

# *Annual Report*

2006-2007

Department of Parliamentary Services  
Parliament of Victoria

Governance. Service. Sustainability.



Department of Parliamentary Services Annual Report 2006-2007  
Tabled in the Legislative Council and Legislative Assembly, 31 October 2007

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## DEPARTMENT OF PARLIAMENTARY SERVICES

31 October 2007

The Hon. Robert Smith, MLC  
President  
Legislative Council  
Parliament House  
Melbourne Vic 3002

The Hon. Jenny Lindell, MP  
Speaker  
Legislative Assembly  
Parliament House  
Melbourne Vic 3002

Dear President and Speaker,

I have pleasure in forwarding to you my report on the operations of the Department of Parliamentary Services for the year ended 30 June 2007.

Yours sincerely,

A handwritten signature in cursive script that reads "Stephen O'Kane".

**Dr Stephen O'Kane**  
Secretary  
Department of Parliamentary Services

Enc.





# *Annual Report*

2006-2007

Department of Parliamentary Services  
Parliament of Victoria



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## Secretary's Foreword

The Department of Parliamentary Services (DPS) is a complex, multi-faceted business operation that is the largest of the parliamentary departments and delivers apolitical, professional and innovative services and advice to Members of the Victorian Parliament, and support for the Parliament as an institution.

The State Election held in November 2006 created extensive challenges for all of the Department's staff. Some of the tasks related to managing the election process included:

- ✦ managing the audit of electorate offices;
- ✦ assisting outgoing and incoming Members and staff;
- ✦ organising payments, salaries and allowances;
- ✦ vacating and securing electorate office accommodation in the newly-formed regions that make up the reconstituted Legislative Council; and
- ✦ creating induction program arrangements for new Members and their staff.

It was a taxing and high-pressure environment where all Departmental staff rose to the challenge and performed effectively and with good humour.

The year was also one of significant achievement in terms of the completion of a number of major projects, several of which resulted in significant improvements to the parliamentary infrastructure. Major improvements and upgrades were made to Parliament's IT infrastructure and ageing equipment was replaced. The parliamentary kitchens were upgraded and Stage 1 of the exterior stonework restoration commenced as part of the implementation of the Heritage Asset Management Strategy. Work also continued on a number of energy-saving and environmentally-sustainable projects within the gardens and the Parliament buildings.

The DPS Education and Community Engagement Unit worked towards completing additional educational publications, participated in staff training within the Parliament and ran several professional development programs for teachers. The Department supported the completion of the activities associated with the 150<sup>th</sup> Anniversary celebrations of the Victorian Parliament, including assisting with staffing the travelling exhibition as it made its way around Victoria. Towards the end of the financial year, DPS also began the relocation of all of the Department's staff and the Parliamentary Committees to 55 St Andrews Place.

Members of Parliament have directly benefited from the improvements in the Department's operations this year in a variety of ways, such as the provision of

induction sessions for new Members and their staff, help with recruitment and training, and receiving additional targeted support from the Library's range of reference and research services. The replacement of Members' notebooks and office computers has been part of the broader IT upgrade and there have also been improvements in communication and reporting mechanisms from Parliament's Accounting and Budgets staff.

The Department's Senior Leadership Group continued its development and further participated in information-sharing activities and co-operative joint problem-solving activities, both between work groups within the Department and also with the staff of the Legislative Council and the Legislative Assembly. In many cases DPS staff were able to add significant value by acting in an internal consultancy capacity and by directly improving organisational systems.

During the year I created a number of opportunities for senior DPS staff to further develop their leadership and management skills, and each of my Directors continues to play a valuable role in assisting me to mentor a number of middle managers to develop their potential. This activity is in addition to significant improvements to staff training and development across the whole of the Parliament in areas such as project management and budgeting, the benefits of which are already being seen in the range of successfully completed projects.

The Department is mindful of its responsibility for the continued improvement of services to Members and enhanced corporate governance and, to this end, has completed the following related tasks:

- ✦ a revamp of the management, information and engagement strategies;
- ✦ extended future business planning in the areas of Hansard, the Library, Security and Electorate Properties and Education and Community Engagement; and
- ✦ greater accountability through the development of policies and procedures in the areas of Accounting and Administration and Organisation Development.

The extensive collaboration between the Secretaries of the Victorian, Australian, New Zealand and Western Australian Parliaments continued during the year and resulted in much information-sharing and reciprocal visits by staff. The annual Secretaries Conference was held in Canberra during the year and the Victorian Parliament will host this event in 2008.

The continuing strength of our Department is underpinned by the commitment, dedication and creative enthusiasm of all of its staff. They are a wonderful group of people who are prepared to continue to accept new challenges, to assist and support Members of Parliament in their parliamentary duties, and to look to the future with optimism and energy.

I would like to sincerely thank all of the Department's staff for the significant work they have undertaken this year in support of the Parliament's activities.



**Dr Stephen O'Kane**  
Secretary,  
Department of Parliamentary Services



Secretary, Department of  
Parliamentary Services

Dr Stephen O'Kane



Stephen is the Secretary of the Department of Parliamentary Services, and as Department Head is responsible to the Presiding Officers for the operations of the Library, Hansard and Information Technology, Organisation Development and Finance and the Precinct and Property Management Groups. Stephen has substantial public sector management experience in state and local government,<sup>3</sup> and in working with government business enterprises. His experience has ranged from human resources, internal audit and policy analysis to management consultancy work.

Stephen holds two degrees in business from RMIT and a PhD in Public Policy from Deakin University, and he was Political Studies Fellow of the Australian Parliament. He is an Alumni of the Williamson Community Leadership Program and the Senior Executives in State and Local Government Program at Harvard.

*Our mission:*

*To deliver apolitical,  
professional and  
innovative services and  
advice to Members of  
the Victorian  
Parliament and to  
support the Parliament  
as an institution.*



*The DPS Management Team (L-R): Charles Gentner, Stephen O'Kane, Peter Lochert and Hilton Barr*



*Members of the Senior Leadership Group*

# Highlights 2006-07

## July

- ✦ Commencement of Library's Parliamentary Internship Program (second intake for 2006)
- ✦ NAIDOC week events for Catering Unit
- ✦ Organisation Development established a training calendar for electorate officers and parliamentary officers
- ✦ Completion of Parliament's Customer Satisfaction Survey by Budgets and Risks Unit
- ✦ Halfway mark in the Information Technology Unit's desktop rollout
- ✦ Parliament's Year-end Financial statements prepared and signed off by the Auditor-General's Office

## August

- ✦ Gardens function catered for 400 people
- ✦ Corporate Online system fully operational for Accounting and Administration Unit
- ✦ Internal budgets for parliamentary departments completed
- ✦ Open Garden Day preparations underway
- ✦ Heritage Asset Management projects being scoped
- ✦ Hansard in testing phase for upgraded voice recognition software, and audio project commenced in the chambers

## September

- ✦ Premier's Suite upgrade project completed
- ✦ Library Research Service releases Legislative Council rankings and analysis paper
- ✦ Parliament House exterior stonework being assessed for restoration, and Heritage Tile Audit project being developed

## October

- ✦ New Property Database implemented by Security and Electorate Properties Unit
- ✦ Library launched a dedicated 2006 State Election intranet website, a Metasearch facility to search across Library databases and commenced publication of the Library's Research reports on Parliament's public website
- ✦ OH&S Week seminars and health assessments (23- 27 October)
- ✦ Schools State Constitutional Convention held in Legislative Assembly chamber on 9 October
- ✦ Open Garden Day held 29 October, attended by 3,500 people
- ✦ Work commenced on Legislative Assembly chamber sight lines project

## November

- ✦ Election Audit Officer training, 9 and 13 November
- ✦ Presentation by Education and Community Engagement Unit for VCE Legal Studies as part of 'Comview on the Move' Annual Expo and Conference
- ✦ Library co-ordinated production of the new Parliament of Victoria *Members' Guide*
- ✦ 25 November – Victorian State Election

## December

- ✦ Security and Electorate Properties Unit completed hand-over of offices to new Members
- ✦ DPS presentation at the new Members induction day on 14 December
- ✦ Budgets and Risks Unit completed hand-over of motor vehicles to new Members
- ✦ 19 December - Opening of 56<sup>th</sup> Parliament
- ✦ Catering functions in the Parliamentary Gardens for 1,000 guests at the Opening of Parliament
- ✦ Grounds and Maintenance Unit commences stonework restoration project

## January

- ✦ *Interim Parliamentary Handbook* published and distributed
- ✦ Australia Day Breakfast managed by Catering Unit
- ✦ Education and Community Engagement Unit conducted sessions for Senior Legislative Assembly Attendants

## February

- ✦ Hansard working on trial of electronic Members' proofs ('pinks and greens')
- ✦ Budget and Risks Unit provided briefings to new Members on budgets and allowances
- ✦ Library released Election 2006 review Research paper, a joint project with Professor Brian Costar
- ✦ Information Technology Unit focusing on laptop rollout to Members
- ✦ Relocations and refurbishments of electorate offices ongoing

## March

- ✦ Commencement of Library's Parliamentary Internship Program (first intake for 2007)
- ✦ Temporary secondments in place with senior staff between Organisation Development and Hansard
- ✦ Professional development sessions for new teachers provided by Education and Community Engagement Unit

## April

- ✦ Release of Library Research paper on the *Therapeutic Cloning Bill*
- ✦ Budget and Risks Unit complete the external budget process with Department of Treasury and Finance for inclusion in the State Budget Papers
- ✦ Building projects staff reviewing the Precinct Master Plan
- ✦ Hansard commence trial of electronic pinks and greens
- ✦ Fringe Benefits Tax return prepared and submitted to the Australian Taxation Office by the Accounting and Administration Unit

## May

- ✦ DPS Relocation group meet regularly to aid transition to new building at 55 St Andrews Place
- ✦ Distribution of Library Research paper about Copyright and Parliament
- ✦ Education and Community Engagement Unit In Morwell with the Victorian Law Foundation for the 'Civics Roadshow'
- ✦ Stonework restoration well underway and preparing for Stage 2

## June

- ✦ Security and Electorate Properties Unit complete security and access transition for staff to 55 St Andrews Place
- ✦ Library Research Honours Research project completed and *Parliamentary Handbook* in production
- ✦ Preparation of education resources (DVDs, information books and posters) current for the 56<sup>th</sup> Parliament
- ✦ Accounting and Administration Unit co-ordinate revaluations of the Parliament House land, buildings and cultural assets
- ✦ DPS staff began moving into 55 St Andrews Place



# *Our Activities*



# Precinct & Property Management

- ◆ Security & Electorate Properties
- ◆ Grounds & Maintenance
- ◆ Catering

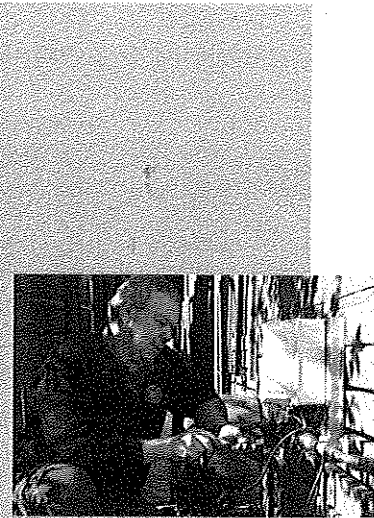
## Director, Precinct & Property Management

### Hilton Barr



Hilton is the Director of Precinct and Property Management in the Department of Parliamentary Services. After migrating to Australia from South Africa in 1987, Hilton worked in the manufacturing industry for two years before joining Asset Services - a federal government business enterprise - as Financial Controller Victoria and Tasmania. He joined the Parliament in April 1997 as Finance and Resources Manager.

Hilton has a Bachelor of Commerce and a Bachelor of Accountancy as well as a Diploma of Business Management from the University of Witwatersrand. He is also a Fellow of the Australian Society of CPAs.





# Precinct & Property Management

## Overview

The Precinct and Property Management Group comprises the Security and Electorate Properties Unit, the Grounds and Maintenance Unit and the Catering Unit.

The role of the Security and Electorate Properties Unit is to provide support to Members of Parliament and their staff on any property and security-related matter concerning their electorate office. The main focus of the year for the Unit was the extensive preparation and planning for the November 2006 State Election. This involved the appointment of a Project Manager, reporting to the Secretary, to co-ordinate the audits and hand-overs of electorate properties. This process was made more complex by the creation of the new Legislative Council Regions.

The Grounds and Maintenance Unit's role is to maintain and develop the historic grounds at Parliament House and to provide a comprehensive range of building support services. This Unit is also responsible for the management and delivery of all capital projects for the precinct. The commencement of the Heritage Asset Management Strategy, in particular Stage 1 of the stonework restoration, has been the start of a major refurbishment of the exterior of the building, with the aim being to enhance and protect one of Victoria's prime heritage assets.

The role of the Catering Unit is to provide a high standard of service in relation to food and beverages for all Members of Parliament, their staff and guests, parliamentary staff and external customers. The Catering Unit has undertaken many public and private functions during the year for which it has received much acclaim. Many private functions held within the Parliament are now the result of repeat bookings, and the Catering Unit is endeavouring to ensure that Parliament becomes the venue of choice for existing and new clients.

## Highlights

*The Group had many achievements during the year which are highlighted in the individual unit reports. Some of the main highlights were:*

- + *Planning and implementation of the Group's requirements in relation to the closing of the 55<sup>th</sup> Parliament and the opening of the 56<sup>th</sup> Parliament;*
- + *Ensuring that all Members of Parliament were accommodated in electorate offices after the November 2006 election;*
- + *Delivery of all relocation and refurbishment projects on time and on budget;*
- + *Implementation of a property management database;*
- + *Implementation of the Heritage Asset Management Strategy, the main project for the year being Stage 1 of the stonework restoration;*
- + *Refurbishment of the Premier's accommodation at Parliament House;*
- + *Completion of the kitchen renovations; and*
- + *Catering for the official Opening of the 56<sup>th</sup> Parliament and providing catering services for major external events.*

## Security & Electorate Properties

The Security and Electorate Properties Unit provides support to Members of Parliament and their staff on all property-related matters concerning their electorate offices. The Unit's responsibilities include the sourcing of new properties, the management of existing properties and reconciliation of the rent roll, and lease administration and negotiation.

The Unit coordinates structural assessments, along with office fit-outs and refurbishments. They also manage telecommunications infrastructure and equipment, as well as security equipment, peripherals and security monitoring. The Unit's staff also oversee the assessment of electorate office furniture and equipment.

The Security and Electorate Properties Unit provide authoritative advice to Members and staff regarding the interpretation of guidelines and procedures relating to their electorate offices. Parliament's security function will transfer to the Unit during 2007-08.

### Achievements

The 2006 State Election presented a number of challenges for the Unit, particularly with the reforms to the Legislative Council and the redistribution of electoral boundaries. The redistribution had significant impact on electorate offices and their continued suitability. Security and Electorate Properties was responsible for driving solutions and managing electorate office property issues created by the election process. This included planning for the Legislative Council changes and the associated electoral boundary changes, office handovers, lease terminations, ancillary maintenance and the induction of Members.

Prior to the election, the Unit successfully developed and implemented a new property database which now acts as a central repository for electorate office property information. The database was operational from October 2006.

Other projects over the course of the year have been the delivery of five relocation projects, and seven refurbishment projects, all on time and on budget. The Unit also coordinated the handover of electorate offices from outgoing Members to incoming Members, which were all completed by December 2006. After the election, signage also had to be upgraded at all Legislative Council electorate offices to reflect the new Region status.



*Studying the electorate maps*

In 2006-07 the Unit managed Parliament's White Pages project in conjunction with election commitments. The management of security and access requirements for the relocation of the Department of Parliamentary Services to 55 St Andrews Place was also a significant project.

### Emerging Trends and the Year Ahead

The consolidation of the Unit's property information in the new Property Database has been of major benefit and will continue to deliver efficiencies by allowing staff to manage and report on information centrally. In 2007-08, the immediate focus of Security and Electorate Properties will be the delivery of the remaining 19 scheduled office relocation projects and nine refurbishment projects.

A major challenge in the forthcoming year will be the transition of security from the Legislative Council and Legislative Assembly to the Unit.

#### **QUICK FACT**

*255% = the increase in Help Tickets logged with the Security and Electorate Properties Unit between November 2006 and February 2007, following the State Election.*

## Case Study

### Electorate Properties Database

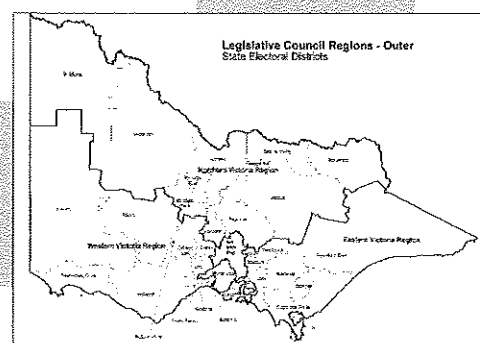
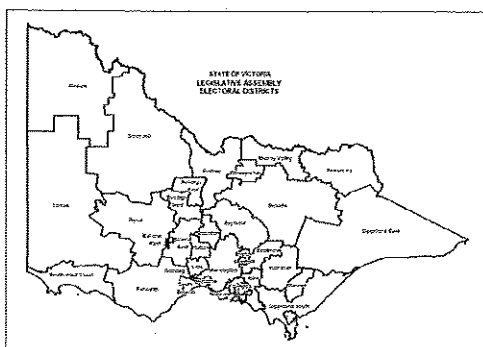
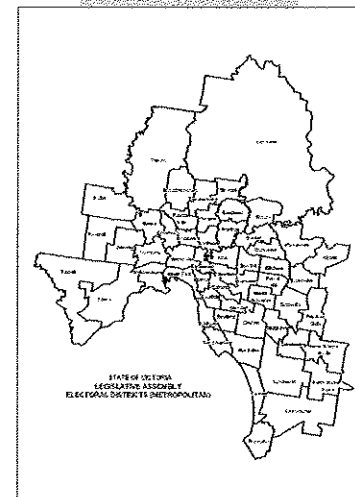
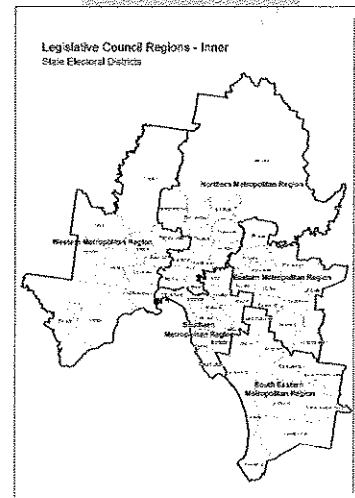
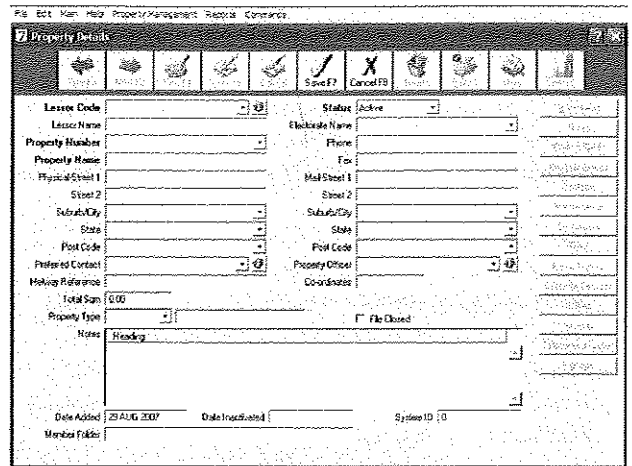
The primary objective of the new Security and Electorate Properties Unit (SEPU) property database was to create a central repository of information for all property-related records at electorate offices. It was designed to include information about the leasing arrangements through to fire extinguisher service records and everything in between.

At an operational level the SEPU staff rely on being able to access information quickly. Previously, this information was spread over many locations which potentially jeopardised the speed of service delivery and the quality of information captured.

In early 2006 the SEPU team developed a comprehensive User Requirements Specification (URS) which was tested in the market. In February 2006 Vision software was selected as the database with the best fit to the URS. The Vision software was tailored to the Unit's specific requirements and in October 2007 the Vision System was implemented.

The Vision solution provides the flexibility to search property records over a number of different modules such as Leasing, Lessors, Members, Property Management and Contractors. The system basically provides an electronic snapshot of all relevant information on both the property and its lease relationships, which is networked and available to all of the SEPU team. The system has an advanced reporting facility providing both standard and special purpose reports.

With the new property database, the Security and Electorate Properties staff now have immediate access to relevant and up-to-date information in a central database which, in turn, has had a positive impact on the delivery of property-related services to Members and their staff.



## Grounds & Maintenance

The Grounds and Maintenance Unit is responsible for maintaining and developing the historic grounds at Parliament House and for providing a comprehensive range of building support services. The Unit ensures that the buildings of Parliament are functional and a safe environment for staff, Members and visitors by completing a range of maintenance works as well as coordinating works carried out by contractors.

Grounds and Maintenance staff manage the tennis court and bowling green facilities and the operation of the Parliament House car park. The grounds are used throughout the year for numerous functions, including formal parliamentary events, corporate and private functions and public tours.

A key focus of the Unit is the development of implementation project methodology and the measurement of projects presently being implemented within the precinct. The challenge to the Grounds and Maintenance Unit is to provide services to a high standard while also protecting the historic significance of Parliament House and its gardens.

### Achievements

#### Projects

A range of projects has been managed by the Grounds and Maintenance Unit in 2006-07. They have included the Premier's Office refurbishment, involving the demolition of old offices and construction of new offices, and the improvement of sight lines in the Legislative Assembly chamber, along with alterations to the Assembly Attendants' work space.

The first stage of the Stone Restoration and Window Refurbishment has involved the re-pointing of all joints, stone replacement and repair, the replacement of drummy render and the repair and re-painting of all windows. All of the stone for this project has been sourced and carved in Australia.

The Heritage Tile Audit and Condition Survey (also Stage 1) has been an assessment of the condition of Parliament's heritage tiles including recommendations on tiles needing replacement or repair.

#### Precinct Management

Work has commenced on developing a Precinct Master Plan which will facilitate a co-ordinated approach to the current and future management of the building and precinct. Projects completed over the past 12 months include the installation of drip irrigation to 90% of the garden bed area, which is connected to the automatic watering system and fully complies with



*The workshop in action*

Stage 3a water restrictions. The Unit also purchased 45,000 litres of recycled water to irrigate Parliament's garden beds and trees.

All single-flush toilet systems in Parliament House have been changed to dual-flush systems, and a works program has been established to install energy-saving lighting throughout the precinct.

### Emerging Trends and the Year Ahead

The work of the Gardens and Maintenance Unit now has a major focus on sustainable building practices. Water-based paints are now primarily used for painting works, low energy-use lighting is being installed throughout Parliament and a water conservation plan was developed in December 2006. The water plan combines strategies to minimise water use and covers areas such as plant selection, mulching, irrigation management and rainwater harvesting. Wherever possible, environmentally-sustainable building materials are selected and used for building works and office fit-outs.

The next 12 months will see the continued implementation of the Heritage Asset Management Strategy projects, namely Stage 2 of the Stonework Restoration and Window Refurbishment, as well as the Heritage Tile Audit. The Pavilion Restoration will involve the complete external restoration of the Pavilion building in the Parliamentary Gardens, and the replacement of the slate roof. The focus of the Unit in the coming year will be to further develop sustainable building and grounds management practices.

#### QUICK FACT

12,715 = the number of metres of drip irrigation line that has been installed throughout the Parliamentary Gardens.

## Heritage Asset Management Strategy

*The Victorian Heritage Register lists the State's most significant heritage places and objects. Heritage Victoria maintains both the Victorian Heritage Register and the Heritage Inventory. The Heritage Council of Victoria determines what places and objects are included in the Victorian Heritage Register; only those places and objects considered to be of outstanding significance are added to the Register. Places on the Register are considered to have special character and value and assist in documenting Victoria's history. Registered heritage places are considered to have 'State-wide' cultural heritage significance.*

*The Victorian Heritage Register is established under the Victorian Heritage Act 1995 and provides the highest level of protection for heritage places and objects in Victoria.*

Parliament House and its surrounds are listed on the Victorian Heritage Register in recognition of its outstanding significance, special character and value in Victoria's history.

Parliament House has undergone many alterations and modifications in its 150 year history. The combined effects of weather, pollution and age are taking their toll on the external fabric of the building. Advances in technology and changes to building regulations and standards have necessitated the constant

review and modification of office accommodation and building infrastructure, while increased staff numbers have placed a strain on the existing facilities and services of the building.

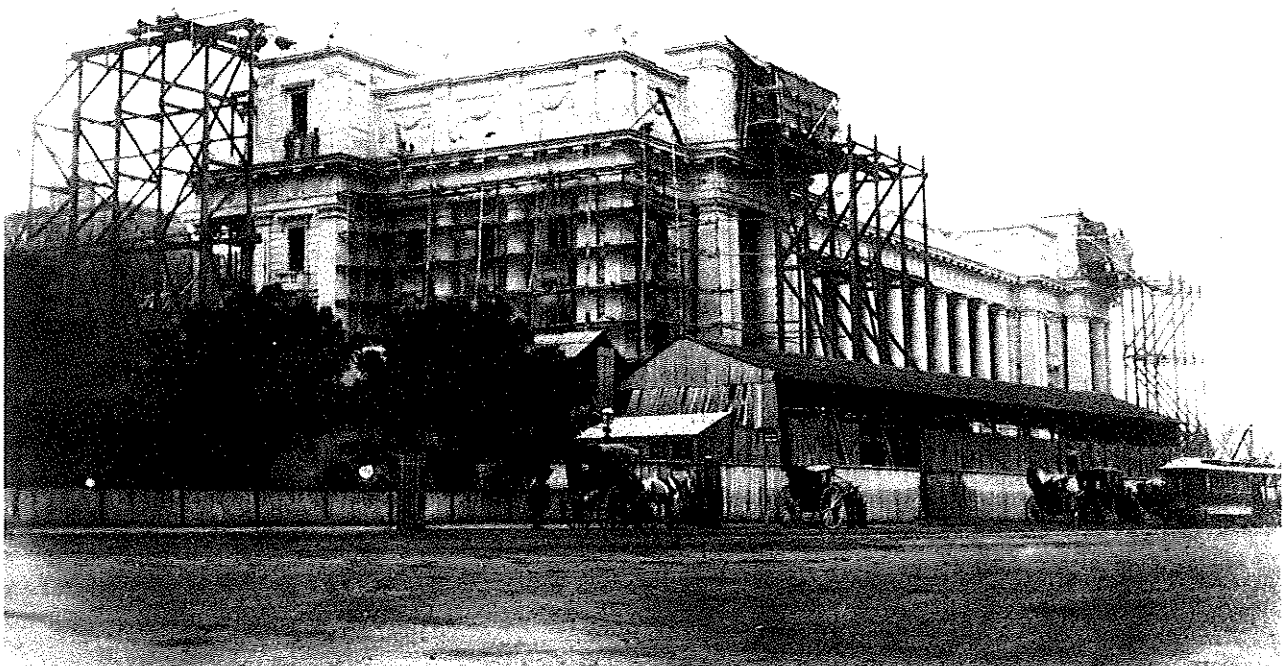
A Heritage Asset Management Strategy for Parliament has been developed to present a consolidated list of prioritised works and estimated expenditure in order to maintain the parliamentary precinct as a place of outstanding significance.

In addition to the many internal building and refurbishment projects (kitchens, Premier's Suite, Opposition rooms, Members' offices, Council Chamber, etc), the Strategy has a strong focus on the external fabric of the building.

The Strategy identifies six projects that are considered to require immediate attention:

- ✦ Restoration of the external stone façade of the building;
- ✦ Restoration of external stone balusters and balustrades;
- ✦ Roof water-proofing works over the Library dome;
- ✦ Window refurbishment/replacement;
- ✦ Floor and Tile Audit; and
- ✦ Restoration of plaster and finishes.

*Parliament House under construction, circa 1890*



## Case Study

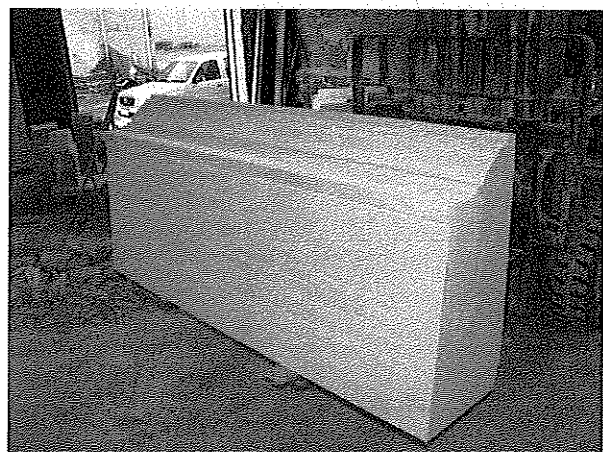
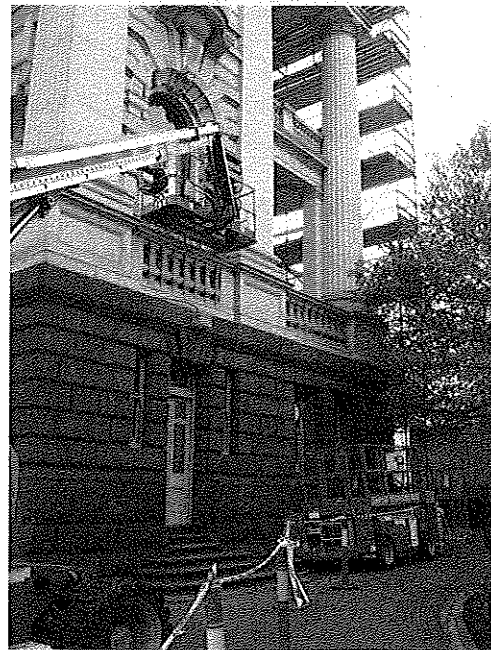
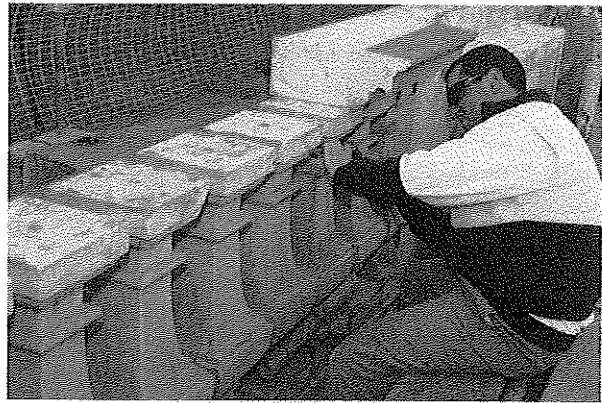
### Stonework Restoration

As part of the Heritage Asset Management Strategy, the first stage of the Stone Restoration and Window Refurbishment Project has commenced and is being managed by the Grounds and Maintenance Unit.

This first stage focuses on the south-east and courtyard sections of the building and involves the re-pointing of all joints, stone replacement and repair, the replacement of drummy render and the repair and re-painting of all windows. The project scope also includes the removal of the existing lead flashing (protection) and replacement with stainless steel flashing.

In some instances major repairs have been made to sections of sandstone and basalt (bluestone). The sandstone was chosen for its durability and colour match to the existing stone. The bluestone has been sourced from Victoria and is an exact colour match. Both types of stone have been hand-carved in Melbourne.

The project commenced in December 2006 and is scheduled for completion in September 2007. These works are critical in protecting the external fabric of the building and further project stages are planned for future years.



*The stonework restoration underway, showing a stonemason at work (top); the special equipment used to reach the windows (middle); and the scaffolding (left). The slab of sandstone (above) was cut into pieces and carved for decorative repairs.*

## Catering

The Catering Unit provides Members of Parliament, their staff and guests, and the general public with a high standard of service in relation to food, beverage and events management. Catering services in Parliament House are primarily delivered via the Members' Dining Room and Sessions Café. Many people attending functions of all sizes, for either internal or external events, enjoy Catering's services over the course of the year within Parliament House and in the historic Parliamentary Gardens.

### Achievements

The Catering Unit moved back into the recently renovated ground and first floor kitchens early in 2006-07. The largest benefit of the renovated kitchen is the increased productivity of chefs and a lessening of the reliance on and need for large amounts of agency staff during peak periods. Two very large catering events were managed by the Catering Unit during the year. The first was the Opening of Parliament in December 2006, when approximately 1,000 guests were served afternoon tea in the Parliamentary Gardens. The second was the Sisters of Mercy 150<sup>th</sup> Anniversary event, also held in the Parliamentary Gardens in March 2007 and attended by 1,200 people.

During the year, in excess of 13,000 main course meals were served to Members, staff and their guests and the general public, plus an additional 4,200 sandwiches were served through Sessions Café. Over 1,000 Rotary and Probus group meals were served for the year, which is a significant increase on previous years, with the average group size being around 18 guests. In total, over 31,000 guests attended various functions and events at Parliament House, ranging from tea and coffee deliveries, to Members' lunches and dinners, to large weddings and corporate dinners in Queen's Hall.

### Emerging Trends and the Year Ahead

A strong trend becoming apparent to the Catering Unit is the increased awareness of, and call for, healthy food items. As such, all menus are constantly being monitored and updated to ensure that a wider range of vegetarian, low GI and healthy items are included and available to Members, staff, their guests and the general public when dining at Parliament.



*The bar area of the Members' Dining Room*

Catering anticipates another busy year in 2007-08, particularly with the Victorian Parliament hosting the inaugural Conference of Australian Members of Parliament in July 2007, and the National Victorian Employers' Chamber of Commerce and Industry Summit confirmed for November, plus several departmental and private Christmas events.



*Food preparation in the kitchens*

#### **QUICK FACT**

30,000 = number of cups of tea and coffee served in the Members' Dining Room and Strangers Corridor during 2006-07. An additional 24,000 cups were ordered through functions and events at Parliament.

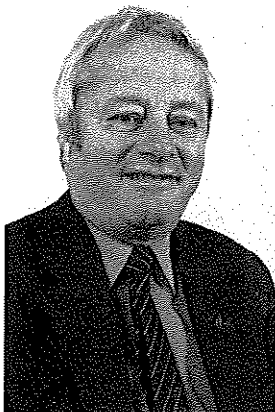


# Library, Hansard & Information Technology

- ◆ Education & Community Engagement
- ◆ Information Technology
- ◆ Hansard
- ◆ Library

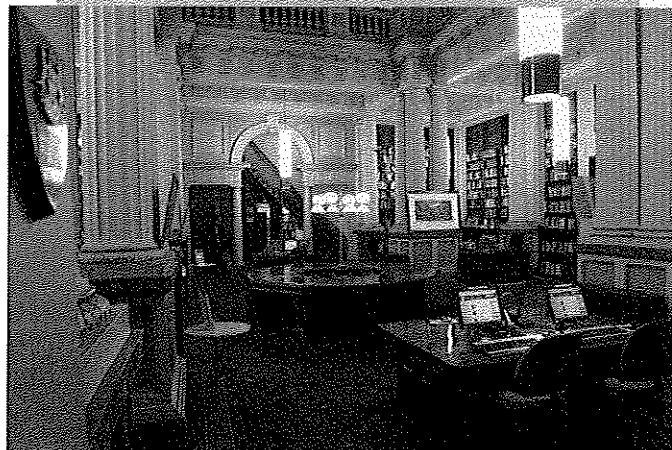
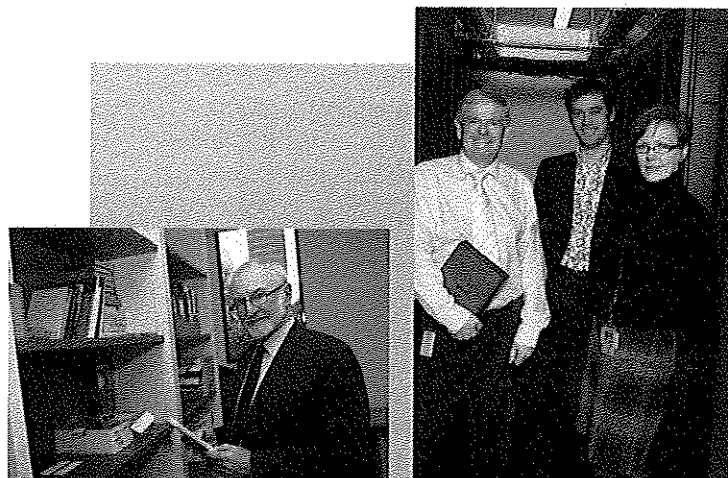
## Director, Library, Hansard & Information Technology

Charles Gentner



Charles is the Director of Library, Hansard and IT in the Department of Parliamentary Services. Charles has over 35 years' experience in state, federal and local government as well as experience in a large private company. His previous employment also includes running a private accounting and consultancy company. Charles has worked in a variety of industries, including health, welfare, public works, public policy, ambulance services and ports and shipping.

Charles' qualifications include a Diploma of Business (Accounting) from the Caulfield Institute, a Post-Graduate Diploma in Public Policy from the University of Melbourne and he is a Certified Practising Accountant. Charles has also completed a number of executive development programs.





# Library, Hansard & Information Technology

## Overview

The aim of the Group is to provide Members and clients with accurate and timely knowledge, record parliamentary sittings and provide accurate and timely information for decision-making purposes.

The developed management framework is designed to produce innovative systems and practices for efficient and effective communication within Parliament. The focus over the past financial year has been the development of co-operative services to the Parliament and its clients. The Hansard, Library and Information Technology Group has been instrumental in working together to further improve services to Members with the implementation of new technology for Parliament's network.

The Education and Community Engagement Unit has designed educational programs to ensure that the development of parliamentary tours complies with Department of Education and Training standards. In conjunction with the Victoria Law Foundation, the Unit developed and presented a series of programs for VCE Legal Studies students in the Morwell region.

The Library directly serves Members with the provision of information, data and statistics, and produces research material on a variety of legislative and community issues. Over the past year the Library has published a range of research papers, improved search access to a large range of databases and concentrated on assisting Members and staff with information resources and training in the lead-up to, and following, the 2006 State Election.

The Information Technology (IT) Unit provides professional, quality and timely IT services to Members, electorate officers and parliamentary staff. This last year, the IT Unit has been planning the re-development of Parliament's IT infrastructure to coincide with the move to 55 St Andrews Place. The planning task has been considerable, requiring a complete revamp of the infrastructure and technology that has served Parliament over the past ten years.

Hansard has met Member and client performance targets and continually produces the formal record of parliamentary proceedings within specified timeframes and set quality requirements.

## Highlights

- + *Replacement and upgrade of parliamentary precinct computers to a 'dual core' processor;*
- + *Launch of the Metasearch facility, providing Members with better searching capability across Library resources;*
- + *Inclusion of environmental sustainability issues into the Group's operations. One example has been the design of the computer room at 55 St Andrews Place which is aiming to use the latest 'green' technologies to reduce heat output and power consumption;*
- + *Design of the Parliament's new computer facilities by IT and the continuation of the IT server rationalisation. Four machines now replace the previous 64 servers;*
- + *Continued improvement of components of the sound systems in both chambers of Parliament;*
- + *The application of Victorian Essential Learning Standards and VCE requirements to Parliament's tour guides' presentations, further enhancing community engagement;*
- + *Production and distribution of 'Inside the Parliament of Victoria', a resource and reference book for teachers and senior students;*
- + *Continuation of the program to install the latest generation Category 7 cabling to Members' offices in Parliament House; and*
- + *Open publishing on the Internet of Library Research publications addressing Parliament's legislative program and matters of community concern.*

## Education & Community Engagement

The Education and Community Engagement Unit develops and implements programs that link Parliament with the community and help to establish its place in school curricula and adult education. These programs comprise professional development for teachers and student teachers in all education sectors, specific programs for students, and print and audio-visual resources produced for specific audiences and the community as a whole.

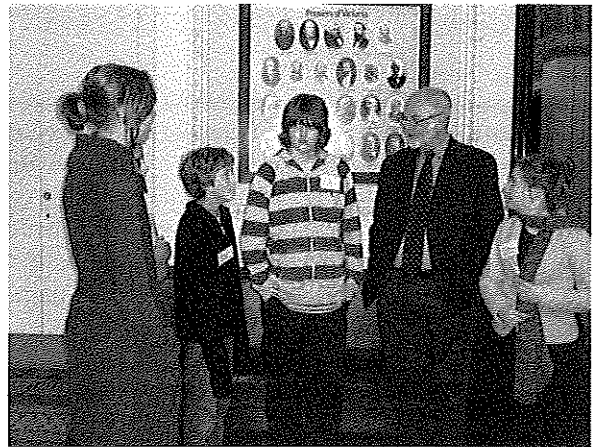
### Achievements

The Education and Community Engagement Unit has focused on the preparation of new and updated educational resources in 2006-07, including *Inside the Parliament of Victoria* which is a publication for teachers and senior school students. The 32-page booklet sets parliament within the context of the Australian and Victorian Governments and covers all aspects of Parliament's operation. The Unit has also prepared a series of three posters, presenting Members of the 56<sup>th</sup> Parliament, for extensive distribution amongst the Victorian community.

Another important resource has resulted from the filming of both Houses of the Victorian Parliament and conducting interviews with the Presiding Officers and Members. The filmed material will form the basis of a series of DVDs for public distribution. Work has also progressed on developing materials for the update and re-design of the educational pages of Parliament's website, which will supplement *Inside the Parliament of Victoria*, as well as preparing specific materials for the adult education sector – ESL and Adult Literacy.

Within Parliament, the Education and Community Engagement Unit has run training sessions for the Legislative Assembly Attendants who conduct educational tours of the Parliament. This has made the tour staff more aware of the requirements of the Department of Education and Training's Victorian Essential Learning Standards and the VCE Legal Studies requirements. Presentations have also been given at new electorate officer orientation sessions, and materials have been provided to electorate officers to support Members making visits to their local schools.

Out in the community, the Education Unit has given numerous presentations at conferences and various Civics and Citizenship Network functions to provide professional development for teachers. There have also been customised presentations given to VCE Legal Studies students in the Victoria Law Foundation's Civics Roadshow at Monash University's Churchill Campus.



Meeting with students

Professional development programs for school teachers have been run in collaboration with other members of the Civics and Citizenship Network, such as the Law Institute of Victoria, the Australian Electoral Commission, the Victorian Electoral Commission, Social Education Victoria, the Department of Education and Training, the City Museum and the Justice Museum.

On an ongoing basis, the Education Officer has regular discussions and shares ideas and resources with the Education sections of the other Australian parliaments. During last year, the Unit also co-ordinated and presented Parliament's contribution to the state and national Schools State Constitutional Convention Program.

### Emerging Trends and the Year Ahead

The Education and Community Engagement Unit will continue to be busy updating posters, DVDs and *Inside the Parliament of Victoria*, as well as finalising a range of comprehensive education support materials in the form of primary and secondary activity books to accompany the distribution of *Inside the Parliament of Victoria*. At least two of the planned series of DVDs – one for years 5/6 and another for VCE Legal Studies – will be produced and they will be supported by updated Education pages on Parliament's public website, with new resources and activities.

#### QUICK FACT

25,000 = approximate number of students who made tours of Parliament complying with Department of Education syllabus requirements. Nearly 1,000 teachers also received professional development training.

## Information Technology

The Information Technology (IT) Unit provides professional, high quality and timely IT services to Members, electorate officers and parliamentary staff. The aim of the Unit is to be client-focused and to consult with clients on a regular basis. This consultation ensures that the business goals and objectives of the Parliament are aligned with the needs of the IT Unit's clients, and that those goals and objectives are subsequently met.

The goal of the Unit is to provide innovative solutions using 'best-of-breed' technology for both Members and staff. As such, the IT Unit is responsible for the procurement and installation of hardware and software and the provision of a Wide Area Network (WAN) linking 132 electorate offices, 35 Spring Street, and 157 Spring Street with Parliament House.

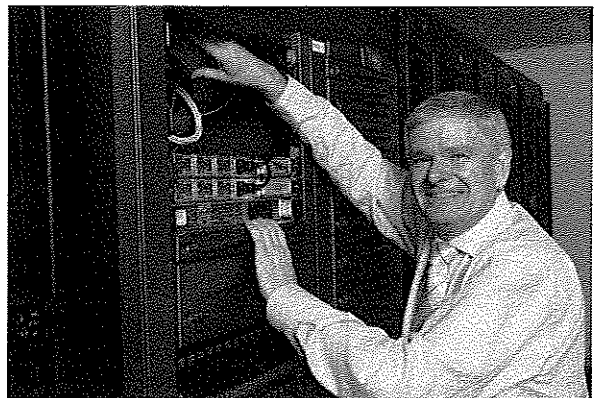
With a state-wide client base, the IT Unit maintains a large server fleet across Victoria, and manages a high volume of e-mails, ensuring the integrity of data carried across Parliament's network. The network's high-availability underpins the delivery of services supplied by all areas of the Parliament.

The IT Unit provides consultation and advice regarding the latest advancements in computer technology. Amongst its latest tasks is the design and implementation of a new IT infrastructure to support the relocation to 55 St Andrews Place. The Information Technology Unit is working on building a strategy to improve the delivery of services currently available to all Members and staff of the Parliament of Victoria, and guiding the development of future requirements in consultation with client groups.

### Achievements

During 2006-07, the IT Unit continued the installation of Category 7 ('Cat.7') cabling to Members' offices in Parliament House. This effectively removed the need to use the wireless network in the House and improved both the performance and availability of the network.

The Unit has replaced all Members' ageing notebooks with the latest 'dual core' technology models, and also replaced all precinct desktop computers with new dual-core models. The server rationalisation continued, together with the implementation of the latest virtual server technologies. 'Virtualising' ageing servers for both the Library and Hansard as part of this project eliminated the need to purchase replacement hardware.



*In the new computer room*

The Unit has also researched methods and technologies in order to substantially reduce the carbon footprint of Parliament's IT infrastructure. A major venture for IT over the last year has been the design, procurement and installation of 'best of breed' infrastructure at 55 St Andrews Place. The design and construction of a new computer room is well underway, using energy-efficient technologies.

### Emerging Trends and the Year Ahead

The most significant trend within the IT industry is the emergence of energy-efficient technology aimed at reducing the carbon footprint of the technologies used to provide IT services. All aspects of the IT infrastructure are being reviewed and, where possible, more environmentally-friendly technologies are being deployed. Of particular importance is the substantial reduction in both heat output and power consumption of IT devices.

A significant element of the server rationalisation and reduction project is the removal of over 132 servers from electorate offices. These servers will be replaced with more energy-efficient Wide Area File Services (WAFS) devices in one of the world's largest deployments of this new technology.

The upgrade to the electorate office WAN (Wide Area Network) link from 0.5Mg to 4.0Mg will deliver a dramatically improved service level to all Members and staff. The ongoing deployment of new desktop computers to electorate offices state-wide is also a focus, using Ultra Small Form Factor (USFF) Acer 1000 desktop machines to deliver both environmental and performance benefits to Members and staff. These new desktop units use an average of 57% less power than a traditional PC but deliver a dramatic improvement in performance. In the forthcoming year, the IT Unit will also manage upgrades and improvements to Members' remote access.

## Hansard

Hansard's primary role is to accurately and promptly report the proceedings of the Parliament, the Parliamentary Committees and other forums in accordance with Victorian Hansard's editorial policy. Hansard proofreads and publishes *Daily Hansard*, weekly *Hansard*, including answers to questions on notice, and also publishes sessional volumes of *Hansard* in both paper and electronic formats as enduring records and references.

Hansard produces sessional indexes for distribution and inclusion in the sessional volumes. Hansard is also responsible for providing sound amplification for the two parliamentary chambers.

Hansard staff are actively involved in exchanging information on professional and technology-related issues with other Australian and overseas Hansard groups such as the Commonwealth Hansard Editors Association and the Commonwealth Hansard Reporters Forum.

### Achievements

#### *Sound amplification and recording*

Hansard provides sound amplification in the legislative chambers as well as the digital audio recording used by staff to produce reports of proceedings. These systems are crucial to the Parliament and to Hansard because the quality of the sound recordings is relied upon by the reporting staff. For this reason, work has continued on improving the reliability of these systems and refining the comprehensive backup system across the Parliament. Significant work has been undertaken on a project to upgrade the sound amplification and audio recording systems to further improve both sound and recording quality.

#### *Committee reporting*

Requests from Committees for Hansard services have resumed, following the 2006 State Election, with the establishment of further Select Committees in addition to the Legislation Committee last year. Ongoing refinements to the audio recording systems, combined with the use of sessional staff when required, have resulted in service standards being met for the production of Committee transcripts.

#### *Sustainability*

As part of the Parliament's focus on sustainability, Hansard has reviewed the system used to produce proof transcripts for Members resulting in a significant reduction in paper usage. In addition, a trial has recently commenced to distribute these proofs to



*Hansard reporter checking transcripts*

Members electronically. It is expected that this trial will be expanded in 2007-08.

#### *Reporting of other forums*

During the year, Hansard staff supported Parliament's education role by producing transcripts for the Youth Parliament and the Victorian State Schools Constitutional Convention.

### Emerging Trends and the Year Ahead

Hansard continues to see the growth of access to electronic versions of *Hansard*, and the consequent reduction in the number of printed copies being distributed. Hansard is also taking advantage of improvements in IT infrastructure to trial the electronic distribution of Member proofs on sitting days. The results of this trial will be known in 2007-08.

Hansard is currently engaged in a major project to further upgrade the chamber sound and recording systems. Extensive works have been undertaken on the design stage of this project to improve the audibility of sound in both parliamentary chambers, and this project will continue to be implemented in 2007-08, with completion expected by the end of 2007.

In early 2008, works will be undertaken to upgrade the digital audio recording systems to improve the quality of sound available to Hansard reporters to enable them to carry out their role more efficiently and effectively.

#### **QUICK FACT**

5,611,568 = the number of words produced by Hansard during 2006-07. Each reporter on average produced 255,071 words for the year which roughly equates to 6,073 words per reporter per sitting day. Each weekly *Hansard* has on average 200,413 words. The word spoken most often over the year was 'Government'.

## Library

The Parliamentary Library provides innovative, personalised and responsive information and research services to support the information needs of Members of Parliament and the parliamentary community.

Library staff provide timely, accurate, and confidential information to clients upon request through the Reference Service and confidential briefings provided by the Research Service. Major publications containing original research are developed by the Research Service to support the activities of the legislature, including papers on upcoming bills and statistical surveys as well as the preparation of briefing papers.

The Library's Research Service also runs the Parliamentary Internship Program, which involves the co-ordination and placement of over 60 students with Members during the year, in collaboration with Monash University, Victoria University of Technology and the University of Melbourne. During the course of one semester, each third-year student produces a research report on an agreed topic for their Member of Parliament.

The Library meets the vital need of Members to stay up-to-date with latest developments by tailoring a range of media monitoring services and providing an expanding collection of digital and print resources. Extensive training and outreach services are delivered by the Library — both at Parliament House and in electorate offices throughout the state — to identify needs and maximise the usage of resources.

The Library assists with the organisation of Parliament's publications and knowledge through the management of the intranet. It also engages with the broader community by providing important information and heritage services, including access to pictorial resources

### Achievements

#### *New Research publications and extended services*

The production of high level Research Reports and Current Issues Briefs continued in 2006-07, with a particular focus on addressing Parliament's legislative program and relevant areas of public policy.

Key papers produced by the Research Service included:

- ✦ *Therapeutic Cloning: The Infertility Treatment Amendment Bill 2007 (Current Issues Brief No. 1, April 2007);*



*An induction session for new Committee staff*

- ✦ *The 2006 Victorian State Election, written in conjunction with Brian Costar, Professor of Victorian Parliamentary Democracy at Swinburne University of Technology (Research Paper No. 1, February 2007);*
- ✦ *Legislative Council Regions: Rankings and Analysis, 2001 Census (Research Paper No. 4, September 2006); and*
- ✦ *Copyright, Crown Copyright and the Victorian Parliament (Current Issues Brief No. 2, May 2007).*

The Library's Research Service also published a range of papers on Parliament's public website. The Service released 13 papers from the 2006-07 collection, including Bill D-Briefs, Current Issues Briefs and extended Research Papers. Open publishing on the Internet follows the practice of other interstate Parliamentary Research Services and helps support the public debate around key issues before Parliament.

In addition to the Parliamentary Internship Program, one fourth-year Political Science Honours student was attached to the Service to complete a major research project during the course of one semester. Research staff also provided 150 briefings to Members over the year, as well as contributing to the Speaker's Science seminars.

#### *Improving search access to databases and intranet content*

In October the Library introduced the Metasearch (Metalib) service, a new search engine that allows users to search across a variety of different databases simultaneously. In doing so, the Library became the first Australian Parliamentary Library to apply this type of federated search engine to its local and subscription databases.

In October the Library also launched a new intranet search engine to help overcome problems of locating specific content dispersed across the intranet site. The search engine utilises the Open Source software

'Nutch', which was designed for large-scale searching across the web.

#### *New Library publications and Information Resources post-election*

The Library produced a range of information resources focusing on the 2006 State Election to assist in informing the parliamentary community about the election process and debate, as well as introducing the new Parliament to the Victorian public. A dedicated election intranet site was created which combined media monitoring, election data, candidate information and political blogs in a single accessible location.

The Library co-ordinated the production of an updated version of the Victorian Parliament's *Members' Guide*, which was published for the first time in four years after an extensive process of revising all content to inform new Members of their entitlements and parliamentary services. The *Interim Parliamentary Handbook* was published in February 2007, being the major source of biographical and contact information about Victorian Members for the public, the media and government agencies.

#### *Information provision and resources*

Over 5,000 individual requests for information were delivered to clients in 2006-07 by the Reference Service. Reference staff also developed seven new Bills Backgrounder intranet pages, along with four Hot Topics pages and two new Chronologies, all addressing legislation and subjects of related interest to Members. The Library's AAP NewsCentre service was particularly popular, generating over 840,000 'reads' of online newspaper and newswire content over the year.

#### *Client support and training*

In addition to introducing new users to library services, the Library's Client Support staff expanded the scope of their training profile to conduct six basic and advanced Internet searching training sessions for 47 clients. Client Support also provided targeted support to new Members and staff after the November 2006 State Election by undertaking 20 electorate office visits in early 2007, providing intensive on-site training.

#### **Emerging Trends and the Year Ahead**

The Library is currently developing a KnowledgeBase for sharing information between staff about reference inquiries. The Library is also involved in moving a proportion of the collections and selected library staff into 55 St Andrews Place, to take advantage of expanded collection space and staffing accommodation.

The Research Service will be conducting an analysis of the Census 2006 data, as soon as the full Australian Bureau of Statistics figures become available. A paper

on Islamic communities in Victoria is planned and the Service will also host a visiting Research Fellow in early 2008.

In 2007-08, the Library will be investigating the potential application of Web 2.0 technologies to its electronic resources and services. One potential new application is the development of an alerting service for Members and staff. A review of current media monitoring operations will investigate the possible acquisition of regional and local news content.

The Parliament of Victoria's public website currently conforms to the Web Accessibility Initiative (WAI) at Level A, meeting the requirements of the Whole of Victorian Government Website Guidelines. All new development on the site will aim to achieve Level AAA compliance. A redevelopment of the public website is proposed, which will improve opportunities for community engagement by highlighting upcoming events, featuring new items of interest, showcasing heritage material via online exhibitions and making greater use of multimedia content.

PARLIAMENT OF VICTORIA  
Library MetaSearch

MetaSearch

Standard Advanced

Enter search terms: [ ] Go

Set: Media and Hansard containing 9 databases

Database Name	Type	Actions
<input checked="" type="checkbox"/> News Archive		Ⓜ Ⓜ
<input checked="" type="checkbox"/> Broadcast News		Ⓜ Ⓜ
<input checked="" type="checkbox"/> Victorian Hansard		Ⓜ Ⓜ
<input checked="" type="checkbox"/> Opposition/Independent Media Releases		Ⓜ Ⓜ
<input checked="" type="checkbox"/> Government Media Releases (Current)		Ⓜ Ⓜ
<input checked="" type="checkbox"/> Government Media Releases (1999-2002)		Ⓜ Ⓜ
<input checked="" type="checkbox"/> Government Media Releases (1991-1999)		Ⓜ Ⓜ
<input checked="" type="checkbox"/> Government Media Releases (Supplement 2003-4)		Ⓜ Ⓜ
<input checked="" type="checkbox"/> AAP NewsCentre		Ⓜ Ⓜ

#### **QUICK FACT**

25,000 = the number of items added to Library databases during 2006-07, including newspaper and journal articles and radio and television news items. Over 2,700 items were catalogued by the Library in the same period, and a further 3,800 electronic attachments were added to the Library's catalogue over the year.

#### **QUICK FACT**

28,500 = the average number of e-mails processed daily by Parliament's IT servers. 27% of all e-mails are Spam.

## Case Study

### Honours Research Project

2007 Research Paper by Thomas Speirs: 'Environmental Management of Parliaments: Current Practices and Standardized Environmental Management Systems'

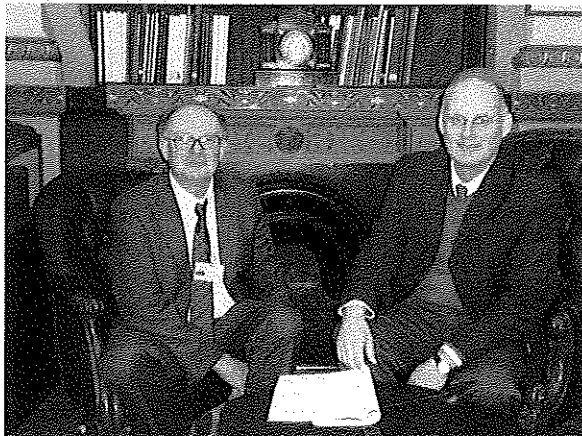
The Parliamentary Research Project is an innovative program that provides Political Science university students, who are former parliamentary interns, with the opportunity to undertake a unit of study at the Parliament as part of their course during his/her Honours year.

The Project is a joint project between the Parliamentary Library Research Service and the University of Melbourne's Department of Political Science. Students are required to produce a 5,000 word essay on a topic that relates in some way to parliamentary affairs, with assessment carried out by an academic supervisor. Assistance with sources, information and ideas for the project is provided by the Library's Senior Researcher.

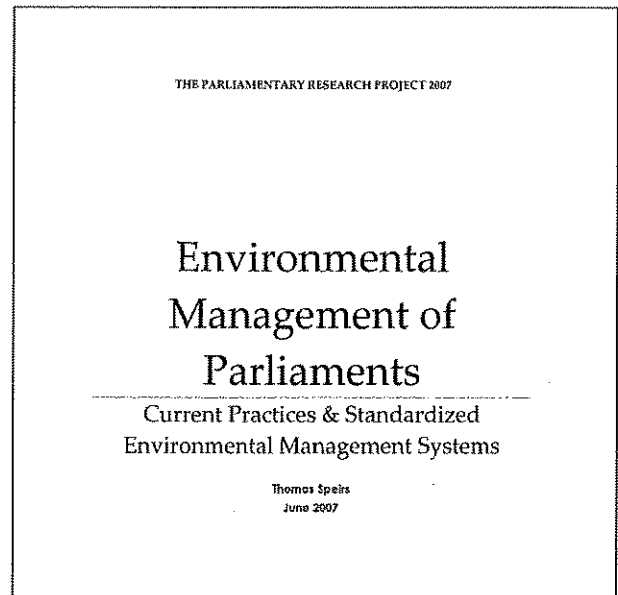
In June 2007, fourth-year student Thomas Speirs completed a paper on the environmental management of parliaments. In the paper he examines sustainability and environment issues in relation to parliaments, with particular emphasis on the development of formal Environment Management Systems. The paper is published within Parliament for the use of Members and staff.



Interns at the President's Prize ceremony



Professor Brian Costar and Dr Greg Gardiner





# Organisation Development & Finance

- ✦ Organisation Development & Finance
- ✦ Accounting & Administration
- ✦ Budgets & Risks

## Director, Organisation Development & Finance

**Peter Lochert**



Peter is the Director of Organisation Development and Finance in the Department of Parliamentary Services. He has held a range of executive positions in public and private sector organisations and brings to the Parliament extensive experience in resource management. He has particular strengths in human resources, change management, information technology and finance.

Peter's qualifications include a Bachelor of Science, Graduate Certificate in Business and he is currently completing a Master's Degree in Leadership and Management. In addition, Peter has completed professional courses in executive development and as a company director.





# Organisation Development & Finance

## Overview

This reporting period constitutes the second full year of operation for the Organisation Development and Finance Group. During the year the Group focused on improving processes and procedures in order to improve customer service whilst engaging in wide ranging policy, process and systems development projects to address legislative change, new service delivery requirements and emerging financial pressures.

The State Election in November 2006 required all resources within the group to be dedicated to meet the needs of retiring, outgoing and newly-elected Members and their staff. Organisation Development and Finance assisted departing Members and their staff with a range of employment, superannuation, taxation and budget matters. New Members were assisted to establish their budgets and employ staff, and to establish the infrastructure required to operate from their electorate offices.

Continuing a trend, Parliament experienced a climate of increased regulatory compliance, accountability and reporting requirements. An increased focus on education and training programs for all Members, electorate officers and parliamentary officers assisted in addressing the increased accountabilities of the organisation as an employer, and of Members and managers as supervisors of staff.

Increased pressure on the Parliament's finances was met with tight budgetary control and improved financial management processes and reporting. A continuous review of policies, procedures and systems to better meet these challenges, to find operational efficiencies and to improve service provision was again the focus of operations. A satisfactory end of year financial result attests to these efforts.

The group also provided leadership in a range of projects including the refurbishment of 55 St Andrews Place, the relocation of Parliamentary Committees and Parliamentary Services to that new location, and the establishment of Parliament's Sustainability Committee.

## Highlights

### *The Group:*

- + *Met all agreed service delivery targets for a wide range of clients across Parliament as well as agreed external reporting and compliance targets;*
- + *Completed implementation of financial and staff impacts of the November 2006 State Election;*
- + *Continued implementation of a strategic risk management framework;*
- + *Developed a new budget allocation and financial performance management system for DPS;*
- + *Reviewed and redeveloped a wide range of policies and procedures to improve service delivery, compliance and accountability;*
- + *Developed and implemented a Training and Development calendar addressing needs of Members, electorate officers and parliamentary officers; and*
- + *Proactively managed Occupational Health and Safety (OH&S), resulting in reduced injuries and claims.*

## Organisation Development

The primary role of the Organisation Development Unit is to provide timely, authoritative advice and support to Members, parliamentary officers and electorate officers on a range of people management functions.

The functions of the Unit include delivering services and providing advice related to conditions of employment and remuneration including the administration and processing of pay and allowances for staff and Members of Parliament. Organisation Development staff provide advice and support on employee and industrial relations matters, as well as on Occupational Health and Safety (OH&S) issues and employee welfare.

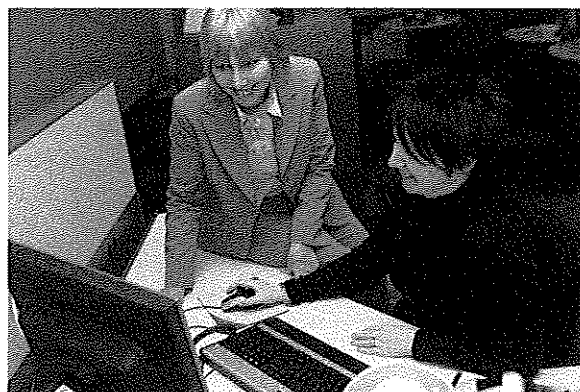
Organisation Development oversees and supports recruitment for the Parliament, whilst ensuring that human resource and OH&S policies are current and reflecting both legislative requirements and industry best practice. The Unit also organises and co-ordinates Parliament's orientation, induction and corporate training programs.

### Achievements

Organisation Development has undertaken further work to ensure that key human resource policies are reviewed, created, endorsed and distributed throughout the year. One of the key policies developed this year is a revised OH&S Policy Statement which clearly articulates the responsibilities of management and staff. The Organisation Development Unit also contributes proactively to the Parliament's OH&S Committee.

Key activities over the past year included the development of an OH&S Action Plan, guiding and assisting in the introduction of Hazard Assessments, and undertaking an OH&S audit. The audit resulted in the development of an OH&S Management Framework to track the progress of OH&S standards for the Parliament. The Organisation Development Unit continues to provide a range of support services to staff such as distributing an electronic newsletter on health and welfare, organising a Wellness Program and engaging an external and confidential Employee Assistance Program counselling service for staff.

An annual calendar of events was developed and delivered by the Unit. It included a quarterly Orientation program, Workplace Behaviours seminars for management and staff, and Performance Management training.



*Organisation Development staff at work*

The Unit also contributed to the 2006 State Election program by providing advice and support to Members and staff before and after the election. This activity was a major endeavour on the part of all staff within the Unit. Organisation Development participated in the induction for new Members and their staff and provided them with advice on employment and related matters throughout the post-election period.

The Orientation program for new staff was also reviewed and revised during the year. A total of four programs were delivered throughout the year. The program has been streamlined and feedback from participants has been positive.

### Emerging Trends and the Year Ahead

Skills shortages across Australia pose challenges for all organisations to develop recruitment, attraction and retention strategies that will meet the needs of organisations into the future. The Organisation Development Unit continues to keep abreast of industry trends with the aim of developing and recommending strategies to address this issue. As part of the promotion of the Parliament as a potential employer, staff from the Organisation Development Unit participate and deliver talks on career opportunities.

The next financial year will involve activities and negotiations for the two enterprise agreements, the *Parliamentary Officers' (Non-Executive Staff - Victoria) Agreement 2004* and the *Members of State Parliament Staff (Victoria) Certified Agreement 2005* which expires in June 2008. These projects will require significant effort to ensure that the legislative requirements are met and that all staff are informed and consulted.

## Accounting & Administration

The Accounting and Administration Unit maintains the financial management system of the Parliament to ensure data integrity and accurate reporting. The Unit prepares monthly financial information for the parliamentary departments and for Members of Parliament. Monthly financial information is also submitted to the Department of Treasury and Finance (DTF). Accounting and Administration works with DTF in implementing budgetary decisions, monitoring actual outcomes and reporting. Each year the Unit prepares the Annual Financial Statements for the Parliament.

All payments for supplies and services to the Parliament, including all supplies to Members of Parliament and electorate offices, are made by the Accounting and Administration Unit. The Unit works to ensure that all financial transactions comply with relevant accounting standards, financial and taxation legislation and regulatory frameworks.

The Unit provides information to Members and makes payments in regard to the usage of their budget and allowances. This includes the setting-up of electorate office accounts, postage administration, consolidated invoicing and travel documentation.

The role of Accounting and Administration also includes preparing the annual Fringe Benefits Tax and monthly Goods and Services Tax returns for submission to the Australian Taxation Office. Other tasks include recording and monitoring cash flow, providing advice to stakeholders on financial and related issues, implementing changes in accounting standards and accounting policy, maintaining records of capital assets, calculating depreciation and coordinating revaluations.

### Achievements

The Accounting and Administration Unit successfully completed the Annual Financial Statements within the timelines required by DTF. Monthly financial information was also submitted to DTF on time for the whole financial year. The efficient payment of all supplier invoices resulted from the continued streamlining of processes between the Accounting and Administration Unit and other departments and electorate offices within Parliament. A higher volume of transactions has been processed over the financial year, with the Unit handling approximately 68,000 transactions.



*Accounting staff checking archived files*

The introduction of 'user-friendly' charts and graphs into the monthly management accounts for the parliamentary departments has been well-received. The reports have been consistently produced and delivered to departments within agreed timelines.

The Accounting and Administration Unit successfully implemented the new reporting requirement under the 'GFS-GAAP Harmonisation Project' launched by DTF. The new reporting requirement combines the Generally Accepted Accounting Principles (GAAP) Reporting Framework and the Government Finance Statistics (GFS) Reporting Framework. The process required discussions with DTF in order to understand the revised requirements, providing feedback and making the necessary changes to systems and processes.

A major project over the year has been the implementation of Westpac Corporate Online, an Internet-based electronic banking platform. Corporate Online provides Accounting and Administration with improved control, allowing accounts to be viewed online with real-time balances and transactions. Corporate Online uses the latest encryption technology to protect data and is more effective at managing staff access. The ability to monitor accounts from anywhere, at any time provides greater flexibility as well as cost savings.

The requirements of the revised Financial Reporting Direction on Non-current Physical Assets issued by DTF were successfully managed. Non-current physical assets were classified into five Purpose Groups based on the Government Purpose Classification. Parliament was allocated to the Public Administration Purpose Group and was required to revalue all non-current

physical assets during the financial year. Accordingly, new valuations were obtained and revised in the accounting system.

The Unit made several changes to reports produced by the Oracle financial system with a view to improving processes and efficiency. The application management and monitoring arrangement implemented in the previous year successfully produced a 'NIL' down time during the 2006-07 financial year. The arrangement also provided for the on-going application of security patches to eliminate the possibility of unauthorised access.

Electronic funds transfer (EFT) introduced in the previous year for payments to suppliers as well as reimbursement of expenses incurred by Members and parliamentary staff has been very successful with a large number of suppliers, Members and parliamentary staff opting to receive payment by EFT during the financial year. Approximately 45% of payments during the year were made by electronic transfer.

Fringe Benefits Tax (FBT) policies and processes were further refined during the year leading to greater FBT compliance. Recipients of benefits subject to FBT were made more aware of their obligations as a result of better communication by the Unit. Accounting and Administration also met all timelines for taxation reporting to the relevant authorities. This was achieved with improved processes, extensive planning and greater levels of communication with the relevant departments and individuals required to provide information.

The 2006 State Election required the closure of supply arrangements and accounts of retiring and outgoing Members of Parliament, the audit of electorate offices and the establishment of supply arrangements and accounts for new Members and their staff. The Unit revised and simplified procedure manuals and delivered a series of induction programs to new Members to inform them about processes and procedures.

As part of an ongoing service improvement process, the Finance forms made available to Members and staff on Parliament's intranet were rationalised and simplified. The forms are now easier to use and can be completed online. Other financial information on the intranet was also updated, including the *Members' Guide* and relevant procedures and resources for all users.

All Accounting and Administration Unit staff have undertaken training in order to keep abreast of changes in accounting and taxation legislation. Several members of staff have also undertaken studies in order to obtain membership of professional accounting bodies.

## Emerging Trends and the Year Ahead

The Accounting and Administration Unit is exploring opportunities presented by new software which is able to provide a secure interface between Parliament's accounting system and Excel, allowing users to create more versatile reports. It is expected that the software will offer many benefits, including shorter reporting cycles and faster month-end closes.

The 2007-08 Parliament budget has provided several new allowances to Members which have the potential to increase the transactions load on the Unit by up to 20%. Accounting and Administration are currently setting up processes for implementing these new allowances. Guidelines will be prepared and system changes will need to be made to manage the new arrangements.

The Unit is reviewing the possibility of attaching scanned copies of all documents to the Oracle financial system. This will decrease the need to physically retrieve documents for analysis, and the documents required by auditors and other users of financial information will be easily accessible. It will also reduce the amount of document copies required by other work units. It is anticipated that the project may require significant system changes and additional resources.

Changes in Accounting Standards and new and efficient ways of doing business require constant changes to processes and procedures. Staff turnover can lead to the loss of knowledge, particularly in a tight labour market where there is a shortage of qualified accounting practitioners. With a view to better knowledge management and the ability to make changes online easily and quickly, the Unit has established a procedures database and has captured electronic versions of all procedures applied within the Unit. This project is well advanced and further refinement of the documentation is planned for the year ahead.

### QUICK FACT

68,000 = the number of transactions processed by the Accounting and Administration Unit in 2006-07.

### QUICK FACT

70 = the number of recruitment positions across the Parliament with which the Organisation Development Unit assisted during the year.

## Budgets & Risks

The role of the Budgets and Risks Unit is to manage the Parliament of Victoria's internal and external budget processes, Members' services and Parliament's Risk Management Framework. This includes working with the Department of Treasury and Finance to ensure that the external budget process is completed within the required timeframes, including the collation of submissions to the Expenditure Review Committee and the updating of forward expenditure projections.

The Unit is also responsible for organising the Parliament's submissions and responses to requests for information and presentations made before the Public Accounts and Estimates Committee.

The Budget and Risks Unit works in a consultative manner with all departments of the Parliament to assist with issues of budget management and financial planning in order to meet the ongoing and future needs of the organisation. In doing so, Budgets and Risks provides trend analysis and recommendations for improvements within the current operating environment to improve Parliament's financial position.

The Budgets and Risks Unit also administers telecommunications accounts and organises the purchasing of mobiles phones for the Parliament. In conjunction with the Victorian Managed Insurance Authority, the Unit is also developing and implementing the Parliament's Risk Management Framework.

The Budgets and Risks Unit's role includes the provision of advice to Members and staff regarding the interpretation of guidelines and procedures relating to electorate office budgets and allowances.

### Achievements

The Budget and Risks Unit successfully managed the completion of the 2006-07 Annual Budget process within the timelines prescribed by the Department of Treasury and Finance.

The Unit coordinated the budget and allowances for the transition of Members from the 55<sup>th</sup> Parliament to the 56<sup>th</sup>, following the Election in November 2006. The provision of monthly reporting to Members and electorate offices was completed within required



*Marking off new mobile phones*

time-frames. The Unit also commenced a program of information sessions for Members and electorate officers by visiting them on-site and outlining the correct procedures for the use of electorate office budgets and allowances.

Further development of internal reporting tools for the monitoring of Budgets and Allowances was undertaken, as well as the development of Parliament's Risk Management Framework. The Unit also managed the completion of the Parliament's Customer Satisfaction Survey.

### Emerging Trends and the Year Ahead

Improved reporting processes are allowing the Budget and Risks Unit to interact more with Members and advise them when their electorate office budgets or allowances are beginning to run low. This assists by providing Members with sufficient notice to avoid the possibility of their budgets going into deficit before the end of the financial year.

The changes in electorate office budget and allowances for 2007-08 presents a challenge to the Unit in terms of providing information and instruction to Members and their staff.

The Unit will seek a continuation of the consultative approach to budget management in the forthcoming year. Another major project will be the implementation of Parliament's Risk Management Framework, which will include educating and encouraging staff to include risk management in their everyday work.

#### **QUICK FACT**

*72% = the percentage of mobile phones ordered since the 2006 State Election that were Blackberries.*



*Additional  
Information*

# Our People

## Office of the Secretary – DPS

O'Kane, Stephen *Secretary - Parliamentary Services*  
Diesbecq, Clarisse *Executive Assistant - DPS*

## Library, Hansard & Information Technology

Advani, Dennis	<i>Publishing &amp; IT Bus Supp Officer</i>	Lesman, Bella	<i>Statistical Research Analyst</i>
Altair, Angelo	<i>Publishing &amp; IT Bus Supp Officer</i>	Louey, Adam	<i>IT Services Officer</i>
Anastasopoulos, Con	<i>IT Services Officer</i>	Lovell, John	<i>Manager, Information Technology</i>
Arabatzis, Peter	<i>IT Services Officer</i>	Lovrenovich, Violetta	<i>Sessional Reporter</i>
Aroozoo, Marianne	<i>Indexing Librarian</i>	Macdonald, Claire	<i>Research Officer</i>
Averte, Gabriella	<i>Departmental Secretary</i>	Magarey, Joel	<i>Sessional Reporter</i>
Bainbridge, Joel	<i>Team Leader IT Services</i>	Mamouney, Michael	<i>Print Media Librarian</i>
Beks, Sandra	<i>Library Technician</i>	Martyn, Jennifer	<i>Sessional Keyboarder</i>
Bilic, Giuliana	<i>Sessional Keyboarder</i>	McCarthy, Catherine	<i>Sessional Reporter</i>
Breukel, Jon	<i>Senior Reference Librarian</i>	McFarlane, Eithne	<i>Sessional Reporter</i>
Brown, Tim	<i>Government Information Librarian</i>	McFarlane, Peter	<i>IT Planning &amp; Development Officer</i>
Bunt, Nathan	<i>Legal Research Officer</i>	McGlinchey, Stephanie	<i>Intranet Librarian</i>
Cheney, Barry	<i>Systems Officer</i>	McGregor, James	<i>Sessional Reporter</i>
Cleary, Jenelle	<i>Client Support Librarian/ Intranet Librarian</i>	McIntyre, Andrew	<i>Sessional Reporter</i>
Clifford, Phil	<i>Technical Services Librarian</i>	Meagher, Tracy	<i>Technical Officer - IT</i>
Cousins, David	<i>Technical Officer - IT</i>	Menadue, Carolyn	<i>Sessional Reporter</i>
Cullen, David	<i>Sub Editor</i>	Mills, Kevin	<i>Sub Editor</i>
Cummings, Sally	<i>Client Support Librarian</i>	Nilon, Patricia	<i>Permanent Reporter</i>
Denton, Jenny	<i>Sessional Reporter</i>	Nugent, John	<i>Deputy Editor</i>
Ellul, Margaret	<i>Print Media Technician</i>	O'Connell, Emma	<i>Heritage Databases Officer</i>
Espie, Rod	<i>Education &amp; Community Engagement Officer</i>	Palmer, Damaris	<i>Sessional Reporter</i>
Federico, Annie	<i>IT Planning &amp; Development Officer</i>	Parnell, Michael	<i>Technical Officer - IT</i>
Ferry, Vicki	<i>Permanent Reporter</i>	Raciti, Joe	<i>Team Leader Planning &amp; Development</i>
Fewings, Tim	<i>Broadcast Media Officer</i>	Reeves, Debra	<i>Lending Services Librarian</i>
Florczak, Matthew	<i>Technical Officer - IT</i>	Rissotto, Daisy	<i>Print Media Assistant</i>
Gardiner, Greg	<i>Senior Research Officer</i>	Roberts, Karina	<i>Sessional Reporter</i>
Gardner, Julie	<i>E-Services Senior Officer</i>	Robertson, Stephen	<i>IT Planning &amp; Development Officer</i>
Gentner, Charles	<i>Director, Library, Hansard &amp; IT</i>	Rosman, Stephen	<i>Web Development Officer</i>
Greig, Patricia	<i>Permanent Reporter</i>	Sablyak, Patricia	<i>Sessional Sub Editor</i>
Hansen, Maria	<i>Senior Reporter</i>	Smith, Heather	<i>Permanent Reporter</i>
Hamath, Margaret	<i>Sub Editor</i>	Spicer, Victoria	<i>Senior Client Support Librarian</i>
Harris, Linda	<i>Permanent Reporter</i>	Spillane, Patrick	<i>Permanent Reporter</i>
Henry, Mark	<i>Publishing &amp; IT Bus Supp Officer</i>	Stone, David	<i>Serials Officer</i>
Henson, Richard	<i>Library Technician</i>	Sutherland, Maggie	<i>Sessional Sub Editor</i>
Hickey, John	<i>Senior Sub Editor</i>	Syer, Robert	<i>Sessional Reporter</i>
Kebbe, Sue	<i>Permanent Reporter</i>	Taucer, Carl	<i>Senior Technical Officer - IT</i>
Kendall, Gillian	<i>Sessional Reporter</i>	Taylor, Linden	<i>Permanent Reporter</i>
Kenny, Andrea	<i>Permanent Reporter</i>	Truman, Joanne	<i>Coordinator, Hansard</i>
Kim, Louise	<i>Sessional Reporter</i>		
Lauder, Stephen	<i>Cataloguing Officer</i>		



## Organisation Development & Finance

Barratt, Wendy	Senior Organisation Development Officer
Barton, Luke	Accounts Officer
Bastas, Dennis	Financial Accountant
Clifford, Naomi	Training Coordinator
Cull, Barry	Senior Organisation Development Officer - Payroll
D'Souza, Richard	Accounts Officer
Edwards, Bronwen	Manager, Organisation Development
Lau, Wayne	Accounting Officer
Lee, Holly	Cash Management Officer
Lochert, Peter	Director, Organisation Development & Finance
Marshall, Daisy	Organisation Development Officer
Mascarenhas, John	Manager, Accounting & Administration
Moore, Carly	Organisation Development Officer
Novella, Vittoria	Budget & Telecomm Officer
Ridge, Allison	Organisation Development Officer - Payroll
Tran, Michelle	Organisation Development Officer - Payroll
Van de Werve, Andrew	Manager, Budget & Risks
Wells, Melanie	Budget & Telecomm Officer/ Organisation Development Officer - Payroll (Temp)



*The Grounds and Maintenance team*



*'Plating up' in the kitchens*

## Precinct & Property Management

Attard, Manny	Assistant Maintenance Manager
Barr, Hilton	Director, Precinct & Property Management
Bourke, Brian	Manager, Grounds & Maintenance
Chan, Leslie	Junior Sous Chef
Clarke, Joanna	Electorate Properties Officer
Gallagher, Paul	Manager, Grounds & Maintenance
Greene, Lyn	Electorate Properties Officer
Haddow, Linda	Horticulturist
Holland, Kathryn	Horticulturist
Horvath, Lillian	Electorate Properties Officer
Hughes, Ruth	Horticulturist
Hurle, John	Senior Horticulturist - Turf
Huva, Ron	Carpenter
Jordan, Luke	Catering Manager
Matthews, Samantha	Manager, Electorate Properties Unit
O'Connell, Mark	Electorate Properties Officer
Olive, Geoff	Maintenance Officer
Robertson, Rachel	Horticulturist
Rogers, Robyn	Catering Office Manager
Schober, Bill	Car Park Attendant
Sellar, Malcolm	Executive Chef
Simmonds, Mark	Electrician (Projects) A Grade
Tremoulas, John	Electrician
Vella, Amanda	Painter
Window, Graham	Chef

# Professional Development

The Department of Parliamentary Services is committed to forward planning and future development. To this end, it actively encourages its staff to keep up-to-date and to demonstrate an ongoing commitment to professional development. A number of staff across the Department of Parliamentary Services have undertaken professional development activities during 2006-07. A selection of brief staff reports about their experiences over the last year is presented below.

## **Australian Bureau of Statistics (ABS) Census Analysis Conference 2006**

*The inaugural Census Analysis Conference held in Canberra in July 2006 was extremely well organised and received strong attendance throughout the program.*

*The plenary sessions were well chosen, and Professor Graeme Hugo, Director of the National Centre for Social Applications of GIS at the University of Adelaide, and Professor Ann Harding from the National Centre for Social and Economic Modelling (NATSEM) at the University of Canberra, were highlight speakers.*

*My own attendance choices were heavily weighted towards the ABS Census presentations, with a view to becoming informed about the 2006 Census output which, I am happy to report, will be significantly more user-friendly, flexible and Internet-based than in the past. The conference provided some excellent opportunities for networking and I was able to meet two of my Federal colleagues at the conference. This exchange was very warm and has fostered ongoing dialogue.*

Bella Lesman  
Statistical Research Analyst, Library

## **Australia/New Zealand Parliamentary IT Forum 2006, Parliament of South Australia**

*As always, the AUSNZ IT Forum was well-attended by representatives from all state and national parliaments. Everyone participated in the very interactive 'show and tell' sessions, supplemented by presentations from Members of Parliament about what IT means to them, and from vendors who were already being used successfully in some parliaments.*

*Overall, there was a lot of knowledge transfer and networking that was applicable to Hansard and the Library, as well as the Information Technology Unit.*

*Since then we have been able to share information with the other attendees using a 'Parly Wiki', which was set up as an outcome of the Forum. This has been used to discuss and*

*share not only technical and support issues, but also process/service delivery procedures and strategic directions.*

June Neilson  
Operations Manger, Information Technology

## **20<sup>th</sup> International Political Science Association (IPSA) World Congress, 9-13 July 2006, Fukuoka, Japan**

*The IPSA World Congress is one of the premier events for political scientists, scholars and researchers with an interest in political institutions, public affairs, public policy, political processes and systems, and international relations. Founded by UNESCO in 1949, IPSA is one of the largest world bodies concerned with political science.*

*This triennial congress was IPSA's largest, attracting nearly 2,000 delegates from around the world, and with 1,500 papers presented over five days. It was also the first IPSA congress held in Asia and as such was particularly interesting as a cross-cultural event in itself.*

*The conference theme, 'Is Democracy Working?' was addressed in broad sub-themes, such as 'the crisis and capacity of democracy' and 'participation and the politics of identity'. The conference examined the various forms of new representative democracies as they have emerged in recent times, how the 'older' democracies are faring, the role and function of new technologies, and the new interfaces that are (or are not) emerging between people and political institutions.*

*I attended a wide cross-section of subject panels, including panels focused on topics such as human security and democracy, the participation of young people in democratic processes, and the evaluation of electoral systems. I came away with an appreciation of the diversity of work that is going on around the world in political science, within which Australian research is well-represented and of high value. The experience was highly valuable to me as a researcher, and I was able to make contact with some of the leading scholars in a variety of fields of political science.*

Dr Greg Gardiner  
Senior Research Officer, Library

# Summary of Staffing & Full-time Equivalents

## Staffing

	Parliamentary Officers	Electorate Officers	Total
Full-time	95	118	213
Part-time	14	188	202
Sessional	17	0	17
<b>Total</b>	<b>126</b>	<b>306</b>	<b>432</b>

## Full-time Equivalents (FTE)

	Permanent	Fixed Term	Total
Parliamentary Officers	99.46	7.40	106.86
Electorate Officers	203.58	7.55	211.13
<b>Total</b>	<b>303.04</b>	<b>14.95</b>	<b>317.99</b>

### Notes:

(1) The figures in the Staff Numbers section represent a count of the number of employees in each Department

(2) The figures in the FTE section represent the total number of full-time positions occupied by staff when expressing the hours each employee works as a fraction of a 38-hour working week (eg a person employed for 19 hours a week would count as 0.5 FTE)

All full-time staff are assumed to work a 38-hour week regardless of hours worked during sitting periods etc

NB – Hansard FTE figures include sessional hours worked divided by full-time equivalent hours

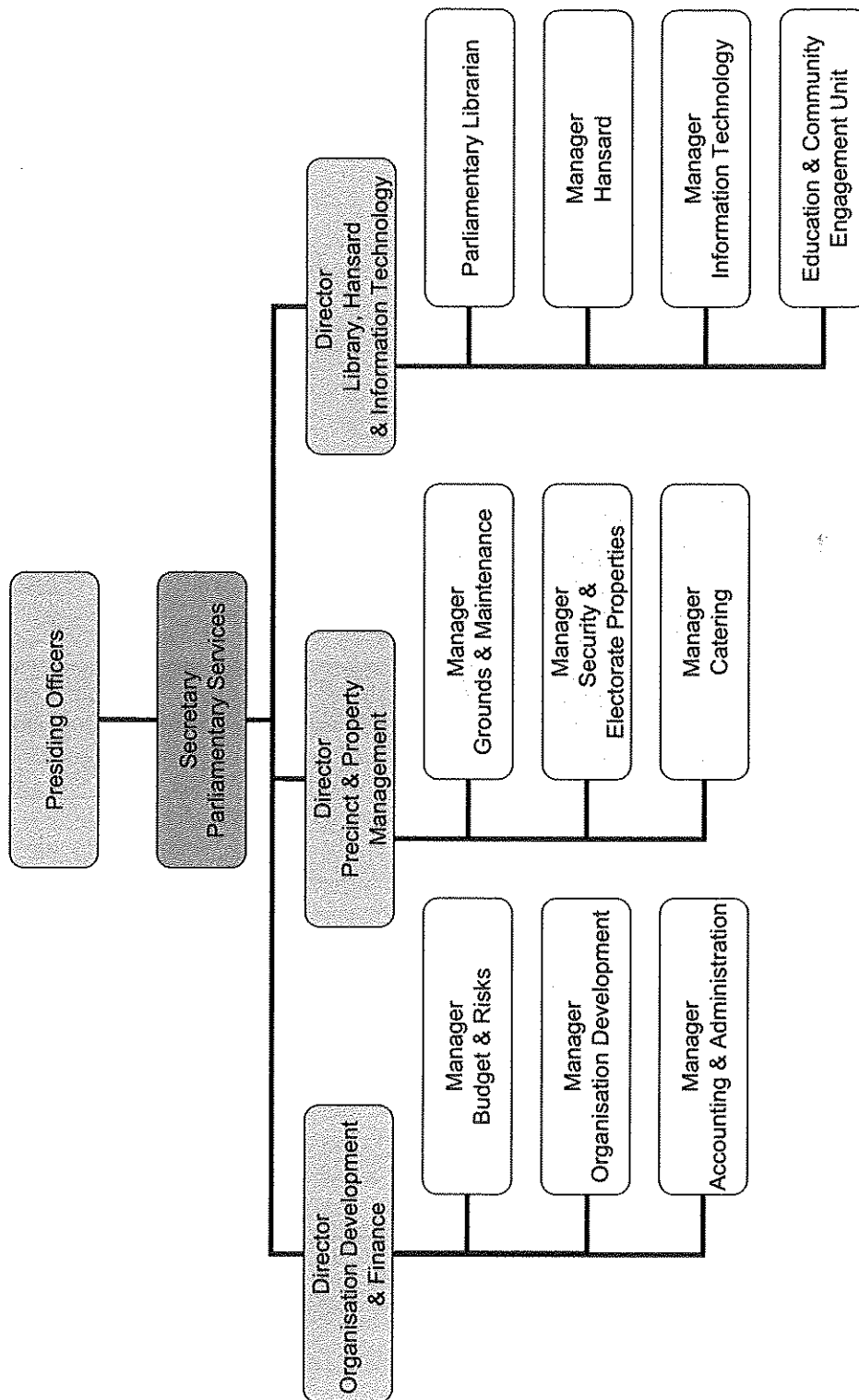
## Staff movements

Overall, the Organisation Development Unit assisted with the recruitment of 70 positions during the year across the three parliamentary departments: 24 positions from the Department of Parliamentary Services, 15 from the Legislative Assembly and 15 from the Legislative Council. In addition, 16 Parliamentary Committee positions also had their recruitment co-ordinated between the Department of the Legislative Assembly and the Department of the Legislative Council.

A formal exit interview process is co-ordinated by the Organisation Development Unit for all parliamentary officers on a voluntary and confidential basis. Data gathered from the exit interviews is reported directly to departmental heads and contributes to future workforce planning and the development of attraction and retention strategies.



# Organisation chart



# Corporate Governance – an overview

## *Statement of Corporate Intent*

The Parliament of Victoria through its elected representatives is accountable to the Victorian community for the provision and conduct of representative government in the interests of Victorians.

The Departments of the Parliament deliver support to their elected representatives and the institution of Parliament through operational business plans which are underpinned by the following values:

- ✦ Effective Corporate Governance  
*Accountability, Impartiality, Integrity, Learning Environment*
- ✦ Excellent Service Delivery and Responsiveness  
*Responsiveness, Teamwork, Performance Management, Effective Systems and Techniques*
- ✦ Sustainability with a focus on the Medium to Long-term View  
*Long Term Planning, Excellent Communication, Developing our People, Safeguarding our Physical Infrastructure*

## *Parliamentary Values*

The *Parliamentary Administration Act 2005* also defines the values that should be demonstrated by Parliamentary Officers as being:

- ✦ Responsiveness
- ✦ Integrity
- ✦ Impartiality
- ✦ Accountability
- ✦ Respect
- ✦ Leadership

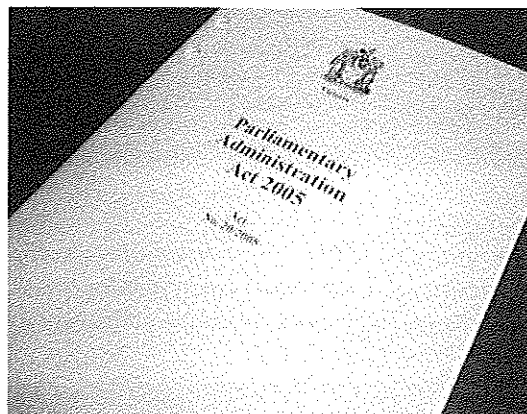
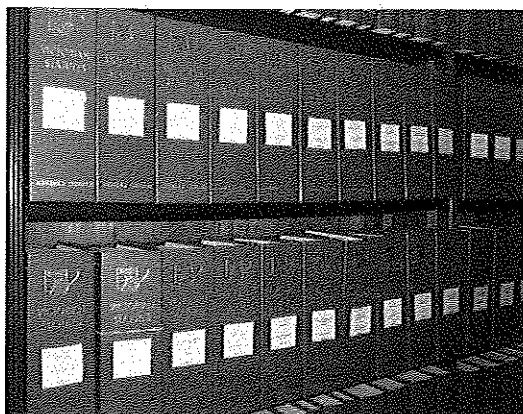
## *Employment Framework*

Two Enterprise Agreements outline conditions of employment for all Parliamentary employees (excluding Executives). They are the *Parliamentary Officers' (Non-Executive Staff – Victoria) Agreement 2004* and the *Members of State Parliament Staff (Victoria) Certified Agreement 2005*.

## *Major Acts Administered*

The Department of Parliamentary Services is involved in the administration of a number of Acts, including:

- ✦ *Parliamentary Administration Act 2005*
- ✦ *Parliamentary Salaries and Superannuation Act 1968*
- ✦ *Constitution Act 1975*
- ✦ *Heritage Act 1995*



## Compliance Issues

### Contractors and Consultancies

Under the *Financial Management Act 1994* the following delineation is made between consultants and contractors.

Consultancies are an arrangement where an individual or organisation is engaged to:

- provide expert analysis and advice that facilitates decision making;
- perform a specific, one-off task or set of tasks; or
- perform a task involving skills or perspectives that would not normally be expected to reside within the Department.

Contractors are an individual or organisation engaged to:

- provide goods, works or services that implement a decision;
- perform all or part of a new or existing ongoing function to assist the Department carry out its defined activities and operational functions; or
- perform a function involving skills or perspectives that would normally be expected to reside within the Department but at that time are not currently available.

#### *Contracts in excess of \$10,000,000*

Nil

#### *Consultancies in excess of \$100,000*

Nil

#### *Consultancies less than \$100,000*

Number engaged: 7 \$65,268

Topics include: education and community engagement, risk assessment and engineering consultancy.

## Compliance with the Provisions of the Building Act

Parliament undertakes a variety of building and maintenance projects associated with Parliament House and ensures all works comply with the building and maintenance provisions of the Building Act. Consultation is undertaken with Heritage Victoria and permits are issued for all works.

## Occupational Health and Safety Reporting

### Overview of claims history

	2003/04	2004/05	2005/06	2006/07
No. of new claims	9	12	9	9
Claims frequency	0.15	0.17	0.19	0.19
Average cost <sup>†</sup>	\$9,101	\$8,194	\$9,432	\$6,845

<sup>†</sup>Source: Cambridge Integrated Services (Insurance Provider)

Note: Statistics include total paid for the claims received in the reporting period and paid during the same period

The Organisation Development Unit continued its work in effectively managing claims resulting in an overall reduction in the average cost of WorkCover claims during the reporting period. To support the aim of prevention and early intervention strategies, the Organisation Development Unit focused on developing and improving the management strategies of its staff who work within the parliamentary precinct and in electorate offices.

# Occupational Health and Safety & Employee Welfare

The organisation's commitment to health and safety continued throughout 2006-07. This included reviewing and amending the Occupational Health and Safety (OH&S) Policy Statement to incorporate a greater emphasis on corporate responsibility and early intervention.

A variety of OH&S training sessions were delivered by the Organisation Development Unit to employees, including Job Safety Analysis, Manual Handling, Office Ergonomics and Fatigue Management. A focus on preventative education for all employees will continue within the Parliament. Attendance levels indicate a positive response by management and employees to be aware of, and committed to, developing a safe and healthy work environment.

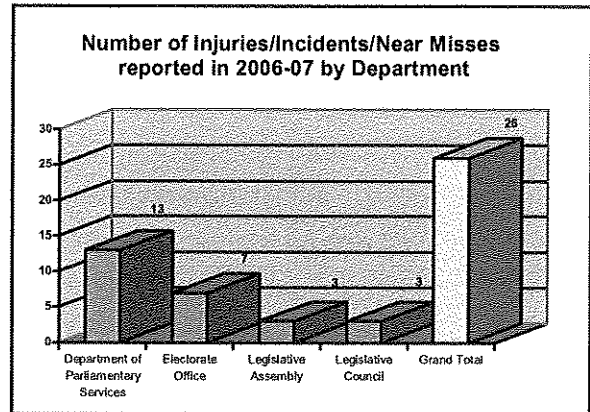
The Organisation Development Unit continued to offer workplace assessments to ensure employees are appropriately supported at their workstations. Electorate offices also made use of this service with positive feedback from both Members and electorate office staff.

During 2006-07 Parliament has experienced a decline in work-related injuries and WorkCover claims as a result of proactive occupational health and safety management. During the year employees participated in a range of OH&S safety initiatives such as Flu Vaccinations, Health Checks, Skin Scans, Posture Assessments, Ergonomic Office Assessments and Stress/Fatigue Management training.

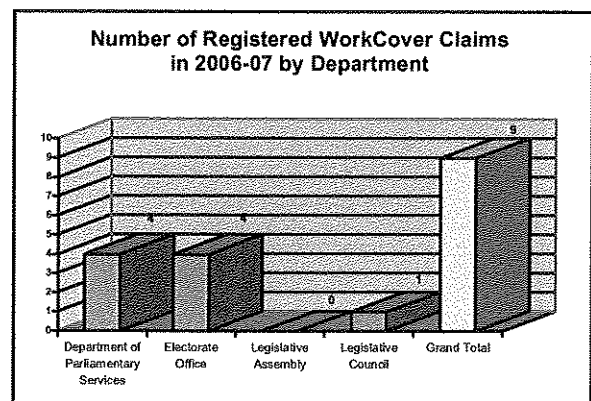
The Parliament acknowledges the benefits of providing preventative health and wellbeing activities. The Organisation Development Unit continued to deliver the annual Corporate Wellness Program calendar of events. The Program included events such as seminars, workshops and classes for all employees, covering a variety of topics such as Nutritional Foods, Health Assessments and personal Sun Smart skin checks. A monthly online Wellness Newsletter was also e-mailed to all electorate and parliamentary staff complete with nutritional, fitness and physiological information and advice.

Awareness of the confidential Employee Assistance Program increased, with staff self-referring to the service at a rate of 91.7%. The high percentage demonstrates that the program has been well promoted and that employees are confident about accessing the service.

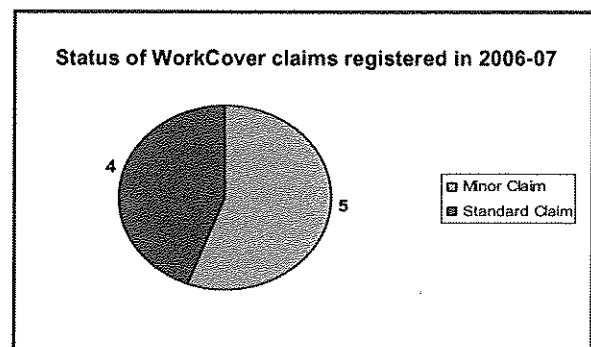
## Occupational Health and Safety reporting for 2006-07



\*Source: Organisation Development Register of Injuries



\*Source: Organisation Development Claims Register



\*Note: 'Minor' claim = a claim that does not pass the threshold of \$531 in medical and like expenses and / or 10 lost days. 'Standard' claim = a claim that exceeds the threshold of \$531 in medical and like expenses and / or 10 lost days.

## Output Measures

The Department's former output structure was a legacy of several former parliamentary departments and did not accurately reflect the new Department of Parliamentary Services operations. This new consolidation provides for efficient and streamlined reporting of services and reflects the outputs delivered to the Parliament through the current operating structure.

This output involves the provision of Library, Hansard, education, human resources, finance, information technology (IT), maintenance, ground facilities, consultancy, advisory and support services.

Major Outputs/Deliverables Performance Measures	Target 2006-07	Actuals As at 30 Jun 07
<b>Provision of Information and Resources to Parliament<sup>(a)</sup></b>		
<b>Quantity</b>		
Briefings provided	140	163
IT system up-time	99%	99%
Items processed for retrieval	27,000	44,249
Parliamentary audio system transmission availability	99%	99%
Provision of fully resourced electorate offices outside the parliamentary precinct	132	132
Service requests satisfied	8,500	9,036
Uptake of class visits to Parliament House	600	932
Visitor sessions on library intranet site	40,000	47,239
<b>Quality</b>		
Accuracy of Transcripts, Records and Reports	99%	99%
Audibility of Parliamentary Audio Transmission	99%	99%
Client satisfaction with the quality of information provided	85%	93%
Members, staff and officers satisfied or better with the services provided	73%	80%
<b>Timeliness</b>		
Indexes, records, speeches and transcripts provided within agreed time-frames and in required formats	99%	99%
Members, staff and officers satisfied or better with the time frame of service delivery	96%	96%
Satisfaction with timeliness of information provided	85%	91%

*Note:*

(a) All new performance measures are a direct result of the amalgamation of the six output measures: 'Information Provision'; 'Information Access'; 'Research'; 'Public Relations and Education'; 'Hansard, Sessional Indexes and Committee Transcripts'; and 'Support Services' into the new 'Provision of Information and Services to Parliament' Output.



*Financial  
Statements*



# Parliament of Victoria

## Financial report - 30 June 2007

Contents	Page
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Statement of changes in equity	4
Cash flow statement	5
Notes to the financial statements	6 to 38
Accountable officers' declaration	39
Auditor-General's report	40 to 41

This financial report covers the Parliament of Victoria as an individual entity.

Parliament is the law-making body of the State and provides the base from which the government is formed. Its principal address is:

Parliament of Victoria  
Parliament House  
Spring Street  
Melbourne  
Victoria 3002

**PARLIAMENT OF VICTORIA**  
**Operating Statement**  
**for the financial year ended 30 June 2007**

	Notes	2007 \$	2006 \$
<b>Income</b>			
Output appropriations	3 (a)	66,925,281	63,105,266
Special appropriations	3 (a)	18,119,603	17,688,394
Other Revenue	3 (b)	1,233,070	834,194
<b>Total income</b>		<b>86,277,954</b>	<b>81,627,854</b>
<b>Expenses</b>			
Employee benefits expense	3 (c)	(49,699,129)	(49,173,752)
Depreciation and amortisation expense	3 (d)	(5,423,308)	(3,840,183)
Capital asset charge		(1,389,000)	(1,194,000)
Supplies and services	3 (f)	(22,530,918)	(24,454,104)
Parliament refreshment rooms	3 (e)	(1,308,778)	(1,099,466)
Other expenses	3 (g)	(295,242)	(338,763)
Finance Costs	3 (h)	(232,288)	(212,113)
<b>Total expenses</b>		<b>(80,878,663)</b>	<b>(80,312,381)</b>
<b>Net result from continuing operations</b>		<b>5,399,291</b>	<b>1,315,473</b>
<b>Net result for the period</b>		<b>5,399,291</b>	<b>1,315,473</b>

The above Operating Statement should be read in conjunction with the accompanying notes included on pages 6 to 38.

**PARLIAMENT OF VICTORIA**  
**Balance Sheet**  
**as at 30 June 2007**

	Notes	2007 \$	2006 \$
<b>Current assets</b>			
Cash assets	17 (a)	88,903	59,162
Receivables	4	6,197,334	4,847,935
Inventories	5	39,896	43,307
Other assets	6	702,765	604,576
		<u>7,028,898</u>	<u>5,554,980</u>
Non - current assets held for sale	8	118,339	185,806
<b>Total current assets</b>		<u>7,147,237</u>	<u>5,740,786</u>
<b>Non-current assets</b>			
Receivables	4	28,331,777	19,131,804
Property, plant and equipment	7	207,819,894	198,014,080
		<u>236,151,671</u>	<u>217,145,884</u>
<b>Total non-current assets</b>		<u>236,151,671</u>	<u>217,145,884</u>
<b>Total assets</b>		<u>243,298,908</u>	<u>222,886,670</u>
<b>Current liabilities</b>			
Payables	9	3,461,682	2,092,517
Bank Overdraft	17 (a)	854,405	1,125,038
Interest bearing liabilities	10, 13	2,146,821	2,203,187
Provisions	11	5,668,992	5,294,298
		<u>12,131,900</u>	<u>10,715,040</u>
<b>Total current liabilities</b>		<u>12,131,900</u>	<u>10,715,040</u>
<b>Non-current liabilities</b>			
Interest bearing liabilities	10, 13	1,493,577	1,493,732
Provisions	11	391,840	608,686
		<u>1,885,417</u>	<u>2,102,418</u>
<b>Total non-current liabilities</b>		<u>1,885,417</u>	<u>2,102,418</u>
<b>Total liabilities</b>		<u>14,017,317</u>	<u>12,817,458</u>
<b>Net assets</b>		<u>229,281,591</u>	<u>210,069,212</u>
<b>Equity</b>			
Contributed capital	18 (b)	158,027,333	151,550,362
Asset revaluation reserve	18 (a)	55,355,400	48,019,283
Accumulated surplus	18 (c)	15,898,858	10,499,567
		<u>229,281,591</u>	<u>210,069,212</u>
<b>Total equity</b>		<u>229,281,591</u>	<u>210,069,212</u>
Commitments for expenditure	14		
Contingent liabilities and contingent assets	15		

The above balance sheet should be read in conjunction with the accompanying notes included on pages 6 to 38.

**PARLIAMENT OF VICTORIA**  
**Statement of changes in equity**  
**for the financial year ended 30 June 2007**

	Notes	2007 \$	2006 \$
<b>Total equity at beginning of financial year</b>		<b>210,069,212</b>	203,279,383
Gain on asset revaluations	18(a)	<u>7,336,117</u>	<u>1,374,356</u>
<b>Net income recognised directly in equity</b>		<b>7,336,117</b>	1,374,356
Net result for the period		<u>5,399,291</u>	<u>1,315,473</u>
<b>Total recognised income and expense for the period</b>		<b>12,735,408</b>	2,689,829
Contributed Capital from the State	18(b)	<u>6,476,971</u>	<u>4,100,000</u>
<b>Total equity at end of financial year</b>		<b><u>229,281,591</u></b>	<b><u>210,069,212</u></b>

The above statement of changes should be read in conjunction with the accompanying notes included on pages 6 to 38.

**PARLIAMENT OF VICTORIA**  
**Cash flow statement for the financial year ended**  
**30 June 2007**

	Notes	2007 \$	2006 \$
<b>Cash flows from operating activities</b>			
Receipts from Government		74,319,563	77,682,909
Receipts for Parliament refreshment rooms		1,341,830	1,030,506
Payments to suppliers and employees		(73,822,029)	(75,214,870)
Payments by Parliament refreshment rooms		(1,299,185)	(1,146,403)
		<u>540,179</u>	<u>2,352,142</u>
Goods and Services Tax recovered from the ATO		3,071,076	2,853,051
Goods and Services Tax paid to the ATO		(102,862)	(69,284)
Capital asset charge		(1,389,000)	(1,194,000)
Interest and other costs of finance paid		(232,288)	(212,113)
<b>Net cash provided by/ (used in) operating activities</b>	17 (c)	<u>1,887,105</u>	<u>3,729,796</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(6,172,010)	(6,387,383)
Sale proceeds from disposal of assets		1,037,009	729,954
<b>Net cash provided by/ (used in) investing activities</b>		<u>(5,135,001)</u>	<u>(5,657,429)</u>
<b>Cash flows from financing activities</b>			
Proceeds from capital contributed by State Government		5,782,100	4,100,000
Disposal of assets-Finance lease		(629,412)	(946,069)
Repayments of finance leases		(1,604,419)	(986,583)
<b>Net cash provided by/ (used in) financing activities</b>		<u>3,548,269</u>	<u>2,167,348</u>
<b>Net increase/ (decrease) in cash held</b>		<u>300,373</u>	<u>239,715</u>
Cash and cash equivalents at the beginning of the financial year		(1,065,875)	(1,305,590)
<b>Cash and cash equivalents at the end of the financial year</b>	17 (a)	<u>(765,502)</u>	<u>(1,065,875)</u>

The above cash flow statement should be read in conjunction with the accompanying notes included on pages 6 to 38.

Non-cash transactions are disclosed in note 17

**PARLIAMENT OF VICTORIA**  
**Notes to the financial statements**  
**30 June 2007**

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**Note 1 - Summary of accounting policies**

**(a) Statement of compliance**

This financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with the *Financial Management Act 1994*, applicable Australian Accounting Standards, in particular AAS29 Financial Reporting by Government Departments, Interpretations and other mandatory professional requirements. Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS').

**(b) Basis of preparation**

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

In the application of A-IFRS management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision, and future periods if the revision affects both current and future periods.

Judgements made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed throughout the notes in the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2007 and the comparative information presented for the year ended 30 June 2006.

**(c) Reporting entity**

The financial statements include all the controlled activities of the Parliament of Victoria. The Parliament has no controlled entities.

**Administered resources**

The Parliament administers but does not control certain resources on behalf of the Victorian Government. It is accountable for the transactions involving those administered resources, but does not have the discretion to deploy the resources for achievement of the Parliament's objectives. For these resources, the Parliament acts only on behalf of the Victorian Government. Administered resources are accounted for using the accrual basis of accounting.

Transactions and balances relating to these administered resources are not recognised as Parliament revenues, expenses, assets or liabilities within the body of the financial statements, but are disclosed in the applicable output schedules (see note 19). Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for Parliament items.

**Note 1 - Summary of significant accounting policies (continued)**

**(d) Objectives and funding**

The Parliament's functions may be broadly described as legislative, financial and representational. It authorises expenditure, debates Government policy and scrutinises Government administration

The Parliament is predominantly funded by accrual-based parliamentary appropriations for the provision of outputs.

**(e) Outputs of the Parliament**

Information about the Parliament's output activities, and the expenses, revenues, assets and liabilities which are reliably attributable to those output activities, is set out in the output activities schedule (note 2). Information about expenses, revenues, assets and liabilities administered by the Parliament are given in the schedule of administered expenses and revenues and the schedule of administered assets and liabilities (see also note 19).

**(f) Events after reporting date**

There are no events between the balance date and the date the statements were authorised for issue where the events relate to condition which arose after the reporting date and which may have a material impact on the results of subsequent years.

**(g) Goods and Services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

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

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority classified as operating cash flows.

Note 1 - Summary of significant accounting policies (continued)

**(h) Income recognition**

All income received by the Parliament is generally required to be paid into the Consolidated Fund.

Income becomes controlled by the Parliament when it is appropriated from the Consolidated Fund by the Victorian Parliament and applied to the purposes defined under relevant appropriations act. Additionally, the Parliament is permitted under section 29 of the *Financial Management Act 1994* to have certain receipts annotated to the annual appropriation. The receipts which form part of a section 29 agreement are received by the Parliament and paid into the Consolidated Fund as administered revenue (note 19). At this point, section 29 provides for an equivalent amount to be added to the annual appropriation. Examples of receipts which can form part of a section 29 agreement are receipts from sales of products and services, Commonwealth specific purpose grants and the proceeds from the sale of assets.

Amounts disclosed as income are, where applicable, net of returns, allowances and duties and taxes.

**Output appropriations**

Revenue from the outputs the Parliament provides is recognised when those outputs have been delivered and the Treasurer has certified delivery of those outputs in accordance with specified performance criteria.

**Resources provided and received free of charge or for nominal consideration**

Contributions of resources and resources provided free of charge or for nominal consideration are recognised at their fair value. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

**(i) Expenses**

**Employee Benefits**

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments and superannuation contributions. These are recognised when incurred, except for contributions in respect of defined benefit plans.

**Superannuation**

Defined benefit plan

The amount charged to the operating statement in respect of defined benefit superannuation plans represents the contributions made by the Parliament to the superannuation plan in respect to the current services of current Parliament of Victoria staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

The Department of Treasury and Finance centrally recognises the defined benefit liability or surplus of most Victorian government employees in such funds.

**Note 1 - Summary of significant accounting policies (continued)**

***Depreciation***

Depreciation is provided on property, plant and equipment. Depreciation is generally charged calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value.

Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

***Capital Asset Charge***

The capital asset charge represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs. The charge is calculated on the budgeted carrying amount of non-current physical assets (excluding cultural assets and the Whole of Government Motor Vehicle finance lease).

***Finance Costs***

Finance costs are recognised as expenses in the period in which they are incurred. Finance costs include finance lease charges.

***Impairment of assets***

All assets are assessed annually for indications of impairment (i.e. as to whether their carrying value exceeds their recoverable amount) and whenever there is an indication that the asset may be impaired.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the operating statement except to the extent that the write-down can be debited to an asset revaluation reserve amount applicable to that class of asset.

It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell.

***Supplies and Services***

Supplies and Services generally include the costs incurred in meeting the Parliament's Outputs.

**(j) *Assets***

All non-current assets, including Crown Land, controlled by the Parliament are reported in the balance sheet. Non-current assets which the Parliament administers on behalf of the Victorian Government are reported as administered resources.

***Cash and cash equivalents***

Cash and cash equivalents comprise cash on hand and cash in banks net of outstanding cheques yet to be presented by the Parliament's suppliers and creditors. Refer to note 17 (a).

**Note 1 - Summary of significant accounting policies (continued)**

***Receivables***

All debtors are recognised at the amounts receivable as they are due for settlement at no more than 30 days from the date of recognition.

Collectability of debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when some doubt as to collection exists.

***Inventories***

Stores, work in progress and finished goods are stated at the lower of cost and current replacement cost. Cost is based on the first-in, first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition.

***Property, plant and equipment***

***Restrictive nature of cultural and heritage assets and Crown land***

During the reporting period, the Parliament held cultural assets, heritage assets and Crown land.

Such assets are deemed worthy of preservation because of the social rather than financial benefits they provide to the community and their unique historical and cultural attributes and are measured at the cost of replacing these assets, less where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. The nature of these assets means that there are certain limitations and restrictions imposed on their use and/or disposal.

***Revaluations of non-current assets***

Non-current physical assets measured at fair value are revalued in accordance with FRD 103B. This revaluation process normally occurs every five years, based upon the asset's Government Purpose Classification. Revaluation increments or decrements arise from differences between carrying value and fair value.

Revaluation increments are credited directly to equity in the revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised as income in determining the net result.

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

Revaluation increments and decrements are offset against one another within a class of non-current assets.

***Non-current assets classified as held for sale***

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell, and are not subject to depreciation.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale is expected to be completed within one year from the date of classification.

**Note 1 - Summary of significant accounting policies (continued)**

**Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Parliament of Victoria at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Minimum lease payments are allocated between the principle component of the lease liability, and the interest expense calculated and charged directly to the operating statement.

The lease asset is depreciated over the shorter of the estimated useful life of the asset or the term of the lease.

Operating lease payments are recognised as an expense in the operating statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

The cost of leasehold improvements is capitalised as an asset and depreciated over the remaining term of the lease or the estimated useful life of the improvements, whichever is the shorter.

**(k) Liabilities**

**Payables**

These amounts represent liabilities for goods and services provided to the Parliament prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**Interest bearing liabilities**

Interest bearing liabilities are recorded initially at fair value, net of transaction costs.

Subsequent to initial recognition, interest bearing liabilities are measured at amortised cost, with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest liability using the effective interest rate method.

**Provisions**

Provisions are recognised when the Parliament has a present obligation, the future sacrifice of economic benefits are probable, and the amount of the provision can be measured reliably.

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

**Employee benefits**

**(i) Wages and salaries, annual leave and sick leave**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Those liabilities that are not expected to be settled within 12 months are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

**Note 1 - Summary of significant accounting policies (continued)**

(ii) *Long Service Leave*

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

**Current liability - unconditional LSL** (representing 7 or more years of continuous service) is disclosed as a current liability even where the department does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability LSL liability are measured at:

- > present value - component that the department does not expect to settle within 12 months; and
- > nominal value - component that the department expects to settle within 12 months.

**Non current liability - conditional LSL** (representing less than 7 years of continuous service) is disclosed as a non current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

(iii) *Employee benefits on-costs*

Employee benefits on-costs (payroll tax, workers compensation, superannuation, annual leave and LSL accrued while on LSL taken in service) are recognised and included with LSL employee benefits.

(l) *Commitments*

Commitments includes those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources and are disclosed at their nominal value.

(m) *Contingent assets and contingent liabilities*

Contingent assets and contingent liabilities are not recognised into the balance sheet, but are disclosed by way of note and, if quantifiable, are measured at nominal value.

(n) *Equity*

**Contributions by owners**

For additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributed capital.

(o) *Cash Flow statement*

For the purposes of the cash flow statement, cash comprises cash on hand, cash at bank and bank overdrafts and are subject to an insignificant risk of changes in value.

(p) *Rounding of amounts*

All figures in the financial statements and the notes thereto have been rounded off to the nearest dollar unless specifically stated otherwise.

**Note 2 - Parliament Outputs**

A description of Parliament outputs performed during the year ended 30 June 2007, and the objectives of these outputs, are summarised below.

**Parliament Outputs**

***Legislative Council Outputs***

***Description of outputs***

Provision of procedural advice to Members of the Legislative Council, processing of legislation, preparation of the records of the proceedings and documentation required for the sittings of the Council, provision of assistance to parliamentary committees, provision of information relating to the proceedings of the Council and enhancement of public awareness of Parliament.

***Objectives***

To ensure that the business of the Upper House and committees is conducted in accordance with the law, standing orders, and/or resolutions of the Parliament.

***Legislative Assembly Outputs***

***Description of outputs***

Provision of procedural advice to Members of the Legislative Assembly, preparation of the records of the proceedings and documentation required for the sittings of the Assembly and provision of assistance to parliamentary committees, provision of information relating to the proceedings of the Assembly and the promotion of public awareness of Parliament.

***Objectives***

To ensure that the business of the Lower House and committees is conducted in accordance with the law, standing orders, and/or resolutions of the Parliament.

***Department of Parliamentary Services***

***Description of outputs***

Provision of information and resources to Members of Parliament, Parliamentary Officers and parliamentary committees as well as members of the public, including the production of Hansard and library research services. It also includes the provision of ancillary services such as human resources, training, education, information technology, accounting & administration, budgets, property and facilities management.

***Objectives***

To provide high quality support services which enable the Parliament and State electorate offices to operate at optimum efficiency and effectiveness.



**Note 2 - Parliament Outputs (continued)**

***Parliamentary Investigative Committees Outputs***

***Description of outputs***

Inquire into matters either referred by the Governor-in-Council or the Parliament, or which may be self-generated by a Committee. Committees can be joint investigatory, specific purpose or select.

***Objectives***

To provide quality advice, support and information services to Members and other clients.

***Victorian Auditor-General's Office Outputs***

Separate financial statements have been prepared by the Victorian Auditor-General's Office for presentation to Parliament, as required by the Audit Act 1994. Accordingly, the transactions and balances of the Office are not included in Parliament of Victoria's financial statements.

**PARLIAMENT OF VICTORIA**  
**Notes to the financial statements**  
**30 June 2007**

**Note 2 - Parliament Outputs schedule - controlled income and expenses for the year ended 30 June 2007**

	Legislative Council \$	Legislative Assembly \$	Department of Parliamentary Services \$	Parliamentary Investigatory Committees \$	Parliament Total \$
<b>Income</b>					
Output appropriations	2,648,241	4,107,820	54,464,579	5,704,641	66,925,281
Special appropriations	6,121,902	11,997,701	-	-	18,119,603
Other revenue	-	-	13,600	-	13,600
Parliament refreshment rooms	-	-	1,219,470	-	1,219,470
<b>Total revenue</b>	<b>8,770,143</b>	<b>16,105,521</b>	<b>55,697,649</b>	<b>5,704,641</b>	<b>86,277,954</b>
<b>Expenses</b>					
Employee benefits	(7,927,568)	(14,535,510)	(24,577,339)	(2,658,703)	(49,699,120)
Depreciation and amortisation	-	-	(5,423,308)	-	(5,423,308)
Capital asset charge	-	-	(1,389,000)	-	(1,389,000)
Supplies and services	(462,575)	(940,011)	(19,977,404)	(1,150,938)	(22,530,928)
Other expenses from ordinary activities	-	(100,000)	(195,242)	-	(295,242)
Finance costs	-	-	(232,288)	-	(232,288)
Parliament refreshment rooms	-	-	(1,308,777)	-	(1,308,777)
<b>Total expenses</b>	<b>(8,390,143)</b>	<b>(15,575,521)</b>	<b>(53,103,358)</b>	<b>(3,809,641)</b>	<b>(80,878,663)</b>
<b>Net result for the period</b>	<b>380,000</b>	<b>530,000</b>	<b>2,594,291</b>	<b>1,895,000</b>	<b>5,399,291</b>

The comparative Parliament Outputs schedule for the year ended 30 June 2006 appears on the following page.

**PARLIAMENT OF VICTORIA**  
**Notes to the financial statements**  
**30 June 2006**

**Note 2 - Parliament Outputs schedule - controlled income and expenses for the year ended 30 June 2006**

	Legislative Council \$	Legislative Assembly \$	Department of Parliamentary Services \$	Department of Parliamentary Investigatory Committees \$	Parliament Total \$
<b>Income</b>					
Output appropriations	2,566,823	3,956,752	51,025,064	5,556,627	63,105,266
Special appropriations	6,062,487	11,625,907	-	-	17,688,394
Other revenue	-	-	-	-	-
Parliament refreshment rooms	-	-	834,194	-	834,194
<b>Total revenue</b>	<b>8,629,310</b>	<b>15,582,659</b>	<b>51,859,258</b>	<b>5,556,627</b>	<b>81,627,854</b>
<b>Expenses</b>					
Employee benefits	(7,722,079)	(14,123,625)	(23,923,619)	(3,404,429)	(49,173,752)
Depreciation and amortisation	-	-	(3,840,183)	-	(3,840,183)
Capital asset charge	-	-	(1,194,000)	-	(1,194,000)
Supplies and services	(421,231)	(894,033)	(21,439,642)	(1,699,198)	(24,454,104)
Other expenses from ordinary activities	-	(100,000)	(238,763)	-	(338,763)
Finance costs	-	-	(212,113)	-	(212,113)
Parliament refreshment rooms	-	-	(1,099,466)	-	(1,099,466)
<b>Total expenses</b>	<b>(8,143,310)</b>	<b>(15,117,658)</b>	<b>(51,947,786)</b>	<b>(5,103,627)</b>	<b>(80,312,381)</b>
<b>Net result for the period</b>	<b>486,000</b>	<b>465,001</b>	<b>(88,528)</b>	<b>453,000</b>	<b>1,315,473</b>

**PARLIAMENT OF VICTORIA**  
**Notes to the financial statements**  
**30 June 2007**

**Note 2 - Parliament Outputs schedule - controlled income and expense recognised directly in equity for the year ended 30 June 2007**

	Legislative Council \$	Legislative Assembly \$	Department of Parliamentary Services \$	Parliamentary Investigatory Committees \$	Parliament Total \$
Gain on asset revaluations	-	-	7,336,117	-	7,336,117
<b>Total</b>	<b>-</b>	<b>-</b>	<b>7,336,117</b>	<b>-</b>	<b>7,336,117</b>

**Parliament Outputs schedule - controlled income and expense recognised directly in equity for the year ended 30 June 2006**

	Legislative Council \$	Legislative Assembly \$	Department of Parliamentary Services \$	Parliamentary Investigatory Committees \$	Parliament Total \$
Gain on cultural assets revaluation	-	-	1,374,356	-	1,374,356
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,374,356</b>	<b>-</b>	<b>1,374,356</b>

**PARLIAMENT OF VICTORIA**  
**Notes to the financial statements**  
**30 June 2007**

**Note 2 - Parliament Outputs schedule - controlled assets and liabilities as at 30 June 2007**

	Legislative Council \$	Legislative Assembly \$	Department of Parliamentary Services \$	Parliamentary Investigatory Committees \$	Parliament Total \$
<b>Assets</b>					
Current assets	445,907	533,503	32,587,879	1,911,724	35,479,013
Non-current assets	-	-	207,819,895		207,819,895
<b>Total assets</b>	<b>445,907</b>	<b>533,503</b>	<b>240,407,774</b>	<b>1,911,724</b>	<b>243,298,908</b>
<b>Liabilities</b>					
Current liabilities	(812,107)	(1,116,879)	(9,595,907)	(607,007)	(12,131,901)
Non-current liabilities	(2,545)	(20,958)	(1,825,689)	(36,224)	(1,885,416)
<b>Total liabilities</b>	<b>(814,652)</b>	<b>(1,137,837)</b>	<b>(11,421,596)</b>	<b>(643,231)</b>	<b>(14,017,317)</b>
<b>Net assets/(liabilities)</b>	<b>(368,745)</b>	<b>(604,334)</b>	<b>228,986,179</b>	<b>1,268,493</b>	<b>229,281,591</b>

The comparative Parliament Outputs schedule for the year ended 30 June 2006 appears on the following page.

**PARLIAMENT OF VICTORIA**  
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**Note 2 - Parliament Outputs schedule - controlled assets and liabilities as at 30 June 2006**

	Legislative Council \$	Legislative Assembly \$	Department of Parliamentary Services \$	Parliamentary Investigatory Committees \$	Parliament Total \$
<b>Assets</b>					
Current assets	300	18,113	5,690,279	32,094	5,740,786
Non-current assets	-	-	217,145,884	-	217,145,884
<b>Total assets</b>	<b>300</b>	<b>18,113</b>	<b>222,836,163</b>	<b>32,094</b>	<b>222,886,670</b>
<b>Liabilities</b>					
Current liabilities	(612,904)	(895,405)	(8,554,139)	(652,592)	(10,715,040)
Non-current liabilities	(17,163)	(47,601)	(1,900,738)	(136,916)	(2,102,418)
<b>Total liabilities</b>	<b>(630,067)</b>	<b>(943,006)</b>	<b>(10,454,877)</b>	<b>(789,508)</b>	<b>(12,817,458)</b>
<b>Net assets/(liabilities)</b>	<b>(629,767)</b>	<b>(924,893)</b>	<b>212,381,286</b>	<b>(757,414)</b>	<b>210,069,212</b>

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	2007	2006
	\$	\$
<b>Note 3 Income &amp; Expenses</b>		
<b>Income</b>		
<b>(a) Revenue from Government</b>		
<b>Output appropriations</b>		
Output appropriations for continuing operations	66,925,281	63,105,266
<b>Special Appropriations</b>		
Special appropriations for continuing operations	18,119,603	17,688,394
	85,044,884	80,793,660
<b>(b) Other revenue</b>		
Parliament refreshment rooms	1,219,470	834,194
Items identified for the first time	13,600	-
	1,233,070	834,194
<b>Total revenue</b>	<b>86,277,954</b>	<b>81,627,854</b>
<b>(c) Employee benefit expense</b>		
Salaries and wages (**)	41,148,108	39,976,175
Annual leave and long services leave expense	3,098,266	3,298,367
Superannuation contribution	2,307,036	2,349,352
State Employees Retirement Benefits Scheme - contribution	15,371	17,284
Work cover premiums	206,554	379,852
Payroll tax	2,342,580	2,457,790
Fringe benefits tax	581,214	694,932
<b>Total employee benefits</b>	<b>49,699,129</b>	<b>49,173,752</b>
** Salaries and wages includes all salaries and allowances paid to Members of Parliament, however, excludes Ministers' salaries and allowances which are paid by the Department of Premier and Cabinet.		
<b>(d) Depreciation &amp; Amortisation expense</b>		
<b>(i) Depreciation of non-current assets</b>		
Depreciation - Buildings	794,504	682,439
Depreciation - Plant & Equipment	1,236,140	1,147,397
Depreciation - Cultural Assets	555,788	718,519
	2,586,432	2,548,355
<b>(ii) Amortisation of non-current assets</b>		
Amortisation - Leasehold improvements	580,260	257,834
Amortisation - Plant & Equip. under finance lease	967,955	1,033,994
	1,548,215	1,291,828
<b>(iii) Impairment - Leasehold Improvements</b>	1,288,661	-
	5,423,308	3,840,183
<b>(e) Parliament refreshment rooms</b>		
The Parliament refreshment rooms operate within the Parliamentary complex :		
<b>Expenses</b>		
Cost of goods sold	375,099	283,175
Other expenditure	933,679	816,291
	1,308,778	1,099,466

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**Note 3 - Income & Expenses (continued)**

	2007	2006
	\$	\$
<b>(f) Supplies and services</b>		
Acts, bills and statutory rules	615,000	472,857
Advertising	282,268	217,116
Cleaning expenses	510,016	514,292
Committee operating costs	327,573	790,692
Communication expenses	2,986,883	3,933,545
Computer consulting and contractors	284,478	542,649
Computer software purchases	588,965	719,544
Computer support services	507,385	552,529
Consulting services	651,236	640,464
Electorate office expenses	709,461	867,672
Equipment rental	634,845	589,744
Garden expenses	126,985	228,160
Insurance	360,778	385,725
Maintenance consulting and contractors	267,596	276,892
Maintenance department consumables	585,489	553,300
Minor equipment purchase and repair	345,040	279,405
Motor vehicle lease cost	29,009	137,730
Motor vehicle running costs	928,817	974,229
Office expenses	513,872	525,603
Office requisites and stationery	407,712	347,456
Online data base expenses	199,897	221,295
Other expenses	722,503	1,186,514
Postage	1,677,985	1,371,176
Printing and copying	2,258,487	2,176,386
Property rental cost	4,663,128	4,558,138
Relocations and maintenance	382,650	381,741
Travel and subsistence	276,846	338,430
Utilities	686,014	670,820
<b>Total supplies and services</b>	<b>22,530,918</b>	<b>24,454,104</b>
<b>(g) Other expenses from ordinary activities</b>		
Commonwealth Parliamentary Association Grant	100,000	100,000
Loss on disposal of Property, Plant & Equipment	195,242	238,763
<b>Total Other expenses from ordinary activities</b>	<b>295,242</b>	<b>338,763</b>
<b>(h) Finance costs</b>		
Interest on Finance Leases paid/payable	232,288	212,113
<b>Total Finance costs</b>	<b>232,288</b>	<b>212,113</b>



**PARLIAMENT OF VICTORIA**  
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	2007 \$	2006 \$
<b>Note 4 - Receivables</b>		
<b>Current:</b>		
Amounts owing from Victorian Government	5,615,835	4,090,486
Debtors - Parliament refreshment rooms	95,011	86,409
Less : Provision for doubtful debts	-	-
	5,710,846	4,176,895
Other debtors	486,488	671,040
	6,197,334	4,847,935
<b>Non-current:</b>		
Amounts owing from Victorian Government	28,331,777	19,131,804
	28,331,777	19,131,804
<b>Aggregate carrying amount of receivables</b>		
Current	6,197,334	4,847,935
Non-current	28,331,777	19,131,804
	34,529,111	23,979,739
<b>Note 5 - Inventories</b>		
<b>Current :</b>		
Stock on hand - Parliament refreshment rooms	39,896	43,307
	39,896	43,307
<b>Note 6 - Other Assets</b>		
Prepayments	702,765	604,576
	702,765	604,576

**Note 7 - Property, plant and equipment - carrying amounts**

**As at 30 June 2007**

Description	At cost/ valuation	Accumulated depreciation & amortisation	Written down value
<b>At cost</b>			
Buildings	-		-
Leasehold improvements	5,736,424	2,723,897	3,012,527
Plant, Equipment	17,549,896	13,153,093	4,396,803
Buildings in the course of construction	1,191,653	-	1,191,653
Plant & Equipment in the course of construction	728,598	-	728,598
Plant, equipment & Vehicles under finance lease	4,906,074	1,404,279	3,501,795
<b>At valuation</b>			
Land	50,000,000	-	50,000,000
Buildings	133,453,000	-	133,453,000
Cultural assets - Library	7,674,162	-	7,674,162
Cultural assets - other	3,863,901	2,545	3,861,356
<b>Total</b>	<u>225,103,708</u>	<u>17,283,814</u>	<u>207,819,894</u>

**As at 30 June 2006**

<b>At cost</b>			
Buildings	2,324,812	58,172	2,266,640
Leasehold improvements	2,716,020	854,976	1,861,044
Plant and equipment & Vehicles	15,953,953	11,916,952	4,037,001
Plant, Equip & Vehicles under finance lease	4,431,186	975,222	3,455,964
Buildings in the course of construction	4,170,232	-	4,170,232
Plant & Equip. in the course of construction	368,267	-	368,267
Plant & Equipment in the course of construction			-
<b>At valuation</b>			
Land	43,000,000		43,000,000
Buildings	129,054,574	1,505,637	127,548,937
Cultural assets - Library	7,674,162	43,825	7,630,337
Cultural assets - other	3,747,665	72,007	3,675,658
<b>Total</b>	<u>213,440,870</u>	<u>15,426,790</u>	<u>198,014,080</u>

**Valuation of assets**

An independent valuation of the Parliament's land, buildings and Cultural assets was performed by The Australian Valuation Office and And Kenneth Hince respectively. The revaluations were based on fair value basis as reflected by market evidence. The effective date of the valuation is June 2007.

PARLIAMENT OF VICTORIA  
Notes to the financial statements  
30 June 2007

Note 7 - Property, plant and equipment (continued)

Reconciliations

Public Administration Purpose group - Movements in Carrying Amounts.

	Land	Buildings	Leasehold improvements	Plant & equipment and vehicles	Cultural assets - Library	Cultural assets - other	Leased plant & equipment and vehicles	In course of construction	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Year ended 30 June 2007</b>									
Carrying amount at start of year	43,000,000	129,815,577	1,861,044	4,037,001	7,630,337	3,675,657	3,455,965	4,538,499	198,014,080
Additions	-	363,716	7,877	266,853	-	3,500	2,178,180	5,530,065	8,350,191
Disposals	-	-	-	-	-	-	(1,046,058)	(1,260)	(1,047,318)
Revaluation increments (note 18(a))	7,000,000	(432,096)	-	-	569,720	198,493	-	-	7,336,117
Transfers between classes	-	3,805,436	3,012,527	1,329,089	-	-	-	(8,147,052)	-
Assets identified for the first time	-	-	-	-	-	13,600	-	-	13,600
Classified as held for sale	-	-	-	-	-	-	(118,339)	-	(118,339)
Equity Transfers within Government	-	694,871	-	-	-	-	-	-	694,871
Depreciation / amortisation / impairment expense (note 3(c))	-	(794,504)	(1,868,921)	(1,236,140)	(525,893)	(29,894)	(967,956)	-	(5,423,308)
<b>Carrying amount at end of year</b>	<b>50,000,000</b>	<b>133,453,000</b>	<b>3,012,527</b>	<b>4,396,803</b>	<b>7,674,164</b>	<b>3,861,356</b>	<b>3,501,792</b>	<b>1,920,252</b>	<b>207,819,894</b>
<b>Year ended 30 June 2006</b>									
Carrying amount at start of year	43,000,000	128,928,738	1,705,826	4,275,143	6,944,468	3,728,943	2,503,755	1,042,701	192,129,574
Additions	-	1,098,328	276,966	909,255	-	-	3,115,436	4,102,834	9,502,819
Disposals	-	-	-	-	-	(23,255)	(943,426)	-	(966,681)
Revaluation increments (note 16(a))	-	-	-	-	1,374,357	-	-	-	1,374,357
Transfers between classes	-	470,950	136,086	-	-	-	-	(607,036)	-
Classified as held for sale	-	-	-	-	-	-	(185,806)	-	(185,806)
Depreciation / amortisation expense (note 3(d))	-	(682,499)	(257,834)	(1,147,397)	(688,488)	(30,031)	(1,033,994)	-	(3,840,183)
<b>Carrying amount at end of year</b>	<b>43,000,000</b>	<b>129,815,577</b>	<b>1,861,044</b>	<b>4,037,001</b>	<b>7,630,337</b>	<b>3,675,657</b>	<b>3,455,965</b>	<b>4,538,499</b>	<b>198,014,080</b>

The following useful lives of assets are used in the calculation of depreciation:

Assets	Depreciation Rate%
Buildings	2006-07
Leasehold improvements	2005-06
Plant Equipment and Vehicles	0.5 to 10
Cultural Assets	10
	10 to 33.3
	0 to 20

Restrictive assets

The Parliament of Victoria holds \$184 million worth of properties being listed as heritage assets.

Depreciation by class of asset

Aggregate depreciation allocated during the year is recognised as an expense and disclosed in Note 3 to the financial statements.

**PARLIAMENT OF VICTORIA**  
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**Note 8 - Non-current assets held for sale**

	2007	2006
	\$	\$
Property, plant & equipment held for sale	118,339	185,806
	<b>118,339</b>	<b>185,806</b>
	<b>118,339</b>	<b>185,806</b>

**Note 9 - Payables**

Trade creditors	2,456,806	1,340,899
Other creditors	1,004,876	751,618
	<b>3,461,682</b>	<b>2,092,517</b>
	<b>3,461,682</b>	<b>2,092,517</b>

**Note 10 - Interest bearing liabilities**

**Current**

**Secured**

Lease Liabilities (note 13)	2,146,821	2,203,187
	<b>2,146,821</b>	<b>2,203,187</b>
	<b>2,146,821</b>	<b>2,203,187</b>

**Non-current**

**Secured**

Lease Liabilities (note 13)	1,493,577	1,493,732
	<b>1,493,577</b>	<b>1,493,732</b>
	<b>1,493,577</b>	<b>1,493,732</b>

**Aggregate carrying amount of interest bearing liabilities**

Current	2,146,821	2,203,187
Non-current	1,493,577	1,493,732
	<b>3,640,398</b>	<b>3,696,919</b>
	<b>3,640,398</b>	<b>3,696,919</b>

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

**Assets pledged as security**

The carrying amounts of non-current assets pledged as security are :

**Finance Lease**

Vehicles under finance lease (note 7 & 8)	3,620,131	3,641,770
	<b>3,620,131</b>	<b>3,641,770</b>
	<b>3,620,131</b>	<b>3,641,770</b>

**PARLIAMENT OF VICTORIA**  
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**Note 11 - Provisions**

	2007	2006
	\$	\$
<b>Provision for employee benefits</b>		
<b>Current</b>		
Employee Benefits (note 11A)	5,668,992	5,294,298
<b>Non-current</b>		
Employee Benefits (note 11A)	391,840	608,686
<b>Total provisions</b>	<b>6,060,832</b>	<b>5,902,984</b>

**Note 11A - Provisions**

**Current**

All annual leave and LSL entitlements representing 7+ years of continuous service

– Short-term employee benefits, that fall due within 12 months after the end of the period measured at nominal value	3,691,667	3,273,219
– Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value	1,977,325	2,021,079
	<b>5,668,992</b>	<b>5,294,298</b>

**Non-current**

LSL representing less than 7 years of continuous service measured at present value

	<b>391,840</b>	<b>608,686</b>
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**Employee numbers**

Average number of employees during the financial year	679	689
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**Note 12 - Superannuation**

**Government Employees' Superannuation Fund**

No liability is recognised in the statement of financial position for the Parliament's share of the State's unfunded superannuation liability. The State's unfunded superannuation liability has been reflected in the financial statements of the Department of Treasury and Finance.

However, superannuation contributions for the reporting period are included as part of salaries and associated costs in the statement of financial performance of the Parliament.

The name and details of the major employee superannuation funds and contributions made by Parliament are as follows:

Fund	Contribution for the year 2007 \$	Contribution for the year 2006 \$	Contribution outstanding at year end 2007 \$	Contribution outstanding at year end 2006 \$
Vic Super - Emp SG Contributions	1,701,101	1,908,174	158,084	-
Govt Super Office (Emp New & Revised)	335,779	368,984	27,484	-
Govt. Super Office (Emp Serbs) Cont	15,371	17,283	-	-
<b>Total</b>	<b>2,052,251</b>	<b>2,294,441</b>	<b>185,568</b>	<b>-</b>

The bases for contributions are determined by the various schemes.

All employees of the Parliament are entitled to benefits on retirement, disability or death from the Superannuation Funds. The defined benefit funds provide lump sum benefits based on years of service and final average salary.

The above amounts were measured as at 30 June of each year, or in the case of employer contributions they relate to the years ended 30 June.

**PARLIAMENT OF VICTORIA**  
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**Note 13 - Leases**

**Disclosures for lessees - finance leases**

*Leasing arrangements*

Finance leases relate to motor vehicles with lease terms between 1 and 3 years.

**Finance Lease Liabilities**

	Minimum future lease payments		Present value of minimum future lease payments	
	2007	2006	2007	2006
Not longer than 1 year	2,302,731	2,364,305	2,146,821	2,203,187
Longer than 1 year and not longer than 5 years	1,566,720	1,572,196	1,493,577	1,493,732
Longer than 5 years	-	-	-	-
Minimum lease payments*	3,869,451	3,936,501	3,640,398	3,696,919
Less future finance charges	(228,661)	(239,582)	-	-
Present value of minimum lease payments	3,640,790	3,696,919	3,640,398	3,696,919
Included in the financial statements as:				
Current interest bearing liabilities (note 10)			2,146,821	2,203,187
Non-current interest bearing liabilities (note 10)			1,493,577	1,493,732
			3,640,398	3,696,919

\*Minimum future lease payments includes the aggregate of all lease payments and any guaranteed residual.

The weighted average interest rate implicit in the leases is 6.56% (2006 - 6.30%)

**Disclosures for lessees - operating leases**

*Leasing arrangements*

Operating leases consist of property rental agreements with options to extend and include market review clauses, in the event the Parliament exercises its option to renew. The Parliament does not have the option to purchase the leased asset at the expiry of the leased period.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within one year	5,150,249	5,027,374
Later than one year but not later than 5 years	5,531,342	8,979,956
Later than 5 years	21,600	53,431
	10,703,191	14,060,761

The Parliament leases certain plant and equipment under operating leases. Leases of plant and equipment generally provide the Parliament with a right of renewal at which time all terms are renegotiated.

**PARLIAMENT OF VICTORIA**  
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**Note 14 - Commitments for expenditure**

	2007	2006
	\$	\$

**(a) Capital expenditure commitments**

Commitments for the acquisition of property, plant and equipment contracted for at the reporting date but not recognised as liabilities, payable :

Within one year	515,757	-
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**(b) Lease commitments**

Finance lease liabilities and non-cancellable operating lease commitments are disclosed in note 13 to the financial statements.

**Note 15 - Contingent liabilities and contingent assets**

**Contingent liabilities**

The Plaintiff alleges breaches of a Tender process Agreement and the Fair Trading Act by the Parliament of Victoria.

	1,667,302	430,715
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Total quantifiable contingent liabilities	1,667,302	430,715
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**Contingent Assets**

	-	-
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**Note 16 - Financial Instruments**

**(a) Financial risk management objectives**

The Parliament of Victoria does not enter into derivative financial instruments to manage its exposure to interest rate risk.

**(b) Significant accounting policies**

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 1 to the financial statements.

**(c) Significant terms and conditions**

Such disclosures have been provided in respective notes.

**(d) Interest rate risk exposures**

The following table details the Parliament's exposure to interest rate risk as at 30 June 2007:

	Notes	Weighted average effective interest rate	Variable interest rate	Fixed interest maturing in:		Non-interest bearing	Total
				Less than 1 year	1 - 2 years		
			\$	\$	\$	\$	\$
<b>2007</b>							
<b>Financial assets</b>							
Cash assets	17 (a)	5.99%	82,128	-	-	6,775	88,903
Receivables	4	-	-	-	-	34,529,111	34,529,111
<b>Total financial assets</b>			<b>82,128</b>	<b>-</b>	<b>-</b>	<b>34,535,886</b>	<b>34,618,014</b>
<b>Financial liabilities</b>							
Payables	9	-	-	-	-	3,461,683	3,461,683
Bank overdraft	17 (a)	-	-	-	-	854,405	854,405
Interest bearing liabilities	10, 13	6.56%	-	2,146,821	1,493,577	-	3,640,398
<b>Total financial liabilities</b>			<b>-</b>	<b>2,146,821</b>	<b>1,493,577</b>	<b>4,316,088</b>	<b>7,956,486</b>
<b>Net financial assets (liabilities)</b>			<b>82,128</b>	<b>(2,146,821)</b>	<b>(1,493,577)</b>	<b>30,219,798</b>	<b>26,661,528</b>

	Notes	Weighted average interest rate	Floating interest rate	Fixed interest maturing in:		Non-interest bearing	Total
				1 year or less	Over 1 year to 5 years		
			\$	\$	\$	\$	\$
<b>2006</b>							
<b>Financial assets</b>							
Cash assets	17 (a)	5.46%	52,337	-	-	6,825	59,162
Receivables	4	-	-	-	-	23,979,739	23,979,739
<b>Total financial assets</b>			<b>52,337</b>	<b>-</b>	<b>-</b>	<b>23,986,564</b>	<b>24,038,901</b>
<b>Financial liabilities</b>							
Payables	9	-	-	-	-	2,092,517	2,092,517
Bank overdraft	17 (a)	-	-	-	-	1,125,038	1,125,038
Lease liabilities	10, 13	6.30%	-	2,203,187	1,493,732	-	3,696,919
<b>Total financial liabilities</b>			<b>-</b>	<b>2,203,187</b>	<b>1,493,732</b>	<b>3,217,555</b>	<b>6,914,474</b>
<b>Net financial assets (liabilities)</b>			<b>52,337</b>	<b>(2,203,187)</b>	<b>(1,493,732)</b>	<b>20,769,009</b>	<b>17,124,427</b>



**Note 16 - Financial instruments (continued)**

**(d) Fair value**

Management consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values.

The net fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk.

Transaction costs are included in the determination of net fair value.

None of the classes of financial assets and liabilities are readily traded on organised markets in standardised form.

**(e) Credit risk exposure**

The credit risk on financial assets of the Parliament which have been recognised on the statement of financial position is generally the carrying amount, net of any provisions for doubtful debts.

The Parliament has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

**PARLIAMENT OF VICTORIA**  
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	2007 \$	2006 \$
<b>Note 17 - Notes to the cash flow statement</b>		
<b>(a) Reconciliation of cash</b>		
For the purposes of the Cash Flow Statement, cash includes cash on hand and in banks net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the balance sheet as follows:		
Cash on hand (i)	- Parliament of Victoria - Parliament refreshment rooms	4,275 2,500
Bank balance	- Parliament refreshment rooms	4,325 2,500
	<b>82,128</b>	<b>52,337</b>
	<u><b>88,903</b></u>	<u><b>59,162</b></u>
Bank overdraft	<b>(804,993)</b>	<b>(863,455)</b>
Funds held in trust (Note 21)	<b>(49,412)</b>	<b>(261,583)</b>
	<u><b>(854,405)</b></u>	<u><b>(1,125,038)</b></u>
	<u><b>(765,502)</b></u>	<u><b>(1,065,876)</b></u>
(i)	Due to the State of Victoria's investment policy and government funding arrangements, government departments generally do not hold a large cash reserve in their bank accounts. Cash received by the Parliament of Victoria from the generation of revenue is generally paid into the State's bank account, known as the Public Account. Similarly, any departmental expenditure, including those in form of cheques drawn by the Parliament of Victoria for the payment of goods and services to its suppliers and creditors are made via the Public Account. The process is such that, the Public Account would remit to the Parliament of Victoria the cash required for the amount drawn on the cheques. This remittance by the Public Account occurs upon the presentation of the cheques by the department's suppliers or creditors.	
The above funding arrangements often result in departments having a notional shortfall in the cash at bank required for payment of unrepresented cheques at the reporting date.		
At 30 June 2007, cash at bank include the amount of a notional shortfall for the payment of unrepresented cheques of \$812,607.69 (2006 - \$885,602.55)		
<b>(b) Non cash-services received</b>		
Non-cash services of seconded staff (valued at \$20,400 (2006 - \$104,359)) received from the Victorian Auditor-General's Office (an output group of the Parliament) during the year.		
<b>(c) Reconciliation of net result for the period to net cash flows from operating activities</b>		
Net result for the period	<b>5,399,291</b>	1,315,473
Items identified for the first time	<b>(13,600)</b>	-
Depreciation and amortisation	<b>5,423,308</b>	3,840,183
Loss on sale of assets	<b>195,242</b>	238,763
Change in operating assets and liabilities		
(Increase) in receivables	<b>(10,549,372)</b>	(3,301,128)
Decrease (Increase) in inventories	<b>3,411</b>	18,639
(Increase) in prepayments	<b>(98,189)</b>	176,905
Increase in trade creditors	<b>1,369,166</b>	370,945
Increase in other provisions	<b>157,848</b>	1,070,016
Net cash from operating activities	<u><b>1,887,105</b></u>	<u><b>3,729,796</b></u>

**PARLIAMENT OF VICTORIA**  
**Notes to the financial statements**  
**30 June 2007**

**Note 18 - Equity and movements in equity**

	2007 \$	2006 \$
<b>(a) Reserves</b>		
<b>Asset revaluation reserve - Land</b>		
Balance 1 July	15,000,000	15,000,000
Revaluation increment/(decrement) during the year	7,000,000	-
Balance 30 June	<u>22,000,000</u>	<u>15,000,000</u>
<b>Asset revaluation reserve - Buildings</b>		
Balance 1 July	28,687,467	28,687,467
Revaluation increment/(decrement) during the year	(432,095)	-
Balance 30 June	<u>28,255,372</u>	<u>28,687,467</u>
<b>Asset revaluation reserve - Cultural Assets</b>		
Balance 1 July	4,331,816	2,957,460
Revaluation increment/(decrement) during the year	768,212	1,374,356
Balance 30 June	<u>5,100,028</u>	<u>4,331,816</u>
Total Reserves	<u>55,355,400</u>	<u>48,019,283</u>
<b>(b) Contributions by owners</b>		
Balance 1 July	151,550,362	147,450,362
Capital contribution during the year by Victorian State Government (note 20 (a))	5,782,100	4,100,000
Equity Transfers within Government	694,871	-
Balance 30 June	<u>158,027,333</u>	<u>151,550,362</u>
<b>(c) Accumulated surplus</b>		
Accumulated surplus at the beginning of the financial year	10,499,567	9,184,094
Net result for the reporting period	5,399,291	1,315,473
Accumulated surplus at the end of the financial year	<u>15,898,858</u>	<u>10,499,567</u>
<b>(d) Nature and purpose of reserves</b>		
<b>Asset revaluation reserve</b>		
The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy note 1 (i).		

**PARLIAMENT OF VICTORIA**  
**Notes to the financial statements**  
**30 June 2007**

**Note 19 - Administered items**

In addition to the specific Parliamentary operations which are included in the balance sheet, operating statement and cash flow statement, the Parliament administers or manages activities on behalf of the State. The transactions relating to these State activities are reported as administered items in this note. Administered transactions give rise to income, expenses, assets and liabilities and are determined on an accrual basis. Administered revenues include the proceeds from the sale of non-current assets and other miscellaneous income.

**Department of Parliamentary**

	<b>Services</b>		<b>Parliament Total</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Administered income</b>				
Sale of goods and services	7,814	61,691	7,814	61,691
Sale of non-current assets	-	9,625	-	9,625
<b>Total administered income</b>	<b>7,814</b>	<b>71,316</b>	<b>7,814</b>	<b>71,316</b>
<b>Administered expenses</b>				
Payments into the Consolidated Fund	(7,814)	(71,316)	(7,814)	(71,316)
<b>Total administered expenses</b>	<b>(7,814)</b>	<b>(71,316)</b>	<b>(7,814)</b>	<b>(71,316)</b>
<b>Administered assets</b>	-	-	-	-
<b>Administered liabilities</b>	-	-	-	-

**Note 20 (a) - Summary of compliance with annual parliamentary appropriations**

The following table discloses the details of the various parliamentary appropriations received by the Parliament for the year. In accordance with accrual output-based management procedures 'Provision for outputs' and 'Additions to net assets' are disclosed as 'controlled' activities of the Parliament. Administered transactions are those that are undertaken on behalf of the State over which Parliament has no control or discretion.

2007

	Appropriation Act		Financial Management Act 1994				Total Parliamentary Authority	Appropriations Applied	Variance
	Annual Appropriation	Section 3(2) Payments from Advance to Treasurer	Section 29	Section 31	Section 32	Section 35 Advances			
<b>Controlled</b>	\$	\$	\$	\$	\$	\$	\$	\$	
Provision for outputs	70,039,000	-	-	(970,000)	1,436,000	-	70,505,000	66,925,281 (a)	3,579,719 (a)
Additions to net assets	6,700,000	-	-	970,000	3,800,000	-	11,470,000	5,782,100	5,687,900 (a)
<b>Administered</b>									
Payments made on behalf of the state	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>76,739,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,236,000</b>	<b>-</b>	<b>81,975,000</b>	<b>72,707,381</b>	<b>9,267,619</b>

(a) Relates to deferral of electorate office budget expenditure and capital projects.

2006

	Appropriation Act		Financial Management Act 1994				Total Parliamentary Authority	Appropriations Applied	Variance
	Annual Appropriation	Section 3(2) Payments from Advance to Treasurer	Section 29	Section 31	Section 32	Section 35 Advances			
<b>Controlled</b>	\$	\$	\$	\$	\$	\$	\$	\$	
Provision for outputs	62,891,000	162,000	-	-	1,584,000	-	64,637,000	63,105,266	1,531,734 (b)
Additions to net assets	4,100,000	-	-	-	3,800,000	-	7,900,000	4,100,000	3,800,000 (b)
<b>Administered</b>									
Payments made on behalf of the state	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>66,991,000</b>	<b>162,000</b>	<b>-</b>	<b>-</b>	<b>5,384,000</b>	<b>-</b>	<b>72,537,000</b>	<b>67,205,266</b>	<b>5,331,734</b>

(b) Relates to deferral of electorate office budget expenditure, minor maintenance and capital projects.

**PARLIAMENT OF VICTORIA**  
**Notes to the financial statements**  
**30 June 2007**

**Note 20 (b) - Summary of compliance with special appropriations**

Authority	Purpose	Appropriations applied	
		2007 \$	2006 \$
Audit Act No.2 of 1994	Audit of the Auditor General's Office	25,000	24,000
Constitution Act No. 8750 - Clerk of the Parliaments	Salary	1,993	1,978
Constitution Act No. 8750 - Legislative Assembly	Salaries	550,000	550,000
Constitution Act No. 8750 - Legislative Council	Salaries	200,000	200,000
Parliamentary Salaries and Superannuation Act No 7723 - salaries and allowances	Salaries and allowances	17,342,610	16,912,416
<b>Total</b>		<b>18,119,603</b>	<b>17,688,394</b>

**PARLIAMENT OF VICTORIA**  
**Notes to the financial statements**  
**30 June 2007**

**Note 21 - Trust Account Balances**

**2007**                      **2006**  
 \$                                      \$

The following is a listing of Trust Account Balances relating to Trusts Accounts Controlled and Administered by the Parliament of Victoria.

Cash/overdrafts as at 30 June

**Controlled Trusts**

Public service commuter club	(49,412)	(45,468)
Vehicle lease trust account	-	(216,115)
<b>Total Controlled Trusts</b>	<b>(49,412)</b>	<b>(261,583)</b>

**Administered Trusts**

<b>Total Administered Trusts</b>	-	-
----------------------------------	---	---

No other Trust Accounts were opened or closed by the Parliament during 2006-07.

**Note 22 - Responsible persons**

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

**Names**

Persons who held positions in relation to the Office for the entire

Presiding Officers:

Hon M. Gould MLC 1 July 2006 to 18 December 2006.  
 President of the Legislative Council

Hon Robert Smith MLC 19 December 2006 to 30 June 2007.  
 President of the Legislative Council

J. Maddigan MLA 1 July 2006 to 18 December 2006.  
 Speaker of the Legislative Assembly

Hon Jenny Lindell 19 December 2006 to 30 June 2007.  
 Speaker of the Legislative Assembly

**Remuneration**

Remuneration received or receivable by the Accountable officers in connection with the management of Parliament during the reporting period was in the range:

<u>Salary Band \$</u>	<u>Number of Officers</u>	
	<u>2007</u>	<u>2006</u>
90,000 - 99,000	2	-
100,000 - 109,999	2	-
140,000 - 149,999	-	2

Amounts relating to Ministers are reported in the financial statements of the Department of Premier and Cabinet.

**Other transactions**

Other related transactions and loans requiring disclosure under the Directions of the Minister for Finance have been considered and there are no matters to report.

**Note 23 - Remuneration of executives**

The number of executive officers, other than Ministers and accountable officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

Income Band \$	Total Remuneration		Base Remuneration	
	2007 No.	2006 No.	2007 No.	2006 No.
10,000 - 19,999	-	-	-	-
40,000 - 49,999	-	-	-	1
50,000 - 59,999	-	-	-	-
90,000 - 99,999	-	-	-	-
100,000 - 109,999	-	-	4	-
110,000 - 119,999	3	2	1	2
120,000 - 129,999	2	-	1	-
130,000 - 139,999	-	4	2	3
140,000 - 149,999	3	-	-	-
Total numbers	<b>8</b>	<b>6</b>	<b>8</b>	<b>6</b>
Total amount	<b>1,041,011</b>	767,559	<b>679,652</b>	679,652

There have been no changes with executive officers

**Note 24 - Remuneration of auditors**

Victorian Auditor General's Office

Audit of the financial report	<b>44,500</b>	43,300
<b>Total audit fees</b>	<b>44,500</b>	43,300

**Note 25 - Subsequent events**

There have been no events after reporting date that have a material impact on these financial statements.



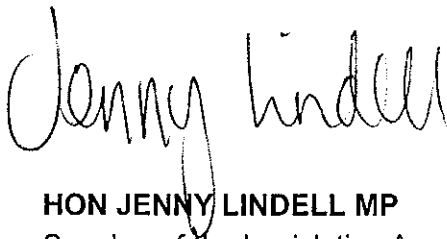
**PARLIAMENT OF VICTORIA**  
**Accountable officer's declaration**

**Accountable officers' and chief finance and accounting officer's declaration**

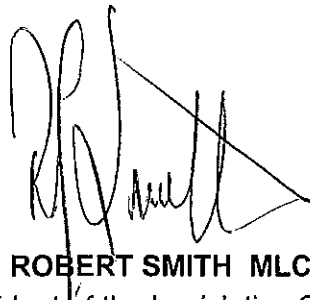
We certify that the attached financial statements for the Parliament of Victoria have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian accounting standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2007 and financial position of the Parliament as at 30 June 2007.

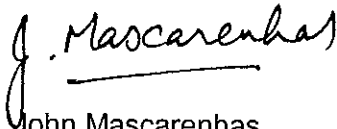
We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



**HON JENNY LINDELL MP**  
Speaker of the Legislative Assembly  
Parliament of Victoria



**HON ROBERT SMITH MLC**  
President of the Legislative Council  
Parliament of Victoria



**John Mascarenhas**  
Chief Finance and Accounting Officer  
Parliament of Victoria

Melbourne

23 August 2007

## INDEPENDENT AUDIT REPORT

### Parliament of Victoria

**To the Members of the Parliament of Victoria, the Speaker of the Legislative Assembly and the President of the Legislative Council**

#### *The Financial Report*

The accompanying financial report for the year ended 30 June 2007 of the Parliament of Victoria which comprises the operating statement, balance sheet, statement of changes in equity, cash flow statement, explanatory notes to and forming part of the financial report, and the accountable officer's and chief finance and accounting officer's declaration has been audited.

#### *The Responsibility of the Speaker and President for the Financial Report*

The Speaker of the Legislative Assembly and the President of the Legislative Council of the Parliament of Victoria are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the financial reporting requirements of the *Financial Management Act 1994*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

# VAGO

Victorian Auditor-General's Office

## Independent Audit Report (continued)

### *Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. The Auditor-General, his staff and delegates comply with all applicable independence requirements of the Australian accounting profession.

### *Audit Opinion*

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Parliament of Victoria as at 30 June 2007 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE  
27 August 2007



D.D.R. Pearson  
*Auditor-General*





Images: Eddy Khayat, Jaime Murcia and John Gollings



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