

# Annual Report 2013-2014

elected representatives,  
your vote your voice

# Democr@cy

Political Parties  
Freedom of speech  
people  
participation

Independents



# Contents



31 October 2014

The Hon. Mike Baird MP  
Premier  
Level 40, Governor Macquarie Tower  
1 Farrer Place  
SYDNEY NSW 2000

Dear Premier

On behalf of the New South Wales Electoral Commission and the New South Wales Electoral Commission Staff Agency, I am pleased to submit our Annual Report for the financial year ended 30 June 2014.

This Report is presented in accordance with the requirements of the *Annual Reports (Departments) Act 1985* and the *Public Finance and Audit Act 1983*.

Our Annual Report reviews our performance against corporate strategy, outlined in “*Our Future Directions 2013-2016*”.

The Report details our operations and activities, addressing each of the five key goals in “*Our Future Directions*”. This includes the conduct of elections held during the year, as well as the services we have provided to registered clubs, statutory boards, industrial organisations and other assistance to electoral authorities. We also address our challenges, initiatives and the conduct of the forthcoming 2015 State General Election.

As per Memorandum M2013-09, the Annual Report was produced in-house eliminating any external production costs.

Yours sincerely

Colin Barry  
**Electoral Commissioner**

The NSW Electoral Commission (NSWEC)  
Address: Level 25, 201 Kent Street,  
Sydney NSW 2000 Australia  
Postal: GPO Box 832, Sydney NSW 2001 Australia  
Telephone: +61 2 9290 5999  
Fax: +61 2 9290 5991  
Website: [www.elections.nsw.gov.au](http://www.elections.nsw.gov.au)  
Office hours: Monday-Friday, 9:00am-5:00pm

Letter of Transmittal

Table of Contents

About the NSW Electoral Commission	1
Our Mission, Vision and Values	2
<b>Part 1: Executive Summary</b>	<b>3</b>
The Year at a Glance	4
Executive Management Team	6
Electoral Commissioner's Foreword	8
Chief Financial Officer's Report	12
<b>Part 2: Reporting Against Our Future Directions</b>	<b>15</b>
<b>GOAL 1</b> Foster Participation in the Democratic Process	16
<b>GOAL 2</b> Be Customer focussed and Commercially minded	20
<b>GOAL 3</b> Provide Seamless Service Delivery	24
<b>GOAL 4</b> Value Our People	28
<b>GOAL 5</b> Innovative, Fast Adaptation	32
<b>Part 3: Accountability and Corporate Governance</b>	<b>35</b>
Accountability	36
Governance Structure	36
Risk Management	38
Legislative Matters	41
Business Operations	45
<b>Part 4: Financial Performance</b>	<b>47</b>
Financial Position	48
Audited Financial Statements – New South Wales Electoral Commission	52
Audited Financial Statements – New South Wales Electoral Commission Staff Agency	82
<b>Part 5: References</b>	<b>91</b>
Appendices	92
Organisational Structure	93
Table of Figures	101
Glossary	102
Index	104

Note: Throughout this Report, the terms iVote and SmartRoll are used to refer to the iVote system and the SmartRoll system respectively. Both iVote and SmartRoll are Registered trademarks of the NSW Electoral Commission.

ISSN 1835-3312 (Print) ISSN 1835-3282 (Online) Copyright © State of New South Wales through the New South Wales Electoral Commission 2013. No part of this report may be reproduced by any process, except in accordance with the *Copyright Act 1968*. Please address all enquiries to the New South Wales Electoral Commission.



# About the NSW Electoral Commission

**The New South Wales Electoral Commission (NSWEC) is an independent statutory authority established under the *Parliamentary Electorates and Elections Act 1912*.**

## What We Do

Our role is to conduct impartial and fair elections for the Parliament of NSW, Local Government councils, the Aboriginal Land Council and registered clubs, statutory boards and state registered industrial organisations as well as other functions that support electoral matters which include:

- Preparing the NSW electoral roll in conjunction with the Australian Electoral Commission;
- Providing administrative support to the Election Funding Authority;
- Providing advice to the Premier on issues affecting the conduct of State elections and by-elections;
- Reporting to the NSW Parliament and Joint Standing Committee on Electoral Matters; and
- Contributing to public understanding and awareness of elections and electoral matters.

## Our Stakeholders

We serve the people and electors of NSW; the NSW Parliament; Premier; Minister for Local Government; local councils; registered political parties; the media; candidates and other participants at elections; registered clubs, statutory boards and industrial organisations.

## Our History

The NSWEC occupies a special position within the structure of government in New South Wales. The NSWEC has its roots in the development of representative government dating back to 1843 when the first election of 24 representatives to the NSW Council was conducted by the Elections Branch of the Chief Secretary's Department. The Office of Electoral Commissioner was established in 1928 under the *Parliamentary Electorates and Elections Act 1912*.



**Our Mission, Vision and Values guide the strategies of our operations and provide a foundation for the organisation’s culture.**

**Mission**

To deliver high quality electoral services which are impartial, effective, efficient and in accordance with the law.

**Vision**

To foster a culture of integrity, respect and trust in the electoral administration that underpins the democratic process.

**Values**

Our values underpin our culture, our services to stakeholders and our performance.

- Integrity in the way we work;
- Impartiality in service provision to maintain the confidence of stakeholders and the community and to uphold the democratic nature of the NSW electoral system;
- Uphold the principle of equal access to democracy for all NSW citizens;
- Professionalism in providing electoral services regardless of size or nature of event;
- A learning culture amongst our staff to ensure we improve service delivery and remain modern, forwarding thinking and capable of meeting future challenges.

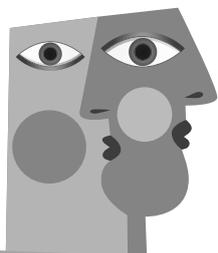
# Executive Summary



**This part summarises the NSWEC’s achievements in 2013-14 and our future challenges. It includes an overview of the NSWEC and its organisational structure, as well as the Electoral Commissioner’s Foreword and the Chief Financial Officer’s Report.**

The Year at a Glance	4
Executive Management Team	6
Electoral Commissioner’s Foreword	8
Chief Financial Officer’s Report	12

# The Year at a Glance



## Five key goals form the cornerstone of 'Our Future Directions'

The NSWEC has five key goals, which are documented in "Our Future Directions 2013-2016". Our achievements against those goals in 2013-2014 and initiatives planned for the future are outlined below.

GOAL

1

### Foster Participation in the Democratic Process

Aim: To raise awareness of the electoral process, making it easy for electors to participate.

#### Achievements

- Increased enrolment of eligible voters from 94.9% in 2013 to 95.7% in 2014 through the use of automatic enrolment.
- The Electoral Districts Commissioners completed a redistribution of electoral boundaries, in preparation for the 2015 State General Election.
- Agreed an Equal Access to Democracy Plan 2014-2016 to increase our understanding of the election needs of people with a disability and to meet those needs.

#### Future Challenges

- Delivering the 2015 State General Election.
- Effectively communicating the redistribution changes to affected electors to minimise their confusion on election day.
- Using technology to improve our election services, including delivering candidate seminars via webinar and podcast.
- Encouraging bi-lingual community members to apply to work at the 2015 State General Election.

GOAL

2

### Be Customer-Focussed and Commercially-Minded

Aim: To understand our stakeholders, build excellent relationships with them and address their needs.

#### Achievements

- Conducted nine Local Government by-elections, one State by-election and 31 commercial elections (for clubs, statutory boards and industrial organisations) and provided voting services for three inter-jurisdictional elections.
- Established a Customer Relationship Management system to track our interactions with clients and prospective clients.
- Worked with councils to understand their needs and to ensure they are aware of our services.

#### Future Challenges

- Encouraging councils to nominate us as their service provider for the 2016 Local Government Elections.
- For the first time, negotiating service levels with any council which nominates us to be their service provider.
- Continuing to communicate with clients and prospective clients to make them aware of our services.

## GOAL

**3****Provide Seamless Service Delivery**

Aim: To ensure that our customers, no matter who they are, can easily access our services and understand their entitlements and responsibilities.

**Achievements**

- Established a Project Management approach for the March 2015 State General Election so that we can effectively plan, execute, track, report, evaluate and improve our election projects.
- Sought and responded to customer feedback about the elections we delivered.
- Refreshed our IT infrastructure in preparation for the State General Election, resulting in improved transactions for clients.

**Future Challenges**

- Increasing the number of pre-poll voting centres for the March 2015 State General Election to accommodate increasing demand.
- Providing mobile voting services to more Declared Institutions (such as Nursing Homes) to enable more electors to vote in the 2015 State General Election.
- Introducing tablet devices in voting centres to improve elector roll look up on election day in March 2015.

## GOAL

**4****Value Our People**

Aim: To provide an environment for our staff that facilitates learning, skill development and competent operations.

**Achievements**

- Launched a Performance Management Cycle for staff, which includes a performance agreement and development plan for all staff.
- Ran a variety of training for staff in relation to Workplace Health and Safety and risk management.
- Achieved the lowest sick leave figures for the past five years.

**Future Challenges**

- Recruiting and training approximately 20,500 temporary staff for the 2015 State General Election.
- Responding to the results of the sector-wide 'People Matter Staff Survey' in which NSWEC participated.
- Implementing the new *Government Sector Employment Act, 2013*.

## GOAL

**5****Innovative, Fast Adaptation**

Aim: To foster an environment that encourages innovative ideas and has the capacity and capability to implement them.

**Achievements**

- Provided input to drafting of a new *Electoral and Lobbying Amendment (Electoral Commission) Act 2014*.
- Chaired a 12-month project with all States, Territories and New Zealand, analysing strategies and programs to engage with electors from culturally and linguistically diverse backgrounds.
- Enhanced the iVote system (iVote) so that electors can now hear their vote preferences spoken back to them after voting.

**Future Challenges**

- Developing our own Roll Management System based on increased interaction with eligible voters using a variety of modern technology.
- Strengthening the processes around ballot paper security and minimising movement of ballot papers during the 2015 State General Election.

# Executive Management Team

**NSWEC's Directors have a diversity of experience and expertise, making our management team both effective and innovative.**

## Colin Barry

Electoral Commissioner

*BA; BEd*

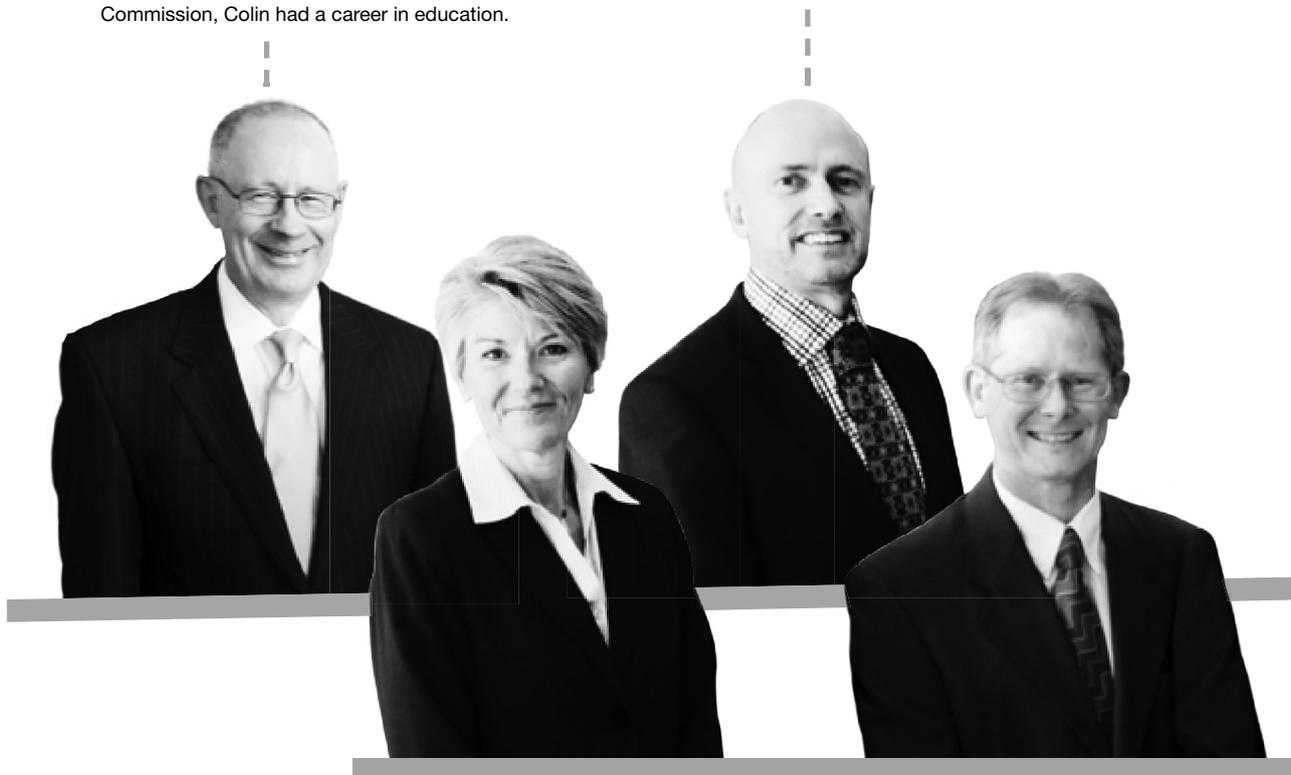
Colin Barry was appointed Electoral Commissioner for New South Wales on 1 July 2004. Previously, Colin served as the Electoral Commissioner for Victoria from 1999 and Deputy Electoral Commissioner in Victoria from 1989. Before joining the Victorian Electoral Commission, Colin had a career in education.

## Trevor Follett

Director Finance

*BCA*

Trevor Follett joined the NSWEC in October 2005. Previously, he spent 20 years in the private sector and was Finance Director for a private education business immediately prior to joining us. He has also held the role of Secretary, Election Funding Authority.



## Linda Franklin

Director Elections

*Dip. Human Res Mgt; GradCert. Change Mgt*

Linda Franklin joined the NSWEC in 2009, from the World Youth Day Co-Ordination Authority where she was Executive Director, Planning and Operations. Linda previously worked in the Office of Protocol and Special Events in the Department of Premier and Cabinet.

## Greg Brandtman

Director Administration

*BBus*

Greg Brandtman joined the NSWEC in 1990. His career in public sector management is complemented by significant experience in the election environment. He has delivered a diverse range of key projects across a number of major election events.

## Ian Brightwell

Director IT Services  
*MAppSc; MEngSc; BEng, MIEAust*

Ian Brightwell was appointed Director IT Services in 2006. Prior to that, Ian had been a consultant to large organisations on IT operations and planning and had also held various roles in several NSW Government agencies.

## Paul Beeren

Director Enrolment

Before joining the NSWEC in 2006, Paul Beeren spent over 25 years in the utilities industry in a variety of senior management, marketing and technical roles. In the last four years he has developed, introduced and implemented our SmartRoll system (SmartRoll) enrolment process.

## Brian DeCelis

Director Funding and Disclosure (EFA)

Brian DeCelis has been a career public servant since joining the State Electoral Office in 1973. He has held various positions totalling over 28 years in both the State Electoral Office and the NSWEC. This experience has included a number of years in the position of Director Elections prior to taking up the role of Director Funding and Disclosure for the Election Funding Authority (EFA).



## Sonja Hewison

Director Legal  
*BA, LLB, GradDip Leg Prac.*

Sonja Hewison joined the NSWEC in 2008 after seven years with the Department of Local Government. She has significant experience developing electoral policy and legislation and leads delivery of our legal services.

## Dr Elizabeth Coombs

Director Performance Measurement (part-time)  
*PhD, BA (Hons), GradDip. Mktg Mgt*

Elizabeth Coombs joined the NSWEC in 2007. She has held senior roles in the public sector, including Fair Trading, Department of Juvenile Justice, Department for Women and Premier's Department. Her experience also includes roles in service agencies and state-owned corporations. She has served as Commissioner, NSW Local Government Grants Commission.

Our organisational structure as at 30 June 2014 is at Appendix 1 on page 93.

# Electoral Commissioner's Foreword



## Building foundations for the future

I am pleased to present the New South Wales Electoral Commission's (NSWEC's) Annual Report for 2013-14.

It has been a busy twelve months for the NSWEC. The ongoing conduct of elections has occurred while we have undertaken a redistribution of electoral districts, provided advice to the NSW Government on legislative and other matters and focused on preparing to conduct the coming NSW State General Election in March 2015.

We conducted one State By-election, nine Local Government by-elections, 31 commercial elections (for clubs, statutory boards and industrial organisations), as well as assisting three interstate Electoral Commissions by providing voting services for their absentee electors. We also began the challenging task of preparing for the NSW State General Election 2015.

“We're fostering participation in democracy”

We undertook this work in an environment where the electorate's trust in the democratic process was affected by the loss of Senate Ballot papers in Western Australia following the September 2013 Federal Election. An Inquiry subsequently found the fate of the papers may never be known. These events received widespread publicity. The results of the Federal election also highlighted the success of micro-parties and led to some concerns that the electoral system was open to manipulation through preference deals.

## “To ensure ‘one vote, one value’”

At the same time, there were ongoing revelations in Independent Commission Against Corruption hearings regarding failures by some NSW politicians to disclose political donations from prohibited donors, contrary to election funding legislation.

While none of these events involve the NSWEC, they do affect public confidence in the electoral system. Consequently, this will have implications for our work in encouraging eligible electors to exercise their democratic right to vote. We also need to continue to ensure that our systems are robust and capable of delivering an auditable election outcome.

public consultation period, in September 2013 and our recommendations come into effect from the 2015 State General Election. The redistribution retained 93 electoral districts (that is, 93 members of the Legislative Assembly), however, the district of Murrumbidgee was abolished while a new district of Newtown was created. In addition, several district boundaries were changed. The NSWEC will undertake an information campaign for all affected voters to make sure that they know about the redistribution and its implications for them.



One important way of preserving the integrity of our electoral system is to ensure that the principle of ‘one vote, one value’ applies. To achieve this, our law in New South Wales requires that the numbers of voters in each electoral district are approximately equal and only vary, more or less, by 10% from the average. The process of achieving this is called a redistribution and these occur after every two State elections. The last redistribution was held in 2004 and given the State elections in 2007 and 2011, NSW was required to conduct another redistribution before our next election in 2015.

I was one of three members of a special committee, the Electoral Districts Commissioners, appointed by the Governor to oversee the redistribution process and to determine the final boundaries and names of the electoral districts. We presented our report, following a

Another element of maintaining a healthy democratic system is ensuring that we maintain accurate electoral rolls. We continued to use our automatic enrolment facility (SmartRoll) to improve the numbers of eligible electors on the electoral roll. Over the four years that SmartRoll has been operating, we have reduced the number of eligible voters not on the roll from approximately 480,000 to about 220,000 at the end of 2013-14.

We are approaching the question of enrolment from two fronts: first, we are using modern technology to take a proactive approach to enrolment, rather than simply waiting for voters to enrol and secondly, we are engaging with the community to increase awareness of the need to enrol and to improve voter confidence in the system.

# Electoral Commissioner's Foreword

## continued

### "Focussing on our Customers"

During the year, we worked with diverse groups such as Homelessness NSW, the NSW Council for Intellectual Disability, Vision Australia, National Centre of Indigenous Excellence and the Community Relations Commission. We have worked closely for a number of years with our Equal Access to Democracy Reference Group to ensure equal access for people with a disability and during the year signed off the Equal Access to Democracy Plan 2014-16. One of our key issues is capturing the election experience of people with a disability and meeting their needs. During 2013-14, we also established a Culturally and Linguistically Diverse Reference Group and an Aboriginal and Torres Strait Islander Reference Group to help us with strategies to increase awareness and understanding of the electoral process in their communities. Over the twelve months of the reporting period, we utilised international and national awareness raising days such as NAIDOC Week.

#### Providing seamless service delivery

We reported last year that the NSWEC had participated in a review undertaken by the Joint Standing Committee on Electoral Matters (JSCEM) of the *Parliamentary Electorates and Elections Act 1912* and the *Election Funding, Expenditure and Disclosures Act 1981*. The JSCEM recommended and the Government agreed that these Acts be re-written and modernised.

We had anticipated that this review would lead to fundamental legislative changes in time for the March 2015 State General Election. Disappointingly, this has not occurred. I think this will be seen in hindsight as a lost opportunity. NSWEC had, for example, been developing a wide range of innovative practices, with a particular focus on centralising count procedures in anticipation of new enabling legislation. As no new Electoral Act has been introduced into the Parliament, the NSWEC can only implement such changes as currently have statutory authorisation.

The NSWEC also actively participated during the year in the national bodies concerned with improving electoral administration and participation. We chaired a twelve month project with membership from all States and Territories and New Zealand to collect and analyse the strategies and programs we use to engage with electors from culturally diverse backgrounds. We also continue to jointly fund, with the Victorian Electoral Commission and the University of Melbourne Law School, an Electoral Regulation Research Network. We established the Network in 2012 to encourage

exchange and discussion on electoral regulation. We are a member of a Network Project Team working on informed voting, which will report its findings in 2015. The Project Team will look at how important informed voting is for Australian democracy and how it can be better understood, promoted and implemented in 21st century Australia.

Finally, the NSWEC's 2012-13 Annual Report won a Silver Award at the Australasian Reporting Awards, the fourth consecutive time we have won the Silver Award, recognising our efforts to explain and disclose key aspects of our operation and to comply with our legislative and regulatory requirements.

#### The Future

Undoubtedly our major challenge in the coming months will be preparing for and conducting the State General Election on the fourth Saturday in March, 2015. This will include implementing the electoral redistribution and making sure all affected voters are aware of the redistribution's implications for them.

Approximately five million electors will be eligible to vote across 93 electoral districts, each district returning a single member to sit in the Legislative Assembly. Electors will also vote for 21 of the 42 member Legislative Council. To run a successful election, we will hire and train approximately 20,500 temporary staff and will establish around 2,800 polling booths around the State. We will run briefing sessions across the State for candidates and, for the first time, will supplement face to face candidate sessions with webinars and podcasts. We will offer electronic voting (iVote) to voters in remote locations, voters with a disability and voters who are interstate. We estimate that around 250,000 electors will vote electronically (five times as many as in 2011), using either telephone or internet. For the first time these voters will be able to verify their vote by hearing their preferences spoken back to them after voting.

The NSWEC has a highly successful track record in managing State and local government election events in NSW. Successful delivery of election services has always required rigorous planning and preparation, comprehensive logistical support, a cohort of well-trained temporary staff, thorough procedures and instructions, and disciplined risk management. We had already in place enhanced processes for managing all aspects of the ballot count, including security, material handling, accounting, and transport.

## “Improving electoral administration and participation”

These enhancements were built on successful experience gained from previous elections. Nonetheless, it became clear to me that the NSWEC needed to ensure that the security, handling, and accounting of ballot papers were managed to an even higher standard, in order to meet the public’s expectations of the NSWEC administration of the State General Election 2015.

We are well aware that, in the wake of the unfortunate mishandling of the ballot count in Western Australia (WA), election management bodies throughout Australia will be subject to closer scrutiny than ever before. The circumstances surrounding the missing 1,370 ballot papers during the WA Senate recount put under a harsh spotlight the challenges of managing complex election events, evidencing just how a small number of minor, avoidable errors can snowball into a disastrous outcome for voters, candidates and electoral administrators alike.

In our preparations for the 2015 State General Election, we have incorporated, where appropriate and valid, ideas and recommendations from the December 2013 report of Mr Michael Keelty AO on the WA Senate count [the Keelty Report] within our existing and on-going continuous quality improvement process. These changes include minimising the movement of live ballot papers, enhanced security and the use of centralised counting (where allowed within the constraints of our current legislation, the *Parliamentary Electorates and Elections Act 1912*). We have also identified how other existing processes can be modernised within the confines of the Act.

I am confident that, by focussing on the electoral infrastructure in its preparations, the NSWEC will meet all our statutory obligations and overcome any logistic and demographic challenges to successfully conduct the 2015 State General Election to the highest electoral standard.

While the State General Election will be our biggest challenge in the coming year, we will also be working closely with councils which can choose NSWEC or another provider for their elections. Although the next Local Government Elections will not be held until September

2016, the deadline for councils to nominate NSWEC as their election provider is March 2015. We will work with councils to ensure they are fully aware of the services we offer in the lead up to their decision about an election provider. Also looking ahead to the 2016 Local Government Elections, we are developing a Roll Management System to manage and maintain our electoral roll, which we plan to have in place for the council elections.

I would like to thank our staff, contractors and suppliers at the NSWEC for their hard work this year and I look forward to the challenges of 2014-15.



Colin Barry  
Electoral Commissioner  
30 June 2014

# Chief Financial Officer's Report



## Informed decisions on allocation of resources

During the financial year the NSWEC began preparing for the State General Election in March 2015. The governance board for the State General Election has been formed and has determined the 20 Projects that will comprise the election event. An election budget of \$44.469 million has been allocated over two years, including \$4.538 million which was allocated in 2013-14.

### “Investing in our own Roll Management system”

The NSWEC's budget for 2013-14 totalled revenues of \$35.727 million and expenses of \$32.246 million, leading to an expected income result of \$3.481 million. During the year the NSWEC was required, however, to increase transfer payments to the Election Funding Authority of New South Wales in the amount of \$2.712 million and to support the Joint Roll Agreement with the Commonwealth by an additional \$0.620 million. As a result, a net loss of \$0.967 million was incurred, compared to the budgeted income of \$3.481 million. Both of these items were revisited by Treasury and I am pleased to report that they have been addressed in the future Net Cost of Services level.

The Joint Roll Agreement with the Commonwealth, currently costing NSWEC \$4.6 million per annum, for provision of elector enrolment information will be phased out in two years' time. We are investing in our own Roll Management System (RMS), leveraging off the investment previously made in SmartRoll which uses government databases to update elector enrolment details. Software development for the RMS, with a capital investment of \$5.7 million, will begin in 2014-15 and be completed by the end of 2015-16.

## Capital Investment

During the year the NSWEC spent \$5.573 million of the allocated Capital budget of \$6.175 million. \$3.596 million was invested in the 'Funding and Disclosures Management System' known as FADMS. The total investment over two years to build the system was in the order of \$5 million. This system went into production in May 2014 and is operated by the Election Funding Authority to manage and report on Political Party, Candidate, and Group and Donor disclosures. \$1.899 million of capital was also invested in ICT infrastructure as we build toward the 2015 State General Election.

## Recurrent Funding

The NSWEC's expenditure of \$26.248 million was within our recurrent funding budget provision of \$28.009 million. Some of the underspend relates to project activity for the State General Election and a rollover of funds in relation to these timing differences on expenditure will be sought for the next financial year.

Revenue levels are down on last year because 2013-14 was not a State wide or Local Government election year. The NSWEC recovers the cost of these council elections, making up for a reduction in State funding of recurrent expenses for the overheads associated with the management of the Local Government elections. Election management fees in 2013-14 were \$0.186 million, down from \$2.338 million in the previous year.

Expenditure on State by-elections was low because only one (for the Miranda electoral district) was held during the financial year. Depreciation expense reduced from \$5.245 million to \$4.725 million as a number of assets are nearing the end of their effective lives.

Personnel services are provided through the controlled entity of the 'New South Wales Electoral Commission Staff Agency'. This entity replaces the 'Office of the New South Wales Electoral Commission' reported on in the prior year. The cost of the personnel services dropped from \$8.050 million in 2012-13 to \$7.601 million this year because only one voluntary redundancy was made this year compared to several in 2012-13.

## Statement of Financial Position

The Statement of Financial Position shows reduced receivables at the end of the financial year as all councils paid their invoices for the conduct of the 2012 Local Government Elections. The competitive environment remains for the 2016 Local Government Elections whereby councils can choose who should conduct their elections. The NSWEC is providing estimates of cost so councils can be informed in making their choice.



# Chief Financial Officer's Report

## continued

Cash levels are reduced due to the NSWEC using its own reserves to fund the higher than expected payments to the Commonwealth under the Joint Roll Agreement and the payments to Parties and Candidates for Election Campaign Fund claims. Net Equity fell from \$19.013 million to \$18.046 million as a result.

### Internal Audit

The Internal Audit Work Plan for the 2014 financial year covered external compliance and financial risks. From the three internal audit engagements scheduled in the 2014 plan, there were two internal audit engagements that examined financial risks. These internal audit engagements had the following objectives:

- To assess the processes and controls in place for the CFO to certify the effectiveness of internal controls and identify potential gaps and areas for improvement. We used the internal audit report's recommendation to enhance the basis for determining the adequacy of internal controls that affect financial reporting to NSW Treasury.
- To examine if NSWEC has an effective methodology in place to manage budgets; has controls in place in the budget process; has controls in place to allocate election related costs appropriately; has a robust pricing methodology; and has a system for accurately invoicing Councils in a timely manner. We used the internal audit report's recommendations to enhance our invoicing policy and access controls over invoice models.

### Finance Systems

During the year we delivered an online purchase order system, known as 'IPOS'. This system manages the raising of requisitions, approvals, the issue of Purchase Orders and Goods receipting. The approval matrix is based on Electoral Commissioner delegations and gives comfort that purchases are following the mandated purchasing authority limits. We also delivered an online Employee Service Portal which integrates into the Payroll System capturing leave applications, approvals and management of leave balances. Amendments are currently underway to the system that captures Polling Place payment information.

We had hoped to move away from Candidates being required to make Nomination Deposits in the current form of Cash or Bank Cheque to an online payment acceptance however this required legislative change has not received support to date.

In the coming year we will be developing systems to allow for the Federal Government requirement for Superannuation to be paid through a clearing house; implementing Secure File Transfers for EFT (electronic funds transfer) files; expanding the Chart of accounts to deal with multiple election events and delivering a Business Information reporting system for budget holders. This will support a significantly enhanced budget, variance analysis, forecasting and reporting through the year. There are mandated performance objectives for executives who manage budgets. The CFO has responsibility to produce appropriate information to ensure the agency operates within its approved Labour Expense cap, Net Cost of Service limit, CAPEX budget and determined savings measures.

### Future Events

On 24 June 2014, the *Electoral and Lobbying Legislation Amendment (Electoral Commission) Act 2014* received royal assent. One of the objects of the Act is to abolish the Election Funding Authority of New South Wales and to confer the Authority's functions to the reconstituted New South Wales Electoral Commission. The Act will not take effect until it is proclaimed, however, it is expected that the Financial Statements for the next financial year will be impacted by this change.



Trevor Follett  
Chief Financial Officer  
16 September 2014

“Preparing for  
the State General  
Election in  
March 2015”

# Reporting Against Our Future Directions

# 2

## Background and Goals

In 2013 the Electoral Commissioner and NSWEC senior executives identified five key goals which would guide our strategies and plans for the future. Following staff consultation, these were documented in “Our Future Directions 2013-2016”.

The following pages report on our achievements and challenges in the past 12 months in relation to each of the key goals, as well as our future plans.

<b>GOAL 1</b>	Foster Participation in the Democratic Process	16
<b>GOAL 2</b>	Be Customer focussed and Commercially minded	20
<b>GOAL 3</b>	Provide Seamless Service Delivery	24
<b>GOAL 4</b>	Value Our People	28
<b>GOAL 5</b>	Innovative, Fast Adaptation	32



## Overview

We champion democracy and democratic participation by:

- raising awareness of the electoral process;
- making it easy for electors to participate;
- communicating issues involved in participation by citizens in the democratic process;
- raising awareness of funding and disclosure rights and obligations;
- making it easy for candidates and parties to comply with legal obligations; and
- communicating issues involved in compliance and advocating for change where appropriate.

## What We Achieved

### Redistribution of Electoral Boundaries

Redistributions occur after every two State General Elections, to ensure that the numbers of voters in each electoral district are approximately equal and only vary, more or less, by 10% from the average. This is part of implementing the principle of 'one vote, one value'.

In 2013 the Governor established a committee of three Electoral Districts Commissioners to oversee the redistribution. The Commissioners undertook public consultation before presenting a report to the Governor on 16 September 2013. The 2013 redistribution will come into effect at the March 2015 State General Election.

The redistribution determined the following changes:

- abolition of the district of Murrumbidgee;
- creation of the district of Newtown; and
- variation of other electoral district boundaries, with name changes for six districts.

A summary of all electoral districts following the redistribution is at Appendix 2.

### Engaging with Communities

The NSWEC has an Equal Access to Democracy Reference Group, which works closely with us to ensure equal access for people with disability. 18 community organisations are members of the group, which met three times during the year (9 August 2013, 15 November 2013 and 7 March 2014) and signed off the Equal Access to Democracy Action Plan 2014-16, which we will now implement.

In 2013-14 we also established a Culturally and Linguistically Diverse Reference Group, with membership from 13 community and government organisations, and an Aboriginal and Torres Strait Islander Reference Group, with representation from nine community and government organisations. We established both groups, which met for the first time in June 2014, to advise us on strategies to increase awareness and understanding of the electoral process within their communities.

We also meet with interested organisations to promote awareness of the electoral process and to encourage participation by people (such as the homeless) who traditionally might not exercise their right to vote. We also recognise events of interest to community groups (such as Multicultural March and NAIDOC week) by highlighting these on our website and directing people to electoral resources developed specifically for them.

# GOAL 1 – Foster Participation in the Democratic Process *continued*

## Legislative change

In May 2013 the Joint Standing Committee on Electoral Matters (JSCEM) issued a report on its review of the *Parliamentary Electorates and Elections Act 1912* and the *Election Funding, Expenditure and Disclosures Act 1981*. The Committee had been asked by the Government to consider whether the Acts should be amended or rewritten to promote free, open and honest elections in New South Wales, given the significant changes to the political and electoral landscape since the Acts were originally enacted.

The Government responded to the JSCEM report on 5 November 2013, supporting the JSCEM's principal recommendation that the State's current electoral legislation be replaced and that the conduct of State elections and the regulation of campaign finance and expenditure be administered by a single statutory corporation under a single act.

The resulting new *Electoral and Lobbying Legislation Amendment (Electoral Commission) Act 2014* was assented to on 24 June 2014. When the Act is proclaimed, the NSW Electoral Commission will be reconstituted as a three member statutory corporation and the Election Funding Authority will be abolished. The new Commission will consist of a former Judge (of the Supreme Court of any State, of the Federal Court of Australia, or of the High Court of Australia) as the Chairperson of the Commission, the Electoral Commissioner, and a person who has financial or audit skills and relevant qualifications.

## Securing Participation in Enrolment

To maintain a healthy democratic system, it is vital that we maintain accurate electoral rolls and ensure that everyone eligible to vote can do so.

Under the compulsory voting system, every Australian citizen resident in New South Wales who is 18 years of age or older must enrol and vote at Federal, State and Local Government elections and referenda. A citizen is eligible to enrol if they meet the following criteria:

- 16 years of age or older (16 to enrol and 18 to vote);
- Australian citizen (or British subject who was on the Australian electoral roll on 25 January 1984); and
- resident at their present address for at least the last month.

While eligible voters can register to vote or update their details, since 2010 legislation has allowed us to also directly enrol eligible voters. We do this using SmartRoll which uses data from other NSW government agencies to identify eligible but unenrolled or incorrectly enrolled people to add their correct details to the NSW roll.

Before SmartRoll's introduction in 2010, around 480,000 eligible voters were not on the roll. In 2012, it was approximately 315,000 and fell to about 261,000 in 2013. In the current reporting period, it fell again to approximately 220,000. The following table shows the steady increase over the last three years in the percentage of the eligible voting population enrolled to vote.

**Figure 1 – NSW Enrolment Participation Rate (18 years and over)**

YEAR	NSW ENROLMENT	% OF TOTAL ELIGIBLE POPULATION
June 2012	4,769,917	93.8
June 2013	4,868,528	94.9
June 2014	4,963,555	95.7

## Access to the Electoral Roll

Under Division 5 of the *Parliamentary Electorates and Elections Act 1912*, the Electoral Commissioner has the authority to determine the manner and form of access to rolls and enrolment information. Appendix 3 shows requests for electoral information.

## Local Government and State By-elections

The NSWEC conducted nine Local Government by-elections during the year for Councils and Wards as well as one State by-election (figures 2 and 3).

**Figure 2 – Elections – Local Government (By-elections)**

COUNCIL	BY-ELECTION DATE
Gilgandra	14 September 2013
Singleton	14 September 2013
Gwydir	16 November 2013
Wakool	7 December 2013
Hurstville	15 March 2014
Woollahra	15 March 2014
Willoughby	12 April 2014
Willoughby	14 June 2014
Brewarrina	21 June 2014

**Figure 3 – Elections – State (By-elections)**

DISTRICT	BY-ELECTION DATE
Miranda	19 October 2013

### Elections in Other Australian Jurisdictions

The NSWEC provided voting services for the following elections for electors who were in New South Wales on election day:

**Figure 4 – Voting Services for Interstate Electors**

STATE/TERRITORY	ELECTION	ELECTION DAY
Tasmania	House of Assembly	15 March 2014
South Australia	State Election	15 March 2014
Northern Territory	Legislative Assembly By-Election	12 April 2014
Tasmania	Legislative Council	3 May 2014

### Clubs, Statutory Boards and Industrial Elections

The NSWEC conducted 31 elections for clubs and other bodies, a full list of which is at Appendix 4.

### Registration of Political Parties

The NSWEC registers political parties contesting both State and Local Government elections, in accordance with the *Parliamentary Electorates and Elections Act 1912* (Part 4A) and Section 320 of the *Local Government Act 1993*. Five new State and two new Local Government political parties were registered during the financial year. All political parties registered as at 30 June 2014 are listed in Appendix 5.

## Looking Forward – Challenges and Opportunities

We are focussed on fostering participation in democracy, given the upcoming State General Election.

### Implementing Redistribution

The NSWEC will implement the redistribution changes in our roll management systems and undertake an information campaign so that electors know about the redistribution and its effect on them.

### Engaging with Communities

Our Multicultural Action Plan 2014-2016 commits us to actions which recognise the linguistic and cultural diversity of NSW electors and ensures that they have the greatest possible opportunities to contribute and participate in the electoral process. These include:

- encouraging bi-lingual community members to apply to work at the election;
- providing telephone interpreter services for electors who need translations in their language; and
- training election staff in cultural awareness.

We are also working with other communities to understand the barriers to voting that their members may experience and to develop strategies to address those barriers. These include Aboriginal and Torres Strait Islander organisations, disability groups and peak bodies such as Homelessness NSW.

### Improving roll management

We will continue to work towards our own Roll Management System (RMS). An efficient RMS, which can use a variety of enrolment channels is an important element of ensuring participation in democracy.

### Improving vote counting and analysis

At the coming 2015 State General Election, for the first time NSWEC will data enter information from Legislative Assembly ballot papers into a computer counting engine. This will improve accuracy of the count and distribution, as well as enabling greater and more efficient analysis of the results by stakeholders who require this, including Two Party Preferred, Two Candidate Preferred and results booth by booth.

### Using technology to improve our election services

We estimate that four times as many voters will use iVote at the March 2015 State General Election, compared to 2011. Around 250,000 electors will vote via the telephone or internet or through an operator. Many of these would not otherwise have been able to vote or to vote secretly in the case of electors who have a visual impairment.

In the lead up to State elections, we hold candidate information seminars across the State. For the first time, we will supplement face to face seminars with podcasts, which candidates can download at their convenience and webinars, which have the benefit of participants being able to ask and have questions answered on the spot, just as would happen in a face to face session. This will provide a much better service for rural and remote candidates.

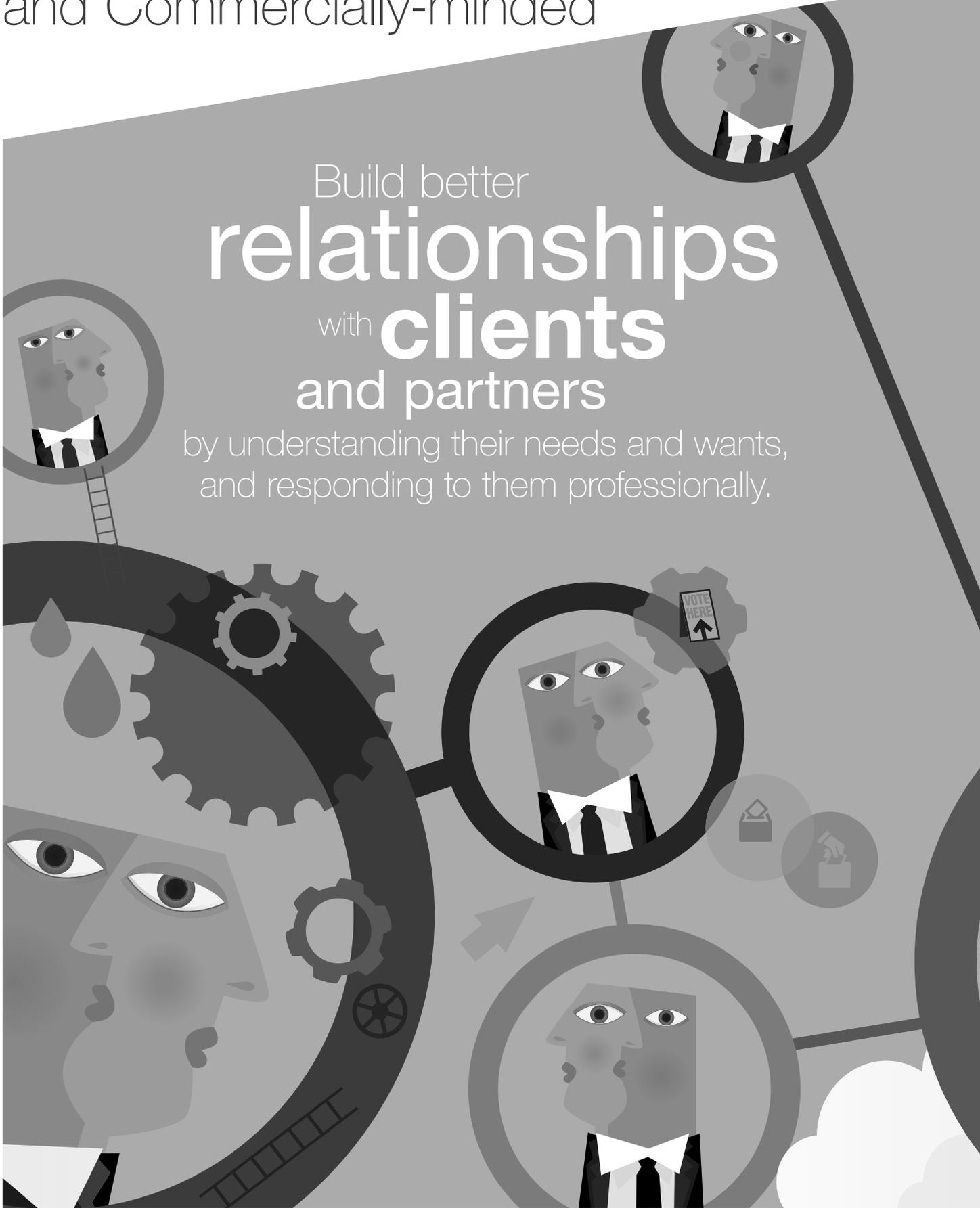
### Implementing Campaign finance reforms

At the end of the reporting period, the Independent Commission Against Corruption was investigating allegations of failure to disclose political donations from prohibited donors, contrary to electoral funding legislation (Operation Spicer). On 27 May 2014, the NSW Government appointed a Panel of Experts on Political Donations to consider options for long term reform of political donations and report to the Premier by 31 December 2014. The NSWEC may need to implement any campaign finance reforms that may flow from recommendations made by the Panel or from legislation passed by Parliament.

# GOAL 2 – Be Customer-focussed and Commercially-minded

Build better  
**relationships**  
with **clients**  
and partners

by understanding their needs and wants,  
and responding to them professionally.



## Overview

We aim to build better relationships by:

- articulating who our target market is;
- analysing our competitors;
- agreeing on our service range; and
- understanding our budget and cost models.

## What We Achieved

### Becoming a “Top of Mind” Service Provider

During 2011-12, the *Local Government Act 1993* changed to transfer the responsibility to conduct elections from the NSWEC to council general managers. Councils may now choose whether they wish to engage the NSWEC to conduct their elections

In this new environment, the NSWEC made a business decision that we will continue to be a ‘full service provider’ of election management services. That means that we will not just be a supplier of goods (ie voting screens, forms, signs) or a supplier of selected services (ie an advisory service, a provider of skilled Returning Officers, polling place acquisition).

In the subsequent Local Government elections held in September 2012, 91% of the 150 councils holding elections engaged the NSWEC. While this was a good outcome for us, the new environment prompted a change in our approach. While we had previously waited to receive requests to manage elections, during 2012-13 we adopted a proactive approach to make potential clients aware of our services, and to provide sufficient information to enable clients to make an informed choice of election service provider.

This effort continued throughout 2013-14, with the NSWEC creating and maintaining contact databases for each of our target markets:

- local councils  
There are 152 councils in New South Wales, with about a third of those located in or around metropolitan Sydney.
- registered clubs  
There are approximately 1,500 not-for-profit registered clubs in New South Wales, spread across metropolitan and regional areas. About 1,200 of these are members of ClubsNSW, the club industry’s representative body. The NSWEC can conduct elections for registered clubs, but we are not mandated to do so.
- NSW Aboriginal Land Council (NSWALC)  
The NSWALC is the state’s peak representative body for Aboriginal affairs, and is part of NSW’s Land Council network, which also includes 121 Local Aboriginal Land Councils. Elections for Local Aboriginal Land Councils are governed by Boards, elections for which are held every two years. Every four years, members of Local Aboriginal Land Councils vote for a Councillor to represent their region on the NSWALC.

## GOAL 2 – Be Customer-focussed and Commercially-minded *continued*

- industrial organisations/certain statutory boards

The rules/constitutions of some Industrial Organisations and Statutory Boards have NSWEC as the Returning Officer for elections.

We established a Customer Relationship Management (CRM) system to track our interactions with clients and prospective clients. We are now staying in touch with clients via email, telephone and conference calls, visits and newsletters. We have arranged sessions via the Regional Organisation of Councils to let Councils know about the improvements we are making based on their feedback. We also attended the ClubsNSW annual convention and trade expo where we met with many club managers and discussed the services we provide.

### Understanding client needs and responding professionally – electors with a disability

The NSWEC undertakes surveys to gain feedback on our conduct of elections. Each of the major election events (that is, State General elections and Local Government elections) from 2007 onwards have been followed by surveys of electors and stakeholder groups, the results of which have been made publicly available.

One focus of our surveys has been issues of interest to electors with disabilities, including access to polling places, availability of electronic voting and initiatives such as Braille voting.

Since we began surveys in 2007, survey responses overall indicate that our provision of election services for electors with disabilities has improved, particularly in relation to providing polling places with full accessibility. Elector satisfaction with the voting process, the services offered and the information provided has been consistently high.

Initiatives such as iVote have the potential to reach a large number of electors with disabilities, although our surveys indicate that some electors with disabilities may not be aware of such services available to them.

We have been steadily working in a number of areas to improve the service we offer electors with disability. Apart from iVote, one major issue has been the availability of wheelchair accessible polling places. We are pleased to say that this situation has been steadily improving, despite the difficulties we often find in leasing suitably accessible venues. An examination of State by-elections since 2010 to the Miranda by-election, which was held during the reporting period, shows that the percentage of fully wheelchair accessible polling places has increased with every by-election over this period (see Figure 6).

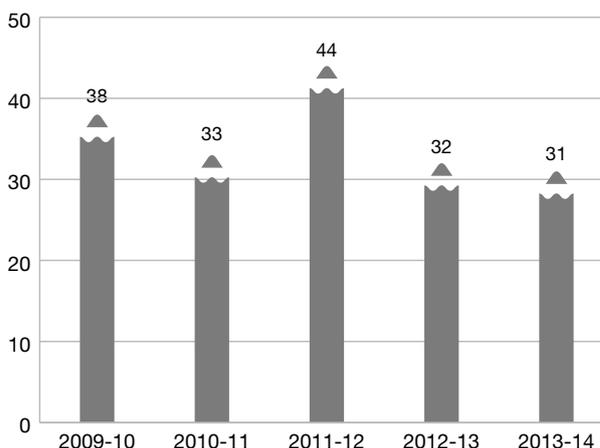
### Conducting commercial elections

During 2013-14, the NSWEC conducted:

- 31 elections for clubs, statutory boards and industrial organisations;
- 9 council by-elections.

The number of commercial elections conducted during 2013-2014 was reasonably consistent with previous years, as can be seen in Figure 5. 2011-2012 levels simply reflect that elections are cyclical, rather than any sudden increase in clients.

**Figure 5 – Elections conducted for Clubs, Statutory Boards and Industrial Organisations over the last five years**



### Preparing for the 2016 Local Government elections

Under the *Local Government Act 1993*, councils can decide whether they would like to use our services to run their elections, which are next scheduled for September 2016.

Resolutions requesting us to administer those elections need to be passed by councils no later than early March 2015. A number of councils have already made that decision and passed the appropriate resolutions.

We are continuing to work with councils to understand their needs and concerns and to ensure that they are fully aware of the services we offer, in the lead up to their decision about a provider.

The March 2015 State General Election will be an opportunity to test a number of new approaches which can then be improved for the 2016 Local Government Elections.

**Figure 6 – Accessible polling places in by-elections held 2010-2013**

ELECTION LOCATION AND DATE	NUMBER OF POLLING PLACES	NUMBER OF FULLY WHEELCHAIR ACCESSIBLE POLLING PLACES	NUMBER OF POLLING PLACES ACCESSIBLE WITH SOME ASSISTANCE	NUMBER OF POLLING PLACES THAT DID NOT MEET ACCESSIBILITY REQUIREMENTS
Penrith 2010	21	Information not available	Information not available	Information not available
Clarence 2011	44	5 (11%)	31 (70%)	8 (18%)
Heffron 2012	23	4 (17%)	9 (29%)	10 (43%)
Sydney 2012*	23	5 (22%)	0 (0%)	18 (78%)
Northern Tablelands 2013	44	14 (32%)	15 (34%)	15 (34%)
Miranda 2013	18	9 (50%)	4 (22%)	5 (28%)

\*This information is understated as 'places accessible with some assistance' were recorded as 'places that did not meet accessibility requirements'.

## Looking Forward – Challenges and Opportunities

### Client relationships

We will continue to work on improving our relationships with clients and prospective clients and will keep communicating via email, newsletters, teleconferences, client meetings and attendance at conferences where appropriate. In 2014-15 we will boost this effort by developing client *Guidelines for Elections* to increase understanding of robust electoral practice and why it is important. We will also run candidate seminars (face to face and via podcasts and webinars) for our clients, to help candidates improve their knowledge of the electoral process and their role.

The NSWEC will also continue to work with councils and with Regional Organisations of Councils, to ensure that they understand our services and improvements we have made in response to their feedback.

### Negotiation of service levels with councils

The NSWEC must negotiate service levels and enter into arrangements by the end of June 2015 with any council which nominates us to be their election services provider for the 2016 Local Government Elections. This is the first time we have been able, or required, to negotiate such arrangements and as we do so, we will ensure that our service offerings and costing model are transparent and robust.

### Implementing recommendations of the Joint Standing Committee on Electoral Matters

In March 2014 the Committee (JSCEM) handed down its report on the 2012 Local Government Elections, containing 15 recommendations to Government. The Government has until the end of September 2014 to consider and respond to the recommendations. The NSWEC may have then a variety of work to implement any accepted recommendations. JSCEM's recommendations include implementing postal voting as an option to replace attendance at polling booths to vote for council elections.

The NSWEC supports overall the recommendations of the JSCEM Inquiry. Those recommendations that fall to the NSWEC and do not require legislative amendment will be considered in the context of preparations for the 2016 Local Government elections. This will include the recommendation concerning soft copy access to electoral rolls. Preparations for these elections will occur following the State General Election in 2015.



## Overview

The NSWEC aims to deliver services seamlessly by:

- having clear project and process ownership, together with robust project structures;
- delegating appropriate authority and decision making;
- assigning clear accountability for deliverables; and
- implementing agreed methods to evaluate and prioritise new services in order to minimise adverse impacts on existing projects.

## What We Achieved

A rigorous approach to project delivery

We have centralised planning, execution, tracking, reporting and evaluation of our projects through a Project Management Office (PMO). The PMO enables our effective implementation of NSWEC projects, including the elections we manage. It also allows us to continuously improve by building upon the knowledge and experience gained from previous projects and identifying opportunities to do better.

In the course of the year, we provided election services on 46 occasions using a project management approach.

Client satisfaction

Client satisfaction is an important indicator of our success in meeting our goal of providing seamless service delivery. We developed an online survey which we sent to clients upon completion of each commercial election. We are using survey feedback to refine and improve our services.

For local government by-elections, we also arranged formal feedback sessions with each client at the completion of the by-election. These sessions were run face-to-face where it was practical, and via conference call where a personal meeting proved impractical. A feedback template was used as the basis of the discussion and for consistency of obtaining feedback. A feedback report was circulated within NSWEC. Any suggestions for improvement given by the client were also passed onto the relevant NSWEC groups for possible adoption in the next by-election. This mechanism has proved both successful and useful.

We are also continuing to make other improvements following the 2012 Local Government Elections. We instigated a post-implementation review process to analyse and evaluate where improvements can be made in service delivery to Councils for future election events. The resulting improvements include:

- centralised packing of forms and other materials. This significantly reduces the workload to the Returning Officer and means that we can employ Returning Officers on a part-time basis. This approach offers flexibility and cost effectiveness, which also benefits our clients;
- developing and using a standard contract. Our services are now delivered under a contract established between the client council and NSWEC. This means that both parties are clear on the terms of engaging NSWEC to run the election and the services which will be provided;



# GOAL 3 – Provide Seamless Service Delivery *continued*

- providing cost schedules to councils, giving them estimates of the cost of NSWEC administering the election. As our experience of delivering commercial elections and costing those on a full recovery basis has grown, so too has our ability to provide accurate and more detailed cost estimates. This has been, understandably, a significant issue for councils seeking to budget for their elections.

We have also used the feedback we gained from the 2012 Local Government Elections to improve our planning for the 2015 State General Elections and to help determine how we will evaluate our services for 2015.

## Enhanced services

We continually look at ways to provide smarter and more efficient electoral services to all election stakeholders.

We have supported changes to legislation which would allow for services such as universal postal voting, internet and telephone voting, as well as expanding the use of Braille ballot papers to incorporate electronic voting for electors with vision impairment. Some of these changes have been recommended by the Joint Standing Committee on Electoral Matters in its Report on the 2012 Local Government Elections and are now being considered by Government.

We have also developed a number of service initiatives and improvements for the next State General Election. These include:

- introducing tablet devices in voting centres to help elector roll look up;
- increasing the number of early voting (pre-poll) centres, to accommodate increasing demand for pre-poll voting;
- providing mobile voting services to more Declared Institutions, enabling more residents to vote;
- enhancing the 'Virtual Tally Room' on our website, to make available more timely and better information on election results.

## Enabling infrastructure and systems

Our ability to deliver quality election management services is underpinned by our IT infrastructure. During the year, we refreshed the server hardware and storage systems we use to host core business applications, in preparation for the State General Election in March 2015. This involved procuring, installing, migrating and testing various virtual servers that host almost all core election systems. The changes have resulted in more efficient transactions, both internally and for clients.

During 2013-14 we also continued to work on an Information Security Management System (ISMS) to systematically manage our information assets, which we had begun in 2012-13. In continuing to develop ISMS, we reviewed our existing controls, identified gaps, and set up a framework, as well as policies and procedures, for risk identification, assessment and control. ISMS remains in draft form, with its final implementation and evaluation scheduled for after the State General Election.

During the year, we also implemented a client contact database using a commercial cloud CRM (Customer Relationship Management) application. This project consolidated fragmented data sources and deployed specialised CRM functions quickly and at minimal cost, while enabling us to stay in touch with, and provide better services to, clients.

## Looking Forward – Challenges and Opportunities

### Running the 2015 State General Election

The Election will be held on the last Saturday in March 2015. Approximately five million electors will be eligible to vote across 93 electoral districts, with each district returning a single member to sit in the Legislative Assembly. In addition, electors will vote for 21 of the 42 member Legislative Council.

We aim to provide quality election management services to all stakeholders, whether candidates or electors. To do this, we will:

- run briefing sessions across the State for candidates;
- continue enrolling and encouraging eligible voters to enrol;
- distribute information in a variety of forms and media, to educate electors;
- engage widely with community groups to increase awareness;
- offer electronic voting capability (via iVote) to eligible voters;
- rent locations and establish around 2,800 polling booths. In March 2015, our eastern-most polling place will be on Lord Howe Island. Our highest polling place will be at Thredbo community centre, while two of our most remote polling places will be Enngonia Public School (north of Bourke) and Weilmoringle Public School (north of Brewarrina). To optimise electors' opportunities to vote, we will also have approximately 60 polling places in hospitals and retirement villages;

# “We continually look at ways to provide smarter and more efficient electoral services”

- set up ‘multi-district’ polling places that will allow voters from up to four districts to have their name marked off and cast an ‘ordinary’ vote in the electoral district in which they are enrolled. For example, in March 2015, the Beverly Hills Girls High School will be a polling place for the districts of Canterbury, Kogarah, Lakemba, and Oatley, while Dural Public School will be a polling place for the district of Castle Hill, Epping, Hawkesbury, and Hornsby. In March 2015, we anticipate having 507 multi-district polling places, compared to 452 in 2011;
- hire and train approximately 20,500 temporary staff. These staff will include Returning Officers who manage each electoral district, Polling Place Managers and Elections Officers who work at each polling place and staff who do counting and data entry work;
- count and tally approximately 4.8 million votes, applying optional preferential voting rules for the Legislative Assembly and proportional representation voting rules for the Legislative Council;
- run a ‘virtual tally room’ to disseminate election results as quickly as possible;
- communicate effectively the significant scope of information and resources available for electors, candidates and political parties.

The State General Election is our single biggest election event, putting us and our systems fully to the test, as we strive to deliver quality and seamless service to all stakeholders.

In planning for the State General Election, we are conscious of the Review commissioned by the Australian Electoral Commission and conducted by Mr Mick Keelty AO into the 2013 West Australian Senate Election. The resulting Report, released in December 2013, contained 32 findings and recommendations. The recommendations address matters such as logistics and material management, contract management, ballot paper security, processes, procedures and compliance, as well as organisational culture. These are matters which are also relevant to our own election operations and we have carefully studied the Keelty Report and taken its findings on board in our planning.

## Enabling Infrastructure and Systems

In 2014-15, we will commission a Funding and Disclosure Management System (FADMS) to simplify the processes we use to administer funding obligations. FADMS will replace manual, paper-based activity with a workflow which can adapt as legislation evolves.

We will also continue to enhance iVote, which allows certain electors to vote online or by telephone, to offer them a customer experience which is secure, fast, convenient and easy to use. In 2015, iVote will support online postal vote applications and is being designed to offer both services to electors in a seamless, unified web interface, which will also support the call centre experience.

With the trend towards cloud computing, NSWEC faces challenges in setting up services such as cloud-based PABX and cloud-based email system while avoiding compromising service delivery and security. Integrating cloud services back to our internal systems is a major challenge, requiring detailed assessment of data security, defining software/hardware requirements, technical implementation and monitoring. We will take a balanced approach between security and availability of our core systems to ensure we do not put data at risk.

# GOAL 4 – Value Our People

Through leadership  
**and respect,** create an  
**environment**  
that promotes  
**collaboration,**  
accountability, learning and skill development,  
and acknowledges performance.



## Overview

We value our people by:

- modelling respectful and collaborative behaviours;
- providing open and productive communication channels between executive management and staff;
- creating an environment that provides opportunities for learning and skill development; and
- recognising and acknowledging performance.

## What We Achieved

### Performance Management and Development

We launched our inaugural 2014 Performance Management Cycle (PMC). The PMC is supported by an online system which captures the performance agreement and development plan, mid-cycle check-in and performance review.

### Workplace Behaviour and Training

During the year we reviewed our Code of Conduct (focussing on our expectations of employees) and our Business Ethics Statement (focussing on our expectations of contractors and suppliers), to ensure that both documents remain relevant, take into account legislative change and to prepare for the increased procurement we will be undertaking for the coming State General Election.

We identified key workplace training requirements across all our staff, particularly in relation to workplace health and safety, corruption prevention and ethics and delivered training in all of these areas, including expert briefings from the Public Service Commission and the Ombudsman's Office.

We instigated an Organisation Development Program, which includes managing performance against key values and behaviours, and rolled it out progressively during 2013-14. This was complemented by a revision of our Dignity and Respect Policy. The Electoral Commissioner spoke with all staff and contractors to outline his expectations of behaviour and respect for one another in the workplace.

### Employee Survey

The NSWEC participated in the public sector-wide People Matter Employee Survey organised by the Public Service Commission. The confidential and voluntary survey allows employees to give feedback about how well public sector values are implemented in their organisation as well as forming an evidence base for the development and implementation of workforce initiatives. Just over half of our employees participated in the survey, the results of which will be available in August 2014.

### Employee Self Service System Implementation

We implemented the Employee Services Portal (ESP) in May 2014. The ESP is an online self-service system which streamlines employees' leave application process and the maintenance of personal and emergency contact details.

### Staff numbers

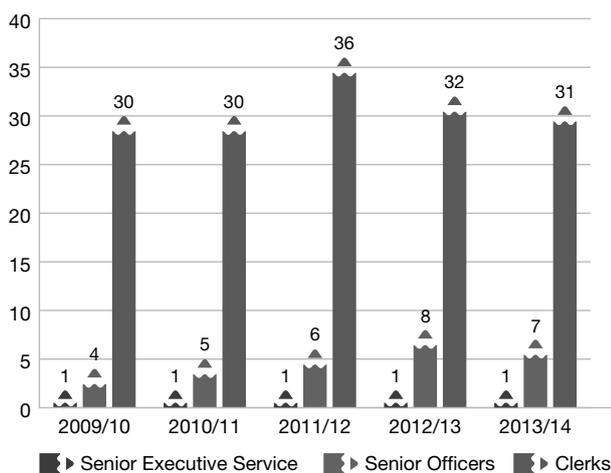
The NSWEC employed 39 permanent and 22 temporary officers in the reporting year.

# GOAL 4 – Value Our People

## continued

Wages, salaries and allowances rose slightly during the year following the negotiation of industrial awards. Appendix 6 provides information on the numbers of senior executive service officers.

**Figure 7 – Permanent staff – number by category over a five-year period**



### Valuing Diversity

The NSWEC’s Equal Employment Opportunity (EEO) Policy promotes and protects equality of access to employment and development opportunities, where people of diverse backgrounds and skills are able to work together in a fair and inclusive environment free of discrimination and harassment. As in previous years, we included EEO awareness information in staff induction programs.

The NSWEC also has an Equal Access to Democracy Plan which covers a variety of arrangements for a diversity of groups participating in the election process. The Plan reflects our acknowledgement that staff profiles at an election event should reflect their local community. Refer Figure 10.

### Workplace Health and Safety

The NSWEC is strongly committed to providing a workplace free from harm and we took a number of steps during the year to ensure this:

- we ran training sessions in December 2013 covering the Workplace Health and Safety (WHS) legislation; our roles and responsibilities; and our own WHS policy and procedures. Approximately 98% of staff attended;
- we organised an external provider, the National Safety Council of Australia, to conduct training for several staff working in high risk roles or managing staff with high risk roles, such as warehouse logistics, manual handling and high intensity data entry. The training was held on 25 November 2013 and covered: risk management

process and WHS legislation; hazard identification; risk assessment tools; risk control strategies; and monitoring and reviewing risks;

- we conducted an external and internal safety audit of our warehouse and, as a result, implemented perimeter fencing, painted the walkway and updated safety sheets for contractors;
- we made arrangements to have WHS included in the induction training for Polling Place Managers and for the Polling Place checklist to include hazard identification.

There were no work-related injuries and no claims made by permanent staff during 2013-14. Figure 8 shows our injuries and claims history over the last five years.

**Figure 8 – NSWEC permanent staff – injuries and claims over a five-year period**

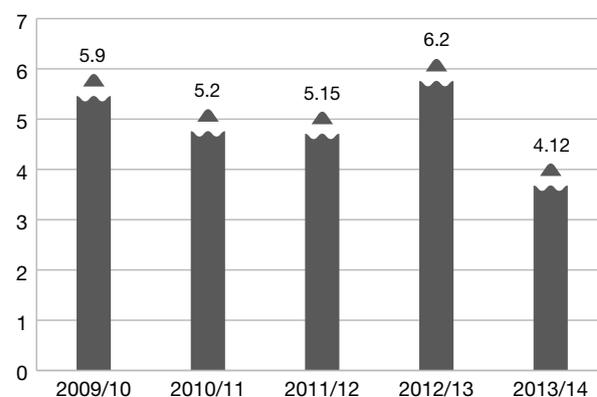
YEAR	2009-10	2010-11	2011-12	2012-13	2013-14
Work related injuries	1	0	2	0	0
Claims	0	0	1	0	0

We initiated a WHS Compliance Framework review with a report to be tabled in the next financial year.

### Sick leave

We monitor individual sick leave so that we can intervene and help staff when needed. During the reporting year the average absences taken by permanent staff were 4.12 days as illustrated in the following five-year graph.

**Figure 9 – Sick Leave – average (days) absences for permanent staff over a five-year period**



### Secondments

We arranged the following secondments during the year, to give permanent staff development opportunities, at:

- the South Australian Electoral Commission for a week; and
- the NSWEC Executive Branch for five weeks.

**Figure 10 – Trends in the Representation of EEO Groups within NSWEC over a five-year period\***

EEO GROUP	BENCHMARK OR TARGET %	2009-10	2010-11	2011-12	2012-13	2013-14
Women	50	50	49	55	59	56
Aboriginal people and Torres Strait Islanders	2	-	-	-	-	-
People whose first language is not English	20	-	-	-	-	-
People with a disability	12	-	-	-	-	-
People with a disability requiring work-related adjustment	7	-	-	-	-	-

\*All categories are represented but due to the small number of staff in the organisation, it has been decided not to report on data other than the category for women so that staff members are not identified individually. In addition, trends in distribution across our workforce profile have not been included due to the small size of our organisation.

**Figure 11 – Training and Development completed by staff as of 30 June 2014**

TRAINING TYPE	NUMBER OF DAYS TRAINING
Internal course	Total of 86.5 Days
External course and seminars	Total of 66 Days
Ongoing development experiences (eg chairing committees)	2 projects
Study Assistance Provisions: Commerce	1 permanent officer
Study Assistance Provisions: Business – post graduate	1 permanent officer
Study Assistance Provisions: Project Management	1 permanent officer

### Training and Development

NSWEC funds training and development activities which improve staff capability, particularly in preparation for delivering the State General Election in March 2015.

We funded 3.29 training days per staff member, during the year, as outlined in Figure 11.

### Public Interest Disclosures and Corruption Prevention

The *Public Interest Disclosures Act 2013* (PID) sets in place a system to encourage public officials to report serious wrongdoing. Staff members are made aware of their internal reporting and public interest disclosure obligations through training activities under the Commission's Code of Conduct and Corruption Prevention Strategy.

During the reporting year no public interest disclosures were made or received and no reports of suspected corrupt conduct were lodged via the internal reporting system. The NSWEC did refer one suspected corrupt conduct matter to ICAC, which advised that it did not consider the matter warranted investigation by ICAC. The NSWEC subsequently handled the matter in-house, reporting the outcome to ICAC in March, 2013.

## Looking Forward – Challenges and Opportunities

### Recruitment and Training of Temporary Election Staff for the State General Election in March 2015

Election officials administer electoral laws and the policies and procedures which underpin the integrity of elections. They do preparatory work for the elections and on election day manage the polling places, the issuing and counting of votes and resolving difficulties experienced by electors.

Selection and training are the keys to ensuring that electors receive good service from election officials. We expect to recruit about 20,500 temporary staff for the State General Election. Recruiting and training of these staff is a major component of preparing for any election.

### 'People Matter' Employee Survey

The Public Service Commission will make the 'People Matter' employee survey results available in early 2014-15, and the NSWEC will address any significant issues.

### Government Sector Employment Legislation

The *Government Sector Employment Act, 2013* envisages a number of workplace reforms and the NSWEC will be having discussions in the coming year with the Public Service Commission regarding reform implementation.

# GOAL 5 – Innovative, Fast Adaptation

Create an  
**environment** that  
**encourages**  
**new ideas**, and provides  
the capacity and support to see  
them through to implementation.



## Overview

The NSWEC will be an innovative organisation which responds and adapts quickly to new ideas by:

- fostering an environment that encourages ideas;
- learning and understanding what other jurisdictions have implemented that works well;
- ensuring capacity and capability exists to develop and implement new ideas;
- ensuring decision making, policy and procedures embed flexibility for change; and
- evaluating and prioritising ideas against goals and objectives.

## What We Achieved

### Reform of NSW Electoral Legislation

The Joint Standing Committee on Electoral Matters (JSCEM)'s 2013 Review of the *Parliamentary Electorate and Elections Act (1912)* and the *Election Funding, Expenditure and Disclosures Act (1981)* recommended major electoral reforms including creation of a new entity to administer conduct of State elections and regulate campaign finance and expenditure. The Government adopted the JSCEM recommendation and NSWEC provided input to assist in the drafting of a new *Electoral and Lobbying Amendment (Electoral Commission) Act 2014* which is awaiting proclamation.

### Community Engagement

NSWEC chaired a State and Territories Electoral Commissions (STEC) Project Committee examining engagement with the Culturally and Linguistically Diverse (CALD) community.

The Project Committee's aims were to:

- overview the programs and strategies being implemented in all jurisdictions including New Zealand;
- analyse the data gathered and note factors contributing to effective strategies;
- suggest future directions for engaging with CALD communities; and
- propose a sustainable model for ongoing collaboration on projects of common interest.

Engaging effectively with CALD communities is a significant issue for New South Wales where 28% of the population speak a language other than English at home.

Various issues identified during the project included:

- recognising differences between CALD communities. For example, more established migrant groups often only need voting information while more recent (including asylum seeker) arrivals have no or minimal electoral experience and therefore need encouragement to vote;
- very little work has been done on penetration of social media in CALD communities and its appropriateness in reaching CALD audiences is unclear;
- insufficient information is available about CALD members with a disability, and their needs; and
- the need to apply Project Management discipline to CALD projects.

The Project Committee made 11 recommendations to the STEC and is awaiting their consideration. One recommendation was that jurisdictions collaborate, as learning from each other's experience is likely to lead to better program design, evaluation and risk management.

# GOAL 5 – Innovative, Fast Adaptation

## continued

### Electoral Research

The Electoral Regulation Research Network [ERRN] is jointly funded by the NSWEC, the Victorian Electoral Commission and the University of Melbourne Law School, and was established in 2012 to foster exchange and discussion amongst academics, electoral commissions and other interested groups on research relating to electoral regulation.

As part of fulfilling these objectives, a Project Team consisting of Professor Rodney Smith (University of Sydney), Dr Anika Gauja (University of Sydney), Dr Paul Kildea (UNSW) and Mr Mel Keenan (NSWEC) is undertaking a Research Collaboration Initiative Project on *The Challenge of Informed Voting*. This research project is driven by four broad questions around the challenges of informed voting in Australia: what is it? why is informed voting important?; how do we foster informed voting in Australia and can we do that better?

The Project Team met during the year, held a workshop hosted by the University of Melbourne to map out research proposals and will report its findings in 2015.

### Technology Initiatives for Elections

At the 2015 State General Election, we will:

- use mobile devices in polling places to correctly identify electors' enrolment addresses and electoral districts. We will also provide online forms for Polling Place Managers. With Victoria and Queensland, we jointly procured tablet devices for polling places which will enable fast elector roll lookup at voting venues and will enable voters with special needs to access information in language and voice;
- data enter the information on Legislative Assembly ballot papers as well as counting them manually on election night. This will increase accuracy, reporting and analysis;
- use simulation modelling to improve work flow processes in the Legislative Council Count Centre;
- implement a new Program Portal which centralises all documentation, increasing our ability to share information easily across projects.

### iVote system enhancement

NSWEC is a world leader in the use of electronic voting methods. At the 2011 State General Election we implemented iVote for the first time and approximately 50,000 electors, primarily those who were out of the State on election day, voted electronically. We anticipate that 250,000 people will vote electronically in 2015. These will be people who are out of the State, who live in remote locations or who have disabilities which make it difficult for them to attend a polling place or cast a vote without help.

iVote has three components: registration; a core voting system which captures the vote and encrypts it; and verification. During the year, we let a tender to significantly upgrade our core voting system. Other major improvements we are making before the State General Election are:

- a) verification of vote – electors can now hear their vote preferences spoken back to them after voting; and
- b) integrated registration and core voting process – this means that the elector can vote straight after registering, whereas in 2011 there had to be a delay of 24 hours between the two processes.

We also have an even greater focus on security and transparency of the system overall.

## Looking Forward – Challenges and Opportunities

### Electoral Roll Management

The Australian Electoral Commission manages the electoral roll for New South Wales, however, the NSWEC has obtained capital funds to develop our own Roll Management System (RMS). An RMS keeps a history of transactions with electors. To date, we have developed business requirements for the RMS, working in conjunction with Victoria which already manages its own electoral roll. A key principle in developing our requirements is to encourage more interaction with eligible electors, using a variety of modern technology. We plan to have our new RMS in place in time for parallel operation at the 2016 Local Government Elections.

We are also proposing to increase our level of interaction with electors by using portals. For example, electors who fail to vote in March 2015 will be sent a letter asking them to access a portal to find out what they have to do in their particular circumstances. We anticipate that this will reduce the number of repeat letters we need to send to each elector and will also prove a better experience for electors.

### On-line postal vote applications

For the March 2015 State General Election, iVote will also allow electors to register online to receive postal vote applications. For those electors registering online for postal votes, who are also eligible to cast a vote using iVote, we will alert them to that option and its benefits.

### Process improvement

In 2014-15 we will establish an internal Quality Board to oversee implementation of a ballot paper quality management plan. The plan is intended to strengthen the processes around ballot paper security and minimise the movement of ballot papers during the State General Election.

# Accountability and Corporate Governance

# 3

**This section details our accountability and corporate governance processes, including details of our committees, risk management, legislative compliance and business operations.**

## **ACCOUNTABILITY**

NSW Joint Standing Committee on Electoral Matters of the NSW Parliament	36
---	----

## **GOVERNANCE STRUCTURE**

Electoral Commissioner	36
Management Committee and Internal Committees	36
External Committees	36

## **RISK MANAGEMENT**

Audit and Risk Committee	38
Internal Audit and Risk Management Policy Attestation	38
External Audit	40
Insurance Arrangements	40

## **LEGISLATIVE MATTERS**

Legislative Amendments	41
Compliance Privacy Legislation	41
Access to Government Information	41

## **BUSINESS OPERATIONS**

Procurement Processes	45
Information and Records	45
Digital Information Security	45
Sustainability and Waste Management	45
Plans, Policies and Procedures	46
Feedback and Complaints	46

# Accountability and Corporate Governance

## Accountability

NSW Joint Standing Committee on Electoral Matters of the NSW Parliament

The Joint Standing Committee on Electoral Matters (JSCEM) of the NSW Parliament reviews the administration and conduct of State and Local Government elections and any other functions referred by the Premier.

The NSWEC provides reports to JSCEM on our performance in conducting elections or in response to requests for submissions. These are available on our website. (Reports on the conduct of elections for clubs, statutory boards and industrial organisations are provided to each organisation following the election.)

During the year NSWEC staff made two appearances before JSCEM on 26 August 2013 and 20 November 2013.

## Governance Structure

The structure of high level committees provides the NSWEC with a transparent, rigorous and robust capacity for effective governance across all areas of our operations.

### Electoral Commissioner

The Electoral Commissioner, Mr Colin Barry, is appointed in accordance with section 21A of the *Parliamentary Electorates and Elections Act 1912*. The Electoral Commissioner is the Returning Officer for the periodic Legislative Council elections and is also one of three Electoral Districts Commissioners appointed by the Governor to carry out electoral district redistributions according to law. The Electoral Commissioner is accountable to the Governor, Premier and Parliament (section 21AB of the *Parliamentary Electorates and Elections Act 1912*) and is oversighted by the Joint Standing Committee on Electoral Matters of the NSW Parliament.

### Management Committee and Internal Committees

The Management Committee acts as an advisory board to the Electoral Commissioner on policy and operational matters within the NSWEC. Its members have individual and collective responsibility to implement the decisions of the Electoral Commissioner and the Management Committee; to manage the operational requirements of such decisions; and to identify avenues to further increase the effectiveness and efficiency of the Commission. In the year ending 30 June 2014 the Management Committee met 11 times.

In addition to the Management Committee, the IT Steering Committee is a forum for discussion and identification of IT issues and also identifies future IT resource needs to assist with planning and prioritising. The Committee met ten times during 2013-14.

### Program Board

Major election event preparations such as for the State General Election in March 2015 are oversighted by a high level committee chaired by the Electoral Commissioner with membership of Directors and Program Management Office staff. This committee is known as the Program Board and its structure, documentation and monitoring of the budget and projects provides transparent, rigorous and robust management of the overall State General Election program.

The Program Board meets every fortnight.

A key function of the Program Board is to monitor the overall program and budget with support from the Program Management Office (PMO). When the election period begins (after the issuing of the Writ) the Program Board is replaced by an Election Operation Group which monitors on a daily basis the election roll out.

### External Committees

The NSWEC is represented on the following external committees that assist and contribute to our governance framework.

### Electoral Council of Australian and New Zealand (ECANZ)

ECANZ is a consultative council of all Electoral Commissions from Australia and New Zealand that reviews the management of electoral rolls for Commonwealth, State, Territory and Local Government elections and considers advances of electoral administration. The ECANZ met on two occasions during the year, as follows:

- Canberra, 6 September 2013 (attended by Director Elections); and
- Adelaide, 14 March 2014 (attended by the Electoral Commissioner).

### State and Territories Electoral Commissioners (STEC)

The STEC is a collaborative body that considers electoral policy and operational matters of mutual interest. The STEC met on two occasions during the year as follows:

- Canberra, 6 September 2013 (attended by Director Elections); and
- Adelaide, 14 March 2014 (attended by the Electoral Commissioner).

### Electoral Regulation Research Network (ERRN)

The ERRN was established in 2012 with the specific aim of fostering exchange and discussion amongst academics, electoral commissions and other interested groups on research relating to electoral regulation. As a sponsor of the network, NSWEC staff attended the following meetings over the course of the last year:

- Melbourne, 23 August 2013 (attended by the Electoral Commissioner);
- Brisbane, 31 October-1 November 2013 (attended by the Electoral Commissioner, Director Funding and Disclosure and Principal Legal Officer);
- Melbourne, 29 November 2013 (attended by the Electoral Commissioner);
- Melbourne, 11 April 2014 (attended by the Electoral Commissioner); and
- Melbourne, 28-29 March 2014 (attended by the Electoral Commissioner).

### Electoral Regulation Workshop

The Electoral Regulation Workshop is held biennially and brings together electoral practitioners and law and political researchers to discuss current issues in the field of electoral regulation. The Workshop was held at the University of Queensland over two days (31 October – 1 November 2013). Our Principal Legal Officer presented a well-received and debated paper entitled “The Application of Strict Liability to NSW Funding and Disclosure Offences”.

### Australian Electoral Commission’s Indigenous Electoral Participation Program (IEPP)

Our Community Education Officer met with the IEPP team in April 2014 to discuss strategic engagement opportunities.

Indigenous Australians are much less likely to enrol to vote than other Australians. Many of those who are enrolled do not vote or vote incorrectly. The Australian Electoral Commission established the IEPP in 2010 to close the gap in Indigenous disadvantage in electoral participation.

### Australian Electoral Commission’s Disability Advisory Committee

This Committee works to improve access for people with a disability, particularly on promoting the voting rights of people who are blind or vision impaired, people with a disability who may not have been given information about voting, and young people with a disability. Our Community Education Officer attended a Committee meeting in June 2014 to provide an update on our strategies to meet the needs of electors who have a disability.

“Transparent,  
rigorous and robust  
capacity for effective  
governance”

# Accountability and Corporate Governance continued

## Risk Management

We are committed to establishing and maintaining an effective risk management process. This provides the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management for all election events and business processes. The NSWEC and Directors reviewed the risk registers on a monthly basis and, where necessary, updated the risk registers for any changes. We are keenly aware of the strategic consequences of not managing the risks successfully in conducting the upcoming NSW State General Election.

### Audit and Risk Committee

The Audit and Risk Committee (ARC) has been established to assist the NSWEC and Directors to fulfil their responsibilities in relation to the NSWEC's governance, financial reporting arrangements, internal control environment and risk management process.

The ARC has independent status within the NSWEC. It has complete access to both the internal and external auditors and to senior management and the authority to consult independent experts where this is considered necessary to carry out its duties. The ARC's responsibilities comply with the NSW Treasury's *Internal Audit and Risk Management Policy for the NSW Public Sector* (TPP 09-05).

At its meetings, the ARC reviewed the identified risks and the controls to manage these risks. The risk data tabled at the ARC meetings include the risks faced by the Electoral Commissioner and the Directors arising from:

- NSW State General Election 2015 program; and the
- Electoral Commissioner and the Directors outside of the NSW State General Election 2015 program.

During the year the ARC met on five occasions: August 2013; September 2013; November 2013; February 2014 and May 2014. ARC members consist of Brian Suttor as Chairperson, and John Gordon and Kathleen Haddock as Independent Members. On 14 May 2014, Kathleen Haddock's term was extended by another four years.

Other attendees at ARC meetings may include the NSW Electoral Commissioner, the Commission's Chief Audit Executive, and the external and internal audit service providers that attend the ARC by invitation.

During the year ended 30 June 2014, the following people attended the ARC meetings by invitation:

- Mr Colin Barry, NSW Electoral Commission;
- Mr Trevor Follett, NSW Electoral Commission;
- Mr Peter Coulogeorgiou, Audit Office of New South Wales;
- Mr Robert Hayek, Audit Office of New South Wales;
- Mr Mark Driessen, PricewaterhouseCoopers;
- Ms Elisabeth Burn, PricewaterhouseCoopers; and
- Mr Alan Murray, PricewaterhouseCoopers.

ARC members are required to declare any conflict of interest. During the year ended 30 June 2014, at the beginning of the each ARC meeting all ARC members were asked to declare conflict of interest in relation to the agenda items. Additionally, the ARC members provided their annual Conflict of Interest Declaration to the NSW Electoral Commissioner during May 2014. There was no conflict of interest reported during the financial year. The ARC members reported their membership of other NSW State Government's Audit and Risk Committees as follows:

#### Brian Suttor:

- Chair of the Audit and Risk Committee, Audit Office of NSW;
- Chair of the Audit and Risk Committee, Board of Studies, Teaching & Educational Standards; and
- Chair of the Audit and Risk Committee, Department of Police & Justice.

#### John Gordon:

- Committee member, Ambulance Service of NSW; and
- Committee member, Health Infrastructure.

#### Kathleen Haddock:

- Nil

### Internal Audit and Risk Management Policy Attestation

Annually, the NSW Electoral Commissioner is required to attest compliance with NSW Treasury TC 09/08 *Internal Audit and Risk Management Policy*. The NSW Electoral Commissioner's annual attestation statement is shown on the next page.



**Internal Audit and Risk Management Attestation for the  
2013-14 Financial Year for the  
New South Wales Electoral Commission**

I, Colin Barry, am of the opinion that the New South Wales Electoral Commission, has internal audit and risk management processes in operation that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 *Internal Audit and Risk Management Policy*. These processes provide a level of assurance that enables the senior management of New South Wales Electoral Commission to understand, manage and satisfactorily control risk exposures.

I, Colin Barry, am of the opinion that the Audit and Risk Committee for the New South Wales Electoral Commission is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08. The Chair and Members of the Audit and Risk Committee are:

- Independent Chair, Brian Suttor, reappointed on 2 December 2013 for four years with the term ending 1 December 2017.
- Independent Member, Kathleen Haddock, reappointed on 14 May 2014 for four years with the term ending 13 May 2018.
- Independent Member, John Gordon, appointed on 13 October 2010 for four years with the term ending 13 October 2014.

I, Colin Barry, declare that this Internal Audit and Risk Management Attestation is also made on behalf of the following controlled entity:

- New South Wales Electoral Commission Staff Agency (formerly known as the Office of New South Wales Electoral Commission).

A handwritten signature in black ink that reads 'CBarry'.

Colin Barry  
Electoral Commissioner

Date: 30 June 2014

# Accountability and Corporate Governance continued

## Internal Audit

Internal audit is a fundamental element of our corporate governance structure and processes. The NSWEC's Internal Audit function is comprised of our Chief Audit Executive and the external provider of internal audit services, PricewaterhouseCoopers.

The table below outlines the status of internal audit engagements and associated findings raised from these engagements.

**Figure 12 – Internal audit engagements and their status as at 30 June 2014**

INTERNAL AUDIT ENGAGEMENTS	STATUS (30 JUNE)	NUMBER OF LOW RISK-RATED FINDINGS	NUMBER OF MEDIUM RISK-RATED FINDINGS	NUMBER OF HIGH RISK-RATED FINDINGS
WHS Legislative Compliance	Complete	6	1	0
Budgets and Bills to Council	Complete	2	0	0
EFA Legislative Compliance Review	Complete	0	0	0
Chief Financial Officer Certification of Internal Controls	In Progress	N/A	N/A	N/A
<b>Grand Total</b>		<b>8</b>	<b>1</b>	<b>0</b>

Note 1: WHS Legislative Compliance audit was approved for completion during the year ended June 2013 but was actually completed during the year ended 30 June 2014.

Note 2: Fraud and Corrupt Risk Assessment engagement was completed during the 30 June 2014 financial year. This engagement was not listed in the above table because the engagement was outside of the Annual Internal Audit Plan.

The following areas will be reviewed in the coming year:

- State General Election program management;
- projection data methodology and underlying assumptions;
- procurement and contract management;
- ballot paper management – design effectiveness of controls; and
- ballot paper management – operating effectiveness of controls.

## External Audit

Each year the Audit Office of New South Wales conducts an audit of the NSWEC to obtain reasonable assurance that the financial statements are free from material misstatement and other matters of governance interest. In the Management Letter issued in October 2013 for the year ended 30 June 2013, the Audit Office raised the findings described in the table below:

**Figure 13 – Audit Office findings for year ended 30 June 2013**

BRIEF DESCRIPTION OF FINDING	RISK ASSESSMENT
Finance system access rights over vendor, payroll master files, and Electronic File Transfer files.	Moderate
Multiple method of capitalisation of works in progress	Moderate
Lack of a cost recovery policy	Low
Fixed assets do not have barcode numbers and fully depreciated plant and equipment were being used	Low
Non-compliance with procurement policies	Low
Reported commitments were not based on expenditure contracted as at year-end	Low

The Audit Office of New South Wales has reported it is satisfied with the progress made in addressing the above findings.

All the Audit Office's findings from the earlier financial years have been addressed as at 30 June 2014.

## Insurance Arrangements

The NSWEC maintains insurance under the risk management system of the Treasury Managed Fund, namely, public liability, workers compensation, motor vehicle, property and miscellaneous insurances.

## Legislative Matters

### Legislative Amendments

During the year the NSWEC prepared legislative amendment proposals and represented NSWEC and EFA interests in settling with the Department of Premier and Cabinet and the Department of Education and Communities the following Acts impacting on the conduct of State Parliamentary Elections, Parents & Citizens Association elections, the regulation of State and Local Government election campaign finance, and the regulation of lobbyists in NSW:

- *Election Funding, Expenditure and Disclosures Consequential Amendment Act 2014*;
- *Parents and Citizens Associations Incorporation Amendment Act 2014*;
- *Electoral and Lobbying Legislation Amendment (Electoral Commission) Act 2014*.

We also provided ongoing advice on the conduct of elections and regulation of campaign finance to the Department of Premier and Cabinet to facilitate the Government's review of the *Parliamentary Electorates and Elections Act 1912* and the *Election Funding, Expenditure and Disclosures Act 1981*.

### Compliance Privacy Legislation

The protection of personal information and the privacy of individuals are of paramount concern to the NSWEC.

Our 'Privacy Policy and Management Plan' details how we manage personal information collected to ensure compliance with the *Privacy and Personal Information Protection Act 1998* and the *Health Records and Information Privacy Act 2002*. The plan applies to all people who work at the NSWEC including employees, contractors and other stakeholders who in the course of their work have access to personal information.

During the year the NSWEC reported one matter to the Privacy Commissioner.

### Access to Government Information

Section 125 of the *Government Information (Public Access) Act 2009* (GIPA Act) requires an agency to prepare an annual report on the agency's obligations under the GIPA Act. The *Government Information (Public Access) Regulation 2009* (GIPA Regulation) sets out the information to be included in the annual report.

The NSWEC Staff Agency provides administrative services to both the NSW Electoral Commission (a statutory corporation established under section 21A of the *Parliamentary Electorates and Elections Act 1912*) and the Election Funding Authority of New South Wales (a statutory corporation established under section 5 of the *Election Funding, Expenditure and Disclosures Act 1981*).

The report below is prepared by the NSWEC Staff Agency as required under section 125 of the *GIPA Act* and concerns access to government information pertaining to both the NSWEC and the EFA.

### GIPA Annual Report

AGENCY NAME	New South Wales Electoral Commission Staff Agency for the NSW Electoral Commission (NSWEC) and the Election Funding Authority of NSW (EFA)
Principal Department (if applicable)	
Reporting Period	2013-2014

### Obligations under the GIPA Act

#### 1. Review of proactive release program – Clause 7(a) GIPA Regulation

Our agency's program for proactive release of information is detailed below:

- All Directors are responsible for identifying (within their areas of responsibility) information that should in the public interest be released proactively;
- Proposals are submitted to the Management Committee for endorsement;
- Upon endorsement from the Management Committee, information to be released proactively is referred to the Right to Information Officer who will arrange public access to that information.

During the 2013-2014 financial year the program was included as a standing agenda item for Management Committee meetings. Directors were invited to review the program and advise whether they identified any information that should in the public interest be released proactively.

# Accountability and Corporate Governance continued

Information proactively released during the reporting period includes the following:

DETAILS	PUBLISHED	WEBSITE
iVote Strategy for the NSW State General Election 2015: Key Issues, Guidelines, Application Architecture and Voting Protocol	8/7/2013	NSWEC
Informal Ballot Paper Survey Report: 2012 Local Government Elections	27/9/2013	NSWEC
Building better relationships with Councils – Go Forward Strategy	25/10/2013	NSWEC
iVote presentation to NSW Parliament – 20 November 2013	21/11/2013	NSWEC
Multiple Voting and Voter Identification Report	20/2/2014	NSWEC

## 2. Number of access applications received – Clause 7(b) GIPA Regulation

During the reporting period, our agency received ten informal requests and four access applications, two of the access applications were valid.

## 3. Number of refused applications for Schedule 1 information – Clause 7(c) GIPA Regulation

During the reporting period, our agency did not refuse any access applications pursuant to Schedule 1 to the GIPA Act.

## 4. Statistical information about access applications – Clause 7(d) and Schedule 2 GIPA Regulation

**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 WITHDRAWN
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 representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	1	1	0	0	1

\*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 WITHDRAWN
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	1	1	0	0	1
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 to the Act) about the applicant (the applicant being an individual). The total number of decisions in Table B should be the same as Table A.

**Table C – Invalid applications**

REASON FOR INVALIDITY	NUMBER OF APPLICATIONS
Application does not comply with formal requirements (section 41 of the Act)	1
Application is for excluded information of the agency (section 43 of the Act)	1
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	2
Invalid applications that subsequently became valid applications	0

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

\*More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

# Accountability and Corporate Governance continued

**Table E – Other public interest considerations against disclosure: matters listed in table to section 14 of the 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 plus any extensions)	1
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
<b>Total</b>	<b>1</b>

**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	1	1
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
<b>Total</b>	<b>0</b>	<b>1</b>	<b>1</b>

\*The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made.

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

	NUMBER OF APPLICATIONS FOR REVIEW
Applications by access applicants	1
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

## Business Operations

The following information details our business operations through our systems and processes; plans, policies and procedures; and sustainability efforts. Appendix 7 provides details of overseas delegations to the NSWEC and of one overseas conference attended by a NSWEC employee.

### Procurement Processes

We encourage best practice in procurement, expecting fair and equitable procurement practices resulting in best value for expenditure.

Our Procurement Policy Statement and Guidelines covers the required conduct for all procurement activities associated with the acquisition of goods, works or services of any value. This includes tendering arrangements and the contracting of services, and applies to all staff and contractors.

### Information and Records

The NSWEC is committed to the secure and controlled management, handling and storage of sensitive documents, records, files, materials and information in accordance with business and client needs, and to comply with the *NSW State Records Act 1998*.

During the year, we developed a new Records Management Policy and Procedures and are now piloting areas to move towards compliance with the NSW State Records Digital Recordkeeping Standard No: 10 (2008), issued under the *State Records Act 1998* for the capture, management, preservation and disposal of all information assets.

### Digital Information Security

The NSW Electoral Commissioner is required to annually attest compliance with the Digital Information Security Policy for the NSW Public Sector. This is a new requirement and has not been reported previously. The NSW Electoral Commissioner's annual attestation statement is at Appendix 8.

## Sustainability and Waste Management

Reducing the impact of our activities on the environment and contributing to its restoration and protection are important components of our work. Implementing our Sustainability Policy ensures that we:

- consider sustainability in all relevant decision making;
- aim to reduce greenhouse gas emissions;
- are more efficient in the use of energy and water, and reduce wider environmental impacts associated with water and energy use;
- meet the challenge of rising prices expected for energy, fuel, water and waste management;
- are more efficient in the use of vehicles;
- produce less waste and increase recycling in Government activities; and
- use purchasing power to drive efficiency and environmental sustainability.

Key initiatives which continue to reduce our use of resources include: SmartRoll; internet voting; online postal vote applications; eForms; online recruitment of election event staff; redesign of voting screens and boxes to reduce the amount of cardboard needed and use of heat sealed instead of zip lock bags for election stationery kits, reducing plastic waste.

“Reducing the  
impact of our activities  
on the environment”

# Accountability and Corporate Governance continued

## Plans, Policies and Procedures

The NSWEC observes and complies with plans, policies and procedures relating to administration management which establish standards of behaviour for all staff and provide guidance on good administrative practice. These policies and plans are available to the public and our staff through our website and intranet.

Our risk management processes are an important element of our corporate governance framework. Walter Partners were engaged to undertake a Fraud and Corruption Risk Assessment in four key areas:

- election funding and disclosure;
- procurement;
- voters and voting; and
- counting and results.

A summary of the Risk Assessment and Findings together with activities to strengthen fraud and corruption risk were presented to the Management Group and endorsed for implementation.

## Feedback and Complaints

We welcome comments about our performance and service delivery. Our Feedback and Complaints Policy provides the overall approach and framework for the handling of feedback, including complaints we receive. The policy is based on the customer satisfaction model outlined in the NSW Ombudsman's 'Effective Complaint Handling (2004) Guidelines' and the Australian Standard ISO 10002:2004 Customer Satisfaction – 'Guidelines for complaints handling in organisations'.

The aim of the policy is to ensure that:

- All members of the community have the opportunity to provide a compliment, suggestion, or lodge a complaint about the NSWEC;
- All feedback received is handled effectively, appropriately and in accordance with the NSW Ombudsman's recommendations; and
- Feedback received is used to assess the performance of the NSWEC and Election Funding Authority and determine areas for improvement.

Election stakeholders are able to provide feedback to us via an online facility, letter, email, telephone and in person.

During the year, the NSWEC received 57 complaints, the majority of which related to enrolment. All complaints were resolved within 21 days. We count matters relating to penalty notices separately from our complaint statistics. During the year, we received 121 complaints regarding penalty notices.

“Ensuring all members of the community have the opportunity to provide feedback”

# Financial Performance

# 4

This part details the financial performance of the NSW Electoral Commission including the audited financials.

## FINANCIAL POSITION

Net result	48
Payment of accounts	48
Time for payment of accounts	48
Major works	48
Major assets	48
Consultants	48
Credit card certification	48

## NSW ELECTORAL COMMISSION

Statement by the Electoral Commissioner	49
Independent Auditor's Report	50
Audited Financial Statements	52
Notes to the financial statements	57

## OFFICE OF THE NSW ELECTORAL COMMISSION STAFF AGENCY

Statement by the Electoral Commissioner	79
Independent Auditor's Report	80
Audited Financial Statements	82
Notes to the financial statements	86

# Financial Position

The NSWEC carries out its functions in accordance with the Public Finance and Audit Act 1983 and the Treasurer's Directions. Audited financial statements accompany this report.

## Net result

The actual result was a loss of \$967,000 compared to the budgeted net result of \$3,481,000. This was primarily due to increase transfer payments to the Election Funding Authority of New South Wales in the amount of \$2.712 million and to support the Joint Roll Agreement with the Commonwealth by an additional \$0.620 million.

## Payment of accounts

The following table details our performance in paying accounts for each quarter.

**Figure 14 – Payment of accounts for the 2013-14 year**

QUARTER	CURRENT (IE WITHIN DUE DATE) (\$)	LESS THAN 30 DAYS OVERDUE (\$)	BETWEEN 30 AND 60 DAYS OVERDUE (\$)	BETWEEN 60 AND 90 DAYS OVERDUE (\$)	MORE THAN 90 DAYS OVERDUE (\$)	TARGET %	ACTUAL %	TOTAL \$
September	6,628,713	88	0	0	0	100	100	6,628,801
December	6,185,483	404	0	0	0	100	100	6,185,887
March	8,452,222	20,827	0	0	0	100	99.8	8,473,049
June	10,978,402	102,034	0	633	0	100	99.1	11,081,069
<b>Total</b>	<b>32,244,820</b>	<b>123,353</b>	<b>0</b>	<b>633</b>	<b>0</b>	<b>100</b>	<b>99.6</b>	<b>32,368,806</b>

## Time for payment of accounts

Our performance in payments continues to be high with an average of 99.7% of all accounts being paid on time. There were no instances where interest was paid due to late payments.

## Major works

We engaged in two major works projects during the year ending 30 June 2014. These were:

- Funding and Disclosure Management System \$3.6 million
- ICT Infrastructure \$0.5 million

## Major assets

We have \$22.246 million in assets of which \$15.907 million are plant and equipment and intangible assets.

## Consultants

During the year, we engaged three consultants at a total cost of \$66,000. The consultancy work was categorised as management services.

## Credit card certification

We have entered into an arrangement with Westpac Banking Corporation for the provision of credit cards. The use of the credit card is governed by our 'Credit Card Policy' which employees acknowledge upon application for a credit card. The NSW Electoral Commissioner certifies that the usage of credit cards within the reporting period has been in accordance with Premier's Memoranda and the Treasurer's Directions.

# Statement by the Electoral Commissioner

## ***Statement by the Electoral Commissioner***

Pursuant to Section 41C(1B) of the *Public Finance and Audit Act 1983*, I, to the best of my knowledge and belief state that:

- (a) The accompanying financial statements of the New South Wales Electoral Commission have been prepared in accordance with Australian Accounting Standards (which include Australian Accounting Interpretations), the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010*, the Treasurer's Directions, and the Financial Reporting Code for NSW General Government Sector Entities;
- (b) The statements exhibit a true and fair view of the financial position as at 30 June 2014 of the New South Wales Electoral Commission and financial performance for the year then ended; and
- (c) There are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Colin Barry  
Electoral Commissioner  
2 September 2014

# Independent Auditor's Report



## INDEPENDENT AUDITOR'S REPORT

### New South Wales Electoral Commission

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the New South Wales Electoral Commission (the Commission), which comprise the statement of financial position as at 30 June 2014, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and a summary of compliance with financial directives for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of the Commission and the consolidated entity. The consolidated entity comprises the Commission and the entities it controlled at the year's end or from time to time during the financial year.

### Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Commission and the consolidated entity as at 30 June 2014, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of *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.

### The Electoral Commissioner's Responsibility for the Financial Statements

The Electoral Commissioner is responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act and for such internal control as the Electoral Commissioner determines 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Electoral Commissioner as well as evaluating the overall presentation of the financial statements.

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

# Independent Auditor's Report

My opinion does *not* provide assurance:

- about the future viability of the Commission or consolidated entity
- that they have carried out their activities effectively, efficiently and economically
- about the effectiveness of 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 any 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 and other 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 role by the possibility of losing clients or income.



Steven Martin  
Assistant Auditor-General

3 September 2014  
SYDNEY

## START OF AUDITED FINANCIAL STATEMENTS

## Statement of comprehensive income

FOR THE YEAR ENDED 30 JUNE 2014

	NOTES	CONSOLIDATED			PARENT	
		ACTUAL 2014 \$'000	BUDGET 2014 \$'000	ACTUAL 2013 \$'000	ACTUAL 2014 \$'000	ACTUAL 2013 \$'000
<b>EXPENSES EXCLUDING LOSSES</b>						
<b>Operating expenses</b>						
Employee related	2(a)	8,432	11,919	8,102	425	459
Personnel services	2(b)	-	-	-	7,601	8,050
Other operating expenses	2(c)	10,536	6,271	9,863	10,536	9,863
Depreciation and amortisation	2(d)	4,725	4,793	5,245	4,725	5,245
Other expenses	2(e)	10,482	9,263	25,096	10,482	25,096
<b>Total Expenses excluding losses</b>		<b>34,175</b>	<b>32,246</b>	<b>48,306</b>	<b>33,769</b>	<b>48,713</b>
<b>REVENUE</b>						
Recurrent appropriation (net of transfer payments)	3(a)	26,248	28,009	43,848	26,248	43,848
Capital appropriation (net of transfer payments)	3(a)	5,573	6,175	1,481	5,573	1,481
(Transfers to the Crown Entity)	3(a)	-	-	(20,000)	-	(20,000)
Sale of goods and services	3(b)	717	930	3,381	717	3,381
Investment revenue	3(c)	176	170	224	176	224
Acceptance by the Crown Entity of employee benefits and other liabilities	3(d)	406	443	(407)	-	-
Grants and contributions	3(e)	91	-	795	91	795
Other revenue	3(f)	-	-	18,616	-	18,616
<b>Total Revenue</b>		<b>33,211</b>	<b>35,727</b>	<b>47,938</b>	<b>32,805</b>	<b>48,345</b>
<b>Loss on disposal</b>	4	3	-	5	3	5
<b>Net Result</b>	20	<b>(967)</b>	<b>3,481</b>	<b>(373)</b>	<b>(967)</b>	<b>(373)</b>
<b>Other comprehensive income</b>		-	-	-	-	-
<b>Total other comprehensive income</b>		-	-	-	-	-
<b>TOTAL COMPREHENSIVE (LOSS) /INCOME</b>		<b>(967)</b>	<b>3,481</b>	<b>(373)</b>	<b>(967)</b>	<b>(373)</b>

The accompanying notes form part of these financial statements.

# Statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2014

	ACCUMULATED FUNDS	
	NOTES	PARENT
	CONSOLIDATED	PARENT
	\$'000	\$'000
<b>Balance at 1 July 2013</b>	<b>19,013</b>	<b>19,013</b>
Net result for the year	(967)	(967)
Total other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>(967)</b>	<b>(967)</b>
<b>Balance at 30 June 2014</b>	<b>18,046</b>	<b>18,046</b>
<b>Balance at 1 July 2012</b>	<b>19,386</b>	<b>19,386</b>
Net result for the year	(373)	(373)
Total other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>(373)</b>	<b>(373)</b>
<b>Balance at 30 June 2013</b>	<b>19,013</b>	<b>19,013</b>

The accompanying notes form part of these financial statements.

# Statement of financial position

FOR THE YEAR ENDED 30 JUNE 2014

	NOTES	CONSOLIDATED			PARENT	
		ACTUAL 2014 \$'000	BUDGET 2014 \$'000	ACTUAL 2013 \$'000	ACTUAL 2014 \$'000	ACTUAL 2013 \$'000
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	7	4,937	4,201	5,872	4,937	5,872
Receivables	8	1,281	3,237	1,835	1,281	1,835
Inventories	9	121	200	130	121	130
<b>Total Current Assets</b>		<b>6,339</b>	<b>7,638</b>	<b>7,837</b>	<b>6,339</b>	<b>7,837</b>
<b>Non-Current Assets</b>						
Plant and equipment	10	2,143	2,033	1,209	2,143	1,209
Intangible assets	11	13,764	14,305	13,787	13,764	13,787
<b>Total Non-Current Assets</b>		<b>15,907</b>	<b>16,338</b>	<b>14,996</b>	<b>15,907</b>	<b>14,996</b>
<b>Total Assets</b>		<b>22,246</b>	<b>23,976</b>	<b>22,833</b>	<b>22,246</b>	<b>22,833</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Payables	14	2,405	361	2,027	2,405	2,027
Provisions	15	1,260	953	1,021	1,260	1,021
Other	16	33	-	277	33	277
<b>Total Current Liabilities</b>		<b>3,698</b>	<b>1,314</b>	<b>3,325</b>	<b>3,698</b>	<b>3,325</b>
<b>Non-Current Liabilities</b>						
Provisions	15	502	150	495	502	495
<b>Total Non-Current Liabilities</b>		<b>502</b>	<b>150</b>	<b>495</b>	<b>502</b>	<b>495</b>
<b>Total Liabilities</b>		<b>4,200</b>	<b>1,464</b>	<b>3,820</b>	<b>4,200</b>	<b>3,820</b>
<b>Net Assets</b>		<b>18,046</b>	<b>22,512</b>	<b>19,013</b>	<b>18,046</b>	<b>19,013</b>
<b>EQUITY</b>						
Accumulated funds		18,046	22,512	19,013	18,046	19,013
<b>Total Equity</b>		<b>18,046</b>	<b>22,512</b>	<b>19,013</b>	<b>18,046</b>	<b>19,013</b>

The accompanying notes form part of these financial statements.

# Statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2014

	NOTES	CONSOLIDATED			PARENT	
		ACTUAL 2014 \$'000	BUDGET 2014 \$'000	ACTUAL 2013 \$'000	ACTUAL 2014 \$'000	ACTUAL 2013 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Payments</b>						
Employee related		(7,798)	(11,673)	(8,631)	-	-
Personnel services		-	-	-	(7,798)	(8,631)
Other		(23,042)	(29,725)	(37,070)	(23,042)	(39,611)
<b>Total Payments</b>		<b>(30,840)</b>	<b>(41,398)</b>	<b>(45,701)</b>	<b>(30,840)</b>	<b>(48,242)</b>
<b>Receipts</b>						
Recurrent appropriation		26,248	35,849	44,125	26,248	44,125
Capital appropriation (excluding equity appropriations)		5,329	6,175	1,481	5,329	1,481
Transfers to the Crown Entity		-	-	(22,557)	-	(22,557)
Sale of goods and services		1,452	(607)	8,366	1,452	8,600
Interest received		200	170	157	200	157
Other		2,313	5,000	18,617	2,313	20,924
<b>Total Receipts</b>		<b>35,542</b>	<b>46,587</b>	<b>50,189</b>	<b>35,542</b>	<b>52,730</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	20	<b>4,702</b>	<b>5,189</b>	<b>4,488</b>	<b>4,702</b>	<b>4,488</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Proceeds from sale of plant and equipment and intangible assets		3	-	-	3	-
Purchases of plant and equipment and intangible assets		(5,640)	(6,175)	(1,471)	(5,640)	(1,471)
Other		-	-	-	-	-
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(5,637)</b>	<b>(6,175)</b>	<b>(1,471)</b>	<b>(5,637)</b>	<b>(1,471)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>		<b>(935)</b>	<b>(986)</b>	<b>3,017</b>	<b>(935)</b>	<b>3,017</b>
Opening cash and cash equivalents		5,872	5,187	2,855	5,872	2,855
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	7	<b>4,937</b>	<b>4,201</b>	<b>5,872</b>	<b>4,937</b>	<b>5,872</b>

The accompanying notes form part of these financial statements.

# Summary of compliance with financial directives

	2014				2013			
	RECURRENT APPROPRIATION	EXPENDITURE/ NET CLAIM ON CONSOLIDATED FUND	CAPITAL APPROPRIATION	EXPENDITURE/ NET CLAIM ON CONSOLIDATED FUND	RECURRENT APPROPRIATION	EXPENDITURE/ NET CLAIM ON CONSOLIDATED FUND	CAPITAL APPROPRIATION	EXPENDITURE/ NET CLAIM ON CONSOLIDATED FUND
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ORIGINAL BUDGET APPROPRIATION/ EXPENDITURE</b>								
Appropriation Act	35,849	34,088	6,175	5,573	53,815	52,938	4,190	1,481
<b>OTHER APPROPRIATIONS/EXPENDITURE</b>								
Transfers to/from another entity (Per Section 32 of the Appropriation Act)	517	-	-	-	-	-	-	-
Other Appropriations	777	-	-	-	-	-	-	-
Transfer to Crown	-	-	-	-	-	(20,000)	-	-
Treasury's Advances	-	-	-	-	900	-	-	-
<b>Total Appropriations/Expenditure/ Net Claim on Consolidated Fund (includes transfer payments)</b>	<b>37,143</b>	<b>34,088</b>	<b>6,175</b>	<b>5,573</b>	<b>54,715</b>	<b>32,938</b>	<b>4,190</b>	<b>1,481</b>
<b>Amount drawn down against Appropriation</b>	-	<b>34,121</b>	-	<b>5,573</b>	-	<b>33,215</b>	-	<b>1,481</b>
<b>Liability to Consolidated Fund</b>	-	<b>(33)</b>	-	-	-	<b>(277)</b>	-	-

The Summary of Compliance is based on the assumption that Consolidated Fund moneys are spent first (except where otherwise identified or prescribed).

The "Liability to Consolidated Fund" represents the difference between the "Amount drawn down against Appropriation" and the "Total Expenditure/Net Claim on Consolidated Fund".

The accompanying notes form part of these financial statements.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## 1. Summary of Significant Accounting Policies

### a) Reporting entity

The New South Wales Electoral Commission (NSWEC) is an independent statutory authority established under the *Parliamentary Electorates and Elections Act 1912 No 41*. We conduct state elections, local council elections, NSW Aboriginal Land Councils and certain statutory elections.

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

The NSWEC, as a reporting entity, comprises all the entities under its control, namely the parent entity and the New South Wales Electoral Commission Staff Agency (formerly known as the Office of the NSW Electoral Commission).

In the process of preparing the consolidated financial statements for the economic entity, consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

On 24 June 2014, the *Electoral and Lobbying Legislation Amendment (Electoral Commission) Act 2014* received royal assent. The objects of the Act are to:

- Reconstitute the NSWEC so that it is constituted by the Electoral Commissioner, a former Judge and a Member with financial and audit skills.
- Abolish the Election Funding Authority (EFA) and to confer EFA's functions to the reconstituted NSWEC.
- Provide for a Register of Third-Party Lobbyists, a Lobbyist Watch List and a Code of Conduct for third-party and other lobbyists, and to confer the function of keeping these Register and Watch List and of enforcing compliance with the Code to the NSWEC.

The Act does not take effect until it is proclaimed.

These consolidated financial statements for the year ended 30 June 2014 have been authorised for issue by the Electoral Commissioner on 2 September 2014.

### b) Basis of preparation

The NSWEC's financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of the *Public Finance and Audit Act 1983* and *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.

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

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

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

### c) Statement of compliance

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

### d) Administered activities

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

Transactions and balances relating to the administered activities are not recognised as the NSWEC's revenue, expenses, assets and liabilities, but are disclosed in the accompanying schedules as "Administered Income" and "Administered Expenses".

The accrual basis of accounting and applicable accounting standards have been adopted.

### e) Insurance

The NSWEC'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 claims experience.

### f) Accounting for the Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except that:

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

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

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.

## g) Revenue recognition

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

### i) Parliamentary appropriations and contributions

Except as specified below, parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as revenue when the NSWEC obtains control over the assets comprising the appropriations/contributions. Control over appropriations and a contribution is normally obtained upon the receipt of cash.

Appropriations are not recognised as revenue when the appropriations are unspent at year end. Unspent appropriations are recognised as liabilities rather than revenue, as the authority to spend the money lapses and the unspent amount must be repaid to the Consolidated Fund.

The liability is disclosed in Note 16 as part of "Current Liabilities – Other". The amount will be repaid and the liability will be extinguished next financial year. Any liability in respect of transfer payments is disclosed in Note 21 "Administered assets and liabilities".

### ii) Sale of goods

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

### iii) Rendering of services

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

### iv) Investment revenue

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

## h) Assets

### i) Acquisition of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the NSWEC. 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 price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

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

### ii) Capitalisation thresholds

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

### iii) Revaluation of plant and equipment

Consistent with the "Valuation of Physical Non-Current assets at Fair Value" Policy and Guidelines Paper (TPP 14-01) NSWEC measures its physical non-current assets at fair value. This policy adopts fair value in accordance with *AASB 113 Fair Value Measurement and AASB 116 Property, Plant and Equipment*.

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise observable inputs and minimise unobservable inputs. Also refer Note 10 and Note 12 for further information regarding fair value.

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

### iv) Impairment of plant and equipment

As a not-for-profit entity with no cash generating units, impairment under *AASB 136 Impairment of Assets* is unlikely to arise. As property, plant and equipment is carried at fair value, impairment can only arise in the rare circumstances where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that *AASB 136* modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## v) Depreciation of plant and equipment

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

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

ASSET TYPE	USEFUL LIFE
Computer Equipment	4 Years
Plant and Equipment	7 Years
Furniture and Fixtures	8 Years
Leasehold Improvements	7 Years or to the end of the lease, if shorter

## vi) Restoration costs

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

## vii) Maintenance

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

## viii) Leased assets

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

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor does not transfer substantially all the risks and benefits.

No assets have been acquired under finance lease arrangements.

## ix) Intangible assets

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

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

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

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

The NSWEC's intangible assets are amortised using the straight line method over a period of between 4 years and 8 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.

## x) Inventories

Inventories held for distribution are stated at cost, adjusted when applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of a current replacement cost that is lower than the carrying amount. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value.

## xi) Receivables

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

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

## xii) Other assets

Other assets are recognised on a cost basis.

## i) Liabilities

### ij) Payables

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

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## ii) Personnel services provision and employee benefits provision

The New South Wales Electoral Commission Staff Agency provides employees to the NSWEC entity to enable it to carry out its functions. Personnel services provision relates to employee related provisions for those employees employed by the New South Wales Electoral Commission Staff Agency.

Employee benefits provision relates to employees directly employed by NSWEC.

Employee related provisions include:

### a) Salaries and wages, annual leave, sick leave and on-costs

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such it is required to be measured at present value in accordance with *AASB 119 Employee Benefits* (although shortcut methods are permitted). Actuarial advice obtained by Treasury has confirmed that the use of a nominal approach plus the annual leave on annual leave liability (using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The NSWEC has assessed the actuarial advice based on the NSWEC's circumstances and has determined that the effect of discounting is immaterial to annual leave.

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

## b) Long service leave and superannuation

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

Long service leave is measured at present value in accordance with *AASB 119 Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 14-04) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

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

## c) Consequential on-costs

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

## iii) Other provisions

Other provisions exist when: the NSWEC has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted at 5.75% which is a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## j) Fair value hierarchy

A number of the NSWEC's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the NSWEC categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows;

- Level 1 – quoted prices in active markets for identical assets/liabilities that the entity can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

The NSWEC recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Refer to Note 12 and Note 24 for further disclosures regarding fair value measurements of financial and non-financial assets.

## k) Equity and reserves

### a) Accumulated Funds

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

## l) 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 Public Finance and Audit Act where there has been a transfer of functions between departments. Other amendments made to the budget are not reflected in the budgeted amounts.

## m) Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

## n) Changes in accounting policy, including new or revised Australian Accounting Standards

### i) Effective for the first time in 2013-14

The accounting policies applied in 2013-14 are consistent with those of the previous financial year except as a result of the following new or revised Australian Accounting Standards that have been applied for the first time in 2013-14.

- **AASB 13 Fair Value Measurement.** This standard had no impact on the NSWEC. Refer to Note 12 for further details

A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- a) in the principal market for the asset or liability; or
- b) in the absence of a principal market, in the most advantageous market for the asset or liability.

- **AASB 119 Employee Benefits**

This standard covers the recognition and measurement of short term and long term employee benefits. Refer to note 15(a).

### i) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise.

A number of new Accounting Standards have not been applied and are not yet effective. The possible impact of these Standards in the period of initial application is unlikely to be material.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## 2. Expenses Excluding Losses

### a) Employee related expenses

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Salaries and wages (including annual leave)	6,895	6,702	353	373
Superannuation				
defined benefit Plan	119	132	-	-
defined contribution Plan	543	507	18	16
Long service leave	323	(578)	37	48
Workers' compensation insurance	27	55	1	2
Payroll tax and fringe benefits tax	434	489	16	20
Redundancy	91	795	-	-
	<b>8,432</b>	<b>8,102</b>	<b>425</b>	<b>459</b>

There were no employee related expenses capitalised and excluded from employee related expenses during the year ended 30 June 2014 (2013: \$54,812).

### b) Personnel services expenses

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Personnel services expense	-	-	7,601	8,050

These relate to expenses for personnel services provided by the NSW Electoral Commission Staff Agency.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

c) Other operating expenses include the following:

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Auditor's remuneration				
- audit of the financial statements-NSWEC	56	54	56	54
- audit of the financial statements-EFA	16	17	16	17
Advertising	135	815	135	815
Consultants	66	33	66	33
Contractors – Agency Staff	3,372	2,969	3,372	2,969
Contractors – Professional Services	1,116	828	1,116	828
Electricity	65	60	65	60
Insurance	78	76	78	76
Internal audit	129	213	129	213
Legal fees	8	-	8	-
Low Pool Assets	-	8	-	8
Maintenance *	28	17	28	17
Operating lease rental expense; – minimum lease payments	1,202	1,330	1,202	1,330
Provision of Services	436	316	436	316
Postage	371	799	371	799
Printing	212	550	212	550
Restoration Costs	15	22	15	22
Software maintenance and licences	2,107	997	2,107	997
Stationery	94	119	94	119
Storage	21	19	21	19
Telephone	48	68	48	68
Training	57	113	57	113
Travel	39	80	39	80
Other	865	360	865	360
	<b>10,536</b>	<b>9,863</b>	<b>10,536</b>	<b>9,863</b>

\*Reconciliation – Total Maintenance

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Maintenance expense – contracted labour and others (non-employee related), as above	28	17	28	17
<b>Total maintenance expense included in Note 2(c)</b>	<b>28</b>	<b>17</b>	<b>28</b>	<b>17</b>

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## d) Depreciation and amortisation expense

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Depreciation				
Computer Hardware	353	418	353	418
Furniture, Fittings and Leasehold Improvement	116	362	116	362
Plant and Equipment	74	80	74	80
Amortisation of Intangibles	4,182	4,385	4,182	4,385
	<b>4,725</b>	<b>5,245</b>	<b>4,725</b>	<b>5,245</b>

## e) Other expense

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
By Election*	399	1,263	399	1,263
Election Funding Authority	2,631	-	2,631	-
General Election*	2,914	730	2,914	730
Joint Roll Agreement (Payment to the Commonwealth)**	4,538	4,490	4,538	4,490
Local Government Election	-	18,613	-	18,613
	<b>10,482</b>	<b>25,096</b>	<b>10,482</b>	<b>25,096</b>

\*Includes staff contracted under the *Parliamentary Electorates and Elections Act 1912* for election events.

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
	<b>740</b>	<b>754</b>	<b>740</b>	<b>754</b>

### \*\*Joint Roll Agreement

An Arrangement between the Governor General of the Commonwealth and the Governor of New South Wales to provide for a joint electoral enrolment procedure was signed on 21 October 2010. The 'Exchange of Information Agreement' between the Australian Electoral Commission and the New South Wales Electoral Commission pursuant to this arrangement was executed on the same day. This agreement sets a cost per elector rate and allows for escalation at the Sydney Consumer Price Index. The charge is payable from the NSW Electoral Commission to the Australian Electoral Commission. At 30 June 2014 the amount payable per elector is \$0.93.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## 3. Revenue

### a) Appropriations and transfers to the Crown Entity

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Recurrent appropriations</b>				
Total recurrent draw-downs from NSW Treasury (per Summary of Compliance)	34,121	33,215	34,121	33,215
Less: Liability to Consolidated Fund (per Summary of Compliance)	(33)	(277)	(33)	(277)
	<b>34,088</b>	<b>32,938</b>	<b>34,088</b>	<b>32,938</b>
Comprising:				
Recurrent appropriations (per Statement of comprehensive income)	26,248	43,848	26,248	43,848
Transfer payments from recurrent appropriation	7,840	9,090	7,840	9,090
Transfer to the Crown Entity	-	(20,000)	-	(20,000)
	<b>34,088</b>	<b>32,938</b>	<b>34,088</b>	<b>32,938</b>
<b>Capital Appropriations</b>				
Total capital draw-downs from NSW Treasury (per Summary of compliance)	5,573	1,481	5,573	1,481
Less: Liability to Consolidated Fund (per Summary of compliance)	-	-	-	-
	<b>5,573</b>	<b>1,481</b>	<b>5,573</b>	<b>1,481</b>
Comprising:				
<b>Capital appropriations (per Statement of comprehensive income)</b>	<b>5,573</b>	<b>1,481</b>	<b>5,573</b>	<b>1,481</b>

### b) Sale of goods and services

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Sales of goods	-	213	-	213
Rendering of services	531	830	531	830
Election administration costs recovered	186	2,338	186	2,338
	<b>717</b>	<b>3,381</b>	<b>717</b>	<b>3,381</b>

### c) Investment revenue

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Interest	<b>176</b>	<b>224</b>	<b>176</b>	<b>224</b>

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## d) Acceptance by the Crown Entity of Employee

### Benefits and Other Liabilities

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

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Superannuation-defined benefit	119	132	-	-
Long service leave	280	(546)	-	-
Payroll tax	7	7	-	-
	<b>406</b>	<b>(407)</b>	<b>-</b>	<b>-</b>

## e) Grants and contributions

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Redundancy grants received	<b>91</b>	<b>795</b>	<b>91</b>	<b>795</b>

## f) Other revenue

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Rendering of services-local government elections	-	<b>18,616</b>	-	<b>18,616</b>

## 4. Loss on Disposal

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Plant and Equipment	270	191	270	191
Less: Accumulated Depreciation	262	186	262	186
Written Down Value	8	5	8	5
Less: Proceeds	5	-	5	-
Net Loss on Disposal of Plant and Equipment	<b>3</b>	<b>5</b>	<b>3</b>	<b>5</b>

## 5. Transfer payments

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Election Funding Authority*	<b>7,840</b>	<b>9,090</b>	<b>7,840</b>	<b>9,090</b>

### \*Election Funding Authority Transfer Payments

The Annual Appropriation Act provides funding to the NSW Electoral Commission which includes an amount for the public funding of an Election Campaigns fund, Administration Fund and a Policy Development Fund. The Election Funding and Disclosures Act 1981 requires that the Election Funding Authority make payment to parties and candidates through a regulated claims procedure. The Election Funding Authority requests the NSW Electoral Commission to make the payments on its behalf. The value of the transfer payments for the 2013-14 financial year was \$7.840 million and the contribution from the NSW Election Commission was \$2.631 million.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## 6. Service Group Statement

The NSWEC has one service group only. This service group covers the delivery of elections and related services. Details of the expenses, revenues, assets and liabilities for this service group are available in the Statement of Comprehensive Income and Statement of Financial Position. Service group statements therefore have not been prepared. Administered expenses and income are shown in notes 22 and 23 respectively.

## 7. Current Assets – Cash and Cash Equivalents

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Cash at bank and on hand	4,937	5,872	4,937	5,872
	<b>4,937</b>	<b>5,872</b>	<b>4,937</b>	<b>5,872</b>

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

Cash and cash equivalents assets recognised in the Statement of Financial Position are reconciled at the end of the financial year to the Statement of Cash Flows as follows:

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Cash and cash equivalents (per Statement of Financial Position)	4,937	5,872	4,937	5,872
<b>Closing cash and cash equivalents (per Statement of Cash Flows)</b>	<b>4,937</b>	<b>5,872</b>	<b>4,937</b>	<b>5,872</b>

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

## 8. Current Assets – Receivables

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Sale of goods and services	235	837	235	837
Accrued income	28	-	28	-
GST recoverable from the taxation authority	501	390	501	390
Prepayments	430	497	430	497
Interest Receivables	87	111	87	111
	<b>1,281</b>	<b>1,835</b>	<b>1,281</b>	<b>1,835</b>

For the year ended 30 June 2014, there were no transactions written off as bad debts.

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

## 9. Current Assets – Inventories

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Held for resale</b>				
Requisite Election Materials	121	130	121	130
	<b>121</b>	<b>130</b>	<b>121</b>	<b>130</b>

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## 10. Non-Current Assets – Plant and Equipment Consolidated and Parent

	COMPUTER HARDWARE	FURNITURE, FITTINGS & LEASEHOLD IMPROVEMENT	PLANT AND EQUIPMENT	TOTAL
	\$'000	\$'000	\$'000	\$'000
<b>At 1 July 2013 – fair value</b>				
Gross carrying amount	2,589	3,045	708	6,342
Accumulated depreciation	(2,109)	(2,615)	(409)	(5,133)
<b>Net Carrying amount</b>	<b>480</b>	<b>430</b>	<b>299</b>	<b>1,209</b>
<b>At 30 June 2014 – fair value</b>				
Gross carrying amount	3,810	3,124	628	7,562
Accumulated depreciation	(2,316)	(2,697)	(406)	(5,419)
<b>Net Carrying amount</b>	<b>1,494</b>	<b>427</b>	<b>222</b>	<b>2,143</b>

### Reconciliation

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

	COMPUTER HARDWARE	FURNITURE, FITTINGS & LEASEHOLD IMPROVEMENT	PLANT AND EQUIPMENT	TOTAL
	\$'000	\$'000	\$'000	\$'000
<b>Year ended 30 June 2014</b>				
Net carrying amount at start of the year	480	430	299	1,209
Additions	1,372	114	-	1,486
Disposals	(5)	-	(3)	(8)
Depreciation expense	(353)	(117)	(74)	(544)
<b>Net carrying amount at end of the year</b>	<b>1,494</b>	<b>427</b>	<b>222</b>	<b>2,143</b>

Further details regarding the fair value measurement of property, plant and equipment are disclosed in Note 12.

	COMPUTER HARDWARE	FURNITURE, FITTINGS & LEASEHOLD IMPROVEMENT	PLANT AND EQUIPMENT	TOTAL
	\$'000	\$'000	\$'000	\$'000
<b>At 1 July 2012 – fair value</b>				
Gross carrying amount	2,714	3,044	679	6,437
Accumulated depreciation	(1,865)	(2,253)	(329)	(4,447)
<b>Net Carrying amount</b>	<b>849</b>	<b>791</b>	<b>350</b>	<b>1,990</b>
<b>At 30 June 2013 – fair value</b>				
Gross carrying amount	2,589	3,045	708	6,342
Accumulated depreciation	(2,109)	(2,615)	(409)	(5,133)
<b>Net Carrying amount</b>	<b>480</b>	<b>430</b>	<b>299</b>	<b>1,209</b>

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## Reconciliation

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

	COMPUTER HARDWARE	FURNITURE, FITTINGS & LEASEHOLD IMPROVEMENT	PLANT AND EQUIPMENT	TOTAL
	\$'000	\$'000	\$'000	\$'000
<b>Year ended 30 June 2013 – fair value</b>				
Net carrying amount at start of the year	849	791	350	1,990
Additions	54	1	29	84
Disposals	(5)	-	-	(5)
Depreciation expense	(418)	(362)	(80)	(860)
<b>Net carrying amount at end of the year</b>	<b>480</b>	<b>430</b>	<b>299</b>	<b>1,209</b>

## 11. Intangible Assets – Consolidated and Parent

	SOFTWARE	TOTAL
	\$'000	\$'000
<b>At 1 July 2013</b>		
Gross carrying amount	32,720	32,720
Accumulated amortisation	(18,933)	(18,933)
<b>Net Carrying amount</b>	<b>13,787</b>	<b>13,787</b>
<b>At 30 June 2014</b>		
Gross carrying amount	36,874	36,874
Accumulated amortisation	(23,110)	(23,110)
<b>Net Carrying amount</b>	<b>13,764</b>	<b>13,764</b>

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## Reconciliation

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

	SOFTWARE	TOTAL
	\$'000	\$'000
<b>Year ended 30 June 2014</b>		
Net carrying amount at start of the year	13,787	13,787
Additions	4,159	4,159
Amortisation expense	(4,182)	(4,182)
<b>Net carrying amount at end of the year</b>	<b>13,764</b>	<b>13,764</b>

## At 1 July 2012

Gross carrying amount	31,336	31,336
Accumulated amortisation	(14,560)	(14,560)
<b>Net Carrying amount</b>	<b>16,776</b>	<b>16,776</b>

## At 30 June 2013

Gross carrying amount	32,720	32,720
Accumulated amortisation	(18,933)	(18,933)
<b>Net Carrying amount</b>	<b>13,787</b>	<b>13,787</b>

## Reconciliation

A reconciliation of the carrying amounts of intangible assets at the beginning and end of the prior reporting period is set out below:

	SOFTWARE	TOTAL
	\$'000	\$'000
<b>Year ended 30 June 2013</b>		
Net carrying amount at start of the year	16,776	16,776
Additions	1,396	1,396
Amortisation expense	(4,385)	(4,385)
<b>Net carrying amount at end of the year</b>	<b>13,787</b>	<b>13,787</b>

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## 12. Fair value measurement of non-financial assets

### a) Fair value hierarchy

	2014			
	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL FAIR VALUE
	\$'000	\$'000	\$'000	\$'000
<b>Plant and Equipment (Note 10)</b>				
Computer Hardware	-	-	-	-
Furniture, fittings & leasehold improvement	-	-	-	-
Plant and equipment	-	-	-	-
	-	-	-	-

There were no transfers between Level 1 or 2 during the period.

The NSWEC does not have any assets that are subject to fair value measurement. Its plant and equipment assets are measured using depreciated historical cost as a surrogate for fair value.

## 13. Restricted Assets

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Liability to Consolidated Fund	<b>33</b>	<b>277</b>	<b>33</b>	<b>277</b>

## 14. Current Liabilities – Payables

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Accrued salaries, wages and on-costs	264	288	-	-
Accrued personnel services	-	-	264	288
Creditors	2,141	1,739	2,141	1,739
	<b>2,405</b>	<b>2,027</b>	<b>2,405</b>	<b>2,027</b>

Accrued personnel services payable relate to the accrued cost of personnel services provided by the New South Wales Electoral Commission Staff Agency. Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed in note 24.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## 15. Current/Non-Current Liabilities – Provisions

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>CURRENT</b>				
<b>Personnel services and employee benefits</b>				
Annual Leave	1,022	813	46	55
Long Service Leave on-costs	238	208	24	19
Personnel services	-	-	1,190	947
	<b>1,260</b>	<b>1,021</b>	<b>1,260</b>	<b>1,021</b>
<b>Total Current Provisions</b>	<b>1,260</b>	<b>1,021</b>	<b>1,260</b>	<b>1,021</b>
<b>NON-CURRENT</b>				
Long service leave on-costs (a)	13	-	-	-
Personnel services	-	-	13	-
	<b>13</b>	<b>-</b>	<b>13</b>	<b>-</b>
<b>Other provisions</b>				
Restoration Costs	489	495	489	495
	<b>489</b>	<b>495</b>	<b>489</b>	<b>495</b>
<b>Total Non-Current Provisions</b>	<b>502</b>	<b>495</b>	<b>502</b>	<b>495</b>
<b>Aggregate personnel services, employee benefits and related on-costs</b>				
Provisions – current	1,260	1,021	1,260	1,021
Provisions – non-current	13	-	13	-
Accrued salaries, wages and on-costs (note 14)	264	288	-	-
Accrued personnel services (note 14)	-	-	264	288
	<b>1,537</b>	<b>1,309</b>	<b>1,537</b>	<b>1,309</b>

a) The personnel services provision and the employee benefits provision include a value of leave and on-costs expected to be taken within twelve months and after twelve months as follows:

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Short term – less than twelve months</b>				
Annual leave	670	669	670	669
Long service leave on-costs	238	201	238	201
	<b>908</b>	<b>870</b>	<b>908</b>	<b>870</b>
<b>Long term – after 12 months</b>				
Annual leave	352	144	352	144
Long service leave on-costs	13	7	13	7
	<b>365</b>	<b>151</b>	<b>365</b>	<b>151</b>

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

b) A provision has been recognised for the estimated costs to be incurred for the make good clause on the Kent Street Office and Riverwood Warehouse fit outs.

## Movements in other provisions (Other than Personnel services or Employee benefits)

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

	2014		
	LEASE INCENTIVE ON RENTAL	RESTORATION COSTS	TOTAL
	\$'000	\$'000	\$'000
Carrying amount at the beginning of financial year	-	495	495
Unwinding/change in the discount rate	-	(6)	(6)
<b>Carrying amount at end of financial year</b>	<b>-</b>	<b>489</b>	<b>489</b>

## 16. Current Liabilities – Other

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
	Liability to Consolidated Fund	33	277	33

## 17. Commitments for Expenditure

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
	<b>Capital Commitments</b>			
Aggregate capital expenditure for the acquisition of the ICT Infrastructure and Electoral Roll contracted for at balance date and not provided for:				
Not later than one year	1,545	4,521	1,545	4,521
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
<b>Total (including GST)</b>	<b>1,545</b>	<b>4,521</b>	<b>1,545</b>	<b>4,521</b>
<b>Operating Lease Commitments</b>				
Future non-cancellable operating lease rentals not provided for and payable:				
Not later than one year	2,046	2,013	2,046	2,013
Later than one year and not later than five years	6,002	7,177	6,002	7,177
Later than five years	-	577	-	577
<b>Total (including GST)</b>	<b>8,048</b>	<b>9,767</b>	<b>8,048</b>	<b>9,767</b>

The operating lease commitments above are for:

- L21, 201 Kent Street Operating Lease – Valid until October 2019;
- L25, 201 Kent Street Operating Lease – Valid until October 2019;
- Riverwood Warehouse Operating Lease – Valid until February 2017;
- Motor Vehicle Operating Lease.

These capital and operating lease commitments are not recognised in the financial statements as liabilities. The amount of tax recoverable from the Australian Taxation Office included within commitments is \$872,000 (2013: \$1.2 million).

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## 18. Contingent Liabilities and Contingent Assets

The NSWEC has no contingent liability as at 30 June 2014 (2013: Nil)

The NSWEC has no contingent assets as at 30 June 2014 (2013: Nil)

## 19. Budget Review

Net result

The actual net result was \$4,448,000 lower than the budgeted amount of \$3,481,000. This is mainly due to approved Carry Forward Request for redistribution of \$414K, State General Election of \$569K, adjustment of Procurement Savings of \$517K, \$3,032K in the Administration and Election Campaign Fund and payments to the Commonwealth under the Joint Roll Agreement.

Assets and Liabilities

Assets were under budget by \$1,730,000. This is mainly due to requested rollover of \$400K for non-current assets and decrease in accounts receivable for \$1,956K.

Liabilities were above budget by \$2,736,000. This is primarily due to the recognition of \$2,103K in relation to the accrued expenses.

Cash Flows

Cash flow from operating activities is lower than budget by \$487,000. General Election cost is lower for \$493,000.

## 20. Reconciliation of Cash Flows from Operating Activities to Net Result

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Net cash flows used on operating activities	4,702	4,488	4,702	4,488
Depreciation and amortisation	(4,725)	(5,245)	(4,725)	(5,245)
Decrease/(increase) in provisions	(2)	2,448	(2)	2,448
Increase/(decrease) in receivables and other assets	(561)	(2,620)	(561)	(2,620)
Decrease/(increase) in payables	(378)	561	(378)	561
Net gain/(loss) on disposal of plant and equipment & intangible assets	(3)	(5)	(3)	(5)
<b>Net result</b>	<b>(967)</b>	<b>(373)</b>	<b>(967)</b>	<b>(373)</b>

## 21. Administered Assets and Liabilities

	2014 \$'000	2013 \$'000
<b>Administered Assets:</b>		
Receivables – Fines for failure to vote	118	7,120
<b>Administered Liabilities</b>		
Payables – Fines for failure to vote	-	-

## 22. Administered Expense – Debts Written Off

There were no debts written off which related to Administered Income (2013: Nil).

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## 23. Administered Income

	CONSOLIDATED		PARENT	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Fines for failure to vote	573	11,660	573	11,660

## 24. Financial Instruments (Parent and Consolidated)

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

The NSWEC's main risks arising from financial instruments are outlined below, together with the NSWEC's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Electoral Commissioner has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the NSWEC, to set risk limits and controls and to monitor risks. From time to time, compliance with policies is reviewed by the Audit & Risk Committee.

### a) Financial instrument categories

	NOTE	CATEGORY	CARRYING AMOUNT	CARRYING AMOUNT
			2014 \$'000	2013 \$'000
<b>FINANCIAL ASSETS</b>				
<b>Class:</b>				
Cash and cash equivalents	7	N/A	4,937	5,872
Receivables*	8	Loans and receivables (at amortised cost)	350	948
<b>FINANCIAL LIABILITIES</b>				
<b>Class:</b>				
Payables**	14	Financial liabilities measured at amortised cost	2,085	1,989

#### Notes

\* Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).

\*\* Excludes statutory payables and unearned income (i.e. not within scope of AASB 7).

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## b) Credit Risk

Credit risk arises when there is the possibility of the NSWEC's debtors defaulting on their contractual obligations, resulting in a financial loss to the NSWEC. 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 the financial assets of the NSWEC, including cash and receivables. No collateral is held by the NSWEC. The NSWEC has not granted any financial guarantees.

Credit risk associated with the NSWEC's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

### 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. Collectability 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 NSWEC 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 2014: \$228,652 (2013: \$110,695) represent 98% of the total trade debtors.

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.

	TOTAL*	PAST DUE BUT NOT IMPAIRED*	CONSIDERED IMPAIRED*
	\$'000	\$'000	\$'000
<b>2014</b>			
< 3 months overdue	6	6	-
3 months – 6 months overdue	-	-	-
> 6 months overdue	-	-	-
<b>2013</b>			
< 3 months overdue	-	-	-
3 months – 6 months overdue	695	695	-
> 6 months overdue	-	-	-

### Notes\*

- Each column in the table reports "gross receivables".
- 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 receivables total recognised in the statement of financial position.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## c) Liquidity risk

Liquidity risk is the risk that the NSWEC will be unable to meet its payment obligations when they fall due. The NSWEC continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

During the current and prior year, there were no defaults of loans payable. No assets have been pledged as collateral. The NSWEC'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 or not invoiced. 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 a 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 payments 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.

The table below summarises the maturity profile of NSWEC's financial liabilities, together with the interest rate exposure.

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE	NOMINAL AMOUNT	INTEREST RATE EXPOSURE			MATURITY DATES		
			FIXED INTEREST RATE	VARIABLE INTEREST RATE	NON- INTEREST BEARING	< 1 YR.	1-5 YRS.	> 5 YRS.
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2014</b>								
Payables	-	2,085	-	-	2,085	2,085	-	-
<b>2013</b>								
Payables	-	1,989	-	-	1,989	1,989	-	-

## d) 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. NSWEC has no exposure to borrowings or foreign currency risk and does not enter into commodity contracts.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## e) Interest rate risk

NSWEC does not have exposure to interest rate risk through interest bearing liabilities. NSWEC does not account for any fixed rate financial instruments at fair value through profit or loss or as available-for-sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The NSWEC's exposure to interest rate risk is set out below;

	CARRYING AMOUNT	-1% PROFIT	1% EQUITY	PROFIT	EQUITY
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2014</b>					
<b>Financial assets</b>					
Cash and cash equivalents	4,937	(49)	(49)	49	49
Receivables	350	-	-	-	-
<b>Financial Liabilities</b>					
Payables	2,085	-	-	-	-
<b>2013</b>					
<b>Financial assets</b>					
Cash and cash equivalents	5,872	(59)	(59)	59	59
Receivables	111	-	-	-	-
<b>Financial Liabilities</b>					
Payables	-	-	-	-	-

## f) Fair value measurement

### i) Fair value compared to carrying amount

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.

### ii) Fair value recognised in the statement of financial position

The NSWEC does not have any financial assets at fair value recognised in the statement of financial position

## 25. Events after reporting period

There is no event after reporting period to be disclosed.

## 26. Related party transaction

All transactions for the Election Funding Authority (EFA) of New South Wales are conducted through the NSWEC's accounting framework. Within this framework, employee related expenses of \$3.047 million (\$2.225 million in 2013) and other operating expenses of \$0.591 million (\$1.518 million in 2013) are recognised as attributable to EFA's operations. NSWEC is funded via its consolidated fund appropriation for this expenditure.

**END OF AUDITED FINANCIAL STATEMENTS.**

# Statement by the Electoral Commissioner

## ***Statement by the Electoral Commissioner***

Pursuant to Section 41C(1B) of the *Public Finance and Audit Act 1983*, I, to the best of my knowledge and belief state that:

- (a) The accompanying financial statements of the New South Wales Electoral Commission Staff Agency have been prepared in accordance with Australian Accounting Standards (which include Australian Accounting Interpretations), the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010*, the Treasurer's Directions, and the Financial Reporting Code for NSW General Government Sector Entities;
- (b) The statements exhibit a true and fair view of the financial position as at 30 June 2014 of the New South Wales Electoral Commission Staff Agency and financial performance for the year then ended; and
- (c) There are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Colin Barry  
Electoral Commissioner  
2 September 2014

# Independent Auditor's Report



## INDEPENDENT AUDITOR'S REPORT

### New South Wales Electoral Commission Staff Agency

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the New South Wales Electoral Commission Staff Agency (the Staff Agency) which comprise the statement of financial position as at 30 June 2014, 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.

#### Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Staff Agency as at 30 June 2014, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- 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.

#### The Electoral Commissioner's Responsibility for the Financial Statements

The Electoral Commissioner is responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Electoral Commissioner determines is necessary to enable the preparation of 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 entity's preparation of the financial statements that give a true and fair view in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Electoral Commissioner, as well as evaluating the overall presentation of the financial statements.

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

# Independent Auditor's Report

My opinion does *not* provide assurance:

- about the future viability of the Staff Agency
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- 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 which 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 and other 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.



Steven Martin  
Assistant Auditor-General

3 September 2014  
SYDNEY

## START OF AUDITED FINANCIAL STATEMENTS

## Statement of comprehensive income

FOR THE YEAR ENDED 30 JUNE 2014

	NOTES	ACTUAL 2014 \$'000	ACTUAL 2013 \$'000
<b>EXPENSES EXCLUDING LOSSES</b>			
Salaries and wages (including recreation leave)		6,542	6,329
Long service leave		286	(626)
Superannuation – defined benefit Plan		119	132
Superannuation – defined contribution Plan		525	491
Workers' compensation insurance		26	53
Payroll tax and fringe benefits tax		418	469
Redundancy		91	795
<b>Total Expenses excluding losses</b>		<b>8,007</b>	<b>7,643</b>
<b>REVENUE</b>			
Acceptance by the Crown Entity of employee benefits and other liabilities		406	(407)
Personnel services revenue	2	7,601	8,050
<b>Total Revenue</b>		<b>8,007</b>	<b>7,643</b>
<b>Net Result</b>		-	-
<b>Other comprehensive income</b>		-	-
<b>Total other comprehensive income</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		-	-

The accompanying notes form part of these financial statements.

# Statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2014

	NOTES	ACTUAL \$'000
<b>Balance at 1 July 2013</b>		-
Net Result for the Year		-
<b>Total other comprehensive income</b>		-
<b>Total comprehensive income for the year</b>		-
<b>Balance at 30 June 2014</b>		-
<b>Balance at 1 July 2012</b>		-
Net Result for the Year		-
<b>Total other comprehensive income</b>		-
<b>Total comprehensive income for the year</b>		-
<b>Balance at 30 June 2013</b>		-

The accompanying notes form part of these financial statements.

# Statement of financial position

AS AT 30 JUNE 2014

	NOTES	ACTUAL 2014 \$'000	ACTUAL 2013 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Receivables	3	1,436	1,222
<b>Total Current Assets</b>		<b>1,436</b>	<b>1,222</b>
<b>Non-Current Assets</b>			
Receivables	4	11	6
<b>Total Non-Current Assets</b>		<b>11</b>	<b>6</b>
<b>Total Assets</b>		<b>1,447</b>	<b>1,228</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5	244	281
Provisions	6	1,192	941
<b>Total Current Liabilities</b>		<b>1,436</b>	<b>1,222</b>
<b>Non-Current Liabilities</b>			
Provisions	7	11	6
<b>Total Non-Current Liabilities</b>		<b>11</b>	<b>6</b>
<b>Total Liabilities</b>		<b>1,447</b>	<b>1,228</b>
<b>Net Assets</b>		<b>-</b>	<b>-</b>
<b>EQUITY</b>			
Accumulated funds		-	-
<b>Total Equity</b>		<b>-</b>	<b>-</b>

The accompanying notes form part of these financial statements.

# Statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2014

	NOTES	ACTUAL 2014 \$'000	ACTUAL 2013 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee related		-	-
Other		-	-
<b>Total Payments</b>		-	-
<b>Receipts</b>			
Personnel services		-	-
Reimbursements from the Crown Entity		-	-
<b>Total Receipts</b>		-	-
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		-	-
<b>NET INCREASE/(DECREASE) IN CASH</b>			
Opening cash and cash equivalents		-	-
<b>CLOSING CASH AND CASH EQUIVALENTS</b>		-	-

The accompanying notes form part of these financial statements.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## 1. Summary of Significant Accounting Policies

### a) Reporting entity

The Office of the New South Wales Electoral Commission was established as a division of the government service pursuant to Division 2 of schedule 1 of the *Public Sector Employment and Management Act 2002*. As a result of the Administrative Arrangements Order 2014 (the Order) the Office was replaced by the New South Wales Electoral Commission Staff Agency (the Agency). The Agency is established under the *Government Sector Employment Act 2013*.

The transitional provisions in the Order deem the Agency to be a 'successor and continuation' of the former agency. Therefore the Agency has prepared financial statements for a full 12 months covering the period 1 July 2013 to 30 June 2014 including comparatives. The Agency is a not for profit entity as profit is not its principle objective. It is domiciled in Australia and its principal office is at 201 Kent St, Sydney.

The Agency's objective is to provide personnel services to the New South Wales Electoral Commission.

The Agency commenced operation on 1 July 2006 when it assumed responsibility for the employees and employee-related liabilities of the New South Wales Electoral Commission. The assumed liabilities were recognised on 1 July 2006 together with an offsetting receivable representing the related funding due from the former employer.

These financial statements for the year ended 30 June 2014 have been authorised for issue by the Electoral Commissioner on 2 September 2014.

### b) Basis of preparation

The Agency's financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with:

- Applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- The requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2010*; and
- Specific directions issued by the Treasurer.

Generally, the historical cost basis of accounting has been adopted and the financial statements do not take into account changing money values or current valuations. However, certain provisions are measured at fair value. See note 1(g).

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

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

### c) Statement of compliance

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

### d) Comparative Information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

### e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue from the rendering of personnel services is recognised when the service is provided and only to the extent that the associated recoverable expenses are recognised.

### f) Receivables

A receivable is recognised when it is probable that the future cash inflows associated with it will be realised and it has a value that can be measured reliably. It is derecognised when the contractual or other right to future cash flows from it expire or are transferred.

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

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

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## g) Payables

Payables include accrued wages, salaries and related on costs (such as payroll tax, fringe benefits tax and workers' compensation insurance) where there is no certainty as to the amount and timing of settlement.

A payable is recognised when a present obligation arises under the contract or otherwise. It is derecognised when the obligation expires or is discharged, cancelled or substituted. Payables are recognised initially at fair value, usually based on the transaction cost or face value. A short-term payable with no stated interest rate is measured at the original invoice amount where the effect of discounting is immaterial.

Subsequent measurement is at amortised cost using the effective interest method.

### i) Employee benefits and other provisions

Provisions are made for liabilities of uncertain amount or uncertain timing of settlement.

Employee benefit provisions represent expected amounts payable in the future in respect of unused entitlements accumulated as at the reporting date. Liabilities associated with, but that are not, employee benefits (such as payroll tax) are recognised separately.

## h) Salaries and wages, annual leave, sick leave and on-costs

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such it is required to be measured at present value in accordance with *AASB 119 Employee Benefits* (although shortcut methods are permitted). Actuarial advice obtained by Treasury has confirmed that the use of a nominal approach plus the annual leave on annual leave liability (using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Agency has assessed the actuarial advice based on the Agency's circumstances and has determined that the effect of discounting is immaterial to annual leave.

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

## i) Long service leave and superannuation

The Agency's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Agency accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary income item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Long service leave is measured at present value in accordance with *AASB 119 Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 14-04) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

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

## j) Consequential on-costs

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

## k) Changes in accounting policy, including new or revised Australian Accounting Standards

### i) Effective for the first time in 2013-14

The accounting policies applied in 2013-14 are consistent with those of the previous financial year except as a result of the following new or revised Australian Accounting Standards that have been applied for the first time in 2013-14.

#### • *AASB 119 Employee Benefits*

This standard covers the recognition and measurement of short term and long term employee benefits. Refer to note 6.

### ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise.

A number of new Accounting Standards have not been applied and are not yet effective.

The possible impact of these Standards in the period of initial application is unlikely to be material.

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## 2. Revenues

Personnel services revenue

	2014	2013
	\$'000	\$'000
New South Wales Electoral Commission	7,601	8,050
<b>Total Revenues</b>	<b>7,601</b>	<b>8,050</b>

## 3. Current Assets – Receivables

	2014	2013
	\$'000	\$'000
New South Wales Electoral Commission	1,436	1,222
<b>Total Current Assets</b>	<b>1,436</b>	<b>1,222</b>

## 4. Non-Current Assets – Receivables

	2014	2013
	\$'000	\$'000
New South Wales Electoral Commission	11	6
<b>Total Non-Current Assets</b>	<b>11</b>	<b>6</b>

## 5. Current liabilities – Payables

	2014	2013
	\$'000	\$'000
Accrued salaries and wages	244	281
<b>Total</b>	<b>244</b>	<b>281</b>

## 6. Current Liabilities – Provisions

Employee benefits and related on – costs

	2014	2013
	\$'000	\$'000
Annual leave	976	758
Long service leave on – costs	216	183
<b>Total Current Provisions</b>	<b>1,192</b>	<b>941</b>

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## 7. Non-Current Liabilities – Provisions

	2014	2013
	\$'000	\$'000
<b>EMPLOYEE BENEFITS AND RELATED ON-COSTS</b>		
Annual leave	-	-
Long service leave on-costs	11	6
<b>Total Non-Current Provisions</b>	<b>11</b>	<b>6</b>
<b>SHORT TERM – LESS THAN TWELVE MONTHS</b>		
Annual leave	642	655
Long service leave on-costs	216	183
	<b>858</b>	<b>838</b>
<b>LONG TERM – AFTER 12 MONTHS</b>		
Annual leave	334	103
Long service leave on-costs	11	6
	<b>345</b>	<b>109</b>

# Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2014

## 8. Financial Instruments

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

### Receivables

All receivables are from the New South Wales Electoral Commission in relation to employee benefits. As such, there is no credit risk or interest risk in relation to these balances. The carrying amount approximates fair value.

### Payables

These amounts represent liabilities for personnel services provided to the NSW Electoral Commission. The Agency's exposure to liquidity risk is deemed insignificant based on prior experience and current assessment of risk. The carrying amount approximates fair value.

## 9. Contingent Liabilities and Contingent Assets

The Agency has no contingent liability as at 30 June 2014 (2013: Nil)

The Agency has no contingent assets as at 30 June 2014 (2013: Nil)

## 10. Events after reporting period

There are no events subsequent to balance date which affect the financial statements.

**END OF AUDITED FINANCIAL STATEMENTS**



# References

Appendices	92
Organisational Structure	93
Table of Figures	101
Glossary	102
Index	104

# Appendices

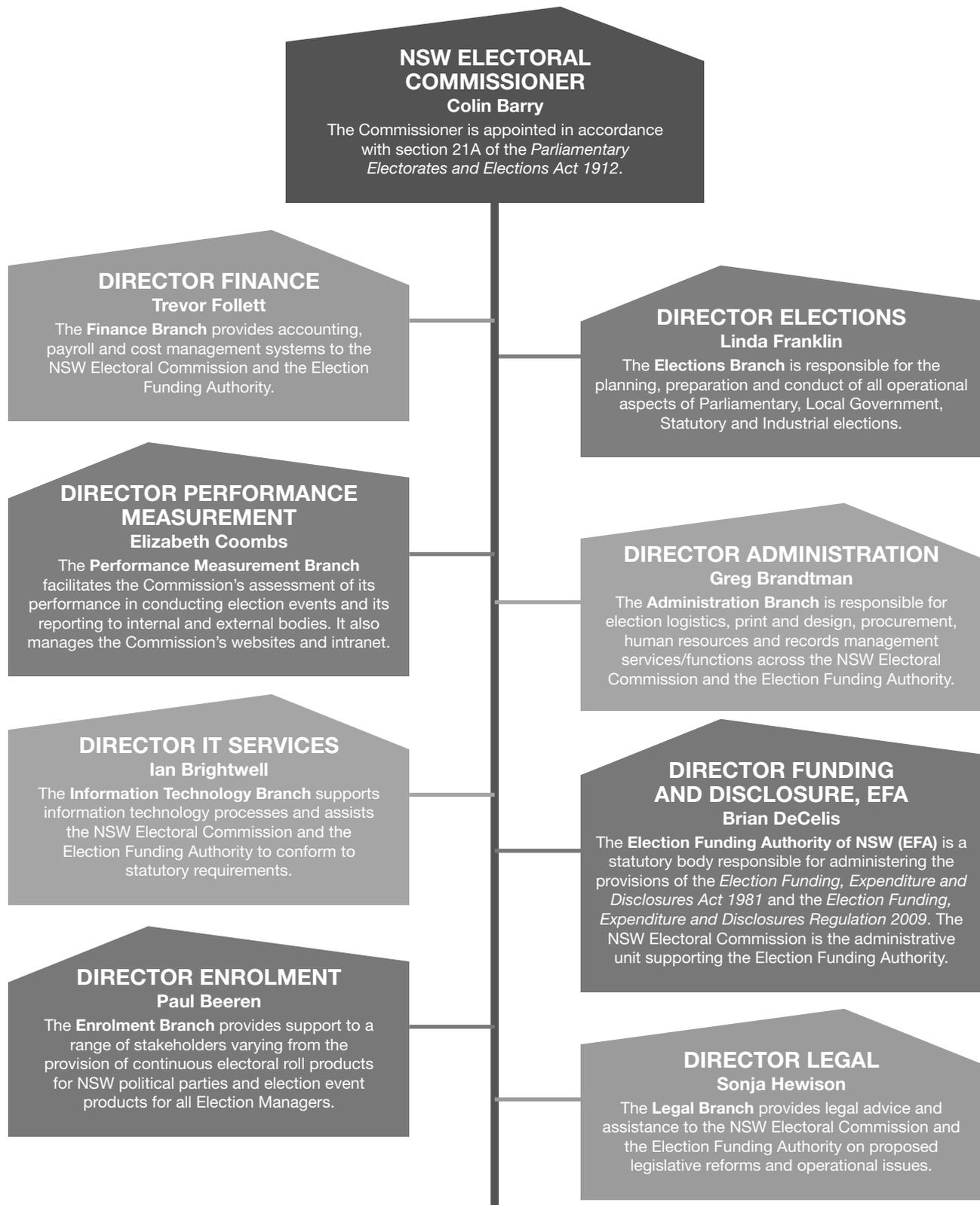
## Table of Appendices

NO	TITLE	PAGE
1	Organisational Structure as at 30 June 2014	93
2	Statistical Summary of the Composition of each Determined Electoral District following the 2013 Redistribution	94
3	Determinations on Requests for Electoral Information or Data, 2013-14	96
4	Elections Conducted for Clubs, Statutory Boards and Industrial Organisations, 2013-14	97
5	Political Parties registered for State and Local Government elections	98
6	Numbers, Gender and Remuneration of Executive Officers	99
7	Overseas Visits and Delegations	99
8	Digital Information Security Annual Attestation Statement for the 2013-2014 Financial Year	100

# Organisational Structure

AS AT 30 JUNE 2014

## Appendix 1



# Appendices continued

## Appendix 2

### Statistical Summary of the Composition of each Determined Electoral District following the 2013 Redistribution

NAME OF DETERMINED DISTRICTS	NUMBER OF ELECTORS FEB 2013	PERCENTAGE ABOVE OR BELOW QUOTA AT FEB 2013	PROJECTED ENROLMENT APR 2015	PERCENTAGE ABOVE OR BELOW QUOTA AT APR 2015
Albury	52,512	1.72	53,050	0.53
Auburn	50,047	-3.05	52,397	-0.71
Ballina	51,488	-0.26	52,680	-0.17
Balmain	51,539	-0.16	52,400	-0.70
Bankstown	49,849	-3.44	51,459	-2.48
Barwon	55,465	7.44	55,204	4.61
Bathurst	51,959	0.65	53,167	0.75
Baulkham Hills	52,074	0.87	52,871	0.19
Bega	51,729	0.20	53,499	1.38
Blacktown	51,350	-0.53	52,709	-0.11
Blue Mountains	52,365	1.44	52,758	-0.02
Cabramatta	52,854	2.38	53,346	1.09
Camden	46,739	-9.46	49,966	-5.31
Campbelltown	50,309	-2.55	51,797	-1.84
Canterbury	53,644	3.91	54,365	3.02
Castle Hill	50,201	-2.76	52,469	-0.57
Cessnock	49,070	-4.95	50,922	-3.50
Charlestown	53,454	3.55	53,201	0.82
Clarence	52,689	2.06	53,296	1.00
Coffs Harbour	49,755	-3.62	51,654	-2.11
Coogee	51,336	-0.56	52,331	-0.83
Cootamundra	52,124	0.97	52,113	-1.24
Cronulla	53,781	4.18	54,360	3.01
Davidson	52,870	2.41	53,534	1.45
Drummoyne	49,228	-4.64	51,600	-2.22
Dubbo	50,571	-2.04	51,964	-1.53
East Hills	52,067	0.86	53,168	0.75
Epping	53,460	3.56	53,891	2.13
Fairfield	51,814	0.37	52,772	0.00
Gosford	52,207	1.13	52,756	-0.03
Goulburn	52,051	0.83	53,836	2.02
Granville	50,784	-1.63	51,948	-1.56
Hawkesbury	50,751	-1.69	52,202	-1.08
Heathcote	54,294	5.17	54,220	2.75
Heffron	49,601	-3.92	51,537	-2.34
Holsworthy	50,789	-1.62	52,764	-0.01
Hornsby	53,357	3.36	53,834	2.02
Keira	54,325	5.23	54,601	3.47
Kiama	50,911	-1.38	52,201	-1.08
Kogarah	52,650	1.99	53,315	1.03
Ku-ring-gai	51,181	-0.86	52,562	-0.39
Lake Macquarie	51,811	0.36	52,508	-0.50
Lakemba	51,566	-0.11	52,780	0.02
Lane Cove	52,292	1.30	53,157	0.73
Lismore	51,817	0.38	52,311	-0.87
Liverpool	50,945	-1.31	52,671	-0.19
Londonderry	49,999	-3.15	52,108	-1.25

**Appendix 2** continued**Statistical Summary of the Composition of each Determined Electoral District following the 2013 Redistribution**

NAME OF DETERMINED DISTRICTS	NUMBER OF ELECTORS FEB 2013	PERCENTAGE ABOVE OR BELOW QUOTA AT FEB 2013	PROJECTED ENROLMENT APR 2015	PERCENTAGE ABOVE OR BELOW QUOTA AT APR 2015
Macquarie Fields	51,371	-0.49	52,573	-0.37
Maitland	49,599	-3.92	51,214	-2.95
Manly	50,771	-1.65	52,651	-0.22
Maroubra	50,270	-2.62	52,062	-1.34
Miranda	53,750	4.12	54,000	2.33
Monaro	50,542	-2.09	51,487	-2.43
Mount Druitt	50,116	-2.92	52,129	-1.21
Mulgoa	49,537	-4.04	51,325	-2.74
Murray	54,040	4.68	53,979	2.29
Myall Lakes	52,697	2.08	54,252	2.81
Newcastle	52,097	0.92	52,677	-0.18
Newtown	49,193	-4.71	50,938	-3.47
North Shore	50,099	-2.95	51,733	-1.96
Northern Tablelands	53,632	3.89	54,094	2.51
Oatley	52,636	1.96	53,709	1.78
Orange	52,763	2.21	53,780	1.91
Oxley	51,704	0.16	52,940	0.32
Parramatta	52,395	1.49	53,358	1.11
Penrith	51,507	-0.23	52,745	-0.05
Pittwater	51,583	-0.08	52,503	-0.51
Port Macquarie*	52,415	1.53	53,073	0.57
Port Stephens	50,558	-2.06	52,377	-0.74
Prospect	52,193	1.10	53,035	0.50
Riverstone	46,970	-9.01	50,730	-3.87
Rockdale	51,402	-0.43	52,084	-1.30
Ryde	52,589	1.87	53,384	1.16
Seven Hills	52,385	1.48	53,177	0.77
Shellharbour	54,582	5.73	55,406	5.00
South Coast	49,192	-4.71	51,301	-2.78
Strathfield	50,885	-1.43	52,496	-0.52
Summer Hill	51,515	-0.21	52,760	-0.02
Swansea	52,510	1.72	53,169	0.76
Sydney	48,837	-5.40	50,953	-3.44
Tamworth	52,635	1.96	53,312	1.03
Terrigal	53,093	2.85	53,672	1.71
The Entrance	52,429	1.56	53,289	0.98
Tweed	50,399	-2.37	51,698	-2.03
Upper Hunter	51,716	0.18	52,787	0.03
Vaucluse	52,366	1.44	53,378	1.15
Wagga Wagga	52,040	0.81	53,275	0.96
Wakehurst	51,884	0.51	53,022	0.48
Wallsend	54,302	5.19	54,089	2.50
Willoughby	51,443	-0.35	52,431	-0.64
Wollondilly	49,711	-3.70	51,557	-2.30
Wollongong	54,874	6.30	55,116	4.45
Wyong	50,066	-3.02	51,601	-2.21
<b>Totals</b>	<b>4,800,967</b>		<b>4,907,575</b>	

\*Includes Lord Howe Island

# Appendices continued

## Appendix 3

### Determinations on Requests for Electoral Information or Data, 2013-14

DATE	COUNCIL	ACTION
9 July 2013	<b>Harden Shire Council</b> Request for Local Government roll to be used as a mailing list by council for poll on parking	Request denied
6 September 2013	<b>The Benevolent Society</b> Request for access to NSW roll to search for clients involved with adoption search and reunion	Request denied
13 September 2013	<b>Private request</b> Requesting the address of an individual that once lived in the Blue Mountains	Request denied
25 October 2013	<b>Private request</b> Request for access to the electoral roll for the area in which he lives for electoral purposes	Request denied
28 October 2013	<b>Bidders responding to Authorised Roll Print and Scan Request for Tender (RFT)</b> Request for scrambled full version of a recent NSW State General Election Authorised Roll (AR) and a recent NSW Local Government Election AR to be used to assist bidders in Authorised Roll Print and Scan RFT	Request approved
29 October 2013	<b>The Hon. Marie Ficarra MLC</b> Request for copy of the NSW Roll for electoral purposes	Request approved
8 November 2013	<b>Douglas &amp; Collins Lawyers</b> Enrolment search for current details of beneficiary to estate	Request denied
9 December 2013	<b>Local Court NSW – Downing Centre</b> Subpoena for evidentiary documents relating to the enrolment history of an individual	Request approved
10 December 2013	<b>TARS (Transport and Road Safety) Research (UNSW) &amp; CHeRel (Centre for Health Record Linkage)</b> Extract of roll required for research study on health care use and mortality of injured individuals	Request approved
20 December 2013	<b>Private request</b> Requesting the address of an individual that once lived in Castle Hill / Redfern	Request denied
17 January 2014	<b>Private request</b> Requesting address of a number of family members that emigrated to Australia in 1950	Request denied
13 February 2014	<b>GDB Lawyers</b> Enrolment search for current details of beneficiary to estate	Request denied
20 February 2014	<b>The Hon. David Clarke MLC</b> Request for copy of the NSW Roll for electoral purposes	Request approved
28 February 2014	<b>MA Lawyers</b> Requesting address of an individual to serve documents	Request denied
20 March 2014	<b>Private request</b> Requesting address search for daughter not seen since 1971	Request denied
31 March 2014	<b>NSW Crown Solicitors Office / Supreme Court of NSW</b> Explanation of evidentiary documents previously supplied for subpoena relating to the enrolment history of an individual	Request approved
10 April 2014	<b>Thomas Murphy &amp; Co Solicitors</b> Enrolment search for current details of beneficiary to estate	Request denied
13 May 2014	<b>Kogarah City Council</b> Requesting address of an individual to serve documents	Request denied

## Appendix 4

### Elections Conducted for Clubs, Statutory Boards and Industrial Organisations, 2013-14

MONTH AND YEAR OF ELECTION	ORGANISATION	ELECTION
July 2013	Australian Institute of Marine & Power Engineers NSW	Election of Officers
August 2013	Cabramatta Bowling & Recreation Club	Board of Directors
August 2013	Clubs NSW	Regional Councillors
August 2013	Emergency Medical Service Protection Association NSW	Election of Officers
August 2013	Industrial Staff Union	Officer bearers
August 2013	Tibooburra Village Committee	Committee members
September 2013	Cabra Vale ex-Servicemen's Club	Board of Directors
September 2013	Clubs NSW	Board of Directors
September 2013	Toronto Workers Club	Board of Directors
October 2013	Dooleys Lidcombe Catholic Club	Board of Directors
October 2013	Leichhardt Bowling & Recreation Club	Board of Directors
October 2013	NSW Gun Club	Board of Directors
October 2013	TAB Agents Association NSW	Office bearers and Executive Committee
November 2013	Local Government Engineers Association NSW	Committee of Management
November 2013	Marrickville RSL Club	Board of Directors
November 2013	Mingara Recreation Club	Board of Directors
November 2013	Rice Marketing Board	Board members
November 2013	Tibooburra Village Committee	Committee members
December 2013	Association of Professional Engineers, Scientists & Managers Australia NSW	Committee of Management
December 2013	Association of Professional Engineers, Scientists & Managers Australia NSW	Executive Committee
January 2014	Master Fish Merchants Association	Committee of Management
February 2014	Bus & Coach Industrial Association NSW	Council members
March 2014	Blacktown Workers Club Group	Board of Directors
March 2014	Smithfield RSL Club	Board of Directors
April 2014	Development & Environment Professionals Association	Election of Officers
May 2014	Five Dock RSL Community Club	Board of Directors
May 2014	Rooty Hill RSL Club	Board of Directors
May 2014	Sydney Cricket & Sports Ground Trust	Trustees
June 2014	Collaroy Services Beach Club	Board of Directors
June 2014	NSW Independent Education Union	Branch Delegates
June 2014	Racing Guild of NSW	Committee of Management

# Appendices continued

## Appendix 5

### State Registered Political Parties as at 30 June 2014

PARTY NAME
Animal Justice Party
Australian Cyclists Party
Australian Democrats (NSW Division)
Australian Labor Party (NSW Branch)
Australian Motorist Party
Building Australia Party
Christian Democratic Party (Fred Nile Group)
Country Labor Party
Liberal Party of Australia New South Wales Division
National Party of Australia – NSW
No Land Tax Campaign
No Parking Meters Party
Outdoor Recreation Party
Shooters and Fishers Party
Socialist Alliance
The Fishing Party
The Greens
Unity Party
Voluntary Euthanasia Party (NSW)

### Local Government Registered Political Parties as at 30 June 2014

PARTY NAME
Albury Citizens and Ratepayers Movement
Australia First (NSW) Incorporated (councils)
Bob Thompson's Independent Team
Burwood Community Voice
Clover Moore Independent Team
Community Service "Environment" Save Campbelltown Koalas
Community First Team
Democratic Labour Party
Eurobodalla Ratepayers Action
Good for Manly
Keep Coogee A Village
Kogarah Residents' Association
Liberal Democratic Party
Liverpool Community Independents Team
Lorraine Wearne Independents
Manly Independents – Putting Residents First
Our Local Community
Our Sustainable Future
Residents Action Group for Auburn Area
Residents First Woollahra
Residents for Mosman
Save Tuggerah Lakes
Serving Mosman
Shoalhaven Independents Group
The Living Sydney Team
The Parramatta Independents
Totally Locally Committed Party
Woodville Independents
Your Warringah

## Appendix 6

### Numbers, Gender and Remuneration of Executive Officers

**Figure 15 – Number of Executives by Band and Gender**

BAND	2014	
	MALE	FEMALE
Band 3 (equivalent)	1	0
Band 2 (equivalent)	0	0
Band 1 (equivalent)	8	3

**Figure 16 – Number of Executives by Band and Remuneration**

BAND	RANGE \$	AVERAGE REMUNERATION 2014
Band 3 (equivalent)	299,751-422,500	357,627
Band 2 (equivalent)	0	0
Band 1 (equivalent)	167,100-238,300	158,334

## Appendix 7

### Overseas Visits and Delegations

On 19 August 2013 the NSWEC hosted a visit by the Thai Election Commissioner to discuss election processes in New South Wales.

From 8 to 11 December 2013 the Director, Funding and Disclosure, attended the Council on Governmental Ethics Law conference in Québec, Canada.

# Appendices continued

## Appendix 8

### Digital Information Security Annual Attestation Statement for the 2013-2014 Financial Year



#### Digital Information Security Annual Attestation Statement for the 2013-2014 Financial Year for NSW Electoral Commission

I, Colin Barry, the Electoral Commissioner am of the opinion that NSW Electoral Commission had developed an Information Security Management System during the financial year, which aimed to meet the Core Requirements set out in the Digital Information Security Policy for the NSW Public Sector with the following exceptions:

Core Requirement	Description
Core requirement 1	<i>The ISMS to be compliant with minimum controls is developed. However the implementation of those controls is in progress and not expected to be fully complete until at least late 2015.</i>
Core requirement 2	<p><i>The transition to an information classification and labelling scheme as required by the Policy is in progress. The planned completion date is late 2015.</i></p> <p><i>Most of the minimum controls are partially compliant by a set of informal procedures as the formal ISMS implementation is not fully completed yet.</i></p>

I, Colin Barry, the Electoral Commissioner, am of the opinion that there are no Public Sector Agencies, or part thereof, under the control of NSW Electoral Commission with a risk profile sufficient to warrant an independent Information Security Management System and make certification necessary.

Colin Barry

Electoral Commissioner

Date: 22/8/14

# Table of Figures

NO	TITLE	PAGE
1	NSW Enrolment Participation Rate (18 years and over)	18
2	Elections – Local Government (By-elections)	18
3	Elections – State (By-elections)	18
4	Voting Services for Interstate Electors	19
5	Elections conducted for Clubs, Statutory Boards and Industrial Organisations over the last five years	22
6	Accessible polling places in by-elections held 2010-2013	23
7	Permanent staff – number by category over a five-year period	30
8	NSWEC permanent staff – injuries and claims over a five-year period	30
9	Sick Leave – average (days) absences for permanent staff over a five-year period	30
10	Trends in the Representation of EEO Groups within NSWEC over a five-year period*	31
11	Training and Development completed by staff as of 30 June 2014	31
12	Internal audit engagements and their status as at 30 June 2014	40
13	Audit Office findings for year ended 30 June 2013	40
14	Payment of accounts for the 2013-14 year	48
15	Number of Executives by Band and Gender	99
16	Number of Executives by Band and Remuneration	99

# Glossary

NAME/TITLE	SYNOPSIS
Absent vote	A vote made at a polling place by an elector who is outside his/her own electoral district on election day.
Absolute majority	More than 50% of the total formal vote.
Australian Electoral Commission	The organisation responsible for conducting Federal elections, referenda and maintaining the Commonwealth electoral roll.
Ballot box	The sealed container into which an elector places a completed ballot paper.
Ballot paper	The paper printed for an election which a voter marks to record his/her vote.
By-election	An election held to fill a casual vacancy, usually caused by retirement, death or resignation of the Member for that district
Candidate	A person who nominates for election to Parliament or to a council.
Check count	On the Sunday after election day the ballot papers are checked and counted again at the Returning Officer's office to ensure accuracy of the figures from the election night count.
Compulsory enrolment	Every person who is entitled to have his/her name placed on the electoral roll must complete an enrolment form and send it to the Australian Electoral Commission within 21 days of becoming entitled. A penalty applies for failing to enrol.
Compulsory voting	Once enrolled to vote, voting is compulsory. A penalty applies for failing to vote.
Declaration of Poll	An announcement made by the Returning Officer proclaiming the successful candidate elected as the Member for that district, ward or council. The Electoral Commissioner declares the poll for the Legislative Council.
Declaration vote	A vote cast by an elector when the ballot papers are enclosed in an envelope containing a printed declaration signed by the elector.
Declared Institution	A nursing home, hospital or similar facility is appointed by the Electoral Commissioner and visited by election officials for the purpose of taking votes from residents who are unable to attend a polling place.
Deferred election	A deferred election occurs when the council is unable to conduct an election at the time of Local Government Elections.
Election	Selection by vote of a person or persons to hold political office.
Election Funding Authority	The statutory body responsible for administering the provisions of the <i>Election Funding, Expenditure and Disclosures Act 1981</i> . It is made up of the Electoral Commissioner as Chair, a member appointed on the nomination of the Premier, and a member appointed on the nomination of the Leader of the Opposition.
Elector	A person who is entitled to vote at an election.
Electoral Commissioner	The statutory officer appointed to manage the conduct of State and other elections.
Electoral district	One of the 93 Legislative Assembly electorates.
Election Management Application	A computer software application consisting of four modules (staffing, candidates, declaration votes and results) to automate many of the routine tasks otherwise performed by election officials.
Electoral roll	The certified list of persons eligible to vote at an election. The rolls are maintained by the Australian Electoral Commission.
Electorate	The population of electors or the region in which electors live. Electorates have clearly defined boundaries which are shown on electoral district maps.
Enrolment	The act of enrolling or having one's name added to the list of electors entitled to vote.
Federal Government	At Federation in 1901, the States handed over certain powers to the central or Federal Government for administration on an Australia wide basis, while reserving other functions for State Government responsibility.
Formal vote	A ballot paper at an election or referendum, which has been correctly marked according to instructions, and contributes to the outcome of the poll.
Independent	A candidate for election to, or a member of, Parliament who is not a member of a political party.

NAME/TITLE	SYNOPSIS
Informal vote	A ballot paper which is either left blank or is incorrectly marked. Those ballot papers are excluded from the count and therefore do not contribute to the election of a candidate.
iVote system	An internet and telephone-based voting system. iVote is a registered trademark of the NSWEC.
Joint Standing Committee on Electoral Matters	The Joint Standing Committee on Electoral Matters of the NSW Parliament reviews the administration and conduct of State and Local Government Elections and any other function referred by the Premier.
Legislative Assembly	The Lower House of Parliament in NSW. It consists of 93 members, one elected for each electoral district.
Legislative Council	The Upper House of Parliament in NSW. It has 42 members elected for an 8 year term, half of whom are elected at each NSW State election.
Nomination	The process by which a person applies to become a candidate for election.
Opposition	The party or parties which do not hold sufficient seats in Parliament to lead a government.
Ordinary vote	A vote recorded in the normal manner at a polling place on election day.
Parliament	The legislative body, consisting of the elected representatives of the people, which determine the laws governing the nation or state. The candidates or political party holding the majority of seats form the government.
Political party	An organised group with a common political philosophy which seeks to win and retain public office for itself and its leaders. Party organisations support or endorse candidates for elections who, if elected, usually vote as a group for their policies in Parliament. The party with the greatest numbers in Parliament forms the government.
Poll	An election.
Polling place	A building, such as a school, designated as a place to which voters go during an election to cast their votes.
Postal vote	Electors, who are outside their electoral district on election day, or unable to attend a polling place during polling hours, may send a vote by post. Voters must apply for a postal vote prior to election day.
Pre-poll	Electors who cannot vote on election day can apply to vote early at the office of a Returning Officer or at a pre-poll voting centre.
Recount	A second or further count of votes in an election.
Redistribution	Changes in boundaries of electoral districts to take into account population changes. The result should be that the number of electors enrolled in each district should be equal, give or take ten per cent.
Referendum	Vote taken to allow electors to express their view on a particular subject or issue. Some alterations to the Constitution can only be made after approval in a referendum.
Registrar	Person who has the responsibility of maintaining electoral rolls in NSW.
Returning Officer	The election official responsible for conducting an election for a Legislative Assembly district or the Legislative Council or a council.
Roll	See electoral roll.
Scrutineer	A person appointed by a candidate to ensure that procedures and counting are undertaken in a proper manner.
SmartRoll system	A data system that automatically enrolls and re-enrolls eligible electors adding their correct details to the NSW electoral roll. SmartRoll is a registered trademark of the NSWEC.
Term	The length of time a parliament may sit before having to call an election. NSW has fixed four year terms.
Virtual Tally Room	Where voting figures are collected and provisional results are announced.
Vote	The process of choosing/selecting a candidate for political office.
Ward	Subdivisions with approximately equal numbers of electors, of a Local Government area.

# Index

A	
Aboriginal and Torres Strait Islander Reference Group	10, 17
Appendices	92
Audit and Risk Committee	38
Audits (see Risk management)	38
Audited financial statements	52
Australian Electoral Commission	27, 34, 37
B	
By-elections	18
Business operations	45
C	
Campaign finance reform	19
Chief Finance Officer's Report	12
Club elections	19, 21
Commercial elections	22, 97
Committees	36
Community engagement	17, 33
Complaints	46
Consultants	48
Corporate governance	35-36
Culturally and Linguistically Diverse Reference Group	10, 17
D	
Disability plan (Equal Access to Democracy)	17
Digital Information Security	45
E	
Election Funding Authority	1, 13, 18
Election staff (temporary)	27, 29, 31
Electoral Commissioner	8, 18, 36
Electoral Council of Australia	36
Electoral legislation, reform	33
Electoral Regulation Research Network	37
Electoral Roll Management	12, 19, 34
Employee electronic self service	29
Employee survey	29
Enrolment services (see SmartRoll)	9, 12, 18
Environmental management (see Waste)	45
Equal Access to Democracy	17
Equal employment opportunities	30

E	
Executive Management team	6
F	
Financial performance	12
Future directions	4
G	
Glossary	102
Government Information (Public Access)	41
H	
Human resources management	28-31
I	
Independent Auditor's report	50, 80
Indigenous Electoral Participation Program	37
Industrial organisations, elections	1, 19, 97
Insurance arrangements	40
Inter-jurisdictional elections	19
iVote	27, 34
J	
Joint Roll Agreement	12, 64
Joint Standing Committee on Electoral Matters	10, 18, 23, 36
K	
L	
Legislative amendments	41
Local Government elections	11, 21-22
M	
Major assets	48
Major works	48
Management Committee	36
Multicultural Action Plan	19
N	
Non-voting penalty notices	46
NSW Electoral Commission	1
O	
Occupational Health and Safety (see Workplace Health)	30
Organisational structure	93
Overseas visits and delegations	99
P	
Payment of accounts	48
Political parties	98

<b>P</b>	
Privacy and personal information protection	41
Procurement processes (see Business Operations)	45
Public Interest Disclosures	31
<b>R</b>	
Records management	45
Redistribution	9, 17
Risk management	38
<b>S</b>	
Secondments	30
Sick leave	30
SmartRoll	9, 12, 18
Staff	29
Sustainability (see Waste)	45
<b>T</b>	
Table of figures	101
Technology-assisted voting (see also iVote)	19
Technology initiatives	34
Training and development	31
<b>V</b>	
<b>W</b>	
Waste management	45
Workplace health and safety	30
<b>Y</b>	
<b>Z</b>	

The NSWEC's 2013-14 Annual Report was produced using internal resources. There were no external printing costs incurred in the production of this report. The report can be downloaded from our website [www.elections.nsw.gov.au](http://www.elections.nsw.gov.au)

