



Annual Report

2012-13

NSW Businesslink Pty Ltd

WINNER

Next generation model

Businesslink was the winner in the Customer Orientated Business Model category at the globally contested iCMG Architecture Awards.

WINNER

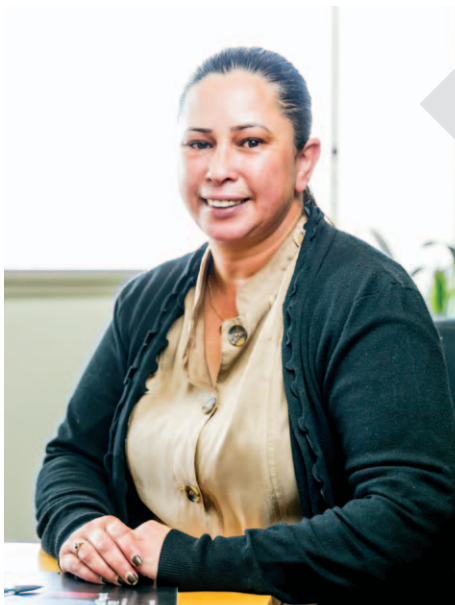
People's choice

Businesslink Chief Executive, Albert Olley, was named the winner of the 'People's Choice: Personal Contribution to the Industry Award' at the Shared Services and Outsourcing Excellence Awards in May.

WINNER

People and communication

Businesslink was also a winner of the Excellence in People and Communication category at the Shared Services and Outsourcing Network Excellence Awards.



Student of the year

Kerry Mountain Achieves Success

Kerry Mountain was awarded the NSW TAFE South Western Sydney Institute's 2013 Aboriginal and Torres Strait Islander Student of the Year.

Kerry joined Businesslink in 2011 through the Aboriginal Traineeship program. As part of Businesslink's partnership with TAFE NSW and Gandangarra Local Aboriginal Land Council, Kerry enrolled in Certificate III in Business Administration and she excelled at her studies and was able to finish well ahead of the course completion date.

"To be recognised for this award makes me even happier and more confident to finish studying and working on my Certificate IV.

"Now I have gained fulltime employment with Businesslink I have been able to purchase my own home. I'm very proud of this, knowing my family will always have a place to lay their head.

"My goals are to further my career with Businesslink and hopefully work my way up and become a team leader or even a manager." *Kerry Mountain*

Our Highlights

\$15m

savings for clients over five years after completing the Wide Area Network (WAN) optimisation project

\$13.6m

savings for clients over five years after delivering the UNIX Consolidation project

444

toner cartridges recycled and 6.25 tonnes of paper products, resulting in a 67 cubic metre reduction in landfill

98%

of pays delivered on time exceeding our yearly KPIs

578,937

employees paid by payroll at total of \$1,529,952,764

13

payrolls across 10 government agencies plus one commission each fortnight

82%

overall client satisfaction

\$18.3m

in client expense reductions

Letter to the Minister

The Hon Pru Goward MP
Minister for Family and Community Services
Minister for Women
Level 34, Governor Macquarie Place
1 Farrer Place
SYDNEY NSW 2000

Dear Minister

I am pleased to submit the Annual Report for NSW Businesslink Pty Ltd for the financial year ended 30 June 2013 for presentation to the NSW Parliament.

This report has been prepared in accordance with provisions of the Corporations Act 2001 (Clth), Public Finance and Audit Act 1983, Government Information (Public Access) Act 2009, Disability Services Act 1993 and the regulations under those Acts.

Following the report's tabling in Parliament, it will be made available on the Businesslink website at www.businesslink.nsw.gov.au.

Yours sincerely



Albert Olley
Managing Director

Contents

Highlights	2	Our Clients	16
Letter to the Minister	4	Our Innovation	18
Welcome from the Chair	5	Our Operations	20
Managing Director's Foreword	6	Our People	22
Our Company	8	Governance	28
Our Performance	10	Financial Performance	38

Welcome

from the Chair

NSW Businesslink has two very strong foundations that drive the business: a clear and concise purpose and objective to provide excellence in service delivery and a base of very strong and meaningful corporate values.

Management and staff have continued to strive during 2012-13 to achieve Businesslink's purpose of becoming a centre of excellence for outsourced business services.

As a business providing services to the human services sector within New South Wales, Businesslink's staff live out their corporate ICARE values by striving to deliver quality services that enable its clients to deliver services to the most vulnerable in society.

During the past year, Businesslink has contributed to developments and piloting of initiatives led by the Public Service Commission and moved the NSW Government ICT Strategy by significant virtualisation, consolidating, implementing infrastructure and procuring public cloud services.

I'm pleased to recognise Businesslink's ongoing commitment to working with the local community through partnerships with Disability Service Enterprises, Gandangarra Local Aboriginal Land Council and South Western Sydney Institute of TAFE.

Businesslink is at a crossroad in its evolution with its major client, the Department of Family and Community Services (FACS), undergoing significant policy driven reform. FACS relies on its partnership with Businesslink to provide services to the vulnerable in the NSW community. As the future directions of FACS become clearer, management and the Board will work with Businesslink's clients to refine the business to meet our clients' ongoing needs.

On behalf of the Board I would like to acknowledge and thank the Chief Executive, Albert Olley, the Executive Team and all of Businesslink staff for their commitment to delivering services to our clients and through them, communities across New South Wales.

It's with great pleasure that I present Businesslink's Annual Report for 2012-13.



Michael Coutts-Trotter
Chair

Managing Director's Foreword

In 2012-13, Businesslink experienced some significant challenges, reflecting changes that have occurred across the NSW Government sector, within our major clients and across the services we provide.

We have consolidated our presence as a leading supplier of outsourced business services to government, embedding a new business model that enables us to deliver customer focused outcomes at a lower cost. We have continued to align our Information and Communication Technology (ICT) investments and reforms with the targets and directions of the NSW Government ICT Strategy. We have achieved our responsibilities in delivering the Labour Expense Cap and exceeding our adjusted Net Cost of Service; and we have worked closely with the Public Service Commission to be at the leading edge of reform within our workforce.

Our Next Generation Shared Services operating model is being embedded throughout the organisation, enabling focused and targeted change to support our mission of delivering services at the lowest cost in the Australian marketplace. During the 2012-13 financial year, over \$18 million in sustainable price and consumption savings was returned to clients.

Considerable innovation in ICT delivery was demonstrated through the successful deployment of public cloud solutions for two key capabilities – a client service delivery platform and a service management platform from which all services and client interactions are driven. In addition, we successfully virtualised our mid-range and windows server fleet, achieving an average of 20 virtual servers to one physical server for production environments. A significant proportion of databases were virtualised and network infrastructure consolidated in a similar manner.

The Businesslink ICARE values underpin all actions taken across the organisation, ensuring an equal focus on delivering quality outcomes for our clients and staff. This assisted the organisation to downsize its workforce by approximately 24 percent with minimal change to service standards.

The business managed through some key service disruptions that were damaging to our reputation. In addition, the organisation was subject to an extended period of uncertainty regarding its future direction as reviews and media articles brought into question its value and longevity. It is a significant tribute to the Businesslink staff that we were able to return all services to normal operating parameters and maintain focus and engagement throughout these difficulties.

Businesslink takes its role in the community very seriously and we have continued to partner with local organisations in our service delivery. During 2012-13, we continued our partnership with Gandangara Local Aboriginal Land Council and South Western Sydney Institute of TAFE to improve representation of Aboriginal and Torres Strait Islander people in our workforce. This program is a model for successful integration of cadets and trainees into an organisation and establishing for them a firm foundation on which to build rewarding careers. We are looking forward to new service delivery partnerships with Disability Enterprises, expected to commence in 2013-14.

It is gratifying to be able to report that Businesslink has been recognised in a range of forums for the consistent effort it puts into delivering great outcomes:

- Businesslink trainee Kerry Mountain received the 2013 Aboriginal and Torres Strait Islander Student of the Year award from the South Western Sydney Institute of TAFE
- Businesslink won the Excellence in People and Communications category in the Australasian Shared Services and Outsourcing Awards for the way we supported employees during our transformation program
- I was quite humbled to be named the winner of the People's Choice: Personal Contribution to the Industry award at the same event. While the People's Choice is for an individual and judged by industry peers, there is no doubt in my mind this is a reflection of the cooperation and hard work of all of the staff at Businesslink

- We won the Customer Orientated Business Model category at the international iCMG Architecture Awards held in Bangalore, India for our Next Generation Shared Services model.

These are a testament to the hard work and commitment of staff across the whole organisation. While they recognise specific achievements for the organisation, it is important to remember that all of this was achieved while our business as usual functions continued to pay more than 22,000 public servants in 900 locations each fortnight, provided accounts payable and receivable services, supported desktop and mobile devices, provided recruitment and transactional HR services, managed office services, property renovations and relocations as well as agency vehicle fleets.

It is great to receive recognition for the work we do, and it inspires us to continue to challenge ourselves to provide even better services and stronger results.

This will be no easy task, as our major client, the Department of Family and Community Services (FACS), is undergoing significant policy-driven reform. A key priority for 2013-14 will be working with FACS to develop a detailed strategy to manage the likely impact of these reforms on the services that Businesslink provides and how we provide them.

At the same time, Businesslink will continue to maintain the highest standards in the delivery of services and implementation of programs, both within our business and for our customers. We will achieve this by focusing on reducing transactional costs, improving our customer experience outcomes and ensuring that we have a sustainable company that is a great place to work.

I would like to thank the Board for its direction, guidance and ongoing commitment to ensuring that the shared services we provide are fit for purpose and that, as an organisation, we are well placed to meet the challenges ahead. Most importantly, I want to recognise all of the staff at Businesslink for their dedication and commitment to continuously striving to deliver quality services that allow our clients to effectively serve the most vulnerable people in NSW.



Albert Olley
Managing Director





Our Company

Our core business is to let our clients focus on their core business

NSW Businesslink is a specialist provider of outsourced business services, delivering high quality, secure services at the lowest cost in the Australian market.

We provide a broad range of core, transactional and value-added services to a wide range of governmental bodies and external organisations, and specialise in financial, human resources, information technology, property, workforce and business services.

Through our range of outsourcing services we help organisations improve their service offering and reduce costs by combining their corporate shared services functions, allowing for enhanced service delivery and the provision of additional frontline services.

Mission, Vision and Values

Our systems of processes are highly scalable to respond to changes in demand and enable us to take on new clients without significant redesign and at a low marginal cost.

Our Company (Pty Ltd) status provides the focus and flexibility we need to drive efficiencies across multiple clients, as well as potential value creation opportunities for the NSW Government into the future.

As a specialist in public sector outsourcing, we partner with our clients to provide value for money, increase their productivity and enable them to focus on front-line services to the community.

Our **mission** is to deliver high quality, secure business services to our clients at the lowest cost in the Australian market.

Our **vision** is to be recognised as a centre of excellence for outsourced business services.

In 2012-13 our clients saved a total of \$29.4 million in costs of services.

Our core business is to let our clients focus on their core business.

By measuring everything we do and keeping up with best practice, we aim to continually improve our performance and remove red tape.

Our values

- Integrity
- Courage
- Accountability
- Responsiveness
- Energy

Our objectives for 2013-14

A key priority for 2013-14 is the development and implementation of a detailed strategy to manage the likely impact of service delivery policy decisions for clients that will in turn impact on Businesslink. Specifically, the National Disability Insurance Scheme, Out of Home Care reform and Social Housing policy. Significant change to our service strategy is expected as a result of these reforms.

Our service strategy has shifted from building and running services to a strategy of buying and managing services from the market place. This includes changing the existing delivery model of internally operated services to outsourced services.

In 2013-14 we will continue to focus on delivering reliable, low cost, and secure services to our clients.

We will continue to measure the quality of our work and benchmark customer satisfaction to maintain industry best practice.

We will continue to partner with our clients to maximise value through economies of scale and end-to-end service delivery. This will provide significant benefits to our clients through lower operating costs and reduced risk – helping them focus on community outcomes.

Our core objective is to be an organisation that provides:

- services which are lowest cost, timely and high quality
- processes which are simple, standardised, automated and supplied 'on demand'
- positive, trusted and valued relationships with our customers
- a working environment that attracts, motivates, retains and develops the employees needed to build our shared services capabilities
- reduced costs to customers in order to help them fund better services to members of the NSW community who are most in need.



Our Performance

Reducing client operating costs means more resources for the most vulnerable members of the community

Next Generation Shared Services Model

NSW Businesslink continues to implement and fine tune its Next Generation Shared Services Operating Model.

Businesslink received top honours in the Customer Orientated Business Model category at the globally contested iCMG Architecture Awards in July. The award recognises the most outstanding and innovative business architecture from around the world, with awards featuring finalists from over 25 nations.

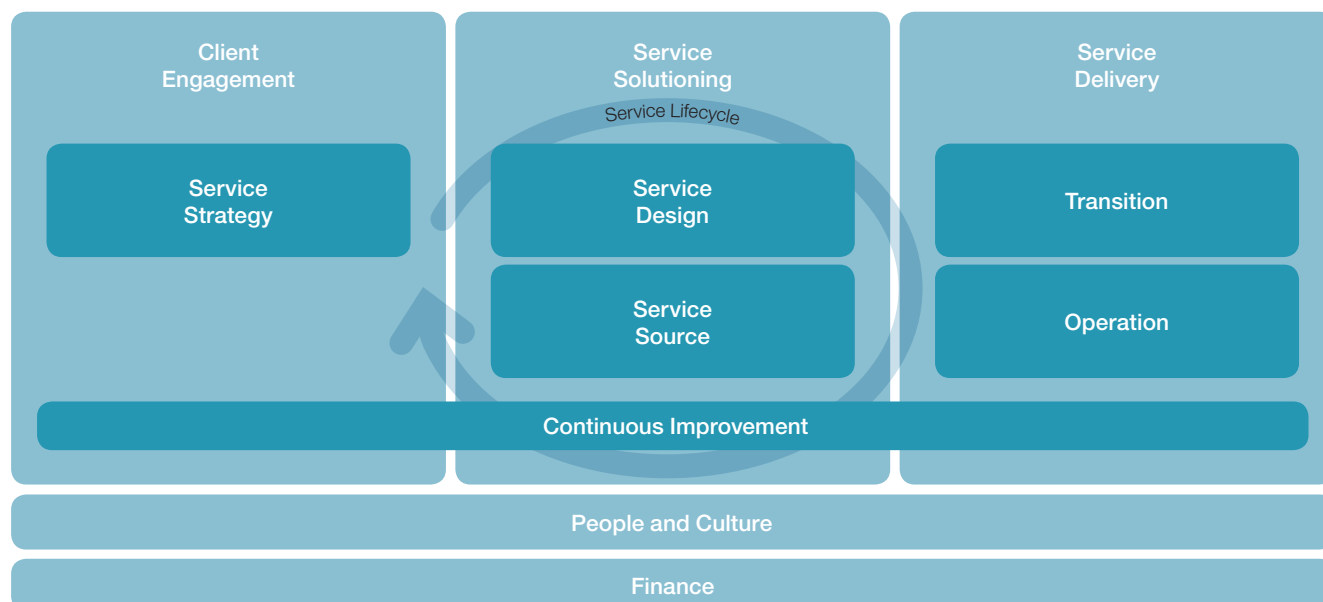
Businesslink was praised for its ability to improve business efficiency and organisational workflow for public sector bodies. This new model has seen an organisational shift within the business, with a greater focus now being placed on sourcing innovative and measurable services as opposed to simply supplying technology.

Throughout the year Businesslink continued to fine tune the model and realised further benefits to the organisation and:

- devolved decision making down to the appropriate manager to improve productivity

- continued to focus on sourcing services from the market rather than building in-house for improved resource utilisation and agility
- continued standardising and streamlining processes to reduce the number of hands-off and transactionalise supporting process.

This change of focus continues to provide significant benefits to our clients through lower operating costs and reduced risk and allows for greater organisational efficiency. This reduces our clients operating costs that can then be on passed as additional resources for the most vulnerable members of the community.



Key Achievements

In 2012-13 Businesslink:

- delivered expense reductions of \$18.3 million to our clients
- received top honours in the Customer Orientated Business Model category for the Next Generation Shared Services model at the globally contested iCMG Architecture Awards
- Chief Executive, Albert Olley received the People's Choice Award for Personal Contribution to the Industry in the Australasian Shared Services and Outsourcing awards
- Aboriginal trainee Kerry Mountain was awarded 2013 Aboriginal and Torres Strait Islander Student of the Year by South Western Sydney Institute of TAFE
- received Excellence in People and Communication award in the Australasian Shared Services and Outsourcing awards
- received highly commended award for Excellence in Innovation and Improvement in the Australasian Shared Services and Outsourcing awards
- Direct Customer Contact Centre received honourable mention for Most Innovative People Strategy at the Best Government Contact Centre Operation Awards
- completed the Wide Area Network (WAN) optimisation project saving clients around \$15 million dollars over five years
- delivered the UNIX Consolidation project that achieved cost savings for clients of more than \$13 million over five years
- launched a new cloud supplied service management platform called Self Service Anytime to allow staff to lodge incidents or requests directly, allow support staff to record incidents faster and staff to track the status of requests
- implemented a cloud based expense management system for the management of purchase cards to clients
- completed a pilot performance development program as part of the Public Service Commission public sector reform
- exceeded our Key Performance Indicators to deliver more than 98 percent of pays on time – reaching 99.5 percent. Payroll processed 578,937 pays for a total of \$1,529,952,764, covering 13 payrolls across 10 government agencies plus one commission each fortnight.

Case Study

Assisted Employment Program

Melissa Alam works part time, five days a week in Finance Transactions, sorting the mail, archiving invoices and filing.

Melissa was placed with the assistance of Jobsupport Inc, a specialist employment organisation that trains and places people with a disability into quality jobs in the regular workforce.

Craig Napper, Manager, Finance Transactions said that Melissa has adapted quickly in her role.

"Her friendly manner and ongoing enthusiasm in what is her first true working environment, displays a level of maturity to those around her.

"She is a credit to the Ready Willing and Able program as to what she has achieved with the assistance of job support representatives and those around her," he said.

Launched a new cloud supplied service management platform called Self Service Anytime to allow staff to lodge incidents or requests directly, enable support staff to record incidents faster and let staff track the status of requests

Benefits returned to clients

Client cost savings by year

2011	2012	2013
\$9.65 million	\$23.90 million	\$18.33 million

Delivering cost savings

Any savings we make are given back to clients in the form of flat prices and improved services.

Movement in key indicators

	2009 (%)	2010 (%)	2011 (%)	2012 (%)	2013 (%)
Wages	4	4	4	4	2.4%
CPI	2.5	2.5	2.5	2.5	2.5%

Source: NSW Businesslink Pty Ltd Price List.

On average price increases have been absorbed by benefits realisation strategies.

Our performance

Summary overview of key performance data for the year

Reduce Average Sick Leave

Businesslink is committed to managing absenteeism as part of the NSW Government's broader goals of achieving and sustaining productive, healthy, efficient and high performing workplaces.

	2010-11	2011-12	2012-13
Average days	8.5	7.7	7.2

Level of Accrued Recreation Leave

Businesslink is committed to managing recreation leave balances to help staff maintain well-being and also to comply with award and other requirements.

As at June 2013, all staff had less than 40 days accrued recreation leave.

Complaints/customer response

Client Feedback Management System

Businesslink manages and tracks complaints and compliments through its Feedback Management System. For the period 1 July 2012 - 30 June 2013, Businesslink received 258 complaints and 139 compliments, compared with 197 complaints and 186 compliments in 2011-12.

Of the 258 complaints, 8 percent resulted in procedural improvements, 20 percent contributed to improved quality assurance surveillance and better aligned staff training and coaching programs, 23 percent related to system or application issues resolved through standard resolution processes, and 23 percent complaints were about issues that were handled in accordance with established policies and procedures, which customers were unaware of.

Direct Customer Contact

As front line representatives of Businesslink, the Contact Centre strives for best practice and continuous improvement in customer satisfaction.

Results of the internal 2013 survey show an 82 percent overall client satisfaction. This remains consistent with the 2012 results. Comparisons are shown in the table below.

	2012 Survey	2013 Survey
Overall rating	82.4%	86.8%
Operator rating	83.9%	82.7%

Most survey respondents rated their customer experience as “good” or “great” out of a choice of “poor”, “fair”, “good”, “great”, or “excellent”. Almost 92 percent surveyed found Businesslink’s client service staff displayed positive qualities when servicing their enquiries.

There was a significant increase (25.35 percent) in the amount of issues resolved immediately, while those exceeding 24 hours remained steady. More clients reported an increase in the number of updates they received while waiting on their issue to be resolved.

Recommendations of the surveys are used to find ways to innovate and improve the service. This year, improvements to staff training and processes for keeping clients informed are among the recommendations.

The Shared Services
Excellence Awards honour,
recognise and promote both
captive and outsourced
shared services that
demonstrate winning practices
throughout Australasia

Customer service

Businesslink received an Honourable Mention for the Most Innovative People Strategy at the annual Government Contact Centre Excellence Awards in August. The national award recognises government contact centres that achieve excellence in the field of customer satisfaction.

Our Contact Centre processed more than 300,000 requests, and answered 281,000 telephone calls. Payroll Services processed 99.54 percent of employees' pay correct and on time, value of the total payroll \$1,529,952,764.

On average, Businesslink Payroll Services processes and pays between 21,000 and 22,000 people each fortnight, involving:

- 13 payrolls across 10 government agencies and one Commission
- an average total pay of \$57 million per fortnight
- Payroll processed a total of 578,937 pays with a total payroll of \$1,529,952,764.

Environmental Performance

Businesslink is committed to improving its environmental performance with continuing initiatives under our Waste Reduction and Purchasing Policy.

Businesslink recycled 595 toner cartridges, 6.2 tonnes of paper products, and 9.6 tonnes of cardboard resulting in an estimated 67 cubic metre reduction in landfill.

The table below compares this year's paper and cardboard recycling with previous years.

	2010-11 FY	2011-12 FY	2012-13 FY
Recycling: Paper	9.2	8.8	7.2
Recycling: Cardboard	5.4	9.1	11.2
Total Tonnes	14.6	17.3	18.4
Cubic metre reduction in landfill	47	56	67

A greener fleet on the road

The use of ethanol blended fuel (E10) for Businesslink's fleet exceeds both the NSW Government's 20 percent target and our own target of 30 percent. On average, the E10 monthly usage was 75.5 percent. This represents a modest increase in ethanol blended fuel over the previous year's achievement of 73.4 percent.

Careful selection of vehicles has resulted in a further improvement in the overall Green Fleet Score for the fleet from 13.6 to 14.5. The Premier's Guidelines benchmark is 13.5.

Through better management of pool vehicles, increased use of public transport as an option and reduction in fleet size, Businesslink has achieved greater environmental impact savings for 2012-13. Fleet holdings are 50 percent less than 2011-12.



Our Clients

We work with the client to deliver a service solution that adds value

NSW Businesslink is entering a new era in the way we provide services and interact with our clients.

Businesslink is unique

Businesslink is the only government owned Proprietary Company in Australia providing outsourced services on fully commercial lines to government departments.

Businesslink strives to create more value for our clients to enable them to realise their core mission and provide opportunities for better frontline service delivery to the most vulnerable members in our community.

Clients

Our clients include:

- NSW Department of Family and Community Services
- NSW Department of Education and Communities
- Aboriginal Affairs – NSW Department of Education and Community
- Land and Housing Corporation – NSW Department of Finance and Services
- State Property Authority – NSW Department of Finance and Services
- Office of State Revenue – NSW Department of Finance and Services
- Juvenile Justice – Department of Attorney General and Justice
- NSW Mental Health Commission – Ministry of Health
- Treasury Corporation – NSW Treasury
- Non government organisations

Charter

Businesslink seeks to provide business process outsourcing to the NSW public sector, focused on delivering high quality, secure services at the lowest cost in the Australian market.

Businesslink provides a broad range of operational corporate related and organisation infrastructure services and facilities to its clients so as to enable them to deliver their core services in a more cost effective manner.

Agile Workforce

Businesslink uses a hybrid workforce of public servants and contractors to meet demand for services from its clients.

Shareholders

NSW Businesslink Pty Ltd is a Corporations Act company with shareholding made up of the NSW Treasurer, the Minister for Family and Community Services, and Minister for Ageing and Disability Services.

Our shareholders as at 30 June 2013 were:

*The Hon Pru Goward MP

Minister for Family and Community Services

- Minister for Family and Community Services
- Minister for Women
- Member for Goulburn

The Hon Mike Baird MP

Treasurer

- Treasurer
- Minister for Industrial Relations
- Member for Manly

The Hon Andrew Constance MP

Minister for Ageing
Minister for Disability Services

- Minister for Ageing
- Minister for Disability Services
- Member for Bega

***Note:** Under the Public Sector Employment and Management (Departments) Order 2011 No 184 dated 3 April 2012 the Minister for Family and Community Services was deemed to be the Minister for Housing in certain circumstances. Under this order the Minister for Housing's shares are deemed to be held by the Minister for Family and Community Services. Under the Shareholders Agreement, Businesslink is required to operate within the parameters of a Statement of Business Intent that is prepared annually.



Our Innovation

Technology innovation in NSW Businesslink is focussed on achieving the objectives and outcomes outlined in the NSW Government ICT Strategy – services anytime anywhere, infrastructure and managed services and procurement reform.

Services Anytime Anywhere

Through implementation of My Virtual Office (MVO), Businesslink is providing Service Anytime Anywhere for our clients and their clients. MVO is a virtual desktop application environment that provides access to all users in client agencies and to the wider community through the provision of web based cloud services to Disability Enterprises clients via a Service Portal.

Infrastructure and Managed Services

The Businesslink service orientation has been driven through realisation of the operating model, underpinned by implementation of a public, cloud-based, on-demand service management platform that is the enabling platform for delivery of services to our clients. During the year, three cloud services have been implemented from this platform – MVO and the Disability Enterprises Service Portal, plus a card and expense management system. In addition, procurement is under way for further applications that will be deployed during 2013-14.

Procurement Reform

Businesslink is preparing to seek procurement accreditation from the Department of Finance and Services in 2013-14. As part of this, a strategic approach to sourcing is being adopted, which will be formalised as part of the accreditation process.

Innovation highlights for the year are outlined in the following short case studies.

UNIX Consolidation

Consolidation and standardisation of the UNIX computer operating system will save Businesslink and its clients \$13.6 million over the next five years.

The project, delivered under budget, has reduced the number of physical servers by replacing old servers. This has significantly reduced support and maintenance costs and ongoing operational costs such as power consumption by having faster more efficient servers.

These servers have a much greater level of virtualisation and sharing, enabling a reduction of UNIX frames in the data centre from 21 to seven, enabling the successful migration of 114 UNIX environments with no disruption to core services.

Server Virtualisation - Intel

Businesslink has achieved an average ratio of 20 virtual machines per one physical server, having started on server virtualisation well before government targets were set. The NSW Government target is 20:1

This has significantly reduced the need for both capital to refresh hardware, as well as significantly reducing ongoing operation costs for maintenance and data centre costs.

P-Cards

The cloud based P-Card expense management online system places all of the Family and Community Services agencies, and Aboriginal Affairs on one common corporate credit card expense management platform.

Online payments give cardholders and management better visibility around payments, removing the need for manual statements.

Invoice Management System

The invoice management system supports the automation of the purchasing and invoice management processes and removes much of the manual data entry required by Businesslink on behalf of agencies. Clients can create and monitor their own purchase requisitions and purchase orders.

The system provides end users and the business with greater visibility, a faster turnaround of invoices and standardises the invoice payment process across all business processes with financial benefits of \$13.6 million over the next five years.

VoIP Telephone Deployment

The implementation of the new VoIP phone system across the Department of Family and Community Services (FACS) will save more than \$3 million over five years.

The new telephone system operates on the standard WAN and calls are free of charge between all FACS offices. A teleconference call using VoIP handsets from an office in Broken Hill to an office in Coffs Harbour and Sydney will cost nothing.

The new phone system features desktop video conferencing, messaging and click to dial.

As part of the Corporate Shared Services Reform program, the project upgraded PABX and legacy phone systems to VoIP, replacing approximately 5000 handsets across 120 FACS offices.

SmartPool

Businesslink facilitated the rollout of a new fleet management system, SmartPool across FACS and Businesslink.

The self-service online vehicle booking system can be accessed any where anytime and provides an instant update and record of all vehicle bookings. Pool vehicles are managed from a centralised point within each regional/area office.

Businesslink will assist with the system management and administration in conjunction with other agency teams.

SmartPool allows a superior level of utilisation reporting for both time and distance, allowing better management of the Pool Vehicle Fleet, aggregation of vehicle usage and progressive 'right sizing' of all local fleets.



Our Operations

Payroll processed 578,937
pays at a total of
\$1,529,952,764



13 payrolls across
10 government agencies
plus one commission
each fortnight

Businesslink provides a broad range of operational corporate related and organisational infrastructure services and facilities to its clients and supports in excess of 22,000 staff across four government departments with the primary client being the NSW Department of Family and Community Services so as to enable them to deliver their core services in a more cost effective manner.

We also provide front-line service support such as grants administration, foster carer recruitment and seniors support service and cards administration.

Trend for last four years is shown in the table below:


Supporting Non Government Organisation funding

Government funding to around 900 non government organisations that help the elderly and/or disabled and their carers is channelled through NSW Ageing Disability and Home Care to manage. The administrative task of distributing the funds is done by Businesslink.

	2009-10	2010-11	2011-12	2012-13
Pays processed	525,178	544,664	587,723	578,937
Total Payroll	\$1,184,544,776	\$1,417,099,190	\$1,502,542,690	\$1,529,952,764



Our People



We were very excited to receive the Excellence in People and Communication award from the Shared Services Outsourcing Network

Anne Cosgrove
Executive Director People and Culture

Businesslink has a diverse workforce whose tangible and intangible knowledge and expertise continues to be our primary competitive advantage. We constantly challenge ourselves as a business and we are building a culture of continuous improvement and innovation as evidenced by the number of awards the business has won over the past two years.

The People and Culture Division is responsible for providing strategic leadership, and designs and implements people strategies, programs and systems that continues to build a great company for our people and enable the business to maintain our competitive advantage through them.

We are focused on a holistic and consistent approach that has our people at the centre of the strategy. Our focus is attraction, retention, engagement, management and development of our staff. People and Culture also works within the business to progress and embed our ICARE values and the behaviours that help shape the organisation's culture.

Performance and number of executives

Senior Executive Service Positions by level	At 30 June 2009	At 30 June 2010	As 30 June 2011	As 30 June 2012	As at 30 June 2013
8	0	0	0	0	0
7	0	0	0	0	0
6	0	0	0	0	0
5	1	1	1	1	1
4	2	1	2	2	0
3	1	1	1	1	1
2	0	0	0	0	0
1	0	0	0	0	0
Total	4	3	4	4	2*
Positions filled by women	0	0	0	0	0
Unattached staff	0	0	0	0	0

NOTE: One SES position was vacant as at 30 June 2013.

Chief Executive's Performance Statement

Albert Olley

Position: Chief Executive, NSW Businesslink Pty Ltd

Level: SES 5

Remuneration: \$282,700

Period in position:
1 July 2012 – 30 June 2013

The Chair, NSW Businesslink Board, Michael Coutts-Trotter has indicated his satisfaction with Mr Olley's performance throughout the year. He is satisfied that he has successfully met his objectives and achieved the outcomes required.

Human Resources

The table below shows the number of executive officers and employees of the Crown by category as well as the three prior years.

Category	At 30 June 2010	At 30 June 2011	At 30 June 2012	At 30 June 2013
Chairpersons	1	1	1	1
Clerical Officer	0	0	0	0
Clerk	518	641	685	617
Psychologist	0	0	1	1
Senior Executive Service	3	4	4	2*
Senior Officer	53	50	52	54
Total	575	696	743	675**

* One SES position was vacant as at 30 June 2013.

** The Workforce Profile numbers reported include secondments between 20 June and 30 June 2013.

Number of employees

NSW Businesslink employed 675 staff at the end of June 2013. Businesslink also engaged 57 contractors as at 30 June 2013.

Exceptional movement in wages, salaries and allowances

There were no exceptional movements in salaries, wages and allowances.

Salaries and salary based allowances in the Crown Employees (Public Sector - Salaries 2008) Award were increased by 2.5 per cent with effect from 7 July 2012.

Personnel policies and practices

NSW Businesslink has in place comprehensive policies consistent with legislation and NSW Government policy which provide a framework for the appropriate management of staff and business risks. Businesslink is also part of a human resource policy working group, whose charter is to consolidate human resource policies across Family and Community Services.

Industrial relations policies and practices

Regular consultation between Businesslink and the PSA was maintained during the year. The industrial relations function was actively involved in strategic planning, re-aligning organisational structure, dispute prevention and monitoring industrial relations issues.

A new Instrument to introduce a new classification of Senior Technology Specialist was developed to properly recognise the role and functions of senior IT professionals. This was approved by the Department of Premier and Cabinet and implemented on 27 June 2012.

Consultants

Consultancies over \$50,000

Category	Number of Consultancies	Amount
Review of NSW Businesslink Operating Model	1	\$64,896

Consultancies under \$50,000

Category	Number of Consultancies	Amount
Strategic Sourcing Review	1	\$37,840

Equal Employment Opportunity

NSW Businesslink collects Equal Employment Opportunity (EEO) data regularly for the NSW Department of Premier and Cabinet as part of the NSW Public Sector Workforce Profile. This measures performance in meeting NSW Government benchmarks for staff from EEO minority groups and informs planning and development of EEO initiatives.

For the reporting year, Businesslink exceeded all percentage targets for representation of EEO Groups.

The workforce profile of Businesslink indicated that women represent 54.3 percent of all employees with the highest proportion (31.0 percent) employed at the salary level \$77,441 to \$100,145 per year.

Men represented 45.7 percent of all employees with the highest proportion (32.2 percent) employed at the salary level \$100,145 to \$121,125,181 per year. The number of women across levels is not evenly distributed with 17.9 percent of women represented in the salary ranges of \$100,145 and above, whereas 44.5 percent of men are represented in salary ranges above \$100,145.

The proportion of Aboriginal and Torres Strait Islander staff was 5.3 percent and well above the benchmark of 2.6 percent. This increase is in part due to the implementation of the Aboriginal Employment Strategy for 2010-13 and strong encouragement for staff to report their EEO data.

The proportion of staff whose language first spoken as a child was not English was 31.5 percent, which significantly exceeds the government target of 19 percent.

The proportion of staff with a disability was 6.1 percent, with 1.7 percent of staff requiring workplace adjustment against a government target of 1.5 percent.

As outlined in tables 1 and 2, the representation of EEO groups are reasonably represented and distributed within Businesslink. Strategies and programs aimed at reaching benchmarks were developed in a number of equity and diversity plans and are accountable for a component of improved results.

Table 1: Representation of EEO Groups (as at 30 June 2013)

EEO Group	% of total staff		
	Benchmark or target	2012	2013
Women	50.0%	55.8%	54.3%
Aboriginal people and Torres Strait Islanders	2.6%	4.3%	5.3%
People whose language first as a child was not English	20.0%	30.4%	31.5%
People with a disability	N/A	6.8%	6.1%
People with a disability requiring work-related adjustment	7.0%	2.2%	1.7%

Table 2: Distribution of EEO Groups (as at 30 June 2013)

EEO Group	Distribution Index		
	Benchmark or target	2012	2013
Women	100	85	83
Aboriginal people and Torres Strait Islanders	100	79	75
People whose language first as a child was not English	100	97	96
People with a disability	100	104	98
People with a disability requiring work-related adjustment	100	n/a	n/a

Notes:

1. Excludes casual staff.

2. A Distribution Index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. The Distribution Index is automatically calculated by the software provided by the Office of Employment Equity and Diversity.

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

Disability Action Plan

NSW Businesslink's Disability Action Plan was developed in line with the Department of Family and Community Services Disability Action Plan 2010-13 and the Guidelines for disability action planning by NSW Government agencies developed by NSW Ageing Disability and Home Care.

Businesslink has been assessed as falling within the Level 1 tier of service delivery that requires planning to eliminate, as far as possible, discrimination in universal mainstream services, programs and facilities and public sector employment for people with disabilities.

From March 2011, the Businesslink Plan was expanded to include the NSW Government's Employability Strategy. This strategy aims to increase the employment opportunities for people with a disability in the NSW public sector (2010-2013) and sets out the NSW Government's strategic intent to increase the employment opportunities for people with a disability in the NSW public sector. Key outcomes focus on the recruitment, retention and career development of people with disabilities.

Outcomes from this plan in 2013 include:

- achieving the EmployABILITY target to increase the overall representation of people with a disability requiring adjustment for the public sector from 1.1 to 1.5 percent by 2013
- employing a person with a disability under the NSW Government's Ready, Willing and Able program, bringing the total to two people
- procuring printing services from accredited disability employers
- sponsoring the Don't DIS my ABILITY campaign to celebrate the International Day of People with a Disability
- staging a Don't DIS my Ability event with guest speaker, Nick Gleeson, athlete, accessibility advocate and global adventurer.

Compliance with the NSW Carers (Recognition) Act 2010

Businesslink recognises the importance of flexible work arrangements for the successful delivery of services to clients. By making available an array of flexible work practices which recognise both women's and men's lifestyles, family and carer responsibilities, Businesslink is able to respond to the individual circumstances of employees and at the same time retain the valuable experience of employees.

Flexible work practices include job sharing, part-time work, variable hours of work, flexible working hours, leave without pay, working from home and other forms of variation to attendance of employees. In addition to these practices, staff have access to the Family and Community Services leave, Personal Carer's leave and can access a portion of their sick leave to care for sick family members.

While the principle of mutual benefit applies to flexible work practices, Businesslink fairly, equitably and compassionately considers all applications.

Aboriginal Employment Strategy

NSW Businesslink's Aboriginal Employment Strategy 2010-2013 drives the organisation's commitment to improve the representation and development of Aboriginal and Torres Strait Islander people in the workforce.

In December 2010, Businesslink entered into a partnership with Gandangara Local Aboriginal Land Council (LALC) to work towards this common goal.

The result was a new and innovative program that engages and consults with the local Aboriginal community by building employment opportunities.

Main benefits include:

- supporting and developing Aboriginal people from within western Sydney and providing the opportunity to gain qualifications that will assist their future careers
- building partnerships within western Sydney
 - > Gandangara Local Aboriginal Land Council
 - > TAFE South Western Sydney Institute
 - > Aus NAC CVGT Employment and Training Specialists.
- increasing prospects of retention in employment, for Aboriginal and Torres Strait Islander people
- providing the opportunity to progress in their chosen career
- introducing new talent into Businesslink
- enhancing Businesslink's appreciation of Aboriginal culture.

Organisational Development

Businesslink has continued to develop its capability to deliver excellence in shared services while working closely with the Public Service Commission on sector-wide programs.

Human Resources

Businesslink's workforce profile at 30 June 2013 continues to exceed all EEO reporting benchmarks set by the NSW Public Service Commission.

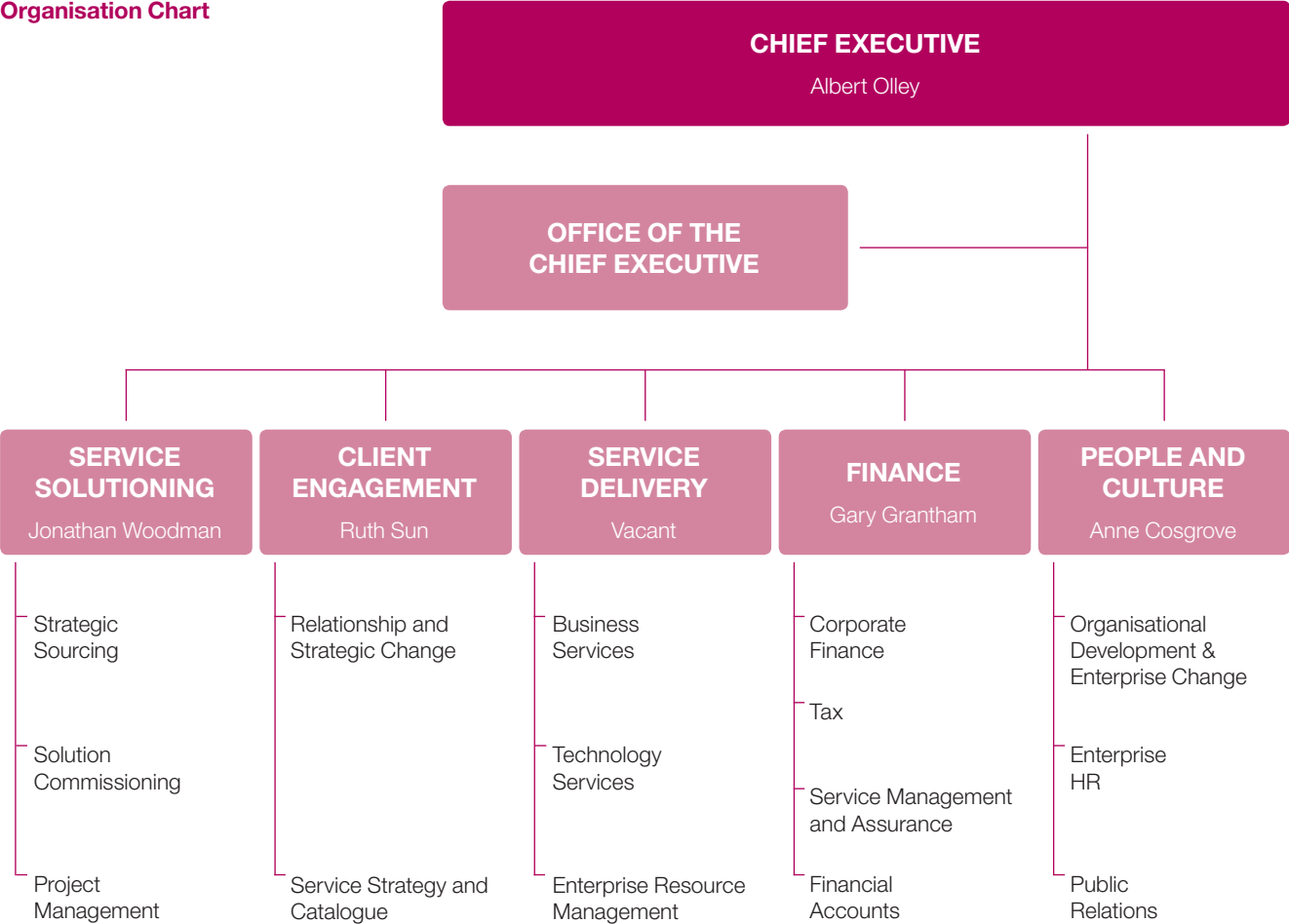
Aboriginal Trainee Program

Businesslink's Aboriginal Trainee Program continues to be recognised for excellence in initiatives in enhancing the development of Aboriginal people in the workforce. Trainee Kerry Mountain was recognised as the 2013 Indigenous Student of the Year at the Institute Achievement Awards, TAFE South Western Sydney Institute.

Graduate Program

The Businesslink Graduate Program is designed to develop a pipeline of future leaders within the organisation. There are 14 graduates in the two year program who benefit from structured rotations through the business, mentoring by senior managers, and a focused development program.

Organisation Chart



Jonathan Woodman



Ruth Sun



Gary Grantham



Anne Cosgrove

A review of NSW Businesslink recommended changes to the operating model. The new structure was established from 5 May 2013.

Governance

Significant Matter

Governance

On 13 March 2013 the Minister for Family and Community Services, issued a direction to the former Director General of the Department of Family and Community Services, who was also the Chair of the Businesslink Board, and Businesslink Pty Ltd (the Company) instructing an immediate hold on any transfer of money, people or assets between the Department and the Company.

NSW Audit Office considered that this direction was not complied with and normal operational service continued to be provided and invoiced by the Company. The existence of the direction created uncertainty about the Company's ability to continue trading as normal and that the necessary funding people and assets should be provided.

NSW Audit Office recommended that to avoid this situation arising going forward, all Ministerial Directions should be actioned promptly by the Company's Executive Officers and Directors and the Risk, Audit and Compliance Committee should monitor compliance with these directions.

The Directors will improve the timely provision of information to the whole Board through the Company Secretary.

Leadership Team

The Company does not directly employ any staff. All executive personnel and the majority of operational personnel are engaged by the Company under the terms of its Personnel Supply Agreement with the Department of Family and Community Services or by third party suppliers.

The following chart lists our leadership team, including the qualifications and positions held. The chart also includes the group or committee involvement of members of the leadership team. No committees were established or abolished during the year.

Name	Albert Olley	Jonathan Woodman	Ruth Sun	Gary Grantham	Anne Cosgrove
Qualifications	BBus (Accounting and Computing), GradDip Applied Corporate Governance	Business Studies Certificate	BBus MBA	B.Comm, FCPA, MBA	MBA (Distinction) Graduate Certificate in Management Associate Diploma In Business
Current Positions	Chief Executive	A/Executive Director, Service Solutioning	A/Executive Director, Client Engagement	Executive Director, Finance	Executive Director, People and Culture
Groups and Committees involvement	Director, Board of NSW Businesslink Pty Ltd (Chief Executive) Member, Risk, Audit and Compliance Committee, NSW Businesslink Pty Ltd				

NSW Businesslink Pty Ltd Board of Directors

NSW Businesslink Pty Ltd is governed by a Board of Directors. Directors are required to attend regular meetings and may be involved in Board Sub-Committees.

The Board is responsible for the overall corporate governance of Businesslink, including Businesslink's strategic direction, establishing goals for management and monitoring the achievement of those goals.

The Board of Directors comprise of the Director General, Department of Family and Community Services as Chair; Deputy Director General Corporate Services, Family and Community Services; Chief Executives of Ageing and Disability Services and Housing NSW; and the Managing Director of Businesslink.

A list of the meetings attended by Directors during the year is included in the section "Our Financial Performance".

Jim Moore (Chair) **BA (Hons) Com, GradDip (Acc)**

Jim Moore is the Director General, Department of Family and Community Services.

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

Mike Allen **Grad Dip UEM**

Mike Allen is the Chief Executive of Housing NSW.

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

Jim Longley **BEc, MEc**

Jim Longley is the Chief Executive of Ageing, Disability and Home Care.

Jim joined Ageing, Disability and Home Care in July 2012. Jim has worked in the NGO sector, leading Anglican Retirement Villages and has contributed significantly to public policy at a Commonwealth and State level.

Margaret Crawford **BA, Grad Dip Rec, MBA**

Margaret Crawford is the Deputy Director General of Corporate Shared Services, Department of Family and Community Services.

Margaret joined the Department in June 2013. Prior to joining Margaret was the Executive Director of Organisation Design and Transformation in the Victorian Department of Human Services. She was also previously the Director of Housing in Victoria and her public sector management includes roles with the NSW Government, Brisbane City Council and the Tax Office in Canberra.

Albert Olley **BBus (Accounting and Computing), GradDip Applied Corporate Governance, ACIS, GAICD**

Albert Olley is the Chief Executive and Managing Director, NSW Businesslink Pty Ltd.

Before his appointment as Chief Executive and Managing Director, Albert was the Company Secretary and Chief Financial Officer with responsibility for corporate governance, financial services, taxation services, payroll, business service centre (call centre), internal audit and risk management, product management, corporate services and the management of relationships with key clients and stakeholders.

Board Sub-Committees

Risk, Audit and Compliance Committee

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

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

The Committee is chaired by Norman Newbon. Other members include John Hunter and Byram Johnston, independent members and Jim Longley a Board Member. The Committee makes decisions relating to the:

- finalisation of Internal Audit Reports
- recommendation to the Board adoption of annual accounts
- endorsement of the Risk Management Framework
- release of the financial statement to the external auditor.

The Committee also oversees:

- systems enhancement of internal control of the Company
- objectivity and reliability of externally published financial information
- promotion of effective risk management
- an effective and efficient external and internal audit capability
- key aspects of the financial management framework
- review of the financial structure, performance and associated accounting treatment
- legal compliance with the Corporations Act 2001 (Cwlth), the Public Finance and Audit Act 1983 (NSW) and all other applicable laws.

Risk management and insurance activities

Insurance Activities

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

Risk Management

Businesslink's Risk Management Plan sets out the processes, responsibility and accountability for risk management. It recognises that risk management is an integral part of good management and corporate governance and that, in relation to the service provision strategy, an element of risk is inevitable. The plan supports a structured and focused approach to managing and auditing risk to compliment the business strategies adopted by Businesslink to increase confidence and enhance the value of services provided to the client agencies.

Businesslink operates within a dynamically changing environment, reflected in the diversity of our corporate purpose and our corporate objectives. Businesslink's Risk Management Framework is consistent with the Australian/ New Zealand standard AS/NZ 31000:2009 Risk Management Standard.

Businesslink has performed the following risk management functions:

- maintained an enterprise risk management framework which is designed to assist managers to identify, administer and control enterprise, strategic, program, and operational risk
- maintained an Enterprise Risk Matrix aligned to key objectives of the Corporate Scorecard and is reported monthly to the Businesslink Executive team, and periodically to the Board and the Businesslink Risk, Audit and Compliance Committee
- maintained an annual Risk Management assessment
- further developed the business continuity framework which reduces and controls potential risks in the event of a disaster.

Internal Audit

Our internal audit partner and advisor is Deloitte Touche Tohmatsu.

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

Information Security

The NSW Government Digital Information Security Policy requires Shared Services Providers to NSW government agencies certify the main parts of their Information Security Management Systems against the ISO 27001 standard by 31 December 2013. Businesslink is currently in the process of recertifying the key parts of its information security management system against the ISO27001 standard.

Business Continuity Management

Businesslink reviewed its business continuity policy and plan this year. The highest priority is on staff well-being while ensuring that essential functions and technology underpinning our services are maintained at predefined levels during any untoward or adverse circumstance. Changes throughout the year in incident management, information technology recovery, information security and work health and safety and emergency evacuation plans are all being factored into and aligned to our business continuity commitment.

Business continuity management continues to be an integrated component of risk management and our corporate governance. It looks to promote robust, proactive, effective and appropriate levels of organisational resilience and preparedness. Business continuity management is taken to be the holistic management process that identifies potential threats and impact to the business operations that those threats may cause. It provides a framework for building organisational resilience with the capability for an effective response

that safeguards the interests of its key stakeholders, reputation, brand and value creating activities.

Events during the year have tested the effectiveness and understanding of Businesslink's incident management, IT disaster recovery and business continuity response. Lessons from these events are being used to improve incident management, information technology disaster planning and business continuity.

Statement of Business Intent

The Statement of Business Intent (SBI) summarises the goals, objectives and initiatives of our Business Plan. The SBI provides a focus for the major activities and deliverables that the Company will provide.

Businesslink's focus on providing secure, quality and low cost support to its client agencies is consistently represented throughout this statement.

The 2012-13 SBI builds on the strong foundations that were put in place in previous years and confirms the Company's operating model as a robust, transparent and growing business that is assisting Government achieve: lower cost infrastructure; back office applications; and centres of capability services; coupled with a maturing business risk management framework, freeing client agency resources for the delivery of front-line services.

Businesslink remains committed to providing increasing value for money services to our client agencies, whilst expanding our capabilities to meet the broader Whole of Government imperative.

Workplace Health and Safety

Businesslink has in place a Workplace Health and Safety plan to implement and maintain work health and safety processes and framework in compliance with the Work Health and Safety Act 2011.

Routine status reports are provided to the Executive, Board and Risk, Audit and Compliance Committee.

Workers' Compensation Claims

Ten new Workers' Compensation claims were lodged.

The average cost of claims at the end of the financial year (costs estimates as at 30 June 2013 for 10 claims) was \$8,034.

Year	2008-09	2009-10	2010-11	2011-12	2012-13
Claims reported	16	18	18	23	10
Incurred cost	\$540,510	\$84,005	\$236,110	\$247,012	\$80,340
Average incurred cost	\$33,782	\$4,667	\$13,117	\$10,739	\$8,034

(Source: SiCorp TMF Data Warehouse as at 30 June 2013).

Privacy Management Plan

Privacy laws regulate the way Businesslink collects, stores, uses and discloses personal and health information. As a public sector agency and incorporated business, Businesslink is covered by Commonwealth and NSW privacy laws.

Businesslink has developed a Privacy Management Plan in response to the Privacy and Personal Information Act 1998. The Act establishes 12 Information Protection Principles which protect the privacy of individuals from the inappropriate collection, storage, use and disclosure of personal information by NSW public sector agencies.

Businesslink's Privacy Management Plan is based on the 12 information principles, which establish standards for using personal information in an open and accountable manner. The Information Protection Principles apply to all operations of Businesslink and the requirements must be followed by all staff, consultants and contractors.

Businesslink's Privacy Management Plan also addresses the 10 National Privacy Principles as they appear in the Commonwealth Privacy Act 1988 and the 15 Health Privacy Principles as they appear in the NSW Health Records and Information Privacy Act 2002. The complete Privacy Management Plan is available from the NSW Businesslink Privacy Officer. Staff have access to the plan via our intranet.

In 2012-13 Businesslink received nil privacy complaints.

Prosecutions

There were no prosecution under the Occupational Health and Safety Act 2000 or the Work Health Safety Act 2011.

Code of conduct

Businesslink has a Code of Conduct and Ethics which state the principles that the workforce of Businesslink are expected to adhere to including our ICARE values. It reflects a commitment to providing shared services to our clients in a transparent, accountable and ethical way. It is also an important part of the integrity with which Businesslink conducts its business.

The Code sets a framework for ethical decision making by establishing a common understanding of the standards of behaviour that is expected of the workforce. The ethical and transparent behaviour of employees, and of the organisations in which they are employed, provides those who deal with Businesslink a clear understanding of the parameters in which the business operates.

The Code of Conduct is available on NSW Businesslink's website.

Government Information (Public Access) Act 2009

NSW Businesslink Pty Ltd continues to conduct reviews under s7(3) of the GIPA Act. No new information has been made publically available as a result of the review.

The total number of formal access applications received by NSW Businesslink Pty Ltd was one.

Schedule 2

Statistical Information about access applications to be included in Annual Report.

Table A: Number of applications by type of applicant and outcome*

	Access Granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/ deny whether information is held	Application with drawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private Sector Business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representatives)	0	1	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome

	Access Granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/ deny whether information is held	Application with drawn
Personal information applications*	0	1	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

* A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 of the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravene restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications.	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of Act

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

Table E: Other public interest considerations against disclosure: Matters listed in the table to section 14 of Act

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days public any extensions)	1
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	1

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal Review	0	0	0
Review by Information Commissioner	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
Total	0	0	0

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Applications for access to documents under the Government Information (Public Access) Act 2009 should be accompanied by \$30 application fee and forwarded to:

The Right to Information Officer

Locked Bag 7466
Liverpool BC NSW 1871

Promotion (nil)

There were no promotions.

Overseas visits (nil)

There were no overseas visits.

Amendments to Legislation and Regulations (nil)

NSW Businesslink Pty Ltd was incorporated on 28 June 2004 under the Corporations Act 2001 (Commonwealth) as an Australian proprietary company limited by shares.

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

Funds granted to NGO's (nil)

Businesslink did not make any grants to non-government community organisations in the reporting period.

Multicultural policies and Plans

As the internal corporate services provider to the NSW Department of Family and Community Services Businesslink does not engage in direct client service to the public.

Businesslink has developed within each of the seven outcome areas specific actions and assigned accountabilities and timeframes for the completion of each action.

Key achievements under the Multicultural Policies and Services Program include:

- exceeding the NSW Government benchmark target for representation of people whose first language as a child was not English 30.4 percent exceeding the government target of 19 percent
- training sessions on cultural awareness for Businesslink staff
- Community Language Allowance Scheme for staff using languages skill as part of the regular business activities.

Key challenges included:

- identifying the linguistic and intercultural work skills needed of staff in client contact positions to ensure business requirements are serviced by appropriate human resourcing
- continuing the delivery of training on cultural awareness for Businesslink staff
- developing guidelines on use of interpreters and language aids in Businesslink.

Research and Development (nil)

No research projects were undertaken during the reporting period.

Land Disposal (nil)

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

Heritage Properties (nil)

There are no heritage properties under the care, control or management of Businesslink.

Payment of Accounts

Aged analysis at the end of each quarter

Quarter	Current (i.e. within due date)	Less than 30 days overdue	Between 30 and 60 days overdue	Between 61 and 90 days overdue	More than 90 days overdue
All Suppliers					
Sep-12	\$1,949,116.94	0	\$96,334.14	0	\$4,446.69
Dec-12	\$1,652,429.35	\$180,158.97	\$230.42	\$115.50	\$13,981.00
Mar-13	\$2,721,430.18	\$3,627.60	0	\$111.87	\$14,326.92
Jun-13	\$5,923,302.40	\$610.15	\$272.60	\$111.87	\$14,438.79
Small Business Suppliers					
Sep-12	\$38,858.60	0	0	0	0
Dec-12	\$102,866.00	0	0	0	0
Mar-13	\$122,741.15	0	0	0	0
Jun-13	\$434,376.41	0	0	0	0

Accounts due or paid within each quarter

Measure	Sep-12	Dec-12	Mar-13	Jun-13
All Suppliers				
Number of accounts due for payment	4250	3413	2771	3139
Number of accounts paid on time	3268	2730	2478	3051
Actual percentage of accounts paid on time (based on No of accounts)	77%	80%	89%	97%
Dollar amount of accounts due for payment	\$51,960,803.56	\$32,375,790.66	\$27,451,398.61	\$41,153,727.82
Dollar amount of accounts paid on time	\$42,940,664.59	\$25,951,763.09	\$23,806,784.88	\$34,840,098.35
Actual percentage of accounts paid on time (based on \$)	83%	80%	87%	85%
Number of payments for interest on overdue accounts	0	0	54	5
Interest paid on overdue accounts	0	0	\$4,864.62	\$442.38
Small Business Suppliers				
Number of accounts due for payment to small businesses	175	125	115	143
Number of accounts due to small businesses paid on time	123	80	98	140
Actual percentage of small business accounts paid on time	70%	64%	85%	98%
Dollar amount of accounts due for payment to small businesses	\$2,069,921.64	\$999,112.40	\$645,184.53	\$1,377,547.12
Dollar amount of accounts due to small businesses paid on time	\$1,437,428.10	\$651,863.08	\$484,728.03	\$1,365,937.32
Actual percentage of small business accounts paid on time (based on \$)	69%	65%	75%	99%
Number of payments to small businesses for interest on overdue accounts	0	0	54	5
Interest paid to small businesses on overdue accounts	0	0	\$4,864.62	\$442.38

Financial Statements

2012-13

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

NSW Businesslink Pty Ltd

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

I have audited the accompanying financial statements of NSW Businesslink Pty Ltd (the Company), which comprise the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Opinion

In my opinion the financial statements:

- are in accordance with the *Corporations Act 2001*, including:
 - giving a true and fair view of the Company's financial position as at 30 June 2013 and its performance for the year ended on that date
 - complying with Australian Accounting Standards and the Corporations Regulations 2001
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

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

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards, the PF&A Act and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

Independent Auditor's Report (continued)

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

My opinion does *not* provide assurance:

- about the future viability of the Company
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information that may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards, the *Corporations Act 2001* and relevant ethical pronouncements. The PF&A Act further promotes independence by:

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

I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of NSW Businesslink Pty Ltd on 11 October 2013, would be in the same terms if provided to the directors as at the time of this auditor's report.



Peter Barnes
Director, Financial Audit Services

15 October 2013
SYDNEY

Statement by the Members of the Board

for and on behalf of NSW Businesslink Pty Ltd

In accordance with a resolution of the Board of Directors and pursuant to section 41C of the *Public Finance and Audit Act 1983*, we the members, state that in our opinion -

1. The financial statements exhibit a true and fair view of the financial performance and financial position of NSW Businesslink Pty Ltd as at 30 June 2013 and transactions for the year then ended.
2. The financial statements have been prepared in accordance with the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010*, the *Corporations Act 2001* and the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or Issued by the Treasurer.
3. The financial statements and notes have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations).
4. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Michael Coutts-Trotter (Board Chair)

Director

11 October 2013



Albert Olley

Managing Director

11 October 2013

Directors' Declaration

In the Directors' opinion:

- (a) the financial statements and notes are in accordance with the *Corporations Act 2001*, including -
 - (i) Complying with Australian Accounting Standards (including Australian Accounting Interpretations), the *Corporations Regulations 2001*, the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulations 2010* and the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or Issued by the Treasurer.
 - (ii) Giving a true and fair view of the Company's financial position as at 30 June 2013 and of its performance for the financial year ended on that date.
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (c) We are not aware of any circumstances, which would render any particulars included in the financial statements to be misleading or inaccurate.

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



Michael Coutts-Trotter (Board Chair)

Director

11 October 2013

Director's Report

The Board of Directors of NSW Businesslink Pty Ltd ("the Company") is pleased to submit this report for the year ended 30 June 2013.

Operating Result

The Company's net result for the financial year ending 30 June 2013 amounted to a surplus of \$19.528 million (2012 deficit of \$17.732 million).

Corporate Structure

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

Employees

The Company does not employ any staff, but participates in an agreement for personnel services with the Department of Family and Community Services (FACS).

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

Review of operations

The Company derived revenue of \$196.008 million (2012 - \$206.069 million) from the provision of services to its clients during the year.

Segment reporting

The Company operates solely within the government sector and its business is entirely based in the State of New South Wales.

Significant changes in the state of affairs

A review of FACS and its shared services requirements and Businesslink's role in the provision of these services is being performed. This is planned to be completed by the end of January 2014.

Principal activities

The principal activities of the Company during the year were the provision of outsourced shared services to FACS and other clients, further details of which are set out in this report. Each of the Company's clients have signed a Service Partnership Agreement (SPA) for the exclusive provision of designated corporate services. All SPAs provide for the continuance of the contract where neither party has indicated an intention to withdraw from the agreement.

The Company's revenue generating model is a unitised product Fee for Service model whereby prices are reviewed periodically, as agreed with the clients, so as to achieve a sustainable, not-for-profit business.

Future Developments

A review of FACS and its shared services requirements and Businesslink's role in the provision of these services is being performed. This is planned to be completed by the end of January 2014.

Matters subsequent to the end of the financial year

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

Environmental Issues

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

Dividends

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

Options

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

Issue of Shares

The Company has four shareholders each holding 10 fully paid ordinary shares. The four shareholders are the Minister for Housing; the Treasurer of NSW; the Minister for Community Services; the Minister for Ageing and the Minister for Disability Services. Note: Under the Public Sector Employment and Management (Departments) Order 2011 (2011 No 184) dated 3 April 2012 the Minister for Family and Community Services was deemed to be the Minister for Housing in certain circumstances. Under this Order the Minister for Housing's shares are deemed to be held by the Minister for Family and Community Services.

Directors' Benefits

Since the end of the previous financial year no Director of the company has received a benefit directly, or indirectly from the Company other than as mentioned in Note 22 to the Financial Statements. Mr Albert Olley, as Managing Director, received a salary from FACS, which is regarded as normal for such an appointment.

Director's Report (continued)

Indemnification and Insurance of Directors and Officers

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

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

If the Company is not able to meet its debts and liabilities as they become due and payable it has various funding options available to it as disclosed in Note 1b (ii) Going Concern.

Proceedings on behalf of the Company

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

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

Directors

The names of the Company's Directors in office during the financial year and until the date of this report are set out in Note 22 to the financial statements. Directors were in the office for this entire period unless otherwise stated.

Company Secretary

Jane Spring Bec (Hons). LLB, MPA, ACIS, GAICD resigned as Company Secretary 26 March 2013.

Angela Leonello Grad Dip (Court and Parliamentary Reporting), BA (Political Science) was appointed Company Secretary 15 April 2013.

Non-audit services

No non-audit services were provided by the Company's auditor, the NSW Audit Office.

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2013, and the numbers of meetings attended by each director while they were a director or committee member were:

Meetings of Committees

	Board		Risk Audit and Compliance Committee	
	A	B	A	B
Mr Jim Moore (Acting Chair)	7	9	1	2
Mr Jim Longley	9	9	3	3
Mr Mike Allen	6	9	-	-
Mr Albert Olley	9	9	5	5
Ms Margaret Crawford **	1	1	-	-

** (Appointed 26 June 2013)

A = Number of meetings attended

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

Note 1 - The Risk, Audit and Compliance Committee has an independent Chair and two independent committee members.

Note 2 - Mr Moore and Mr Longley were the only Directors that were members of the Risk, Audit and Compliance Committee.

Auditor's independence declaration

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

Rounding of amounts

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

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



Albert Olley
Managing Director

Sydney

11 October 2013

Auditor's Independence Declaration



To the Directors
NSW Businesslink Pty Ltd

Auditor's Independence Declaration

As auditor for the audit of the financial statements of NSW Businesslink Pty Ltd for the year ended 30 June 2013, I declare, to the best of my knowledge and belief, there have been no contraventions of:

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

A handwritten signature in black ink, appearing to read 'P Barnes'.

Peter Barnes
Director, Financial Audit Services

11 October 2013
SYDNEY

Statement of Comprehensive Income

For the year ended 30 June 2013

		Actual 2013	Budget 2013	Actual 2012
	Notes	\$'000	\$'000	\$'000
Expenses excluding losses				
Operating expenses				
Personnel services	2(a)	53,848	71,396	102,295
Other operating expenses	2(b)	90,474	79,923	113,030
Depreciation and amortisation	2(c)	29,719	26,674	23,868
Finance costs	2(d)	942	1,146	854
Total expenses excluding losses		174,983	179,139	240,047
Revenue				
Sale of goods and services	3(a)	196,008	173,449	206,069
Investment revenue	3(b)	2,027	180	1,260
Grants and contributions	3(c)	2,920	21,717	14,083
Other revenue	3(d)	2,296	14,941	865
Total Revenue		203,251	210,287	222,277
Gain / (loss) on disposal	4	(8,693)	-	(335)
Other gains / (losses)	5	(47)	-	373
Net result		19,528	31,148	(17,732)
Other comprehensive income				
Total other comprehensive income		-	-	-
TOTAL COMPREHENSIVE INCOME		19,528	31,148	(17,732)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2013

		Actual 2013	Budget 2013	Actual 2012
	Notes	\$'000	\$'000	\$'000
ASSETS				
Current Assets				
Cash and cash equivalents	6	24,936	11,002	20,379
Receivables	7	16,812	19,192	14,773
Other current assets	8	1,102	-	1,444
Total Current Assets		42,850	30,194	36,596
Non-Current Assets				
Plant and equipment	9	20,024	65,614	23,645
Intangible assets	10	62,117	76,448	69,533
Total Non-Current Assets		82,141	142,062	93,178
Total Assets		124,991	172,256	129,774
LIABILITIES				
Current Liabilities				
Payables	11	89,099	76,331	113,697
Borrowings	12	12,952	19,090	2,000
Provisions	13	671	-	580
Total Current Liabilities		102,722	95,421	116,277
Non-Current Liabilities				
Borrowings	12	-	-	10,672
Provisions	13	132	718	216
Total Non-Current Liabilities		132	718	10,888
Total Liabilities		102,854	96,139	127,165
Net Assets		22,137	76,117	2,609
EQUITY				
Contributed equity	14	-	-	-
Accumulated funds	15	22,137	76,117	2,609
Total Equity		22,137	76,117	2,609

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2013

2013	Accumulated Funds	Total
	Notes	\$'000
Balance at 1 July 2012	2,609	2,609
Net result for the year	19,528	19,528
Other comprehensive income:		
Total other comprehensive income	-	-
Total comprehensive income for the year	19,528	19,528
Transactions with owners in their capacity as owners		
Increase/(decrease) in net assets from equity transfers	-	-
Balance at 30 June 2013	22,137	22,137

2012	Accumulated Funds	Total
	Notes	\$'000
Balance at 1 July 2011	20,341	20,341
Restated total equity at 1 July 2010	20,341	20,341
Net result for the year	(17,732)	(17,732)
Other comprehensive income:		
Total other comprehensive income	-	-
Total comprehensive income for the year	(17,732)	(17,732)
Transactions with owners in their capacity as owners		
Increase/(decrease) in net assets from equity transfers	-	-
Balance at 30 June 2012	2,609	2,609

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 30 June 2013

		Actual 2013	Budget 2013	Actual 2012
	Notes	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Payment for services from FACS (NSW businesslink)		(73,000)	(71,396)	(71,508)
Payment to suppliers		(111,864)	(99,477)	(129,897)
Finance costs		(665)	(1,146)	(671)
Total Payments		(185,529)	(172,019)	(202,076)
Receipts				
Sale of goods and services		217,691	173,449	228,934
Interest received		234	180	250
Capital grants received		2,920	21,717	14,083
Other		-	34,173	1,010
Total Receipts		220,845	229,519	244,277
NET CASH FLOWS FROM OPERATING ACTIVITIES	20	35,316	57,500	42,201
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of plant and equipment		332	-	252
Purchases of plant and equipment		(31,091)	(33,194)	(48,231)
Other		-	(33,194)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES		(30,759)	(66,388)	(47,979)
NET INCREASE/(DECREASE) IN CASH		4,557	(8,888)	(5,778)
Opening cash and cash equivalents		20,379	19,890	26,157
CLOSING CASH AND CASH EQUIVALENTS	6	24,936	11,002	20,379

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2013

1 Summary of significant accounting policies

(a) Reporting Entity

NSW Businesslink Pty Ltd ("the Company") is a Company limited by shares and as a reporting entity comprises all the operating activities under its control. The Company provides a range of services directly and through private sector contracts, to government agencies. Its principal client is the Department of Family and Community Services (FACS).

The Company does not employ any staff, but participates in an agreement for personnel services with FACS.

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

These financial statements for the year ended 30 June 2013 have been authorised for issue by the Board of Directors on 11 October 2013.

(b) Basis of preparation

The financial statements of the Company are general purpose financial statements prepared on an accruals basis and in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations), the *Corporations Act 2001*, the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010* and the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or Issued by the Treasurer.

Except for certain assets and liabilities, which are measured at fair value as noted, the financial statements are prepared in accordance with the historical cost convention. Unless otherwise noted, accounting policies are consistent with those of the previous year.

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

(i) New Australian Accounting Standards Issued but not effective.

In the current year the Company has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the operations and effective for the current reporting period. Details of the impact of the adoption of these new accounting standards are set out in the individual accounting policies notes in the financial statements.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting period. In accordance with the NSW Treasury mandate (TC 13/02), the Company did not early adopt any of these accounting standards and interpretations that are not yet effective.

The Company's assessment of the impact of these new standards and interpretations is that they will not materially affect any of the amounts recognised in the financial statements or significantly impact the disclosures in relation to the Company.

(ii) Going Concern

Notwithstanding the Company has a working capital deficiency of \$59.872 million and in recognition that a significant portion of the current payable by the Company to the Department of Family and Community Services (\$61.9 million) for personnel services (Note 11) is not expected to be settled in the next 12 months, the financial statements have been prepared on a going concern basis.

A review of FACS and its shared services requirements and Businesslink's role in the provision of these services is currently being performed. This is planned to be completed by the end of January 2014.

NSW Treasury has confirmed the NSW Government Letter of Comfort to the Directors of the Company remains in place. Below is an extract of the Letter of Comfort that Directors rely on.

"We note that there may be timing issues or unforeseen circumstances which mean that, but for the commitment contained in this letter the Company would be unable to meet its debts and liabilities as they become due and payable. In this case, once all reasonable alternative options to redress this have been exhausted, we hereby confirm that the State of New South Wales (the State) will provide funds or facilities to the Company sufficient to ensure that the Company is able to meet its debts as and when they become due and payable, whether from its own resources or from such other funds or facilities as can reasonably be obtained by it. This commitment is for the sole purpose of maintaining solvency or the Company pursuant to section 95A of the Corporations Act."

(iii) Statement of Compliance

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

(c) Not-for-Profit status

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

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

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

Notwithstanding the Company’s “not-for-profit status” the Company has elected to disclose Related Party transactions as they relate to the Company’s shareholders, Directors and Treasury.

(d) Cash and cash equivalents

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

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

(e) Trade and Other Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognised initially at fair value, based on the original invoice. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment. Any changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process. An impairment provision is recognised when there is objective evidence that the Company will not be able to collect the receivable. Short term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Debts which are known to be uncollectible are written off as identified.

(f) Plant and equipment*(i) Acquisition of Assets*

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

(ii) Cost and Valuation

Physical non-current assets are valued in accordance with the “Valuation of Physical Non-Current Assets at Fair Value” Policy and Guidelines Paper (TPP 07-01). This policy adopts fair value in accordance with AASB 116 “Property, Plant and Equipment”.

Plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment.

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

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

Notes to the financial statements

For the year ended 30 June 2013

1 Summary of significant accounting policies (continued)

(f) Plant and equipment (continued)

(iii) Depreciation

Depreciation is calculated on a straight-line basis so as to write off the depreciable amount of each asset over its estimated useful life. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter.

Estimations on remaining useful lives are made on an annual basis. The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end. The expected useful lives are:

Asset Class	2013	2012
Office equipment	5 years	5 years
Office furniture	4 to 5 years	4 to 5 years
Computer equipment	4 years	4 years
Motor vehicles	7 years	7 years
Leasehold improvements	Term of Lease	Term of Lease

(iv) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

(v) Impairment of plant and equipment

As a not-for-profit entity with no cash generating units, the Company 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.

(g) Intangible assets

The Company recognises intangible assets only if it is probable that future economic benefits will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value at the date of acquisition. The capitalisation threshold for intangible assets is \$5,000.

All research costs are expensed in the statement of comprehensive income. 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 Company's intangible assets, the assets are carried at cost less any accumulated amortisation.

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

Asset Class	2013	2012
Software	2 to 5 years	2 to 5 years
Internally generated assets	3 to 11 years	3 to 11 years

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

(h) Leases

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

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

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company 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. The amounts are unsecured and usually paid within 30 days of recognition.

(j) Provisions

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

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

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

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

(k) Borrowings

Loans are not held for trading or designated at fair value through profit or loss and are recognised at amortised cost using the effective interest rate method. Gains or losses are recognised in the net result for the year on derecognition.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

The Company recognises borrowing costs as an expense in the period in which it is incurred, in accordance with Treasury's Mandate to not-for-profit general government sector entities.

(l) Insurance

The Company'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.

(m) Revenue recognition

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

Revenue from rendering of services is recognised when the service is provided.

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

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

(n) Income tax

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

Notes to the financial statements

For the year ended 30 June 2013

1 Summary of significant accounting policies (continued)

(o) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of GST receivable or payable. The net GST recoverable from, or payable to, the taxation authority is included within other receivables or payables in the statement of financial position.

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

(p) Change in accounting estimates

During the current financial year the Directors assessed the useful life of certain items of intangible assets focusing principally on the internally generated assets of the Company. The reassessment indicated a reduction in the economic benefits to be derived by the Company. The financial effect of this reassessment, assuming the assets are held until the end of their estimate useful lives, is to decrease amortisation expense in the current financial year by \$0.103 million. In the prior year similar changes had an impact of \$Nil.

(q) Work in Progress - project services

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

(r) Equity - Accumulated Funds

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

(s) De-recognition of Financial Assets and Financial Liabilities

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

- Where substantially all the risks and rewards have been transferred; or
- Where the Company has not transferred substantially all the risks and rewards, if the entity has not retained control.

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

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

(t) Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period, as adjusted for section 24 of the PFAA where there has been a transfer of functions between departments. Other amendments made to the budget are not reflected in the budgeted amounts.

(u) Rounding of amounts

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

2. Expenses Excluding Losses

	2013	2012
	\$'000	\$'000
(a) Personnel Services		
Salaries and wages (including recreation leave)	62,552	61,224
Superannuation - defined contribution plans	4,759	4,718
Superannuation - defined benefit plans	(13,827)	34,798
Long service leave	415	4,200
Workers' compensation insurance	536	559
Payroll tax and fringe benefit tax	4,574	4,232
Redundancy payments *	-	(3,200)
Other	84	114
Fee for personnel services from NSW/businesslink (FACS)	59,093	106,645
less		
Capitalised salaries and wages	(5,245)	(4,350)
	53,848	102,295

*Current year redundancy payments were \$6.837 million which are offset by funding received/accrued by FACS. Last year redundancy payments includes expenses of \$1.573 million offset by funding received by FACS of \$4.773 million.

(b) Other operating expenses

Auditor's remuneration - audit of the financial statements	150	143
Internal Auditor's remuneration - other services	579	738
Advertising	41	21
Bad and doubtful debts	-	193
Computer maintenance, software licences and other related expenditure	26,223	24,144
Consultants	251	87
Other contractors and short term staff	44,856	66,820
Project materials	522	625
Insurance	45	68
Legal costs	55	24
Motor vehicle running costs	176	223
Rent expense	4,416	4,287
Telecommunications	8,986	11,642
Printing, postage and stationery	913	896
Training and development expense	512	881
Travelling, removal and subsistence	257	304
Building maintenance and utilities expense	1,386	1,136
Other	1,106	798
	90,474	113,030

Notes to the financial statements

For the year ended 30 June 2013

2. Expenses Excluding Losses (continued)

	2013	2012
	\$'000	\$'000
(i) Reconciliation - Total Maintenance		
Maintenance expense - contractor labour and other	-	-
Employee related maintenance expense included in Note 2 (a)	-	-
Total maintenance expenses included in Note 2 (a) and 2 (b)	-	-
(c) Depreciation and amortisation expense		
Depreciation		
Computer equipment	8,072	7,739
Leasehold improvements	240	201
Motor vehicles	135	152
Office furniture	1	3
Office equipment	730	419
	9,178	8,514
Amortisation		
Software	7,111	5,313
Internally generated assets	13,430	10,041
	20,541	15,354
	29,719	23,868
(d) Finance costs		
NSW Treasury Corporation	936	791
Other	6	63
	942	854

3. Revenues

	2013	2012
	\$'000	\$'000
(a) Sale of goods and services		
Housing NSW	46,602	41,267
Community Services	46,984	53,252
Ageing, Disability and Home Care	90,039	87,806
Department of Attorney General and Justice	2,850	7,534
Aboriginal Housing Office	1,285	1,079
Aboriginal Affairs	1,399	1,603
Department of Family and Community Services	3,736	2,253
Department of Finance and Services	401	3,696
State Property Authority	497	491
Department of Education and Communities	2,138	7,471
Guardianship Tribunal	31	25
NSW Mental Health Commission	46	-
Other	-	(408)
	196,008	206,069
(b) Investment revenue		
Interest received on bank accounts	234	250
Rents	1,793	1,010
	2,027	1,260
(c) Grants and contributions		
State		
State Government Grants	2,920	14,083
Total Grants and Contributions	2,920	14,083
(d) Other revenue		
TMF Hindsight adjustment	14	18
Criminal records	290	301
Human Services Network	1,789	305
Other revenue	203	241
	2,296	865

Notes to the financial statements

For the year ended 30 June 2013

4. Loss on Disposal

	2013	2012
	\$'000	\$'000
Loss on disposal of plant and equipment		
Proceeds from disposal	332	245
Written down value of assets disposed	(367)	(279)
Net Loss on disposal of plant and equipment	(35)	(34)
Assets written off		
Plant and equipment	(41)	(44)
Intangibles	(8,617)	(257)
Total assets written off	(8,658)	(301)
Total Net Loss on Disposal	(8,693)	(335)
5. Other Gains/(losses)		
Gain/(loss) on impairment of receivables	(47)	373
	(47)	373

6. Current Assets - Cash and Cash Equivalents

	2013	2012
	\$'000	\$'000
Cash at bank and on hand	24,936	20,379
Total cash and cash equivalents	24,936	20,379

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand and cash at bank.

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

Cash and cash equivalents (per statement of financial position)	24,936	20,379
Closing cash and cash equivalents (per statement of cash flows)	24,936	20,379

Refer to Note 24 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

7. Current/non-current assets - receivables

Current		
Sales of goods and services	762	108
Receivables from related parties	8,516	8,991
	9,278	9,099
Prepayments	7,170	4,855
GST receivable (net)	364	819
	16,812	14,773
Movement in the allowance for impairment		
Balance at 1 July	-	(389)
Amounts written off during the year	47	16
(Increase)/decrease in allowance recognised in profit or loss	(47)	373
Balance at 30 June	-	-

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 24.

8. Other current assets

Work in progress - Project services	1,102	1,444
	1,102	1,444

Notes to the financial statements

For the year ended 30 June 2013

9. Non-current Assets - Plant and Equipment

	Office Equipment	Motor Vehicles	Computer Equipment	Office Furniture	Leasehold Improvements	Total
2013	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2012 - fair value						
Gross carrying amount	3,879	1,083	37,553	193	7,955	50,663
Accumulated depreciation and impairment	(1,081)	(197)	(18,461)	(190)	(7,089)	(27,018)
Net Carrying Amount	2,798	886	19,092	3	866	23,645
At 30 June 2013 - fair value						
Gross carrying amount	3,932	523	40,137	193	8,286	53,071
Accumulated depreciation and impairment	(1,810)	(112)	(23,605)	(191)	(7,329)	(33,047)
Net Carrying Amount	2,122	411	16,532	2	957	20,024

Reconciliations

Reconciliations of the carrying amounts of each class of plant and equipment at the beginning and end of the current financial year are set out below:

	Office Equipment	Motor Vehicles	Computer Equipment	Office Furniture	Leasehold Improvements	Total
2013	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 30 June 2013						
Net carrying amount at start of year	2,798	886	19,092	3	866	23,645
Additions	54	26	1,395	-	-	1,475
Transfer from intangibles	-	-	4,133	-	331	4,464
Disposals	-	(366)	(16)	-	-	(382)
Depreciation expense	(730)	(135)	(8,072)	(1)	(240)	(9,178)
Net Carrying Amount at end of year	2,122	411	16,532	2	957	20,024

	Office Equipment	Motor Vehicles	Computer Equipment	Office Furniture	Leasehold Improvements	Total
2012	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2011 - fair value						
Gross carrying amount	2,114	1,024	37,293	193	7,185	47,809
Accumulated depreciation and impairment	(662)	(138)	(18,621)	(187)	(6,888)	(26,496)
Net Carrying Amount	1,452	886	18,672	6	297	21,313

At 30 June 2012 - fair value						
Gross carrying amount	3,879	1,083	37,553	193	7,955	50,663
Accumulated depreciation and impairment	(1,081)	(197)	(18,461)	(190)	(7,089)	(27,018)
Net Carrying Amount	2,798	886	19,092	3	866	23,645

Reconciliations

Reconciliations of the carrying amounts of each class of plant and equipment at the beginning and end of the prior financial year are set out below.

	Office Equipment	Motor Vehicles	Computer Equipment	Office Furniture	Leasehold Improvements	Total
2012	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 30 June 2012						
Net carrying amount at start of year	1,452	886	18,672	6	297	21,313
Additions	1,761	431	1,513	-	1	3,706
Make good	-	-	-	-	45	45
Transfer from intangibles	4	-	6,688	-	724	7,416
Disposals	-	(279)	(42)	-	-	(321)
Depreciation expense	(419)	(152)	(7,739)	(3)	(201)	(8,514)
Net Carrying Amount at end of year	2,798	886	19,092	3	866	23,645

Notes to the financial statements

For the year ended 30 June 2013

10. Intangible Assets

	2013			Total
	Software	Assets under construction	Internally generated assets	
	\$'000	\$'000	\$'000	\$'000
At 1 July 2012				
Cost (gross carrying amount)	30,687	36,305	36,820	103,812
Accumulated amortisation and impairment	(15,024)	-	(19,255)	(34,279)
Net Carrying Amount	15,663	36,305	17,565	69,533
	Software	Assets under construction	Internally generated assets	Total
	\$'000	\$'000	\$'000	
	\$'000	\$'000	\$'000	\$'000
At 30 June 2013				
Cost (gross carrying amount)	34,118	15,184	66,285	115,587
Accumulated amortisation and impairment	(19,945)	-	(33,525)	(53,470)
Net Carrying Amount	14,173	15,184	32,760	62,117

Reconciliations

Reconciliations of the carrying amounts of each class of intangibles at the beginning and end of the current financial year is set out below.

	Software	Assets under construction	Internally generated assets	Total
	\$'000	\$'000	\$'000	\$'000
	\$'000	\$'000	\$'000	\$'000
Year ended 30 June 2013				
Net carrying amount at start of year	15,663	36,305	17,565	69,533
Additions	5,414	20,817	-	26,231
Transfer between classes	232	(37,474)	37,242	-
Transfer to plant and equipment	-	(4,464)	-	(4,464)
Disposals	(25)	-	-	(25)
Impairment losses	-	-	(8,617)	(8,617)
Amortisation expense	(7,111)	-	(13,430)	(20,541)
Net Carrying Amount at end of year	14,173	15,184	32,760	62,117

In 2012-13 Internally Generated Assets of \$2.090 million (2011-12 \$7.683 million) were written off as part of the annual Intangible Asset Review. These assets were no longer providing economic benefits to the Company as they had in principle been replaced by technical upgrades rendering the initial asset as obsolete. The Company deemed that these assets were in excess of six years old and had a net book value of \$Nil.

	2012			
	Software	Assets under construction	Internally generated assets	Total
	\$'000	\$'000	\$'000	\$'000
At 1 July 2011				
Cost (gross carrying amount)	23,942	14,133	29,752	67,827
Accumulated amortisation and impairment	(10,837)	-	(9,547)	(20,384)
Net Carrying Amount	13,105	14,133	20,205	47,443
	Software	Assets under construction	Internally generated assets	Total
	\$'000	\$'000	\$'000	\$'000
At 30 June 2012				
Cost (gross carrying amount)	30,687	36,305	36,820	103,812
Accumulated amortisation and impairment	(15,024)	-	(19,255)	(34,279)
Net Carrying Amount	15,663	36,305	17,565	69,533

Reconciliations

Reconciliations of the carrying amounts of each class of intangibles at the beginning and end of the previous financial year is set out below.

	Software	Assets under construction	Internally generated assets	Total
	\$'000	\$'000	\$'000	\$'000
Year ended 30 June 2012				
Net carrying amount at start of year	13,105	14,133	20,205	47,443
Additions	10,172	34,948	-	45,120
Transfer between classes	(2,299)	(5,360)	7,659	-
Transfer to plant and equipment	-	(7,416)	-	(7,416)
Disposals	(2)	-	(258)	(260)
Amortisation expense	(5,313)	-	(10,041)	(15,354)
Net Carrying Amount at end of year	15,663	36,305	17,565	69,533

Notes to the financial statements

For the year ended 30 June 2013

11. Current - Payables

	2013	2012
	\$'000	\$'000
Current Liabilities - Payables		
Creditors - trade	5,944	6,453
Accrued operating expenditure	13,976	17,418
Accrued capital expenditure	2,683	6,068
Unearned income projects	4,624	2,734
Personnel services payable	61,872	81,024
	89,099	113,697

The decrease in the Personnel services payable is principally due to the actuarial valuation gain of \$13.249 million on the defined benefit superannuation plans.

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are included in Note 24.

12. Current/Non-Current Liabilities - Borrowings

Current		
Unsecured TCorp Borrowings	12,952	2,000
Total current borrowings	12,952	2,000
Non-current		
Unsecured TCorp Borrowings	-	10,672
Total non-current borrowings	-	10,672
Total borrowings	12,952	12,672

The Company has a borrowing facility with TCorp. As at 30 June 2013, the Company had approval to borrow up to \$19.1 million (2012 - \$19.1 million) at any point in time. The undrawn facility as at 30 June 2013 was \$6.1 million (2012: \$6.4 million).

Currently, there are two TCorp facilities. \$2.000 million with a maturity date of 3 December 2013 and \$10.672 million with a maturity date of 1 August 2013. \$10.519 million was rolled over with TCorp until 8 July 2014 on 1 August 2013.

	Principal	Interest payable from 1 July	Total
2013	\$'000	\$'000	\$'000
Not later than one year	12,952	79	13,031
	12,952	79	13,031

	Principal	Interest payable from 1 July	Total
2012	\$'000	\$'000	\$'000
Not later than one year	2,000	613	2,613
Later than one year but no later than five years	10,519	51	10,570
	12,519	664	13,183

(a) Risk exposure

Details regarding credit risk, liquidity risk and market risk including maturity analysis of the above borrowings are disclosed in Note 24.

13. Current / Non-Current Liabilities - Provisions

	2013	2012
	\$'000	\$'000
Current		
Other Provisions		
Restoration costs	671	580
Total current provisions	671	580
Non-current		
Other Provisions		
Restoration costs	132	216
Total non-current provisions	132	216
Total Provisions	803	796

The restoration provision is the present value of the Company's obligation to make-good leased premises at the reporting date. The assumed settlement is based on contractual lease term. The amount and timing of each estimate is reassessed annually.

Movement in provisions (other than employee benefits)

	Restoration	Total
2013	\$'000	\$'000
Carrying amount at the beginning of the financial year	796	796
Unwinding/change in discount rate	7	7
Carrying amount at the end of the financial year	803	803

Notes to the financial statements

For the year ended 30 June 2013

14. Contributed Equity

	2013	2012
	\$	\$
Share Capital		
Opening balance	40	40
Issue Capital - ordinary shares of \$1 each	-	-
	40	40

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

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

Note: Under the Public Sector Employment and Management (Departments) Order 2011 (2011 No 184) dated 3 April 2012 the Minister for Family and Community Services was deemed to be the Minister for Housing in certain circumstances. Under this Order the Minister for Housing's shares are deemed to be held by the Minister for Family and Community Services.

Capital Management

When managing capital, management's objectives are to ensure the Company continues as a going concern as well as to maintain optimal returns to its shareholders. Management has no current plans to issue further shares to its shareholders. The Company currently manages issued capital of \$40.

15. Accumulated Funds

	2013	2012
	\$'000	\$'000
Opening Accumulated Funds	2,609	20,341
Changes in Equity - Transactions with owners as owners		
Increase in net assets from equity transfers	-	-
Changes in Equity - Other than transactions with owners as owners		
Net result for the year	19,528	(17,732)
Accumulated Funds as at 30 June	22,137	2,609

16. Agreement for Personnel Services

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

17. Commitments for Expenditure

	2013	2012
	\$	\$
(a) Capital Commitments		
Aggregate capital expenditure contracted for at balance date and not provided for:		
Not later than one year	137	3,846
Total (including GST)	137	3,846
(b) Operating Lease Commitments		
Future non-cancellable operating lease rentals not provided for and payable:		
Not later than one year	3,835	4,506
Later than one year but not later than five years	9,924	9,702
Later than five years	1,211	3,741
Total (including GST)	14,970	17,949

The Company leases various offices under operating leases with varying expiration dates. The Company does not have options to purchase the leased assets at the expiry of the lease period.

The commitments in (a) and (b) above are not recognised in the financial statements as liabilities. The total commitments above include input tax credits of \$1.373 million (2012: - \$1.981 million) that are expected to be recovered from the Australian Taxation Office.

18. Contingent Liabilities and Contingent Assets

As at reporting date, the Company is not aware of any contingent assets or liabilities, which may materially affect its financial position (2012 - \$NIL).

Notes to the financial statements

For the year ended 30 June 2013

19. Budget Review

Net Result

The net result for the Company was \$11.620 million below budget. The main drivers for the negative variance was reduction in Grants and Contribution income due to the closure of the Corporate Shared Services Reform (CSSR) program expenditure of \$18.797 million and increase in depreciation and expensing of assets under construction of \$11.737 million.

This was offset by the actuarial gain on the defined benefit superannuation plans of \$13.249 million and increase of investment revenue of \$1.847 million.

Assets and Liabilities

Total Assets were below budget by \$47.265 million the main driver being the deferment of the CSSR and other programs and reassessment of the Company's intangible asset base of \$59.921 million offset by increase in net value of cash on hand and receivables of \$12.656 million.

Total liabilities were above by \$6.715 million with the main driver in this increase being the increase in Personal Services of \$12.310 million offset by a reduction in borrowings of \$6.138 million.

Cash Flows

Closing cash balances were \$13.934 million higher than budget with the principal drivers being cash savings due to the closure of the CSSR and deferment of other programs of \$33.889 million offset by a reduction in grant and contributions income relating to the same programs of \$18.797 million.

20. Reconciliation of net cash flows from operating activities to net result

	2013	2012
	\$'000	\$'000
Net cash used on operating activities	35,316	42,201
Net gain / (loss) on disposal of assets	(8,693)	(335)
Allowance for impairment	(47)	373
Depreciation and amortisation	(29,719)	(23,868)
Effective interest adjustment on borrowings	(280)	(153)
Unwinding of discount on make good provision	(7)	(33)
Increase / (decrease) in receivables	1,697	(2,975)
Decrease / (increase) in creditors	21,261	(32,942)
Net result	19,528	(17,732)

21. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the Company for:

	2013	2012
	\$'000	\$'000
Audit and review of financial statements	150,000	143,000
Total remuneration for audit services	150,000	143,000

22. Director's Remuneration

The names of the persons who were Directors of NSW Businesslink Pty Ltd at any time during the financial year were as follows: Mr Jim Moore, Mr Jim Longley, Mr Mike Allen, Ms Margaret Crawford and Mr Albert Olley.

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

	2013	2012
NIL to \$10,000	4	3
\$50,000 to \$60,000	-	1
\$260,000 to \$270,000	-	1
\$270,000 to \$280,000	1	-
Aggregate Directors Remuneration paid (in whole dollars) to the above directors was	\$277,269	\$317,135

Notes to the financial statements

For the year ended 30 June 2013

23. Related party transactions

	2013	2012
	\$'000	\$'000
Fee for Service		
Housing NSW	46,602	41,267
Community Services	46,984	53,252
Ageing, Disability and Home Care	90,039	87,806
Department of Attorney General and Justice	2,850	7,534
Aboriginal Housing Office	1,285	1,079
Aboriginal Affairs NSW	1,399	1,603
Department of Family and Community Services	3,736	2,253
Department of Finance and Services	401	3,696
State Property Authority	497	491
Department of Education and Communities	2,138	7,471
Guardianship Tribunal	31	25
NSW Mental Health Commission	46	-
Other	-	(408)
	196,008	206,069
Receivables		
Housing NSW	3,216	1,324
NSW Land and Housing Corporation	1,513	-
Community Services	986	2,040
Ageing, Disability and Home Care	-	1,995
Department of Attorney General and Justice	245	438
Aboriginal Housing Office	248	107
Aboriginal Affairs NSW	65	204
Department of Family and Community Services	596	249
Department of Finance and Services	43	527
State Property Authority	45	44
NSW Treasury Corporation	257	33
Department of Premier and Cabinet	-	14
Guardianship Tribunal	3	-
Office of State Revenue	18	-
Mental Health Commission	72	-
Department of Education and Communities	1,209	2,027
	8,516	9,002

	2013	2012
	\$'000	\$'000
Payables		
FACS	61,872	81,024
Office of State Revenue	60	-
Housing NSW	465	985
Community Services	763	401
Ageing, Disability and Home Care	2,486	690
Department of Attorney General and Justice	-	34
Aboriginal Affairs NSW	-	1
Aboriginal Housing Office	9	-
Department of Education and Communities	356	50
Department of Family and Community Services	209	547
Maritime Police and Emergency Services	-	25
NSW Treasury Corporation	-	289
	66,220	84,046

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

During the year \$35.360 million (2012 - \$35.468 million) was paid by Housing NSW to the Company, as a grant for the provision of corporate services, reimbursable expenditure and project costs.

Statement of Cash Flows

Included in the Statement of Cash Flows are payments and receipts totalling 2013 - \$2.300 million (2012 - \$1.667 million) which relates to the Company acting as an agent on behalf of Ageing, Disability and Home Care Service for the payment of leased premises. These payments made by the Company are recouped from the agency. As the Company acts only as an agent these amounts are not reflected in the Statement of Comprehensive Income.

Notes to the financial statements

For the year ended 30 June 2013

Related Party Expenditure

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

23. Related party transactions (continued)

	2013	2012
	\$'000	\$'000
FACS *	53,848	106,645
Housing NSW	-	34
Ageing, Disability and Home Care	6	30
Department of Attorney General and Justice	70	-
Department of Family and Community Services	-	2,334
State Property Authority	663	2,908
NSW Treasury Corporation	745	991

* This includes \$5.245 million (2012 \$4.350 million) capitalised into the Company's development projects.

Payments for the services of executive officers

	2013	2012
	Number of Officers	Number of Officers
90,000 to 100,000	-	1
130,000 to 140,000	-	1
210,000 to 220,000	-	1
230,000 to 240,000	1	-
240,000 to 250,000	-	1
260,000 to 270,000	-	1
270,000 to 280,000	1	-
300,000 to 310,000	1	-
480,000 to 490,000	1	-
Aggregate executive officers remuneration paid to the above executives was (excluding Executive Directors and including Termination Payments)	\$1,304,894	\$956,738

24. Financial Instruments

The Company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and price risk) credit risk and liquidity risk. The Company's overall risk management program focuses on each of these risks and seeks to minimise potential adverse effects on the financial performance of the Company. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

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

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

Financial Instrument Categories

			2013	2012
Financial Assets	Note	Category	Carrying Amount	Carrying Amount
			\$'000	\$'000
Class:				
Cash and cash equivalents	6	N/A	24,936	20,379
Receivables	7	Loans and receivables (at amortised cost)	9,278	9,099
Total financial assets			34,214	29,478
Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
			\$'000	\$'000
Class:				
Payables	11	Financial liabilities measured (at amortised cost)	84,475	110,963
Borrowings	12	Financial liabilities measured (at amortised cost)	12,952	12,672
Total financial liabilities			97,427	123,635

(a) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's exposures to market risk are primarily through interest rate risk on the Company's borrowings. The Company has no exposure to foreign currency risk and does not enter into commodity contracts.

(i) Foreign currency risk

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

(ii) Price risk

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

Over 57% of the Board's equity investments are in Australian or overseas equities. Approximately 9% of its investments are in Australian or overseas fixed interest securities whilst 8% is in property, 13% in cash and a further 13% in other investments.

Notes to the financial statements

For the year ended 30 June 2013

24. Financial Instruments (continued)

(iii) Interest rate risk

Exposure to interest rate risk arises primarily through the Company's interest bearing liabilities. The risk is minimised by undertaking mainly fixed rate borrowings primarily with NSW TCorp. The Company does not account for any fixed rate financial instruments at fair value through profit and loss or as available-for-sale. Therefore for these financial instruments, a change in interest rates would not affect profit or loss or equity. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. The Company is limited in its ability to manage these risks due to the fact that the Company can only borrow in the form of TCorp facilities given that it is a government entity. Interest rates on these facilities are determined by the government and are typically in line with market rates.

The Company analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing.

(iv) Summarised sensitivity analysis

At 30 June 2013, if interest rates had changed by +/-1.0% from the year-end cash rates of 3.60% and year-end borrowing rates of 3.23 to 5.50% with all other variables held constant, profit or loss and equity would have been effected by +/- \$0.249 million (2012: +/- \$0.204 million). The following table summarises the sensitivity of the Company's financial assets and financial liabilities to interest rate risk.

Interest rate risk					
			-1.0%		+1.0%
	Carrying amount	Surplus	Equity	Surplus	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2013					
Financial assets					
Cash and cash equivalents	24,936	(249)	(249)	249	249
Receivables	9,278	-	-	-	-
Financial liabilities					
Payables	84,475	-	-	-	-
Borrowings	12,952	-	-	-	-
Total increase/(decrease)		(249)	(249)	249	249

Interest rate risk					
			-1.0%		+1.0%
	Carrying amount	Surplus	Equity	Surplus	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2012					
Financial assets					
Cash and cash equivalents	20,379	(204)	(204)	204	204
Receivables	12,672	-	-	-	-
Financial liabilities					
Payables	110,963	-	-	-	-
Borrowings	12,672	-	-	-	-
Total increase/(decrease)		(204)	(204)	204	204

(b) Credit risk

Credit risk arises when there is a possibility that the Company's debtors will default on their contractual obligations, resulting in a financial loss to the Company. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment). Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to external customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

The Company's exposure to credit risk on its receivables is considered minimal because of the nature of its customers – being principally government bodies and agencies.

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

Cash

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

Receivables - trade debtors

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

The entity is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2013: \$8.151 million; 2012: \$8.950 million) and not less than 6 months past due (2013: \$0.674 million; 2012: \$0.149 million) are not considered impaired and together these represent 100.0% (2012: 100.0%) of the total trade debtors.

There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

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

	\$'000	\$'000	\$'000
2013	Total	Past due but not impaired	Considered Impaired
< 3 months overdue	673	673	-
3 months - 6 months overdue	1	1	-
> 6 months overdue	-	-	-
2012	Total	Past due but not impaired	Considered Impaired
< 3 months overdue	121	121	-
3 months - 6 months overdue	28	28	-
> 6 months overdue	-	-	-

The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore the total will not reconcile to the receivable total recognised in the statement of financial position.

Each column in the table reports gross receivables.

Notes to the financial statements

For the year ended 30 June 2013

24. Financial Instruments (continued)

(c) Liquidity risk

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

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

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

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether invoiced or not. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, 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 statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payment to other suppliers, the Head of an authority (or a person appointed by the Head of an authority) may automatically pay the supplier simple interest.

All breaches of prudential limits are to be reported to the Managing Director immediately and to the Board monthly for ratification of action proposed or undertaken.

Forecast liquidity reserve as of 30 June 2013 is as follows:

	30 June 2013	2013-2016
	Actual	Forecast
	\$'000	\$'000
Opening balance for the period	20,379	24,936
Operating proceeds	220,628	593,574
Operating outflows	(185,312)	(493,211)
Cash outflows for plant and equipment	(31,091)	(77,366)
Proceeds from sale of plant and equipment	332	-
Payments of debts and dividends	-	(6,000)
Closing balance for the period	24,936	41,933

Maturity analysis and interest rate exposure of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities, together with the interest rate exposure at the reporting date.

				Interest Rate Exposure		Maturity Dates	
	Weighted	Nominal Amount (1)	Fixed	Variable		< 1 Year	1 - 5 years
	Average Effective		Interest	Interest	Non-interest		
	Interest Rate		Rate	Rate	bearing		
	\$'000		\$'000	\$'000	\$'000		
At 30 June 2013							
Payables		84,475	-	-	84,475	84,475	-
Borrowings							
TCorp borrowings	3.23	2,065	2,065	-	-	2,065	-
TCorp borrowings	5.50	10,808	10,808	-	-	10,808	-
		97,348	12,873	-	84,475	97,348	-
At 30 June 2012							
Payables		110,963	-	-	110,963	110,963	-
Borrowings							
TCorp borrowings	4.00	2,081	2,081	-	-	2,081	-
TCorp borrowings	5.50	11,387	11,387	-	-	579	10,808
		124,431	13,468	-	110,963	113,623	10,808

Notes:

1. The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the statement of financial position.
2. Of the \$12.873 million disclosed in the 2013 Tcorp borrowings time band < 1 year, the Company intends to repay \$10.808 million in the first quarter of 2013-14.
3. The Company has no borrowings with a maturity dates in excess of five years.

24. Financial Instruments (continued)

	2013	2012
	\$'000	\$'000
The Company has the following line of credit with Westpac Bank		
Tape Negotiation Authority	3,000	3,000

This facility was unused as of 30 June 2013 and 30 June 2012.

(d) Fair Value

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value, because of the short-term nature of many of the financial instruments.

25. Events after the Reporting Period

At the date of this report the Company is not aware of any events since balance date that would materially affect the disclosures outlined in this report.

End of Audited Financial Statements



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