td>2</td><td>0</td><td>0</td></tr><tr><td>Headland</td><td>0</td><td>1</td><td>5</td><td>0</td></tr><tr><td>Hill</td><td>1</td><td>2</td><td>2</td><td>0</td></tr><tr><td>Historic Area</td><td>29</td><td>0</td><td>1</td><td>0</td></tr><tr><td>Historic Locality</td><td>1</td><td>2</td><td>24</td><td>0</td></tr><tr><td>Historic Site</td><td>29</td><td>1</td><td>1</td><td>0</td></tr><tr><td>Inlet</td><td>1</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Islet</td><td>0</td><td>0</td><td>1</td><td>0</td></tr><tr><td>Island</td><td>0</td><td>1</td><td>4</td><td>0</td></tr><tr><td>Lagoon</td><td>0</td><td>0</td><td>0</td><td>1</td></tr><tr><td>Lake</td><td>1</td><td>1</td><td>0</td><td>2</td></tr><tr><td>Locality</td><td>268</td><td>84</td><td>138</td><td>160</td></tr></table>	Designation	2002/03	2003/04	2004/05	2005/06	Airfield	0	22	0	0	Airport	0	0	0	1	Amphitheatre	0	0	1	0	Anabranh	0	0	0	0	Bay	0	0	12	0	Beach	2	5	6	12	Bluff	0	0	0	0	Boundary	0	0	1	0	Breakwater	0	2	1	0	Canyon	0	1	0	0	Cave	0	0	0	0	Cove	0	0	8	0	Butte	1	0	0	0	Cemetery	0	3	0	0	Channel	1	4	0	0	Chasm	0	1	0	0	Clearing	0	0	0	0	College	0	1	0	0	County	0	0	0	0	Cove	0	2	0	0	Creek	10	4	5	5	Crossing	0	0	1	1	Dam	0	2	0	0	Dock	0	0	0	0	Falls	2	1	0	0	Flat	0	2	0	0	Ford	0	1	0	0	Forest	0	1	0	2	Gap	0	1	0	0	Glen	0	0	1	0	Gradient	0	1	1	1	Gully	6	1	0	16	Head	0	2	0	0	Headland	0	1	5	0	Hill	1	2	2	0	Historic Area	29	0	1	0	Historic Locality	1	2	24	0	Historic Site	29	1	1	0	Inlet	1	0	0	0	Islet	0	0	1	0	Island	0	1	4	0	Lagoon	0	0	0	1	Lake	1	1	0	2	Locality	268	84	138	160
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Cheryl Evans	Nominee of the State Librarian	4	<ul style="list-style-type: none">Geographical Names Board – Preserving the history, culture and identity of New South Wales																																																																																																																																																																																																																																		
Paul Hartley*	Nominee of the Director General, Department of Planning	3	<ul style="list-style-type: none">Determining Suburbs and Localities in NSW																																																																																																																																																																																																																																		
Peter Woods Emeritus May, OAM, CMC, JP, BA, MLitt, TTC, Cert. Comm. Med, MACE, FAICD	Nominee of the Local Government and Shires Associations	4	<ul style="list-style-type: none">Dual Naming – Supporting cultural recognition																																																																																																																																																																																																																																		
Alan Ventress BA DIPLIB	Nominee of the governing body of the Royal Australian Historical Society	5	<ul style="list-style-type: none">Road Naming in NSW																																																																																																																																																																																																																																		
Jack Devery BSc,MTCP	Nominee of the governing body of the Geographical Society of New South Wales	5	<ul style="list-style-type: none">Commemorative Naming																																																																																																																																																																																																																																		
Murray Chapman	Nominee of the NSW Aboriginal Land Council	3	<ul style="list-style-type: none">Glossary of Status Values in the Geographical Names Register																																																																																																																																																																																																																																		
Stepan Kerkyasharian AM	Nominee of the Community Relations Commission	3	<ul style="list-style-type: none">Guidelines for the Determination of Placenames																																																																																																																																																																																																																																		
Counsellors		Attendance																																																																																																																																																																																																																																			
Dr Peter Orlovich PhD, MA, MLib, DipEd		5	<ul style="list-style-type: none">Naming Proposal Package																																																																																																																																																																																																																																		
Dr Jakelin Tory		2	<ul style="list-style-type: none">Determination of Locality/Suburb Names and Boundaries																																																																																																																																																																																																																																		
Terry Pendleton		4	<ul style="list-style-type: none">Introduction of New Suburb Names																																																																																																																																																																																																																																		
Gerard Herbert		4	<ul style="list-style-type: none">Suburb and Locality Boundaries																																																																																																																																																																																																																																		
*It is noted that Mr Paul Hartley resigned from the Board on 24 April 2006 due to structural changes in the former Department of Infrastructure, Planning and Natural Resources. The Board has initiated the process to fill this position.			<ul style="list-style-type: none">Proposed Geographical Name Commemorating a Person																																																																																																																																																																																																																																		
			<ul style="list-style-type: none">Guidelines for the Naming of Roads																																																																																																																																																																																																																																		

Designation	2002/03	2003/04	2004/05	2005/06
Lookout	2	1	2	0
Mountain	2	1	2	3
Parish	0	0	1	0
Pass	0	1	1	0
Peak	10	0	0	0
Peninsula	0	0	0	0
Point	1	2	17	1
Port	0	0	1	0
Post Office	0	1	0	1
Railway Station	0	2	0	0
Ramp	1	0	0	0
Range	0	1	1	0
Reach	0	0	1	0
Region	0	2	0	1
Reef	1	0	0	0
Reserve	176	224	41	46
Reservoir	0	0	0	1
Ridge	1	0	2	0
River	0	1	0	0
River Bend	1	0	0	0
Rock	1	0	1	0
Rural Place	89	2	1	3
Saddle	0	0	0	0
Sandbar	0	0	1	0
School	1	20	9	7
Spring	0	0	1	0
State	0	0	0	0
Stream	0	0	0	0
Suburb	25	46	44	128
Swamp	1	1	1	0
Town	9	0	0	0
Track	1	1	1	1
Trig. Station	122	38	0	0
Urban Locality	0	0	0	0
Urban Place	8	4	9	10
Valley	0	0	0	0
Village	47	10	0	1
Walking Track	0	0	0	0
Waterfall	1	1	2	0
Water Feature	0	0	0	0
Waterhole	0	6	0	0
Weir	0	0	0	0
Wharf	1	19	0	0
Total	853	533	352	404
Dual Names Assigned	2	0	22	1

Safeguarding the
process of property
transaction and legal
ownership



<div>REPORT OF THE REGISTRAR GENERAL</div> <div>36</div>					<div>The Department of Lands Annual Report 2005/06</div> <div>37</div>
<p>This year marks the 150th anniversary of the appointment of the first NSW Registrar General, Christopher Rolleston, in 1856. While the state has evolved enormously since that time, the essential role of the Registrar General has remained unchanged; namely, to safeguard the process of property transaction and legal ownership as a fundamental basis of the market economy.</p> <p>The Torrens title system provides landowners, and those who wish to deal with land, with proof and security of ownership. The Torrens titling system also provides a level of protection against uncertainty and fraud, enabling the transfer of land assets within a sound legal environment.</p> <p>The great majority of land parcels in New South Wales are registered in the electronic Integrated Titling System (ITS) and the remaining old system and paper-based Torrens title are expected to be converted to the ITS before the end of 2007. This will include the creation of separate titles for leaseholders of individual shops within some 500 commercial and shopping complexes held under paper-based title.</p> <p>NSW will then have a single fully-digitised land title system and all landowners will have the benefit of state government guaranteed title to their land under the Torrens system.</p>	<p>Of course, such a valuable asset as property attracts the interest of those who would seek to defraud rightful owners. Lands has made great progress in recent years in its efforts to combat attempts at property fraud through tightened security procedures, strengthened identity verification and other measures.</p> <p>Much of the work undertaken by Lands has been done in recognition of Commonwealth initiatives for combating money laundering and terrorism financing and Lands has consulted the conveyancing and finance industry practitioners affected by procedural changes.</p> <p>The National Electronic Conveyancing System (NECS) is a proposed national system for lodging and settling property transactions electronically. It will provide a single interface for national property transactions with tremendous flow-on benefits for both consumers and industry.</p> <p>NSW, along with other Australian state and territory governments, is funding NECS which over the past year has established a national office and published a detailed business model and implementation strategy.</p> <p>This is the most significant development in conveyancing in the 150 year history of the Registrar General and its benefits will be especially appreciated by consumers and practitioners in the more remote parts of the state.</p> <p>The Registrar General has the responsibility to provide the people of NSW with prompt, accurate, cost-effective and guaranteed services for the registration of dealings with land, plans of subdivision, the issue of</p>	<p>Certificates of Title and the provision of land information. This includes audits and field checks to ensure accuracy is maintained.</p> <p>The Registrar General also has a duty to undertake boundary determinations in accordance with Part 14A of the <i>Real Property Act 1900</i> upon the application of an owner of land, a purchaser under contract, or public or local authority, or head of a government department. During the past year 15 boundary disputes were resolved; 13 in the Sydney metro area and two in other regions of the state.</p> <p>All of the determinations were resolved to the satisfaction of the parties as there were no appeals to the Land and Environment Court.</p> <p>This year saw a new Act of Parliament covering property matters and a number of amendments to other Acts aimed at bringing the legislation into line with modern practices.</p>	<p>Legislation and legal change</p> <p>2005/06 saw significant activity in the development of legislation with the introduction of new Acts and amending legislation affecting a variety of Lands’ areas of responsibility. During the year, the following legislation was enacted:</p> <p>Property Legislation Amendment Act 2005</p> <p>This Act introduced a number of practical and important reforms to various property related Acts, including the <i>Real Property Act 1900</i>, the <i>Conveyancing Act 1919</i> and the <i>Local Government Act 1993</i>. Some of the amendments introduced include:</p> <ul style="list-style-type: none">• A requirement that an identification survey report accompany any application made to cancel a caution from a qualified folio on the basis of an official search. The survey will disclose whether there are any encroachments by or on the property that need to be addressed before the caution is removed.• Authorisation for the Registrar General to record a note on a folio of the Register indicating that the land has the benefit of a licence or permit to use or occupy adjoining Crown land.• Enabling the creation of easements, profits à prendre and restrictions where the same person is the owner of the parcels to be burdened and benefited by them by a dealing rather than only by registration of a plan.• Where an old system lease is recorded on a Torrens Folio, further dealings with the lease may be effected by way of Torrens dealing rather than by deed lodged in the old system register.	<ul style="list-style-type: none">• Enabling land to be vested in a local council as public reserve or drainage reserve by registration of a transfer rather than only by registration of a plan. <p>Security Interests in Goods Act 2005</p> <p>This Act repealed the <i>Bills of Sale Act 1898</i> and the <i>Liens on Crops and Wool and Stock Mortgages Act 1898</i> and replaced them with modernised, simplified legislation which:</p> <ul style="list-style-type: none">• removed the distinction between trader’s bills and ordinary bills of sale and introduced the concept of a ‘security interest in goods’• made registration of security interests in non-agricultural goods optional rather than mandatory• removed the limit on registration so that registration of a security interest need not be renewed after five years• introduced a priority regime that generally confers priority on registered security interests over unregistered interests• allows for the creation of mortgages over existing and future crops and wool• widened the definition of ‘stock’ to permit a stock mortgage to be granted not only over sheep, cattle and horses but also goats, poultry, or other animals• enables a person to grant an aquaculture fish mortgage over farmed fish.	<p>Review of the NSW Access to Neighbouring Land Act 2000</p> <p>Lands undertook a review of the Act to determine whether its terms and objectives remain relevant and appropriate. A discussion paper was circulated for public comment and after reviewing the submissions received it was recommended that no changes were needed to the objectives of the Act. A Report was tabled in Parliament to this effect and it was recommended that further consideration be given to a number of minor amendments to improve the Act’s operation.</p> <p>Statute Law Revision</p> <p>The <i>Statute Law (Miscellaneous Provisions) Act 2006</i> amended the following Acts:</p> <ul style="list-style-type: none">• <i>Conveyancing Act 1919</i> regarding the waiver or refund of fees• <i>Real Property Act 1900</i> to clarify powers of delegation and options available to the Supreme Court in directing and cancelling computer folios of the Register, and registration requirements for dealings pursuant to or affected by a writ <p>Litigation</p> <p>On 21 October 2005 the High Court handed down decisions on two personal injury cases involving diving accidents, one at Coffs Creek and the other at Soldiers Beach. In both instances the Court dismissed the plaintiff’s appeal, emphasising that each case depended on its own facts and that in these cases the council’s and the department’s duties of care, as occupier and owner respectively, did not extend to the erection of signs advising that because the water depth was variable it was unsafe to dive.</p>

While no other significant matters were litigated there were several instances where settlements were reached with a resultant saving in costs and avoidance of delay.

One example concerned proceedings before the Supreme Court for damages resulting from fraud by the plaintiff’s husband. It was considered that the possible exposure of the Torrens Assurance Fund (TAF) was approximately \$130,000. The matter was settled for \$75,000.

In a second case the claim arose out of the alleged fraudulent transfer by company directors, thought to be overseas, of two properties which were subsequently mortgaged. The claim was for damages in the order of \$600,000. However, there was evidence of contributory negligence on the part of the plaintiff. Settlement was negotiated for \$55,000 inclusive of costs.

Torrens Assurance Fund

During the 2005/06 financial year the Registrar General made several payments in response to claims against the Torrens Assurance Fund totalling \$164,150. This sum includes compensation payments and disbursements, such as Counsel’s fees.



Warwick Watkins

Registrar General

Ensuring an open and transparent valuation system for the people of New South Wales



REPORT OF THE VALUER GENERAL					The Department of Lands Annual Report 2005/06																								
40					41																								
<p>The Valuer General is a statutory position responsible for land valuations made under the <i>Valuation of Land Act 1916</i>.</p> <p>The Valuer General is the principal valuation adviser to the NSW Government.</p> <p>The position reports administratively to the Minister of Lands and the Director General of the Department of Lands and is accountable to the Joint Parliamentary Committee on the Office of the Valuer General.</p> <p>The Valuer General is also responsible for the determination of compensation under the <i>Land Acquisition (Just Terms Compensation) Act 1991</i> and the provision of valuation opinions in relation to other state legislation.</p> <p>Vision</p> <p>The Valuer General’s vision is to ensure the delivery of valuation services that are customer focused and outcome driven.</p> <p>The Valuer General is committed to providing a valuation system that is focused on meeting the needs of a range of stakeholders and to deliver outcomes that are transparent, consistent and provide value for money.</p> <p>This involves:</p> <ul style="list-style-type: none">• Provision of a quality, cost effective valuation process• Providing an open and transparent valuation system• Focusing on continuous improvement as a cornerstone of the valuation system• Implementing measurable quality standards for valuation services• Developing good working relationships with stakeholders through	<p>regular consultation and an open communication strategy</p> <ul style="list-style-type: none">• Improved communication with all stakeholders including members of the public• Providing professional leadership to and liaison with, the valuation industry. <p>Parliamentary Committee</p> <p>The New South Wales Government established the Joint Parliamentary Committee on the Office of the Valuer General in July 2003 under section 85 of the <i>Valuation of Land Act 1916</i>. The primary function of the Committee is to monitor and review the exercise of the Valuer General’s functions with respect to land valuations under the <i>Valuation of Land Act 1916</i> and the <i>Land Tax Management Act 1956</i>. In particular, the Committee monitors the methodologies employed for the purpose of conducting valuations, monitors the arrangements under which valuation service contracts are negotiated and entered into, and monitors the standard of valuation services provided under the contracts.</p> <p>The Committee conducted a number of meetings with the Valuer General during 2005/06 on the general operations of the Office of the Valuer General and the New South Wales Ombudsman’s Investigation and Report titled ‘Improving the quality of land valuations issued by the Valuer General’.</p> <p>The Committee has examined current performance reporting on the Office of the Valuer General and prepared a report titled ‘Best Practice Reporting Review’, November 2005. The Valuer General has accepted the Committee’s recommendation of the production of an annual performance report booklet. The initial booklet is currently being developed with publication expected early 2007.</p>	<p>Land Valuation Advisory Group</p> <p>The Land Valuation Advisory Group, comprising representatives of valuation industry groups and stakeholders, was formed as a result of the 1999 Walton Report. The group’s primary focus is to provide advice to the Valuer General on the application of mass land appraisal techniques. The group also provides feedback to the Valuer General on general valuation matters.</p> <p>The Group met once during the year. The principle outcomes of this meeting were:</p> <ul style="list-style-type: none">• Monitored progress of research to improve the quality of the NSW Valuation System. Matters considered include potential areas of risk for the application of the mass appraisal valuation system; component and benchmark composition; qualitative statistical measures and key performance indicators.• The review of the Ombudsman’s report into the NSW Valuation System, consideration of the recommendations and the processes for improvement.• Parallel valuation project – A sub committee of the Land Value Advisory Group was formed to oversee a number of independent parallel valuations for the 1 July 2005 general valuation. The parallel valuation project monitored the quality of valuations prepared through the mass valuation system. The project will continue during 2006/07 as part of the quality assurance process. <p>Relationship with Land and Property Information</p> <p>Land and Property Information (LPI) provide the link between the Valuer General and the valuation service contractors, landowners and the public.</p> <p>LPI provides a range of valuation services to the Valuer General, including</p>	<p>valuation contract management, auditing of valuations, processing of objections, provision of property information and data to valuation service contractors and the day to day management of valuations completed under the <i>Land Acquisition (Just Terms Compensation) Act 1991</i>.</p> <p>LPI’s services to the Valuer General are formalised through a Service Level Agreement.</p> <p>The Service Level Agreement continues to evolve to provide greater focus on key performance areas and ongoing enhancement of the valuation system.</p> <p>The agreement covers the areas of valuation services, managing valuation contracts, provision of other valuation services, customer service, external communication and the management of the valuation data and systems.</p> <p>The Service Level Agreement is current for the 12 months commencing 1 July 2005.</p> <p>The valuation process</p> <p>Currently within New South Wales there are approximately 2.4 million land valuations produced annually. The Valuer General provides land values to local councils and the Office of State Revenue for rating and land tax purposes.</p> <p>Land value reflects the market value of the land as at 1 July in the year of valuation, and assumes the land is vacant.</p> <p>Most land in NSW is valued using the ‘component method’ of valuation, where properties are placed together and valued in groups called components. The properties in each component are similar, or are expected to reflect changes in value in a similar way.</p> <p>Valuers will inspect and analyse a large number of sales in a locality to gain an in depth understanding of the real estate market. To assess land value, valuers</p>	<p>may consider both vacant and improved property sales, making adjustments for the added value of improvements.</p> <p>Representative properties are selected from components and are individually valued each year to determine how much the land value has changed from the previous year. This factor is then applied to all properties in the component to determine their new value. Sample valuations are then checked to confirm that the new values are supported by the market evidence. A proportion of properties will have their land values assessed through individual value verification.</p> <p>The comparison between the sales and the land being valued will relate to the size of the land and other factors such as services available and the use or potential use of the land.</p> <p>Other factors relating to comparability could include surrounding development and amenities. These would include both positive factors, such as parks or views, as well as negative factors such as frontage to a busy road in a residential situation.</p> <p>The independent contract valuers undertaking the valuations for the Valuer General use a range of material and information, including sales evidence, town planning information and deposited plans that allow them to determine accurate valuations.</p> <p>Each valuation is recorded in the Register of Land Values and to keep valuations consistent, land is valued as at 1 July each year.</p> <p><i>The Valuation of Land Act 1916</i> contains provisions for the individual review of property values through an objection process.</p> <p>Tendering of valuation service contracts</p> <p>The Valuer General has the responsibility</p>	<p>to enter into and monitor valuation contracts as part of his statutory duties. All valuations for rating and taxing purposes are undertaken by contractors. The Valuer General retains the statutory responsibility for the final valuation.</p> <p>The tenth round of Valuation Service Contracts were let in 2005 for contracts commencing as at 1 May 2006. This involved eleven contract areas:</p> <table><tr><th>Contract areas</th><th>Successful Tenderer</th></tr><tr><td>Canterbury/ Bankstown</td><td>Southern Alliance Valuations</td></tr><tr><td>Goulburn</td><td>Benchmark Property Advisory</td></tr><tr><td>Lismore</td><td>Southern Cross Valuations</td></tr><tr><td>North Harbour</td><td>Crown Valuation Services</td></tr><tr><td>Nyngan</td><td>Aspect Property Consultants</td></tr><tr><td>Orange</td><td>Benchmark Property Advisory</td></tr><tr><td>Outer Hunter</td><td>Property Valuation Services</td></tr><tr><td>Penrith</td><td>Property Valuation Services</td></tr><tr><td>St George/ Sutherland</td><td>Southern Alliance Valuations</td></tr><tr><td>Upper North Sydney</td><td>Crown Valuation Services</td></tr><tr><td>Warringah</td><td>Westlink Consulting</td></tr></table> <p>A tender evaluation panel, made up of various stakeholder groups, is responsible for evaluating the tenders and providing a recommendation as to the preferred valuation service provider.</p>	Contract areas	Successful Tenderer	Canterbury/ Bankstown	Southern Alliance Valuations	Goulburn	Benchmark Property Advisory	Lismore	Southern Cross Valuations	North Harbour	Crown Valuation Services	Nyngan	Aspect Property Consultants	Orange	Benchmark Property Advisory	Outer Hunter	Property Valuation Services	Penrith	Property Valuation Services	St George/ Sutherland	Southern Alliance Valuations	Upper North Sydney	Crown Valuation Services	Warringah	Westlink Consulting
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REPORT OF THE VALUER GENERAL				The Department of Lands Annual Report 2005/06							
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Communication strategy The Valuer General continued to implement a new communications strategy that applies to all stakeholders, including rate and land taxpayers. The strategy ensures communication is open and transparent. In addition, the strategy encourages the provision of more information to stakeholders on the valuation process and more detailed information on the property market. An open and informative approach has been implemented for all correspondence. In addition, priority has been placed on the provision of timely responses to Ministerial enquiries as well as letters received from rate and taxpayers. Positive feedback has come from stakeholders, including the Office of State Revenue, Local Government and Shires Association, Department of Local Government, the Association of Mining Related Councils, individual councils and individual landowners concerning the more consultative approach to valuation matters. A newsletter from the NSW Valuer General was developed during 2004 to improve transparency and access to valuation information to members of the public. The positive response to the newsletter has resulted in ongoing publication. The third newsletter was published in January 2006 and approximately 800,000 copies were distributed with the 1 July 2005 Notices of Valuation. The principle topics covered include an overview of the 2005 valuations, the availability of the general valuation sales report, keeping accurate records and frequently asked questions. A mailing list has also been established to issue the newsletter by email or post		to interested parties including members of the public and organisations with interests in land valuation. The fourth newsletter was published in July 2006 and will be distributed by local councils with rates notices. The majority of councils have supported the concept of the newsletter. Approximately 1.2 million newsletters will be distributed. The Lands’ website has continued to be upgraded with improved information to assist rate and taxpayers in understanding how their land value was determined. The newsletter and other publications are now available on the website. Enhancements will be on going and continue throughout 2006. Enhancements to the valuation system Land Value and Data Review Project: In 2004, the Valuer General implemented a pilot study in two local government areas to examine the benefits of reviewing individual land values and associated data. Interim analysis provided evidence of improved accuracy and consistency of land values. The New South Wales Ombudsman in his 2005 Report, ‘Improving the Quality of Land Values Issued by the Valuer General’, recommended a structured review similar to the pilot study, be introduced throughout New South Wales. The Valuer General accepted this recommendation and the Government has provided funding for the project. This support for the project recognises the Government’s commitment to ensuring the New South Wales valuation system provides valuations that are consistent, accurate and credible. The project commenced formally on 1 May 2006 and will involve approximately 20% of the 2.4 million land values in New South Wales being reviewed each year.		General Valuation Sales Report: Landowners can now access sales information that has been analysed by an independent valuer in preparing land values for a locality. The report includes the identification of the sale property; legal description; land area; sale price and date, as well as the analysed sale land value and the land value applied. Feedback from the publication of this report has been extremely positive. The report is available from the Lands’ website www.lands.nsw.gov.au/records/ valuation; as part of the Valuation Objection Kit or by phoning our call centre on 1800 110 038. Objection Kit: The Valuation Objection Kit has been introduced to simplify the objection process and provide guidance in lodging a valid objection. The kit includes a brochure that details the objection process, a fact sheet on what constitutes valid supporting information for objections, a model objection, the valuation objection form and the General Valuation Sales Report. Objection kits are available from the Lands’ website at www.lands.nsw.gov.au/records/ valuation, Land and Property Information valuation offices or our call centre on 1800 110 038. Access to Land Values: Land values are now available through the Lands’ website, www.lands.nsw.gov.au , or from Land and Property Information Offices. Current land values are available to landowners free of charge from our call centre on 1800 110 038. Valmap: Contract Managers and independent valuation contractors now have access to thematic mapping. This allows the linking of valuation and spatial data to improve valuation quality and accuracy.		Legislative reform The Valuer General regularly reviews the <i>Valuation of Land Act 1916</i> to determine where amendments are required. A number of amendments have been made during 2005/06 to improve the clarity, consistency and application of this legislation. In addition section 76 has been amended to authorise the Valuer General to supply NSW public authorities with information about land valuations. This amendment will bring NSW into line with the supply of information to Commonwealth public authorities. Further amendments will continue to be considered as the Valuer General strives for increased transparency and clarity within the <i>Valuation of Land Act 1916</i> . CHALLENGES FOR THE FUTURE Pricing of valuation services The Valuer General, in consultation with the State Government, local government and the Independent Pricing and Regulatory Tribunal (IPART), is seeking a review of pricing for valuation services to Treasury and local government. The last review occurred in July 1996. It is proposed that the review will commence in 2007, with any adjustment to pricing being reflected for the financial year commencing 1 July 2008. Review of roles and responsibilities – valuation contractors and Land and Property Information It is essential that the quality of valuation outcomes continuously improve to meet the increased expectations		of all stakeholders. Integral to the improvement in the quality of valuation outcomes is the role of the valuation service contractor (VSC’s) and the contract managers within LPI. New processes and policies have been developed in consultation with VSC’s and LPI to ensure that there is improved rigor in the valuation and audit processes. This will include ongoing auditing of the valuation process during the year, as well as the development and implementation of an integrated valuation and mapping facility. The result will be improved valuation accuracy and work process efficiencies. Water Management Act 2000 The <i>Water Management Act 2000</i> allows for the separation of water rights from the land title. Previously, water rights were included in valuations prepared under the <i>Valuation of Land Act 1916</i> . The new legislation requires the value attributable to a water access licence, not be included in the land value of a property. New valuations are being determined on a progressive basis, with completion scheduled for December 2006. New South Wales Ombudsman’s investigation The New South Wales Ombudsman, published in October 2005, a report, ‘Improving the Quality of Land Values Issued by the Valuer General’. This comprehensive report provided a total of 38 recommendations. The Valuer General has welcomed the recommendations which will assist in providing further enhancements to the valuation system. The Valuer General has implemented the majority of the recommendations		that are within his jurisdiction. One of the principle recommendations is the implementation of the Land Value and Data Review Project. This project is discussed more fully in ‘Enhancements to the Valuation System.’ Enhancement of valuation quality In the Valuer General’s continued drive to improve the quality of valuations for the benefit of all stakeholders, there are a number of key projects that continued to receive focus and commitment during 2005/06. This included providing clearly defined roles, responsibilities and accountabilities for valuation service contractors and LPI contract managers; the implementation of an integrated mapping and valuation system; the implementation of ongoing valuation audits and independent parallel valuations. An ongoing research project in conjunction with the University of Western Sydney was instigated to examine and improve various aspects of the valuation system, including the composition of valuation components; benchmark selection and review; and the improved application of qualitative statistical techniques. The initial contract term is for 12 months.	

Key performance outcomes	Target	2004/05	2005/06
Ratepayers			
% Notices of Valuation issued within 31 days	95%	86%	95%
% Notices of Valuation for general valuation issued to property owners by 16 January	100%	100%	49% ¹
Councils			
% general valuation land values issued to relevant councils by 30 November	100%	100%	64% ²
% supplementary valuations to councils within 31 days	95%	95%	95%
Office of State Revenue			
% objections to land tax assessment to be completed within 90 days	50%	55%	30%
% objections to land tax processed within 180 days	95%	84%	69%
% objections to land tax, where land value is greater than \$1 million, within 120 days	95%	55%	40%
% new land values issued to all property in NSW to OSR by 16 November	100%	100%	99% ³
Supplementary Valuations			
Total supplementary valuations issued		46,806	41,987
Average days to complete	< 95 days	82 days	100 days
Average number of days to return from contractor	< 45 days	27 days	31 days
% supplementary valuations returned from valuation contractor within 45 days	95%	92%	86%
Total Valuations Prepared (Register of Land Values)		2,380,417	2,394,352
Valuations Issued (Rating and Land Tax)		1,413,362 ⁴	1,097,000 ⁵
Objections			
Number received		16,515 ⁶	8,559 ⁷
Objections received as a % of valuations issued		1.17%	0.78%
Number completed (all valuing years)		10,179	14,420
Average number of days to complete	< 90 days	116 days	157 days
% completed within 90 days	90%	52%	26%
<div>1 Release of Notices of Valuation delayed to avoid Christmas/New Year period. 2 Does not include 6 LGAs which were subject to water separation valuations. 3 Does not include 6 LGAs which were subject to water separation valuations. Very little land tax liable properties in those LGAs. 4 Date of valuation 1 July 2004 5 Date of valuation 1 July 2005 6 Date of valuation 1 July 2004 7 Date of valuation 1 July 2005</div>			

Providing fundamental
land and property data
which underpins a
vibrant and robust NSW
property market



Philip Western
Valuer General

REPORT OF THE LAND AND PROPERTY INFORMATION DIVISION				The Department of Lands Annual Report 2005/06					
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<p>Land and Property Information (LPI) has been operating since 1 July 2000. It brings together the statutory functions of the Surveyor General, Valuer General and Registrar General. It provides mapping, titling, valuation, survey and related land information services to individuals, businesses, government agencies and non profit organisations throughout NSW, Australia and internationally.</p> <p>Land and Property Information:</p> <ul style="list-style-type: none">sources information from organisations and individuals to compile maps, databases and registers of land and property information including information on locations, parcel descriptions, values, ownership, restrictions and financial interestsprovides services to the Registrar General, the Surveyor General and the Valuer General who have responsibilities for administering various Acts of Parliament related to land administration including the <i>Conveyancing Act 1919</i>, the <i>Real Property Act 1900</i>, the <i>Survey Coordination Act 1949</i>, the <i>Surveying Act 2002</i> and the <i>Valuation of Land Act 1916</i>administers the systems which support the state guarantee of Torrens titlemakes information available to the public and organisations for conveyancing, historical research, land development, land management purposes, for state economic and social development and for planning and providing government services to the communitylicenses, sells, exchanges or gives the data it collects to organisations or individuals, to facilitate the above purposes.		<p>Services</p> <p>Key services provided by LPI include:</p> <ul style="list-style-type: none">land title registration services on behalf of the Registrar General, including registration of plans of survey and property transactions, issue of Certificates of Title, and conversion of Old System land to Torrens Titlesurveying services on behalf of the Surveyor General, including maintenance of official state control survey data, placement of permanent survey marks in the ground and determination of boundary disputesvaluation services on behalf of the Valuer General, including valuation of land for local government rating and state government taxation purposes, determination of objections to land values and determination of compensation for dispossessed landowners following compulsory government acquisition of land. <p>LPI also offers a wide variety of land and property information products and services available through various delivery channels ranging from traditional over the counter delivery through to online delivery via specialist portals and value added resellers. These include:</p> <ul style="list-style-type: none">digital and hard copy mapping productssatellite imagery and aerial photographytitle searches and related documentsland value searchesproperty sales datasurvey control information servicesproperty information enquiry servicesinternational business services.		<p>Customers</p> <p>LPI products and services are available to the people of NSW as a whole. Regular customers come from three market segments: the property conveyancing industry, the land use planning and development sector and government agencies at state, local and federal levels.</p> <p>Principal officers</p> <p>Des Mooney, General Manager</p> <p>MBA (Syd), B Surv (Hons), MIS Aust, FAICD Dip, FAIM, Registered Surveyor, Registered Valuer</p> <p>Warrick Beacroft, Executive Manager, Information Sourcing</p> <p>Grad Cert Mgt (Monash), Cert Cart</p> <p>Ross Cleary, Executive Manager, Information Management</p> <p>B App Sc (Computer Science) (Hons)</p> <p>Barry Douse, Executive Manager, Production and Business Development</p> <p>EMPA, BA (Hons), Public Administration Certificate in Quality Management</p> <p>Simon Gilkes, Chief Valuer, Valuation Services</p> <p>EMPA, Grad Dip in Land Economy, Associate of the Australian Property Institute, Registered Valuer</p> <p>Doug Walsham, Executive Manager, Titling and Registration Services</p> <p>EMPA</p> <p>PERFORMANCE HIGHLIGHTS</p> <p>Information Management</p> <p>New online products</p> <p>During the year the range of LPI products and services available online increased substantially with the addition of many products previously only accessible</p> <p>to customers visiting our head office in person. Customers can now obtain copies of documents relating to primary applications, Crown plans, cancelled titles, plan development contracts and management statements, permanent survey marks, State Survey Marks and trig stations via our website. They can also undertake searches to ascertain the status of unregistered plans and dealings and the details of deeds.</p> <p>Office of State Revenue data reconciliation</p> <p>LPI assisted the Office of State Revenue (OSR) in data cleansing to load and correct ownership and land information within OSR’s RECOUPS database. Information was extracted from RECOUPS and compared to LPI information. The process of data reconciliation resulted in a significant number of records being updated, as well as improved data loading processes that have long term benefits for OSR.</p> <p>Data conversion and cleansing program</p> <p>Validation of Valnet and Integrated Property Warehouse data has been a priority this year to facilitate LPI’s capacity to:</p> <ul style="list-style-type: none">provide integrated enquiries through either a spatial or textual entry point, eg VALMAPprovide the most accurate and latest mailing address for the delivery of Notices of Valuationprovide the most accurate and complete property street address records to service LPI’s authoritative property street address data set, i.e. GURASprovide high quality data to LPI clients, such as OSR.		<p>Information Sourcing</p> <p>Spatial information eXchange</p> <p>The online Spatial Information eXchange was launched in March 2006. The site, accessible via Lands’ website, provides high resolution aerial photography and satellite imagery as well as the option to overlay topographic and cadastral data on the imagery displayed. The site acts as a one stop shop at which government agencies can purchase SPOT 5 satellite imagery and also allows members of the public to view images at no charge.</p> <p>Single Land Cadastre (SLC)</p> <p>Actioning the commitment to create a single land cadastre to meet Sydney Water Corporation (SWC) and state needs, LPI has implemented the technology and developed the operational approach to re-aligning and improving the positional accuracy of the state’s digital cadastral database. The cadastral data of fourteen Sydney Metropolitan Local Government Areas (LGAs) has been realigned to SWC data and supplied to SWC as part of a progressive transition to a single cadastre. Completion of the remaining 27 LGAs is scheduled for the end of 2006.</p> <p>Road centrelines</p> <p>A Topographic Road Centreline (TRCL) dataset has been created for the entire state as an integrated product of cadastral and topographic data. The TRCL is a crucial element for emergency management requirements and underpins the geo-coding of addresses. LPI has enhanced the content and currency of the TRCL by the inclusion of Forestry roads and fire trail data, National Parks road detail and Roads and Traffic Authority (RTA) managed roads.</p>		<p>Geodetic and survey control frameworks</p> <p>The major task of converting and transforming the NSW spatial reference framework from AGD66 to the new GDA94 datum is now 80% complete. In reprocessing the survey data, a magnitude of improvement in quality has been achieved particularly in developing urban and semi urban areas. Apart from a few regional urban areas, the remaining control will be reprocessed on demand from users.</p> <p>Production and Business Development</p> <p>Property Sales Information</p> <p>Property Sales Information (PSI) is a Land and Property Information product that has been available since 1992. During 2005/06, and in conjunction with clients, the product bundling, pricing, regulation and delivery were thoroughly reviewed for the first time since its inception. PSI is a fundamental data resource for the NSW community, allowing citizens to make informed decisions about real estate and home investments. PSI is delivered through LPI’s network of sales data Value-Added Reseller (VAR) clients.</p> <p>Launch of NSW Road Directory</p> <p>The second edition of the NSW Road Directory was launched by the Minister for Lands, the Hon Tony Kelly MLC on 1 June 2006. It was developed in partnership with Explore Australia, and NRMA Motoring and Services. The comprehensive road directory was produced from up-to-date data from Lands. It contains the most accurate mapping available for the state, including detailed town maps for over 400 country towns.</p>	

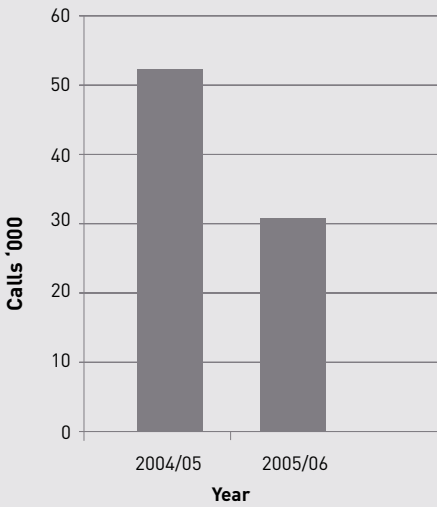
Titling and Registry Services
Training

In March 2006, 14 temporary Trainee Titling Officers began a two year rotational development program within Titling and Registry Services. Trainees are undertaking TAFE studies to gain a qualification in Certificate III Spatial Information Services, as well as structured internal training supported by on the job experience. The 2006 intake builds on the success of the 2005 program which saw a number of the 13 trainees win permanent appointments.

Cadastral Records Enquiry

The Cadastral Records Enquiry (CRE) has replaced the existing Cadastral Records Directory to display electronically captured land titling notations information through system interaction between the titling system and the cadastral database. Available to customers via terminals at Queens Square it allows the display of data relevant to the cadastre and permits manipulation (zoom/pan) of the nominated display of data as required. It is expected that the CRE will be available online in July 2006.

Call Centre Enquiries



Valuation services
Customer relations

Significant gains have been made in communications with the public in 2006, further assisting stakeholders to understand our services in clear and simple terms. Increased promotion of call centre enquiry services saw volumes rise to in excess of 36,000 calls from the public. Through the use of detailed scripts the call centre was able to successfully and consistently resolve 85% of enquiries at first contact. Management of communications with the public has improved with the creation of a contacts database linking enquiry details to property records and enhancements to the automated objection manager system.

Valuation services also introduced an objection kit for land owners in 2006. The objection kit simplifies the objection process by providing information and guidance on lodging an objection. The kit also includes a General Valuation Sales Report for the property. This report helps land owners to understand their valuation by providing details of the sales

used in the valuation process. Access to the objection kit, sales reports and land value searches has been made more widely available through Lands' website.

Productivity improvements

Processing of returned Notices of Valuation has become simpler and more efficient by the introduction of electronic recording and processing, which resulted in the automatic re-issue of 15,700 Notices of Valuation which had been returned as undeliverable by Australia Post. The proportion of notices that were not received was reduced from 2.88% in 2004/05 to 1.1% in 2005/06. Improving the rate of receipt of notices by property owners also meant that more objections to valuations were resolved before the issue of local council rates.

Over 14,400 objections were processed in 2005/06, an increase of 40% from the previous year. The increases in productivity in objection processing are the result of streamlined objection processes and contracting objection reporting to independent contractors.

Process improvements

Valuation Services has made further gains in 2005/06 as part of the ongoing valuation improvement program. The annual review of procedures manuals resulted in significant changes to the Procedures Manual for Contract Valuers and the introduction of the Objections and Reascertainment Procedures Manual, implementing key recommendations from the NSW Ombudsman's review of the valuation system.

Gains have also been made through process, system and analysis improvements aimed at increasing the accuracy of valuations. The most significant of these is Valmap, which aids valuation review processes by linking valuation, spatial and imagery data. In 2006 Valuation Services provided this new system to valuation contractors as well as to internal valuation staff. In late 2005 we also implemented a

valuation charting system to compare valuation and sales data. These powerful new tools are helping us to improve valuation quality through improved audit processes.

Key issues

Valuation Services' performance was impacted in 2005 by several external factors. Substantial changes to the land tax regime and the publication of the NSW Ombudsman's report into improving the quality of land valuations resulted in an increase in the volume of objections to land values.

Whilst the Ombudsman's report largely confirmed the direction that the Valuer General and Chief Valuer were taking to improve the valuation system, changed priorities associated with the report impacted on Valuation Services performance in 2005/06.

REPORT ON OPERATIONS

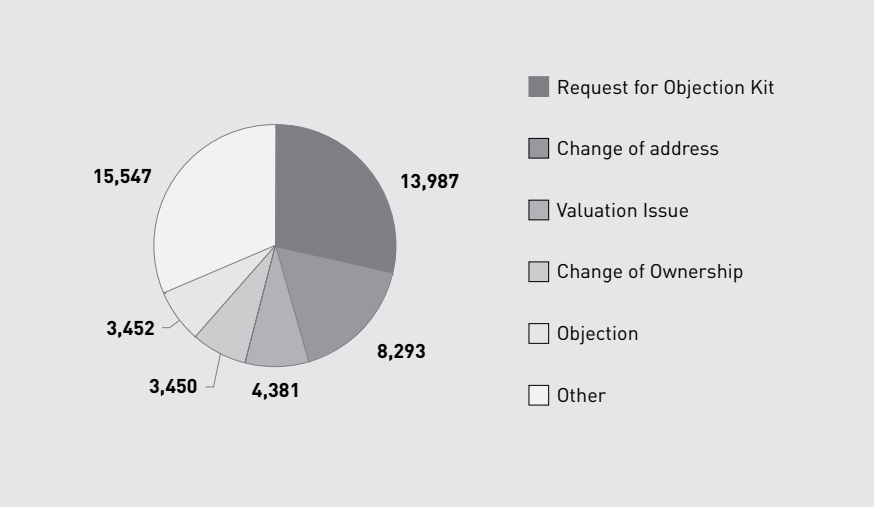
Information Management
Conversion of Old System and manual titles to Torrens Title

There are more than 3.5 million parcels of land in NSW. The vast majority are registered in the electronic Integrated Titling System (ITS). The aim of the conversion project is to convert all remaining old system and paper based Torrens Titles and register them in ITS. NSW will then have a single fully digitised land title system and all landowners will have the benefit of state government guaranteed title to their land.

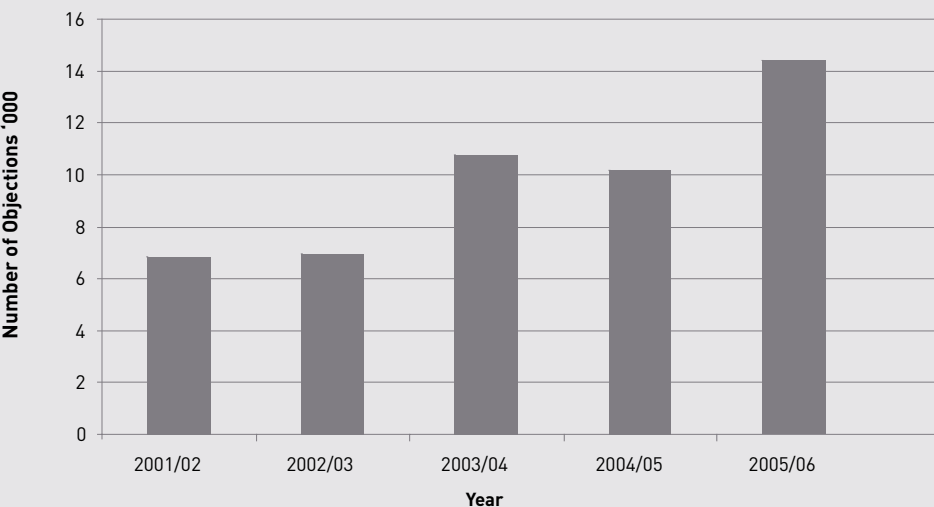
The project started in 2004, with an estimated 15,000 old system parcels and 58,000 paper based titles to be converted. By 30 June 2006, 12,482 old system parcels and 33,452 paper based Torrens titles had been converted.

Amongst the paper based titles to be converted are approximately 500 titles for commercial and shopping complexes which record not only the owners of the site as a whole, but also leaseholders of individual shops and offices. During the year it was decided that each lease should be converted as a separate folio of the Register, rather than as part of the head title. This means that there are now an additional 39,000 manual titles to be converted to automated folios of the Register. Also it has been decided to capture more data when these titles are converted than was originally considered (eg the name and address of the commercial complex). The decision is in the best interests of our customers, and will provide a superior service, but adds to the conversion effort required. Conversion of the remaining old system parcels will be completed on schedule by December 2006, with the whole project expected to be finished in 2007.

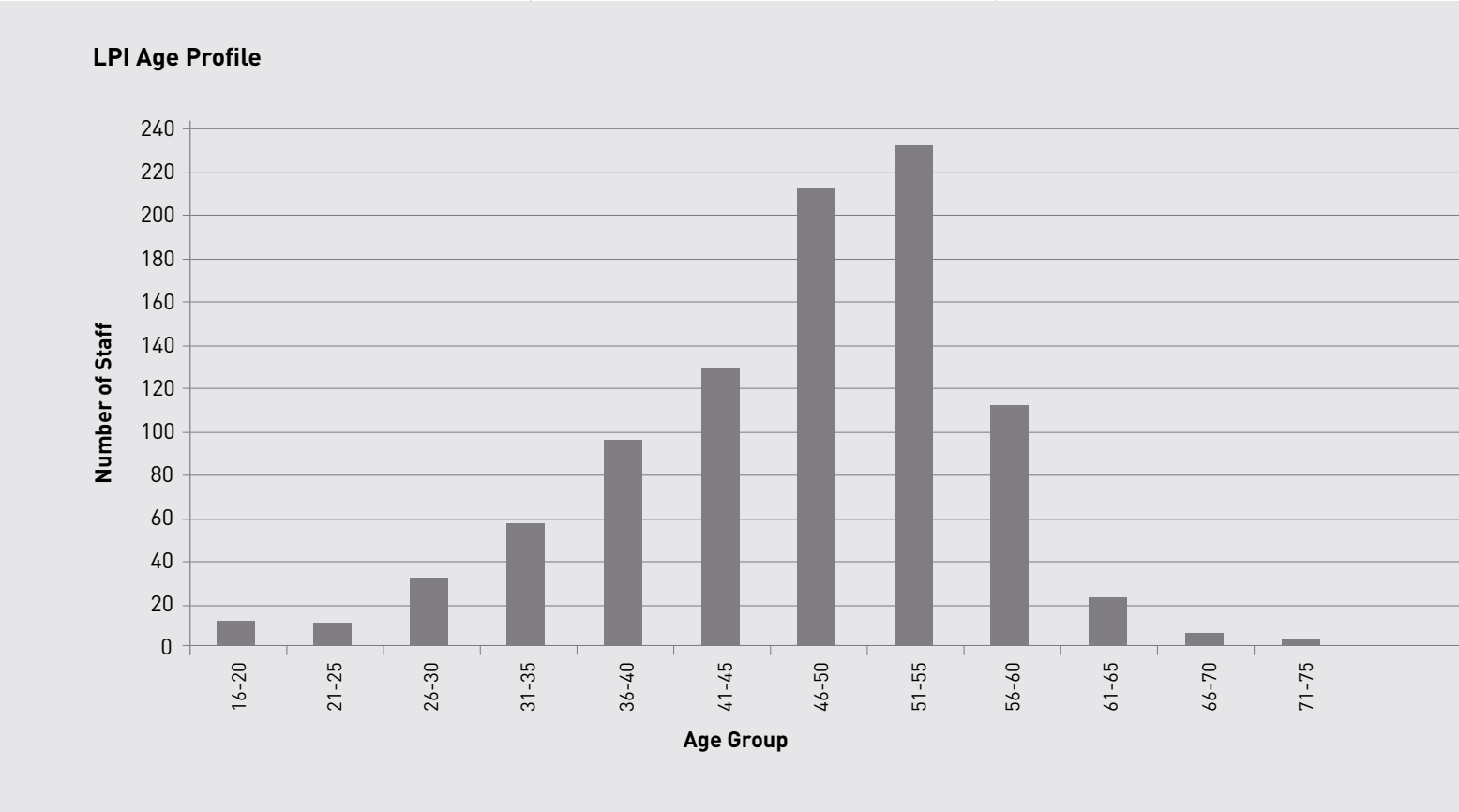
Call Centre Enquiry Type



Valuation Objections Completed per Year



<p>Some members of the project team will commence work on stage one of the Crown Reserves Conversion project early in 2007.</p> <p>Information Sourcing</p> <p>‘Going Digital’ program</p> <p>LPI is strategically migrating to an electronic environment both internally and with its interface with stakeholders. LPI is extending its electronic service delivery capabilities and improving compatibility and synergies across business processes through an imagery program of electronic enablement, collectively referred to as ‘Going Digital’.</p> <p>Imagery is a component of the Spatial Data Infrastructure (SDI) and refers to the capture, storage and dissemination of aerial images, for which LPI manages the intellectual property on behalf of the Crown. Imagery acquired by airborne cameras and earth observation satellites provides an essential source of information for studying, monitoring, forecasting and managing natural resources and human activities in Australia.</p> <p>LPI has operated an aerial photography program since 1947 providing coverage over urban and rural areas of NSW, as a record of the state’s changing landscape. Together with satellite imagery, aerial imagery:</p> <ul style="list-style-type: none">• Supports many other agencies’ Community Service Obligation (CSO) programs, particularly in the areas of natural resource management, state development, land administration and emergency services• Provides information to key NSW industries such as property, transport, communications, agriculture, mining and tourism.	<p>‘Going Digital’ involves replacing the existing film based operations with an end to end process involving digitally captured aerial imagery, processing, storage, viewing and distribution.</p> <p>Increasingly obsolete analogue aerial camera technology will be replaced with new labour saving technologies which will improve service delivery within LPI by providing multi-spectral images that do not need to be scanned. Manual processes currently conducted by LPI staff will become semi-automated and hence more efficient.</p> <p>The product deliverables from this program will be of higher quality, easier to access, more timely in availability, and have broader application than existing imagery products and services.</p> <p>‘Going Digital’ also involves the digital conversion of existing film archives (700,000 photographs) by scanning, which will serve to:</p> <ul style="list-style-type: none">• progressively convert the analogue archives into a digital form to combat deterioration of the film images• support applications within LPI by enhancing compatibility with mapping and surveying processes• support the program requirements of whole of government for LPI enquiries and permanently record the history of development across NSW• facilitate electronic service delivery. <p>LPI has begun this conversion process which will take several years to complete.</p> <p>In preparation for this strategic direction LPI in 2005/06 has conducted preliminary familiarisation and application testing of sample technologies and with the assistance of</p>	<p>KPMG has developed a detailed business case which supports the ‘Going Digital’ strategy specifically addressing the cost benefits of implementing digital camera technology.</p> <p>Supported by the strength of the business case LPI in 2006/07 will progress the implementation of this new technology and associated operating and business processes.</p> <p>Production and Business Development</p> <p>Vision 2013: LPI workforce planning</p> <p>LPI’s workforce profile reflects the aging of the population in the community as a whole. In seven to ten years, LPI is likely to experience the retirement of nearly half of its full-time workforce.</p> <p>LPI staff are highly experienced and have skills which are specific to the delivery of specialist services. As a result LPI needs to make provision for skills transfer and knowledge capture to secure the continuity of important services including plan and document examination and a sound legislative foundation for a system of property ownership, valuation of land, the upgrading of spatial maintenance databases, survey and information services and the management of complex and valuable information technology business systems.</p> <p>In February 2006 LPI began an intensive workforce planning process, following the guidelines issued by the NSW Premier’s Department in its document Workforce Planning: A Guide (Premier’s Department NSW: 2003). The planning process explores a number of aspects of business and workforce movements and trends then brings them together in a process of analysis which leads to action planning and implementation.</p>	<p>Work to date has resulted in the development of a draft workforce plan ‘Vision 2013’ which will provide the basis for consultation with staff and the associations.</p> <p>The time frame of seven years, up to 2013, is long enough to assume many of LPI’s current goals will have been achieved or are well on the way but it is a short enough period to think about what will have changed.</p> <p>Next steps involve a series of presentations for staff to be conducted jointly by LPI management and People Performance and Development Group to explain the content and findings of the consultation document. In addition, working parties established at a local level will prepare action plans in the first quarter of 2006/07 to address future staffing needs.</p>	<p>Titling and Registry Services EPlan</p> <p>EPlan is a major new development program that will build on the existing electronic lodgement facility for plans. It is concerned with bringing data into LPI, processing that data in the most efficient manner and disseminating the data to external stakeholders. EPlan has the potential to dramatically reduce the number of manual steps in processing a plan by digitising the data as early as possible and using the data to update multiple systems and data sets. It will provide quality data to populate the Spatial Data Infrastructure (SDI), which incorporates the Single Land Cadastre project.</p> <p>One of the key drivers for this program is the use of the plan geometry data for DCDB data capture and upgrade.</p>	<p>The system will enable the validation of digital plan data prior to acceptance for lodgement and enhance plan processing and turnaround times by ensuring the quality of plan data lodged with Lands.</p> <p>The standardisation of cadastral and survey data will be achieved through the use of nationally accepted data transfer standard. The standard has been developed by the ICSM ePlan Working Group with participation from all jurisdictions. The ICSM model is a generic LandXML data export/import format for plan data that will allow for jurisdictional specific elements to be added. The model includes all of the survey (geometry), administrative and titling data required to process a plan from lodgement to registration and DCDB update.</p>
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To ensure that Lands is in a position to take advantage of the national standard and lodgement of electronic geometry files, a number of major projects have been completed over the last twelve months. An information flow model document has been prepared to facilitate workflow management and plan processing activities. The project team has also completed the documentation and mapping of all data elements contained in plans lodged for registration to the LandXML schema. A draft Business Case has been prepared to engage internal and external stakeholders during the initial consultation phases.

**Government Property Register
redevelopment project**

LPI is close to completing a major project to redevelop the Government Property Register (GPR) for the benefit of the NSW Government and its agencies.

The NSW Government established the GPR in 1988 to provide a record of its land holdings for planning and reporting purposes and to facilitate the management of its property assets. LPI took over administration of the GPR in 2001. In 2003, LPI commenced a five year project to redevelop the GPR in order to improve its data quality, functionality and property management capability.

The scope of the project includes:

- data cleansing some 270,000 government properties comprising 460,000 lots and 37,000 Crown Reserves comprising 80,000 parcels
- determining user requirements of NSW Government central agencies and individual owner agencies
- developing specifications for a new GPR data model and web based GPR system responsive to user requirements

- building the new web based GPR system
- data migration from the old GPR to the new system
- user acceptance testing
- government agency training
- launch of new GPR
- refinements to new GPR.

The new GPR will provide the NSW Government and its agencies with a single authoritative source of government property information and a more user-friendly and effective tool for managing government property holdings. The web-based system will provide government agencies with online access to the GPR to:

- search property portfolios and retrieve relevant information
- update and amend property portfolios
- accurately report on property portfolios
- view property portfolios of other government agencies
- view a spatial representation of the location of government property
- access authoritative land and property information held in other LPI databases.

It is anticipated that the new GPR will be launched at the end of July 2006.

National Electronic Conveyancing System readiness

National Electronic Conveyancing System (NECS) is a proposed national system for lodging and settling property transactions electronically. It aims to provide the following benefits:

- consumer and practitioner convenience

- user efficiency and consumer benefits
- straight-through processing from dealing preparation to registration
- single interface for national businesses
- common functionality for users in all jurisdictions
- easier cross-border transactions
- transparent application of jurisdiction rule differences.

NSW, along with other Australian state and territory governments is supporting its development.

Progress has been strong over the past year with a National Steering Committee representing all states and territories, the legal and conveyancing professions, banks and information brokers having already met on three occasions and set the framework for what has to be done. The Committee has an independent chair, Mr Les Taylor, formerly Chief Solicitor and General Counsel for the Commonwealth Bank.

A National Office has been established and is carrying out the work. So far it has published a detailed business model and implementation strategy, and will shortly commission several independent assessments of key aspects and commence nationwide consultation with industry participants on the details of how the system will work.

The system will produce significant economic benefits for industry practitioners and consumers of conveyancing services in NSW, especially those in remote areas of the state, providing opportunities for faster, more convenient, more accurate and no less secure transfers of title and registration

of mortgages. The work is the most significant development in conveyancing practices since the introduction of the Torrens title system nearly 150 years ago.

In parallel with developments at the national level, LPI is working on a major program of projects to ready its systems, procedures and customers for the new environment. The NECS readiness program brings together under one management structure existing strategic initiatives in developing electronic workflow systems, electronic examination of instruments, presentation of paper instruments and local stakeholder communications.

Valuation Services
Workforce planning

To prepare for our service delivery needs and challenges for the future, Valuation Services is undertaking a major workforce planning project in line with LPI's 'Vision 2013'. We are reviewing and implementing a new structure for Valuation Services with increased focus on service line and customer needs. It is expected Valuation Services' new structure will be implemented in early 2007.

Objections processing

Further improvements to the objection process are also planned for 2006/07, including a review of requirements for outsourced reporting and a simplified objection lodgement process.

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Documentation of procedures

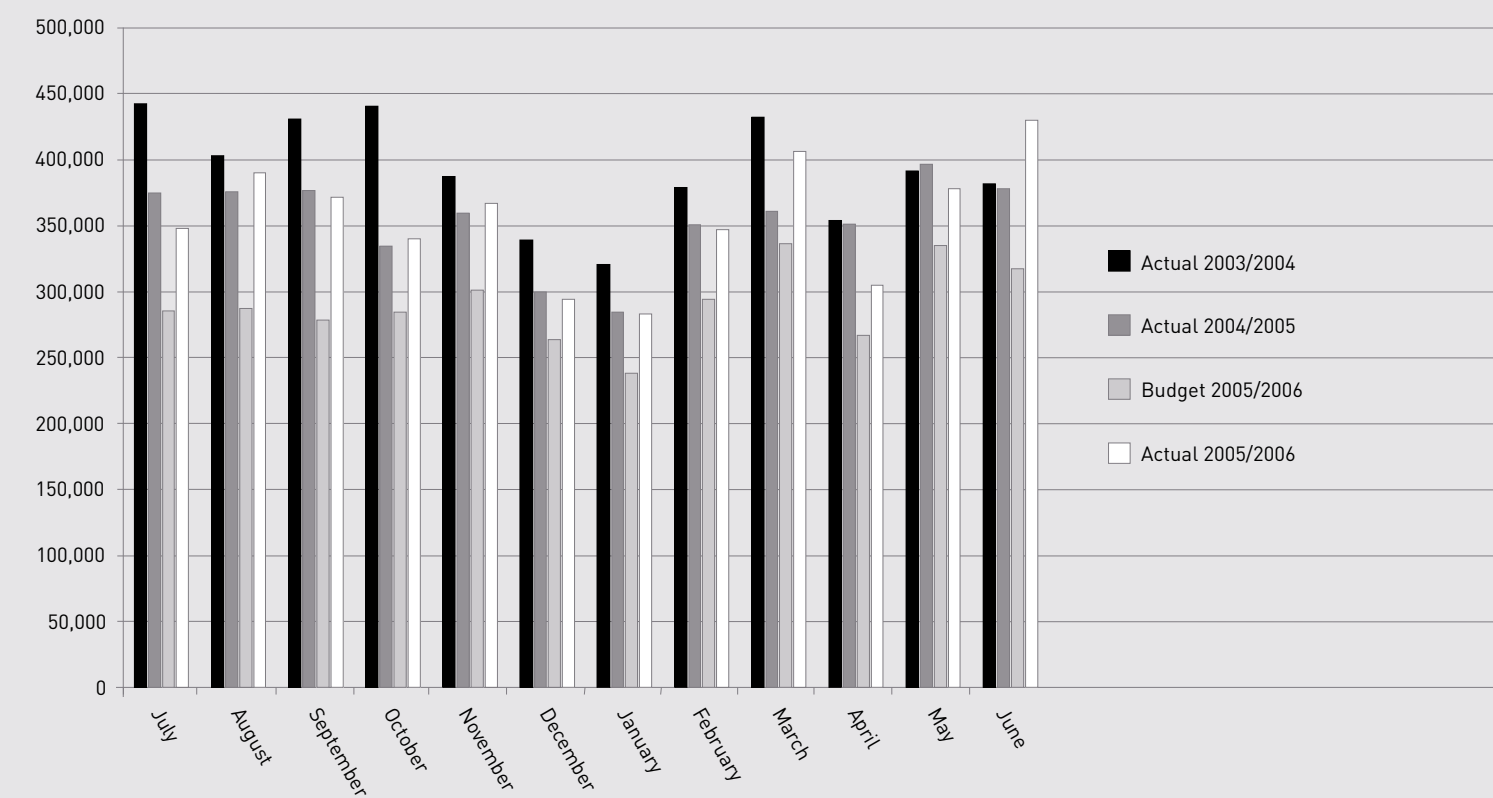
Documenting procedures will continue with the introduction of a Compensation and Special Valuations Procedures Manual and a manual for new contractors entering into the mass valuation industry or taking over new contracts.

Data cleansing

Data cleansing will remain a significant priority in 2006/07, focusing on improving data linkages between Valnet and other Lands' databases such as ITS.

Valuation Services also has several systems projects under way including enhancements to the mapping system 'Valmap' and introducing systems aimed at improving financial management procurement processes.

Number of Copies of Land Title Related Documents Supplied to Customers



**Emergency Information
Coordination Unit**

Lands established the Emergency Information Coordination Unit (EICU) in February 2003 to urgently develop the spatial information capability required for the recovery from an event such as September 11. EICU's role was expanded in 2004 to meet emergency services organisations requirements for additional geospatial information in extreme incidents such as terrorist acts, significant critical infrastructure failures, major evacuations, or large natural disasters.

The EICU has become the largest supplier of geospatial information to the Emergency Sector.

- It is a central resource for bringing together spatial information of shared value to emergency agencies, both in

anticipation of large scale events and in support of day to day operations.

- It provides spatial information to all emergency services organisations (ESOs) and many other agencies that may provide support during a major emergency event.
- EICU spatial information is at the ready in the Fire Management Incident Centre, Police Operations Centre, SES, State Emergency Operations Centre, and the State Coordination Centre, as well as available at Counter-terrorism Command, APEC07 Command, and Defence, and in other government agencies, local, state and federal.
- EICU is equipped to support agencies should they require extra GIS expertise or spatial information during an emergency event, planning, or

exercises. This expertise has been called upon in support of over 30 exercises and events, conducted at the national, state and local government levels, as well as in conjunction with utilities and transport.

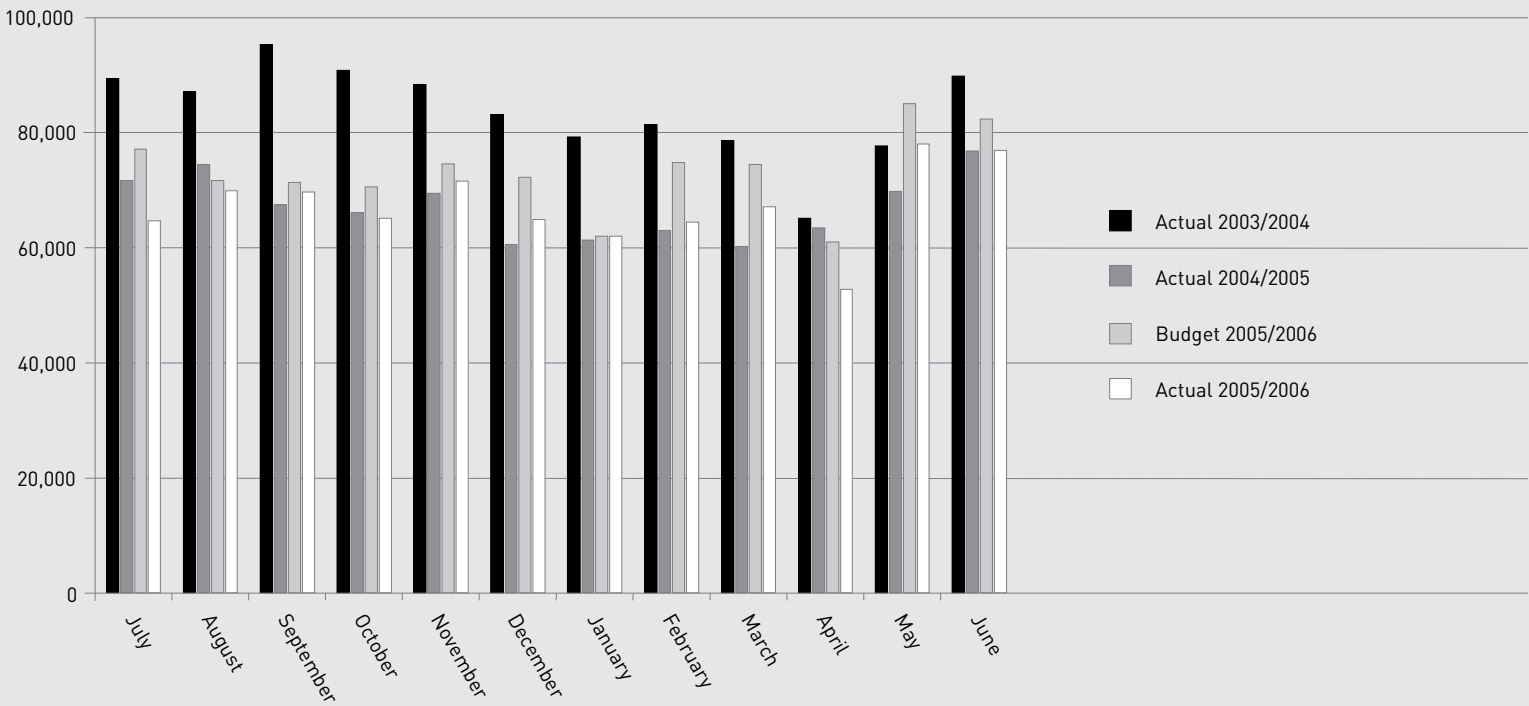
Applications of spatial information have grown very rapidly since 2001 with the widespread use of GPS for locating positions of vehicles, vessels and personnel; the growth in digital photography and telephony; and many improvements to geospatial information systems and display technologies, all of which have made the collection and sharing of spatial information much easier and more practical.

Major events such as APEC07 in September 2007 and The International Youth Rally and Papal Visit in 2008, will move the boundaries of spatial capability

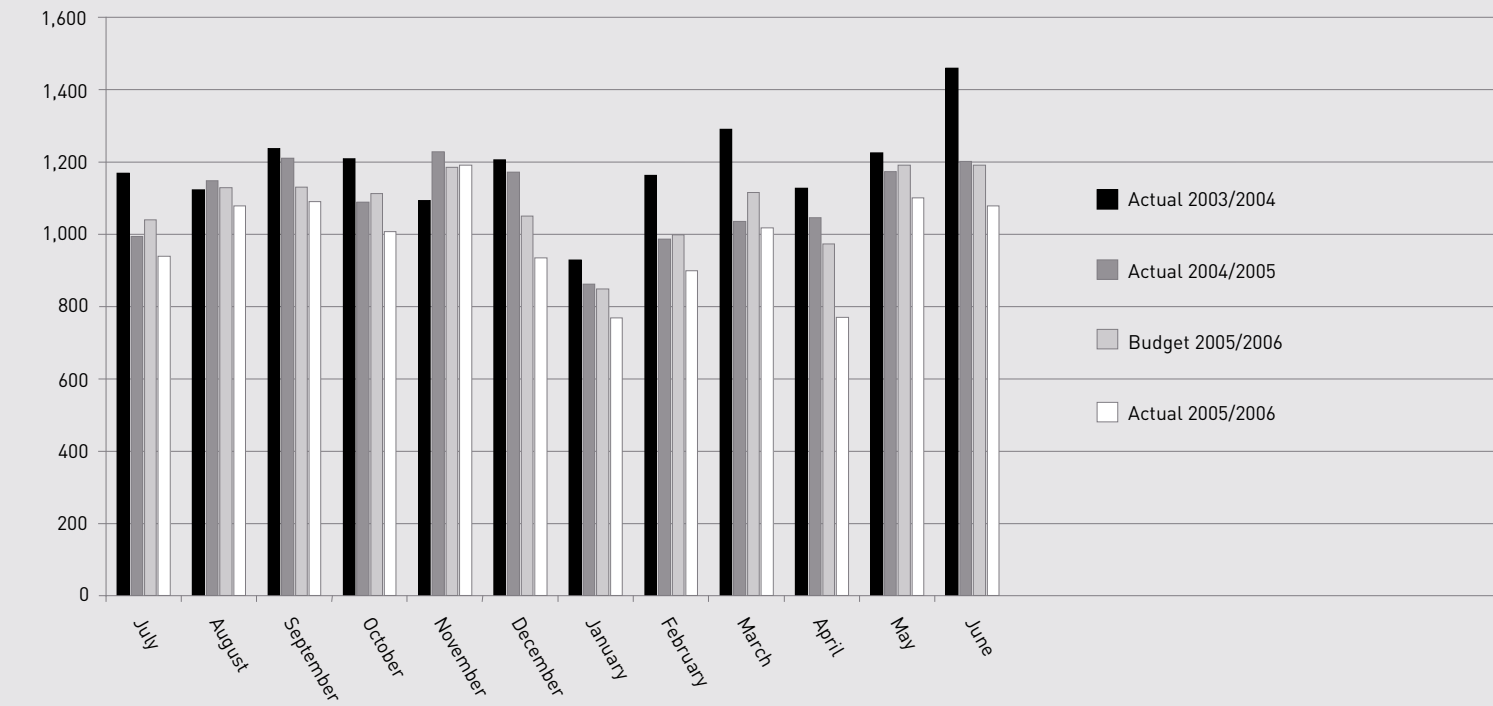
in emergency services and operations centres to new limits. They are expected to be important milestones in the development of geospatial capabilities in NSW.

The underlying requirement is for ready access to reliable information, and this is the driver for the work done in the EICU. It is reliant upon many organisations and agencies, such as local government, utilities, transport, waterways, for the information it needs to supply the emergency service organisations and operations centres.

Number of Land Transactions Registered



Number of Plans Registered by LPI (including strata plans)



Ensuring responsible
and sustainable
management of Crown
lands for the people of
NSW



When Lands was recreated in 2003 the Crown Lands Division was established to provide a property management service to take over management of Crown land from the former Department of Land and Water Conservation. The key goal of the Division is to optimise environmental, economic and social outcomes on Crown land for the benefit of the people of NSW. The focus is increasingly on asset management as well as administration and land allocation.

Crown Lands Division is the custodian of Crown land status information and under the Crown Lands Acts, administers Crown land held under leases, licences or permit. Crown Lands manages land retained in public ownership for future public use and environmental protection purposes and the lands of the Crown public roads network.

Crown land is allocated for public uses, including schools, hospitals, sports grounds, community recreation, conservation and housing development. A significant portion of Crown land is also available for alternative uses, including leasing for commercial or agricultural purposes, through to land development and sale to meet the needs of expanding regional and rural communities.

Crown Lands recognises that land is a vital resource and aims to protect and manage the Crown lands to provide public value to the community through the following programs:

- Managing and administering Crown lands under lease, licence or permit; lands within the Crown public roads network and unoccupied Crown lands.
- Allocating land to meet needs of the expanding regional communities by responding to demand and providing residential land for quality homesites

and industrial and commercial lands to facilitate business development.

- Managing land sustainably – conserving natural resources for future generations through the creation of conservation reserves whilst also providing development and production opportunities for local communities.
- Supporting farmers by enhancing agricultural opportunities with lease and licences to graze animals and for crop farming.
- Researching Aboriginal land claims and prepare advice to the Minister for Lands to determine claims under the *Aboriginal Land Rights Act 1983*.
- Managing applications made under the *Commonwealth Native Title Act 1993* affecting land in NSW.

Services

Crown Lands Division offers a diverse range of services including:

- Marketing and disposal of Crown land for residential, commercial, industrial and rural use
- Application for lease, licences, enclosure permits and purchase of Crown land
- Conversion/purchase of Crown leasehold tenures
- Reservation of Crown land and assistance in management of local community reserves
- Administration of Crown roads
- Native Title investigation
- Management of 25 Minor Ports along the east coast of NSW and the responsibility for the reserved Crown submerged land including all land up to three nautical miles to sea

- Land survey and title creation including Mean High Watermark definitions and Aboriginal land claims
- General enquiries about Crown land and payment of Crown land accounts
- Management of the Tweed River Entrance Sand Bypass under joint project arrangement with the Queensland Government.

Customers

Crown Lands’ clients and customers are diverse and range from the Minister to other government and local government agencies, community groups and individuals.

Crown Lands actively promotes working relationships with local government authorities, reflecting the adoption of proactive management of the Crown Estate. Councils have been supportive of this new focus of Lands.

Crown Lands is also developing professional business relationships to establish broad criteria that will assist both parties in achieving corporate goals.

Crown Lands recognises community support obligations to non-profit organisations, charity groups, pensioners and rural community members encountering financial hardship by providing rental concessions to the value of \$3.7m.

Crown Lands is also working in cooperation with the community and its stakeholders to ensure the smooth implementation of a number of government reforms to Crown land management.

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<p>Principal Officers</p> <p>Graham Harding, General Manager Crown Lands Division</p> <p>Stephen Francis, Director of Commercial Development - Fellow of Australian Property Institute, Engineering Surveying Certificate; Associate Diploma in Small Business; Professional Certificate in Property Law; Graduate Diploma in Technology Management; Bachelor of Business (Land Economy)</p> <p>Adrian Harte, Director of Land Management - Bachelor of Science in Agriculture; Master of Rural Science Graduate Diploma Public Sector Management</p> <p>Graeme Ford, Director of Business Services Crown Lands - Land & Engineering Survey Drafting Certificate; Post Land & Engineering Survey Drafting Certificate</p> <p>Craig Barnes, Regional Manager North Coast - Registered Surveyor, Bachelor of Surveying, Graduate Certificate in Business and Technology</p> <p>Leanne Taylor, Regional Manager South - Bachelor of Arts and Master in Education</p> <p>Andrew McAnespie, Regional Manager Sydney-Hunter – Bachelor of Surveying; Graduate Diploma Public Sector Management</p> <p>Rob Towler, Acting Regional Manager Central.</p> <p>AIMS AND OBJECTIVES FOR 2005/06</p> <ul style="list-style-type: none">Responsible Crown land management to optimise environmental and socio-economic benefits to the stateContinued transition to a commercial entity	<ul style="list-style-type: none">Implementation of Crown land legislative reforms by undertaking the Perpetual Lease Conversion programMaintain integrity of data to enable accurate internal reporting of the value of the Crown estateImplementation of a Program Management model structure to identify and create service delivery efficiencies and opportunities that will provide flexibility and stability into the futureSupport for staff to undertake training in administration and management of public landContinue licence negotiations with major communications carriers for use of Crown land for telecommunications towers in light of the Independent Pricing and Regulatory Review into Rental Arrangements for Crown Land Communication Tower SitesContinue development of Master Plans for the future direction and development of the Crown land maritime precincts at Coffs Harbour, South Harbour, Tweed Heads, Port Macquarie, Lot 490 and Forster-Tuncurry, with the active participation of government agencies and stakeholdersUndertake feasibility studies for the development of Ulladulla, Batemans Bay and Wollongong harbours. <p>PERFORMANCE HIGHLIGHTS</p> <p>Tweed Project</p> <p>Crown Lands Division manages the Tweed River Entrance Sand Bypassing Project, which is a joint Queensland and NSW project. The sand bypass project ensures the entrance to the Tweed River</p>	<p>remains navigable and the southern beaches of the Gold Coast are nourished with a regular supply of sand. The entrance channel was clear throughout 2005/06 and the southern beaches of the Gold Coast were not damaged in the March 2006 storms that caused extensive erosion to other beaches in the regions.</p> <p>Minor Ports</p> <p>Throughout 2005/06 Crown Lands continued to deliver the Minor Ports, River Entrances and Waterways programs. Some \$3 million was provided for projects to maintain port infrastructure, provide safe, secure boat access, and improve recreational boating facilities and to plan for the future sustainable development of these important assets. Key projects included breakwater maintenance at Coffs Harbour, Yamba and Harrington, jetty repairs at Eden, services upgrades at Ballina, Coffs Harbour and Yamba and planning studies for the redevelopment of Batemans Bay Marina.</p> <p>Strategic Development and Marketing Program</p> <p>Achieved a return of \$9.97 million from sales of Crown Land.</p> <p>Successfully assisted the Justice and Health Department with negotiations and preparation of amendments to the initial Long Bay Project Deed to facilitate access licences for site establishment and construction.</p> <p>Belmont Wetlands</p> <p>Belmont coastal wetlands was turned into NSW's 10th State Park – protecting it from destructive development and ensuring future generations can enjoy the beauty and rarity of the flora and fauna within.</p> <p>A community-based Trust was also appointed to manage the former BHP site, adjoining the Pacific Ocean</p>	<p>between Belmont and Redhead south of Newcastle.</p> <p>The decision underlines the commitment to the protection of the environment, and ensuring that valuable remnant coastal lands are maintained for future protection.</p> <p>Trust Handbook</p> <p>In October 2005 the Crown Lands Division released the Trust Handbook to give guidance and assistance to management, staff and board members of reserve trusts, commons and trustees of schools of arts in performing the duties they have accepted. The handbook contains general information and guidelines as well as regulatory requirements on how to manage a reserve.</p> <p>There are around 900 reserves managed by community trust boards on a voluntary basis.</p> <p>Crown Lands Act 1989 amendments</p> <p>In July 2005, legislative amendments to the <i>Crown Lands Act 1989</i> commenced. The new legislation enables a range of contemporary solutions for Crown reserve management, strengthens our ability to protect land that has environmental values, allows more flexibility in dealing with licences and obtaining a fair equity in rental, and provides a voluntary mechanism to transfer land and assets held by schools of arts and other institutions to either the state or local government.</p> <p>Staff training</p> <p>To improve staff resource capability Crown Lands Division has negotiated with TAFE to deliver strategic training to staff in middle management and to deliver the nationally credited Certificate III in Conservation and Land Management and a pilot Certificate III Government (Lands Administration).</p>	<p>Hume and Hovell</p> <p>Crown Lands Division arranged for the construction of a new suspension bridge over the Goobarragandra River to improve public access along the Hume and Hovell Walking Track.</p> <p>Funding for the construction of the bridge was supported by the Public Reserves Management Fund.</p> <p>Control of feral animals on Crown land</p> <p>Crown Lands Division has a responsibility to manage the control of feral animals and game on Crown land. In April 2006, the Minister for Lands, Tony Kelly, announced that hunting of feral animals and game would be permitted in the Grabine Lakeside State Park. The park Trust and NSW Game Council have developed appropriate methods to ensure effective and safe control.</p> <p>Barigan multi-purpose reserve</p> <p>In late 2005 five parcels of Crown land were grouped together to form the Barigan Multi-Purpose Reserve. The 25,500 hectares has been reserved for environmental protection, public recreation, heritage purposes and rural services (grazing).</p> <p>A plan of management will be prepared during 2006/07 to guide the future management of the reserve.</p> <p>This is the first in the establishment of a series of Regional Crown Reserves covering key Crown land areas in the state.</p> <p>KEY ISSUES</p> <p>One of the major government reforms to Crown land management was to reduce administrative costs of managing closed Crown roads by encouraging adjoining property holders to purchase unnecessary closed Crown roads.</p>	<p>Another major government reform initiative was to encourage the conversion of perpetual lease holding to freehold ownership to reduce the Crown's limited equity as well as providing landowners the opportunity of acquiring greater certainty of title at a reduced price.</p> <p>Both reforms also provide for rigorous environmental assessment of any Crown land disposals to ensure environmental values were safeguarded.</p> <p>REPORT ON OPERATIONS</p> <p>Crown land bush fire management</p> <p>Lands has a statutory responsibility under the <i>Rural Fires Act, 1997</i> for bushfire protection on land under its control.</p> <p>Since January 2005 there has been a substantial increase in the roles and responsibilities of Lands for bushfire management, including a greater responsibility for undertaking non-burning bush fire hazard reductions and fire trails.</p> <p>With the assistance of Soil Conservation Service and the Rural Fire Services, there was a significant increase in the fire trails and hazard reduction works carried out in 2005/06 on Crown land.</p> <p>The Crown Lands Division represents Lands on the Bushfire Coordinating Committee and on local Bushfire Management Committees.</p> <p>A program to record all strategic fire trails on land managed by Lands has been developed, with the cooperation of the Rural Fire Service. The location of 2,628 km of strategic fire trails managed by Lands were identified and mapped in 2004/05.</p>

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<p>In 2005/06 Lands began a program of fire trail inspections and rationalisation.</p> <p>Review of rental arrangements for Crown land communication tower sites</p> <p>The terms of reference for the review of rental arrangements for Crown land communication tower sites required the Independent Pricing and Regulatory Tribunal (IPART) to review the existing occupancy instruments and occupancy fee arrangements, and to advise on an ‘effective and efficient’ framework to allow the NSW Government to obtain fair market-based commercial returns that appropriately reflect the benefits realised by all users/occupants of these sites.</p> <p>IPART recommended that for high-value sites, both rentals and the occupancy terms and conditions should continue to be negotiated between the parties. This will provide flexibility to independently negotiate rental and occupancy terms and conditions for a small number of Ministerially defined high-value sites.</p> <p>Rentals for low-value sites should be set according to a published fee schedule based on recent market prices; developed initially by IPART and applied by Lands, the National Parks and Wildlife Service and Forests NSW (the land management agencies). The land management agencies will review the published fee schedule every five years from the implementation of the recommended published fee schedule. An independent valuer experienced in the communications industry will be appointed to conduct the review to ensure the published fee schedule reflects fair market-based commercial returns, having regard to:</p> <ul style="list-style-type: none">• recent market rentals agreed for similar sites• relevant land valuations	<ul style="list-style-type: none">• any additional requirements that the land management agency is required to take into account under relevant legislation (for example, principles in section 143(1) <i>Crown Lands Act 1989</i>). <p>IPART’s recommendations for low-value sites are proposed to be implemented as a complete package, subject to the land management agencies being able to develop the recommended standard form licence for primary and co-users by the end of 2006. This will provide stable rents that reflect market prices and a consistent long-term licence.</p> <p>The development of a consistent framework will establish a security of tenure and use conditions not previously available and make Crown land sites more viable and commercially attractive for current and potential communication tower users.</p> <p>Crown Lease Assessment Tool (CLAT) and Crown Lands Landscape Services Centre</p> <p>The Landscapes Services Centre in Dubbo changed its name from the Reforms Service Centre during the year to reflect the wider role that the Centre now has in providing a range of services in landscape management.</p> <p>In addition to playing a key role in the delivery of the Crown land reforms, the Centre is providing expertise and assistance in areas including land assessment and management, covenant development and monitoring as well as plan preparation.</p> <p>A major focus of the Centre has been to develop systems for assessing and recording environmental values of perpetual leases and Crown roads that have been applied for purchase by holders of Perpetual Leases and Enclosure Permits.</p>	<p>A key milestone of the Centre has been the development of the <i>Assessment of Environmental Significance</i> methodology into a computer-based Crown Lease Assessment Tool (CLAT). The CLAT links to the Crown Land Information Database and automates parts of the assessment process including a standard reporting format. Assessment data entered into CLAT is to be stored on the database and regularly updated and used for reporting.</p> <p>The <i>CLAT User Guide</i> and <i>CLAT Field Sheet Instructions and Notes</i> have been prepared to assist officers in using this tool. Crown Lands’ staff involved in assessing Perpetual Lease conversion applications have been provided with specialised training. The CLAT User Group has been established to identify and recommend enhancements for CLAT as part of a continual improvement process.</p> <p>Systems have been developed to provide a consistent approach for regional and Centre staff for computerised mapping programs. These programs will provide a consistently high standard of documentation and final plans, particularly in regard to Crown roads. Templates have also been developed to streamline lodgement with the Land and Property Information division.</p> <p>Cook Park</p> <p>Cook Park is a Crown reserve comprising land along the foreshore of Botany Bay. It extends 8.5 kilometres, from Sydney Kingsford Smith International Airport in the north, passing through the suburbs of Brighton-le-Sands, Ramsgate Beach, Sans Souci and Dolls Point to Captain Cook Bridge (over Georges River) in the south.</p> <p>Cook Park, named after Samuel Cook, provides an important open space in the urban environment of the Rockdale</p>	<p>Local Government Area. The Park is a vital recreational resource for local and regional users.</p> <p>A Plan of Management was adopted by the Minister for Lands on 23 December 1998. On the 2 March 2006 the Minister appointed an Administrator to manage the Park.</p> <p>The Administrator and Rockdale City Council have agreed that Council will provide day-to-day and general maintenance of the Park. The various lessees have indicated they are pleased with the current operations. The Administrator has approved the commencement of construction of a boardwalk along the beach at Brighton-Le-Sands, and various other capital works, which will provide significant public value. A preliminary review of the existing Plan of Management has also been completed and negotiations have commenced with Council on reviewing other local planning instruments prior to considering new management proposals and community consultation on the issues.</p> <p>Ulladulla Harbour</p> <p>Ulladulla is some 220km south of Sydney and is situated around its picturesque and historic harbour. The harbour is a popular destination for locals and tourists, for recreational boating and fishing and is the focal point of the local fishing industry.</p> <p>The Crown Lands Division has responsibility for the care and control of 25 minor ports that support the state’s commercial fishing industry and recreational boating, including Ulladulla harbour.</p> <p>Recently, demands in Ulladulla for recreational boating, commercial fishing and tourism in general have changed. Opportunities to gain better access around the foreshore and to</p>	<p>the waterway have been raised by the community as well as an interest for improvements within the harbour.</p> <p>Crown Lands Division has been active in meeting this challenge and is seeking to optimise its management of this key asset and surrounding Crown land.</p> <p>Crown Lands Division, in consultation with Shoalhaven Council, the Premier’s Department and other government agencies, has developed a Concept Plan and carried out a Market Analysis and Economic Evaluation for upgrading of the harbour.</p> <p>The key features of the Concept Plan include provision for improvements to the existing working harbour and its operations, breakwater extension and navigational improvements, new marina and related amenities/facilities, tourist/residential apartments, eco resort, civic centre/town square, commercial areas with cafes/restaurants, car parking, picnic and BBQ facilities and access that provides linkages within and into the harbour precinct.</p> <p>The cost for the proposed improvements included in the Concept Plan has been estimated at \$44m. The economic evaluation indicates the return from the commercial/retail/ accommodation components is expected to be positive and fund the proposed improvements.</p> <p>Crown Lands Division has presented its Concept Plans for Ulladulla Harbour to the community and is seeking comments to ensure all environmental and social issues are adequately addressed and to achieve the optimum outcome in meeting the needs of all stakeholders, both now and into the future.</p> <p>Relevant environmental studies will be undertaken later in 2006 to assess the benefits of the proposed breakwater and</p>	<p>navigational improvements with a view to progressing the redevelopment in 2007.</p> <p>NATIVE TITLE, ABORIGINAL LAND CLAIMS AND STATUS BRANCH</p> <p>Lands continued to assist the Minister in his provision of a response to the native title process in NSW and is actively negotiating settlements by Indigenous Land Use Agreement in some of the 43 native title applications that are filed in the Federal Court.</p> <p>The land claims process pursuant to the <i>Aboriginal Land Rights Act 1983</i> has resulted in a high number of Aboriginal Land Claims being lodged over Crown lands in NSW. Lands continues to carry out investigations and make recommendations to assist the Minister to perform his functions pursuant to the <i>Aboriginal Land Rights Act 1983</i>.</p> <p>A native title test case <i>Jango v Northern Territory of Australia</i> [2006] FCA 318 which was potentially important for establishing the principles for determining compensation payable for the extinguishment of native title was handed down and the decision was that native title did not exist. Consequently there is still no clear guidance on compensation principles to be applied by the Valuer General for extinguishment and impairment of native title, however, the case did establish the importance of primary evidence of applicants in the native title process.</p>

AIMS AND OBJECTIVES
FOR 2006/07

- Responsible Crown land management to optimise environmental and socio-economic benefits to the state
- Development of a Regional Crown Reserve Network
- Development of Master Plans for the future direction and development of Crown land maritime precincts at Coffs Harbour, Southern Harbour, Tweed Heads, Ulladulla, Batemans Bay and Port Stephens
- Develop partnerships with local government at Port Macquarie, Great Lakes, Ballina, Tweed Heads and Wollongong
- Continue development of a commercial entity business framework to guide the operations of Crown Lands NSW
- Improve environmental outcomes by collaborating with Catchment Management Authorities (CMAs)
- Develop and implement covenants for improved environmental outcomes
- Negotiate and allocate Crown land for controlled feral animal reduction in conjunction with the Game Council of NSW
- Streamline processes and reduce cost of administration of Crown land
- Implement IPART reforms for Telecommunication sites
- Improve return on operational Crown Lands
- Prepare and implement a fire management program
- Improve management of reserves held under Trusts

- Identify and implement appropriate strategic training opportunities for Crown Lands Division
- Development of Rail Trails and walking tracks
- Continue to achieve the objectives of keeping the Tweed River Entrance navigable and Gold Coast beaches nourished.

Providing solutions for
soil conservation and
land rehabilitation



The Soil Conservation Service (SCS) (formerly Soil Services), is a soil conservation and environmental consulting business within Lands specialising in environmental protection, rehabilitation and land management services to both rural and urban clients. SCS offers competitive and cost effective services and consultancy to land users for the assessment, development, implementation and promotion of best practice land and water use systems. Maintenance of State Government assets on behalf of other government entities are also undertaken by the division.

Services

Conservation Earthworks (Works)

Through its plant hire scheme Works, SCS offers a cost competitive earthmoving service to design and implement soil and water conservation earthworks, setting the industry standard for quality. Services include:

- extensive conservation broadacre banking and waterway systems used to contain and divert runoff to stable disposal areas. These works complement conservation farming practices such as reduced and no-tillage to provide effective control of sheet, rill and gully erosion
- conservation earthworks include dams, catch banks, waterways, contour banks and integrated watershed soil and water conservation schemes to harvest and store water for domestic use
- grade reducing structures, gully head control, shaping and filling to stabilise actively eroding flow lines
- mine restoration works, access tracks, poly pipe laying, sand dune shaping and other specialist works

- specialist works, such as concrete or rock lined chutes, pipe installation and revegetation.

Projects are undertaken on either a fixed fee or hourly rate basis. Subcontractors are often engaged to assist with the provision of specialist equipment such as excavators, scrapers and rollers.

Soil Consulting (Consult)

Consultancy and contracting services are offered on a fully commercial basis in a broad range of areas associated with environmental protection, rehabilitation and education. Many of the consultancies undertaken involve the works teams, and enable SCS to offer clients a complete package from planning, designing and layout through to final implementation. The work is founded on a thorough understanding of what is practical and cost effective and at all times is concerned with the protection of the environment. These practical skills and knowledge have also been packaged to provide well recognised training programs to the construction industry.

Services offered have expanded and include the following areas:

- resource planning and assessment
- soil surveying and landscape mapping
- soil and water testing services
- catchment and property planning
- project management, rehabilitation and revegetation of degraded areas
- erosion and sediment control on infrastructure developments
- design and construction of soil and water conservation works
- groundwater mapping and salinity control

- flood detention basins, drainage works and artificial wetlands
- training in conservation earthmoving, urban erosion and sediment control, access track construction and rehabilitation techniques
- coastal dune stabilisation and beach reclamation.

Consult services are supported by National Association of Testing Authorities (NATA) registered soil and water testing laboratory at Scone and a hydroseeder / hydromulcher unit at Bathurst.

Operations

Services included under this category relate to maintenance of State Government assets on behalf of other government entities on a full cost recovery basis.

- **Flood Mitigation Works** – includes the maintenance of assets constructed for flood mitigation and prevention under the *Hunter Valley Flood Mitigation Act (1956)*. Under Memorandums of Understanding, SCS is offered the work in this program as well as that involved in the construction of new flood mitigation works funded from the Natural Disasters Relief Fund, for repairs to assets damaged by flooding. Works in the Upper Hunter are funded through the Hunter Central Rivers Catchment Management Authority. Funding for the maintenance of assets in the Lower Hunter continue to remain with Department of Natural Resources.
- **Great North Walk** - established in the 1988 bicentennial year as a 250 kilometre walking track from Sydney to Newcastle. The route includes Sydney Harbour, Lake Macquarie and

the Newcastle coastline. The walk is managed by SCS with cooperation and assistance of Forests NSW, Department of Environment and Conservation and 14 local councils. The physical on-ground maintenance works are undertaken by divisional staff.

- **Dam Foreshores** - SCS is currently responsible for operational management of the dam foreshores at Glenbawn, Glennies Creek, Lostock, Split Rock, Chaffey, Keepit and Copeton Dams. These 50,000 hectares are managed in accordance with management plans, ensuring their continued long-term stability and environmental protection. SCS staff are engaged in pest and weed control, asset maintenance, fire control and agistment management on a full recovery cost basis on behalf of NSW State Water.

Customers

Soil Conservation Services clients include the landholders of NSW (primarily farmers and graziers), government agencies that include Catchment Management Authorities (CMAs) Mineral Resources of NSW, Sydney Catchment Authority, Roads and Traffic Authority, ACT Government, local government, conservation groups (such as Landcare and Dunecare) and commercial companies.

Revenue received from client services varies from year to year with the table on the next page providing a profile by operational activity in respect of 2005/06.

Over the last five years the Consult customer base segment of the business has grown significantly. Works, on the other hand, declined due to a lack of demand arising from the major drought conditions in NSW and a fleet reduction due to restructuring. The small reduction in total sales in Works (5%) and Operations (6%) was well offset by the Consult increase of 53% during the year.

Principal Officer

Paul Jones, General Manager B. Eng
(civil), Certified Professional Erosion and
Sediment Control (CPESC)

AIMS AND OBJECTIVES FOR 2005/06

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

Percentage of Customers by Group							
Customers	Works		Consult		Operations		Total
	[% of customers]		[% of customers]		[% of customers]		
	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06	2005/06
Landholders	73.3	67.5	1.3	1.6	30.3	30.4	28.0
State Government	8.0	11.4	73.7	76.7	68.1	67.2	53.6
Local Government	2.0	4.0	12.9	10.0	1.6	2.4	6.8
Corporate	14.2	16.3	11.9	11.5	-	-	11.3
Other	2.4	0.7	0.2	0.2	-	-	0.4
Total	100	100	100	100	100	100	100

PERFORMANCE HIGHLIGHTS

- SCS quality management system obtained external accreditation by benchmark, at four locations, during the year. The formal accreditation assists the division in bidding for external consultancy works with a range of major clients.
- Marketing literature and tender presentation were reviewed and updated during the year to improve tender submission documentation. Local government clients were targeted with presentations. Field days at Henty, Mudgee, Orange and Agquip (Gunnedah) were attended to promote Lands services and local operations.
- NSW Premier’s Public Sector Award commendation in Environment and Natural Resources received for project management and construction of the Tingha Sewerage Scheme pond system in northern NSW.

- Major environmental rehabilitation consultancies and conservation earthworks undertaken for clients during the year included:
 - Department of Education and Training - design and project management of school ground rehabilitation works at 24 schools.
 - Shoalhaven City Council – Narrawallee and Lake Tabourie Foreshore Stabilisation Works including rock revetment, revegetation and pedestrian access.
 - Sydney Catchment Authority – eight projects including fire trail maintenance and repairs at Warragamba and Metropolitan catchments and riverbank protection works Riverlea, Braidwood.
 - Department of Primary Industries, Mineral Resources – rehabilitation of 18 derelict mine sites across NSW.
 - Summervale Aboriginal Community Sewerage Scheme earthworks,

subcontracted to Ledonne Constructions for Department of Commerce.

- Design and construction of two large irrigation storage dams for Mr J Cornish, Tooryburn Stud, Gresford.
- Conservation and rehabilitation earthworks to East Boggabri, Namoi, Werris Creek and Drayton coal mines, Northern Tablelands and Hunter region.

KEY ISSUES

Works operation continues to experience excessive fleet repair costs due to the ageing fleet. Consult operations continue to provide a substantial stream of income for the division and showed a strong increase in sales for the year. Approval of four new staff positions in the unit will assist the divisions overall financial position.

REPORT ON OPERATIONS

Works income at \$7.3 million (down 7.5% on the budgeted \$7.9 million), was again impacted by the ongoing widespread drought conditions. Chargeable plant hours were down again on the previous year at 930 hours per unit and significantly below the annual target of 1300 hours (down 29%). Operational units remained at 39 bulldozers and two excavators. With Lands’ increased responsibility to maintain fire trails and asset protection zones an excavator mounted, and 4WD tractor mounted, mulching attachments were purchased for provision of services. Approximately 23,375 hectares of land was treated with conservation earthworks including broadacre banks/waterways dams and sediment detention structures.

Consult income for the year at \$7.7million was below budgeted income of \$8.5million (down 9%) and was set on the assumption of five extra consult staff. More importantly, Consult sales totalled \$10million (up by 53% on 2004/05), an outstanding result for existing staff resources, and provides a solid work load to commence the new year. The unit successfully bid for a number of preferred contractor and project tenders including work for Defence, Transgrid, Mineral Resources and the Department of Commerce. Commonwealth funded environmental programs also provided a number of project opportunities through CMAs in the Murray, Lachland and Central West areas to undertake works for rural landholders. With the large consult demand evident, approval was obtained to establish four new consult staff positions at Wollongong, Orange, Nowra and Newcastle late in the financial year.

Hunter Valley flood mitigation works, Great North Walking Track and dam foreshore programs were completed during the year to the value of \$2.57 million. River operation teams were successful during the year in sourcing additional works to ensure full operational costs were met. Negotiations on foreshore land management came to a conclusion with State Water’s decision to move to full lease arrangements for their future management. This will bring an end to many years of involvement by SCS in these foreshores when current arrangements terminate in December 2007.

Sales by Customer Group

Customers	Works		Consult		Operations		Total
	(sales \$000)		(sales \$000)		(sales \$000)		
	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06	2005/06
Landholders	5,019	4,382	88	156	826	937	5,475
State Government	550	742	4,826	7,676	1,854	2,070	10,488
Local Government	139	262	847	1,001	44	73	1,336
Corporate	973	1,056	778	1,149	-	-	2,205
Other	163	48	13	25	-	1	74
Total	6,845	6,490	6,553	10,007	2,724	3,082	19,579

Working with rural communities to harness economic social and environmental opportunities for country NSW



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

The Office of Rural Affairs undertakes this role by providing secretariat and policy support to the Regional Consultative Communities Council (RCCC), which is the peak rural community advisory body in NSW.

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

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

Senior Manager
Fran Schonberg, Manager, Office of Rural Affairs

Management strategy and performance review
Financial

The Office of Rural Affairs, Lands budget allocation includes funds related to the

operation of the Regional Communities Consultative Committee (\$150,000) and employee and related operating costs of the Office itself (\$265,000).

No capital works funding was allocated to the Office in 2005/06.

The Regional Communities Consultative Council (RCCC)
Established in August 1996, the RCCC is a standing advisory body comprised of thirteen members representing community interests, with an independent Chair and Deputy Chair.

A new Council was appointed in March 2005 for a two year term.

Members of RCCC	Role or interest	Attendance
Diana Gibbs	Chair	5
Lynda Summers	Deputy Chair	6
John Ainsworth	Representing farmers’ interests	5
Fr Tim Carhill	Representing religious interests	3
Michael Schultz	Representing environmental interests	4
Rashmere Bahatti	Representing ethnic community interests	4
Dr Jock Fletcher	Representing health interests – resigned December 2005	3
Iris White	Representing Aboriginal community interests	5
Michael Madden	Representing trade union interests	2
Simon Davies	Representing youth interests	4
Tim Sheed	Representing business and industry interests	4
Peter Quarmby	Representing social services interests	3
Ruth Shanks	Representing women’s interests	3
Jenny Bonfield	Representing local government interests	3
Lyall Wilkinson	Representing education interests	5

SOME HIGHLIGHTS
IN 2005/06

Developing a model for
coordinated humanitarian refugee
settlement in rural and regional
NSW

Humanitarian refugee arrivals to rural and regional communities will continue to rise to fulfil Australia’s commitments to the United Nations High Commissioner for Refugees. To assist rural and regional communities to be able to support new arrivals requires a coordinated approach by governments and community. Through the Regional Communities Consultative Council (RCCC) a coordination model has been developed that clearly identifies all levels of government and non-government organisations roles and responsibilities. Only through coordinated and collaborative approaches can governments and communities put in place the support mechanisms required to ensure a smooth settlement process into rural and regional communities.

Facilitating a Rural Communities
Impact Statement on the listing
of the town of Braidwood and
its setting on the State Heritage
Register

During 2005/06 the town of Braidwood and its setting was listed on the State Heritage Register. As this was the first rural town and its setting listed, there was a very high level of community interest and debate.

The primary issues of concern were:

- the direct impacts of the proposed Heritage Listing on properties and landholders
- the broader community impacts, both socially and economically

- the pressures for development and the potential for inappropriate developments to impact on the historic and unique character, appearance and integrity of Braidwood
- the role of community (and to some extent, Council) in determining their own future
- the process involved in the proposed listing.

The Office of Rural Affairs facilitated the Rural Community Impact Statement to ensure that government, council and community issues were addressed within the decision making process.

Ensuring public
confidence in the
provision of survey and
spatial information
services



The Hon Tony Kelly MLC
Minister for Justice
Minister for Juvenile Justice
Minister for Emergency Services
Minister for Lands
Leader of the House (Legislative Council)
Minister for Rural Affairs
Level 34
Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Minister

In accordance with the *Surveying Act 2002* the Board of Surveying and Spatial Information submits the following report for the 2005/2006 financial year.

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

I commend this report to you.

Yours sincerely



Warwick Watkins
President of the Board of Surveying and Spatial Information
Surveyor General of New South Wales

The Board of Surveying and Spatial Information (the Board), constituted under the *Surveying Act 2002*, to provide for the registration of land and mining surveyors, is the statutory body responsible for standards in surveying and spatial information in New South Wales.

The Board, established on 25 June 2003, took over the functions previously managed by the Board of Surveyors of New South Wales which was constituted under the *Surveyors Act 1929*, which has been repealed.

Mission

The Board in all its dealings strives for excellence and has an ongoing quest for quality. The Board accepts that the community is entitled to expect reliable and professional service at reasonable cost. The Board’s philosophy is to ensure that public confidence is maintained in the provision of survey and spatial information services.

Functions of the board

The principal functions of the Board are:

- the registration of land and mining surveyors and ongoing administration of the register
- the investigation of complaints against registered land and mining surveyors and the taking of disciplinary action which may arise as a result of the investigation
- the investigation of: surveyor licensing schemes in other states and territories, the practice to be followed in relation to surveying or in the collection, collation and dissemination of any other kinds of spatial information, any matters referred to it by the Minister in relation to surveying or the spatial information industry

- the provision of advice to the Minister with respect to matters outlined above and all other matters in connection with the administration of the Act.

Aims and objectives
Qualifications

- to maintain the register of registered land and mining surveyors
- to grant registration to surveyors under the provisions of the *Surveying Act 2002*
- to establish minimum competency standards
- to maintain the credibility of the register by ensuring surveyors with overseas and interstate academic qualifications meet the standards required under the *Surveying Act 2002*.

Education

- to work with education and professional institutions to develop educational and training programs to ensure quality standards in education and professional development are maintained
- to encourage spatial information practitioners and registered surveyors to undertake appropriate education and relevant continuing professional development to maintain competency
- to assist surveyor’s assistants, survey drafters and students of surveying gain qualifications by determining, recording and accepting accrued practical experience.

Membership, Board of Surveying and Spatial Information
During the 2005/06 reporting period there were 12 members on the Board as defined by the *Surveying Act 2002*. The Registrar, two advisers and one observer also attended the meetings. The Board met formally on five occasions.

To ensure the Board is accessible to the wider surveying community, meetings were held in Sydney, Sutton Forest and Kurri Kurri.

Administration

Administrative support to the Board is undertaken by a small secretariat which includes the Registrar, one full time statutory officer and one part time statutory officer. Employees of the Department of Lands provide further support.

The Board is primarily funded by fees levied on surveyors and also some contributions from spatial information stakeholders. All costs associated with administration of the Board were met from fees received.

Achievements

The Board of Surveying and Spatial Information was active in its continuing role of promoting professional development and standards, and has played a significant role in legislative reform following the enactment of the Surveying Bill on 25 June 2003.

The Board continued its practice of meeting and consulting with Surveyor Board representatives from interstate and overseas jurisdictions. The Board also met with the Commissioner for Surveys, ACT to further advance cooperative arrangements implemented six years ago. Representatives of the Board have also met with the Western Australian Mines Survey Board and representatives of the Queensland Surveyors Board to discuss reciprocal arrangements for Mining Surveyors. Following discussion with the Queensland Surveyors Board, a Memorandum of Understanding has been signed to permit mining surveyors to move more easily between the two jurisdictions.

REPORT OF THE BOARD OF SURVEYING AND SPATIAL INFORMATION				The Department of Lands Annual Report 2005/06	
74				75	
During the reporting year, meetings were held with representative members from NSW professional associations to ensure that both land and mining surveyors fulfil their responsibilities to consumers and for these associations to be more involved in the training of candidates.		The Board’s strategic plan has been prepared, milestones have been set, and actions implemented according to the timetable. Following the development and adoption of a Road Map and Framework for the NSW Spatial Information Strategy the		next stage involves a whole of industry approach to spatial information industry development across the public, private and academic sections. Contractors have been engaged to assist the Board to proceed to the second stage to address the spatial information functions of the Board.	
Members of the Board		Representative organisation		Attendance	
Mr Warwick Watkins AMP:ISMP (Harv), M NatRes, DipScAgr, HDA (Hons), JP, FAPI, FISA		Surveyor General of NSW		5 meetings	
Mr Paul Harcombe B Surv (UNSW), M Geom (Melb)		Chief Surveyor Department of Lands		5 meetings	
Mr Mark Gordon B Surv (Hons)		Institute of Surveyors NSW Inc		4 meetings	
Mr Andrew Campbell M SurvSc (UNSW), M Planning (UTS)		Institute of Surveyors NSW Inc		5 meetings	
Dr Michael Elfick DSurv(Newcastle), Dip Surv Sc (Sydney)					
Dip Town Planning (Sydney)		Institute of Surveyors NSW Inc		5 meetings	
Mr Phillip Orr B Surv (Hons)		Australian Institute of Mine Surveyors Limited		3 meetings	
Mr Robert Regan B Mining Engineering (Hons 1)		Minister for Mineral Resources		4 meetings	
Mr David Bruce B Surv (Hons) (UNSW)		Spatial Sciences Institute of Australia		3 meetings	
Mr Ronald Lister B Surv (Hons) (UNSW), Grad Dip Admin (UTS)		Geospatial Information and Technology Association – Australia and New Zealand Division		5 meetings	
Mr Vinayan PK Dip Bus Mgt (DET, NSW) M. App. Geo, PhD (Remote Sensing) IIT		Spatial Sciences Institute of Australia		4 meetings	
Ms Margaret Hole AM, Diploma in Law, Barristers Admission Board		Representing Minister for Fair Trading		5 meetings	
Professor John Fryer FISA, B Surv (UNSW), PhD (UNSW)		University of Newcastle		5 meetings	
Non-Board members who attended meetings 1. Graham Leatherland RFD*, Cart Cert, HCart Cert attended four meetings as the Registrar. 2. Anna Allen, MSurv Sc (UNSW), B Eng Surv (Pol); and Grahame Wallis B Surv (UNSW) both attended five meetings as advisers. 3. Frank Blanchfield Assoc Surv (RMIT), ACT Commissioner for Surveys attended five meetings as an observer.					
In December 2005 the Board in conjunction with the University of Melbourne sponsored a workshop entitled ‘Marine Administration – Understanding the Spatial Dimension’ which attracted over 50 participants. The workshop involved leading policy and research experts in the area of marine cadastre, marine policy, and marine safety. The workshop was highly successful in raising knowledge and awareness about spatial information issues in the marine environment and has led to further more focussed research and potential applications. Copies of all presentations can be obtained on CD Rom from the Secretariat.		In December 2005 the Board in conjunction with the University of Melbourne sponsored a workshop entitled ‘Marine Administration – Understanding the Spatial Dimension’ which attracted over 50 participants. The workshop involved leading policy and research experts in the area of marine cadastre, marine policy, and marine safety. The workshop was highly successful in raising knowledge and awareness about spatial information issues in the marine environment and has led to further more focussed research and potential applications. Copies of all presentations can be obtained on CD Rom from the Secretariat.		New South Wales and Jai Reedy, from the University of Newcastle.	
Examination The Board met for a total of eight working days during September 2005 and March 2006 for the purpose of assessing the professional competence of graduate surveyors through examinations. The Board also assessed candidate surveyors undertaking Professional Training Agreements (PTAs). A total of fifteen applicants successfully completed the examinations or PTAs, were issued with Certificates of Competency and accordingly registered as land surveyors. Five candidate surveyors were registered as mining surveyors.		Examination The Board met for a total of eight working days during September 2005 and March 2006 for the purpose of assessing the professional competence of graduate surveyors through examinations. The Board also assessed candidate surveyors undertaking Professional Training Agreements (PTAs). A total of fifteen applicants successfully completed the examinations or PTAs, were issued with Certificates of Competency and accordingly registered as land surveyors. Five candidate surveyors were registered as mining surveyors.		Professional Training Agreements The Board introduced Professional Training Agreements (PTA) as an alternative method of assessment of the competency of candidate surveyors. There were 23 candidate land surveyors undertaking training under PTAs to ascertain competency as a land surveyor during the year of which four candidates successfully completed competency requirements.	
Based on the results of the Board’s assessment for Certificates of Competency four prizes are awarded annually:		Candidate training To assist candidate surveyors attempting assessment the Board conducts a weekend workshop at Kurri Kurri TAFE. This year 63 candidate surveyors and 21 supervising surveyors attended. Board members, invited guests, local surveyors and candidate surveyors attending the workshop were able to discuss matters of mutual interest including proposed changes to Board operations affecting both land and mining surveying industries.		The Board continued to improve and expand the information available at the workshop and improve standards of presentation using the latest technology. Comprehensive manuals, produced by the Board, for the urban cadastral, town planning, engineering design and supervision components of the urban development process were distributed. The set Town Planning project, an alternative to a candidate surveyor’s own project, was also made available on CD ROM. These resources and the information sessions provided by guest presenters have proved invaluable to candidates.	
• the Barr Prize was presented to Anthony Steel for the best cadastral survey project		• the Harvey Prize was presented to Murray Edwards for the best town planning project		• the Augustus Alt Prize was presented to Andrew Thurlow for the best engineering project	
• the Neil Ryan Memorial Award was presented to Anthony Steel for the best urban cadastral projects submitted at the April 2005 and September 2005 assessments.		The Surveyor General’s Prize was awarded to Rodney Brumby for his performance in a Professional Training Agreement completed during the year.		Discussion has also been had with representatives from professional organisations to assist in the training of candidates. As a result, workshops are to be conducted by the Association of Consulting Surveyors NSW to assist in	

the training of land surveyor candidates in Town Planning and Engineering Design. Further discussion is to be held to assist candidates in cadastral surveying.

Legislation

The Surveying Bill was enacted on 25 June 2003, and the statutory body with the corporate name Board of Surveying and Spatial Information (BOSSI) was constituted. The Surveying (Practice) Amendment Regulation, implemented on 25 June 2003, is under review and is to be implemented in September 2006.

One of the key recommendations of the National Competition Policy (NCP) Review, endorsed by Cabinet and embodied in the above legislation, was that membership of the Board be expanded to include representatives of government, the survey profession, consumers and other professional groups having an interest in survey and spatial information. This recommendation has been implemented and can be seen in the present composition of the Board.

A number of transition issues with the legislation had emerged concerning the composition of the Board and its committees, deceased surveyors and liability of Board members. Legislation to deal with these issues amending the *Surveying Act 2002* was enacted during the reporting year.

Continuing Professional Development (CPD)

On 1 July 2005 the Board implemented a revised CPD Determination. Compliance with CPD requirements is a condition of annual renewal of registration each financial year. The Board’s CPD determination is located on the BOSSI internet site and can be found at www.bossi.nsw.gov.au. Compliance with the Board’s CPD requirements is

mandatory for surveyors renewing their registration.

The Board has ratified the following five organisations for CPD purposes which include the conduct and assessment of CPD activities and issue of CPD compliance certificates:

- Institution of Surveyors NSW Inc
- Association of Consulting Surveyors NSW
- Australian Institution of Mine Surveyors Limited NSW Division
- University of Newcastle
- Spatial Sciences Institute (ACT).

A CPD Committee has been formed by the Board and is comprised of Board members and representatives from the five organisations ratified by the Board. Reporting to the Committee is the CPD Audit Panel, which undertakes an audit of CPD compliance involving 20% of surveyors renewing their annual registration in accordance with the policy. 312 surveyors were audited this year and 14 of these were deemed not to have complied with the Policy by the Audit Panel.

Committees

To maximise the use of the time available at Board meetings the Board has appointed the following committees to operate within the Board’s structure:

Training Committee, Finance and Audit Committee, Spatial Information Committee, Professional Audit and Investigation Committee, Discipline Committee, Land and Mining Surveyor Committee, and Legislation Committee. The latter committee meets on an ‘ad hoc’ basis.

It is anticipated that further committees may be formed to deal with the expanded role of the Board under the *Surveying Act, 2002*.

Consumer response

During the reporting year the Registrar received more than 50 telephone complaints related to the performance of surveyors. All telephone enquiries were responded to within 24 hours. Written applications received a reply within six to eight weeks due to the frequency of Board meetings but any urgent matters were dealt with out of session.

In accordance with the Board’s complaints policy, the Professional Audit and Investigation Committee investigates complaints against surveyors. The policy is located on the BOSSI internet site at www.bossi.nsw.gov.au.

Ten complaints against surveyors made in the reporting year have been either fully investigated or are the subject of ongoing investigation by the Committee. Three complaints were referred to the Disciplinary Committee for disciplinary action against the surveyor involved.

The committee continues to use the standard ‘complaints form’ template to facilitate the making of complaints by members of the public and other government agencies.

The successful use of complaint resolution methods by the Board has resulted in few formal complaints.

Action Plan for Women

The Board has continued to sponsor the Surveyor General’s Women in Surveying Scholarship at both the University of Newcastle and the University of New South Wales. The Board uses the scholarship to encourage women to enter the surveying profession. This year’s scholarship was awarded to Simone Nadine who was enrolled in her

first year of studies for the Bachelor of Surveying course at the University of Newcastle.

Grants to non-government organisations

During the reporting year the Board granted \$2000 to the University of Newcastle for the Surveyor General’s Women in Surveying Scholarships.

For information on consultants, payment performance, risk management and insurance, and all other administrative procedures, policies and processes for this report please refer to the Department of Lands Annual Report Appendices.

Performance	2003/04	2004/05	2005/06
Registered Surveyors in NSW	1068	1051	1044
New registrations			
By way of Certificate of Competency ¹	126	17	28
By way of Letters of Accreditation from Reciprocating Boards	13	4	5
Removal of Name from Register²			
Non-payment of Annual Roll fees	127	89	126
At own Request	24	23	22
Deceased	2	2	1
Restoration of Name to Register	102	76	109
Letter of Accreditation Issued to Reciprocating Boards	9	5	9
Candidate Enrolments	44	46	46
Total Financial Candidates	142	153	177
Assessment of Overseas Academic Qualifications	7	4	8
Assessment of Interstate Academic Qualifications	0	0	6
Emeritus Certificates Awarded	17	19	12

1. The larger than normal increase in registrations by Certificate of Competency in 2003/04 is attributed to a significant number of Mining Surveyors being registered for the first time following the enactment of the *Surveying Act 2002* on 25 June 2003. Prior to this date Mining Surveyors had not been registered by the Board. Competency certificates for Mining Surveyors may not have been issued by the Board as competency for these surveyors had been certified by the Coal Mines Qualification Board prior to the enactment of the *Surveying Act 2002*. Following the downturn in new registrations in 2004/05, the Board’s initiatives in working with education, professionals and employers, has seen a growth in the number of new registrations during 2005/06 and this trend is expected to continue.

2. Reasons for people being removed from the register include retirement, relocation interstate, or no longer practicing surveyors.

DEPARTMENT
OF LANDS
FINANCIAL
STATEMENTS

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GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDIT REPORT

DEPARTMENT OF LANDS

To Members of the New South Wales Parliament

Audit Opinion

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

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

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

Scope

The Financial Report and Director-General's Responsibility

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

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

Audit Approach

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

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

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

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

My opinion does *not* provide assurance:

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

Audit Independence

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

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

S R Stanton CPA
Director, Financial Audit Services

SYDNEY
23 October 2006

DEPARTMENT OF LANDS

STATEMENT
BY
DIRECTOR-GENERALDEPARTMENT OF LANDS
Operating Statement
For the Year Ended 30 June 2006

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Pursuant to section 45F (1B) of the Public Finance and Audit Act 1983, we state that:

- (a) the accompanying financial report has been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Financial Reporting Code for Budget Dependent General Government Sector Agencies, the applicable clauses of the Public Finance and Audit Regulation 2005 and the Treasurer's Directions;
- (b) the financial report exhibits a true and fair view of the financial position and financial performance of the Department; and
- (c) there are no circumstances which would render any particulars included in the financial report to be misleading or inaccurate.



D. Mooney
Acting Director-General
Department of Lands

Date 20 OCT 2006



B. Costello
Director Finance and Corporate Support
Department of Lands

Date 20 OCT 2006

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		Actual	Budget	Actual
	Notes	2006 \$'000	2006 \$'000	2005 \$'000
Expenses excluding losses				
Operating expenses				
Employee related	2(a)	51,791	119,958	131,796
Other operating expenses	2(b)	60,675	59,423	56,509
Depreciation and amortisation	2(c)	13,309	12,294	12,197
Grants and subsidies	2(d)	13,568	24,745	12,576
Finance costs	2(e)	45	-	575
Other expenses	2(f)	1,966	1,080	1,928
Total Expenses excluding losses		141,354	217,500	215,581
Less:				
Revenue				
Sale of goods and services	3(a)	158,182	148,068	152,983
Investment income	3(b)	3,550	2,180	4,171
Retained taxes, fees and fines	3(c)	3,569	3,105	3,139
Grants and contributions	3(d)	2,272	15,477	625
Other revenue	3(e)	4,868	1,432	3,682
Total Revenue		172,441	170,262	164,600
Gain/(loss) on disposal	4	(295)	-	(232)
Other gain/(losses)	5	(70)	-	(115)
Net Cost of Services	26	(30,722)	47,238	51,328
Government Contributions				
Recurrent appropriation	6	55,143	53,318	56,923
Capital appropriation	6	1,710	2,907	1,757
Acceptance by the Crown Entity of employees benefits and other liabilities	8	3,600	2,542	3,498
Total Government Contributions		60,453	58,767	62,178
SURPLUS/(DEFICIT) FOR THE YEAR	21	91,175	11,529	10,850

The accompanying notes form part of these statements

DEPARTMENT OF LANDS
Statement of Changes in Equity
For the Year Ended 30 June 2006

	Notes	Actual 2006 \$'000	Budget 2006 \$'000	Actual 2005 \$'000
Net increase in property, plant and equipment asset revaluation reserve		20,899	-	98
Other increases / (decreases) in equity:				
- Increase in investment in Public Sector Mapping Services (PSMA)		116	-	82
- AASB 139 adoption		(830)	-	-
TOTAL INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY		20,185	-	180
Surplus / (Deficit) for the Year		91,175	11,529	10,850
TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR	21	111,360	11,529	11,030

The accompanying notes form part of these statements

DEPARTMENT OF LANDS
Balance Sheet
As at 30 June 2006

	Notes	Actual 2006 \$'000	Budget 2006 \$'000	Actual 2005 \$'000
ASSETS				
Current Assets				
Cash and cash equivalents	10	48,984	43,742	55,278
Receivables	11	26,271	25,212	25,398
Inventories	12	498	491	491
Total Current Assets		75,753	69,445	81,167
Non-Current Assets				
Receivables	11	13,672	14,932	14,932
Inventories	12	1,440	1,396	1,396
Other financial assets	13	707	11,228	591
Property, Plant and Equipment	14			
Land and Buildings		80,684	58,703	58,611
Plant and Equipment		17,172	23,705	26,314
Infrastructure systems		15,676	18,126	16,026
Total Property Plant and Equipment		113,532	100,534	100,951
Intangible assets	15	27,203	22,175	15,895
Total Non-Current Assets		156,554	150,265	133,765
Total Assets		232,307	219,710	214,932
LIABILITIES				
Current Liabilities				
Payables	17	35,340	52,158	45,787
Borrowings	18	1,249	684	1,130
Provisions	19	46,622	8,188	44,354
Other	20	79	112	67
Total Current Liabilities		83,290	61,142	91,338
Non-Current Liabilities				
Borrowings	18	13,234	12,346	14,564
Provisions	19	19,984	101,906	90,036
Total Non-Current Liabilities		33,218	114,252	104,600
Total Liabilities		116,508	175,394	195,938
Net Assets		115,799	44,316	18,994
EQUITY				
Reserves	21	21,545	529	529
Accumulated Funds	21	94,254	43,787	18,465
Total Equity		115,799	44,316	18,994

The accompanying notes form part of these statements.

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DEPARTMENT OF LANDS
Cash Flow Statement
For the Year Ended 30 June 2006

	Notes	Actual 2006 \$'000	Budget 2006 \$'000	Actual 2005 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(117,117)	(114,074)	(124,171)
Grants and subsidies		(13,568)	(24,745)	(12,576)
Finance costs		(42)	-	(575)
Other		(72,982)	(73,066)	(68,091)
Total Payments		(203,709)	(211,885)	(205,413)
Receipts				
Sale of goods and services		164,319	158,413	153,880
Retained taxes, fees and fines		3,668	-	3,129
Interest received		3,990	2,298	4,699
Other		12,115	23,464	7,981
Total Receipts		184,092	184,175	169,689
Cash Flows From Government				
Recurrent appropriation		55,143	53,318	56,923
Capital appropriation		1,789	2,907	1,823
Cash reimbursements from the Crown Entity		-	-	805
Cash transfer to the Consolidated Fund		(67)	-	-
Net Cash Flows from Government		56,865	56,225	59,551
NET CASH FLOWS FROM OPERATING ACTIVITIES	26	37,248	28,515	23,827
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of Land & Buildings, Plant & Equipment		257	-	470
Purchases of Land & Buildings, Plant & Equipment and Intangible Assets		(16,849)	(18,157)	(18,244)
Advance made		-	(10,637)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES		(16,592)	(28,794)	(17,774)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings and advances		-	6	-
Repayment of borrowings and advances		(1,146)	(2,558)	(3,604)
Contribution to the NSW Treasury		(25,804)	(8,705)	(23,049)
NET CASH FLOWS FROM FINANCING ACTIVITIES		(26,950)	(11,257)	(26,653)
NET INCREASE (DECREASE) IN CASH		(6,294)	(11,536)	(20,600)
Opening cash and cash equivalents		55,278	55,278	75,878
CLOSING CASH AND CASH EQUIVALENTS	10	48,984	43,742	55,278

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Consolidated Supplementary Financial Statements

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

AGENCY'S EXPENSES & REVENUES	Program 1*		Program 2*		Commercial Activity		Not Attributable		Total	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Expenses excluding losses										
Operating expenses										
- Employee related	30,150	25,345	6,515	12,800	15,126	93,651			51,791	131,796
- Other operating expenses	8,823	11,568	10,901	10,264	40,951	34,677			60,675	56,509
Depreciation and amortisation	1,214	545	506	511	11,589	11,141			13,309	12,197
Grants and subsidies	13,106	12,281		11	462	284			13,568	12,576
Finance costs	3		42	39		536			45	575
Other expenses	1,802	1,620			164	308			1,966	1,928
Total Expenses excluding losses	55,098	51,359	17,964	23,625	68,292	140,597			141,354	215,581
Revenue										
Sale of goods and services	3,630	948	14,829	16,177	139,723	135,858			158,182	152,983
Investment revenue	1,072	787	290	353	2,188	3,031			3,550	4,171
Retained taxes, fines and fees	3,569	3,139							3,569	3,139
Grants and contributions	1,942	625	20		310				2,272	625
Other revenue	3,908	3,545	937	26	23	111			4,868	3,682
Total Revenue	14,121	9,044	16,076	16,556	142,244	139,000			172,441	164,600
Gain / (Loss) on Disposal	(151)	(15)	(78)	70	(66)	(302)			(295)	(232)
Other gains / (losses)	(14)	(14)	(46)	(115)	(10)	15			(70)	(115)
NET COST OF SERVICES	41,142	42,330	2,012	7,114	(73,876)	1,884			(30,722)	51,328
Government Contributions**									(60,453)	(62,178)
NET EXPENDITURE/(REVENUE) FOR THE YEAR	41,142	42,330	2,012	7,114	(73,876)	1,884			(91,175)	(10,850)
ADMINISTERED EXPENSES & REVENUES										
Administered Expenses										
Other										
Total Administered Expenses	(107,613)	(60,962)							(107,613)	(60,962)
Administered Revenues										
Transfer receipts										
Consolidated Fund										
Taxes, fees and fines										
Other										
Total Administered Revenues	91,532	115,383							91,532	115,383
Administered Revenues less Expenses	(16,081)	54,421							(16,081)	54,421

* The name and purpose of each program are summarised in Note 9.

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

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DEPARTMENT OF LANDS
Supplementary financial statements
SUMMARY OF COMPLIANCE WITH FINANCIAL DIRECTIVES
FOR THE PERIOD TO 30 JUNE 2006

	2006				2005			
	Recurrent Appropriation \$'000	Expenditure/ Net Claim on Consolidated Fund \$'000	Capital Appropriation \$'000	Expenditure Net Claim on Consolidated Fund \$'000	Recurrent Appropriation \$'000	Expenditure \$'000	Capital Appropriation \$'000	Expenditure \$'000
ORIGINAL BUDGET APPROPRIATION / EXPENDITURE								
* Appropriation Act	53,318	53,318	2,907	1,710	55,037	55,037	2,152	1,521
	53,318	53,318	2,907	1,710	55,037	55,037	2,152	1,521
OTHER APPROPRIATIONS / EXPENDITURE								
* Treasurer's Advance	795	795	-	-			63	63
Transfers to/from another agency (S28 of the Appropriation Act)	1,030	1,030	-	-	1,886	1,886	173	173
	1,825	1,825	-	-	1,886	1,886	236	236
Total Appropriations Expenditure / Net Claim on Consolidated Fund (including transfer payments)	55,143	55,143	2,907	1,710	56,923	56,923	2,388	1,757
Amount drawn down against Appropriation Liability to Consolidated Fund		55,143		1,789		56,923		1,824
								67

Notes:

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

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**a. Reporting Entity**

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

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

This consolidated financial report for the year ended 30 June 2006 has been authorised for issue by the Director-General on the date on which the accompanying Statement by the Director-General is signed.

When reporting as a single economic entity, all inter entity transactions and balances, income and expenses and profit and losses resulting from inter entity transactions have been eliminated in full.

b. Basis of Preparation

The Department's financial report is a general-purpose financial report, which has been prepared in accordance with:

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

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

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

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

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Statement of Compliance

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

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

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

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

Reconciliations of AEIFRS equity and surplus for 30 June 2005 to the balances reported in the 30 June 2005 financial report are detailed in Note 33. This note also includes separate disclosure of the 1 July 2005 equity adjustments arising from the adoption of AASB 132 and AASB 139.

d. Administered Activities

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

Transactions and balances relating to the administered activities are not recognised as the Department's revenues, expenses, assets and liabilities, but are disclosed in Notes 28 to 31 as "Administered Assets", "Administered Liabilities", "Administered Revenue", and "Administered Expenses".

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

e. Income Recognition

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

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Income Recognition (continued)

(i) Parliamentary Appropriations and Contributions

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

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

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

(ii) Sale of Goods

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

(iii) Rendering of Services

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

(iv) Investment Income

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*. Rental revenue is recognised in accordance with AASB 117 *Leases* on a straight-line basis over the lease term. Royalty revenue is recognised in accordance with AASB 118 *Revenue* on an accrual basis in accordance with the substance of the relevant agreement. Dividend revenue is recognised in accordance with AASB 118 when the Department's right to receive payment is established.

f. Employee Benefits and other provisions

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

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

Long-term annual leave that is not expected to be taken within twelve months is measured at present value in accordance with AASB 119 *Employee Benefits*. Market yields on government bonds of 5.75% are used to discount long-term annual leave.

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

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f. Employee Benefits and other provisions (continued)

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

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

(ii) Long Service Leave and Superannuation

The Department's liabilities (apart from the commercial and semi-commercial activities) for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Department accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Prior to 2005/06 the Crown Entity also assumed the defined contribution superannuation liability.

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified by TC06/09 – AASB 119 *'Employee Benefits' other than Superannuation*) to the employees with 5 or more years of service using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The Department's semi-commercial activity is a member of the Non-Budget Long Service Leave Pool and its long service leave liability is measured at nominal value as specified by TC 06/09. An actuarial review has confirmed that there is no material difference between the present value and the nominal value.

The Department's semi-commercial activity makes long service leave liability contributions to the Treasury Special Deposits (Extended Leave and Leave on Termination Pool) Account. This contribution which discharges all liability for long service leave is expensed as incurred. However, in accordance with Treasury requirements the nominal value of long service leave is recognised both as a liability and as an asset.

The Department's commercial activity's long service liability is measured as present value as per AASB 119. The present value is based on the application of the valuation ratio at Commonwealth government bond rate at the reporting date to employees with five or more years of service, using current rates of pay. This valuation ratio is determined based on an actuarial review conducted during 2005/06.

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

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f. Employee Benefits and other provisions (continued)

(ii) Long Service Leave and Superannuation (continued)

The Department's commercial (LPI) and semi-commercial (SCS) activities are responsible for the employees' superannuation entitlements under defined contribution plans and defined benefit plans.

Contributions to defined contribution superannuation plans are expensed when incurred. For defined benefit plans, the actuarial valuations are carried out at each reporting date by Pillar Administration and the actuarial gains and losses are recognised through profit or loss in the period in which they occur as per Treasury's mandate.

The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, net of the fair value of the plan assets.

(iii) Other Provisions

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

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

If the effect of the time value of money is material, provisions are discounted at 5.75%, which is a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

g. Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's mandate to general government sector agencies.

h. Insurance

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

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

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

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

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

j. Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Department. Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the 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 item is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

k. Capitalisation Thresholds

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

l. Revaluation of Physical Non-Current Assets

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 05-3). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment* and AASB 140 *Investment Property*.

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

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

The Department revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation was completed on 30 June 2006 and was based on an independent assessment.

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

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

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

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

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

m. Impairment of Property, Plant and Equipment

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

n. Depreciation of Property, Plant and Equipment

Except for certain heritage assets, depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Department. The normal life expectancies of major asset categories are as follows:

Asset Class	Number of Years
Buildings—Cottages and Dwellings/ Office Buildings/ Accommodation	40
Leasehold Improvements	Life of lease
Plant and Equipment	5-15
Computers	4
Motor Vehicles	5
Marine Craft	5
Furniture and Major Fitouts	10
Infrastructure Systems	50

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

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

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o. Major Inspection Costs

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

p. Maintenance and Repairs

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

q. Leased Assets

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

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the commencement of the lease term. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense. The Department does not have any finance leases.

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

r. Intangible Assets

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

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

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

The Department's intangible assets (i.e. Software) are amortised using the straight line method over a period of 4 years.

In general, intangible assets are tested for impairment where an indicator of impairment exists. However, as a not-for-profit entity with no cash generating units, the Department is effectively exempted from impairment testing (refer Note 1(m)).

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

s. Loans and Receivables – Year ended 30 June 2006 (refer Note 1 (ag) for 2004/05 policy)

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

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

t. Inventories

Inventories held for distribution are stated at the lower of cost and current replacement cost. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. In the case of raw materials and spare parts, cost is assigned on the basis of weighted average "first in first out" method. Work-in-progress cost is determined by specific identification method and includes direct materials, direct labour and an appropriate proportion of overheads determined by reference to the percentage completed on each contract.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost at the date of acquisition. Current replacement cost is the cost the Department would incur to acquire the asset. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

u. Impairment of financial assets

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

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

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

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

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

v. De-recognition of financial assets and financial liabilities – Year ended 30 June 2006

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Department transfers the financial asset:

- where substantially all the risks and rewards have been transferred; or
- where the Department has not transferred substantially all the risks and rewards, if the Department has not retained control.

Where the Department has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Department's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

w. Other Financial Assets

The Australian Bureau of Statistics commissions the mapping agencies of all States to provide certain services. A Memorandum of Understanding governs the operations of the Public Sector Mapping Agencies (PSMA). The Department acquired an investment of \$1 in one share in PSMA Australia Limited, being an incorporated joint venture of the Public Sector Mapping Agencies. The investment is reflected in the Department's financial statements in accordance with AASB 128 *'Investments in Associates'*. (Refer to note 27)

x. Other Assets

Other assets are recognised on a cost basis.

y. Restricted Assets

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

The Department administers the Torrens Assurance Fund. The Torrens Assurance Fund was established under S134(1) of the *Real Property Act 1900* as a Special Deposit Account administered by the Registrar-General. (Refer to note 16)

The Department administers the Public Reserves Management Fund (PRMF) which provides funds for the development, maintenance and protection of Crown land reserves throughout NSW. Crown reserves are generally managed by reserve trusts which are incorporated bodies administered by local government councils, volunteer boards of management or other responsible organisations such as Rural Lands Protection Boards (Refer to note 16).

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

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

z. Equity transfers

The transfer of net assets between agencies as a result of an administrative restructure, transfer of programs / functions and parts thereof between NSW public sector agencies is designated as a contribution by owners and is recognised as an adjustment to "Accumulated Funds". This treatment is consistent with Urgent Issues Group Interpretation 1038 *Contributions by Owners Made to Wholly Owned Public Sector Entities*.

Transfers arising from an administrative restructure between government departments are recognised at the amount at which the asset was recognised by the transferor government department immediately prior to the restructure. In most instances this will approximate fair value. All other equity transfers are recognised at fair value.

aa. Payables – Year ended 30 June 2006 (refer to Note 1 (ag) for 2004/05 policy)

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

ab. Borrowings – Year ended 30 June 2006 (refer Note 1 (ag) for 2004/05 policy)

Loans are recognised at amortised cost using the effective interest method. Gains or losses are recognised in the Operating Statement on de-recognition.

Finance lease liability is determined in accordance with AASB 117 *Leases*.

ac. Contribution to Consolidated Fund

The Department operates a commercial activity through Land and Property Information NSW. From this operation the Department pays income tax equivalents and dividends to the Consolidated Fund. Tax effect accounting is not required to be applied. Income tax is calculated by applying the prevailing company tax rate to profits earned by LPI after adjusting for any actuarial adjustments to unfunded superannuation impacting the Operating Statement. The dividends were paid at the rate of 85% of after tax profit adjusted for actuarial adjustments to unfunded superannuation in two equal instalments, in August and December.

ad. Budgeted Amounts

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

The budgeted amounts in the Operating Statement and the Cash Flow Statement are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the Balance Sheet, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts; i.e per the audited financial statements (rather than carried forward estimates).

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

af. Comparative Information

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

Some property, plant and equipment, revenues and expenses have been reclassified in compliance with the requirements of AEIFRS. There is no net impact to the overall financial statements and the 2005 and 2006 financial years are directly comparable.

ag. Financial Instruments accounting policy for 2004/05 comparative period

Investment income

Interest revenue is recognised as it accrues. Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement. Dividend revenue is recognised when the Department's right to receive payment is established.

Receivables

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

Other Financial Assets

"Other financial assets" are generally recognised at cost, with the exception of TCorp Hour-Glass Facilities and Managed Fund investments, which are measured at market value.

For non-current "other financial assets", revaluation increments and decrements are recognised in the same manner as physical non-current assets.

For current "other financial assets", revaluation increments and decrements are recognised in the Operating Statement.

Payables

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

Interest Bearing Liabilities

All loans are valued at current capital value.

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ah. New Australian Accounting Standards issued but not effective

The following new Australian Accounting Standards that have been issued but are not yet effective and have not been adopted for the annual reporting period ending 30 June 2006:

AASB Amendment	Affected Standards
2005-1	AASB 139 <i>Financial Instruments: Recognition and Measurement</i>
2005-5	AASB 1 <i>First-time adoption of AIFRS</i> AASB 139 <i>Financial Instruments: Recognition and Measurement</i>
2005-10	AASB 132 <i>Financial Instruments: Disclosures and Presentations</i> ; AASB 101 <i>Presentation of Financial Statements</i> ; AASB 114 <i>Segment Reporting</i> ; AASB 117 <i>Leases</i> ; AASB 133 <i>Earnings Per Share</i> ; AASB 139 <i>Financial Instruments: Recognition and Measurement</i> ; AASB 1 <i>First-time adoption of AIFRS</i> AASB 4 <i>Insurance Contracts</i> ; AASB 1023 <i>General Insurance Contracts</i> ; AASB 1038 <i>Life Insurance Contracts</i>
New Standard	AASB 7 <i>Financial Instruments: Disclosures</i>
AASB 119	AASB 119 <i>Employee Benefits</i> (Version issued April 2006)

The application of the new Australian Accounting Standards will not have a material impact on the Department's financial report.

2. EXPENSES EXCLUDING LOSSES

2(a) EMPLOYEE RELATED EXPENSES

	2006 \$'000	2005 \$'000
Salaries & wages (including Recreation Leave)	92,309	87,060
Superannuation – defined benefit plans	(58,887)	36,938
Superannuation – defined contribution plans	2,451	2,040
Long service leave	6,873	4,624
Workers compensation insurance	1,066	759
Payroll tax and fringe benefits tax	6,421	6,296
Redundancies	25	446
Other on-costs	1,533	(6,367)
	51,791	131,796

In addition to the \$51.791 million (2005 - \$131.796 million), \$756,235 (2005 - \$877,416) was incurred in employee related expenses in respect of the Tweed River Sand Bypass project directly undertaken and/or managed by the Department. \$2.668 million (2005 - \$1.710 million) of salaries and wages were capitalised as part of a computerisation project for the titling system.

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

2(b) OTHER OPERATING EXPENSES

	2006 \$'000	2005 \$'000
Valuation services contractors	12,859	10,893
Operating lease rental expense		
- Minimum lease payments	4,251	4,386
EDP – Information Technologies Services	3,339	2,884
Furniture, plant and equipment	559	667
Cost of sales	3,873	3,735
Consultancies & Other Contractors	7,537	5,362
Promotion, publicity and events management	474	428
Travel expenses	1,318	1,220
Telecommunication expenses	2,705	2,489
Motor vehicle expenses	7,149	6,846
Insurance	2,091	2,986
Auditor's remuneration –audit or review of financial reports	298	293
Freight & postage	949	1,002
Legal fees	234	181
Staff related & development	1,268	949
Administration	634	1,434
Taxes	7,684	6,449
Maintenance*	2,588	3,338
Other	865	967
	60,675	56,509

*** Reconciliation:**

Maintenance expenses – contracted labour and other (non-employee related), as above	2,588	3,338
Maintenance related employee expenses included in Note 2(a)	224	220
Total maintenance expenses included in Note 2(a) + 2(b)	2,812	3,558

In addition to the \$60.394 million (2005 - \$56.509 million) \$6.099 million (2005 - \$5.508 million) was incurred in other operating expenses in respect of the Tweed River Sand Bypass project \$6,099,million (2005 - \$5.502 million) and Fishing Port annual provision \$Nil (2005 - \$6,068) directly undertaken and/or managed by the Department.

2(c) DEPRECIATION AND AMORTISATION EXPENSE

Depreciation of:		
Buildings and Leasehold Improvements	969	871
Plant and Equipment	5,499	5,590
Infrastructure Systems	350	350
	6,818	6,811
Amortisation of Intangible Assets	6,491	5,386
	13,309	12,197

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

2(d) GRANTS AND SUBSIDIES

	2006 \$'000	2005 \$'000
Tweed River Sand Bypass Project	7,905	7,818
Fishing Ports Annual Provisions	966	387
Public Reserve Management Fund	1,401	1,356
Rural Fire Service	-	20
State Park Trusts	1,498	1,358
Other	1,798	1,637
	13,568	12,576

2(e) FINANCE COSTS

Interest	42	42
Unwinding of discount rate	3	-
Finance lease interest charges	-	533
	45	575

In addition to the \$45,000 (2005 - \$575,000), \$1.05 million (2005- \$1.03 million) was incurred borrowing cost in respect of the Tweed River Sand Bypass project undertaken/or managed by the Department.

2 (f) OTHER EXPENSES

Fishing Port Maintenance	1,756	1,556
Waterways Maintenance	46	64
Torrens Assurance Fund	164	308
	1,966	1,928

3. REVENUES**3(a) SALE OF GOODS AND SERVICES**

Sales of goods		
Mapping	3,128	3,115
Other	530	979
	3,658	4,094
Rendering of services		
Title	103,660	103,011
Valuation	27,993	23,406
Torrens Assurance Fund	3,240	3,228
Fees for Services	1,420	1,131
Soil Services	13,885	14,037
Search Fees	340	341
Agistment Fees	919	823
Other	3,067	2,912
	154,524	148,889
	158,182	152,983

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

3(b) INVESTMENT REVENUE

	2006 \$'000	2005 \$'000
Rents	27	6
Interest	3,523	4,165
	3,550	4,171

3(c) RETAINED FEES

Caravan Park Levy	3,569	3,139
	3,569	3,139

3(d) GRANTS AND CONTRIBUTIONS

Contributions	2,272	625
	2,272	625

3(e) OTHER REVENUE

Tweed River Sand Bypass Project – Queensland Government's contribution	3,387	3,158
PRMF income – levies	473	145
Diesel Fuel Rebate	833	214
Other revenue	175	165
	4,868	3,682

4. GAIN / (LOSS) ON DISPOSAL**Gain/(loss) on disposal of land and buildings**

Proceeds from disposal	160	-
Written down value of assets disposed	(301)	(8)
Net(loss) on disposal of land and buildings	(141)	(8)

Gain/(loss) on disposal of plant and equipment

Proceeds from disposal	97	470
Written down value of assets disposed	(251)	(694)
Net (loss) on disposal of plant and equipment	(154)	(224)

Net (Loss) on disposal of Non-Current Assets	(295)	(232)
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5. OTHER (LOSSES)

Impairment of receivables	(70)	(115)
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DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

6. APPROPRIATIONS

	2006 \$'000	2005 \$'000
Recurrent Appropriations		
Total recurrent draw-downs from Treasury (per Summary of Compliance)	55,143	56,923
Total	55,143	56,923

Comprising:

Recurrent appropriations (per Operating Statement)	55,143	56,923
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Total	55,143	56,923
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Capital Appropriations

Total capital draw-downs from Treasury (per Summary of Compliance)	1,789	1,824
Less: Liability to Consolidated Fund (per Summary of Compliance)	(79)	(67)
Total	1,710	1,757

Comprising:

Capital appropriations (per Operating Statement)	1,710	1,757
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Total	1,710	1,757
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7. INDIVIDUALLY SIGNIFICANT ITEMS

Included in expenses from ordinary activities is \$74.680 million for superannuation expenses written back due to the income earned in the superannuation fund reserves (2005 - \$22.513 million).

8. ACCEPTANCE BY THE CROWN ENTITY OF EMPLOYEE BENEFITS AND OTHER LIABILITIES

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

Superannuation	1,351	2,368
Long service leave	2,168	988
Payroll tax on superannuation	81	142
	3,600	3,498

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

9. PROGRAMS/ACTIVITIES OF THE DEPARTMENT

Program 1 – Crown Lands Services

Objectives: Effective and sustainable use of the Crown Estate of New South Wales to achieve economic, environmental, community and client benefits.

Program 2 – Soil Conservation Services and The Office of Rural Affairs

Objectives: To achieve the protection and conservation of farm water supplies, soil and related resources. Facilitate the development of sustainable rural communities.

Commercial Activity – Land and Property Information New South Wales

Objectives: To provide integrated and enhanced land and property information services through innovative use of information and communications technology and expand the range of services delivered online.

10. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	2006	2005
	\$'000	\$'000
Cash at bank and on hand	48,984	55,278
Closing Cash and Cash Equivalents	48,984	55,278

For the purpose of the Cash Flow Statement, cash and cash equivalents includes cash on hand and cash at bank.

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

Cash at bank and on hand (per Balance sheet)	48,984	55,278
Closing Cash and Cash Equivalents (per Cash Flow Statement)	48,984	55,278

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

11. CURRENT/NON-CURRENT ASSETS – RECEIVABLES

Current Receivables:

Sale of goods and services	14,310	11,565
Less: Allowance for impairment	(410)	(478)
Accrued income – Sale of goods and services	1,536	4,229
GST receivable	1,165	910
Short-term loans (PRMF)	5,805	5,375
Retained taxes, fees and fines	39	139
Interest Receivable	1,098	1,564
Long Service Leave (note 19)	982	284
Prepayments	1,668	1,659
Other	78	151
	26,271	25,398

Non-Current Receivables:

Public Reserve Management Fund	10,726	12,380
Long Service Leave (note 19)	2,946	2,552
	13,672	14,932

12. CURRENT/NON-CURRENT ASSETS – INVENTORIES

Current Inventories

At Cost		
Goods for resale	360	349
Consumables and spare parts	138	142
	498	491

Non-Current Inventories

At Cost		
Goods for resale	1,440	1,396
	1,440	1,396

Goods for resale (map stocks) are split 20% current which is expected to be sold within the twelve months after the reporting date and 80% non-current. The split is based on the entity's normal operating cycle.

There was no write down of inventories during the financial year ended 30 June 2006 (2005 - NIL)

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

13. NON-CURRENT ASSETS – OTHER FINANCIAL ASSETS

	2006 \$'000	2005 \$'000
Non-Current		
Investment in Public Sector Mapping Authority (PSMA)	707	591
(Refer to Note 27)	<u>707</u>	<u>591</u>

Investment in PSMA is treated as non-current asset as it is not readily tradeable in the market and is the subject of a NSW Government Regulation that is unlikely to change in the short-term.

14. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings \$'000	Plant and Equipment \$'000	Infrastructure systems \$'000	Total \$'000
At 1 July 2005				
Gross carrying amount	60,778	58,058	16,376	135,212
Accumulated depreciation and impairment	(2,167)	(31,744)	(350)	(34,261)
Net Carrying Amount at fair value	<u>58,611</u>	<u>26,314</u>	<u>16,026</u>	<u>100,951</u>
At 30 June 2006				
Gross carrying amount	80,929	41,891	16,376	139,196
Accumulated depreciation and impairment	(245)	(24,719)	(700)	(25,664)
Net Carrying Amount at fair value	<u>80,684</u>	<u>17,172</u>	<u>15,676</u>	<u>113,532</u>

Reconciliation

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

	Land and Buildings \$'000	Plant and Equipment \$'000	Infrastructure systems \$'000	Total \$'000
Year ended 30 June 2006				
Net carrying amount at start of the year	58,611	26,314	16,026	100,951
Additions	2,918	3,618	-	6,536
Disposals	(301)	(251)	-	(552)
Revaluation increment	20,526	373	-	20,899
Depreciation expense	(969)	(5,499)	(350)	(6,818)
Reclassification	(101)	(7,383)	-	(7,484)
Net carrying amount at end of year	<u>80,684</u>	<u>17,172</u>	<u>15,676</u>	<u>113,532</u>

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

14. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT (continued)

	Land and Buildings \$'000	Plant and Equipment \$'000	Infrastructure systems \$'000	Total \$'000
At 1 July 2004				
Gross carrying amount	58,240	55,301	-	113,541
Accumulated depreciation and impairment	(1,297)	(29,460)	-	(30,757)
Net Carrying Amount at fair value	<u>56,943</u>	<u>25,841</u>	<u>-</u>	<u>82,784</u>
At 30 June 2005				
Gross carrying amount	60,778	58,058	16,376	135,212
Accumulated depreciation and impairment	(2,167)	(31,744)	(350)	(34,261)
Net Carrying Amount at fair value	<u>58,611</u>	<u>26,314</u>	<u>16,026</u>	<u>100,951</u>

Reconciliation

A reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the previous reporting period is set out below:

	Land and Buildings \$'000	Plant and Equipment \$'000	Infrastructure systems \$'000	Total \$'000
Year ended 30 June 2005				
Net carrying amount at start of year	56,943	25,841	-	82,784
Additions	2,695	6,510	-	9,205
Disposals	(8)	(694)	-	(702)
Revaluation increment	-	98	-	98
Reclassification	(148)	143	-	(5)
Depreciation expense	(871)	(5,590)	(350)	(6,811)
Transfer in due to Admin Restructure	-	6	16,376	16,382
Net carrying amount at end of year	<u>58,611</u>	<u>26,314</u>	<u>16,026</u>	<u>100,951</u>

15. INTANGIBLE ASSETS

	Software \$'000	Total \$'000
At 1 July 2005		
Gross carrying amount	33,500	33,500
Accumulated amortisation and impairment	(17,605)	(17,605)
Net Carrying Amount	<u>15,895</u>	<u>15,895</u>
At 30 June 2006		
Gross carrying amount	51,473	51,473
Accumulated amortisation and impairment	(24,270)	(24,270)
Net Carrying Amount	<u>27,203</u>	<u>27,203</u>

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15. INTANGIBLE ASSETS (continued)

	Software \$'000	Total \$'000
Year ended 30 June 2006		
Net carrying amount at start of year	15,895	15,895
Additions		
- externally acquired	385	385
- internally developed	9,930	9,930
Reclassification	7,484	7,484
Amortisation expense	(6,491)	(6,491)
Net carrying amount at end of year	27,203	27,203
	Software \$'000	Total \$'000
At 1 July 2004		
Gross carrying amount	24,162	24,162
Accumulated amortisation and impairment	(12,220)	(12,220)
Net Carrying Amount	11,942	11,942
At 30 June 2005		
Gross carrying amount	33,500	33,500
Accumulated amortisation and impairment	(17,605)	(17,605)
Net Carrying Amount	15,895	15,895
	Software \$'000	Total \$'000
Year ended 30 June 2005		
Net carrying amount at start of year	11,942	11,942
Additions		
- externally acquired	997	997
- internally developed	8,337	8,337
Reclassification	5	5
Amortisation expense	(5,386)	(5,386)
Net carrying amount at end of year	15,895	15,895

16. RESTRICTED ASSETS

Legislation or Treasury Directions impose restrictions on the use of certain assets of the Department. As such, the following are considered to be restricted assets:

Public Reserve Management Fund (PRMF)

The Department administers the PRMF under the *Public Reserve Management Fund Act 1987* within the Special Deposit Account in Treasury called the Public Reserves Management Fund. The fund is only to be used for grants and loans allocated for the following programs:

Caravan park levy income development works
Showgrounds assistance scheme
Local parks, reserves and walking tracks
Reserves of high visitation/regional significance
Consultancies for plans of management and business plans
Commercial initiatives on Crown reserves
Major regional recreation projects (across a number of reserves) managed by the Department of Lands.

16. RESTRICTED ASSETS (continued)

The following is a summary of balances in the PRMF:

	2006 \$'000	2005 \$'000
Public Reserve Management Fund		
Current Assets:		
Cash	11,323	8,555
Receivables	5,805	5,375
	17,128	13,930
Non-Current Asset :		
Receivables	10,726	12,380
	27,854	26,310

Torrens Assurance Fund – Special Deposit Account

The Department operates the Torrens Assurance Fund within the Special Deposit Accounts. The Fund was established under Section 134(1) of *the Real Property Act 1900*. It meets claims for loss arising out of fraud or agency error and is funded by a \$4 charge on each land dealing lodged. The following is a summary of transactions in the Torrens Assurance Fund (note 24(a)).

Opening cash balance	11,745	8,825
Add:		
Revenue	3,240	3,228
Less:		
Expenditure	(164)	(308)
Cash balance at year end	14,821	11,745

17. CURRENT LIABILITIES – PAYABLES

Accrued salaries, wages and on-costs	2,121	2,169
Creditors	8,202	9,606
Fees in Advance	5,398	2,392
Contributions to Consolidated Fund (note 21)	14,555	25,804
Income Tax Equivalent payable	4,818	4,928
Other	246	888
	35,340	45,787

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18. CURRENT/NON-CURRENT LIABILITIES - BORROWINGS

	2006 \$'000	2005 \$'000
Unsecured		
Current Liabilities		
Promissory	1,228	1,125
Advance from Treasury	21	5
	1,249	1,130
Unsecured		
Non-Current Liabilities		
Promissory Note	10,055	11,283
Advance from Treasury	3,179	3,281
	13,234	14,564
Repayment of Borrowings (excluding finance leases)		
Not later than 1 year	1,249	1,146
Between 1 year and 5 years	6,183	5,717
Later than 5 years	7,051	8,831
Total borrowings (excluding finance leases)	14,483	15,694
19. CURRENT/NON-CURRENT LIABILITIES – PROVISIONS		
Current employee benefits and related on-costs		
Recreation leave	10,470	9,766
Long service leave	34,168	34,042
Oncosts on employee benefits	1,931	499
Fringe Benefits Tax	53	47
Total current provisions	46,622	44,354
Non-Current employee benefits and related on-costs		
Long service leave	163	368
Superannuation	16,134	88,520
Oncosts on employee benefits	3,687	1,148
Total non-current provisions	19,984	90,036
Total provisions	66,606	134,390
Aggregate employee benefits and related on-costs		
Provisions – current	46,622	44,354
Provisions – non-current	19,984	90,036
Accrued salaries, wages and on-costs (note 17)	2,121	2,169
	68,727	136,559

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19. CURRENT/NON-CURRENT LIABILITIES – PROVISIONS (continued)

The amount of leave expected to be settled:

	2006 \$'000	2005 \$'000
Within the 12 months	16,199	9,794
After more than 12 months	28,602	34,382
	44,801	44,176

Superannuation liability

The Department's commercial and semi-commercial activities are responsible for funding the employer's superannuation liability through monthly contributions to the Department's reserve account held at the Pillar Administration. Superannuation payments to retiring employees are made out of this reserve account. Periodically the Department's reserve account balance is augmented by interest distributions made at the discretion of the Pillar Administration. The Department has no control over interest distributions. The reserve account can only be used for the settlement of superannuation liabilities.

Actuarial gains and losses are recognised in the profit or loss in the year they occur. The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

State Authorities Superannuation Scheme (SASS)
State Superannuation Scheme (SSS)
State Authorities Non-contributory Superannuation Scheme (SANCS)

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. All the Schemes are closed to new members.

Superannuation position for AASB 119 purposes
Accrued liability
Estimated reserve account balance

Future Service Liability
Surplus in excess of recovery available from schemes
Net (asset)/liability to be disclosed in balance sheet

SASS		SANCS		SSS		Total	
2006	2005	2006	2005	2006	2005	2006	2005
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
35,971	33,912	17,210	17,064	333,692	351,521	386,873	402,497
(33,891)	(28,385)	(16,807)	(14,183)	(320,041)	(271,409)	(370,739)	(313,977)
2,080	5,527	403	2,881	13,651	80,112	16,134	88,520
(10,680)	(11,820)	(7,684)	(8,373)	(22,618)	(30,823)	(40,982)	(51,016)
-	-	-	-	-	-	-	-
2,080	5,527	403	2,881	13,651	80,112	16,134	88,520

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19. CURRENT/NON-CURRENT LIABILITIES – PROVISIONS (continued)

Reconciliation of the assets and liabilities recognised in the balance sheet:

	SASS		SANCS		SSS		Total	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Present value of defined benefit obligations	35,971	33,912	17,210	17,064	333,692	351,521	386,873	402,497
Fair value of plan assets	(33,891)	(28,385)	(16,807)	(14,183)	(320,041)	(271,409)	(370,739)	(313,977)
	2,080	5,527	403	2,881	13,651	80,112	16,134	88,520
Surplus in excess of recovery available from schemes	-	-	-	-	-	-	-	-
Unrecognised past service cost	-	-	-	-	-	-	-	-
Net (asset)/liability to be disclosed in balance sheet	2,080	5,527	403	2,881	13,651	80,112	16,134	88,520

All Fund assets are invested by SAS Trustee Corporation (STC) at arm's length through independent fund managers.

Movement in net liability/asset recognised in balance sheet:

	SASS		SANCS		SSS		Total	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Net (asset)/liability at start of the year	5,527	5,019	2,881	2,813	80,112	71,976	88,520	79,808
Net expense recognised in the income statement	(1,934)	2,211	(1,481)	1,283	(56,824)	32,017	(60,239)	35,511
Contributions	(1,513)	(1,703)	(997)	(1,215)	(9,637)	(23,881)	(12,147)	(26,799)
Net (asset)/liability to be disclosed in balance sheet	2,080	5,527	403	2,881	13,651	80,112	16,134	88,520

Total expense recognised in operating statement:

	SASS		SANCS		SSS		Total	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Current service cost	1,576	1,407	986	920	4,104	3,710	6,666	6,037
Interest on obligation	2,007	1,773	856	857	19,532	18,319	22,395	20,949
Expected return on plan assets	(2,157)	(1,645)	(1,071)	(865)	(20,497)	(16,347)	(23,725)	(18,857)
Net actuarial losses/(gains) recognised in year	(3,360)	676	(2,252)	372	(59,963)	26,336	(65,575)	27,384
Change in surplus in excess of recovery available from scheme	-	-	-	-	-	-	-	-
Past service cost	-	-	-	-	-	-	-	-
Gains/(losses) on curtailments and settlements	-	-	-	-	-	-	-	-
Total included in "employee benefits expense"	(1,934)	2,211	(1,481)	1,284	(56,824)	32,018	(60,239)	35,513

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19. CURRENT/NON-CURRENT LIABILITIES – PROVISIONS (continued)

Actual return on plan assets:

	SASS		SANCS		SSS		Total	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Actual return on plan assets	4,367	3,155	2,255	1,583	42,014	29,216	48,636	33,954

Valuation method and principal actuarial assumptions at the reporting date

a) Valuation Method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligations.

b) Economic Assumptions

- Discount rate at 30 June
- Expected return on plan assets at 30 June
- Expected salary increases

2006 %	2005 %
5.9pa	5.2pa
7.6pa	7.3pa
4.0 pa to 2008; 3.5 pa thereafter	4.0pa
2.5pa	2.5pa

- Expected rate of Increase in CPI

The following is a summary of the 30 June 2006 financial position of the Fund calculated in accordance with AAS 25 – Financial Reporting by Superannuation Plans.

	SASS		SANCS		SSS		Total	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Accrued benefits	34,447	30,362	16,344	14,890	280,853	268,619	331,644	313,871
Net market value of Fund assets	(33,891)	(28,385)	(16,807)	(14,183)	(320,041)	(271,408)	(370,739)	(313,976)
Net (surplus)/deficit	556	1,977	(463)	707	(39,188)	(2,789)	(39,095)	(105)

The method used to determine the employer contribution recommendations at the last actuarial review was the *Aggregate Funding* method. The method adopted affects the timing of the cost to the employer.

Under the *Aggregate Funding* method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

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19. CURRENT/NON-CURRENT LIABILITIES – PROVISIONS (continued)

The economic assumptions adopted for the last actuarial review of the Fund were:

Weighted-Average Assumptions

- Expected rate of return on fund assets
- Expected salary increases
- Expected rate of Increase in CPI

2006 % pa	2005 %pa
7.3	7.0
4.0	4.0
2.5	2.5

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of fund assets and the defined benefit obligation.

Employees' long service leave liability

The Department's semi-commercial service's long service leave liability and the corresponding receivable from the Treasury are reported as follows:

	2006 \$'000	2005 \$'000
Current Liability	982	284
Non-Current Liability	2,946	2,552
	3,928	2,836
Current Receivable (note 11)	982	284
Non-Current Receivable (note 11)	2,946	2,552
	3,928	2,836

20. CURRENT/NON-CURRENT LIABILITIES - OTHER

Liability to Consolidated Fund	79	67
	79	67
Reported as follows:		
Current Liabilities	79	67
	79	67

21. CHANGES IN EQUITY

Balance at the beginning of the financial year

AASB 139 first-time adoption

AASB 119 first-time adoption

Restated opening balance

Changes in equity-transactions with owners as owners

Fair value of net assets transferred in on administration restructure (Note 22)

Contributions to Consolidated Fund

Total

Changes in equity - other than transactions with owners as owners

Surplus for the year

Increment on revaluation of land and buildings

Increment on revaluation of plant and equipment

Increment on revaluation of other financial asset

Total

Balance at the end of the financial year

Accumulated Funds		Asset Revaluation Reserve		Total Equity	
2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
18,465	75,395	529	349	18,994	75,744
(830)	-	-	-	(830)	-
-	(45,168)	-	-	-	(45,168)
17,635	30,227	529	349	18,164	30,576
-	3,192	-	-	-	3,192
(14,556)	(25,804)	-	-	(14,556)	(25,804)
3,079	7,615	529	349	3,608	7,964
91,175	10,850	-	-	91,175	10,850
-	-	20,526	-	20,526	-
-	-	373	98	373	98
-	-	117	82	117	82
91,175	10,850	21,016	180	112,191	11,030
94,254	18,465	21,545	529	115,799	18,994

Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. This accords with the Department's policy on the "Revaluation of Physical Non-Current Assets" as discussed in Note 1(I).

22. INCREASE IN NET ASSETS FROM EQUITY TRANSFERS

The Tweed River Entrance Sand Bypassing project, the River Entrance management and Waterways programs were transferred from the former Department of Infrastructure, Planning and Natural Resource to the Department of Lands on 18 August 2004.

	2006 \$'000	2005 \$'000
Total Assets - Infrastructures and equipment	-	16,382
Total Liabilities – Promissory notes	-	(13,190)
Increase in net assets	-	3,192

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23. COMMITMENTS FOR EXPENDITURE

(a). Other Expenditure Commitments

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

	2006 \$'000	2005 \$'000
Not later than 1 year	18,484	13,043
Later than 1 year and not later than 5 years	14,110	10,438
Total (including GST)	32,594	23,481

(b). Operating Lease Commitments

The Department entered into commercial property leases and commercial leases on certain motor vehicles and items of machinery. These leases have an average life of between 3 and 7 years. There is no renewal option and no provision for rate increases over term of lease included in the contracts for machinery leases. All other leases include a clause for annual rental charges review.

There are no restrictions placed upon the lessee by entering into these leases.

Future minimum rentals payables under non-cancellable operating leases for accommodation and motor vehicles for various contract periods/suppliers not provided for and payable:

Not later than 1 year	4,266	3,776
Later than 1 year but not later than 5 years	6,482	4,078
Later than 5 years	749	-
Total (including GST)	11,497	7,854

The total 'other expenditure commitments' and 'operating lease commitments' above include input tax credits of \$4.043m (2005 - \$2.849m) that are expected to be recovered from the Australian Taxation Office.

24. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

a) Torrens Assurance Fund	14,730	4,779
b) Insurance claims	1,430	5,441
	16,160	10,220

(a) The Department maintains a special deposit account for claims arising through fraud or Departmental error (Torrens Assurance Fund). These liabilities have been estimated on the assumption that all disputed claims will be lost by the Department.

(b) The Department may be liable for payment of compensation payments arising from claims and other matters subject to litigation. The amounts involved cannot be accurately determined and in some instances are subject to arbitration. These claims are covered by the Treasury Managed Fund.

In addition, applications for native title under the *Native Title Act 1993* and *Aboriginal Land Rights Act 1983* have been made over various areas of land and water in New South Wales which might ultimately result in a liability being incurred by the Department. It is not possible to estimate this potential liability.

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25. BUDGET REVIEW

Net Cost of Services

The Employee related expenses comparison between Budget and Actual was primarily impacted by the actuarial gains on superannuation reserve assets, which in turn significantly reduced the superannuation expenses.

Grants & subsidies expenditure reflects the Australian Accounting Standard requirement to eliminate payments made between divisions of the same economic entity. As a result the community service obligation subsidy paid to LPI in 2005/06 does not appear in these accounts. This is the reason for the lower than budget expenditure in this area. Costs incurred in delivering the community service obligations are in general operating expenses.

Retained revenues in 2005/06 increased against Budget by \$2.2m. Variances include increased interest on invested funds; increased Sale of Goods and Services for Office of State Revenue valuation services provided; and additional revenue from the Queensland Government's contribution to the Tweed River Sands Bypass. Grant and contributions income appears to have fallen in 2005/06, however, this presentation is due to the accounting treatment required as mentioned above.

Assets and Liabilities

Property Plant & Equipment increased by \$13m during the year compared to Budget, due to asset revaluations. Asset purchases were primarily software and other information technology assets categorised under intangible assets.

Current liabilities increased by \$22.148m compared to budget mainly due to the reclassification of annual leave and unconditional long service leave liabilities from non-current provision to current provision. This reclassification has also decreased the non current employee liabilities \$81m compared to budget. The major component was the above benchmark returns achieved on invested employee and employer reserve assets thus reducing the unfunded employer superannuation liability.

Cash Flows

Net operating cash flows reflect minimal growth in the property related transactions and positive earnings on superannuation fund assets resulting in lower than budget superannuation expenditure in respect to the Land and Property Information business.

Investing cash flows reflect the capital asset investment strategy for the Department with the majority of this investment in 2005/06 in new and improved business systems and information technology infrastructure.

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26. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES

	2006 \$'000	2005 \$'000
Net Cash flow from Operating Activities	37,248	23,827
Depreciation	(13,309)	(12,197)
Non-cash revenue	895	297
Acceptance by the Crown Entity of Employee entitlements and other liabilities	(3,600)	(2,693)
Net (loss)/gain on sale of non-current assets	(295)	(232)
Cash flows from Government	(56,932)	(59,552)
Decrease/(Increase) in Provisions	67,785	(4,483)
(Decrease)/increase in Receivables	(386)	3,770
Increase/(Decrease) in Inventories	51	(47)
(Increase) in Current liabilities	(735)	(18)
Net Cost of Services	30,722	(51,328)

The Department has credit standby arrangements with the bank for:

	Limit A\$'000	Limit A\$'000
Cheque cashing authority	66	66
Guarantee	20	20
Mastercard	550	550
Tape negotiation authority	8,150	8,150
	8,786	8,786

27. NON-CURRENT FINANCIAL ASSETS

Public Sector Mapping Agency (PSMA)

Refer to note 1(w)

Opening accumulated surplus at start of the year	4,731	4,071
Add: Reverse impairment of asset	36	-
Restated opening balance	4,766	4,071
Income earned during the year	4,211	3,531
Less:		
Expenses paid during the year	(3,321)	(2,871)
Accumulated surplus at end of the year	5,656	4,731

The Department has a one-eighth (1/8) equity in the closing accumulated surplus, ie:

Accumulated surplus at end of the year	707	591
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28. ADMINISTERED ASSETS AND LIABILITIES

	Crown Leaseholds Entity \$'000	Land Development Working Acct \$'000	2006 \$'000	2005 \$'000
Administered Assets				
Cash	12,468	18,107	30,575	49,251
Receivables	40,311	67	40,378	50,253
Land in course of development	-	6,647	6,647	12,024
Vacant Crown land & Land under Tenure	5,728,561	-	5,728,561	4,538,692
Total Administered Assets	5,781,340	24,821	5,806,161	4,650,220
Administered Liabilities				
Unearned revenue	23,502	-	23,502	25,320
Accounts payable & provisions	6,065	9,070	15,135	38,202
Liability to Consolidated Fund	-	-	-	337
Amount due to Crown Leasehold	-	6,313	6,313	11,157
Treasury advance	-	-	-	3,000
Total Administered Liabilities	29,567	15,383	44,950	78,016

29. ADMINISTERED REVENUE - DEBTS WRITTEN OFF

Administered debts for lease income of \$41,056 were written off during the year (2005 - \$292,871).

30. ADMINISTERED REVENUE - SCHEDULE OF UNCOLLECTED AMOUNTS

	2006 \$'000	2005 \$'000
Analysis of uncollected amounts in respect of Land revenue – Crown Leaseholds Entity:		
Less than 90 days	6,283	10,094
Greater than 90 days	13,289	17,411
	19,572	27,505
Less: allowance for impairment	3,956	3,956
	15,616	23,549
Amounts not yet called	26,845	26,017
Total	42,461	49,566

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31. ADMINISTERED REVENUE AND EXPENSES

	Crown Leaseholds Entity \$'000	Land Development Working Acct \$'000	2006 \$'000	2005 \$'000
Revenue	70,473	21,059	91,532	115,383
Expenses	(96,232)	(11,381)	(107,613)	(60,962)
Operating surplus/(loss)	(25,759)	9,678	(16,081)	54,421

Details of Crown revenue collected by the Department and remitted to the Treasury:

	2006 \$'000	2005 \$'000
Land sales, term purchase instalments and other miscellaneous land sales	24,235	25,449
Leases, licences and related land receipts	35,854	37,919
	60,089	63,368

32. FINANCIAL INSTRUMENTS

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

Cash

Cash comprises cash on hand and bank balances within the Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation 11.00 am unofficial cash rate adjusted for a management fee to Treasury.

Receivables

All trade and other debtors are recognised as amounts receivable at balance date. Collectability of all debtors is reviewed on an ongoing basis. Debts which are known to be uncollectable, are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are generally made on 30 day terms.

Bank Overdraft

The Department does not have any bank overdraft facility.

Trade Creditors and Accruals

The liabilities are recognised for amounts due to be paid in the future for goods or services received whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made not later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was paid during the year (30 June 2005-Nil).

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32. FINANCIAL INSTRUMENTS (continued)

Borrowings

The borrowings are the promissory notes issued by ANZ bank which are used to fund the Department's Tweed River Sand Bypass project jointly with Queensland government. New South Wales government owns 75% of the project and 25% is owned by the Queensland government. The total face value of the promissory notes is \$21million, 75% of which is recognised by the Department as borrowings. The promissory notes are repayable over a 12 year term with 4 quarterly repayments a year.

(a) Interest Rate Risk

			Fixed Interest Rate Maturities				
	Weighted Average Effective interest rate	Floating Interest Rate	1 year or less \$'000	1 to 5 years \$'000	More than 5 Years \$'000	Non Interest Bearing \$'000	Total Carrying Amount As per the Balance Sheet \$'000
	%	\$'000					
30 June 2006							
Financial Assets							
Cash and cash equivalents	4.54	48,984	-	-	-	-	48,984
Receivables	5.07	16,531	-	-	-	21,744	38,275
Total Financial Assets		65,515	-	-	-	21,744	87,259
30 June 2005							
Cash	4.33	55,278	-	-	-	-	55,278
Receivables	4.43	17,755	-	-	-	20,916	38,671
Total Financial Assets		73,033	-	-	-	20,916	93,949
30 June 2006							
Financial Liabilities							
Payables	-	-	-	-	-	35,340	35,340
Borrowings	8.81	-	1,249	6,183	7,051	-	14,483
Other	-	-	-	-	-	79	79
Total Financial Liabilities		-	1,249	6,183	7,051	35,419	49,902
30 June 2005							
Payables	-	-	-	-	-	45,787	45,787
Borrowings	8.81	-	1,146	5,717	8,831	-	15,694
Other	-	-	-	-	-	67	67
Total Financial Liabilities		-	1,146	5,717	8,831	45,854	61,548

(b) Credit Risk

Credit risk is the risk of financial loss arising from another party to a contract/or financial position failing to discharge a financial obligation thereunder. The Department's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the Balance Sheet.

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

33. FINANCIAL IMPACT OF ADOPTION OF AEIFRS

The Department has applied the AEIFRS for the first time in the 2005/06 financial report. The key areas where changes in accounting policies have impacted the financial report are disclosed below. Some of these impacts arise because AEIFRS requirements are different from previous AASB requirements (AGAAP). Other impacts are likely to arise from options in AEIFRS that were not available or not applied under previous AGAAP.

The Department has adopted the options mandated by NSW Treasury for the NSW Public Sector. The impacts disclosed below reflect Treasury's mandates and policy decisions.

The impacts of adopting AEIFRS on total equity and profit/ (loss) as reported under previous AGAAP are shown below.

There are no material impacts on the Department's cash flows.

(a) Reconciliations – 1 July 2004 and June 2005

Reconciliation of equity under previous Standards (AGAAP) to equity under AEIFRS:			
	Notes	30 June 2005** \$'000	1 July 2004* \$'000
Total equity under AGAAP		107,619	75,744
Adjustments to accumulated funds			
Defined benefit superannuation adjustment of change in discount rate	i	(88,625)	(45,168)
Total equity under AEIFRS		18,994	30,576
*adjustments as at the date of transition			
**cumulative adjustments as at date of transition plus the year ended 30 June 2005			

Reconciliation of surplus / (deficit) under AGAAP to surplus / (deficit) under AEIFRS:		
Year ended 30 June 2005	Notes	\$'000
Surplus / (deficit) under AGAAP		54,307
Change of discount rate for defined benefit superannuation	i	(43,457)
Surplus / (deficit) under AEIFRS		10,850
Based on the above, if AEIFRS were applied in 2004/05 this would increase the Net Cost of Services from \$7.871m to \$51.328m		

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

33. FINANCIAL IMPACT OF ADOPTION OF AEIFRS (continued)

Notes to tables above

- i AASB 119 *Employee Benefits* requires present value measurement of all long-term employee benefits. Previous AGAAP provided that annual leave was measured at nominal value in all circumstances. The Department has long-term annual leave benefits that are now measured at present value rather than at nominal value. This has decreased the employee benefits liability and employee benefits expense.

AASB 119 requires the defined benefit superannuation obligation to be discounted using the government bond rate as at each reporting date, rather than the long-term expected rate of return on plan assets. Where the superannuation obligation is not assumed by the Crown, this has increased the defined benefit superannuation liability (or decrease the asset for those agencies in an overfunded position) and change the quantum of the superannuation expense.

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

As discussed in note 1(c), the comparative information for 2004/05 for financial instruments has not been restated and is presented in accordance with previous AGAAP. AASB 132 and AASB 139 have been applied from 1 July 2005. Accordingly, the 1 July 2005 AEIFRS opening equity adjustment for the adoption of AASB 132/AASB139 follows:

	Note	Accumulated Funds \$'000	Other reserves \$'000	Total \$'000
Total opening equity 1 July 2005		18,465	-	18,465
Interest-free loan measured at fair value on initial recognition	i	(830)	-	(830)
Restated opening equity 1 July 2005 (after applying AASB 139)		17,635	-	17,635

Note to the table above:

- i. *Interest-free loans.* Under AASB 139, these types of loans must initially be recognised at fair value, and thereafter at amortised cost. The fair value of a long-term loan that carries no interest or below market interest is estimated as the present value of all future cash receipts, discounted using the prevailing market rates of interest for a similar instrument with a similar credit rating. Any additional amount lent is an expense or grant unless it qualifies or recognition as some other type of asset. Amortisation of the loan is recognised as investment revenue. Previously, such loans were measured at nominal amount or face value, with no grant or expense recognised. This change has reduced the amount of the loan receivable.

DEPARTMENT OF LANDS
Notes to the Financial Statements
For the year ended 30 June 2006

33. FINANCIAL IMPACT OF ADOPTION OF AEIFRS (continued)

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

For the comparative information to have complied with AASB 139, similar types of adjustments, as discussed above, would have been required. However, for the above changes, it is not practicable for the Department to detail the amounts of the adjustments to the surplus/(deficit) and opening accumulated funds for the comparative period, had the new accounting policies been applied from the beginning of the comparative period. In addition, it is not practicable for the Department to detail for the current period the amounts of the adjustments resulting to each line item in the financial report.

(c) Grant recognition

The Department, as a not-for-profit entity, has applied the requirements in AASB 1004 *Contributions* regarding contributions of assets (including grants) and forgiveness of liabilities. There are no differences in the recognition requirements between the new AASB 1004 and the previous AASB 1004. However, the new AASB 1004 may be amended by proposals in Exposure Draft (ED) 125 *Financial Reporting by Local Governments* and ED 147 *Revenue from Non-Exchange Transactions (Including Taxes and Transfers)*. If the ED 125 and ED 147 approach is applied, revenue and / or expense recognition will not occur until either the Department supplies the related goods and services (where grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied. ED 125 and ED 147 may therefore delay revenue recognition compared with AASB 1004, where grants are recognised when controlled. However, at this stage, the timing and dollar impact of these amendments is uncertain.

34. AFTER BALANCE DATE EVENTS

The Department’s non-budget dependent entity, LPI estimated a \$6.7m dividend in respect of the 2006 financial year in its signed Statement of Business Intent for 2005-2006 before the reporting date. The total amount of dividend payable for the 2006 financial year is \$14.8m which is 85% of the year accounting profit adjusted for actuarial adjustments to unfunded superannuation (refer to Note 1 (ac)). The difference of estimated dividend and dividend payable has been adjusted and the total dividend payable of \$14.8m has been provided for in the 30 June 2006 financial statements.

END OF AUDITED FINANCIAL STATEMENTS

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The Land and Property Information New South Wales division of the Department of Lands is required by Treasury to prepare separate accounts in respect of its business operations.	





GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDIT REPORT

Land and Property Information New South Wales

To Members of the New South Wales Parliament

Audit Opinion

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

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

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

Scope

The Financial Report and the Director-General's Responsibility

The financial report comprises the balance sheet, income statement, statement of changes in equity, cash flow statement and accompanying notes to the financial statements for Land and Property Information New South Wales, for the year ended 30 June 2006.

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

Audit Approach

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

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

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

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

My opinion does *not* provide assurance:

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

Audit Independence

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

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

S R Stanton CPA
Director, Financial Audit Services

SYDNEY
23 October 2006

DEPARTMENT OF LANDS
LAND AND PROPERTY INFORMATION NSW

Financial Report for the year ended 30 June 2006

LAND AND PROPERTY INFORMATION NSW

Income Statement

For the year ended 30 June 2006

Pursuant to section 41C (1B) of the *Public Finance and Audit Act 1983*, we state that:

- (1) the accompanying financial report exhibits a true and fair view of the financial position and financial performance of the Land and Property Information NSW, a business unit of the Department of Lands for the year ended 30 June 2006.
- (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* and the Treasurer's Directions.

Further, we are not aware of any circumstance which would render any particulars included in the financial report to be misleading or inaccurate.



D. Mooney
Acting Director General
Department of Lands



B. Douse
Acting General Manager
Land and Property Information NSW



B. Costello
Director Finance and Corporate Support
Department of Lands

Date 20 OCT 2006

	Notes	2006 \$'000	2005 \$'000
Revenue			
Sale of goods	2(a)	3,642	3,775
Rendering of services	2(b)	136,226	132,194
Investment revenue	2(c)	2,188	3,031
Other revenue	2(d)	13,478	12,668
Total Revenue		155,534	151,668
Expenses			
Employee related expenses	3(a)	(15,126)	(93,651)
Other operating expenses	3(b)	(31,399)	(25,821)
Maintenance		(2,231)	(2,662)
Depreciation and amortisation	3(c)	(11,589)	(11,141)
Grants and subsidies	3(d)	(463)	(284)
Finance costs	3(e)	-	(536)
Other expenses	3(f)	(164)	(308)
Loss on disposal	3(g)	(66)	(302)
Total Expenses		(61,038)	(134,705)
Profit before income tax equivalent expense		94,496	16,963
Income tax equivalent expense	3(h)	(7,339)	(6,179)
Profit for the year		87,157	10,784

The accompanying notes form part of these statements.

LAND AND PROPERTY INFORMATION NSW

Balance Sheet

As at 30 June 2006

LAND AND PROPERTY INFORMATION NSW

Statement of Changes in Equity

For the year ended 30 June 2006

	Notes	2006 \$'000	2005 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	36,812	44,154
Trade and other receivables	6	10,837	9,970
Inventories	7	360	349
Total Current Assets		48,009	54,473
Non-Current Assets			
Inventories	7	1,440	1,396
Property, Plant and Equipment	8		
Land and Buildings		64,372	49,342
Plant and Equipment		12,256	19,028
Total Property Plant and Equipment		76,628	68,370
Intangible Assets	9	24,810	15,890
Total Non-Current Assets		102,878	85,656
TOTAL ASSETS		150,887	140,129
LIABILITIES			
Current Liabilities			
Trade and other payables	11	25,219	36,413
Provisions	12	37,148	36,330
Total Current Liabilities		62,367	72,743
Non-Current Liabilities			
Provisions	12	18,715	84,301
Total Non-Current Liabilities		18,715	84,301
TOTAL LIABILITIES		81,082	157,044
Net Assets		69,805	(16,915)
EQUITY			
Reserve	13	14,119	-
Retained earnings		55,686	(16,915)
TOTAL EQUITY		69,805	(16,915)

The accompanying notes form part of these statements.

	Notes	2006 \$'000	2005 \$'000
Net Increase/(decrease) in property, plant and equipment asset revaluation reserve		14,119	-
TOTAL INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY		14,119	-
Profit for the year		87,157	10,784
TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR	13	101,276	(10,784)

The accompanying notes form part of these statements.

LAND AND PROPERTY INFORMATION NSW

Cash Flow Statement

For the year ended 30 June 2006

LAND AND PROPERTY INFORMATION NSW

Notes to the Financial Statements
For the year ended 30 June 2006

	Notes	2006 \$'000	2005 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Sale of goods and services		139,690	134,898
Interest received		2,682	3,558
Other		17,585	16,733
Employee related		(79,890)	(91,431)
Borrowing costs		-	(536)
Income tax equivalent		(7,449)	(10,284)
Other		(39,441)	(34,178)
NET CASH FLOWS FROM OPERATING ACTIVITIES	16	33,177	18,760
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of Land & Buildings, Plant & Equipment		-	20
Purchases of Land & Buildings, Plant & Equipment and Intangible Assets		(14,715)	(15,812)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(14,715)	(15,792)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances		-	(2,769)
Dividend paid		(25,804)	(23,049)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(25,804)	(25,818)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS		(7,342)	(22,850)
Opening cash and cash equivalents		44,154	67,004
CLOSING CASH AND CASH EQUIVALENTS	5	36,812	44,154

The accompanying notes form part of these statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Reporting Entity

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

At the request of NSW Treasury, the Department of Lands prepares a separate financial report for LPI. The financial report is prepared in accordance with Section 41A and Section 41B of the *Public Finance and Audit Act 1983*.

LPI is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated within the financial report of the Department of Lands and as part of the NSW Total State Sector Accounts.

The financial report for the year ended 30 June 2006 was authorised for issue by the Director-General on the date on which the accompanying statement was signed by the Director General.

b. Basis of Preparation

LPI's financial statements are a general purpose financial report which has been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AEIFRS));
- Urgent Issues Group Interpretations
- the requirements of the *Public Finance and Audit Act 1983* and Regulations.

Property, plant and equipment, investment property, assets (or disposal groups) held for sale and financial assets held for trading and available for sale are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

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

c. Statement of Compliance

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

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

In accordance with AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards* and Treasury Mandates, the date of transition to AASB 132 *Financial Instruments: Disclosure and Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement* has been deferred to 1 July 2005, and, as a result, comparative information for these two Standards is presented under the previous Australian Accounting Standards which applied to the year ended 30 June 2005. Under previous Accounting Standards, LPI's financial instruments were recognised at cost, with the exception of TCorp Hour-Glass Facilities and Managed Fund Investments, which were measured at fair value.

LAND AND PROPERTY INFORMATION NSW

Notes to the Financial Statements
For the year ended 30 June 2006

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)c. *Statement of Compliance (continued)*

Reconciliations of AEIFRS equity and profit or loss for 30 June 2005 to the balances reported in the 30 June 2005 financial report are detailed in Note 18

The following new Australian Accounting Standards that have been issued but are not yet effective, have not been adopted for the annual reporting period ending 30 June 2006:

AASB Amendment	Affected Standards
2005-1	AASB 139 <i>Financial Instruments: Recognition and Measurement</i>
2005-5	AASB 1 <i>First-time adoption of AIFRS</i> AASB 139 <i>Financial Instruments: Recognition and Measurement</i>
2005-10	AASB 132 <i>Financial Instruments: Disclosures and Presentations</i> ; AASB 101 <i>Presentation of Financial Statements</i> ; AASB 114 <i>Segment Reporting</i> ; AASB 117 <i>Leases</i> ; AASB 133 <i>Earnings Per Share</i> ; AASB 139 <i>Financial Instruments: Recognition and Measurement</i> ; AASB 1 <i>First-time adoption of AIFRS</i> AASB 4 <i>Insurance Contracts</i> ; AASB 1023 <i>General Insurance Contracts</i> ; AASB 1038 <i>Life Insurance Contracts</i>
New Standard	AASB 7 <i>Financial Instruments: Disclosures</i>
AASB 119	AASB 119 <i>Employee Benefits</i> (Version issued April 2006)

The application of the new Australian Accounting Standards will not have a material impact on the LPI's financial report.

d. *Significant accounting judgements, estimates and assumptions*

In the application of AEIFRS, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods in the revision effects both current and future period.

LAND AND PROPERTY INFORMATION NSW

Notes to the Financial Statements
For the year ended 30 June 2006

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)e. *Revenue Recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to LPI and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) *Sale of Goods*

Revenue from the sale of goods is recognised as revenue when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transactions can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

(ii) *Rendering of Services*

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

(iii) *Investment revenue*

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

(iv) *Grants and Contributions*

Grants and contributions are recognised as income when all the following conditions are satisfied: LPI obtains control over the assets comprising the grants/contributions or the right to receive the contribution; it is probable that the economic benefits comprising the contribution will flow to LPI; the amount can be measured reliably.

f. *Employee Benefits and other provisions*(i) *Salaries and Wages, Annual Leave, Sick Leave and On-costs*

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

Long-term annual leave is measured at present value in accordance with AASB 119 *Employee Benefits*. Market yields on government bonds of 5.75% are used to discount long-term annual leave.

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

LAND AND PROPERTY INFORMATION NSW

Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f. Employee Benefits and other provisions (continued)**(i) Salaries and Wages, Annual Leave, Sick Leave and On-costs (continued)**

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

(ii) Long Service Leave and Superannuation

LPI is responsible for the long service leave liability for employees with 5 or more years of service and all superannuation liabilities. These liabilities are recognised in the Balance Sheet.

The long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This based on the application of the valuation ratio at the Commonwealth government bond rate at the reporting date to employees with five or more years of service, using current rates of pay. This ratio is determined based on an actuarial review to approximate present value.

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when incurred.

Defined benefit plans

For defined benefit plans, the actuarial valuations are carried out at each reporting date by Pillar Administration and the actuarial gains and losses are recognised through profit or loss in the period in which they occur as per NSW Treasury's mandate.

The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, net of the fair value of the plan assets.

(iii) Other Provisions

Other provisions are recognised when LPI has a present legal or constructive obligation as a result of a past event, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the legal or constructive obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

LAND AND PROPERTY INFORMATION NSW

Notes to the Financial Statements
For the year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g. Borrowing Costs

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

h. Insurance

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

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

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

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

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

j. Acquisition of Assets

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

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

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

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

k. Capitalisation Thresholds

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

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

l. Revaluation of Physical Non-Current Assets

Physical non-current assets are valued in accordance with the "Guidelines for the Valuation of Physical Non-Current Assets at Fair Value" (TPP 05-3). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment* and AASB 140 *Investment Property*.

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

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

LPI revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation was completed on 30 June 2006 and was based on an independent assessment.

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

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

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

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

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

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

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

m. Impairment of Property, Plant and Equipment

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

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n. Depreciation of Non-Current Physical Assets

Depreciation is provided on property, plant and equipment including freehold buildings but excluding land. Depreciation is calculated on a straight-line basis so as to write off the depreciable amount of each depreciable asset as it is consumed over its useful life to LPI.

All material separately identifiable component assets are recognised and depreciated over their useful lives.

The normal life expectancies of major asset categories are as follows:

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

o. Major Inspection Costs

The labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

p. Maintenance and Repairs

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

q. Leased Assets

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

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

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

r. Intangible Assets

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by LPI, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

r. Intangible Assets (continued)

Computer software development costs recognised as assets are amortised over their estimated useful lives.

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

LPI's intangible assets (i.e. Software) are amortised using straight line method over a period of 4 years.

In general, intangible assets are tested for impairment where an indicator of impairment exists. However, as a not-for-profit entity with no cash generating units, LPI is effectively exempted from impairment testing (refer note 1(m)).

s. Trade and other receivables

LPI has elected to apply the option available under AASB 1 of adopting AASB 132 and AASB 139 from 1 July 2005. Outlined below are the relevant accounting policies for trade and other receivables applicable for the years ending 30 June 2006 and 30 June 2005.

Accounting policies applicable for the year ending 30 June 2006

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectable amounts.

An allowance for doubtful debts is made when there is objective evidence that LPI will not be able to collect the debts. Bad debts are written off when identified.

Accounting policies applicable for the year ending 30 June 2005

Trade receivables were recognised and carried at original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts was made when collection of the full amount was no longer probable. Bad debts were written off as incurred.

t. Inventories

Inventories held are valued at the lower of cost and net realisable value.

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

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost LPI would incur to acquire the asset on the reporting date. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

u. Restricted Assets : Torrens Assurance Fund

This fund is administered by LPI. The Torrens Assurance Fund was established under S134(1) of the Real Property Act 1900 as a Special Deposit Account administered by the Registrar-General. Refer to Note 10.

v. Trade and other payables

LPI has elected to apply the option available under AASB 1 of adopting AASB 132 and AASB 139 from 1 July 2005. Outlined below are the relevant accounting policies for trade and other payables applicable for the years ending 30 June 2006 and 30 June 2005.

Accounting policies applicable for the year ending 30 June 2006

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to LPI prior to the end of the financial year that are unpaid and arise when LPI becomes obliged to make future payments in respect of the purchase of these goods and services. Short-term payables with no interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Accounting policies applicable for the year ending 30 June 2005

Trade payables and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to LPI.

w. Contribution to Consolidated Fund

LPI is required to pay income tax equivalents and dividends to the Consolidated Fund. Tax effect accounting is not required to be applied. Income tax is calculated by applying the prevailing company tax rate to profits earned by LPI after adjusting for any actuarial adjustments to unfunded superannuation impacting the income statement. Dividends were paid at the rate of 85% of after tax profit adjusted for actuarial adjustments to unfunded superannuation, in two equal instalments, in August and December.

x. Comparative Information

Comparative figures have been restated based on AEIFRS with the exception of financial instruments information, which has been prepared under the previous AGAAP Standards (AAS 33) as permitted by AASB 1.36A. The transition date to AEIFRS for financial instruments information was 1 July 2005. Some property, plant and equipment, revenues and expenses have been reclassified in compliance with the requirements of AEIFRS. Refer to Note 18.

2. REVENUE

2(a) Sale of Goods

	2006 \$'000	2005 \$'000
Mapping	3,147	3,141
Printing and Publishing	495	634
	3,642	3,775

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

2. REVENUE (continued)

2(b) Rendering of services

	2006 \$'000	2005 \$'000
Title	103,762	103,098
Valuation	27,993	24,406
Torrens Assurance Fund (see note 10)	3,240	3,228
Digital Database Sales	-	2
International Projects	151	209
Corporate Support	150	103
Miscellaneous Income	930	1,148
	136,226	132,194

2(c) Investment Revenue

Interest	2,188	3,031
	2,188	3,031

2(d) Other Revenue

Government grants	13,168	12,668
Grants from other entities	310	-
	13,478	12,668

Government grants have been received for the community service obligations. Grants from other entities have been received for the first year operations of the National Office for the National Electronic Conveyancing System. There are no unfulfilled conditions or contingencies attaching to these grants.

3. EXPENSES

3(a) Employee related expenses

Salaries and wages (including recreation leave)	60,571	57,965
Superannuation – defined contribution plans	1,234	1,256
Superannuation – defined benefit plans	(56,724)	33,003
Long Service Leave	4,265	3,047
Workers Compensation	624	435
Payroll and Fringe Benefits Tax	4,309	4,248
Other employee on-costs	847	(6,303)
	15,126	93,651

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

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

3. EXPENSES (continued)

3(b) Other operating expenses

	2006 \$'000	2005 \$'000
Valuation contractors & expenses	12,817	10,782
Cleaning & utilities	1,329	1,168
Property rental costs	721	620
EDP – information technology services	2,966	2,006
Furniture, plant & equipment	369	294
Cost of sales	1,831	1,990
Consultancies & other contractors	4,028	2,626
Promotions, publicity, events management	186	135
Travel expenses	733	653
Telecommunication expenses	2,010	1,760
Motor vehicle expenses	743	665
Insurance	195	277
Auditor's remuneration – audit or review of the financial report	164	161
Freight & postage	696	656
Staff related & development	959	718
Administration	822	719
Legal fees	108	73
Land taxes	344	270
Bad debts	10	(15)
Other	368	263
	31,399	25,821

3(c) Depreciation and amortisation

Buildings depreciation	810	713
Plant and Equipment depreciation	4,806	5,042
	5,616	5,755
Amortisation of Intangible Assets	5,973	5,386
	11,589	11,141

3(d) Grants and Subsidies

Grants paid to other organisations	463	284
	463	284

3(e) Finance Costs

Finance lease interest charges	-	536
	-	536

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

3. EXPENSES (continued)

3(f) Other Expenses

	2006 \$'000	2005 \$'000
Torrens Assurance Fund	164	308
	164	308

3(g) Loss on disposal

Proceeds from disposal – Property, Plant & Equipment	-	20
Written Down Value of assets disposed	(66)	(322)
Net (loss) on disposal of Property, Plant & Equipment	(66)	(302)

3(h) Income Tax Equivalent Expense

Accounting profit for the year	94,496	57,709
Less: actuarial adjustments to unfunded superannuation (Note 4)	(70,033)	(21,173)
Adjusted accounting profit for the year	24,463	36,536
Income tax equivalent expense for the year at 30%	7,339	10,961
Less: tax overpaid to Office of State Revenue	-	(4,782)
	7,339	6,179

For income tax equivalent calculation purpose, the accounting profit for 2005 is not restated based on AEIFRS but is under AGAAP to reflect the actual tax liability for 2005.

3(i) Distributed Costs

Included in the expenses listed above are the costs of corporate services provided by LPI to the other divisions of the Department of Lands for which no revenues are received.

Employee related	3,700	3,581
Other operating expenses	739	1,004
	4,439	4,585

4. INDIVIDUALLY SIGNIFICANT ITEMS

Included in expenses from ordinary activities is \$70.033m (2005 - \$21.173m) for superannuation expenses written back due to a significant increase in the income earned in the superannuation fund reserves.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

5. CASH AND CASH EQUIVALENTS

	2006 \$'000	2005 \$'000
Cash at bank and on hand	36,812	44,154
	36,812	44,154

For the purposes of the Cash Flow Statement, cash includes cash on hand and cash at bank. Cash and cash equivalents assets recognised in the Balance Sheet are reconciled to cash at the end of the financial year as shown in the Cash Flow Statement as follows:

Cash and cash equivalents (per Balance Sheet)	36,812	44,154
Closing cash and cash equivalents (as per Cash Flow Statement)	36,812	44,154

6. TRADE AND OTHER RECEIVABLES

Current Receivables

Sale of goods and services	7,341	6,261
Less: Allowance for impairment	(63)	(87)
GST Receivable	832	614
Interest Receivable	955	1,449
Other Receivable	104	147
Prepayments	1,668	1,586
	10,837	9,970

7. INVENTORIES

Current Inventories

At cost		
Goods for resale	360	349
	360	349

Non-current Inventories

At cost		
Goods for resale	1,440	1,396
	1,440	1,396

Goods for resale (map stocks) are split 20% current which is expected to be sold within the twelve months after the reporting date and 80% non-current. The split is based on the entity's normal operating cycle.

There was no write down of inventories during the financial year ended 30 June 2006 (2005 - NIL).

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

8. PROPERTY, PLANT & EQUIPMENT

	Land and Buildings \$'000	Plant and Equipment \$'000	Total \$'000
At 1 July 2005			
Gross carrying amount	50,915	43,758	94,673
Accumulated depreciation and impairment	(1,573)	(24,730)	(26,303)
Net Carrying Amount at fair value	<u>49,342</u>	<u>19,028</u>	<u>68,370</u>
At 30 June 2006			
Gross carrying amount	64,521	34,565	99,086
Accumulated depreciation and impairment	(149)	(22,309)	(22,458)
Net Carrying Amount at fair value	<u>64,372</u>	<u>12,256</u>	<u>76,628</u>

Reconciliation

Reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

	Land and Buildings \$'000	Plant and Equipment \$'000	Total \$'000
Year ended 30 June 2006			
Net carrying amount at start of the year	49,342	19,028	68,370
Additions	1,794	3,018	4,812
Disposals	-	(66)	(66)
Reclassification	(36)	(4,955)	(4,991)
Revaluation increment	14,081	38	14,119
Depreciation expense	(809)	(4,807)	(5,616)
Carrying amount at 30 June 2006	<u>64,372</u>	<u>12,256</u>	<u>76,628</u>

	Land and Buildings \$'000	Plant and Equipment \$'000	Total \$'000
At 1 July 2004			
Gross carrying amount	49,066	41,935	91,001
Accumulated depreciation and impairment	(860)	(22,172)	(23,032)
Net Carrying Amount at fair value	<u>48,206</u>	<u>19,763</u>	<u>67,969</u>
At 30 June 2005			
Gross carrying amount	50,915	43,758	94,673
Accumulated depreciation and impairment	(1,573)	(24,730)	(26,303)
Net Carrying Amount at fair value	<u>49,342</u>	<u>19,028</u>	<u>68,370</u>

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

8. PROPERTY, PLANT & EQUIPMENT (continued)

Reconciliation

Reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

	Land and Buildings \$'000	Plant and Equipment \$'000	Total \$'000
Year ended 30 June 2005			
Net carrying amount at start of the year	48,206	19,763	67,969
Additions	2,005	4,473	6,478
Disposals	(8)	(314)	(322)
Reclassification	(148)	148	-
Depreciation expense	(713)	(5,042)	(5,755)
Carrying amount at 30 June 2005	<u>49,342</u>	<u>19,028</u>	<u>68,370</u>

9. INTANGIBLE ASSETS

	Software \$'000	Total \$'000
At 1 July 2005		
Gross carrying amount	33,494	33,494
Accumulated depreciation and impairment	(17,604)	(17,604)
Net Carrying Amount at cost	<u>15,890</u>	<u>15,890</u>
At 30 June 2006		
Gross carrying amount	48,561	48,561
Accumulated depreciation and impairment	(23,751)	(23,751)
Net Carrying Amount at cost	<u>24,810</u>	<u>24,810</u>

	Software \$'000	Total \$'000
Year ended 30 June 2006		
Net carrying amount at start of year	15,890	15,890
Additions		
- external acquired	277	277
- internally developed	9,625	9,625
Reclassification	4,991	4,991
Depreciation expense	(5,973)	(5,973)
Carrying amount at 30 June 2006	<u>24,810</u>	<u>24,810</u>

	Software \$'000	Total \$'000
At 1 July 2004		
Gross carrying amount	24,159	24,159
Accumulated depreciation and impairment	(12,217)	(12,217)
Net Carrying Amount at cost	<u>11,942</u>	<u>11,942</u>
At 30 June 2005		
Gross carrying amount	33,494	33,494
Accumulated depreciation and impairment	(17,604)	(17,604)
Net Carrying Amount at cost	<u>15,890</u>	<u>15,890</u>

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

9. INTANGIBLE ASSETS (continued)

	Software \$'000	Total \$'000
Year ended 30 June 2005		
Net carrying amount at start of year	11,942	11,942
Additions		
- external acquired	991	991
- internally developed	8,343	8,343
Depreciation expense	(5,386)	(5,386)
Carrying amount at 30 June 2005	<u>15,890</u>	<u>15,890</u>

10. RESTRICTED ASSETS

Torrens Assurance Fund – Special Deposit Account

LPI operates the Torrens Assurance Fund within the Special Deposit Accounts. The Fund was established under Section 134 (1) of the *Real Property Act 1900*. It meets claims for losses arising out of fraud or agency error and is funded by a \$4 charge on each land dealing lodged. The following is a summary of transactions in the Torrens Assurance Fund.

	2006 \$'000	2005 \$'000
Opening cash balance	11,745	8,825
Add:		
Revenue	3,240	3,228
Less:		
Expenditure	(164)	(308)
Cash balance at end of Year	<u>14,821</u>	<u>11,745</u>

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

11. TRADE AND OTHER PAYABLES

Accrued salaries, wages and on-costs	1,477	1,472
Creditors	3,861	3,224
Income received in advance	341	146
Dividend payable	14,555	25,804
Income Tax Equivalent payable	4,818	4,948
Other	167	819
	<u>25,219</u>	<u>36,413</u>

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

12. CURRENT/NON-CURRENT PROVISIONS

	2006 \$'000	2005 \$'000
Current employee benefits and related on-costs		
Recreation leave	6,204	5,736
Long service leave	30,082	30,318
Oncosts on employee benefits	862	276
Total provisions	<u>37,148</u>	<u>36,330</u>
Non-Current employee benefits and related on-costs		
Long service leave	127	342
Superannuation	15,714	83,833
Oncosts on employee benefits	2,874	126
	<u>18,715</u>	<u>84,301</u>
Aggregate employee entitlements		
Provisions – current	37,148	36,330
Provisions – non-current	18,715	84,301
Accrued salaries and wages	1,477	1,472
	<u>57,340</u>	<u>122,103</u>
The amount of leave expected to be settled:		
Within the 12 months	12,490	7,590
After more than 12 months	23,923	28,806
	<u>36,413</u>	<u>36,396</u>

Superannuation liability

Land and Property Information NSW is responsible for funding the employer's superannuation liability through monthly contributions to LPI's reserve account held by Pillar Administration. Superannuation payments to retiring employees are made out of this reserve account. Periodically LPI's reserve account balance is augmented by interest distributions made at the discretion of Pillar Administration. LPI has no control over interest distributions. The reserve account can only be used for the settlement of superannuation liabilities.

Actuarial gains and losses are recognised in the profit or loss in the year they occur.

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

State Authorities Superannuation Scheme (SASS)
State Superannuation Scheme (SSS)
State Authorities Non-contributory Superannuation Scheme (SANCS)

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. All the Schemes are closed to new members.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

12. CURRENT/NON-CURRENT PROVISIONS (continued)

	SASS		SANCS		SSS		Total	
	2006	2005	2006	2005	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Superannuation position for AASB 119 purposes								
Accrued liability	28,443	26,207	15,688	15,417	318,175	334,365	362,306	375,989
Estimated reserve account balance	(25,395)	(20,694)	(15,254)	(12,721)	(305,943)	(258,741)	(346,592)	(292,156)
	3,048	5,513	434	2,696	12,232	75,624	15,714	83,833
Future Service Liability	(9,192)	(9,896)	(7,035)	(7,589)	(21,702)	(29,485)	(37,929)	(46,970)
Surplus in excess of recovery available from schemes	-	-	-	-	-	-	-	-
Net (asset)/liability to be disclosed in balance sheet	3,048	5,513	434	2,696	12,232	75,624	15,714	83,833

Reconciliation of the assets and liabilities recognised in the balance sheet:

	SASS		SANCS		SSS		Total	
	2006	2005	2006	2005	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Present value of defined benefit obligations	28,443	26,207	15,688	15,417	318,175	334,365	362,306	375,989
Fair value of plan assets	(25,395)	(20,694)	(15,254)	(12,721)	(305,943)	(258,741)	(346,592)	(292,156)
	3,048	5,513	434	2,696	12,232	75,624	15,714	83,833
Surplus in excess of recovery available from schemes	-	-	-	-	-	-	-	-
Unrecognised past service cost	-	-	-	-	-	-	-	-
Net (asset)/liability to be disclosed in balance sheet	3,048	5,513	434	2,696	12,232	75,624	15,714	83,833

All Fund assets are invested by Superannuation Trustee Corporation (STC) at arm’s length through independent fund managers.

Movement in net liability/asset recognised in balance sheet:

	SASS		SANCS		SSS		Total	
	2006	2005	2006	2005	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net (asset)/liability at start of the year	5,513	4,866	2,696	2,597	75,623	68,971	83,832	76,434
Net expense recognised in the income statement	(1,293)	2,049	(1,362)	1,212	(54,069)	30,263	(56,724)	33,524
Contributions	(1,172)	(1,402)	(900)	(1,113)	(9,322)	(23,610)	(11,394)	(26,125)
Net (asset)/liability to be disclosed in balance sheet	3,048	5,513	434	2,696	12,232	75,624	15,714	83,833

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

12. CURRENT/NON-CURRENT PROVISIONS (continued)

Total expense recognised in income statement:

	SASS		SANCS		SSS		Total	
	2006	2005	2006	2005	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current service cost	1,284	1,163	893	843	3,878	3,527	6,055	5,533
Interest on obligation	1,550	1,433	774	784	18,558	17,495	20,882	19,712
Expected return on plan assets	(1,578)	(1,274)	(961)	(791)	(19,532)	(15,604)	(22,071)	(17,669)
Net actuarial losses/(gains) recognised in year	(2,549)	727	(2,068)	376	(56,973)	24,845	(61,590)	25,948
Total included in “employee benefits expense”	(1,293)	2,049	(1,362)	1,212	(54,069)	30,263	(56,724)	33,524

Actual return on plan assets:

	SASS		SANCS		SSS		Total	
	2006	2005	2006	2005	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Actual return on plan assets	3,203	2,310	2,036	1,412	40,089	27,826	45,328	31,548

Valuation method and principal actuarial assumptions at the reporting date

a) Valuation Method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b) Economic Assumptions

- Discount rate at 30 June
- Expected return on plan assets at 30 June
- Expected salary increases
- Expected rate of Increase in CPI

2006 %	2005 %
5.9pa	5.2pa
7.6pa	7.3pa
4.0 pa to 2008; 3.5 pa thereafter	4.0pa
2.5pa	2.5pa

Arrangements for employer contributions for funding

The following is a summary of the 30 June 2006 financial position of the Fund calculated in accordance with AAS 25 – Financial Reporting by Superannuation Plans.

	SASS		SANCS		SSS		Total	
	2006	2005	2006	2005	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Accrued benefits	27,249	23,426	14,897	13,447	267,672	255,459	309,818	292,332
Net market value of Fund assets	(25,395)	(20,694)	(15,254)	(12,721)	(305,943)	(258,741)	(346,592)	(292,156)
Net (surplus)/deficit	1,854	2,732	(357)	726	(38,271)	(3,282)	(36,774)	176

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

12. CURRENT/NON-CURRENT PROVISIONS (continued)

The method used to determine the employer contribution recommendations at the last actuarial review was the *Aggregate Funding* method. The method adopted affects the timing of the cost to the employer.

Under the Aggregate Funding method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

The economic assumptions adopted for the last actuarial review of the Fund were:

Weighted-Average Assumptions

- Expected rate of return on Fund assets
- Expected salary increases
- Expected rate of CPI Increase

2006 %pa	2005 %pa
7.3	7.0
4.0	4.0
2.5	2.5

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of fund assets and the defined benefit obligation.

13. EQUITY

	Retained Earnings		Asset Revaluation Reserve		Total Equity	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Balance at the beginning of the financial year	(16,915)	41,014	-	-	(16,915)	41,014
AASB 119 first-time adoption	-	(42,910)	-	-	-	(42,910)
Restated opening balance	(16,915)	(1,896)		-	(16,915)	(1,896)
Changes in equity-transactions with owners as owners						
Contributions to Consolidated Fund	(14,556)	(21,739)	-	-	(14,556)	(21,739)
Adjustment for 2004 dividend	-	(4,064)	-	-	-	(4,064)
Total	(31,471)	(27,699)	-	-	(31,471)	(27,699)
Changes in equity - other than transactions with owners as owners						
Profit for the year	87,157	10,784	-	-	87,157	10,784
Increment on revaluation of land	-	-	14,081	-	14,081	-
Increment on revaluation of plant and equipment	-	-	38	-	38	-
Total	87,157	10,784	14,119	-	101,276	10,784
Balance at the end of the financial year	55,686	(16,915)	14,119	-	69,805	(16,915)

The contribution to Consolidated Fund for 2004-05 is not restated based on AEIFRS but is calculated under AGAAP which applied at the time of calculation.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

14. COMMITMENTS FOR EXPENDITURES

(a) Other expenditure commitments

Aggregated below are commitments for the acquisition of items contracted for at reporting date including mass valuation contracts with various suppliers and other expenditures.

	2006 \$'000	2005 \$'000
Not later than 1 year	16,983	11,582
Later than 1 and not later than 5 years	14,109	10,438
Total (including GST)	31,092	22,020

(b) Operating lease commitments – as lessee

LPI has entered into commercial property leases and commercial leases on certain motor vehicles and items of telecommunication equipment. These leases have an average life of between 3 and 7 years with no renewal option included in the contracts.

There are no restrictions placed upon the lessee by entering into these leases.

Future minimum rentals payables under non-cancellable operating leases for accommodation and motor vehicle for varying contract periods/suppliers.

Not later than 1 year	1,031	1,155
Later than 1 year but not later than 5 years	572	688
Total (including GST)	1,603	1,843

The total other expenditure commitments and operating lease commitments above include input tax credits of \$2.848m (2005 - \$2.169m) that are expected to be recovered from the Australian Taxation Office.

15. CONTINGENT LIABILITIES

LPI maintains a special deposit account for claims arising through fraud or Departmental error (Torrens Assurance Fund). As at 30 June 2006 known claims were assessed to have an estimated gross liability of \$14.730m (2005 - \$4.779m). These liabilities have been estimated on the assumption that all disputed claims will be lost by LPI.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

16. RECONCILIATION OF PROFIT FOR THE YEAR TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2006 \$'000	2005 \$'000
Net profit	87,157	10,784
Adjustment for non-cash items:		
Depreciation and amortisation	11,589	11,141
Net loss/(profit) on disposal of property, plant and equipment	66	302
Changes in Assets and Liabilities		
(Increase) in trade and other receivables	(785)	(1,171)
(Increase)/decrease in inventories	(55)	(109)
(Increase)/decrease in other assets	(82)	(265)
(Decrease)/increase in provisions	(64,768)	2,120
Increase/(decrease) in trade and other payables	55	(4,042)
Net cash from operating activities	33,177	18,760

17. FINANCIAL INSTRUMENTS

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

Cash

Cash comprises cash on hand and bank balances within the Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation 11.00 am unofficial cash rate adjusted for a management fee to Treasury. Interest is reported in the financial statements as it is earned. For the purposes of the Cash Flow Statement, cash comprises cash on hand and at bank.

Trade and other receivables

All trade and other debtors are recognised as amounts receivable at balance date. Collectability of all debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectable, are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are generally made on 30 day terms.

Trade creditors and accruals

The liabilities are recognised for amounts due to be paid in the future for goods or services received whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made not later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was paid during the year (30 June 2005-Nil). The carrying amount approximates net fair value.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

17. FINANCIAL INSTRUMENTS (continued)

(a) Interest rate risk

			Fixed Interest Rate Maturities			Non Interest Bearing	Total Carrying Amount As per the Balance Sheet
	Weighted Average Effective Interest Rate	Floating Interest Rate	1 year Or less	1 to 2 years	> 5 years		
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2006							
Financial Assets							
Cash	5.04	36,812	-	-	-	-	36,812
Trade and other receivables		-	-	-	-	9,169	9,169
Total Financial Assets		36,812	-	-	-	9,169	45,981
30 June 2005							
Cash	4.33	44,154	-	-	-	-	44,154
Trade and other receivables		-	-	-	-	8,384	8,384
Total Financial Assets		44,154	-	-	-	8,384	52,538
30 June 2006							
Financial Liabilities							
Trade and other payables		-	-	-	-	25,219	25,219
Total Financial Liabilities		-	-	-	-	25,219	25,219
30 June 2005							
Trade and other payables		-	-	-	-	36,413	36,413
Total Financial Liabilities		-	-	-	-	36,413	36,413

(b) Credit risk

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

18. IMPACT OF ADOPTION OF AEIFRS

LPI has applied the AEIFRS for the first time in the 2005/06 financial report. The key areas where changes in accounting policies have impacted the financial report are disclosed below. Some of these impacts arise because AEIFRS requirements are different from previous AASB requirements (AGAAP). Other impacts are likely to arise from options in AEIFRS that were not available or not applied under previous AGAAP.

LPI has adopted the options mandated by NSW Treasury for the NSW Public Sector. The impacts disclosed below reflect Treasury's mandates and policy decisions.

The impacts of adopting AEIFRS on total equity and profit/ (loss) as reported under previous AGAAP are shown below.

There are no material impacts on LPI's cash flows.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

18. IMPACT OF ADOPTION OF AEIFRS (continued)

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

Reconciliation of equity under previous Accounting Standards (AGAAP) to equity under AEIFRS:			
	Notes	30 June 2005** \$'000	1 July 2004* \$'000
Total equity under AGAAP		66,741	41,014
Adjustments to accumulated funds			
Defined benefit superannuation adjustment of change in discount rate	i	(83,656)	(42,910)
Total equity under AEIFRS		(16,915)	(1,896)
*adjustments as at the date of transition			
**cumulative adjustments as at date of transition plus the year ended 30 June 2005			

Reconciliation of surplus / (deficit) under AGAAP to surplus / (deficit) under AEIFRS:		
Year ended 30 June 2005	Notes	\$'000
Profit / (loss) under AGAAP		51,530
Change of discount rate for defined benefit superannuation	i	(40,746)
Profit / (loss) under AEIFRS		10,784

Notes to tables above

- i AASB 119 *Employee Benefits* requires present value measurement of all long-term employee benefits. Previous AGAAP provided that annual leave was measured at nominal value in all circumstances. LPI has long-term annual leave benefits that are now measured at present value rather than at nominal value. This has decreased the employee benefits liability and employee benefits expense.

AASB 119 requires the defined benefit superannuation obligation to be discounted using the government bond rate as at each reporting date, rather than the long-term expected rate of return on plan assets. Where the superannuation obligation is not assumed by the Crown, this has increased the defined benefit superannuation liability (or decreased the asset for those agencies in an overfunded position) and changed the quantum of the superannuation expense.

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

As discussed in Note 1 (c), the comparative information for 2004/05 for financial instruments has not been restated and is presented in accordance with previous AGAAP. AASB 132 and AASB 139 have been applied from 1 July 2005. The adoption of AASB 132 and AASB 139 has no material impact on LPI's equity.

LAND AND PROPERTY INFORMATION NSW
Notes to the Financial Statements
For the Year ended 30 June 2006

18. IMPACT OF ADOPTION OF AEIFRS (continued)

(c) Grant recognition

As a not-for-profit entity, LPI has applied the requirements in AASB 1004 *Contributions* regarding contributions of assets (including grants) and forgiveness of liabilities. There are no differences in the recognition requirements between the new AASB 1004 and the previous AASB 1004. However, the new AASB 1004 may be amended by proposals in Exposure Draft (ED) 125 *Financial Reporting by Local Governments* and ED 147 *Revenue from Non-Exchange Transactions (Including Taxes and Transfers)*. If the ED 125 and ED 147 approach is applied, revenue and / or expense recognition will not occur until either LPI supplies the related goods and services (where grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied. ED 125 and ED 147 may therefore delay revenue recognition compared with AASB 1004, where grants are recognised when controlled.

However, at this stage, the timing and dollar impact of these amendments is uncertain.

19. EVENTS AFTER THE BALANCE SHEET DATE

LPI estimated a \$6.7m dividend in respect of the 2006 financial year in its signed Statement of Business Intent for 2005-06 before the reporting date. The total amount of the dividend payable for the 2006 financial year is \$14.8m which is 85% of the year's accounting profit adjusted for actuarial adjustments to unfunded superannuation (refer to Note 1 (w)).

The difference of estimated dividend and dividend payable has been adjusted and the total dividend payable of \$14.8m has been provided for in the 30 June 2006 financial statements.

END OF AUDITED FINANCIAL STATEMENTS

THE BOARD
OF SURVEYING
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**FINANCIAL
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GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDIT REPORT

BOARD OF SURVEYING AND SPATIAL INFORMATION

To Members of the New South Wales Parliament

Audit Opinion

In my opinion, the financial report of the Board of Surveying and Spatial Information:

- presents fairly the Board's financial position as at 30 June 2006 and its performance for the year ended on that date, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia, and
- complies with section 41B of the *Public Finance and Audit Act 1983* (the Act) and the *Public Finance and Audit Regulation 2005*.

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

Scope

The Financial Report and the Board's Responsibility

The financial report comprises the income statement, balance sheet, cash flow statement, statement of changes in equity, and accompanying notes to the financial statements for the Board, for the year ended 30 June 2006.

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

Audit Approach

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

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

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

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

My opinion does *not* provide assurance:

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

Audit Independence

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

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

S R Stanton CPA
Director, Financial Audit Services


SYDNEY
23 October 2006

Statement by Members of the Board


Pursuant to Section 41C (1B) of the Public Finance and Audit Act 1983, and in accordance with a resolution of the members of the Board of Surveying and Spatial Information, we declare on behalf of the Board that in our opinion:

- 1. The accompanying financial statements exhibit a true and fair view of the financial position and financial performance for the year ended 30 June, 2006 of the Board of Surveying and Spatial Information.
- 2. The accompanying financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, and the Public Finance and Audit Regulation 2005 and with the Treasurer's Directions as they relate to the preparation of those accounts.

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

Signed 
Des Mooney
Acting President and Surveyor-General

Date: 20 OCT 2006

Signed 
Mark Gordon
Member – Board of Surveying and Spatial Information

Date: 18.10.06

BOARD OF SURVEYING AND SPATIAL INFORMATION

INCOME STATEMENT

For the year ended 30 June 2006

	Notes	2006 \$	2005 \$
Revenue	2(a)	450,860	441,947
Investment revenue	2(b)	33,027	37,535
Depreciation	4(a)	(15,332)	(11,909)
Other expenses	4(b)	(539,842)	(495,728)
(Loss) for the year		(71,287)	(28,155)

The accompanying notes form part of these financial statements.

BOARD OF SURVEYING AND SPATIAL INFORMATION

BALANCE SHEET

As at 30 June 2006

	Notes	2006 \$	2005 \$
ASSETS			
Current Assets			
Cash and cash equivalents	8(a)	535,525	538,825
Trade and other receivables	5	25,549	35,765
Total Current Assets		561,074	574,590
Non-Current Assets			
Plant & Equipment	7	26,892	42,224
Total Non-Current Assets		26,892	42,224
TOTAL ASSETS		587,966	616,814
LIABILITIES			
Current Liabilities			
Trade and other payables	6	89,388	46,948
Total Current Liabilities		89,388	46,948
TOTAL LIABILITIES		89,388	46,948
NET ASSETS		498,578	569,866
EQUITY			
Retained earnings	12	498,578	569,866
TOTAL EQUITY		498,578	569,866

The accompanying notes form part of these financial statements.

BOARD OF SURVEYING AND SPATIAL INFORMATION

STATEMENT OF CASH FLOWS

For the year ended 30 June 2006

	Notes	2006 \$	2005 \$
Cash flows from operating activities			
Receipts from customers		457,092	447,572
Interest received		35,685	35,895
GST refund		48,050	45,294
Payments to suppliers		(544,127)	(595,314)
Net cash flows used in operating activities	8(b)	(3,300)	(66,553)
Cash flows from investing activities			
Purchases of property, plant and equipment		-	(24,347)
Net cash flows used in investing activities		-	(24,347)
Net (decrease) in cash and cash equivalents		(3,300)	(90,900)
Opening cash and cash equivalents		538,825	629,725
Closing cash and cash equivalents	8(a)	535,525	538,825

The accompanying notes form part of these statements

BOARD OF SURVEYING AND SPATIAL INFORMATION

Statement of Changes in Equity

For the year ended 30 June 2006

	Notes	2006 \$'000	2005 \$'000
TOTAL INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY		-	-
(Loss) for the year		(71,287)	(28,155)
TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR	12	(71,287)	(28,155)

The accompanying notes form part of these statements

BOARD OF SURVEYING AND SPATIAL INFORMATION

Notes to the Financial Statements

For the year ended 30 June 2006

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Reporting Entity

The Board of Surveying and Spatial Information, (The Board), is constituted under the *Surveying Act 2002* to provide for the registration of Land and Mining surveyors, to regulate the making of surveys and to advise the Government on Spatial Information.

The financial report for the year ended 30 June 2006 was authorised for issue by the Board on the date the accompanying Statement by members of the Board was signed.

b) Basis of Accounting

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

- applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AEIFRS));
- Urgent Issues Group Interpretations
- the requirements of the *Public Finance and Audit Act 1983* and Regulations.

Property, plant and equipment are measured at fair value. Other financial report items are prepared in accordance with historical cost convention.

The Board is a not-for-profit entity and has no cash generating units.

All amounts are rounded to the nearest dollar, unless otherwise stated, and are expressed in Australian currency.

c) Statement of Compliance

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

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

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

BOARD OF SURVEYING AND SPATIAL INFORMATION

Notes to the Financial Statements

For the year ended 30 June 2006

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1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Statement of Compliance (continued)

The following new Accounting Standards amendments that have been issued but are not yet effective, have not been adopted for the annual reporting period ending 30 June 2006:

AASB Amendment	Affected Standards
2005-1	AASB 139 <i>Financial Instruments: Recognition and Measurement</i>
2005-5	AASB 1 <i>First-time adoption of AIFRS</i> AASB 139 <i>Financial Instruments: Recognition and Measurement</i>
2005-10	AASB 132 <i>Financial Instruments: Disclosures and Presentations</i> ; AASB 101 <i>Presentation of Financial Statements</i> ; AASB 114 <i>Segment Reporting</i> ; AASB 117 <i>Leases</i> ; AASB 133 <i>Earnings Per Share</i> ; AASB 139 <i>Financial Instruments: Recognition and Measurement</i> ; AASB 1 <i>First-time adoption of AIFRS</i> AASB 4 <i>Insurance Contracts</i> ; AASB 1023 <i>General Insurance Contracts</i> ; AASB 1038 <i>Life Insurance Contracts</i>
New Standard	AASB 7 <i>Financial Instruments: Disclosures</i>

The application of the new Australian Accounting Standards will have a nil impact on the Board's financial report.

BOARD OF SURVEYING AND SPATIAL INFORMATION

Notes to the Financial Statements

For the year ended 30 June 2006

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1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Significant accounting judgements, estimates and assumptions

In the application of AEIFRS, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods in the revision effects both current and future period.

e) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Board and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Member fees and Subscriptions

Registration revenue is recognised once the registration renewal applications and fees are received and the receipt is issued. Invoices are no longer raised prior to the renewal date as registration renewal is now optional and cannot be reliably measured until the application and fees are received.

(ii) Rendering of Services

Revenue is recognised when services such as workshops or training are provided.

(iii) Investment Revenue

Interest revenue is recognised using the effective interest method

BOARD OF SURVEYING AND SPATIAL INFORMATION

Notes to the Financial Statements

For the year ended 30 June 2006

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1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Employee Benefits

Salaries and Wages, Annual Leave, Sick Leave and On-Costs:

The Board has no employees. All the Board's human resources are provided by the Department of Lands on a fee for services rendered basis. This fee includes employee related costs (salaries, superannuation, leave entitlement, payroll tax, and workers' compensation insurance) and an administration oncost.

Accordingly the Board has no liability for employee entitlements.

g) Insurance

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

h) Accounting for Goods and Services Tax (GST)

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

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

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

i) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisition of assets controlled by the Board. Cost is determined as the amount of cash paid or fair value of other consideration given plus costs incidental to the acquisition.

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

Fair value is the amount for which an asset could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction.

BOARD OF SURVEYING AND SPATIAL INFORMATION

Notes to the Financial Statements

For the year ended 30 June 2006

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1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Capitalisation Threshold

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

k) Depreciation

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

Depreciation Rates:

Plant and Equipment	20%
Furniture and fittings	10%
EDP Equipment	25%

l) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates fair value.

m) Trade and other payables

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.

BOARD OF SURVEYING AND SPATIAL INFORMATION

Notes to the Financial Statements

For the year ended 30 June 2006

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2) REVENUE

Registration and other fees collected by the Board in accordance with the *Surveying Act 2002*, are now retained by the Board to fund their operations and no longer remitted to the Consolidated Fund.

The Board does not receive any funding by way of grants from the Department of Lands or Treasury and its operating expenditure is solely funded by revenue from Registration and other fees.

	2006	2005
	\$	\$
2(a) Revenue		
Annual Registration	367,100	367,033
Application for Registration	1,980	1,260
Candidate Workshop Fees	23,828	20,290
Certificate of Registration	-	(60)
Enrolment as Candidate	13,392	15,736
Examination Fees	24,750	21,725
Letters of Accreditation	420	300
Professional Training Agreement Fees	3,490	4,263
Restoration to Register	15,900	11,400
	450,860	441,947
2(b) Investment Revenue		
Interest	33,027	37,535
	33,027	37,535

3) BOARD MEMBERS' FEES

Board members' fees payable for 2005-2006 amounted to \$27,810 (2004-2005 - \$24,720). In addition Board members received \$17,030 (2004-05 - \$10,790) for acting as examiners and other Board related activities (included under other service fees) and were refunded travelling and accommodation expenses incurred in connection with the Board's operations (included under travelling and subsistence).

BOARD OF SURVEYING AND SPATIAL INFORMATION

Notes to the Financial Statements

For the year ended 30 June 2006

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4) EXPENSES

	2006	2005
	\$	\$
4(a) Depreciation		
Building and Improvement	-	354
Plant and Equipment	6,641	4,675
EDP Equipment	8,691	6,880
	15,332	11,909
4(b) Other Expenses		
Audit	9,377	9,023
Board Member Fees	27,810	24,720
Continuing Professional Development Assessment	1,897	570
Lands Administration Fee	29,772	28,915
Lands Personnel Services comprising:		
Salaries and Wages	152,838	119,176
Fringe Benefit and Payroll Taxes	14,191	11,065
Recreation Leave	13,362	10,419
Long Service Leave	15,136	11,802
Superannuation	11,295	8,807
Lands rent	15,176	14,420
Examination Related Expenses	72,569	64,554
Maintenance	1,770	4,773
Other Service Fees	122,927	144,271
Postage Telephone and Courier	7,098	5,714
Stores and Stationery	9,222	7,086
Travel and Subsistence	35,402	30,220
Loss on disposal of fixed asset	-	193
	539,842	495,728

BOARD OF SURVEYING AND SPATIAL INFORMATION

Notes to the Financial Statements

For the year ended 30 June 2006

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5) TRADE AND OTHER RECEIVABLES

	2006	2005
	\$	\$
Trade debtors	1,647	2,987
Interest receivable	15,641	18,299
GST	8,261	14,479
	25,549	35,765

6) TRADE AND OTHER PAYABLES

Trade payables and accruals	44,100	46,948
Prepaid registration fees	45,288	-
	89,388	46,948

7) PROPERTY, PLANT AND EQUIPMENT

	Plant	EDP Equipment	Total
	\$	\$	\$
At 1 July 2005			
At Fair Value	33,203	37,124	70,327
Accumulated depreciation and impairment	(14,252)	(13,851)	(28,103)
Net Carrying Amount	18,951	23,273	42,224
At 30 June 2006			
At Fair Value	33,203	37,124	70,327
Accumulated depreciation and impairment	(20,892)	(22,543)	(43,435)
Net Carrying Amount	12,311	14,581	26,892

BOARD OF SURVEYING AND SPATIAL INFORMATION

Notes to the Financial Statements

For the year ended 30 June 2006

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7) NON CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT (*continued*)

Reconciliations

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

	Building Improvements \$	Plant \$	EDP Equipment \$	Total \$
2005				
Carrying amount at 1 July 2004	548	8,884	20,547	29,979
Addition	-	14,742	9,605	24,347
Disposal	(193)	-	-	(193)
Depreciation expense	(355)	(4,675)	(6,879)	(11,909)
Carrying amount at 30 June 2005	-	18,951	23,273	42,224
2006				
Carrying amount at 1 July 2005	-	18,951	23,273	42,224
Addition	-	-	-	-
Disposal	-	-	-	-
Depreciation expense	-	(6,640)	(8,692)	(15,332)
Carrying amount at 30 June 2006	-	12,311	14,581	26,892

8) CASH AND CASH EQUIVALENTS

- a) For the purposes of the Statement of Cash Flows cash consists of cash at bank. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

	2006 \$	2005 \$
Cash at bank	535,525	538,825
Cash at the end of financial period	535,525	538,825

BOARD OF SURVEYING AND SPATIAL INFORMATION

Notes to the Financial Statements

For the year ended 30 June 2006

8) CASH AND CASH EQUIVALENTS (continued)

b) RECONCILIATION OF NET (LOSS) TO CASH FLOWS FROM OPERATIONS:

Net (Loss)	(71,287)	(28,155)
Adjustment for non – cash items:		
Depreciation	15,332	11,909
Loss on disposal of fixed asset	-	193
Changes in Assets & Liabilities		
Decrease/(increase) in receivables	10,215	(674)
Increase/(decrease) in payables	42,440	(49,826)
	(3,300)	(66,553)

9) CAPITAL COMMITMENTS

At 30 June 2006 there were no capital commitments. (2005 - NIL)

10) CONTINGENT LIABILITIES

At 30 June 2006 there were no contingent liabilities. (2005 - NIL)

11) ASSISTANCE FROM OTHER AGENCIES

Land and Property Information NSW provided the Board with assistance for development of the spatial information project free of charge. The fair value of the assistance provided was \$20,558.

12) EQUITY

	2006	2005
	\$	\$
Opening balance at the beginning of financial year	569,865	598,021
(Loss) for the year	(71,287)	(28,155)
Closing balance at the end of financial year	498,578	569,866

BOARD OF SURVEYING AND SPATIAL INFORMATION

Notes to the Financial Statements

For the year ended 30 June 2006

13) FINANCIAL INSTRUMENTS

The entity's principal financial instruments include cash and cash equivalents, trade receivables, trade payables and other liabilities. These financial instruments arise directly from the entity's operations or are required to finance the entity's operations. The entity does not enter into or trade financial instruments for speculative purposes. The entity does not use financial derivatives.

Financial instruments give rise to positions that are a financial asset of either the Board or its counterparty and a financial liability (or equity instrument) of the other party. For the Board these include cash and cash equivalents, receivables, and creditors. These are recorded at 'cost' being the contractual amount owing or owed. All financial instrument cash flows are recognised on an accruals basis.

In accordance with AASB 132 "Financial Instruments: Disclosure and Presentation," information is disclosed here in respect of the interest rate risk and credit risk of financial instruments. Such amounts are carried in the accounts at net fair value unless otherwise stated. Financial instruments applicable to this Board consist of cash at bank, receivables and creditors.

(a) Interest rate risk

Interest rate risk is the risk that the value of the instruments will fluctuate due to changes in market interest rates. The Board's exposure to interest rate risk and the weighted average effective interest rates of financial assets and liabilities at the balance date are as follows:

			Fixed Interest Rate Maturities				
	Weighted Average Effective Interest Rate	Floating Interest Rate	1 year Or less \$000	1 to 5 years \$000	More than 5 years \$000	Non Interest Bearing \$000	Total Carrying Amount As per the Balance Sheet \$000
	%	\$000					
30 June 2006							
Financial Assets							
Cash and cash equivalents	5.00	536	-	-	-	-	536
Trade and other receivables		-	-	-	-	26	26
Total Financial Assets		536	-	-	-	26	562
30 June 2005							
Cash and cash equivalents	4.33	539	-	-	-	-	630
Trade and other receivables		-	-	-	-	36	35
Total Financial Assets		539	-	-	-	36	665
30 June 2006							
Financial Liabilities							
Trade and other payables		-	-	-	-	44	44
Total Financial Liabilities		-	-	-	-	44	44
30 June 2005							
Trade and other payables		-	-	-	-	47	47
Total Financial Liabilities		-	-	-	-	47	47

BOARD OF SURVEYING AND SPATIAL INFORMATION

Notes to the Financial Statements

For the year ended 30 June 2006

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(13) FINANCIAL INSTRUMENTS (*continued*)

(b) Cash

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

(c) Trade Creditors and Accruals

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

14) IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Board of Surveying and Spatial Information (BOSSI) applies the Australian equivalents to International Financial Reporting Standards (AIFRS) from 2005-06.

The adoption of AIFRS does not have any material impacts on its reported equity, profit/loss or its cash flows.

END OF AUDITED FINANCIAL STATEMENTS

Report on statutory requirements



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ACTS ADMINISTERED BY LANDS

Access to Neighbouring Land Act 2000 No 2

Bills of Sale Act 1898 No 10

Botany Bay National Park (Helicopter Base Relocation) Act 2004 No 27

Botany Cemetery and Crematorium Act 1972 No 6

Camperdown Cemetery Act 1948 No 14

Chipping Norton Lake Authority Act 1977 No 38

Christ Church Cathedral, Newcastle, Cemetery Act 1966 No 20

Commons Management Act 1989 No 13

Community Land Development Act 1989 No 201

Conversion of Cemeteries Act 1974 No 17

Conveyancing Act 1919 No 6

Conveyancing and Law of Property Act 1898 No 17

Crown Lands Act 1989 No 6 (except parts, Minister for the Environment, and Minister for Tourism and Sport and Recreation)

Crown Lands (Continued Tenures) Act 1989 No 7

Crown Lands (Validation of Revocations) Act 1983 No 55

Dividing Fences Act 1991 No 72

Encroachment of Buildings Act 1922 No 23

Forestry (Darling Mills State Forest Revocation) Act 2005 No 2

Geographical Names Act 1966 No 13

Gore Hill Memorial Cemetery Act 1986 No 116

Gosford Cemeteries Act 1970 No 84

Land Agents Act 1927 No 3

Land Sales Act 1964 No 12

Liens on Crops and Wool and Stock Mortgages Act 1898 No 7

Mudgee Cemeteries Act 1963 No 2

Native Title (New South Wales) Act 1994 No 45

Old Balmain (Leichhardt) Cemetery Act 1941 No 12

Old Liverpool Cemetery Act 1970 No 49

Old Roman Catholic Cemetery, Crown Street, Wollongong, Act 1969 No 56

Old Wallsend Cemetery Act 1953 No 5
Parramatta Methodist Cemetery Act 1961 No 44

Perpetuities Act 1984 No 43

Powers of Attorney Act 2003 No 53

Public Reserves Management Fund Act 1987 No 179

Queanbeyan Showground (Variation of Purposes) Act 1995 No 14

Real Property Act 1900 No 25

Real Property (Legal Proceedings) Act 1970 No 92

Registrar-General Act 1973 No 67

Roads Act 1993 No 33, Parts 2, 4 and 12 (section 178 (2) excepted) and section 148; and the remaining provisions of the Act so far as they relate to Crown roads (remainder, Minister for the Environment, Minister for Roads, and Minister for Local Government)

Rookwood Necropolis Act 1901 (1902 No 20)

St. Andrew’s Church of England, Mayfield, Cemetery Act 1957 No 39

St. Andrew’s Presbyterian Church, Woonona, Cemetery Act 1966 No 6

St. Anne’s Church of England, Ryde, Act 1968 No 47

St. George’s Church of England, Hurstville, Cemetery Act 1961 No 63

St. Peter’s Church of England, Cook’s River, Cemetery Act 1968 No 48

St. Thomas’ Church of England, North Sydney, Cemetery Act 1967 No 22

Security Interests in Goods Act 2005 No 65

Strata Schemes (Freehold Development) Act 1973 No 68

Strata Schemes (Leasehold Development) Act 1986 No 219

Surveying Act 2002 No 83

Transfer of Records Act 1923 No 14

Trustees of Schools of Arts Enabling Act 1902 No 68

Tweed River Entrance Sand Bypassing Act 1995 No 55

Valuation of Land Act 1916 No 2

Voluntary Workers (Soldiers’ Holdings) Act 1917 No 25

Voluntary Workers (Soldiers’ Holdings) Amendment Act 1974 No 27 (except parts, Attorney General)

Wagga Wagga Racecourse Act 1993 No 109, sections 4 and 5 (remainder, Minister for Gaming and Racing)

Wild Dog Destruction Act 1921 No 17

CHIEF AND SENIOR EXECUTIVE OFFICERS

Warwick Watkins, Director General, Surveyor General, Registrar General, AMP:ISMP (Harv), MNatRes, DipScAgr, HDA (Hons), FAPI, FISA (NSW), JP

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

Graham Harding, General Manager Crown Lands Division

Paul Jones, General Manager Soil Conservation Service Division, B Engineering (Civil), Certified Professional Erosion and Sediment Control (CPESC)

Warrick Beacroft, Executive Manager, Information Services, Land and Property Information, Grad Cert Mgt, Cert Cart

Ross Cleary, Executive Manager, Information Management, Land and Property Information, B Applied Science (Computer Science) Hons

Bob Costello, Director, Finance and Corporate Support Dip. Tech. (Com), CPA

Barry Douse, Executive Manager, Production and Business Development, Land and Property Information, BA (Hons), Public Administration, Cert in Quality Management III

Pedro Harris, Chief Information Technology Officer

Peter Houghton, Manager, State Reserves Strategy, Dip. App. Sci (Hons), BA (Land Management), Grad. Cert. Public Service Management, EM Public Administration

Jennifer Jude, Director, Native Title and Aboriginal Land Claims, BA LL.B (Hons), LLM, Grad Dip. Inf/Sci (Lib)

Laurie Ryan, Acting Manager, Legal Services, LL.B

Doug Walsham, Executive Manager, Titling and Registry Services, Land and Property Information

Senior executive performance
Warwick Watkins

Director General, Surveyor General and Registrar General, SES level 7

Remuneration package \$380,200

Period in position - whole year

Results

- Engaged in development and implementation of whole of government strategies and plans, especially as a member of the Environment and Natural Resources CEO Cluster Group
- Continued targeted reviews of legislation, policy and programs relating to Crown land administration and management and the security and integrity of the land and property

information systems held within the department

- Focused upon business development, improvement of delivery mechanisms and access to services including information related services and activities concerning soil and earth works, environmental consultancy and government held property
- Maintained leadership role of the agency in relation to land and spatial information through the provision of accurate and reliable information, supporting and enhancing the sharing of appropriate information between sectors and agency clusters and involvement in peak policy organisations, including as Chair of the Australian and New Zealand Land Information Council and as Deputy Chair of the Spatial Information Cooperative Research Centre
- Implemented balanced reporting mechanisms and undertook research and development of programs and strategies to ensure the corporate sustainability, including further development of the knowledge capability mapping and recording within Lands
- Managed the operations of Lands such that revenue targets for LPI and Crown Lands Divisions were exceeded
- Chaired and actively participated on deliberations of the Geographic Names Board and Board of Surveying and Spatial Information

- Strategic deliberations as a Commissioner of the Electoral Boundaries Commissions, particularly in relation to recent NSW and Federal electoral boundary determinations.

Des Mooney

Deputy Director General of Lands and General Manager, Land and Property Information Division, SES level 5

Remuneration package \$264,800

Period in position – whole year

Results

- Despite a soft property market, provided before tax profit in excess of \$50 million
- Established a National Steering Committee for the development of

a National Electronic Conveyancing System (NECS)

- Established a national office for the development of NECS
 - Launched a spatial information exchange to allow web browsing and ordering of satellite imagery and other spatial information
 - Established a comprehensive workforce planning initiative (Vision 2013) to address issues around the ageing workforce.
- Philip Western**
Valuer General
- The Valuer General is a statutory appointee with remuneration packaging equivalent to a SES level 5, however is not subject to annual performance appraisal.

CODE OF CONDUCT

All Lands administrative areas and the Board of Surveying and Spatial Information fall under Lands’ Code of Conduct. There were no amendments or additions to the Code during the reporting year.

COMMITTEES

Significant Department of Lands committees established and abolished

During the 2005/06 period there were no committees abolished.

The following committees were established:

Committees established	Function of committee
Land and Property Information National Electronic Conveyancing System steering committee	To guide the implementation of a national system for electronic conveyancing in NSW through: <ul style="list-style-type: none">Making a positive contribution to the national agenda through the NECS National Steering CommitteeProviding a coordinated approach to NECS preparedness within LPISupplementing national communication strategies to encourage participation by NSW based stakeholders.
Strategic Asset Management Committee	To manage buildings and accommodation used by multi-divisional staff, and to review accommodation arrangements where Lands has staff operating in multiple sites in close proximity.

Significant Department of Lands committees

The table below lists the significant Lands committees and the internal and external representatives:

Lands Committees	Internal representatives	External representatives
Lands Audit Committee	Des Mooney Philip Western Eduardo Alegado	Joanne Rees (Chair) Ron Cunningham
Lands Executive Team	Warwick Watkins (Chair) Des Mooney Graham Harding Paul Jones Bob Costello Pedro Harris Laurie Ryan (part of year) Eduardo Alegado Tracey Prescott Garry Greedy Julie King Ron Smith Mark Matchett	

Land and Property Information Advisory Group	Warwick Watkins (Chair) Des Mooney	Graeme Couch Olaf (Ollie) Hedberg
Land Valuation Specialist Advisory Group	Warwick Watkins (Chair) Philip Western Simon Gilkes	John Hill Nikki Kempson Phil Lyons Shawn McBride Tim Gavan
Management Review of Rookwood (abolished early 2006)	Graham Harding (Chair) Pieta Laing Bob Costello	Susie Cleary Lachlan McDonald
Crown Lands Board of Management	Graham Harding Bob Costello Stephen Francis Adrian Harte Graeme Ford Craig Barnes Leanne Taylor Andrew McAnespie Robert Towler	Peter Walker
Organisational Capability Improvement Group	Des Mooney Doug Walsham Leanne Taylor Michael Fletcher Tracey Prescott Pedro Harris Bob Costello Garry Greedy Kimberley Taylor (part year) Julie King	John Dumay (observer)
Land and Property Information National Electronic Conveyancing System steering committee	Des Mooney Ross Cleary Laurie Ryan Doug Walsham Christopher White Barry Douse Paul Mitchell	Chris Ailwood
Strategic Asset Management Committee	Bob Costello (Chair) Warrick Beacroft Paul Jones Doug Walsham George Georgijevic Marion Beacroft Peter Farthing Ron Bracher Steve Woodhouse Barry Mason	
Lands Budget Committee	Warwick Watkins (Chair) Des Mooney Bob Costello Graham Harding Paul Jones Neville Hind Ian Holt Kimberley Taylor (part year) George Georgijevic	

Significant statutory body and inter-departmental committees with Lands representatives

The following officers represented Lands on significant statutory body and inter-departmental committees:

Inter-departmental committees	Officer name and title
CEO Network Committee	Warwick Watkins, Director General
CEOs Natural Resources and Environment Cluster Group	Warwick Watkins, Director General
CEOs Counter Terrorism Group	Warwick Watkins, Director General
CEOs Metropolitan Strategy	Warwick Watkins, Director General
Board of Surveying and Spatial Information	Warwick Watkins, Director General (Chair) Paul Harcombe, Chief Surveyor Colin Mitford, Manager Spatial Information Services (MSIA rep – part year only)
Geographical Names Board	Warwick Watkins, Director General (Chair) Paul Harcombe, Chief Surveyor
Public Sector Mapping Authority (PSMA)	Des Mooney, Deputy Director General & General Manager LPI
State Mapping Advisory Committee	Warrick Beacroft, Executive Manager Information Sourcing (Chair)
Surveying and Mapping Industry Council of NSW	Paul Harcombe, Chief Surveyor (Treasurer) Colin Mitford, Manager Spatial Information Services
University of NSW, School of Surveying and Spatial Information Systems Advisory Board	Paul Harcombe, Chief Surveyor
Council for Reciprocating Boards of Australia/New Zealand	Paul Harcombe, Chief Surveyor
Intergovernmental Committee on Surveying and Mapping (ICSM)	Paul Harcombe, Chief Surveyor
Committee for Geographical Names in Australasia (CGNA)	Paul Harcombe, Chief Surveyor
NSW Game Council	Warwick Watkins, Director General
Mapping Science Institute Australia, NSW Division	Colin Mitford, Manager Spatial Information Services (President)
NSW Coastal Council Acquisition Task Force	Graham Harding, GM Crown Lands
Government Property Register Project Services	Doug Walsham, Executive Manager, Titling & Registry Graham Harding, GM Crown Lands
NSW Branch Institute for Information Management	Peter Goddard, Manager Strategic Projects (Vice President)
Standards Australia Information Management Committee	Peter Goddard, Manager Strategic Projects
Natural Resources & Planning Spatial Data Infrastructure Sub-Group (NRP-SDI)	Warrick Beacroft, Executive Manager Information Sourcing (Chair)
Survey & Mapping Managers Forum (SMMF)	Paul Harcombe, Chief Surveyor (Chair) Colin Mitford, Manager Spatial Information Services
AUDA National Reference Group, Community Use of Geographic Names	Paul Harcombe, Chief Surveyor

Inter-departmental committees	Officer name and title
University of NSW, Dean’s Industry Advisory Council (DIAC)	Paul Harcombe, Chief Surveyor
Melbourne University School of Geomatics Advisory Board	Paul Harcombe, Chief Surveyor
Inter-department Committee on Burial Space	Pieta Laing, Manager Land Policy (Facilitator)
Inter-departmental Committee on Crown Roads	Graham Harding, GM Crown Lands (Chair) Julie King, Manager Strategic Policy & Reporting
Committee for the Master plan Project for the redevelopment of Coffs Harbour Port	Graham Harding, GM Crown Lands (Joint Project Director with the GM Coffs Harbour Council)
Inter-state Working Party with NSW/Queensland for the Tweed Estuary Sand by Pass	Graham Harding, GM Crown Lands (Chair)
Interdepartmental Dredging Strategy for NSW Committee	Graham Harding, GM Crown Lands
North Coast - Regional Coordination	Craig Barnes, Regional Manager North Coast
Seafood Industry Advisory Council – Pricing & Charging Working Group	Stephen Francis, Director Commercial Development
IPART Review of Rental Arrangements for Crown Land Communication Tower Sites	Stephen Francis, Director Commercial Development
Mobile Carriers Forum (MCF)	Stephen Francis, Director Commercial Development
Commercial Lease Policy Development	Stephen Francis, Director Commercial Development
Coffs Harbour Jetty, Harbour, Village , Marina & Foreshore Strategic Working Group	Stephen Francis, Director Commercial Development
Department of Local Government Internal Audit Committee	Leanne Taylor, Regional Manager South
Illawarra & SE Regional Coordination Management Group	Leanne Taylor, Regional Manager South
Murrumbidgee Region Regional Coordination Management Group	Leanne Taylor, Regional Manager South
Illawarra and SE Region Natural Resources Committee	Leanne Taylor, Regional Manager South
Illawarra & SE Region Economic Development Committee	Leanne Taylor, Regional Manager South
Property Disposal Assessment Panel	Greg Foster, Manager Strategic Development & Marketing
Natural Resources Information Needs Committee	Adrian Harte, Director Land Management
Travelling Stock Route Working Group	Adrian Harte, Director Land Management
Noxious Weed Advisory Committee	Richard Chewings, Manager Landscape Services Centre
Pest Animal Control Council	Jim Thompson, Coordinator Environmental Management
NSW aquaculture Strategy Working Group	Adrian Harte, Director Land Management
Joint Committee Necropolis Trust	Andrew McAnespie, Regional Manager Sydney/Hunter
Joint Committee Necropolis – Finance sub Committee	Andrew McAnespie, Regional Manager Sydney/Hunter
Randwick Literary Institute Reserve Trust (Administrator)	Andrew McAnespie, Regional Manager Sydney/Hunter
National Steering Committee for Electronic Conveyancing	Des Mooney, Deputy Director General & General Manager LPI

Inter-departmental committees	Officer name and title
Australian Registrars Electronic Conveyancing Steering Committee (ARECSC) Technical Reference Group	Ross Cleary, Executive Manager Information Management
Cooperative Research Centre for Spatial Information (CRC-SI)	Warwick Watkins, Director General (Deputy Chair) Des Mooney, Deputy Director General & General Manager LPI (Alternate Director)
Data and Information Management Working Group	Warwick Watkins, Director General (Chair) Warrick Beacroft, Executive Manager Information Sourcing
Organising Committee for the 2010 FIG World Congress	Paul Harcombe, Chief Surveyor (Congress Director)
Intergovernmental Committee on Topographic Information	Ian Paxton, Manager Topographical Data
National Roads Working Group	Ian Paxton, Manager Topographical Data
Counter Terrorism Information Group (Emergency Information Coordination Unit)	Ian Paxton, Manager Topographical Data
Standards Australia Subcommittee IT-027-02 Data Management and Interchange	Doug Kinlyside, Manager Survey Infrastructure & Geodesy
Derelict Mines Steering Committee	Paul Jones, General Manager Soil Conservation Services
Australian Government Consultative Committee on Knowledge Capital	Warwick Watkins, Director General
National Consultative Committee on Security and Risk (NCCSR)	Warwick Watkins, Director General
ARC Research Network for a Secure Australia (RNSA)	Warwick Watkins, Director General
National Spatial Information for National Security Working Group (NSINS)	Warwick Watkins, Director General
Australia and New Zealand Land Information Council (ANZLIC)	Warwick Watkins, Director General (Chair)
API Statutory Valuations Study Group	Simon Gilkes, Chief Valuer (Secretary)
NSW Rating Professionals	Simon Gilkes, Chief Valuer
Program Steering Committee Association	Warwick Watkins, Director General (ex Officio Member)
Public Sector Risk Management Association	Eduardo Alegado, Director Corporate Governance

CONSULTANTS

Consultancies under \$30,000

Nature of consultancy	Number of consultancies	Cost (GST Incl.)
Finance and accounting/tax		
Information technology	9	\$111,945
Legal		
Management services	4	\$11,537
Environmental	1	\$11,000
Engineering		
Organisational review	2	\$36,341
Training		
Total consultancies under \$30,000	15	\$170,823

Consultancies over \$30,000

Nature of consultancy	Consultant name, title and nature of project	Cost (GST Incl.)
Finance and accounting/tax	Deloitte Touche Tohmatsu – AEIFRS Implementation.	\$62,949
	Pricewaterhouse Coopers –Taxation Consultancy	\$47,438
Information technology	System Science – Develop e-Govt Services / Migration from Genamap to ESRI DCDB geodatabase	\$185,020
	Pyxis Systems - Develop e-Govt Services / Migration from Genamap to ESRI DCDB geodatabase	\$153,578
	Getronics Australia – IP Telephony for WAN	\$35,750
	AEM Group – High Resolution Satellite Imagery System	\$37,661
Legal		
Management services		
Environmental		
Engineering		
Organisational review	Fyusion Asia Pacific P/L – Valuation Services structure review	\$110,151
Training		
Total consultancies equal to or over \$30,000		\$632,545
TOTAL CONSULTANCIES		\$792,368

CONSUMER RESPONSE

Soil Conservation Service

The SCS quality management system has specific procedures dealing with non-conformance, client complaints, preventive action control and internal quality audits. Corrective action for actual non-conformities in process and services is addressed through an Improvement Request. Any member of staff who receives a complaint, identifies a problem or an opportunity to improve a product or service can prepare a request. Requests are dealt with promptly, reviewed by a management representative and incorporated into an annual management review of the quality system. A register is maintained and during 2005/06 of the 60 improvement requests logged, 7 related to client complaints all in relation to earthmoving issues, representing 1% of the number of client jobs handled in this area of the business.

CORPORATE SERVICES

Communication Solutions Group

The Communication Solutions Group (CSG) is responsible for internal and external communications for Lands, including corporate communications, departmental announcements, sponsorship management, ministerial information services, issues management and media relations. CSG’s role is to enhance awareness of the activities, directions and policies of Lands among staff, other government agencies, business clients, community stakeholders and the general public. This is achieved through corporate communication and marketing strategies, public relations and promotional campaigns, and effective management of our relationship with the media.

Performance highlights for 2005/06

Communication Solutions Group’s major achievements during 2005/06 include:

- The redesign of Lands’ intranet and internet sites including the migration of information to a new Content

Management System (CMS), and training of 45 staff in the use of the new CMS. The new sites go live in September 2006.

- The design and management of print production (with Graphic Services in Bathurst) of a broad range of communications materials for Lands’ business divisions, State Parks, Office of Rural Affairs, Geographical Names Board and Board of Surveying and Spatial Information (see publications list on page 215).
- Management of media enquiries requiring written or verbal responses to issues such as government land sales managed by Lands, land valuations, redevelopment of Crown land, Crown land rental increases, and Geographical Names Board changes.

Finance and Corporate Support Financial Services

The role of Financial Services is to develop and maintain sound financial strategies, policies and procedures for Lands to facilitate effective and efficient management of overall financial and accounting functions and assets of Lands. The Branch provides management support in the area of financial information, and is responsible for monitoring and reporting on the financial performance of Lands and for providing strategic financial management advice to the executive level Budget Committee.

Services

Financial Services provides the following services to Lands and its managers to enhance and support the business operations:

- providing a computerised financial system SAP, which ensures effective and timely information on all financial aspects of Lands’ operations
- processing of revenue for Lands through the development and maintenance of a cashiering system that meets the needs of Lands and its clients

- invoicing clients for goods and services provided on credit and providing effective reporting and follow-up action on outstanding debts

- processing of payments to ensure that all amounts owing by Lands are processed within the time reasonably required by creditors (see page 215)

- preparing capital and recurrent budgets detailing resource allocation targets for the financial year

- producing monthly management reports to disclose financial operations of business units in monitoring their budget performance throughout the year

- providing an accurate record of all capital assets of Lands to assist in efficient asset management (see page 211)

- ensuring compliance with statutory accounting and reporting requirements

- financial planning and analysis

- conducting training program on financial issues for departmental employees

- facilitating effective and efficient control over financial and accounting functions of Lands by developing financial policies and procedures for use within all areas

- providing secretariat support to Lands’ Budget Committee.

Administrative Services

The role of Administrative Services is to provide support services to facilitate effective and efficient operations. This includes accommodation and fleet management, procurement, and asset management.

Services

Administrative Services provide a comprehensive range of support and advisory services to Lands and its managers to enhance business operations. These include the management of:

- building capital works projects and major recurrent works (see page 212)

- leased office accommodation
- maintenance of facilities in Lands’ administered buildings
- buildings services operations and energy management (see page 197)
- security and emergency services
- procurement
- Lands’ fleet of vehicles
- customer service.

Strategic Policy and Reporting

Strategic Policy and Reporting (SP&P) provides an overarching role in developing department wide policy and procedures and coordinates the recording and reporting of Lands’ activities.

SP&P is also the central point for the coordination of Freedom of Information requests and the associated determination and reporting requirements under the *Freedom of Information Act 1989* and Privacy legislation.

Information Communication and Technology

The role of Information Communication and Technology (ICT) is to supply, service and support the computing or information technology needs of all users in Lands. ICT is also responsible for ensuring that Lands takes full advantage of new information technologies and developments to support its mission and objectives.

Services

In support of these responsibilities, ICT provides an extensive range of services including:

- managing the day-to-day operations of the Lands computing network, associated computing and communications equipment and other devices such as printers, plotters and scanners
- managing systems and database applications holding vast quantities of data developed in the variety of business operations undertaken within Lands

- maintaining the security and integrity of systems and the security and integrity of data used in Lands or its agencies, and establishing procedures to safely manipulate the information from both internal and external sources
- operating a Help Desk service to assist all users in computing related matters
- maintaining awareness of and advising on the acquisition of new information technology systems associated hardware, software, and assisting with design, testing, evaluation, purchase, delivery, installation and ongoing maintenance
- assisting in the preparation and presentation of computer related training courses
- providing specialist consultancy staff in the information technology arena for Lands’ local and overseas projects.

Legal Services

Legal Services is responsible for the provision of legal advice to Lands and the Government on a broad range of property law issues as well as supporting the commercial activities of Lands. It ensures the security of title to land through the effective provision of legal services and the administration of the state-guaranteed Torrens Assurance Fund. It is also responsible for the development, introduction, implementation and review of legislative reforms and in particular for maintaining the necessary legislative framework for land titling, conveyancing and property development in NSW.

Services

Apart from expertise in property law, the staff of Legal Services have skills and experience in other areas of the general law including general advising, litigation, commercial law, legal interpretation and drafting, prosecutions, administrative law, town planning, FOI and dispute resolution.

Through Lands, legal officers are also involved in providing consultancy services to international projects. In

recent years staff have undertaken consultancies in Indonesia, Laos, Bangladesh, the Solomon Islands, Sri Lanka, East Timor, Bulgaria and the Kyrgyz Republic. This involves advising the government of the client country in the development and implementation of legislation and legal infrastructure to support efficient land titling systems and the growth of a land economy.

Office of the Director General

The Office of Director General supports the Director General in the day to day and strategic management and operation of Lands, and the Minister in his capacity as Minister for Lands and Minister for Rural Affairs.

Services

The Office of the Director General provides a ministerial liaison role to ensure that the Minister and his staff are provided with timely, accurate and comprehensive advice on departmental matters and responsibilities across the Lands and Rural Affairs portfolios. This can include preparation of contentious issues briefs, Parliamentary Folder Notes (PFNs), responses to representations from other MPs, constituents and the public generally, preparation of Estimates Committee folders, preparation and coordination of speeches, briefing notes, Parliamentary statements and responses to questions from both Houses.

People Performance and Development Group

The role of the People and Performance Development Group (PPDG) is one of developing and aligning, in partnership with the executive and management of Lands, the people strategies and performance development projects with the various business activities.

Services

PPDG works closely with management and staff to:

- administer payroll and leave
- administer the recruitment process, the Employee Services Program and equal employment opportunities (see page 195)

- ensure the health, safety and wellbeing of all staff including managing staff rehabilitation and worker’s compensation claims (see page 213)
- develop strategies for Lands to become a learning organisation and to link learning and development to improving performance (see page 194)
- assist in the development of structures and associated position descriptions for jobs and the evaluation of jobs through the application of the Mercer CED Job Evaluation Methodology
- ensure staff establishments across Lands are maintained accurately and up-to-date along with associated employee information in the Human Resource Information System linked to cost centres
- review Award and Agreements under which employees are classified (see page 194)
- administer the Human Resource Information System and service delivery function to provide efficient, effective and secure systems and services
- facilitate union liaison, dispute resolution, enterprise awards/ agreements, policy and strategy

development, organisational development, and service level agreements.

CREDIT CARD CERTIFICATION

It is affirmed that for the 2005/06 financial year credit card use within Lands was in accordance with Treasurer’s Directions.

Credit card use

Credit card use within Lands is largely limited to:

- Claimable work related travel expenses (accommodation costs, taxi fares)
- Purchase of minor work related stores (normally purchased through petty cash).
- Lands’ credit card policy is documented and issued to relevant staff.
- Officers issued with a credit card receive monthly statements and are required to certify that all charges were incurred for official purposes – acquittals are examined and authorised by supervisors.

- Quarterly reports are issued to the Director General on the appropriateness of credit card usage.
- A report is submitted to Treasury each year certifying that Lands’ credit card use is within guidelines.

DISABILITY ACTION PLAN

Lands is committed to the continued implementation of access facilities for clients and staff with a disability through its Disability Action Plan. There is currently a major program underway to increase disabled access to the Queens Square building.

Lands continues to support the public sector Hearing Impaired Network. This network is chaired by a Lands employee. In August 2005 Lands hosted an afternoon seminar organised by the Network.

The seminar was facilitated by Premier’s Department and included three sessions presented by communication industry experts. The seminar was well attended and provided an excellent opportunity to learn about the advances in technology related to hearing aid devices.

Lands continues to provide signing for hearing impaired staff to attend training and meetings particularly Spokeswomen events.

EMPLOYEE RELATIONS

Staff numbers

		2003/04			2004/05			2005/06		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent	Full-time	874	399	1273	849	470	1319	861	467	1328
	Part-time	4	78	82	0	2	2	1	22	23
Temporary	Full-time	33	22	55	44	40	84	44	25	69
	Part-time	0	5	5	0	4	4	3	8	11
Contract	SES	12	1	13	12	1	13	13	1	14
	Non-SES	0	0	0	0	0	0	0	0	0
Training		0	1	1	0	0	0	0	0	0
Casual		9	4	13	2	2	4	6	2	8
TOTAL		932	509	1441	907	520	1427	928	525	1453

Exceptional movements in salaries and wages during 2005/06

The Crown Employees (Public Sector – Salaries 2004) Award provided three salary increases of 4% over the life of the award. This included an increase of 4% from the first full pay period on or after 1 July 2005 and 4% from the first full pay period on or after 1 July 2006).

Personnel policies and practices

The People and Performance Development Group continued to focus on aligning human resource services with strategic business operations and working closely with senior management to review and align functions and structures to develop a workplace environment that is supportive of employees maximising their contribution to the business of Lands. There has been a continuing focus on job evaluation with the restructure of the majority of business units now completed.

The major focus in the reporting period has been to assist Crown Lands implement Lands Award and in the transition to a Program Management model in the regions.

There has also been a close partnership with Land and Property Information management in developing a strategic workforce plan for the next seven years.

Learning and development

Lands is continuing to promote learning as a core philosophy in its pursuit of excellence, recognising that the acquisition of knowledge and skills contributes to continuous improvement in processes, services and management.

Staff are encouraged to accept greater responsibility for their own learning, as can be seen in the increase in the number of staff who commenced or completed tertiary study.

Lands continued to support university students in the schools of Bachelor of Science (Spatial Science) and Surveying through funding of scholarships at Charles Sturt University and the University of New South Wales, and through its short term placement of students.

The Learning and Development Unit continued to work with the Crown Lands Division and the VET sector to put 19 Crown Lands staff through the pilot Certificate III in Government (Land Administration), which is the

new qualification for staff working in Lands Offices. All participants have successfully completed this course, via the Recognition of Prior Learning (RPL) pathway.

30 staff from the four regions covered by Crown Lands Division completed four modules from the Diploma in Business Management over three days at Goulburn TAFE.

Learning and Development Unit staff continued to work with LPI technical trainers to induct 14 additional new entry level recruits who commenced with Titling and Plan Services in February 2006. These recruits are also undertaking Certificate III in Spatial Information Services through TAFE and will also be encouraged to attain the International Computer Driving Licence (ICDL).

Lands continued to fund attendance by staff at numerous external courses, conferences and seminars (562 staff attended external courses, conferences and seminars; 643 staff attended internal courses).

22 more staff from across Lands and a range of geographical locations completed the International Computer Driving Licence, and 84 staff commenced the ICDL. This program takes a blended learning approach, with participants using a combination of on-line learning, private study and/or face-to-face instruction, depending on individual need and learning style preference.

The Learning and Development Unit continued to provide individual support to staff in writing job applications and practicing for interviews.

Learning and Development Unit staff continue to participate in the NSW Learning and Development Network coordinated by Premier’s Department to gain and share knowledge on L&D issues sector wide, which can be applied to benefit Lands.

Industrial relations policies and practices

People and Performance Development Group (PPDG) works in partnership with management and associations/unions to achieve an enterprise approach to employment for Lands. Lands has set in place an industrial framework that underpins an organisation focussed on learning and business success and assists in developing organisation structures that support business plans and address any equity and parity issues across Lands.

The majority of Lands employees are covered by the Crown Employees (NSW Department of Lands – Conditions of Employment) Award 2005. This award rationalised salary scales and classifications to bring the majority of officers from Crown Lands, Soil Conservation Service and the Office of Rural Affairs under the one classification and grading process.

The Framework conditions in the Award include:

- Staff taking responsibility for their career with Department financial support – private study
- Managers reorganising/restructuring for business success underpinned

by collaborative arrangements that ensure staff with the appropriate skills are considered for positions

- An equitable system for evaluation, grading and remuneration – pay bandwidths for Lands jobs
- Individual Development and Feedback System – with Learning and Development outcomes related to job.

The Joint Consultative Committee comprising management and Association/Union representatives meets quarterly to discuss reforms occurring within Lands and major issues affecting the organisation and staff. Meetings are held in either Queens Square Sydney or Bathurst. There continues to be harmonious working relationships between management and association and union representatives.

A new Lands Flexible Working Hours Agreement was developed through consultation between management and association representatives to address the diverse working environments of Lands and to improve service delivery and support better work/life balance. This agreement was implemented in September 2005 and applies to all 35 hour per week staff.

Organisation change and job evaluation

PPDG has assisted managers across Lands in reviewing structures to support business objectives and in developing position descriptions to support activities and evaluating these positions using the agreed Mercer, Cull Egan and Dell System. All business divisions have continued to realign structures to meet changing business needs.

Crown Lands Division has recently implemented a Program Management model of regional organisation designed to more effectively meet business outcomes. This model was implemented in June 2006 and has required an extensive process of consultation with both employees and association representatives. New position descriptions have been developed for the majority of regional positions and evaluated using the Mercer CED job

analysis and job evaluation methodology. Positions were filled according to the conditions specified in the Crown Employees (NSW Department of Lands – Conditions of Employment) Award 2005.

EQUAL EMPLOYMENT OPPORTUNITY

Major EEO outcomes for 2005/06

- Lands has implemented a pilot mentoring program for senior women. While this has not been formally evaluated participants have been very positive about their participation.
- The Spokeswomen’s Program is also actively supported with a number of events held state-wide for both female and male employees.
- A number of women have attended Woman in Leadership forums.
- Lands facilitated the involvement of deaf staff in the state-wide Deaf Support Network. The Department sponsored a very successful technology seminar.
- Lands continued its ongoing support to its very active Aboriginal Support Network. This network is a combination of Lands and Department of Natural Resources employees. A number of meetings have been held in state-wide locations.
- Lands continued to use a range of merit recruitment strategies to attract a diverse field of job applicants.
- Lands continued to offer all employees a full range of flexible work arrangements.
- EEO and equity issues continued to be integrated into all appropriate training programs.
- Lands ensures that EEO issues are considered in all restructures.

Learning and development

	2003/04	2004/05	2005/06
No. staff who received study time leave	18	75	92 ¹
No. staff who received fee reimbursement for tertiary study	18	45	72
No. staff who began and/or are working towards completion of an Executive Master of Public Administration	4	4	4
No. staff who completed the Executive Development Program	2	3	3
No. staff completing a Graduation Diploma in Public Administration	1	5	4
No. staff completing a Masters in Public Administration			2
No. staff who completed or are working towards completing a Graduate Certificate in Public Section Management through the Public Sector Management Program		1	8

¹. 15 of these staff were existing worker trainees

Table A – trends in the representation of EEO Groups¹

EEO Group	Benchmark or target %	% of total staff ²			
		2003	2004	2005	2006
Women	50	34.8	35	36.5	36
Aboriginal people and Torres Strait Islanders	2	1.6	1.5	1.3	1.3
People whose first language was not English	20	15.3	15.7	15.3	16
People with a disability	12	11.1	10.5	10.2	7
People with a disability requiring work-related adjustment	7	1.2	4	3.8	1.3

Table B – trends in the distribution of EEO Groups¹

EEO Group	Benchmark or target %	Distribution index ³			
		2003	2004	2005	2006 ⁴
Women	100		84	89	89
Aboriginal people and Torres Strait Islanders	100			76	n/a
People whose first language was not English	100		81	89	92
People with a disability	100		91	98	102
People with a disability requiring work-related adjustment	100		84	92	n/a

Notes:

1. Staff numbers are as at 30 June 2006.

2. Excludes casual staff.

3. A Distribution Index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. The Distribution Index is automatically calculated as part of the Workforce profile return sent to Premiers Department annually.

Spokeswomen’s program

Spokeswomen have been appointed across Lands on a location basis to assist in developing women within the organisation.

Spokeswomen are based at Queens Square Sydney, Campbelltown, Albury, Bathurst, Newcastle, Dubbo and Tamworth. The Spokeswomen’s network is supported by a Woman’s Liaison Officer based in Queens Square.

- The Lands Spokeswomen develop initiatives that will assist women to:
- enhance their skills and develop their knowledge to the benefit of the Department and themselves
 - develop to their full potential.
- Key achievements of the Spokeswomen for 2005/06 include:
- undertaking a strategic planning forum to determine the Spokeswomen’s program priorities for the next year
 - publishing a regular newsletter

- arranging seminars of relevance to employees such as estate planning including wills and powers of attorney, stress management and health advice
 - sponsoring women in Lands to attend the Spokeswomen’s Program Annual Conference and International Women’s Day breakfast held at Star City.
- The Director General met with current and former Spokeswomen in Queens Square. This provided an opportunity to discuss and celebrate current and past achievements of women who had participated in the program since its inception many years ago.

ENERGY MANAGEMENT PERFORMANCE

During the 2005/06 reporting period Lands joined the Demand Management and Planning Project (DMPP). The DMPP is a partnership with the Department of Planning, Energy Australia and TransGrid. DMPP is considered vital to reduce the scope of electricity augmentation in the existing Sydney Central Business District (CBD) and inner suburbs area.

Background

DMPP’s objectives are to identify areas of opportunity in relation to electrical energy efficiency, power factor correction, any cogeneration possibilities (e.g. solar, gas-fired generators), the possibility to generate standby power to feed into the grid, interruptible loads and distributed generation with a view to defer or replace the need for further augmentation and expansion of the electricity supply infrastructure.

Methodology

An audit of the electrical consumption demands for Lands’ building at 1 Prince Albert Road, Queens Square, Sydney, was undertaken in October 2005. The initial investigation comprised an assessment of the Energy Australia load profile data to establish a site benchmark consumption pattern. Interviews with key staff and a Level 1 site audit were also undertaken. The report covered all major aspects of the onsite electrical load. The site investigation includes an assessment of the lighting systems, the building monitoring and control system (BMCS), heating ventilation and air conditioning (HVAC), lifts, and diesel generation capacity.

Implementation

- Implementation of the identified energy efficiency and demand reduction opportunities at the Queens Square building must be cognisant of:
- Compliance with the Heritage Council of New South Wales provision for heritage-listed buildings
 - Available funding for additional capital works within the annual maintenance program.
- Upgrade of the Building Management Control System at Queens Square will commence during 2006/07 and is planned to be finished in 2007/08. This will enable further energy efficiency savings via better control and programming of Mechanical Services and will allow for future expansion to other services such as lighting control. It is also planned to update the BMCS for Lands’ site at Panorama Bathurst.

Projects identified by DMPP	Category	Cost Savings	Payback Period (years)	Energy Savings (kWh)	Demand Savings (kVA)	Financial Incentive (\$/kVA)	Status
Replace computer CRT screens with LCD screens	Office Equipment	\$11,342	3	105,300	28	\$311	commenced 2005/06
Install VSD drives on chilled water pumps	HVAC	\$4,442	3	41,243	11	\$588	commenced 2005/06
Power factor correction upgrade	Power Factor Correction Equipment	\$13,383	4		84	\$78	planned for 2007/08
Install VSD drives on chiller condenser water pumps	HVAC	\$1,733	6	16,088	4	\$1,598	planned for 2006/07
Replace office T8 Troffer lights with T5 Troffer lights	Lighting	\$11,089	17	98,989	28	\$6,033	commenced 2005/06
Install occupancy sensors in bathrooms	Lighting	\$1,255	29	12,730	2.1	\$15,948	commenced 2005/06
Install solar photovoltaic panels	Distributed Generation	\$9,810	61	98,550	47	\$12,349	further investigation

Note: The majority of the projects identified by the DMPP inspection have been implemented or are addressed in the Capital Investment Strategic Plan.

Australian Building Greenhouse Rating (ABGR)

Lands is currently undertaking an ABGR review of its buildings with the intention of achieving the minimum ratings specified in the NSW Premier’s memorandum.

Energy contracts

Retail Electricity Supply Agreements (RESA) were initiated in May 2006 for the following:

- Large Site Contract 777 (for sites consuming more than 160,000kWh per annum)

Contractor: Energy Australia.

Lands Sites: Bathurst, Panorama Avenue; Maitland Lands Office, East Maitland; Sydney, 1 Prince Albert Road, Queens Square.
- Small Site Contract 776 (for sites consuming less than 160,000 kWh per annum)

Contractor: AGL

Lands Sites: Regional Lands Sites.

Both Contracts purchase 6% Green Power as per the Government Energy Management Policy (GEMP).

The small sites contract 776 is a relatively new contract. With the change over of sites to this contract in May 2006, energy data for 2005/06 is not readily available. As such the Energy Report will be finalised at the end of October 2006. The 2005/06 data will be included in next years Annual Report.

ETHNIC AFFAIRS PRIORITIES STATEMENT (EAPS)

Lands is committed to the principles of multiculturalism as outlined in the *Community Relations Commission and Principles of Multiculturalism Act 2000*. The Ethnic Affairs Priorities Statement (EAPS) is our commitment to improving access to our services to culturally and linguistically diverse communities throughout New South Wales.

Lands’ EAPS was finalised during the reporting year and shows how Lands will:

- deliver services, which are appropriate to a culturally diverse client group, as part of the core business
- put in place flexible and inclusive consultation processes that are integrated into agency planning
- provide training for staff on cultural diversity issues
- provide language services and information in ways that will reach all clients.

Currently these principles are implemented through merit based recruitment practices, training staff to understand the need for non-discriminatory relationships with clients and other staff members and having flexible work practices that accommodate cultural and religious differences whenever practical.

It is anticipated that more detailed reporting will be provided in the 2006/07 Annual Report following one full year of implementation.

FREEDOM OF INFORMATION

Statement of affairs

Lands was created on the 2 April 2003 and delivers strategies, policies and projects for Crown Lands administration and management, Native Title, Aboriginal Lands Claims, Soil Conservation Service, Minor Ports and Land and Property Information in New South Wales.

One of the primary objectives of Lands is the sustainable and commercial management of state owned lands for the benefit of the people of New South Wales.

Over 30,000 parcels of land are currently reserved under the *Crown Lands Act 1989*, which is administered by the Crown Lands NSW division of Lands. Maintenance of the Public Reserves system by the department is essential for the preservation of biodiversity in the environment of New South Wales.

Further, Lands, through Soil Conservation Service, operates a specialist conservation earthmoving and soil consultancy business, specialising in:

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

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

The Minor Ports Program of Lands provides and maintains port infrastructure facilities as well as safe, secure port access.

Freedom of information procedures

Requests for documents under the Freedom of Information (FOI) or Privacy and Personal Information Protection Act in the possession of the Department of Lands should be directed to:

The FOI Coordinator
Office of the Director General
Department of Lands
1 Prince Albert Road
Queens Square
SYDNEY NSW 2000

T: 61 2 9236 7773
F: 61 2 9236 7632

Office Hours Monday – Friday
8.30 a.m. – 4.30 p.m.

Charges for FOI applications

Nature of application	Application fee	Processing charge
Access to personal records	\$30.00	\$30.00 per hour (up to 20 hours of free processing time for information about your personal affairs is allowed)
All other requests	\$30.00	\$30.00 per hour
Amendment of records	\$30.00	\$30.00 per matters not on public record

Freedom of information statistics

FOI requests	Personal		Other		Total	
	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06
New (incl transferred in)	19	29	36	49	55	78
Brought forward	3	3	2	3	5	6
Total to be processed	22	32	38	52	60	84
Completed	18	32	36	52	54	84
Transferred out	0	0	0	0	0	0
Withdrawn	0	0	0	0	0	0
Total processed	22	32	38	52	60	84
Unfinished (carried forward)	4	1	2	1	6	2

Results of FOI request	Personal		Other	
	2004/05	2005/06	2004/05	2005/06
Granted in full	18	31	34	37
Granted in part	0	1	0	4
Refused	0	0	2	11
Deferred	0	0	0	0
Completed	18	32	36	52

	Initial		Total	
	2004/05	2005/06	2004/05	2005/06
Number of requests requiring formal consultation	13	30	13	30

Basis of disallowing or restricting access	Personal		Other	
	2004/05	2005/06	2004/05	2005/06
Section 19 (application incomplete, wrongly directed)	0	0	0	0
Section 22 (deposit not paid)	0	0	0	0
Section 25(1)(a1) (division of resources)	0	0	0	0
Section 25(1)(a) (exempt)	0	0	1	5
Section 25(1)(b),(c),(d) (otherwise available)	0	0	1	0
Section 28(1)(b) (documents not held)	0	0	0	4
Deemed refused – 21 day time limit expired	0	0	0	0
Section 31(4) (released to Medical Practitioner)	0	0	0	0
Total	0	0	2	9

	Incurred Costs \$		Fees received \$ (appl+dep-frnd+rvw)	
	2004/05	2005/06	2004/05	2005/06
All completed requests	1730.00	3380.00	1730.00	3380.00

Type of discount	Personal		Other	
	2004/05	2005/06	2004/05	2005/06
Public interest	0	0	0	0
Financial hardship pensioner	2	2	7	5
Financial hardship non-profit	0	0	0	1
Under 18 years	0	0	0	0
Totals	2	2	7	6
Significant correction of records	0	0	0	0

Elapsed time (including withdrawn)	Personal		Other	
	2004/05	2005/06	2004/05	2005/06
0-21 days	18	22	23	30
22 to 35 days (consultation period)	0	10	13	20
Over 35 days (extended consultation)	0	0	0	0
Over 21 days (out of time determinations)	0	0	0	0
Over 35 days (out of time determinations after consultation)	0	0	0	0
Totals	18	32	36	50

Processing hours (including withdrawn)	Personal		Other	
	2004/05	2005/06	2004/05	2005/06
0-10 hours	18	32	35	48
11-20 hours	0	0	0	0
21-40 hours	0	0	1	1
Over 40 hours	0	0	0	1
Totals	18	32	36	50

Reviews/appeals	2004/05	2005/06
Number of internal reviews finalised	2	4
Number of Ombudsman reviews finalised	0	1
Number of District Court actions finalised	2	0

Bases of internal review Grounds on which requested	Personal				Other			
	Upheld		Varied		Upheld		Varied	
	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06
Access refused	0	0	0	1	2	0	0	0
Deferred	0	0	0	0	0	0	0	0
Exempt matter	0	0	0	0	0	3	0	0
Unreasonable charges	0	0	0	0	0	0	0	0
Charge unreasonably incurred	0	0	0	0	0	0	0	0
Amendment refused	0	0	0	0	0	0	0	0
Totals	0	0	0	1	2	3	0	0

Documents held by Lands: Corporate

Acceptable Use of Information Technology and Telecommunications Policy

Access Control Policy

Accounting Manual

Anti Virus Policy

Code of Conduct

Complete Guide to Staff (Induction Manual)

Conflict of Interest Policy

Corporate Clothing Policy

Corrupt Conduct, Maladministration and Serious and Substantial Waste, and Protected Disclosures Policy

Equal Employment Opportunity Policy

Filling of Short Term Vacancies Policy

Internal Reporting (Protected Disclosures) Policy

Information Security Policy

Gifts and Benefits Policy

Grievance Resolution

Harassment Free Workplace Policy

Information Security Policy

Interim Privacy Management Plan

Job Evaluation Policy

Learning and Development Policy

Management of Consultants and Contractors Policy

Managing E-Mail Resources Policy

Mail Server Policy

Media Policy

Occupational Health and Safety Policy

Outside Employment Policy

Policy for Protection against Malicious Software

Policy and Guidelines for the use of Departmental mobile telephones

Queens Square Security Policy

Records Management Policy

Travel Policy

Workforce Management Plan

Working From Home Policy

Land and Property Information

LPI Privacy Statement

Suppression of Personal Information in
LPI Public registers

WebGov Policy

Land Valuation

Rating and Taxing Valuations Procedures
Manual

Valuation Contract Management
Procedures Manual

Objection and Reascertainment
Procedures Manual

Valuer General’s Instructions

Chief Valuer’s Instructions

Technical Instructions

Surveying

Surveyor General’s Directions for Survey
Practice

Redefining the Queensland-New South
Wales Border: Guidelines for Surveyors

Guidelines for the Determination of the
State border between New South Wales
and Victoria along the Murray River

Intellectual Property - Copyright and
Licensing

Technical Specifications and Standards
for the Digitisation of the Cadastre

Rural Addressing: A Model for
Systematic Addressing for Rural
Properties in New South Wales

Land Titling

Registrar General’s Directions

Electronic Settlement, Electronic
Lodgement and Automatic Registration of
Real Property Dealings in NSW – Public
Consultation Document, May 2004

Agreement on principles for the
development of a roadmap to a national
electronic conveyancing system

National business model for the
implementation of a national electronic
conveyancing system (Draft)

National governance arrangements
for the establishment of a national
electronic conveyancing system (Draft)

Electronic Settlement, Electronic
Lodgement and Automatic Registration
of Real Property Dealings in NSW: Public
consultation feedback report March 2005

Manual owner inquiry search requests
– policy and procedures

**Board of Surveying and Spatial
Information**

Consideration of Complaints Against
Surveyors Policy

Determination for Continuing
Professional Development

Rules for the Conduct of Examinations
for Certificate of Competency as Mine
Surveyor

Geographical Names Board of NSW
Dual Naming Policy

Road Naming in NSW Policy

Guidelines for the Naming of Roads

Guidelines for Determining Suburbs and
Localities in NSW

Area Inclusion in Description Policy

Board Issuing Concurrence to
Government Departments for Names
Assigned under Other Acts Policy

Cultural Designation Guidelines for
the Reintroduction of Cities, Towns and
Villages

Generic Reserve Naming Policy

Guidelines for the Determination of
Place Names

Primary Source Policy

Crown Lands

Caravan Park Levy Committee
Guidelines for the Administration of
Applications for Financial Assistance

Coastal Crown Lands Policy 1991
– under review

Crown Lands Caravan Park Policy 1990
– under review

Crown Lands Foreshore Tenures Policy
(Non-commercial Occupations) 1991
– under review

Crown Lands NSW Business Directive
2004 for Commercial Leasing and
Licensing of Crown Land

Bush Rock Policy

Natural Disaster Relief Scheme
Guidelines

Tourist Facilities and Services on Crown
Reserves 1997

Food and Beverage Outlets on Crown
Reserves 1997

Registered and Licensed Surf Clubs on
Crown Land 2002

A Handbook for Trust Management of
Reserved and Dedicated Crown Land

Public Reserve Management Fund
(PRMF) Guidelines– under review

Soil Conservation Service

Staff Borrowing of Equipment Policy

Non-smoking in the Workplace

Some policy documents are available,
free of charge, from the Department of
Lands website www.lands.nsw.gov.au
which has links to our administrative
units. Geographical Names Board
policies and guidelines may be accessed
at their website www.gnb.nsw.gov.au.

FUNDS GRANTED TO NON-GOVERNMENT COMMUNITY ORGANISATIONS

Public Reserve Management Fund

Trust Manager	Project	Grant \$	Loan \$	Total \$
Showgrounds program				
Bombala Council	Renovations to the kiosk at Bombala Showground	8,000		8,000
Inverell Showground Trust	Repairs to the public address system and ring lights	3,952		3,952
Ashford Showground Trust	Construction of a toilet and shower amenity and electrical works	1,657		1,657
Dorrigo Showground Trust	Tractor	6,000	4,000	10,000
Murwillumbah Showground Trust	Re-roofing of the sheep pavilion and replacement of main pavilion guttering	9,000	8,000	17,000
Kyogle Showground Trust	Construction of new yards	5,000	5,000	10,000
Bundarra Showground Trust	Lopping and removal of dangerous trees	3,000		3,000
Shoalhaven City Council	Preparation of a plan of management for Nowra Showground	15,000		15,000
Shoalhaven City Council	Replacement of power outlets with safety switches at Milton Showground	3,500		3,500
Ashford Showground Trust	Upgrade of power supply and installation of gas hot water system	4,200		4,200
Bemboka Showground Trust	Pavilion improvements	3,000		3,000
Cobargo Showground Trust	Removal of dangerous trees and repairs to seating	2,340		2,340
Ganmain Showground Trust	Removal of storm damaged trees	720		720
June Showground Trust	Resurfacing of roads	12,000	6,100	18,100
Woodenbong Reserve Trust	Purchase and the installation of a multi-purpose building	10,000	5,660	15,660
Bribbaree Showground Trust	Clean up works and fencing repairs	4,500		4,500
Tenterfield Showground Trust	White ant eradication works	3,000		3,000
Ariah Park Showground Trust	Electrical works	9,000		9,000
Robertson Showground Trust	Purchase and installation of flood lights	6,000	6,000	12,000
Cootamundra Shire Council	Construction of a storage shed and upgrading of the public address system at Cootamundra Showground	9,000	9,000	18,000
Tamworth Regional Council	Upgrading of sheep pavilion at Manilla Showground	4,767	4,000	8,767
June Showground Trust	Installation of a new public address system	3,500		3,500
Woodenbong Reserve Trust	Re-roofing of pavilion	1,765		1,765
Shoalhaven City Council	Fencing works at Kangaroo Valley Showground	4,000		4,000
Warialda Showground Trust	Fencing works	3,700	3,000	6,700

Trust Manager	Project	Grant \$	Loan \$	Total \$
Bellingen Showground Trust	Electrical works	2,720	3,000	5,720
Kyogle Showground Trust	Replacement of guttering, downpipes on grandstand and pavilions	1,700	3,000	4,700
Hay Shire Council	Construction of multi-purpose pavilion, stables and day yards at Hay Showground	17,000	26,000	43,000
Gresford Park Trust	Installation of arena lighting	15,000	10,000	25,000
Ashford Showground Trust	Improvements to toilets	1,710	1,700	3,410
Coonabarabran Showground Trust	Electrical works	5,000		5,000
Palerang Council	Water supply and construction of an amenities block at Braidwood Showground	25,000	35,000	60,000
Moree Plains Shire Council	Transportable womens ablutions block and restoration of existing toilets	20,000	18,000	38,000
Narrabri Showground Trust	Upgrading of sand arena complex - stage 3 fencing and gates	4,700	6,000	10,700
Shoalhaven City Council	Replace power outlets with safety switches at Berry Showground	5,000	4,000	9,000
Inverell Showground Trust	Construction of storage/utility shed	1,500	3,000	4,500
Local Parks and Reserves Program				
Four Post Youth Camp Trust	Completion of accommodation facilities	7,000	8,900	15,900
Borah Creek Public Hall Trust	Installation of new windows and doors	2,636		2,636
Geurie Racecourse & Recreation Reserve Trust	Construction of an amenities block	6,000	7,500	13,500
Johns River Public Hall & Recreation Reserve Trust	Construction of a new toilet block and renovation of the kitchen	20,000	12,000	32,000
Wolumla Park Trust	Concreting works and tiling of the amenities block	2,202	5,000	7,202
Yallambee Homes For The Aged Trust	Exterior painting works	10,000	23,000	33,000
Four Post Youth Camp Trust	Removal of storm damaged trees and debris	7,000		7,000
Gwydir Council	Upgrading of playground equipment at Gwydir Oval at Bingara	6,000	4,000	10,000
Rob Roy Recreation Reserve Trust	Boundary fencing	2,080	2,000	4,080
Norah Head Lighthouse Reserve Trust	Construction of pathway	4,000		4,000
Cessnock District & Family History Society Inc.	Retaining wall and drainage works at Wollombi Museum	3,970		3,970
Gore Hill Memorial Cemetery Trust	On-going maintenance and risk management works	11,000		11,000

Trust Manager	Project	Grant \$	Loan \$	Total \$
Broke Public Hall Trust	Replacement of guttering, doors and eaves and exterior painting	6,674		6,674
Newcastle Velodrome Trust	Remove and replace lighting poles	14,000		14,000
Broken Hill Racecourse Board of Trustees	Replacement of timber flooring on steps and landing of members grandstand and roofing on stables	4,276		4,276
Cobar Shire Council	Fencing works at the Cobar Wrightville Common	5,939		5,939
Walgett Shire Council	Installation of stables and seating and construction of new barbecue area at Lightning Ridge Lions Park Reserve	13,222		13,222
Cumborah Recreation Reserve Trust	Construction of toilet facilities	20,000		20,000
Moulamein Swimming Pool Trust	Repairs to fencing, roofing, equipment shed and shade shelter	13,700		13,700
Cooma Monaro Shire Council	Maintenance works on the Lambie Walking Track	3,000		3,000
Berrima Courthouse Trust	Upgrade of pathway	3,500		3,500
Rye Park Showground Trust	Upgrade of toilets and water supply	3,000		3,000
Towrang Stockade Trust	Handrail, fencing and safety signs	3,900		3,900
Ulladulla Wildlife Reserve Trust	Operational grant for 2005/06	2,000		2,000
Pambula Wetlands & Heritage Reserve Trust	Maintenance and concreting works	2,200		2,200
Weethalle Memorial Hall Trust	Repairs to roof, exit doors and interior ceiling	7,642		7,642
Yarrahapinni Wetlands Reserve Trust	Data logger for the monitoring of water quality	5,880		5,880
Wadesville Reserve Trust	Replacement of guttering and header tank	4,250		4,250
Broadwater Koala Reserve Trust	Lawnmower and signage	3,307		3,307
Urbenville Showground Reserve Trust	Electrical works	10,000		10,000
Munns Creek Walking Track Trust	Fencing repairs	2,000		2,000
Pretty Gully Native Flora Reserve Trust	Survey	3,300		3,300
Dirawong Reserve Trust	Maintenance of tracks, boardwalks and the installation of picnic tables	4,000		4,000
Riley's Hill Dry Dock Heritage Reserve Trust	Site security, toilet, restoration of pump house, weeds removal, compilation of historical data and feasibility study	6,120		6,120
Euchareena Public Hall Trust	Electrical signs, exit signs, guttering and replacement of fascia	4,607		4,607

Trust Manager	Project	Grant \$	Loan \$	Total \$
Eumungerie Recreation Reserve Trust	Replacement of pump	1,495		1,495
Hawkesbury City Council	Construction of a car park and access road at Yarramundi Reserve	20,000	5,000	25,000
Inverell Shire Council	Construction of shelter sheds at Pindari Dam Reserve	10,000	7,000	17,000
Great Lakes Historical Co-operative Society Ltd	Completions of extensions to Tuncurry Museum building	15,000	10,000	25,000
Elsmore Soldiers Memorial Hall Trust	Exterior painting and rewiring of hall	1,500	1,500	3,000
Liverpool Plains Shire Council	Construction of an amenities block at Warrah Creek Public Hall	4,000	3,000	7,000
Yamba Pilot Station Reserve Trust	Refurbishment of cottages including interior painting, bathroom fit out and furniture and fittings		22,000	22,000
Grassy Head Nursery Reserve Trust	Repairs to pump and irrigation equipment and administration costs	3,000		3,000
Glenreagh Public Recreation Reserve Trust	Survey of the reserve and structures	1,300	2,000	3,300
Deepwater Public Hall Trust	Replacement of stage curtain and kitchen sink top	1,300	1,500	2,800
Norah Head Lighthouse Reserve Trust	Safety and regulatory signage	3,000		3,000
Running Stream Recreation Reserve Trust	Fencing of road boundaries	5,500		5,500
Upper Horton Sports Ground Trust	Upgrading of yards	4,745	4,000	8,745
Rollands Plains Reserve Trust	Amenities block	5,000	5,000	10,000
Spring Plains Public Hall Trust	Toilets	3,300		3,300
Wallangra War Memorial Hall Trust	Lining of supper room and improvements and sanding and oiling of hall floor	3,853		3,853
Hartley Vale Mt Blaxland Reserve Trust	Stabilisation of graves works and fencing	4,383		4,383
Tent Hill Public Hall Trust	Repairs to hall	1,060		1,060
Nullamanna Public Hall and Recreation Reserve Trust	Kitchen improvements	3,000		3,000
Mummulgum Public Hall Trust	Toilets for the disabled	4,000	3,000	7,000
Caravan Park Development Works Program				
Red Rock Recreation Reserve Trust	Preparation of a plan of management and business plan	14,000		14,000
Boambee Creek Park Reserve Trust	Preparation of a plan of management and business plan	14,000		14,000

Trust Manager	Project	Grant \$	Loan \$	Total \$
Moonee Beach Reserve Trust	Preparation of a plan of management and business plan	14,000		14,000
Richmond Valley Council	Preparation of a new plan of management and business plan	20,000		20,000
Tweed Shire Council	Installation of a new barbecue area, ensuite units and seating at Fingal Holiday Park		90,000	90,000
Tweed Shire Council	Installation of ensuite units, cabins, barbecue facility, games room, children's playground, pay television and a retaining wall at Boyds Bay Holiday Park		540,000	540,000
Tweed Shire Council	Installation of a new amenities block, barbecue facility and children's playground, ensuites, cabins and pay television at Pottsville North Holiday Park		620,000	620,000
Tweed Shire Council	Installation of pay television and internet connection at Pottsville South Holiday Park		35,000	35,000
Coffs Harbour City Council	Refurbishment of two amenities blocks, fencing, cabins and ensuite units at Park Beach Caravan Park		464,700	464,700
Coffs Harbour City Council	Refurbishment of reception building, upgrading of children's playground, barbecues cabins and improvements to roads and electricity at Sawtell Caravan Park		413,300	413,300
Port Stephens Council	Preparation of a plan of management for Shoal Bay, Halifax Park and Fingal Bay Holiday Parks	60,000		60,000
Bellingen Shire Council	Installation of three cabins at the North Beach Caravan Park		140,000	140,000
Red Rock Recreation Reserve Trust	Replacement of the storage shed and the installation of underground power lines		115,000	115,000
Kempsey Shire Council	Installation of two cabins at Hat Head Caravan Park		150,000	150,000
Shoalhaven City Council	Huskisson Foreshore Shared bike path		20,000	20,000
Consultancy Program				
Greater Hume Shire Council	Preparation of a plan of management for Crown reserve R12562 at Walbundrie	2,000		2,000
Blue Mountains City Council	Preparation of a plan of management for Tunnel Gully	20,000		20,000
Greater Taree City Council	Preparation of a plan of management for Wingham Riverbank Reserve	6,000		6,000
Lake Macquarie City Council	Finalisation of Speers Point Plan of Management	6,000		6,000
Camden Haven Adult & Community Education	Preparation of business and marketing plan for Camden Haven Pilot Station Reserve	12,000		12,000

Trust Manager	Project	Grant \$	Loan \$	Total \$
Hawkesbury City Council	Finalisation of plan of management for Yarramundri Reserve	1,415		1,415
Glenreagh Public Recreation Reserve Trust	Preparation of a business management plan	7,600		7,600
Mullumbimby Showground Trust	Preparation of a plan of management	6,550		6,550
Shoalhaven City Council	Preparation of a plan of management for the Farnham Reserve at Sussex Inlet	15,000		15,000
Eurobodalla Shire Council	Preparation of a landscape plan at R87860 at Broulee	20,000		20,000
Wentworth Park Sporting Complex Trust	Preparation of a plan of management	17,500		17,500
Wagga Wagga City Council	Preparation of a plan of management for Lake Albert	20,000		20,000
Kempsey Shire Council	Plan of management for Goolawah Reserve	15,000		15,000
Reserves of High Visitation/Regional Significance Program				
Burrendong Arboretum Trust	Operational grant for 2005/06 and water supply	90,000		90,000
Goobarragandra Valley Reserves Trust	Operational grant for 2005/06	11,000		11,000
Penrose Park Reserve Trust	Operational grant for 2005/06 and repairs of the tennis courts	24,500		24,500
Lake Burrendong State Park Trust	Bush fire mitigation project at Mookerawa Waters Park	123,502		123,502
Walka Water Works Trust	Operational grant for 2005/06, electrical upgrading works and the installation of concrete pads for caravans	78,000		78,000
Wee Jasper Reserves Trust	Operational grant for 2005/06	70,000		70,000
Burrendong Arboretum Trust	Completion of water supply project, repairs to caretaker's cottage and employment of a person to update scientific records	9,000		9,000
Mount Arthur Reserve Trust	Operational grant for 2005/06	9,000		9,000
Walka Water Works Trust	Restoration of boiler room and western annexe building	50,000		50,000

Land and Property Information

Organisation	Project	Grant \$	Loan \$	Total \$
University of Melbourne	ARC Linkage Project – Industry Partnership Grant – ‘A Marine Cadastre for Australia’	16,500		16,500
University of Melbourne	ARC Linkage Project – Industry Partnership Grant – ‘The integration of built and natural environmental data sets in national spatial data infrastructure initiatives’	16,500		16,500
Royal Melbourne Institute of Technology	ARC Linkage Project – Industry Partnership Grant – ‘Real time atmospheric modelling for cm-level positioning level based on continuously operating Global Navigation Satellite System reference station networks’	22,000		22,000
University of New South Wales	Grant to support two half-scholarship places in the 2005 UNSW Co-op Program – Surveying and Spatial Information Systems	14,000		14,000
University of Melbourne	Cooperative Research Centre for Spatial Information [CRC-SI]	250,000		250,000

GOVERNMENT ACTION PLAN FOR WOMEN

Lands has recognised the need for support for senior women of Lands and as well as supporting the public sector senior women’s network has instigated a pilot mentoring program for senior women. This program is aimed at assisting in individual career development including moving to more senior positions. Mentors have come from a range of outside employers. While no formal evaluation has occurred, participants have indicated informally that they find the program extremely beneficial.

A number of women have attended Women and Leadership Forums both in city and country locations. The Australian Women and Leadership Forum is a national initiative designed to assist organisations in their efforts to support the interests of their female talent base.

Lands has continued to encourage boards and committees of Lands to reflect the government’s policy and put forward female nominees.

GUARANTEE OF CUSTOMER SERVICE

Service delivery standards vary with the nature of the services provided across the various administrative areas of Lands however all requests for information or services are responded to promptly and efficiently as appropriate to customer requests.

Our customers can expect us to prevent unauthorised access to and use of official information and maintain the privacy and confidentiality of information, which is not on the public register.

We consult with clients and stakeholders when planning and delivering products and services and staff and unions when considering changes in work practices.

All public contact staff are trained to provide timely, accurate and balanced advice in a courteous manner. They all have expertise within their fields of enquiry.

All staff adhere to the principles of Equal Employment Opportunity and our Code of Conduct.

Consumer complaint and comment

We aim to respond to correspondence within 14 days and advise clients about the outcome of a complaint and the action being taken within 14 days.

Feedback, compliments and complaints regarding our services are welcome and should be addressed in writing to:

Department of Lands
Level 3
1 Prince Albert Road
Queen’s Square
Sydney NSW 2000
GPO Box 15, Sydney NSW 2001
feedback@lands.nsw.gov.au

LAND DISPOSAL

There were no land disposal transactions during 2005/06. Note: disposal of NSW Crown land as an administered activity does not represent the disposal of Lands’ assets.

LEGISLATION AND LEGAL CHANGE

2005/06 saw significant activity in the development of legislation with the introduction of new Acts and amending legislation affecting a variety of Lands’ areas of responsibility. During the year, the following legislation was enacted:

1. Property Legislation Amendment Act 2005

This Act introduced a number of practical and important reforms to various property related Acts, including the *Real Property Act 1900*, the *Conveyancing Act 1919* and the *Local Government Act 1993*. Some of the amendments introduced include:

- A requirement that an identification survey report accompany any application made to cancel a caution from a qualified folio on the basis of an official search. The survey will disclose whether there are any encroachments by or on the property that need to be addressed before the caution is removed.
- Authorisation for the Registrar-General to record a note on a folio of the Register indicating that the land has the benefit of a licence or permit to use or occupy adjoining Crown land.
- Enabling the creation of easements, profits à prendre and restrictions where the same person is the owner of the parcels to be burdened and benefited by them by a dealing rather than only by registration of a plan.
- Where an old system lease is recorded on a Torrens Folio, further dealings with the lease may be effected by way of Torrens dealing rather than by deed lodged in the old system register.
- Enabling land to be vested in a local council as public reserve or drainage reserve by registration of a transfer rather than only by registration of a plan.

2. Security Interests in Goods Act 2005

This Act repealed the *Bills of Sale Act 1898* and the *Liens on Crops and Wool and Stock Mortgages Act 1898* and replaced them with modernised, simplified legislation which:

- removed the distinction between trader’s bills and ordinary bills of sale and introduced the concept of a ‘security interest in goods’
- made registration of security interests in non-agricultural goods optional rather than mandatory
- removed the limit on registration so that registration of a security interest need not be renewed after five years
- introduced a priority regime that generally confers priority on registered security interests over unregistered interests
- allows for the creation of mortgages over existing and future crops and wool
- widened the definition of ‘stock’ to permit a stock mortgage to be granted not only over sheep, cattle and horses but also goats, poultry, or other animals
- enables a person to grant an aquaculture fish mortgage over farmed fish.

3. Valuation of Land Amendment Act 2006

During the year amendments were made to the *Valuation of Land Act 1916* to complement administrative changes made by the Valuer General aimed at improving the accuracy and timeliness of land valuations. The amendments:

- allow a person to object to a valuation after receiving an assessment for Land Tax
- give the Valuer General discretion to make a new valuation of land if there is a change in the circumstances affecting a property

- clarify that property owned by two or more people will qualify for a subdivision allowance
- allow land that is situated in two or more districts to be valued in a single valuation.

4. Crown Lands Legislation Amendment Act 2006

The amendments were aimed at providing greater flexibility and accountability in relation to the management of Crown reserves under the *Crown Lands Act 1989* as well as:

- extending the Minister’s powers to impose covenants, in connection with the sale of Crown land, preventing subdivision or for the protection of the environment
- providing for the redetermination and adjustment of rents for licences and enclosure permits under the *Crown Lands Act 1989*.

5. Review of the NSW Access to Neighbouring Land Act 2000

Lands undertook a review of the Act to determine whether its terms and objectives remain relevant and appropriate. A discussion paper was circulated for public comment and after reviewing the submissions received it was recommended that no changes were needed to the objectives of the Act. A Report was tabled in Parliament to this effect and it was recommended that further consideration be given to a number of minor amendments to improve the Act’s operation.

6. Statute Law Revision

The Statute Law (Miscellaneous Provisions) Act (No.2) 2005 amended the following Acts:

- *Crown Lands Act 1989* to allow the Minister to manage the affairs of a reserve trust in conjunction with another trust manager
- *Commons Management Act 1989* establishing a procedure for the creation and setting aside of a common.

The Statute Law (Miscellaneous Provisions) Act 2006 amended the following Acts:

- *Conveyancing Act 1919* regarding the waiver or refund of fees
- *Crown Lands Act 1989* concerning the issue of penalty notices, payments by way of instalment and the ability for the Minister to reacquire land where the registered proprietor is not maintaining land in accordance with conditions imposed
- *Real Property Act 1900* to clarify powers of delegation and options available to the Supreme Court in directing and cancelling computer folios of the Register, and registration requirements for dealings pursuant to or affected by a writ
- *Surveying Act 2002* resolving uncertainties in the removal of surveyor’s name from the register of surveyors and re-registration where a surveyor fails to pay the registration administration fee.

7. Conveyancing (Sale of Land) Regulation 2005

The Conveyancing (Sale of Land) Regulation 2005 commenced on 1 September 2005. It replaced the Conveyancing (Sale of Land) Regulation 2000 which was automatically repealed under the *Subordinate Legislation Act 1989*.

The Regulation sets out the prescribed documents that a vendor must attach to a contract for the sale of land; the warranties deemed to be included in such a contract and in an option to purchase; purchasers’ remedies for breaches; and exemptions.

MAJOR ASSETS (OTHER THAN LAND HOLDINGS)

Lands’ property, plant and equipment (PPE) assets totalled \$114 million as at 30 June 2006. There were no major acquisitions or retirements of PPE assets during the year. Revaluations of land, buildings and major equipment were conducted to determine current values.

Work was performed on a number of information technology capital projects during 2005/06, which were classified under the intangible asset category. Outlays on major projects included:

- Single Land Cadastre - \$1.6m
- E-Government Services - \$1.3m
- Government Property Register redevelopment project - \$1.6m
- Conversion Project - \$3.0m

Further details on these projects can be found in the report of the Land and Property Information Division.

MAJOR WORKS 2005/06

Capital Works in Progress	Cost to date \$	Cost overrun \$	Est. date of completion
Land and Property Information Buildings			
Queen Square Building, 1 Prince Albert Road Sydney			
Loading Dock Redevelopment	\$152,000		March 2007
South Balcony Concrete Cancer	\$32,000		August 2006
Disabled Access	\$250,000		July 2006
B1 West Upgrade	\$120,000	Nil	Completed
Replacement of Air Handler No.2	\$75,000	Nil	Completed
Replacement of Air Handler No.3	\$74,000	Nil	Completed
Building Management Controls Upgrade – Induction Units	\$4,450	Nil	Completed
South Electrical Riser Upgrade	\$94,000	Nil	Completed
Fire Compartmentation	\$460,000	Nil	Completed
Panorama Avenue, Bathurst			
Chiller Upgrades (Bathurst)	\$275,000		2006/07
Mechanical Switchboard Replacement (Bathurst)	\$31,500		2006/07
Crown Lands Buildings			
Tamworth Lands Building <ul style="list-style-type: none">Courtyard PavingTree removalStructural Report Tree	\$11,460 \$2,200 \$220	\$12,098 Nil Nil	Completed Completed Completed
Hay Lands Building – Roof Insulation	\$20,000	Nil	Completed
Hay Lands Building – Carpet	\$17,000	Nil	Completed
Hay Lands Building – Fencing	\$3,000	Nil	Completed
Maitland Lands Building – External Painting	\$46,393	Nil	Completed
Maitland Lands Building – Carpet	\$29,541	Nil	Completed
Maitland Lands Building – Electricals	\$1,980	Nil	Completed
Maitland Lands Building – Furniture removal	\$6,290	Nil	Completed
Maitland Lands Building – Structural Engineers Report	\$4,400	Nil	Completed
Dubbo Lands Building – Bird Control Netting	\$2,530	Nil	Completed
Armidale, Moree and Tamworth – Structural Engineers Reports	\$6,900	Nil	Completed
Goulburn Storage and Office Fitout	\$10,000	Nil	Completed

OCCUPATIONAL HEALTH AND SAFETY

Lands is committed to meeting the occupational health, safety and welfare needs of its employees. Lands’ occupational health and safety focus is on injury prevention and early intervention when injury does occur.

Consistent with the commitment to reducing the potential for injury, Lands has developed new strategies and training approaches during the 2005/06 year to be implemented in 2006/07. These initiatives are a response to identified risks and include E-Learning packages and a new face to face manual handling training package.

Lands will also implement a customised version of Take 5, a safety observation and job safety analysis model, to encourage staff to comprehend occupational risks and plan to undertake work safely. The Take 5 model is one increasingly adopted by both the private and public sectors. This model

has great applicability in uncontrolled environments, field situations and complements sound approaches to manual handling.

Worker’s compensation and injury management also remains a priority issue. Lands seeks to develop a sound working partnership with rehabilitation providers to assist the achievement of early and sustainable return to work outcomes for its injured employees. This improves injury outcomes for employees and assists in reducing associated worker’s compensation costs. Comprehensive case management and consistent monitoring of worker’s compensation claims facilitates quality and timely intervention measures.

Lands’ claims management system directs resources to claims with greatest need by giving priority to severe and/or potentially more costly claims. The system incorporates initiatives to provide injured employees with a better understanding of rights and responsibilities as well as promoting

greater involvement of managers and supervisors in the day to day management of employee rehabilitation.

Allianz Australia, as one of the Treasury Managed Fund’s successful worker’s compensation tenderers, commenced as Lands’ worker’s compensation insurer in 2005/06. Lands and Allianz Australia are committed to providing high quality support to injured employees and to the development of a partnership which improves management of risk across Lands.

A focus this year has been preparing for implementation of the NSW Government’s ‘Working Together’ strategy in 2006/07 when Lands will report against a range of key action areas and the achievement of public sector improvement targets.

The following figures provide an overview of worker’s compensation claims over 2005/06.

Workers compensation claims and costs*

	2003/04	2004/05	2005/06
Total no. of claims	79	61	55
No. of claims settled	54	23	78
Net incurred cost	\$931,275	\$446,773	\$420,369

* Data source: Allianz Australia

OVERSEAS TRAVEL

Travel undertaken at cost to Lands:

Officer and position	Destination	Purpose	Dates	Cost
Paul Harcombe, Chief Surveyor	Brunei Darussalam	Biennial meeting of the United Nations Group of Experts on Geographical Names (SE Asian/ South West Pacific Division and the South East Asia Survey Congress)	21-25 November 2005	\$4,779 (Accommodation and Air Travel funded by ICSM)
Pedro Harris, Chief IT Officer John Murphy, Manager Server Technologies	USA	ESRI Technology Conference	23 July – 7 August 2005	\$20,793 (combined)
Warwick Watkins, Director General Doug Walsham, Executive Manager Titling and Registry Services, LPI Barry Douse, Executive Manager Business Production and Development, LPI	Wellington New Zealand	Attend 33rd Conference of Australasian Registrars of Title	26-28 October 2005	\$7,767 (combined)
Warwick Watkins Director General	New Zealand	ANZLIC meeting	7-11 March 2006	\$1,983
Warwick Watkins Director General	Various European destinations	European Ministerial Study Tour	1-13 July 2005	\$21,836
Philip Western	New Zealand	Valuation system study tour	9-16 November 2005	\$3,727
Outstanding expenses were claimed during the 2005/06 reporting year for overseas travel that was undertaken and reported in the 2004/05 Annual Report.				\$3,345

PAYMENT OF ACCOUNTS

There has been a small improvement in accounts payable performance from the previous year. Reporting has been expanded to include measurement of the number of payments made on time, as well as the value, to focus on increasing the overall performance.

Strategies to improve the overall performance in this area include:

- A greater emphasis on the use of purchase orders, to streamline payment processing
- Improving internal processes,

communication and training, to reduce the amount of time between receipt of invoices into Lands and transmission to accounts processing

- Review and consolidation of separate accounts and payments to suppliers

In 2005/06, there were no instances where interest was paid in accordance with section 15 of the Public Finance and Audit Regulation 2005.

PRIVACY MANAGEMENT PLAN

In accordance with the requirements of the *Privacy and Personal Information Protection Act 1989* (the Act), Lands is

required to report on privacy compliance issues relevant to the department and to provide statistical information in relation to any internal reviews undertaken under Part 53 of the Act.

In complying with the Act, Lands continues to consider the application of the Act to its operations, ensuring that appropriate levels of protection are put in place to protect personal information and privacy, monitoring emerging issues in privacy and personal information management, and establishing mechanisms to ensure that staff are aware of their obligations under the legislation.

Value of outstanding invoices by age at the end of each quarter

Quarter	Current (within due date) \$	Overdue less than 30 days \$	Overdue 30-60 days \$	Overdue 60-90 days \$	Overdue more than 90 days \$
September 2005	321,752	1,291,591	472,141	34,458	13,087
December 2005	529,651	599,733	372,602	135,065	13,000
March 2006	6,311,991	593,319	8,341	54,311	1,438
June 2006	1,820,394	1,171,404	35,986	61,306	125,052

Accounts paid on time during each quarter

Quarter	Total Accounts Paid on Time					Total Amount Paid
	Number		Value		\$	
	Target %	Actual %	Target %	Actual %		\$
September 2005	85%	83%	90%	93%	58,558,943	62,836,321
December 2005	85%	84%	90%	94%	57,669,857	61,220,104
March 2006	85%	85%	90%	92%	42,308,831	46,052,501
June 2006	85%	84%	90%	91%	49,252,019	53,868,569

During the 2005/06 reporting year, Lands intended to review its Privacy Management Plan; however this has been deferred, due to a number of competing policy priorities. It is intended that a review of the Privacy Management Plan will be commenced in the 2006/07 reporting period.

Lands’ Privacy Statement is available on the website www.lands.nsw.gov.au. Privacy enquiries may be referred to:

Manager, Strategic Policy and Reporting
NSW Department of Lands
GPO Box 15
SYDNEY NSW 2000
Telephone: 9236 7603

Internal reviews

During the reporting period, there were no internal reviews conducted in accordance with Part 53 of the Act, by or on behalf of Lands.

PUBLICATIONS

Corporate

Inlands – Quarterly staff magazine

2004/05 Department of Lands annual report

Field days – Lands advertisements, brochures and posters

2006 spokeswomen’s calendar

Fact sheets – Content Management System training

DL flyer - Selling and buying a home.

2004 – 07 corporate plan

Lands corporate brochure

EAPS brochure

Review of Community Schemes Legislation Discussion Paper

DL flyer – Department of Lands

Internal style guide

Landirect Online Launch brochure

Valuer General's Office

Notice of valuation form

DL flyer - Your land value

Land value objection kit

Valuer General newsletter – July 2005, August 2005, February 2006

Fact sheet - Land values for irrigation properties

LPI

Topographical map catalogue

Brochure - LPI aerial photography

Fact sheet - Services to local government

Fact sheet - LGMA conference material including exchange of address data

Fact sheet - Local government portal and pricing schedule

Fact sheet - Application for a new certificate of title

Fact sheet - Stamping and marking documents affecting land

Fact sheet - Power of attorney

Fact sheet - Terms and conditions for lodgement services

Fact sheet - Terms and conditions for lodgement services explained

Fact sheet - Financial correspondence for lodgement customers

Fact sheet - Strata plans fast facts

Crown Lands

Lot 490 Expression of Interest

Lot 490 Plan of Management

Fact sheet - Crown Lands Legislation Amendment Act 2005 for local government

Karuah boat shed tender

Crown Lands Commercial Division posters and A3 flyers

Fact sheet - Rebates for Crown land licences, leases and occupancies

Fact sheet - Crown land management opportunities

Fact sheet - Enclosure permits

Fact sheet - Membership for application of Crown Lands Trust Board

Fact sheet - 2 x Barigan multipurpose reserve

Draft Pied Oystercatcher strategic management plan

DL flyer – Commercial leasing of Crown land

Fact sheet - Managing Crown Land

Fact sheet - Converting perpetual leases

Fact sheet - Local lands boards

Fact sheet - Closing Crown roads

Fact sheet - Dividing fences

Fact sheet - School of Arts

Lake Keepit State Park flyer

Batemans Bay EOI

SCS

SCS Tingha Sewerage Scheme Award submission for the 2005 Case Earth Awards

Great North Walk brochure kit

Ministry of Defence EOI tender

Taree and Wingham Effluent Management Schemes EOI tender

Fact sheet - Specialists in natural resource management

Milton Ulladulla Sewerage Treatment Works EOI tender

Mosman Bay Creek EOI tender

Burrendong foreshores report

Derelict Mines EOI tender

2 x Devils Elbow case studies

Parramatta City Council EOI tender

DL flyer - SCS: Managing soil and water resources

Fact sheet - SCS business division

RESEARCH AND DEVELOPMENT

Lands – Intellectual Capital

In the 2004/05 reporting period Lands initiated research with the Macquarie Graduate School of Management in relation to the management, measurement and reporting of intellectual capital. The results of the research were published in the Journal of Intellectual Capital and received the Emerald Literati Network Awards for Excellence in 2006.

Lands supported a joint bid with the University of Sydney, Macquarie University and Intellectual Capital Services Ltd. seeking Australian Research Council (ARC) funding to continue research on intellectual capital management, measurement and reporting in the public and third sectors. Unfortunately the ARC funding request was unsuccessful.

A decision was then made to pursue the research within Lands with a cash contribution of \$8,500 and an in kind contribution of \$25,000 from our agency.

The research undertaken involved a series of interviews and workshops with management and key staff leveraging off the earlier research

undertaken with Macquarie Graduate School of Management. The research paper relating to this work is currently being finalised, however the work of the research staff greatly assisted management and staff in developing the concept of intellectual capital and in implementation of related pilot projects within the organisation.

Supervised by Professor James Guthrie of Sydney University the research involved students from Macquarie Graduate School of Management and the University of Bocconi, Milan, Italy.

Lands has supported a further joint bid for ARC funding to continue research on intellectual capital reporting in the public and third sectors. The outcome of this most recent bid will not be confirmed until October/November 2006.

Land and Property Information

During 2005/06 research was commissioned to better understand the trend of increasing title search volumes. The aims of the project were:

- To identify all existing and emerging customer groups
- Understand the context and drivers for their usage of LPI’s title searches
- Pinpoint the market dynamics and processes underlying LPI’s changing business statistics
- Identify trends that are likely to be significant to search and copy services over the medium term
- Identify current and future gaps and/or opportunities to better fulfil market needs
- Identify any significant pricing concerns or issues.

A key focus of this study was to identify underlying reasons for the increase in the ratio of copies ordered to dealings registered which has been particularly marked since 1999. Virtually all recent increases relate to title searches.

Soil Conservation Service

SCS developed an industry training package in Erosion and Sediment Control during the year for clients generating \$80,000 in sales. Developed to address a consultancy project the package was expanded to address industry issues, particularly utility service corridor problems, and was presented to both field and management staff.

RISK MANAGEMENT AND INSURANCE

Lands is committed to the implementation and management of an integrated Risk Management program as an integral part of its activities.

Lands’ Risk Management Policy and Guidelines set the requirements and responsibilities for all staff to systematically manage risk consistent with the Australian Standard on Risk Management (AS/NZS 4360:2004).

The Policy and guidelines provide a structured basis to identify and analyse potential risks and devise and implement appropriate controls and responses to minimise their impact.

Lands has, as part of the implementation of risk in Lands, developed emergency plans, business continuity plans and disaster recovery plans to address possible future contingencies.

Lands’ insurer is New South Wales Treasury Managed Fund (TMF), which provides a cover against risks such as public liability, workers compensation, motor vehicle accident, property and professional indemnity claims.

Land and Property Information

LPI has developed two risk registers. The first, the Strategic Risk Register, lists LPI’s strategic risks which are required to be disclosed annually in our Statement of Business Intent. These strategic risks are to be reviewed, at least, biannually and reported and completed every April (in line with preparation of the Statement of Business Intent); and October.

WASTE REDUCTION AND PURCHASING POLICY

Lands has a Waste Reduction and Purchasing Policy (WRAPP) in place and is committed to maintaining best practice in conservation and recycling.

During 2005/06 WRAPP initiatives included:

- reducing the generation of waste (waste avoidance and minimisation) by:
 - encouraging the use of emails to replace printed material
 - promoting the use of Lands’ intranet
 - posting electronic versions of publications on Lands’ website
 - using TRIM records management system to electronically attach emails and other documents to files rather than printing and filing
- extending office refurbishment cycles
- resource recovery (waste use and recycling) by:
 - recycling waste paper, cardboard and toner cartridges wherever practical
 - recycling vegetation waste
 - recycling waste oil from earth moving machinery
 - recycling steel and concrete from construction projects
- use of recycled material (purchase of recycled content materials):
 - a new contract for the on-line purchase of remanufactured toner cartridges was investigated and will be introduced during 2006/07
 - wherever practical paper with recycled content is being used
 - recycled soil mix, mulch and erosion control products.

GLOSSARY

Aquaculture	The farming of fish, including finfish, crustaceans and molluscs outside their natural range or habitat.
ANPS	Australian National Placename Survey
ANZLIC	Australian New Zealand Land Information Council.
Attribute	Descriptive information about features or elements of a database.
Cadastral	Pertaining to the records of a cadastre, concerned with keeping a cadastre, an official register of property, with details such as boundaries and ownership.
Cadastral Map	A map showing legal survey boundaries, portion and plan numbers, parish and county names and boundaries.
Cadastre	Boundaries, roads, waterways, parcel identifiers, names, etc. which define the subdivision pattern of a locality on the ground.
Central Register of Restrictions	A centralised database containing information on government authorities’ proposed interest in parcels of land throughout NSW.
Certificate of Title	The registered proprietor’s copy of a folio of the Register, being a State Government guaranteed Torrens title to land.
CGNA	Committee for Geographical Names in Australia
Charting Map	Reference maps on which changes affecting land parcels, such as subdivision or easements, are charted by hand. The maps are used by staff and customers to determine current status of land parcels.
Client/Server	A computer system architecture under which the processing is undertaken partly on a central server computer and partly on intermediate servers and end-user client devices. There are various implementation models of this technique, such as two-tier architectures.
CMA	Catchment Management Authority
Community Title	Community title legislation enables shared property (association property) to be created within conventional subdivisions.
Computerised Cadastral	Land and Property Information’s computerised reference map, providing an Index interface to Integrated Title System (ITS) and the Plan Imaging System, and containing the Digital Cadastral Database (DCDB) and a notations layer of data as the core data sets.
Contour	An imaginary line connecting points of equal elevation.
Control Marks/Points	A system of survey measured points marked on the ground, which are used as fixed references for positioning other surveyed features.
Conveyancing	The branch of legal practice concerned with the transfer of property rights particularly rights in real property.
Crown Land	Any land which as not been alienated by the Crown, including Crown tenures (and leased from the Crown).
Crown Land Information Database	A database containing graphic and textual information, including land accounts data, relating to leaseholds of Crown land.
Data Set	A group of related data elements.
Database	A large volume of information stored in a computer and organised in categories to facilitate retrieval.
Dealing	A document other than a caveat, which is designed to secure recording in the Register of some disposition or event, such as a transfer of ownership.

Dealing Imaging System	System of storing and retrieving electronic images of dealings utilising optical disk technology.
DEC	Department of Environment and Conservation
Deed	A contract in writing which binds a person, or which transfers an interest, right or property.
Deposited Plan	A plan lodged in LPI depicting subdivision of land.
Digital Cadastral	The legal parcel fabric (current subdivisional pattern) of the State supplied and validated by LPI.
DIPNR	Department of Infrastructure, Planning and Natural resources. As of 26 August 2005 Department of Natural Resources and Department of Planning.
Database	A large volume of information stored in a computer and organized in categories to facilitate retrieval.
Differential Global	Two GPS satellite receivers, one at a known position providing positional data to a roving Positioning System receiver. Applying corrections derived from the fixed receiver increases the accuracy of positional information of the roving receiver.
Digital Terrain Model	A method of transforming elevation data into a contoured surface or a three dimensional display.
Digital Topographic	The elevation, drainage, transport and cultural components of spatial data held in the NSW.
EDM	Electronic Distance Measuring
EICU	Emergency Information Coordination Unit.
ELARD	A pilot project to test the feasibility of Electronic Lodgement and Automatic Registration of Dealings (ELARD) using two types of dealing, Discharge of Mortgage and Mortgage.
Electronic Commerce	A set of technologies such as electronic service delivery (ESD), electronic document/data interchange (EDI), electronic mail (email), electronic funds transfer (EFT), and workflow combined with business processes to enable users to conduct business electronically.
Electronic Plan Examination	The comparison of new with old survey information utilising specially developed computer and an electronic survey accurate plan database.
Electronic Plan Lodgement	Lodgement of plans in electronic form in which they were originally prepared by a surveyor.
Electronic Service Delivery	A connect.nsw strategy to encourage NSW Government agencies to deliver customer-focussed services to NSW.
e-RPforms	An Internet facility that provides for the direct lodgement of plan files with LPI from remote locations.
Gazetteer	A geographical dictionary.
Geocentric Datum	A datum that has its origin at the Earth’s centre of mass.
GDA	Geocentric Datum of Australia - a new coordinate framework for Australia, which is compatible with the Global Positioning System (GPS). The GDA was adopted in 1994 and will be implemented by the year 2000.
Geodetic Survey	A high precision survey that covers a large area and consequently must take into account the effect of the earth’s curvature.
GIS	Geographic Information System - for capturing, storing, checking, integrating, analysing and displaying data that is spatially referenced to the Earth. This is normally considered to involve a spatially referenced computer database and appropriate applications software.
GPS	Global Positioning System - a system for determining positions using information derived from tracking satellites.
GPR	Government Property Register database managed by LPI Division
Information Broker	An agent licensed by LPI to provide remote and value added information services utilising electronic data made available by the Office.

ICSM	Inter-Government Committee on Survey and Mapping - coordinates and promotes the development and maintenance of key national spatial data, including geodetic, topographic, cadastral and geographical names on a national basis.
IPW	Integrated Property Warehouse - whole-of-government approach to data sharing.
ISO 9002/9001	International Organisation for Standardisation guidelines relating to management systems primarily concerned with quality management.
ITS	Integrated Titling System - LPI computerised record for land titles.
Landirect	Online system processing Crown land applications.
Land Parcel	An area of land with defined boundaries, which forms the fundamental unit of land information, including information about rights and interests.
Landsat	American Earth resources satellites that scan the Earth at a variety of wavelengths. The satellites return information that can be used to inventory and analyse a variety of natural and human resources.
Land Title	The evidence of a person's rights to land.
Law Stationer	An individual or corporation whose business is to conduct searches of records held by LPI and other registries and to lodge documents in those registries as the agent of legal practitioners.
Legal Parcel	The smallest parcel of land capable of sale without further confirmation of subdivision. The physical extent of most legal parcels is defined by plans or metes and bounds descriptions held by LPI or the Crown Lands Office.
Licensed Conveyancer	A person licensed under the Conveyancers Licensing Act 1995 to carry out work involved in property conveyancing transactions.
LPI	Land and Property Information - a division within the Department of Lands
MFP	Moving Forward Program - Project to increase efficiency and accountability in the lodgement and registration process and improve fraud protection.
MSIA	Mapping Science Institute Australia
Notice of Sale	A form, which must accompany the lodgement of any document, lodged in LPI, which changes the ownership of land.
Old System land	Land alienated from the Crown under the English Common Law title system in operation in NSW before 1863, and not yet brought under the provisions of the Real Property Act 1900.
Orthophotograph	An aerial photograph that has the distortion due to tilt, curvature and ground relief corrected.
Ortho-refined	Correction of distortion in aerial photographs due to title, curvature and ground relief.
Photogrammetry	The science of the art of obtaining measurements from photographs to produce planimetric and topographic maps of the Earth's surface and of features of the built environment.
Photomosaic	An assembly of aerial photographs or other images whose edges are cut and matches to form a continuous photographic representation of a portion of the Earth's surface.
Plan Imaging System	System of storing and retrieving electronic images of the Office plan file utilising optical disk technology.
PRMF	Public Reserve Management Fund
Proclaimed Survey Areas	A proclaimed area in which surveyors carrying out real property surveys are required, under the Survey Coordination Act 1949, to connect to the existing State developed control and place additional marks where appropriate, providing for a more accurate and densely controlled survey network.
Property HUB	Repository for land information data.

PSMA	Public Sector Mapping Agencies, public agencies responsible for land information in all jurisdictions.
PUN	Place Unique Number - a unique number allocated to a place name record in the Geographical Names Register.
Raster Data	A picture or image composed of rows and columns of data cells (pixels).
Remote Sensing	The acquisition of information about the Earth's surface by electronic and/or optical instruments from satellites, airborne platforms or ground observation.
Rural Road Addressing	The application of an address to properties in rural and remote areas based on distance and from an easily recognised datum.
Satellite Imagery	A picture of the Earth taken from an Earth-orbital satellite. Images may be produced photographically or by onboard scanners.
SCIMS	Survey Control Information Management System - survey inquiry and distribution system.
SCIPS	Survey Control Image Processing System - digital/scanned images of survey mark sketch plans are held in this database. Image data can be accessed through the Survey Services Branch in Sydney.
SMIC	Survey and Mapping Industry Council
SMMF	Survey and Mapping Managers Forum
Spatial Data	Data pertaining to the location, shape and relationships among geographical features. These can be classified and stored as point, line, polygon, grid cell or object.
Strata Plan	A plan lodged for registration in LPI depicting vertical subdivision of land by buildings such as home units.
The Register	This is the record kept by the Registrar General of Grants, Folios, and dealings that have been registered pursuant to Section 32 of the Real Property Act 1990.
Topographical Data	Data pertaining to representation of physical and cultural surface features.
Torrens System	A system employed in all Australian jurisdictions under which title to land is conferred by the official registration of a dealing in that land. Named after its creator, Robert Torrens, who introduced it in South Australia in 1858.
Valnet	Valuer General's automated land valuation network.
Vector Data	Spatial data in which the location of features is defined by points and straight lines (vectors). A road centre-line network would be described by vector data.
VSC	Valuation Service Contractor
WAL	Water Access Licence

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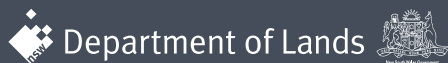
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