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NSW Businesslink Pty Ltd

annual report 07/08

The Hon Carmel Tebbutt MP
Deputy Premier
Minister for Climate Change and the Environment
Minister for Commerce
Level 30, Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Dear Minister,

I am pleased to submit to you for presentation to Parliament a report on the activities of NSW Businesslink Pty Ltd for the period 1 July 2007 to 30 June 2008.

NSW Businesslink Pty Ltd delivers shared services to the Department of Ageing, Disability and Home Care, Department of Community Services and Housing NSW.

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

Yours sincerely

Pat Richards

Managing Director

CHAIR'S COMMENTARY

I am extremely pleased to report that Businesslink has delivered a solid result for the 2007/08 year. This is the fourth year that Businesslink has operated as a Company, and the second year doing so on a fee-for-service basis.

As we aim to deliver greater value for our stakeholders, it is important that we meet the challenges of driving greater efficiency and innovation across the Company. This has and will continue to be delivered through the provision of a diverse and scalable product portfolio that delivers exceptional value and meets the needs of our clients.

With service delivery as the primary focus in our Statement of Business Intent, I am pleased to state that Businesslink is continuing to seek opportunities that improve service delivery to better suit our clients' needs. There has been an ongoing commitment to provide rigorous governance, compliance, quality and control outcomes, and our financial position is at its strongest yet.

Businesslink is unique in that we are a Company providing critical services to three key Government departments. As a Company operating in a public sector environment we continually face significant challenges as we try to accommodate and balance these very different frameworks. With these results, Businesslink has proven that this model of operation can work to the benefit of clients and has done so undeterred by hurdles experienced within our operating and governance environment. I am especially proud of Businesslink's growing reputation as a credible and successful shared services provider to the NSW Public Sector.

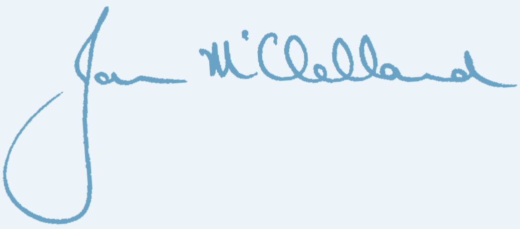
Sound governance is critical to ensuring the creation, enhancement and protection of the value we deliver to our stakeholders. On behalf of the Board, I would like to acknowledge the critical role that our Audit and Risk and our Information Management and Technology (IM&T) Board Sub-Committees play in supporting the Board's deliberations, and in the exercise and function of its duties. In particular, I would like to thank the Chair of the Audit and Risk Board Sub-Committee, Jon Issacs, and independent member, John Hunter, together with Mary Ann Maxwell, independent member on the IM&T Board Sub-Committee, who bring their extensive experience and judgement to these committees.

I would like to acknowledge and thank my fellow Board members for their contribution to Businesslink's significant progress during the reporting year.

I am pleased to welcome our newest Board member, Jennifer Mason, who brings considerable experience to the Board's overall skill mix. Jennifer's introduction follows the departure of Neil Shepherd, whose significant commitment in establishing the Businesslink model and his contribution and counsel to the Company, has been extremely valuable.

Finally, on behalf of the Board I would like to thank the Managing Director, Pat Richards and all the staff of Businesslink for the role they have played in the ongoing development of the Company and the outstanding service provided to our clients.

It is with great pleasure that I present our Annual Report for 2007/08.



Jan McClelland
Chair

MANAGING DIRECTOR'S FOREWORD

Our shared service agenda is growing and the positioning of Businesslink in this industry is becoming more prominent year-by-year.

As outlined by the Chair, the performance of Businesslink for the 2007/08 year was solid. Our efforts this year have been directed towards achieving the major deliverables within the 2007/08 Statement of Business Intent (SBI).

The SBI has provided the platform for Businesslink's ongoing success, driving the delivery of a diverse product range that is scalable, innovative and cost effective. Businesslink has worked hard over the reporting period to continue to position itself as the preeminent shared services provider within the NSW Public Sector.

Theming this year's Annual Report are the three key strategic imperatives which have guided the Company and our strong performance over the 2007/08 reporting year. They are:

› Continuing to seek opportunities that improve service delivery and capabilities for our clients

› Ongoing provision of rigorous governance, compliance, quality and control

› Realising benefits through financial performance transparency.

Underpinning the successful pursuit of these imperatives is the Strategic Management Framework (SMF) which was developed during the reporting year. The SMF outlines the key initiatives and details the actions to be undertaken by Businesslink.

Against a backdrop of phenomenal growth in demand, some of the goals accomplished during the reporting year include:

› Continued improvement in the shared services offering, including service delivery, fiscal disciplines, governance and risk assessment

› Strengthening of the fee-for-service regime to more effectively manage costs and ensure fiscal sustainability

› Development of a contemporary capability in Data Storage Management to meet growing client demand and business needs

› Development of an Enterprise Application Integration strategy

› Developing and operationalising innovative end-to-end service offerings such as "Procure to Pay" and "Hire to Retire", both of which drive efficiencies and meet multiple client requirements

› Ongoing Human Resource development including implementation of the Graduate Recruitment and Development Program

› Continued the building of "Centres of Capability", particularly in software applications and taxation services

› Effective management of Business Continuity, including the development of a comprehensive Data Centre risk mitigation strategy.

"The focus of the reporting year has been the continuous improvement in our shared service offering. We have driven the delivery of scalable, innovative and cost effective products that demonstrate the value in our solutions."

Client demand has been met with significantly improved quality, without increasing prices or staffing levels. This is how we have driven the dollar value in our solutions. We have been continuing to refine and streamline our product offerings by listening to our clients and incorporating all levels of feedback into product development strategies.

During the reporting year, Businesslink successfully met all of its financial performance targets and achieved the fiscal goals with more consistency and in an efficient manner.

Our robust governance regime has significantly improved through enhanced Board reporting, healthy risk management practices and attentiveness to maintaining business continuity.

I would like to thank Neil Shepherd who has retired from the Businesslink Board. Neil provided guidance, commitment and wise counsel to the Company and the Board. I would also like to welcome Jennifer Mason to the Board and look forward to working with Jennifer and all Board members in shaping policy and guidance to the future direction of Businesslink.

Additionally, I would like to recognise the valuable contribution by the clients' Corporate Services representatives who continually assist in maturing our service offering and ensuring duplication of services does not become an issue.

Thanks also to Chair, Jan McClelland and fellow Board Directors for their ongoing support and guidance. We have certainly come a long way over our four years of operation and it is rewarding to see all the positive tangible outcomes of our success in service delivery.

I would like to take this opportunity to commend and thank the staff of Businesslink whose skill and dedication have allowed Businesslink to realise the value in our solutions and achieve the successes outlined in this report.

I look forward to another year of new achievement as we consolidate our position as a leader in the provision of shared services.

Pat Richards
Managing Director

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01 **Our Company**

People + Services = Solutions

VALUE IN OUR SOLUTIONS

ABOUT BUSINESSLINK

Our Purpose

NSW Businesslink Pty Ltd (Businesslink) is a Proprietary Limited Company delivering shared services within the framework of the NSW Government shared services reform strategy. Businesslink provides a broad range of operational and organisational infrastructure services and facilities to its clients, so as to enable them to deliver their core frontline services in a more cost effective manner.

Businesslink services over 20,000 staff across three client agencies, which in turn provide services to more than 250,000 citizens of NSW.

The shared services model seeks to create value for Shareholders by generating economies of scale through the implementation of optimal common, consistent, repeatable transactional activities, information flows and business processes. It creates value for clients by delivering efficient and cost effective services.

Vision

Businesslink's vision is to become a best practice model for shared services across the public sector.

Mission

Businesslink's mission is to provide high quality, cost effective shared services and to operate a financially sustainable business that is flexible and can readily expand to meet increased demand for its services.

Objectives

Businesslink's objective is to continue its growth in partnership with its clients to provide integrated solutions-focused services that:

Provide high quality, cost effective and efficient services in a timely manner to our clients.

Meet the changing needs of our clients and the environment through comprehensive planning and dialogue.

Build and strengthen our capacity through a drive for standardisation of processes and systems.

Achieve sound financial performance and a financially sustainable business that is verified through third party assurance programs.

Deliver quality service in a well governed manner that achieves high levels of operational compliance.

Enhance and develop shared services infrastructure to the benefit of our clients and the NSW Government.

Manage and maintain asset utilisation to best advantage.

Maintain an environmentally sustainable approach to solutions and services.

OUR SERVICES

Businesslink delivers the following range of services:

Information Technology Services

- Application Hosting including Data Centre Operations
- Shared Infrastructure including Managed Desktops, Voice Over Internet Protocol (VoIP), Email, Information Security, Local Area Network
- User Support
- Wide Area Network
- Data Storage
- Risk Management Services
- Strategic Procurement and Vendor Management Services

Human Resource Services

- Payroll Transactions and Support Services
- Industrial Relations
- Employee Relations
- Learning and Development
- Occupational Health and Safety
- Organisational Development

Workforce Solutions

Hire to Retire Services that incorporate:

- Recruitment
- Establishment
- Position Description (PD) Writing and Evaluation
- Career Transition Register

Project and Property Solutions

- Project Solutions
- Property Management and Leasing

Office Related Services

- Fleet Management
- Records Management
- Facilities Management
- Mail and Courier Services
- Printing Services

Finance Services

- Financial Accounting
- Management Accounting
- Accounts Payable
- Accounts Receivable
- Fixed Asset Management
- Cash Management
- Budget Formulation and Cycle Management
- Taxation Management
- Treasury Management
- Costing and Pricing Management
- Purchase Order Management
- Financial Reporting
- Professional Advice and Consulting

COMPANY GOVERNANCE

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

The Company conducts all operating activities including the provision of services to client agencies. Direction and oversight is provided through a Company Board of Directors comprising of an independent Chair, the Directors-General of the three participating agencies and the Managing Director of Businesslink.

Under the Shareholders' Agreement, the Company is required to operate within the parameters of a Statement of Business Intent. This is prepared annually and approved by the Shareholders.

SHAREHOLDERS

As at June 2008, the Shareholders, being the NSW Treasurer and the Portfolio Ministers of the client agencies are:

The Hon Michael Costa MLC
NSW Treasurer

The Hon Kristina Keneally MP
Minister for Ageing, Minister for Disability Services

The Hon Kevin Greene MP
Minister for Community Services

The Hon Matt Brown MP
Minister for Housing

For administrative purposes, the Hon Eric Roozendaal MLC (Minister for Commerce, Minister for Roads) is the portfolio Minister of Businesslink.

BOARD OF DIRECTORS

Jan McClelland, Chair

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

Jan McClelland was appointed as Chair of NSW Businesslink Pty Ltd in July 2004. An experienced senior executive, Jan is the former Director-General of the NSW Department of Education and Training and the former Managing Director of the NSW TAFE Commission.

Jan also serves as a Director on the Boards of WSN Environmental Solutions, State Transit Authority, the Festival Development Corporation and Stewart House Preventorium. She is a Member of the Council of the University of New England, an Associate of the University of Sydney and a former Director of NRMA Motoring and Services.

In addition, Jan is a Fellow of the Australian Institute of Management, a Fellow of the Australian Council of Educational Leaders, a Member of the Australian Institute of Company Directors and a Member of the Institute of Public Administration of Australia.

Jennifer Mason

BA (Hons), BSocWk, MCrim

Jennifer Mason was appointed Director-General, Department of Community Services (DoCS) in March 2008.

Prior to joining DoCS, Jennifer was the Director-General of the Department of Juvenile Justice from October 2005. She was also the Chief of Staff to the former Attorney General, the Hon Bob Debus and was previously Principal Investigation Officer with the Office of the NSW Ombudsman.

Jennifer holds a Bachelor of Arts (Hons), Bachelor of Social Work (Hons and University Medal) and a Master of Criminology.

Brendan O'Reilly

M.Mgmt (Education)

Brendan O'Reilly is Director-General, NSW Department of Ageing, Disability and Home Care. He has previously held positions as Deputy Director-General of NSW Premier's Department, Director-General of NSW Department of Sport and Recreation, Deputy Director-General of NSW Department of Community Services and Institute Director of TAFE NSW. Brendan has previously served on the Board for the NSW Institute of Sport.

Mike Allen

Grad Dip UEM

Mike Allen is the Director-General of Housing NSW which is the largest social housing provider in Australia. He is responsible for the management of an asset portfolio of over 145,000 properties worth $27 billion.

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

Holding a Graduate Diploma in Urban Estate Management, Mike has a strong commitment to the values and principles of social housing and has significant senior management operational experience. Prior to accepting the position of Director-General in February 2006, Mike was the Deputy Director-General, Operations.

Pictured from left: Mike Allen, Brendan O'Reilly, Jennifer Mason, Jan McClelland, Pat Richards.

Pat Richards

Managing Director, CA

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

Pat was recruited from New Zealand by the Businesslink Board for his extensive experience in Finance and building and managing a shared corporate services organisation. He has over 25 years experience in finance and shared services, most of which has been gained within the dairy industry in New Zealand. Most recently he served as the General Manager, Finance and the General Manager, shared services for the $2.5 billion Anchor Group of companies.

His strong interest in, and personal commitment to, organisational development and capability is being felt throughout Businesslink.

Tribute to Dr Neil Shepherd

During the reporting year, Neil Shepherd resigned from the Businesslink Board. On behalf of Businesslink and the Board Members, we would like to convey our appreciation to Neil for his role in establishing the Businesslink model and his ongoing contributions to the Company.

The manner in which he challenged and guided the Company's development and his openness to share his experiences to the benefit of the Company have been highly valued.

BOARD RESPONSIBILITIES

The Board holds seven formal meetings a year and others as required. The members are primarily responsible for:

- Promoting ethical and responsible decision-making
- Ensuring compliance with laws, tax obligations, regulations, appropriate accounting standards and corporate policies
- Setting and reviewing strategic direction and approving annual plans
- Overseeing the Businesslink structure, including its control and accountability systems
- Monitoring the operating and financial performance of Businesslink
- Approving and monitoring major capital expenditure
- Appointment of Businesslink Directors
- Monitoring the performance of the Managing Director and Leadership Team
- Monitoring risk management
- Ensuring that the shareholders are fully informed of material developments.

BOARD RISK AWARENESS

The business operated by Businesslink can be complex as it involves a range of strategic, operational, financial, and legal risks. Recognising this, the Board has established a sound system of risk oversight and management. Internal control is designed to identify, assess, monitor and manage all types of risk. The Board Audit and Risk Sub-Committee are primarily responsible for monitoring business risks and ensuring compliance with legal and regulatory obligations.

Policies have been developed that include components relating to oversight, risk profile, risk management and assessing the effectiveness of risk oversight and management. The Board is made aware of potential risks to Businesslink as a key component of organisational reporting.

The **Businesslink Leadership Team** (BLT) comprises the Managing Director and the Divisional Directors. Each Director has a performance agreement that is aligned with the goals set out in Businesslink's Statement of Business Intent (SBI). Assessment of the BLT's performance is facilitated through the use of the Grow Outcomes and Learn (GOAL) framework. A performance statement for the Managing Director is included in the appendix to this report.

Pat Richards

Managing Director

"NSW Businesslink is emerging as a powerhouse in the delivery of shared services with another year-upon-year improvement across all areas of our business. Our strategic approach to building quality assets and end-to-end processes now opens up the possibility to scale up the business for future opportunities."

John Kobal

Chief Information Officer

"Greater alignment of business and IT across all organisations has generated considerable momentum in IT client relationship and shared service delivery improvements. The formulation of strategic views in IT account management, IT data centre, storage and integration products, and IT service delivery accountability are all contributing to better shared services outcomes where challenges can be overcome and expectations exceeded."

Amy Ng

Director Human Resource Services

"I really wanted to bring the HR Division's professional standing up to a level that is recognised and valued, create a sense of pride in our achievements and to drive the creation of a new, stronger, confident Businesslink culture. I think we have come a long way towards achieving that in the reporting year."

Albert Olley

Director Commercial Operations and Corporate Governance

"Continued focus and growth in control, compliance and corporate governance has laid a strong foundation for real and lasting business improvement initiatives to commence whilst we maintain sound service delivery. The corporate support and finance teams have raised the bar on expected service standards and I look forward to this continuing in the 2008/09 year."

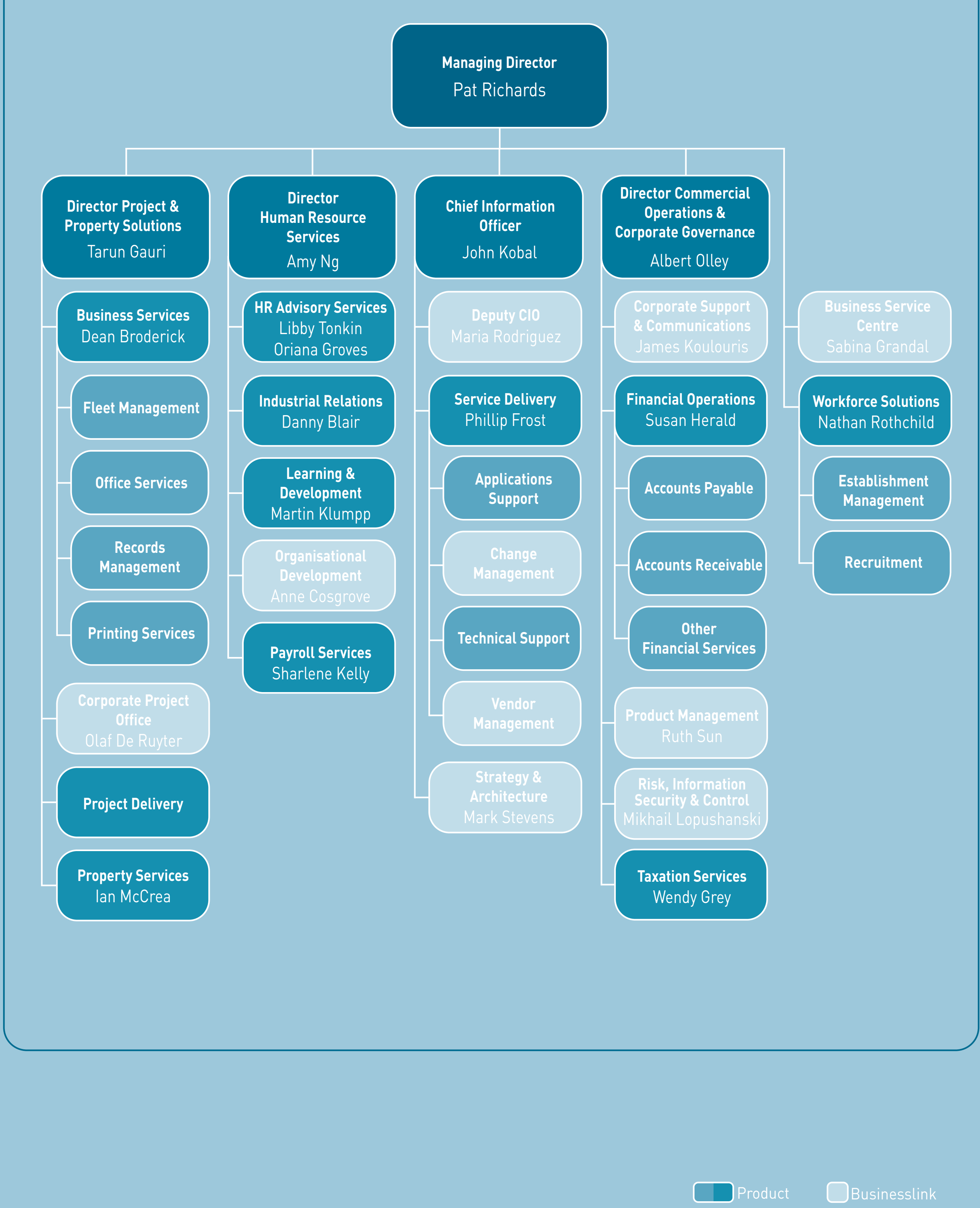
Tarun Gauri

Director Project and Property Solutions

"This year Businesslink has taken new directions and redefined the approach to delivering project and property solutions. This change is in response to the clients' need for agility, demonstrating value and providing a financially viable alternative within the government shared services environment. Going forward, we will consolidate our achievements to provide business focused solutions that can deliver real benefits for shared services."

ORGANISATIONAL CHART

NSW Businesslink Structure 30th June 2008



Australian Red Cross Corporate Blood Donor National Program

Businesslink staff have participated in the Australian Red Cross Corporate Blood Donor National Program, which is designed for corporations and community organisations to make a commitment to saving lives by donating blood as a team.

NAIDOC Week

NAIDOC was celebrated in July 2007 with a number of activities including lunchtime screenings of 'Ten Canoes' – a story of ancestral times. Guest speaker, Mark (Jack) Johnson, CEO of the Gandangara Local Aboriginal Land Council spoke at a 'bush tucker' lunch to help raise awareness of Aboriginal issues.

Salvation Army and the Joan Harrison Support Service for Women

In 2007/08 individual Businesslink staff took the initiative to organise and collect donations from their colleagues for Christmas hampers for the Salvation Army and the Joan Harrison Support Service for Women.

growth snapshot

growth rate
49%

Revenue generated by Businesslink

04 08

- 2004 - $107M
- 2008 - $159M

Revenue growth is reflective of consolidation of shared service costs and better alignment of services demanded to services provided.

growth rate
16%

Number of Staff that Businesslink provides services to

04 08

- 2004 - 17,200
- 2008 - 20,016

A growing workforce and flexibility in work patterns are reflected in the increased number of staff that Businesslink delivers services to.

growth rate
341%

Job Applications managed for client agencies

04 08

- 2004 - 9,526
- 2008 - 42,000

Government is still an employer of choice and E-recruitment now provides client agencies with a wider range of potential job candidates.

growth rate
401%

Job Vacancies Businesslink has assisted client agencies in filling

04 08

- 2004 - 810
- 2008 - 4,055

The challenging environment client agencies work in and the growing demand for their frontline services drives the recruitment activity managed by Businesslink.

growth rate
2243%

Total Data Storage Capacity

04 08

- 2004 - 7 terabytes
- 2008 - 164 terabytes

Data storage growth has followed industry trends and also reflects the growth in size of critical databases maintained by Businesslink.

owth snapshot growth

Phone enquiries handled by the Business Service Centre (BSC)

There has been significant investment in optimising the BSC to stay at the forefront of timely and quality customer service.

2004 - 141,000

2008 - 436,000

growth rate **209%**

IT sites supported by Businesslink

Maintaining high availability and reliable computer network access to the sites is critical for frontline staff servicing at risk community members

2004 - 113

2008 - 870

growth rate **670%**

Number of invoices processed

As client agency service delivery to the community increases, account volumes increase. Achievement of operational efficiencies and streamlining of processes has contributed to this growth.

2004 - 270,006

2008 - 371,484

growth rate **38%**

Projects managed for clients agencies

Businesslink is a partner that knows their clients' business and can deliver to their changing needs. Implementation of PRINCE2 methodology will drive continuous improvement in project management practice.

2004 - 273

2008 - 481

growth rate **76%**

PCs serviced for client agencies

Businesslink continues to remain at the forefront of effective asset management in order to meet future growth in demand for desktop services.

2004 - 10,000

2008 - 13,023

growth rate **30%**

02 Service Delivery

Aligning people, processes and tools

TO SERVICE CLIENT AGENCY NEEDS

INFORMATION TECHNOLOGY SERVICES

The complex nature of delivering shared services to meet diverse needs and requirements across multiple client agencies remains a key challenge for Information Technology (IT) Services.

Improvements in the level of integrated planning and a greater level of cooperation has resulted in some very positive outcomes in the 2007/08 reporting year.

Looking forward, the goal is to work towards integrated strategic planning to deliver a single IT Strategic Plan, rather than separate plans for each agency. The developments within Businesslink's Strategic Management Framework (SMF) will enable all development opportunities to be prioritised according to business and financial parameters.

Strategy in Motion

Development of the IT Strategic Plan for 2007/08 - 2010/11 has led to two principal strategies being formulated:

1. Deliver the IT Function as a Service
2. Improve IT Projects as a Service.

The first strategy focuses on improving the capability of Businesslink to offer its entire IT function as a service to its clients, to reduce costs, duplication of effort and provide a better service experience.

The second strategy focuses on improving Businesslink's capability for IT project delivery through revised methodology, adherence to standards and the provisioning of appropriate tools for project management. This has led to the formation of the Project and Property Solutions Division.

Key outcomes of the above strategies are to enable clients to focus on their core business, their utilisation of technology-based services, information management pertaining to staff, customers and business operations and any organisational change management that may result from project delivery.

Optimisation of Infrastructure

A strategic plan for Storage Optimisation and Transformation has led to the revision and improvement of the Data Storage product. A key driver of the plan is to significantly reduce the long-term total cost of ownership for data storage and backup services, particularly as the projected growth patterns for electronic storage are increasing. A commitment has been made to invest in storage consolidation and virtualisation technology, to invest in new data backup software and to migrate storage operational personnel into a dedicated storage support team.

An Enterprise Application Integration strategy was formulated to address a growing demand for interoperability between applications, databases and information storage subsystems. Jointly developed by Businesslink and client agencies, a standard solution was evaluated and selected that will meet the combined needs of all organisations for the medium to long-term time frame. This will provide the enabling technology to improve the effectiveness of existing interfaces between systems and allow end-to-end information exchange processes to be implemented more easily.

Service Solutions

2007/08 has seen an increased focus on the delivery of Data Centre services as a product, with an increase in capacity to meet existing and new requirements. Excess capacity will be used to deliver Data Centre services to other agencies as part of the Whole of Government Data Centre strategy.

Businesslink IT Services delivered shared network and voice services to the Queanbeyan Government Services Centre (QGSC). This is an initiative of the State Property Authority. A standard business shared services solution has been used to meet the needs of some ten agencies in a single building. Further Government Centres are being planned in Regional NSW and it is likely that Businesslink will provide shared IT facilities to meet these initiatives.

A Cisco based VoIP (Voice over IP) solution was developed and implemented for a major client based on a monthly service cost per handset.

An assessment of the Shared Infrastructure product is underway to include the review of financial, architectural, organisational and service delivery aspects. It is expected that this will provide greater transparency of costs and variation between agencies, allowing for a more standard and lower cost service to be developed.

Virtualisation/centralisation strategies are planned for the agency Local Area Network (LAN) server fleet of over 800 servers, to deliver the equivalent service with fewer servers (possibly 200), at a reduced operating and energy cost.

It is also planned to expand the shared service infrastructure product to enable all aspects of technical infrastructure to be delivered as a service without the need for client agencies to make capital investments.

Application Support

The high generic cost of delivering Application Support provided a significant challenge to be managed. Improvements in the business requirements analysis phase to minimise customisation and re-work was an essential first step. Effective management of enhancements and changes to existing applications is also a key to cost mitigation.

The key challenge for Application Support is to develop deeper capability in the core application areas of Siebel, SAP, TRIM and Oracle Database to deliver applications as a shared service for client agencies.

During 2007/08, a number of significant application support services were delivered by Businesslink. These included:

› Upgrade of two SAP systems and planning for a further two upgrades in 2008/09

› Effective support of, and improvements made to the Workforce Management system

› Decommissioning of legacy hardware and migration to shared infrastructure for all core systems

› Commissioning of the Electronic Records Document Management application using TRIM Software.

Businesslink continued to build significant capability in the management, development and support of Siebel-based systems, including provision of all development and support services for the Government Licensing System.

Managing Vendors

Initiatives to centralise and rationalise disparate IT agreements resulted in significant cross-agency savings. Coupled with strategies to seek benefits from economies of scale, the consolidation of agreements with large service providers have resulted in cost savings in excess of $2M.

Throughout 2007/08, Businesslink managed in excess of 13,000 desktops while successfully processing more than 12 tenders. These new agreements complemented the management of over 80 vendors, through which 2,221 orders were processed, totalling a value of over $88M. In addition, targeted negotiations enabled significant discounts to be achieved.

Businesslink was an active participant in the renewal of the new Government contract for integrated management systems (SAP).

The current Businesslink Data Centre contract at Global Switch was extended and a replacement Data Centre was procured to replace the ageing Liverpool Computer Room. The additional capacity will benefit existing client agencies as well as enabling Businesslink to offer interim Data Centre services to other agencies ahead of the Whole of Government Data Centre Consolidation strategy which is likely to have a four or five year lead time to realise.

Case Study

Queanbeyan Government Service Centre

The Challenge

The challenge was to demonstrate that Businesslink has the expertise and capacity to plan, build and run industry standard technology solutions for new clients in a Whole of Government setting, whilst leveraging existing shared services technology platforms.

The requirements were to provide a shared computer network and voice services to the new Queanbeyan Government Service Centre (QGSC), the pilot model for the NSW Government's new Multi-agency Service Delivery Framework initiative.

The QGSC is the new one-stop approach to the delivery of NSW Government services for the Queanbeyan region, incorporating ten NSW Government agencies under one roof.

The Solution

Businesslink developed a shared computer network solution for the multi-tenanted QGSC site utilising the skills and experience of providing shared service networking and voice solutions to existing client agencies.

The new QGSC site computer network uses the same principal industry standard and scalable technologies Businesslink already uses, making it easily supportable; connecting each QGSC tenant through to their own corporate computer network via a configuration of secure Virtual Local Area Networks.

Businesslink provided voice services to each QGSC tenant over the shared computer network by extending its VoIP solution, which also leveraged existing firewalls and electronic security systems. The voice service included voice mail, financial visibility through call accounting and charge back capabilities for each tenant.

HUMAN RESOURCE SERVICES

The Human Resource (HR) Services Division provides client agencies with people management solutions in the areas of learning and development, advisory services, industrial relations, payroll services, organisational development and workforce planning.

Across the organisation, Businesslink has continued to build employee capability, promote Equal Employment Opportunity (EEO) and Equity and Diversity programs that included implementing its "Dignity and Respect in the Workplace" Charter.

Occupational Health and Safety (OHS)

Businesslink is committed to preventing work related injuries and illnesses by providing safe and healthy workplaces and systems of work for all staff. This commitment extends to all visitors, contractors and clients. The use of a systematic approach to managing workplace risk through an OHS Management System is a core element of fulfilling OHS commitments.

To achieve these goals, Businesslink ensures that the organisation complies with the requirements of the *Occupational Health and Safety Act* 2000, Occupational Health and Safety Regulation 2001, relevant codes of practice and the NSW Government OHS Policy "Taking Safety Seriously – Improving Workplace Safety Management in the NSW Public Sector".

Businesslink has adopted, in consultation with staff, union and other key stakeholders, a risk management approach that ensures that risks are identified, assessed and controlled and that OHS performance and control strategies are monitored for effectiveness.

Key OHS achievements during the reporting year included:

- The development of Workplace Bullying Policy and Workplace Bullying Complaints Resolution Guidelines and Procedures to support the Dignity and Respect in the Workplace Charter
- Development and delivery of workplace bullying prevention training to all staff and contractors
- Continued consultation with staff on OHS issues through a network of OHS Representatives and quarterly meetings of the Businesslink OHS Committee
- Cyclical refresher training for emergency evacuation personnel
- Emphasis on OHS Awareness by facilitating four themed weeks of OHS related activities in October
- Development and implementation of Dignity and Respect workshops to improve employee understanding of these issues, thereby lessening OHS risks as well as fulfilling legal obligations to maintain the health and safety of employees.

Workforce Planning

The tight labour market has exacerbated the need for succession planning and building appropriate operational capacity to counter an ageing workforce, particularly in areas of skill shortage such as IT. The average age of Businesslink's workforce is 48 years, with a predominance of this age at lower levels of the organisation. This is consistent with other NSW Government employees.

The development and implementation of a workforce strategy commenced during the year to ensure succession planning that will build appropriate operational capacity.

During 2007/08, the Graduate Recruitment and Development Program was rolled-out as a key organisational development and workforce planning initiative.

ORGANISATIONAL DEVELOPMENT

A major strategic theme for Organisational Development (OD) during 2007/08 was to further address internal organisational requirements as the Company matures as a shared service business. A range of OD initiatives were rolled out to further this theme including:

Encouraging Excellence

This involved the development of an employee performance management program, "Grow Outcomes and Learn" (GOAL), and implementation of the inaugural staff reward and recognition awards program, "Applause".

Building Emotional Intelligence

A program to develop emotionally intelligent leaders and managers within Businesslink through Emotional Intelligence (EI) coaching was initiated. The aim was to increase managers' sense of responsibility and ownership for their emotional "performance", unlock their natural ability, identify and remove internal barriers to achievement and ability to self-coach. Introductory workshops were attended by 45 Businesslink managers.

This program will be focused upon in 2008/09 continuing efforts to build a flexible and resilient workforce.

Change Management Systems & Training

The SAP system is the core application used in Businesslink to support finance, payroll and HR functions for Businesslink and client agencies. As part of the SAP ERP6 Technical Upgrade

Project delivered during the reporting year, change management, communications and training for impacted staff were delivered by Businesslink resources. The shift to in-house resourcing marks a positive development in Businesslink's capability.

Graduate Recruitment and Development

This year saw Businesslink launch its Graduate Recruitment and Development program in partnership with the University of Western Sydney. The Program forms part of the workforce planning and OD strategy, and is designed to deepen available talent and promote a positive employment image, especially in the Western Sydney region.

Graduates were given an opportunity to use the knowledge, skills and experience gained in academic study to work on projects and generate work assignments in Businesslink.

Springboard Program

The Springboard program was launched as a valuable personal and professional development opportunity. This program was offered to women in non-management roles up to grade 5/6 or equivalent and aimed to equip women with the skills and attitude to aspire to management and leadership roles.

LEARNING AND DEVELOPMENT

During 2007/08, training was conducted for over 1150 participants within Businesslink and over 1600 staff within clients.

Businesslink faces the ongoing challenge of providing effective systems training, particularly for legacy systems where training materials are dispersed and often outdated.

Businesslink continued to expand its capacity to provide blended e-learning and classroom training as a cost effective method of delivering training to geographically dispersed audiences.

"STEP UP", a frontline supervisor and management training course, was developed in partnership with TAFE NSW and piloted during 2008. Successful participants from this program are awarded a "Certificate of Attainment". It is expected that 24 participants will graduate from this program in late 2008.

Industrial Relations

A high level of consultation between Businesslink and the Public Service Association (PSA) was maintained during the year.

Industrial Relations (IR) function was actively involved in strategic planning, realigning organisation structures, dispute prevention and monitoring of IR issues across the Company.

Businesslink worked closely with clients in 2007/08 to manage a range of matters including unfair dismissals, appeals to Government and Related Employees Appeals Tribunal (GREAT), disputes and Award reviews.

Metropolitan and Regional HR Services

The 2007/08 year was the last year of retainer pricing for Metropolitan Regional HR Services. A new fee for service model was developed in consultation with client agencies, to be implemented in the 2008/09 financial year, and scheduled for review at the end of September 2008.

As part of an overall review of Metropolitan and Regional HR services, a framework was developed and, in consultation with clients, used in the disaggregation of HR services, resulting in the clarification of roles and product definitions.

Payroll Services

In the reporting year, Businesslink paid approximately 20,000 people every fortnight.

The SAP systems upgrade to the new ERP6 version for Businesslink and a major client was implemented successfully. The new version delivered enhancements to the look and feel for users of the systems with improvements to transactional capability for payroll and finance.

Further SAP enhancements implemented for client agencies delivered efficiencies in processing payroll and a reduction in the number of paper forms received. Businesslink worked on the elimination of work-arounds and manual entries to boost efficiency and productivity. Ongoing refinement to dispense with work-arounds and standardise processes between agencies, where possible, will continue for the 2008/09 year.

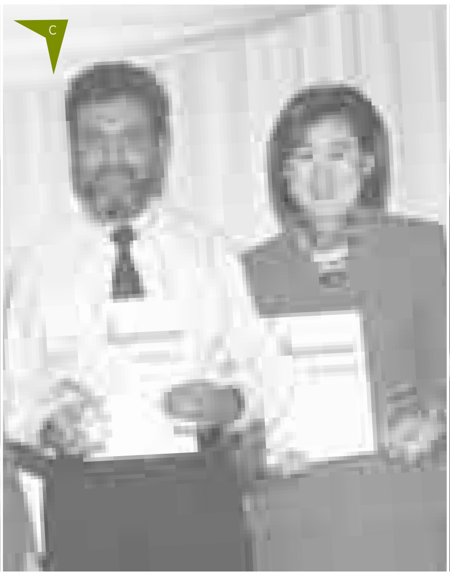
"Applause" is Businesslink's staff recognition and awards program. The awards formally recognise Businesslink staff members who have made significant contributions in areas of critical importance. The 2008 winners were announced at the "Let's Celebrate" function held at the Macquarie Function Centre in Liverpool on 30 July, 2008.

a. Service Above and Beyond (Grade 7/8 and below)
   Winner
   Mai Nguyen, Finance

b. Service Above and Beyond (Grade 9/10 and above)
   Winner
   Leo Siu, IT Services

c. Innovation and Improvement
   Winner
   Ruth Sun, Commercial Operations and Corporate Governance
   Winner
   Ismail Davids, IT Services

d. Exceptional Service Delivery
   Winners
   Building Management Team, Project and Property Solutions



WORKFORCE SOLUTIONS

Workforce Solutions is a self-sustaining recruitment function with the resources and capacity to deliver a range of recruitment actions, including establishment, Position Description development and evaluation onboarding, induction and employee maintenance.

BizRecruit Plus

BizRecruit Plus, an E-recruitment system, has been implemented across all client agencies and within Businesslink, doubling the size of the candidate pool in a tight labour market while shortening the "time to hire".

The system provides Businesslink with the capacity to deliver a "hire to retire" solution for client agencies as well as encompassing the transfer registers for two client agencies.

A reporting template was also developed enabling more thorough analysis of the performance of the recruitment process, which will in turn inform future improvements and enhancements.

With the knowledge gained through this service, Businesslink is an active participant in the development of the whole of NSW Government E-recruitment platform.

Premium Recruitment Solution

A client approached Businesslink for a recruitment solution to meet enhanced service delivery, reduce existing vacancies, offset annual turnover and backfill any temporary vacancies.

Businesslink worked with the client to develop a premium recruitment process involving:

- Advertising strategies
- Online application receipt and management
- Shortlisting
- Competency-based assessment centres
- Reference checks and other relevant checks
- Eligibility list management.

The assessment centre methodology was used following extensive research and analysis of the requirements of the vacant positions. The methodology allows applicants to demonstrate their skills in practical exercises and at the same time receive a more realistic job preview.

The assessment centre solution helped the client exceed their 2007/08 employment target of 600 new employees, by 44 appointments.

Case Study

BIZRECRUIT – 21st Century E-recruitment

The Challenge

The challenge in today's labour market is to provide job seekers with highly visible, contemporary access to career opportunities, while minimising the time it takes for job hirers to make decisions. Businesslink understands that the placement of quality staff resources is a time critical challenge for it's client agencies. The challenge for Businesslink is to make these quality placements happen in the shortest possible time frame.

The Solution

BizRecruit, the upgraded technology solution, was implemented in July 2007, rolling out four internet and intranet accessible job boards. These are embedded in client websites, with applicants accessing customised electronic application forms to match client agency needs. These job boards accepted 42,000 applications in the 2007/08 reporting year, a 229% increase from the previous financial year.

Advertising practices have improved, with 137% more job offers being made against a 13% reduction in advertising placements. This reduction in advertising represents a tangible cost saving for clients.

This project has enhanced the services delivered in recruitment recognising that attraction and retention were key elements in maintaining a skilled workforce in a declining labour market. A positive and timely applicant experience was a key outcome for this project, as well as improving Businesslink's reputation as a quality recruitment service. Secondary benefits were improved application management, improved reporting and trend analysis, higher compliance with merit selection principles, and a shorter time to hire.

BizRecruit is not the solution alone. It is complemented by an innovative re-skilling of the recruitment team into a scalable consultancy-based model utilising best practice recruitment practices, such as tele-screening, behavioural selection tools, assessment centres and a two layer recruitment product: basic and premium.

As the technology and staff skill levels mature, further benefit realisation is predicted for the 2008/09 year.

BUSINESS SERVICE CENTRE

The Business Service Centre (BSC) is a 24/7 multi-channelled contact centre providing frontline support services for IT, HR and payroll related transactions. Services offered by the BSC include a telephone service desk, switchboard, back office email and forms processing and a recently resourced service desk for the customers of Businesslink clients.

The BSC plays a pivotal role in Businesslink's operations and will soon be the first point of contact for all IT, HR and payroll client support activity. On average, the BSC resolves over 70% of inbound service requests, minimising client costs and expediting prompt resolution of service requests.

The BSC is committed to providing a positive customer service experience. The BSC promotes a professional customer service-oriented approach, with an emphasis on continuous improvement. All feedback is captured, investigated and acted upon in a timely manner with a view to improving service standards, processes and solutions.

Core Contact Centre Foundations

In 2007, a systemic review of BSC operations commenced. The objective was to examine the end-to-end processes and then consider an optimal operating structure that would withstand rapidly changing circumstances, business continuity management and the standardisation of product delivery processes.

Activities were undertaken to ensure compliance with contact centre industry best practice and to review the strategic direction of the BSC with a view to implementing a refined management structure and a framework for the seamless introduction of new services as required.

a seamless service and quality result for client agency projects

Tier 1 Service Centre Growth

A major focus for the BSC in 2007/08 was the absorption of services previously offered to clients by other areas within Businesslink, such as Novell and TRIM account creation, relocation and maintenance. The result was an increase in total work volumes of 11% achieved with a minimal associated Full-Time-Employee (FTE) increase for core services.

In new services offered to clients, the BSC continues to expand and grow. For example, the BSC successfully established two new service desks: DoCS Connect and DADHC Service Provider Portal, providing first level support for external client stakeholders.

Client Feedback Management System

A client Feedback Management system was developed as part of an overall customer service improvement initiative to understand client needs better. This system is currently being piloted within the BSC with a view to further expansion across the Company.

Positive feedback has been received from clients following implementation of other BSC initiatives during the year, aimed at improving their experience, including:

- Information to clients on payroll turn-around times
- Automatic email notifications to inform clients when service requests are initiated, and when they are completed
- Implementation of a proactive Quality Assurance (QA) process for clients performing business critical functions, to ensure timely and efficient outcomes to service requests.

Technology

The BSC undertook a lead role in the coordination and deployment of technology functionality aimed at improving business processes for payroll reconciliation, reporting and support. This delivered business benefits across payroll, establishment, the BSC and finance teams.

The system gathers information from diverse areas of the SAP system and displays it in an easy to read, single screen format. Expected benefits of the technology include increased frontline resolution rates, increased back office turnaround times and an overall efficiency gain.

PROJECT AND PROPERTY SOLUTIONS

Project and Property Solutions (PPS) was established during the year, with the focus on improving responsiveness, agility, quality and end-to-end processes in project management. PPS oversees the management of projects and coordinates resources across Businesslink to provide a seamless service and quality results for client projects.

Project Delivery and Project Management

During the reporting year, 474 internal and client projects were under management, with 275 successfully completed and the balance still work-in-progress.

To further improve project management performance, a new framework has been developed, based on the established PRINCE2 methodology. The new Businesslink Project Management Framework (BPMF) will bring significant improvements in the way projects are managed in Businesslink.

Property Services

During 2007/08, Businesslink successfully delivered 311 property-related projects. These included office accommodation, maintenance and minor works projects.

Improvements have been made to the lease management processes, placing Businesslink in a better position to provide enhanced services to clients. This has increased client interest in the provision of lease management services by Businesslink.

Significant improvements were made in the way Businesslink delivers relocation and refurbishment projects. This includes the integration of property and IT teams and disaggregation of property services.

Businesslink was also engaged by a client to provide a strategic review of their office accommodation requirements and a program of works for the coming five year horizon. As part of the project, Businesslink completed condition audits of over 90 sites as well as developed accommodation standards for benchmarking existing offices.

Managing Records

During 2007/08, Businesslink handled approximately 64,000 requests to create, store and move files.

As part of a Legacy Records Processing Project, Businesslink transferred over 5,700 boxes of "legacy" records to the Government Records Repository, on schedule and within budget. The relocation of these records has freed up an enormous amount of floor space within offices, making for a safer work environment for staff.

A computerised system for managing records electronically is undergoing development by Businesslink for its clients. Electronic Records and Document Management (ERDM) was a key challenge for Businesslink as this required the development and implementation of the shared services infrastructure. Businesslink worked with clients during the implementation phases, providing assistance with policy, procedures and guidelines. These support arrangements ensured this program was a success.

Office Services

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

The original 2005 Level 2 Energy Efficiency Audit of Liverpool Head Office was followed-up by a second audit in 2007.

Businesslink is increasingly focused on sustainable development and has implemented all NSW Government and Commonwealth policies and legislation in this area. In 2007/08 Businesslink achieved the following gains towards more sustainable development:

- **initiated recycling of all toner cartridges**
- **completed a second Energy Efficiency Audit**
- **used 6% green energy over all sites**
- **assisted clients in increasing their use of ethanol-blended fuel (E10)**
- **assisted clients to reduce the number of six-cylinder vehicles within their fleet**
- **commenced joint work with a client to develop an energy efficiency plan to reduce carbon emissions and energy consumption.**

Businesslink's Liverpool Head Office also recycled 15.79 tonnes of paper and cardboard during the reporting year. These figures equate to an annual saving of:

- **281 giga joules of energy –** enough to power 15 homes; or
- **50 cubic metres of land fill**; or
- **370,000 litres of water –** enough to fill seven backyard swimming pools; or
- **6 tonnes of CO_2 equivalent;** or
- **1 car permanently removed from the road.**

To ensure Businesslink exceeds compliance with the NSW Government's 'Green' initiatives, Businesslink is reviewing all its policies in the areas of Fleet Management, Office Services and Building Management.

Businesslink will continue to work to exceed compliance and will actively collaborate with clients to drive environmental improvement and sustainable development.

Printing Services

Businesslink managed the production of approximately 4,000 in-house and outsourced printing jobs on behalf of Businesslink and its clients. These jobs included the reproduction of approximately 63,500 forms.

Managing the Fleet

Businesslink continued to support its clients with the provision of Fleet Services. At the close of the reporting year, Businesslink was managing a total of 2,967 vehicles across all agencies.

Businesslink is encouraging drivers of fleet vehicles to use ethanol-blended petrol (E10) to minimise environmental impacts. Over the next 12 months, Businesslink is working towards reaching the Government's target of 20% of total unleaded purchases being E10 fuel.

Businesslink has a program to replace fleet vehicles, wherever possible, for those with no more than four-cylinder engines.

Case Study

Businesslink Project Management Framework (BPMF)

The Challenge

The challenge was to improve, standardise and control project management practices to raise delivery standards and governance as well as reduce completion time frames within Businesslink's increasing project portfolio.

The Solution

Businesslink developed a new project management methodology to deliver a consistent, methodical and controlled approach to the management of projects, both large and small. The methodology adopted needed to align to Businesslink's project management approach with existing (non-project) practices such as the Business Planning Framework, Information Technology Infrastructure Library (ITIL) and resource management.

A project management methodology based on PRINCE2 was selected, providing a practical approach to project management, and was tailored to suit the needs of Businesslink and its clients.

The successful implementation of the new methodology, known as the BPMF, provided:

- A range of training courses at various levels, including full accreditation for project practitioners
- Comprehensive resources for project practitioners, including an intranet site, with the necessary process flows, step by step instructions, and templates for use during the life cycle of a project
- A support network for project practitioners including an ongoing mentoring strategy
- Comprehensive transition planning and implementation.

The BPMF provides staff with the tools and knowledge necessary to enable them to participate in, or manage projects utilising clearly defined processes, thereby delivering quality outcomes for both Businesslink and its clients.

Going forward, all Businesslink project managers will be PRINCE2 certified practitioners.

Case Study

Taxation Services Model

The Challenge

Businesses are increasingly placing significant value on tax resources that are accessible and experienced. At the same time, tax is assuming a higher profile, as new regulations and disclosures add to the risk in this area.

An additional layer of complexity is added to the function as businesses often outsource this task and compete to recruit, hire and retain qualified tax personnel.

Previously, the tax function of Businesslink was focused primarily on processing tax payments for Businesslink and its clients.

Large volumes of paper files, inaccurate data and manual processing became time consuming and unproductive. They also impeded the Company's ability to proactively retain compliance with Australian Taxation Office (ATO) and State tax requirements.

With increasing volumes of taxation services being delivered, it became clear that while the service was obviously beneficial, manually producing these returns was no longer possible.

Businesslink needed a solution that would help deliver tax services in a proactive manner.

The Solution

Businesslink has:

› Developed a scalable tax services model that supports expected growth

› Developed an integrated model that leverages a common operating and technology platform across groups

› Established a goal to identify and mitigate tax risks as part of the risk management framework

› Enhanced the value and quality of tax services provided to clients.

A restructure of Businesslink's tax function took place to ensure that Businesslink and its clients are properly complying with ATO and State tax requirements.

With the change of focus, Businesslink has been reviewing current tax procedures to identify any short term compliance adjustments that needed to be made and strategising a long term compliance program. As a result of the review, Businesslink has implemented new policies and procedures, further enhancing Businesslink's level of compliance with ATO requirements.

As a consequence of these and other initiatives, Businesslink has produced tangible and credible improvements in tax services and enhanced risk management of non-compliance.

Businesslink's strategic solutions advance the goal of a long-term sustainable business model for tax services.

FINANCE

Procurement to Pay (P2P)

P2P is a strategic business initiative being developed to streamline all of Businesslink's procurement-related activities. The project commenced with a business case which demonstrated significant cost savings through the rationalisation of existing procurement processes and the introduction of electronic procurement (E-procurement) utilising document scanning and self-service portal solutions.

Businesslink's procurement expenditure is in excess of $40M annually, over 30% of the overall Businesslink operating budget. The project will identify and develop a solution that is scalable to enable the supply of P2P services to current and future clients.

Finance Transactions (Accounts Payable and Accounts Receivable)

The reporting year saw an overall increase of 14% in Financial Transactions processed compared to the previous (2006/07) financial year, with Accounts Payable (AP) volumes up by 19%, and Accounts Receivable (AR) volumes up by 3%. These increases to processing volumes were achieved with operational efficiencies that effectively aligned across the full suite of AP and AR products.

Creation of Independent Tax Unit

During 2007/08, a restructure of the tax function was implemented with a key outcome being the creation of a new Tax Unit within Businesslink. This unit focuses on ensuring compliance with Australian Taxation Office (ATO) requirements for Businesslink and its clients.

Previously, no costing activities have been performed in relation to the tax function's activities. This made it difficult to allocate resources and value the services provided to clients. Standard product definitions have been developed in relation to offered tax services, making it easier to plan for resources required and to invoice clients for services provided.

Other Financial Services

A major change during the reporting year has been the new banking contract with Westpac entered into by the NSW Government and negotiated by NSW Treasury. Two clients have been migrated to this new banking platform, with remaining clients scheduled for migration by the end of the 2008 calendar year.

03 Control and Compliance

Upholding rigorous Governance, Compliance, Quality and Control TO OUR SERVICE DELIVERY FRAMEWORK

BUSINESS CONTINUITY MANAGEMENT

A major part of a shared services operation is its strength and commitment towards Business Continuity Management (BCM). During 2007/08, Businesslink adopted the British Standard BS25999-1:2006, used by the Business Continuity Institute as its model on business continuity management.

The specific achievements for this year have included:

- Finalisation of the BCM policy and plans, which have been made available to all staff
- Training and rehearsal sessions for Businesslink's Business Continuity/ Disaster Recovery Organisation. The organisation consists of thirteen teams with defined roles during a disaster. The sessions allowed these teams to get familiar with potential crisis situations and practice implementing the processes to be followed to rapidly re-build capability
- Greater organisational resilience by the establishment of the alternative working site at Parramatta should Businesslink's head office become inoperable
- Transitioning critical IT environments from the Liverpool Computer Room to the Global Switch Data Centre, a world class data centre facility.

CORPORATE GOVERNANCE

Internal Audit Plan

Businesslink works to undertake a comprehensive annual risk assessment and Internal Audit Program (IAP).

The IAP is scheduled on the basis of the risk associated with particular functions, activities, programs or processes within Businesslink.

The scope of IAP encompasses an assessment of risk and the examination and evaluation of the adequacy and effectiveness of the systems of internal control and associated activities.

Businesslink management has considered and adopted recommendations made as a result of the IAP. A management and implementation plan, with key completion dates is developed for all internal audits.

The status and resolution of the audit recommendations are reviewed by Businesslink's Executive and reported at least quarterly to the Board's Audit and Risk Management Committee.

As part of the IAP, Businesslink continually benchmarks its standards of Corporate Governance using best practice including Australian Stock Exchange (ASX) guidelines.

Third Party Assurances

Businesslink has commenced providing its clients with Third Party Assurances (TPAs). A TPA is an independent, external review of processes, products and services. They help identify weaknesses in process controls or risks that need to be captured in the Corporate Risk Register.

An audit opinion is provided as to whether Businesslink has maintained, in all material respects, effective control procedures in relation to its provision of the assured services to the client agency. In the reporting year, five TPAs in payroll, accounts receivable, accounts payable, recruitment, and billing were completed and provided to client agencies. All five TPAs were issued with unqualified opinions.

Information Security

In 2005/06, Businesslink achieved and has since maintained AS/NZS 7799.2:2003 – Information Security Management System (ISMS) certification for its Information Technology Services Division. IT Services supports approximately 20,000 staff across 870 sites in NSW and four distinct agencies. Businesslink is currently moving towards the new ISMS standard – ISO 27001, with efforts to be recertified under this standard in early 2009.

In the shared service environment, each client will have an ISMS which will have a core component and reliance within Businesslink.

Insurance

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

Risk Management

This is a high priority in the effective management of risk within Businesslink and this is reflected in the adoption of a framework consistent with Australian/New Zealand Standard for Risk Management (AS/NZS 4360:2004).

Businesslink has identified its business risks, their nature and extent, and possible impacts and measures to minimise and manage them.

The Businesslink Risk Management Plan sets out the processes, responsibility and accountability for risk management at Businesslink. It recognises that risk management is an integral part of good management and corporate governance, and that in relation to the service provision strategy, an element of risk is inevitable.

The plan supports a structured and focused approach to managing and auditing risk that complements the business strategies adopted by Businesslink to improve outcomes and enhance the value of services provided.

Privacy Management Plan

Businesslink has developed a Privacy Management Plan in response to the *Privacy and Personal Information Act* 1998.

The Act aims to protect the privacy of individuals from the inappropriate collection, storage, use and disclosure of personal information by NSW Public Sector agencies. It is based on twelve information principles, which establish standards for using personal information in an open and accountable manner. The Information Protection Principles apply to all staff, consultants and contractors engaged by Businesslink.

There were no privacy complaints received during the year.

STRATEGIC MANAGEMENT FRAMEWORK

The Strategic Management Framework (SMF) was created to provide an information system to guide Businesslink in advancing its strategies, priorities and corporate objectives as defined by the Statement of Business Intent.

The SMF supports the planning and communication of key business improvement opportunities across Businesslink and its client agencies and in particular, in developing opportunities and tackling challenges encountered in achieving Businesslink's vision as a provider of shared services.

Ultimately, as the SMF develops the following objectives will be realised:

- Business improvement opportunities will be centralised and managed
- Priorities set with consideration of the collective needs of all stakeholders
- The implementation of improvement opportunities planned in advance
- Forward planning to enable more shared service opportunities to be leveraged.

Key business improvement opportunities highlighted by the SMF and its supporting Strategic Business Priorities Report include:

- Implementing the Data Storage Optimisation strategy, which includes virtualising storage infrastructure, introducing new backup software, and establishing a dedicated storage support team
- Implementing the Data Centre Replacement and Expansion strategy to replace the Liverpool Computer Room and expand Global Switch Data Centre capacity to meet projected requirements to July 2011
- Introducing "Sustainable Development" as a factor for consideration in the assessment of opportunities.

STATEMENT OF BUSINESS INTENT AND BUSINESS PLAN

During the reporting year, the Company developed its key strategic planning documents for the 2008/09 financial year: the Statement of Business Intent (SBI) and Annual Business Plan (ABP).

The SBI and ABP outline major activities that Businesslink plans to undertake during 2008/09 and draws on the strong foundations that have been established over the last three years.

Included within the SBI and ABP is a summary of the ongoing financial and operational improvements in 2008/09 and in the years beyond, which have been acknowledged by clients and reinforce Businesslink's focus on:

› Seeking opportunities that improve service delivery and capabilities for clients

› Providing rigorous governance, compliance, quality and control solutions

› Realising benefits through financial performance transparency.

Seeking opportunities that improve service delivery

COMMITTEES

Audit and Risk Committee

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

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

The Sub-Committee is chaired by Jon Isaacs. Other members include Mike Allen and John Hunter. The role of the Committee is directed towards:

› Enhancing the systems of internal control of the Company

› Improving the objectivity and reliability of externally published financial information

› Promoting effective risk management

› Maintaining an effective and efficient external and internal audit capability

› Reviewing key aspects of the financial management framework

› Periodically reviewing the financial structure, performance and associated accounting treatment

› Ensuring legal compliance with the *Corporations Act* 2001 (Cth), the *Public Finance* and *Audit Act* 1983 (NSW) and all other applicable laws.

In 2007/08, Businesslink's Audit and Risk Board Sub-Committee has seen improvements to the management and ownership of internal controls and risk management.

In line with best practice, the Sub-Committee has a standing agenda item of management-free time at the beginning of each meeting that permits both internal and external auditors to express and discuss any concerns they may have without the influence of management.

To ensure enhanced value and improvement, the Sub-Committee carried out an annual review and self-assessment of its governance and operations. The assessment identified several areas for improvement:

› Development of an induction pack for new Committee members

› Expansion of the Committees' involvement with Risk Management.

Information Management and Technology (IM&T) Committee

The Information Management and Technology (IM&T) Board Sub-Committee of the Businesslink Board is chaired by Pat Richards and includes an independent member, Mary Ann Maxwell. The Sub-Committee meets quarterly to provide direction on items of a strategic nature relating to IM&T.

The Sub-Committee's role is to:

- Develop a culture of communication and collaboration in order to progress the achievement of significant cross-agency solutions, reduce duplication and mitigate risks in the shared service model
- Provide oversight of all Information and Communication Technology (ICT) initiatives, strategies and decisions and ensure that appropriate guidelines, procedures and structures are in place for all ICT-related projects across Businesslink and its clients
- Play a pivotal role in ensuring a business focus on achieving convergence of technologies, applications and processes across Businesslink and clients
- Provide an assurance to the Board that effective risk management practices are in place at both the strategic and individual program level.

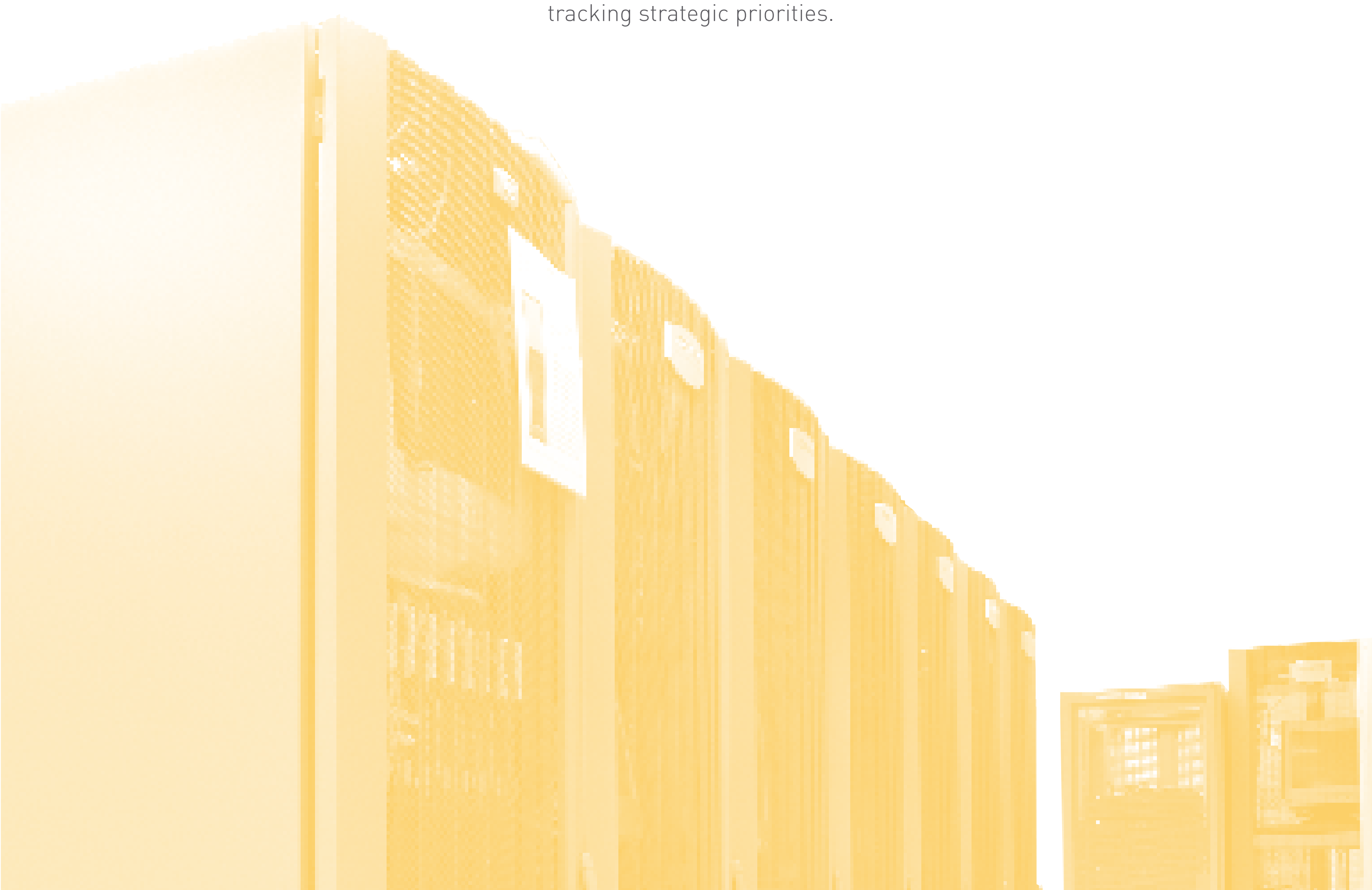
The IM&T Sub-Committee is responsible for:

- Strategic alignment of the ICT plan to clients' objectives and outcomes
- Approving significant changes to scope, budget, deliverables or benefits of specific projects within the client agency
- Prioritising projects, investments and initiatives at feasibility stage, and confirming priority assigned at the business case stage
- Tracking project performance against the approved business case
- Reviewing benefits delivered by projects
- The strategic risk management at client level
- Providing an escalation point for issue resolution or referral to the Board.

During 2007/08, the Sub-Committee received Board approval for the Businesslink ICT Strategic Plan 2007/08–2010/11 and endorsed the Enterprise Application Integration strategy resulting in the selection of the SAP Process Integration (SAP PI) middleware solution.

Another key achievement was endorsing the standards for defining Tiers of Disaster Recovery and its support for a major program of work relating to the Data Storage Optimisation strategy and Data Centre Expansion strategy within Businesslink.

The Committee is adopting Businesslink's Strategic Management Framework as a way of tracking strategic priorities.



03 Financial Performance

Improving financial performance

AND ACHIEVING FINANCIAL STABILITY

FINANCIAL PERFORMANCE OVERVIEW

This section provides a summary of NSW Businesslink Pty Ltd's financial performance for 2007–08 detailed within the audited annual accounts that commence on page 43.

Operating Results

NSW Businesslink Pty Ltd generated an operating deficit of $0.966M (2006–07: operating surplus of $4.856M) primarily attributed to the impact of negative valuation movements to superannuation assets payable by the Company to the Office of NSWbusinesslink within the Department of Commerce, under the terms of a personnel supply agreement between the two organisations. The movement in superannuation value was a result in the decline of the local and world stock markets.

Operating Revenue

Total operating revenue was $159.251M (2006–07: $141.196M). Operating revenue consists of:

› Fee for Service revenue of $124.304M (2006–07: $106.520M)

› Project revenue of $33.752M (2006–07: $34.356M)

› Interest revenue of $0.684M (2006–07: $0.245M)

› Other revenue of $0.511M (2006–07: $0.075M).

The major driver for the Fee for Service increase was the increased product consumption by clients across all product lines.

Operating Expenses

Total operating expenses were $160.217M (2006–07: $136.340M). Operating expenses consist of:

› Fee for Service expenses of $110.652M (2006–07: $86.212M)

› Project expenses of $34.055M (2006–07: $35.920M)

› Other expenses (including depreciation and amortisation $14.222M) of $15.510M (2006–07: $14.208M including $12.906M for depreciation and amortisation).

In comparison to 2006-2007, Fee for Service expenditure increased by $24.440M. This is primarily attributable to increased contractor expenditure of $8.951M to meet demand and increased fee for personnel services of $12.589M that was incurred as a result of the Pillar Superannuation adjustment which contributed $11.740M to the increase.

Project expenses decreased by $1.865M principally due to lower project volumes and improved cost management.

Interest expense increased by $0.069M in line with movements in variable interest rates on short term commercial loan facilities.

Other expenses increased by $1.233M due mainly to higher depreciation and amortisation charges.

Balance Sheet

Net asset position

The net asset position at 30 June 2008 was $15.633M (2006–07: $12.262M). This increase was mainly due to the transfer of equity from the Department of Commerce of $4.337M.

Total assets

Total assets at 30 June 2008 were $56.018M (2006–07: $55.969M). Key movements in assets were:

- Cash balances increased by $4.579M principally due to payment of receivable
- Receivables decreased by $3.553M mainly due to the reduction in outstanding invoices receivable from clients
- Other current assets increased by $0.467M
- Plant and Equipment increased by $0.898M primarily due to the capitalised cost of the leased premises make good provision of $0.382M. This represents amount capitalised of $0.544M less amortisation
- Intangibles decreased by $2.342M due to capital expenditure being below the level of amortisation.

Total liabilities

Total liabilities at 30 June 2008 were $40.385M (2006–07: $43.707M). Key movements in liabilities were:

- Payables decreased by $1.659M principally due to payment of year end creditors
- Other current liabilities reduced by $2.317M due to alignment of client property maintenance and rental programs to funding cycles
- Borrowings increased by $0.110M mainly due to year end loan valuation adjustments
- Provisions increased by $0.544M due to the establishment of make good provisions on the Company's leased premises.

Cash Flow Statement

Cash and cash equivalents at 30 June 2008 was $12.595M (2006–07: $8.016M).

Net increase at 30 June 2008 was $4.579M (2006–07: net decrease $1.221M). This was attributable to the improved management of working capital. Net cash inflows from operating activities was $16.342M (2006–07: $9.534M) of which $11.763M (2006–07: $6.310M) was utilised for capital investments.

Audit Overview

The Audit Office of New South Wales has completed the annual review of the financial statements and issued an Unqualified Audit report. However, the auditors have commented that an internal audit report identified a number of issues relating to a project, the Work Force Management project. Management agreed with the majority of the internal audit report findings and are implementing solutions to the issues.

GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

NSW Businesslink Pty Ltd

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

I have audited the accompanying financial report of NSW Businesslink Ltd Pty (the Company), which comprises the balance sheet as at 30 June 2008, the income statement, statement of recognised income and expenses and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Auditor's Opinion

In my opinion the financial report:

- is in accordance with the *Corporations Act 2001*, including:
  - giving a true and fair view of the Company's financial position as at 30 June 2008 and its performance for the year ended on that date; and
  - complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001
- is in accordance with *section 41B* of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

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

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

My opinion does *not* provide assurance:

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

Independence

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

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

I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of the Company on 15 October 2008, would be in the same terms if provided to the directors as at the date of this auditor's report.

Peter Barnes
Director, Financial Audit Services

20 October 2008
SYDNEY

ADOPTION OF FINANCIAL STATEMENTS

1 July 2007 to 30 June 2008

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

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

The financial statements for the year ended 30 June 2008 be adopted and the Managing Director provide a statement to the effect that in his opinion the accompanying financial statements have been prepared in accordance with the provisions of the *Public Finance* and *Audit Act* 1983, the Public Finance and Audit Regulation 2005, the Treasurer's Directions and the *Corporations Act* 2001, and that as at 20 October 2008 he is not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

Ms. J. McClelland (Board Chair)
Director

20 October 2008

This report is not audited

STATEMENT BY THE MEMBERS OF THE BOARD

for and on behalf of

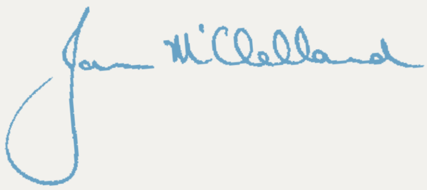
NSW Businesslink Pty Ltd

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

a. The accompanying financial statements exhibit a true and fair view of the financial position of NSW Businesslink Pty Ltd as at 30 June 2008 and transactions for the year then ended.

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

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



Ms. J. McClelland (Board Chair)
Director

Mr. P. Richards
Managing Director

20 October 2008

This report is not audited

DIRECTORS' DECLARATION

In the directors' opinion:

(a) the financial statements and notes set out on pages 48 to 76 are in accordance with the *Corporations Act* 2001, including:

   (i) complying with Australian Accounting Standards (section 296), the Corporations Regulations 2001, the *Public Finance* and *Audit Act* 1983 and Public Finance and Audit Regulations 2005 and other mandatory professional reporting requirements; and

   (ii) giving a true and fair view (section 297) of the Company's financial position as at 30 June 2008 and of its performance for the financial year ended on that date.

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable by virtue of the Letter of Comfort issued by the State of New South Wales on 1 June 2004.

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

Ms. J. McClelland (Board Chair)
Director

20 October 2008

This report is not audited

DIRECTORS' REPORT

The Board of Directors of NSW Businesslink Pty Ltd ("the Company") is pleased to submit this report for the year ended 30 June 2008.

Operating Result

The Company's net profit/(loss) for the financial year ending 30 June 2008 amounted to ($0.966) million (2007 - $4.856 million).

Corporate Structure

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

Employees

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

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

Review of operations

The Company derived revenue of $158.056 million (2007 - $140.876 million) from the provision of services to its clients during the year.

Significant changes in the state of affairs

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

Principal activities

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

Future Developments

Business development will continue to be focused on enhancement to the Company's capacity to provide improved services to clients, enhance the quality of service delivery and increase customer satisfaction.

The Company is in the process of finalising an agreement with the State Property Authority to provide shared IT services for an initial five year period commencing on 1 July 2008.

Matters subsequent to the end of the financial year

The Company has entered into and signed a lease agreement with Brookfield Multiplex Services Pty Ltd for an expansion of 500m2 of floor space at its Data Centre in Ultimo for a period of 10 years with a commencement date of 15 December 2008 with an annual rental of $1,656,500 per annum.

On 22 August 2008 the Company entered into and signed a lease agreement with Fujitsu Australia Ltd for 295m2 of floor space at a Data Centre facility in Homebush for a period of 5 years with a commencement date of 1 November 2008 with an annual rental of $1,103,296 per annum.

Environmental Issues

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

Dividends

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

Options

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

Issue of Shares

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

Directors' Benefits

Since the end of the previous financial year no Director of the Company has received a benefit directly, or indirectly from the Company other than as mentioned in Note 21 to the Financial Report. Mr Pat Richards, as Managing Director of the Company, received a salary from NSWbusinesslink, which is regarded as normal for such an appointment.

Indemnification of Directors and Officers

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

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

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

Proceedings on behalf of the Company

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

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

Directors

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

value people service

Meetings of directors

The numbers of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2008, and the numbers of meetings attended by each director were:

			Meetings of Committees			
	Board		Audit		IM&T	
	A	B	A	B	A	B
Jan McClelland (Board Chair) BA (Hons), Bleg S, FAIM, FACEL, MAICD, MIPAA	7	7	-	-	-	-
Brendan O'Reilly MMgmt (Education)	7	7	-	-	-	-
Neil Shepherd BVSc, PhD, Bleg S (Hons 1) (resigned 5 March 2008)	4	5	-	-	-	-
Jennifer Mason BA (Hons), BSoc WK, MCrim (appointed 30 April 2008)	2	2	-	-	-	-
Mike Allen Grad Dip UEM	6	7	4	4	-	-
Pat Richards CA	7	7	-	-	4	4

A = Number of meetings attended
B = Number of meetings held during the time the director held office or was an invited member of the committee during the year
Note 1 - Mr Richards is the Chair of the IM&T Committee
Note 2 - The Audit Committee has an Independent Chair and an independent committee member
Note 3 – Mike Allen is the only Director that is a member of the Audit Committee

Auditor's independence declaration

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

Rounding of amounts

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

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

Mr. P. Richards
Director

Sydney
20 October 2008

This report is not audited

GPO BOX 12
Sydney NSW 2001

To the Directors
NSW Businesslink Pty Ltd

Auditor's Independence Declaration

As auditor for the audit of the financial report of NSW Businesslink Pty Ltd for the year ended 30 June 2008, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

Peter Barnes
Director, Financial Audit Services

15 October 2008
SYDNEY

INCOME STATEMENT

for the year ended 30 June 2008

	Notes	2008 $'000	2007 $'000
CONTINUING OPERATIONS			
Revenue	3	**158,056**	140,876
Other income	4	**1,195**	320
Fee for personnel services		**(53,006)**	(40,417)
Depreciation and amortisation expense	8,9	**(14,222)**	(12,906)
Contractors expense		**(55,473)**	(46,522)
Consultants expense		**(245)**	(772)
Training and development expense		**(664)**	(410)
Rent expense		**(3,526)**	(3,515)
Building maintenance and utilities expense		**(1,078)**	(1,251)
Motor vehicle expenses		**(226)**	(232)
Intangible assets write off due to obsolescence		**(150)**	(349)
Printing, postage and stationery expense		**(1,574)**	(1,409)
Telecommunication expense		**(9,307)**	(8,376)
Information Technology		**(14,974)**	(12,519)
Auditor's remuneration	20	**(148)**	(121)
Project materials		**(2,816)**	(4,679)
Impairment of receivables		**-**	103
Other expenses		**(1,683)**	(1,909)
Finance costs		**(1,125)**	(1,056)
Profit/(loss) for the year		**(966)**	4,856

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

BALANCE SHEET

as at 30 June 2008

	Notes	2008 $'000	2007 $'000
ASSETS			
Current assets			
Cash and cash equivalents	5	**12,595**	8,016
Trade and other receivables	6	**10,337**	13,890
Other current assets	7	**3,468**	3,001
Total current assets		**26,400**	24,907
Non-current assets			
Plant and equipment	8	**13,446**	12,548
Intangible assets	9	**16,172**	18,514
Total non-current assets		**29,618**	31,062
Total assets		**56,018**	55,969
LIABILITIES			
Current liabilities			
Payables	10	**25,862**	27,521
Borrowings	11	**9,300**	9,300
Other liabilities	12	**-**	2,317
Total current liabilities		**35,162**	39,138
Non-current liabilities			
Provisions	13	**544**	-
Borrowings	14	**4,679**	4,569
Total non-current liabilities		**5,223**	4,569
Total liabilities		**40,385**	43,707
Net assets		**15,633**	12,262
EQUITY			
Contributed equity	15	**-**	-
Retained profits	16	**15,633**	12,262
Total equity		**15,633**	12,262

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

STATEMENT OF RECOGNISED INCOME AND EXPENSE

for the year ended 30 June 2008

	Retained earnings $'000	Total $'000
BALANCE AT 1 JULY 2006	7,406	7,406
Profit for year	4,856	4,856
Total recognised income and expense for the year	4,856	4,856
BALANCE AT 30 JUNE 2007	12,262	12,262
BALANCE AT 1 JULY 2007	12,262	12,262
Profit/(loss) for year	(966)	(966)
Total recognised income and expense for the year	(966)	(966)
Transfer as part of organisational restructure	4,337	4,337
BALANCE AT 30 JUNE 2008	15,633	15,633

The above statement of recognised income and expense should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT

for the year ended 30 June 2008

	Notes	2008 $'000	2007 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Fees for services		**189,308**	166,052
Interest received		**661**	243
Payment for services from NSWbusinesslink		**(51,812)**	(52,661)
Payments to suppliers		**(121,075)**	(102,964)
Finance costs		**(740)**	(1,136)
Net cash inflow from operating activities	19	**16,342**	9,534
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment and intangibles		**(12,250)**	(6,468)
Proceeds from sale of plant and equipment		**487**	158
Net cash (outflow) from investing activities		**(11,763)**	(6,310)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		**-**	9,300
Repayment of borrowings		**-**	(13,745)
Net cash outflow from financing activities		**-**	(4,445)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**4,579**	(1,221)
Cash and cash equivalents at the beginning of the financial year		**8,016**	9,237
Cash and cash equivalents at end of year	5	**12,595**	8,016

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

NOTE 1.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

NSW Businesslink Pty Ltd ("the Company"), as a reporting entity comprises all the operating activities under its control. The Company provides corporate services to Housing NSW, the Department of Community Services and the Department of Ageing, Disability and Home Care.

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

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

(b) Basis of preparation

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

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

Early adoption of standards

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

- AASB 3 (March 2008), AASB 127 and AASB 2008-3 regarding business combinations
- AASB 8 & AASB 2007-3 regarding operating segments
- AASB 101 (Sept 2007) regarding presentation of financial statements
- AASB 123 (June 2007) regarding borrowing costs
- AASB 1004 (Dec 2007) regarding contributions
- AASB 1049 (Oct 2007) regarding the whole of government and general government sector financial reporting
- AASB 1050 (Dec 2007) regarding administered items
- AASB 1051 (Dec 2007) regarding land under roads
- AASB 1052 (Dec 2007) regarding disaggregated disclosures
- AASB 2007-2 regarding amendments arising from AASB Interpretation 12
- AASB 2007-6 regarding amendments arising from AASB 123
- AASB 2007-8 regarding amendments arising from AASB 101
- AASB 2007-9 amendments to Australian Accounting Standards arising from the review of AAS's 27, 29 and 31
- AASB 2007-10 regarding amendments arising from review of AASB 101
- AASB 2008-1 regarding share based payments
- AASB 2008-2 regarding puttable financial instruments
- AASB 2008-3 amendments to Australian Accounting Standards arising from AASB 3 and AASB 127

- AASB 2008-4 amendments to Australian Accounting Standard – Key Management Personnel Disclosures by Disclosing Entities
- AASB 2008-5 amendments to Australian Accounting Standards arising from the Annual Improvements Project
- AASB 2008-6 further amendments to Australian Accounting Standards arising from the Annual Improvements Project
- AASB 2008-7 amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- Interpretation 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities
- Interpretation 4 (Feb 2007) regarding determining whether an arrangement contains a lease
- Interpretation 12 regarding service concession arrangements
- Interpretation 13 on customer loyalty programmes
- Interpretation 14 regarding the limit on a defined benefit asset
- Interpretation 129 (Feb 2007) regarding service concession disclosures
- Interpretation 1038 (Dec 2007) regarding contributions by owners.

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

Going Concern

Given the asset ratio and level of commitments this may raise concerns of the ability of the Company to meet its debts as and when they fall due.

For the purposes of maintaining the Company's solvency pursuant to Section S95A of the *Corporations Act* 2001, the NSW State Government issued a Letter of Comfort on 1 June 2004 guaranteeing that it will, if necessary, provide funds or facilities to enable the Company to meet its debts as and when they become due and payable.

(c) Not-for-Profit Status

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

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

Treasury has agreed with the above classification.

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

(d) Cash and cash equivalents

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

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

(e) Receivables

Receivables are recognised initially at fair value, based on the original invoice. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Debts which are known to be uncollectible are written off as identified.

(f) Plant and equipment

Acquisition of Assets

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

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

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

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

Cost and valuation

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

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

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

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

Depreciation

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

Estimations on remaining useful lives are made on an annual basis. The expected useful lives are:

Asset Class	2008	2007
Office equipment	5 years	5 years
Office furniture	4 to 5 years	4 to 5 years
Computer equipment	4 years	4 years
Motor vehicles	7 years	7 years
Leasehold improvements	3 to 6 years	3 to 6 years

(g) Intangible assets

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

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

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

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

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

Asset Class	2008	2007
Assets Under Construction	-	-
Software	2 to 5 years	2 to 5 years
Internally Generated Asset	3 to 7 years	3 to 7 years

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

(h) Leases

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

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

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. The amounts are unsecured and usually paid within 30 days of recognition.

(j) Provisions

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

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

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

Provisions relate to Make Good costs on the Company's leased office premises. The provision was calculated by using an average rate of $110.00 per square metre which was then indexed for inflation using the budget rate of 2.5% and then discounted to present value using an interest rate of 6%.

(k) Borrowings

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

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

(l) Revenue recognition

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

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

(m) Income tax

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

(n) Goods and Services Tax (GST)

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

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

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

(o) Change in Accounting estimates

During the financial year the Directors assessed the useful life of certain items of intangible assets focusing principally on the internally generated assets of the Company. The reassessment indicated a reduction in the economic benefits to be derived by the Company. The financial effect of this reassessment, assuming the assets are held until the end of their estimate useful lives, is to decrease consolidated amortisation expense in the current financial year by $0.049M. In the prior year similar changes had an impact of $1.650M.

(p) Work in Progress - project services

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

(q) Rounding of amounts

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

NOTE 2.

FINANCIAL RISK MANAGEMENT

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

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

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

	Notes	Category	2008 $'000	2007 $'000
FINANCIAL ASSETS				
Cash	5	N/A	**12,595**	8,016
Receivables	6	Loans and receivables (at amortised cost)	**10,313**	13,761
Total Financial Assets			**22,908**	21,777
FINANCIAL LIABILITIES				
Payables	10	Financial liabilities measured at amortised cost	**23,661**	29,362
LOANS PAYABLE				
NSW Treasury Corporation Loans	11,14	Financial liabilities measured at amortised cost	**13,979**	13,869
Total Financial Liabilities			**37,640**	43,231

(a) Market risk

(i) **Foreign exchange risk**
The Company only operates domestically and is not exposed to foreign exchange risk

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

To manage its price risk arising from investments in equity securities, the Superannuation Board diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Board.

Over 50% of the Board's equity investments are in Australian or overseas equities. Approximately 15% of its investments are in Australian or overseas fixed interest securities whilst 11% is in property and a further 6% in cash.

(iii) **Cash flow and fair value interest rate risk**
Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. The Company's main interest rate risk arises from short-term borrowings. Borrowings issued

at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company is limited in its ability to manage these risks due to the fact that the Company can only borrow in the form of T-Corp facilities given that it is a government entity. Interest rates on these facilities are determined by the government and are typically in line with market rates.

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

Fixed Interest Rate Maturing

2008	Weighted Average Effective Rate %	Floating Interest Rate $'000	Within 1 Year $'000	1 to 5 Years $'000	Over 5 Years $'000	Non Interest Bearing $'000	Total $'000
FINANCIAL ASSETS							
Cash on hand and at bank	6.90	12,589	-	-	-	6	12,595
Receivables	-	-	-	-	-	10,313	10,313
Total Financial Assets		12,589	-	-	-	10,319	22,908
FINANCIAL LIABILITIES							
Payables and Advances	-	-	-	-	-	23,661	23,661
Commercial Loan	7.33	4,650	-	-	-	-	4,650
Commercial Loan	8.26	4,650	-	-	-	-	4,650
Commercial Loan	7.00	-	-	4,679	-	-	4,679
Total Financial Liabilities		9,300	-	4,679	-	23,661	37,640

2007	Weighted Average Effective Rate %	Floating Interest Rate $'000	Within 1 Year $'000	1 to 5 Years $'000	Over 5 Years $'000	Non Interest Bearing $'000	Total $'000
FINANCIAL ASSETS							
Cash on hand and at bank	5.90	8,011	-	-	-	5	8,016
Receivables	-	-	-	-	-	13,761	13,761
Total Financial Assets		8,011	-	-	-	13,766	21,777
FINANCIAL LIABILITIES							
Payables and Advances	-	-	-	-	-	29,362	29,362
Commercial Loan	6.46	4,650	-	-	-	-	4,650
Commercial Loan	6.57	4,650	-	-	-	-	4,650
Commercial Loan	7.00	-	-	4,569	-	-	4,569
Total Financial Liabilities	-	9,300	-	4,569	-	29,362	43,231

(iv) Summarised sensitivity analysis

At 30 June 2008, if interest rates had changed by +1% from the year-end cash rates of 7% and year-end borrowing rates of 7% to 8.26% with all other variables held constant, post-tax profit for the year would have been $0.014M lower (2007: $0.058M lower), mainly as a result of lower income from cash and cash equivalents as compared with the higher expense from the Company's borrowings.

The following table summarises the sensitivity of the Company's financial assets and financial liabilities to interest rate risk.

30 June 2008	Carrying amount	Interest rate risk -1%		Interest rate risk +1%	
		Profit	Equity	Profit	Equity
	$'000	$'000	$'000	$'000	$'000
FINANCIAL ASSETS					
Cash and cash equivalents	12,595	(126)	(126)	126	126
Accounts receivable	10,313	-	-	-	-
FINANCIAL LIABILITIES					
Trade payables	23,661	-	-	-	-
Borrowings	13,979	140	140	(140)	(140)
Total increase/ (decrease)		14	14	(14)	(14)

(b) Credit risk

Credit risk arises when there is a possibility that the Company's debtors will default on their contractual obligations, resulting in a financial loss to the Company. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to external customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. All trade debtors are recognised as amounts receivable at balance date. Collectibility of trade debtors are reviewed on an ongoing basis. Refer to Note 6 for ageing of past due debtors. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30 day terms.

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

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

(c) Liquidity risk

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

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

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

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

Prudent guidelines have been established by the Company to allow for no more than 30% of total face value of debt to mature in any one financial year. All breaches of prudential limits are to be reported to the Managing Director immediately and to the Board monthly for ratification of action proposed or undertaken.

Forecast liquidity reserve as of 30 June 2008 is as follows:

	30 June 2008 $'000	2009-2013 $'000
Opening balance for the period	8,016	12,595
Operating proceeds	189,969	726,850
Operating outflows	(173,627)	(652,953)
Cash outflows for investments	(12,250)	(70,000)
Proceeds from sale of investments	487	-
Financing proceeds	-	-
Payments of debts and dividends	-	(5,000)
Expiration of committed credit lines	-	-
Commitment of new credit lines	-	-
Closing balance for the period	12,595	11,492

Maturity of financial liabilities

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

At 30 June 2008	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Total $'000
Accounts payable	23,661	-	-	23,661
Commercial loans	4,819	-	-	4,819
Commercial loans	4,842	-	-	4,842
Commercial loans	314	314	4,644	5,272

(d) Fair value

Except where specified below, the amortised cost of financial instruments recognised in the balance sheet approximates the fair value, because of the short-term nature of many of the financial instruments.

NOTE 3.

REVENUE

	2008 $'000	2007 $'000
FEES FOR SERVICES		
Housing NSW	**36,763**	39,256
Department of Community Services	**51,504**	41,166
Department of Ageing, Disability and Home Care	**68,111**	59,883
Department of Commerce	**1,678**	571
	158,056	140,876

NOTE 4.

OTHER INCOME

	2008 $'000	2007 $'000
Interest earned	**684**	245
GST refund	**409**	-
Sundry income	**102**	75
	1,195	320

NOTE 5.

CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2008 $'000	2007 $'000
Cash at bank and on hand	**12,595**	8,016
	12,595	8,016

(a) Interest rate risk exposure

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

NOTE 6.

CURRENT ASSETS - TRADE AND OTHER RECEIVABLES

	2008 $'000	2007 $'000
Trade receivables	15	10
Receivables from related parties	6,846	10,680
Provision for impairment of receivables	-	-
	6,861	10,690
Interest Receivable	46	29
Prepayments	3,406	3,042
GST Receivable	24	129
	10,337	13,890

(a) Impaired trade receivables

As at 30 June 2008 current trade receivables of the Company with a nominal value of $NIL (2007: $NIL) were impaired. The amount of the provision was $NIL (2007: $NIL).

As of 30 June 2008, trade receivables of $0.106M (2007: $4.561M) were past due but not impaired. These relate to a number of other government entities for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	2008 $'000	2007 $'000
Less than 3 months	101	4,135
3 to 6 months	5	26
Over 6 months	-	400

Movements in the provision for impairment of receivables are as follows:

	2008 $'000	2007 $'000
At 1 July	-	(108)
Provision for impairment recognised during the year	-	-
Receivables written off during the year as uncollectible	-	5
Unused amount reversed	-	103
Balance as at 30 June	-	-

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

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

NOTE 7.

CURRENT ASSETS - OTHER CURRENT ASSETS

	2008 $'000	2007 $'000
Work in progress - Projects Services	3,468	3,001

NOTE 8.

NON-CURRENT ASSETS - PLANT AND EQUIPMENT

	Office furniture $'000	Office equipment $'000	Motor vehicles $'000	Leasehold improvements $'000	Computer equipment $'000	Total $'000
YEAR ENDED 30 JUNE 2008						
Opening fair value amount	132	233	992	2,740	8,451	12,548
Additions	9	367	648	288	5,539	6,851
Make good asset (Refer Note 13)	-	-	-	544	-	544
Disposals	-	-	(530)	-	-	(530)
Assets written off	-	-	-	-	-	-
Transfers between classes	-	-	-	-	-	-
Depreciation charge	(53)	(136)	(140)	(1,234)	(4,404)	(5,967)
Closing fair value amount	88	464	970	2,338	9,586	13,446
AT 30 JUNE 2008						
Gross value	188	1,094	1,097	6,779	22,288	31,446
Accumulated depreciation	(100)	(630)	(127)	(4,441)	(12,702)	(18,000)
Fair value amount	88	464	970	2,338	9,586	13,446
YEAR ENDED 30 JUNE 2008						
Opening accumulated depreciation	(47)	(494)	(154)	(3,207)	(8,346)	(12,248)
Depreciation charge	(53)	(136)	(140)	(1,234)	(4,404)	(5,967)
Disposals	-	-	167	-	-	167
Assets written off	-	-	-	-	48	48
Closing accumulated depreciation	(100)	(630)	(127)	(4,441)	(12,702)	(18,000)

	Office furniture $'000	Office equipment $'000	Motor vehicles $'000	Leasehold improvements $'000	Computer equipment $'000	Total $'000
YEAR ENDED 30 JUNE 2007						
Opening fair value amount	-	303	754	4,348	7,775	13,180
Additions	-	78	540	-	4,340	4,958
Make good asset (Refer Note 13)	-	-	-	-	-	-
Disposals	-	-	(175)	-	-	(175)
Asset written off	-	(14)	-	(293)	(24)	(331)
Transfers between classes	179	-	-	(179)	-	-
Depreciation charge	(47)	(134)	(127)	(1,136)	(3,640)	(5,084)
Closing fair value amount	132	233	992	2,740	8,451	12,548
AT 30 JUNE 2007						
Gross value	179	727	1,146	5,947	16,797	24,796
Accumulated depreciation	(47)	(494)	(154)	(3,207)	(8,346)	(12,248)
Fair value amount	132	233	992	2,740	8,451	12,548
YEAR ENDED 30 JUNE 2007						
Opening accumulated depreciation	-	(360)	(82)	(2,243)	(4,855)	(7,540)
Depreciation charge	(47)	(134)	(127)	(1,136)	(3,640)	(5,084)
Disposals	-	-	55	67	-	122
Assets written off	-	-	-	105	149	254
Closing accumulated depreciation	(47)	(494)	(154)	(3,207)	(8,346)	(12,248)

	2008 $'000	2007 $'000
Proceeds from Sale	**487**	158
Less Written Down Value	**(539)**	(177)
Gain/(Loss) on Sale	**(52)**	(19)

NOTE 9.

NON-CURRENT ASSETS - INTANGIBLE ASSETS

	Software $'000	Assets under construction $'000	Internally generated asset $'000	Total $'000
YEAR ENDED 30 JUNE 2008				
Opening fair value amount	4,762	552	13,200	18,514
Additions	2,038	1,971	2,054	6,063
Disposals	-	-	(150)	(150)
Transfers between classes	-	(378)	378	-
Amortisation charge	(1,051)	-	(7,204)	(8,255)
Closing fair value amount	5,749	2,145	8,278	16,172
AT 30 JUNE 2008				
Gross value	10,189	2,145	26,769	39,103
Accumulated amortisation	(4,440)	-	(18,491)	(22,931)
Closing fair value amount	5,749	2,145	8,278	16,172
YEAR ENDED 30 JUNE 2008				
Opening accumulation amortisation	(3,389)	-	(11,729)	(15,118)
Amortisation charge	(1,051)	-	(7,204)	(8,255)
Disposals	-	-	-	-
Assets written off	-	-	442	442
Closing accumulated amortisation	(4,440)	-	(18,491)	(22,931)
YEAR ENDED 30 JUNE 2007				
Opening fair value amount	4,301	3,255	16,913	24,469
Additions	1,276	552	57	1,885
Disposals	-	-	-	-
Asset written off	(17)	-	(1)	(18)
Transfers between classes	-	(3,255)	3,255	-
Amortisation charge	(798)	-	(7,024)	(7,822)
Closing fair value amount	4,762	552	13,200	18,514
AT 30 JUNE 2007				
Gross value	8,151	552	24,929	33,632
Accumulated amortisation	(3,389)	-	(11,729)	(15,118)
Fair value amount	4,762	552	13,200	18,514

	Software $'000	Assets under construction $'000	Internally generated asset $'000	Total $'000
YEAR ENDED 30 JUNE 2007				
Opening accumulated amortisation	(2,663)	-	(4,707)	(7,370)
Amortisation charge	(798)	-	(7,024)	(7,822)
Assets written off	72	-	2	74
Closing accumulated amortisation	(3,389)	-	(11,729)	(15,118)

NOTE 10.

CURRENT LIABILITIES - PAYABLES

	2008 $'000	2007 $'000
Trade creditors	**628**	5,006
Unearned income - projects	**2,201**	476
Accrued operating expenditure	**6,212**	6,623
Accrued capital expenditure	**847**	226
Payable to NSWbusinesslink	**15,974**	15,190
	25,862	27,521

The movement in the payable to the NSWbusinesslink is principally related to the Pillar Superannuation adjustment of ($4.091M) offset by the equity transfer of $4.337M from the NSWbusinesslink as part of the administrative restructure.

(a) Fair value disclosures

The carrying amount of all payables is assumed to approximate their fair value.

(b) Risk exposure

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

NOTE 11.

CURRENT LIABILITIES - BORROWINGS

	2008 $'000	2007 $'000
UNSECURED		
T-Corp Borrowings	**9,300**	9,300
	9,300	9,300

There are two T-Corp facilities of $4.650M each with rollover dates of July and September 2008.

The Company has a borrowing facility with T-Corp. As at 30 June 2008 the Company had approval to borrow up to $19.1M (2007 - $19.1M). The undrawn facility as at 30 June 2008 was $5.1M.

(a) Fair value disclosures

The carrying amount of all payables is assumed to approximate their fair value.

(b) Risk exposure

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

NOTE 12.

CURRENT / NON-CURRENT LIABILITIES - OTHER LIABILITIES

Current	2008 $'000	2007 $'000
Advance received from Other Government agency	-	2,317
Total Current	-	2,317

The advance from DADHC to act as sub-contractor for its maintenance and rental program was repaid during the year.

NOTE 13.

NON-CURRENT LIABILITIES - PROVISIONS

	2008 $'000	2007 $'000
Carrying amount at beginning of financial year	-	-
add	-	-
Make good provision on operating leases (Refer Note 8)	544	-
Carrying amount at end of financial year	544	-

NOTE 14.

NON-CURRENT LIABILITIES - BORROWINGS

	2008 $'000	2007 $'000
UNSECURED		
T-Corp Borrowings	4,679	4,569

2008	Principal $'000	Interest $'000	Total $'000
Not later than one year	9,300	394	9,694
Later than one year but not later than five years	4,679	447	5,126
Later than five years	-	-	-
	13,979	841	14,820

2007	Principal $'000	Interest $'000	Total $'000
Not later than one year	9,300	384	9,684
Later than one year but no later than five years	4,569	759	5,328
Later than five years	-	-	-
	13,869	1,143	15,012

NOTE 15.

CONTRIBUTED EQUITY

	2008 $	2007 $
SHARE CAPITAL		
Opening balance	40	40
Issued Capital - ordinary shares of $1 each	-	-
	40	40

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

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

NOTE 16.

RETAINED PROFITS

	2008 $'000	2007 $'000
Opening retained profits	12,262	7,406
Transfer as part of organisational restructure	4,337	-
Profit/(loss) for the year	(966)	4,856
Retained profits as at 30 June	15,633	12,262

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

Transfer of Assets from NSWbusinesslink, department	
Receivables	4,337
Net Assets	4,337

NOTE 17.

AGREEMENT FOR PERSONNEL SERVICES

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

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

NOTE 18.

CONTINGENCIES

(a) Contingent assets and liabilities

As at reporting date, the Company is not aware of any contingent assets or liabilities, which may materially affect its financial position (2007 - $NIL).

NOTE 19.

RECONCILIATION OF PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2008 $'000	2007 $'000
Profit/(loss) for the year	(966)	4,856
Depreciation	5,967	5,084
Amortisation	8,255	7,822
Write off of intangible assets	150	349
Net (gain) loss on sale of non-current assets	52	19
Decrease/(Increase) in receivables	3,086	(8,465)
Make good asset (non cash)	(544)	-
(Decrease) in accounts payable and other creditors	(202)	(131)
Increase in provisions	544	-
Net cash inflow from operating activities	16,342	9,534

Input tax credits of $13.801M (2007 $13.200M) are included in Fees for Services and GST of $11.061M (2007 $9.831M) paid on supplies, is included in payment to supplier's expenses in the Cash Flow Statement. Actual GST forwarded to the Australian Taxation Office of $2.377M (2007 $2.758M) is included in Other expenses and actual GST received of $0.309M (2007 $0.462M) is included in Sundry income in the Cash Flow Statement.

NOTE 20.

REMUNERATION OF AUDITORS

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

	2008 $	2007 $
Audit and review of financial reports	148,100	140,500
Total remuneration for audit services	148,100	140,500

Total remuneration for audit services	140,500
less	
Over-accrual from prior year	(19,400)
Balance as per Income Statement	121,100

NOTE 21.
DIRECTORS' REMUNERATION

	2008	2007

The names of the persons who were Directors of NSW Businesslink Pty Ltd at any time during the financial year were as follows: Mr. M. Allen, Ms J. Mason (appointed 30 April, 2008) Ms. J. McClelland, Mr. B. O'Reilly, Mr. P. Richards, Dr. N. Shepherd (resigned 5 March, 2008).

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

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

	2008	2007
NIL to $10,000	4	3
$40,000 to $50,000	1	1
$240,000 to $250,000	-	1
$250,000 to $260,000	1	-
Aggregate Directors' Remuneration paid (in whole dollars) to the above directors was	295,910	288,897

NOTE 22.
RELATED PARTY TRANSACTIONS

	2008 $'000	2007 $'000
FEE FOR SERVICE		
Department of Commerce	1,678	571
Housing NSW (i)	36,763	39,256
Department of Community Services	51,504	41,166
Department of Ageing, Disability and Home Care	68,111	59,883
	158,056	140,876
RECEIVABLES		
Department of Commerce	518	185
Housing NSW	394	4,411
Department of Community Services	2,738	5,302
Department of Ageing, Disability and Home Care	3,196	782
	6,846	10,680
PAYABLES		
NSWbusinesslink	15,974	15,190
Housing NSW	485	-
Department of Community Services	353	-
Department of Ageing, Disability and Home Care	1,613	6,425
	18,425	21,615

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

During the year $33.698M (2007 - $27.387M) was paid by Housing NSW to the Company, as a grant for the provision of corporate services, reimbursable expenditure and project costs.

Cash Flow Statement

Included in the Cash Flow Statement are payments and receipts totaling 2008 - $14.902M (2007 - $9.964M) which relates to Businesslink acting as an agent on behalf of the Department of Ageing and Disability Services and Home Care Services for the payment of leased premises. These payments made by Businesslink are recouped from each agency. As Businesslink acts only as an agent these amounts are not reflected in the Income Statement.

NSWbusinesslink fee

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

	2008 $'000	2007 $'000
NSWbusinesslink *	54.458	40,761
Housing NSW	883	1,416
Department of Community Services	-	-
Department of Ageing, Disability and Home Care	115	50
NSW Treasury	851	14,313

* This includes:
$1.452M (2007 $0.344M) capitalised into the Company's development projects.
Payments for the services of executive officers

0 to 10,000	1	-
40,000 to 50,000	2	1
110,000 to 120,000	-	1
150,000 to 160,000	1	-
180,000 to 190,000	-	2
190,000 to 200,000	1	1
200,000 to 210,000	1	1
210,000 to 220,000	1	-
240,000 to 250,000	-	1
250,000 to 260,000	1	-
Aggregate executive officers remuneration paid to the above executives was (Excluding Executive Directors and including Termination Payments)	1,119,577	1,176,745

NOTE 23.
COMMITMENTS

	2008 $'000	2007 $'000
(i) **PLANT AND EQUIPMENT**		
Within one year	**566**	159
Later than one year but not later than five years	**484**	-
Later than five years	**-**	-
	1,050	159
(ii) **OPERATING EXPENSES**		
Within one year	**28,632**	14,606
Later than one year but not later than five years	**3,620**	-
Later than five years	**-**	-
	32,252	14,606

(iii) **OPERATING LEASE - OFFICE ACCOMMODATION**
The Company leases various offices under operating leases with varying expiration dates. Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2008 $'000	2007 $'000
Within one year	**3,880**	3,340
Later than one year but not later than five years	**11,581**	13,308
Later than five years	**-**	832
	15,461	17,480

Input Tax credit amounting to $4.433M ($2.931M in 2007) is claimable from the Australian Taxation Office when the above commitments are paid in the future.

Included in the commitments above are purchase orders raised on behalf of the client agencies relating to assets and operating costs for Billable Projects. The amounts of these commitments are as follows:

Department of Community Services	**759**	218
Department of Ageing Disability and Home Care	**456**	773
Housing NSW	**50**	1,247
Department of Commerce	**-**	13
	1,265	2,251

All these commitments are due within one year

NOTE 24.
POST BALANCE DATE EVENTS

The Company has entered into and signed a lease agreement with Brookfield Multiplex Services Pty Ltd for an expansion of 500m2 of floor space at its Data Centre in Ultimo for a period of 10 years with a commencement date of 15 December 2008 with an annual rental of $1,656,500 per annum.

The Company is in the process of finalising an agreement with the State Property Authority to provide shared IT services for an initial five year period commencing on 1 July 2008.

On 22 August 2008 the Company entered into and signed a lease agreement with Fujitsu Australia Ltd for 295m2 of floor space at a Data Centre facility in Homebush for a period of 5 years with a commencement date of 1 November 2008 with an annual rental of $1,103,296 per annum.

END OF FINANCIAL STATEMENTS

05 Appendix

APPENDIX

Economic or Other Factors

Businesslink's operating objectives were not affected by any economic or other factors in the reporting period.

Overseas Travel

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

Legal Change

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

Disclosure of Controlled Entities

Businesslink does not have any controlling interests in other entities.

Credit Card Certification

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

Land Disposal

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

Funds Granted to Non-Government Community Organisations

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

Managing Director's Performance Statement

Patrick Richards

Position: Managing Director, Businesslink

Level: SES 5

Remuneration: $253,500

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

- Continued improvement in the shared services offering, including service delivery, fiscal disciplines, governance and risk assessment
- Strengthening of the fee-for-service regime to more effectively manage costs and ensure fiscal sustainability
- Development of a contemporary capability in Data Storage Management to meet growing client demand and business needs
- Development of an Enterprise Application Integration strategy
- Developing and operationalising innovative end-to-end service offerings such as "Procure to Pay" and "Hire to Retire", both of which drive efficiencies and meet multiple client requirements
- Ongoing Human Resource development including implementation of the Graduate Recruitment and Development Program
- Continued the building of "Centres of Capability", particularly in software applications and taxation services
- Effective management of Business Continuity, including the development of a comprehensive Data Centre risk mitigation strategy.

Human Resources

Staff salaries (and wage-related allowances) were increased by 4% for the entire reporting year, following the acceptance of the NSW Government offer of settlement in relation to the PSA Public Sector salary claim.

Personnel Policies and Practices

Businesslink has developed a comprehensive Policy Manual in accordance with applicable legislative and NSW Government policy designed to provide a framework that would allow staff to consistently operate whilst providing services as a corporate entity.

Workforce Diversity

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

The 2008 workforce profile indicated that women represent 54% of all employees with the highest proportion (30%) employed at the salary level $65,527-$84,737 per annum.

Men represented 46% of all employees with the highest proportion (32%) also employed at the salary level $65,527-$84,737 per annum. The number of women across levels is not evenly distributed with 17% of women represented in the salary ranges of $84,738 and above whereas 38% of men are represented in salary ranges above $84,738.

The proportion of Aboriginal and Torres Strait Islander staff was 0.6%, which is a fall of 0.5% and below the benchmark of 2%.

The proportion of staff from racial, ethnic, or ethno-religious minority groups was 34%. The proportion of staff whose first language was not English is 33% which exceeds the government target of 20%.

The proportion of staff with a disability was 6%, with 1.5% of staff requiring workplace adjustment.

As outlined in tables 1 and 2 below, the representation of EEO groups are reasonably represented and distributed within Businesslink. Strategies and programs aimed at reaching benchmarks will be developed in 2008/09.

Table 1: Representation of EEO Groups (as at 30 June 2008)

	% of Total staff			
EEO Group	Benchmark or Target	2006	2007	2008
Women	50%	55.0%	54.0%	54.0%
Aboriginal people and Torres Strait Islanders	2%	0.8%	1.1%	0.6%
People whose first language was not English	20%	29.0%	32.0%	33.0%
People with a disability	12%	9.0%	8.0%	6.0%
People with a disability requiring work-related adjustment	7%	2.1%	1.7%	1.5%

Table 2: Distribution of EEO Groups (as at 30 June 2008)

EEO Group	Benchmark or Target	Distribution Index 2006	2007	2008
Women	100	86	85	86
Aboriginal people and Torres Strait Islanders	100	n/a	n/a	n/a
People whose first language was not English	100	92	94	95
People with a disability	100	101	100	98
People with a disability requiring work-related adjustment	100	n/a	n/a	n/a

Notes:

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

Disability Action Plan

Businesslink acknowledges that addressing disability issues contributes to better outcomes for all staff and clients and a fairer and more just society in general.

During 2005/06 Businesslink developed a draft Disability Action Plan for 2006/08. The Plan has been designed to meet the organisation's requirements under the *Disability Services Act* 1993 (NSW).

Businesslink's Disability Action Plan 2006/08 was designed to be consistent with the Disability Policy Framework, Ageing and Disability Department, which was endorsed in 1998 by the NSW Government as a guideline for the development of Disability Action Plans.

The Businesslink plan was designed to meet both the organisation's obligations under the legislation, and also to articulate a systematic approach to the elimination of barriers affecting clients and staff with disabilities.

The 2006/08 Plan has identified a number of outcomes to be achieved within each of the priority areas in the NSW Disability Policy Framework and strategies to achieve those outcomes. Outlined below are the Priority Areas of Action:

› Physical Access
› Promoting Positive Community Attitudes
› Training of Staff
› Information about Services
› Employment in the Public Sector
› Complaints Procedures.

Some practical outcomes in priority areas have already been achieved within Businesslink and include:

- Provision of disability parking spaces within the building for visitors with disabilities to ensure ease of access
- Disability access considered in the location and into the design of new Regional Service Centres
- Use of e-mail broadcasts as a preferred means of distributing information to staff. This mode of communication is preferable from an access perspective as it is readily available to staff with hearing and vision impairments
- Flexible work arrangements available for people with disabilities
- Provision of disability parking spaces for staff with disabilities
- Allocation of Telephone Typewriters (TTY) to staff with hearing impairments
- Provision of signing interpreters for staff with hearing impairments at key Businesslink presentations
- Reasonable adjustment for employees with disabilities is actively considered, including purchase of special equipment, job design, training and development.

Workers' Compensation

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

Thirteen (13) new Workers' Compensation claims were lodged in 2007/08 and comprised: occupational overuse injury (1); psychological injury (1), sprains and strains (5); slips, trips and falls (5); and Motor Vehicle Accidents (1).

The average cost of claims at the end of the 2007/08 financial year (as at 30 June 2008) was $7,431, which is a decrease of $2,110 per claim over the previous year. All claims for the 2004/05 period are now finalised and all outstanding expenses paid. There are no known outstanding costs.

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

Consumer Response and Guarantee of Service

As the shared corporate service provider to the Department of Ageing, Disability and Home Care, Department of Community Services and Housing NSW, Businesslink does not deal with consumers directly. The majority of interaction with the general public is handled by its client agencies. The only exception is in Recruitment Services where key performance indicators have been developed in conjunction with clients to ensure appropriate levels of service delivery to members of the public.

performance indicators have been developed in conjunction with client agencies to ensure appropriate levels of service delivery to members of the public

PAYMENT OF ACCOUNTS

Aged Analysis

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

Quarter	Current (within due date) $'000	Between 30 to 60 days overdue $'000	Between 60 to 90 days overdue $'000	Over 90 days overdue $'000
September 2007	584	12	-	-
December 2007	313	-	4	1
March 2008	850	-	28	6
June 2008	377	-	-	-

Data source: Businesslink Finance

Accounts Paid on Time

No penalty interest was incurred for late payment of accounts.

Quarter	Total accounts paid on time			Total paid
	Target %	Actual %	$'000	$'000
September 2007	95.0	87.0	37,344	31,273
December 2007	95.0	83.0	24,173	29,273
March 2008	95.0	80.0	20,915	26,200
June 2008	95.0	89.0	31.637	35,487
Total Year	95.0	85.0	104,069	122,233

Freedom of Information

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

Manager, Corporate Support and Communications Group
Locked Bag 7466
Liverpool BC NSW 1871

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

Privacy Management Plan

The complete Privacy Management Plan is available from:

Manager, Risk, Information Security and Control (RISC)
Locked Bag 7466
Liverpool BC NSW 1871

Staff have access to the plan via Businesslink's Intranet site.

Waste Management Policy

Businesslink continues to develop its Waste Reduction and Purchasing Policy.

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

- Preferred supplier agreement, resulting in the supply of office paper containing 68 per cent recycled content
- Implementation of a comprehensive office recycling program, which includes:
    - Recycling of all print cartridges
    - Recycling of redundant computer related equipment through an external vendor whereby components are stripped and used to rebuild or repair other equipment
    - Recycling of cardboard and paper products.

In this reporting period, Businesslink recycled over 15.79 tonnes of paper products and cardboard, resulting in a 50 cubic metre reduction in landfill.

Government Energy Management Policy

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

Following a Level 2 Energy Efficiency audit of its Head Office building in early 2005, Businesslink continues a program of implementing the recommendations made by the audit, including continuing negotiations with the building owners.

Two (2) properties occupied by Businesslink, (Liverpool Head Office and Lismore) are included in the Government Energy Management Contract. Each of these locations receives a minimum of six (6) per cent green power under the terms of the contract. In 2007/08, this amounted to 5,154,312 KWh/hr.

The total cost of energy usage (electricity and gas) for Businesslink, across all its sites was $355,486, a saving of $71,706 from the previous year. Combined Businesslink sites consumed 3,755,915 KWh/hr of electricity and 3,631,679 MJ of gas.

CONSULTANTS

The following consultants were engaged by Businesslink and paid more than $30,000 in the reporting year:

Information Technology

Provider	Cost ($)	Title of Project	Description of Purpose
Hitachi Data Systems	90,000	Data Storage Strategy	Engaged to undertake a strategic business review, which led to the development of the new Data Storage strategy that is now being implemented with the development of a dedicated Data Storage team, procurement of new tools and revised business processes.

Business Services

Provider	Cost ($)	Title of Project	Description of Purpose
Oakton Limited	55,168	Procurement to Pay	Engaged to complete the analysis and development of a business case for use in assessing the financial viability and project business requirements to support the establishment of the Procurement to Pay project.
Ernst and Young	44,253	Business Services	Engaged to assess the business model for the amalgamation of the Business Service Centre and Business Services Division.

Other consultants

$55,580 was spent on an additional four (4) consultants where the total value of the consultancy was less than $30,000.

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