

AWARENESS

Accounting and Auditing Developments ISSUE 10 - DECEMBER 2006

AUDIT OFFICE UPDATE

Auditor-General's Report to Parliament 2006 - Vol Five

Significant items within the report included:

Attorney General's Department

The full implementation of the Courtlink project has been delayed by two years to the end of 2007. A new software platform is being developed after early testing showed that the software could not meet all the functional and performance needs across each court jurisdiction.

From the inception of the Victims' Compensation Fund scheme in 1988 to 30 June 2006, the Corporation has paid \$1.2 billion in awards of compensation. Over the years, legislative amendments to claims eligibility and thresholds have reduced the number of claims. During 2005-06, the Victims Compensation Fund Corporation wrote off \$3.2 million of restitution debts, largely due to the death or bankruptcy of defendants.

Department of Commerce

85 employees have accrued over 300 hours each in flexitime credits. These levels significantly exceed the maximum accumulated hours allowed under the Department's Flexible Working Hours Agreement.

The Government Broadband Service was successfully implemented during the year.

The NSW Government Licensing Project has experienced further delays and the system is now expected to be fully operational by 30 June 2008.

NSWbusinesslink

Last year we reported NSWbusinesslink incurred high levels of overtime. This year our analysis indicated lower levels of overtime have been worked. However, high levels of flexitime have been worked and forfeited by some employees and there has been no reduction in the number of employees with recreation leave balances in excess of 40 days.

CONTENTS

AUDIT OFFICE UPDATE	1
ACCOUNTING UPDATE	11
INTERNATIONAL UPDATE	11
MISCELLANEOUS PUBLICATIONS	13
LEGISLATIVE UPDATE	15
PREMIER'S DEPARTMENT UPDATE	16
AUDIT OFFICE BETTER PRACTICE GUIDES	17
ACRONYMS & ABBREVIATIONS	18



THE AUDIT OFFICE
OF NEW SOUTH WALES

New South Wales Lotteries Corporation

The *Public Lotteries Regulation 2002* has been amended to restrict payments for unclaimed prizes to a time limit of six years. With a transitional provision, the first forfeiture will occur in 2016.

Port Kembla Port Corporation

The Corporation has commenced works on \$140 million port upgrade to relocate the vehicle import industry from Glebe Island and the container/break-bulk trade from Darling Harbour.

Sydney Ports Corporation

In October 2005 the Government announced the expansion of Port Botany to include a new 51 hectare four berth container terminal and in August 2006 announced plans for a fifth berth. It is expected that the first berth will commence operations in 2011 and by 2020 the facility will have 3.2 million containers passing through it each year.

The Corporation has plans for an intermodal logistics centre at the disused marshalling yards at Enfield. The objective is to have 40.0 per cent of container movements in Sydney by rail and to minimise the growth in the number of trucks on the road.

Rice Marketing Board for the State of New South Wales

On 30 June 2006 the Board sold its entire network of rice receival and storage facilities and associated equipment to Riviana Australia Pty Limited, a wholly owned subsidiary of Ricegrowers Limited. The net present value of the consideration was \$101 million, resulting in a loss on sale of \$21.2 million.

The proceeds of sale will be received over 11 years commencing in the financial year ending 30 June 2007 and will be used to discharge the Growers Equity loans.

Rural Lands Protection Boards

The Rural Lands Protection Amendment Bill 2006 is currently before the Parliament. The Bill amends the *Rural Lands Protection Act 1983* and the *Public Finance and Audit Act 1983* on the accounting, auditing and annual reporting obligations of both Rural Lands Protection Boards and the State Council of Rural Lands Protection Boards.

Key elements of the Bill include removing the Boards from the *Public Finance and Audit Act 1983*, extending time for Boards to prepare and submit their financial report (from six weeks to three months) and extending the time for the State Council of Rural Lands Protection Boards to submit its annual report to the Minister and Treasurer (from four months to eight months). The Auditor-General will only audit and report on the activities of the State Council and not the Rural Lands Protection Boards.

Ministry of Transport

Tcard was to be introduced in November 2006. That date has now been deferred to 2007.

The sale of FreightCorp in 2001 imposed certain obligations on the purchaser, some of which have been deferred.

State Transit Authority

The new Metropolitan Bus System Contract arrangements resulted in improved operating surpluses and cash flows.

Patronage of Western Sydney Buses continues to improve.

Sydney Ferries Corporation

The Government continues to provide financial support to Sydney Ferries while it addresses its history of loss making.

State Water Corporation

State Water submitted its 2004-05 financial report to the Audit Office on 12 August 2005. The financial report contained significant errors, omissions and other presentation issues which were not resolved until recently.

Due to drought conditions, State Water supplied only 3,000 gigalitres of water in 2004-05 compared to the long term average of 5,500 gigalitres. In May 2005 the NSW Government waived the 2003-04 general security fixed water charges for Lachlan Valley irrigators and deferred for 12 months without interest the 2004-05 fixed charges. The New South Wales Treasury subsequently provided funding of \$2.8 million to State Water, to reimburse irrigators and to replace cash flows.

State Water's financial systems for 2004-05 were operated by service providers. This arrangement was discontinued at 30 June 2005. State Water has since experienced significant problems with the operation and effectiveness of its internal controls. At this stage we cannot place reliance on those controls.

Parliamentary Contributory Superannuation Fund

The generous parliamentary superannuation fund will close from the March 2007 elections. Current sitting members will however not be affected with these changes.

Unfunded liabilities (the difference between net assets held by the fund and accrued superannuation benefits) decreased from \$60.1 million at 30 June 2005 to \$32.2 million in 2006 mainly due to improved investment returns.

SAS Trustee Corporation - Pooled Fund

Unfunded liabilities decreased from \$14.1 billion at 30 June 2005 to \$10.9 billion in

2006 (after taking into account Liability Management Ministerial Corporation (LMMC) balance of \$6.3 billion).

Crown Property Portfolio

The Portfolio's functions are being transferred to the State Property Authority, which was established on 1 September 2006.

Settlement of the sale of Shea's Creek Woolsheds and the former QStores Warehouse has still not occurred even though contracts were signed in December 2005.

In April 2006, the government leased the Goodsell building to a private sector entity for 99 years.

Liability Management Ministerial Corporation

The Corporation expects to obtain significant tax credits when it transfers funds to the SAS Trustee Corporation Pooled Fund. In July 2006 the Commonwealth issued a consultation paper placing doubt on the expected amount of tax credits. If the tax credits are less than expected, then other sources of funding, including the Consolidated Fund, will be required to meet superannuation liabilities.

Further information

The full report is available from our Internet site: www.audit.nsw.gov.au.

Auditor-General's Report to Parliament - NSW Health: Major Infectious Disease Outbreaks: Readiness to Respond

Background

There is a small but realistic chance that sometime in the next year or two we could have an epidemic or a pandemic. The impact on New South Wales could be severe, causing more than 12,500 deaths over a two-month period and a 6.6 per cent reduction in the State's gross domestic product - equivalent to around \$20 billion.

In this audit we examined the critical role of NSW Health. We wanted to know if the NSW public health system is ready to respond to a public health emergency arising from a major infectious disease outbreak. These diseases include severe acute respiratory syndrome (SARS), smallpox, tuberculosis, new forms of influenza and other newly emerging diseases.

Audit opinion

NSW Health is working to increase its preparedness to respond to a major infectious disease outbreak. It is also contributing to the development of national policies, strategies and capabilities, which affect its level of preparedness.

NSW Health has focused on contingency plans to respond to an influenza pandemic and has accomplished much. The plans need to be further developed and tested.

There is to be close integration with private health providers. Capacity limits are being analysed and options for surge capacity developed.

NSW Health also has plans for the management of some types of infectious disease outbreaks, such as smallpox, which could be modified to suit other types of disease outbreaks. Additionally, the work on the influenza pandemic could be used to develop broader contingency plans for other types of major infectious disease outbreaks.

We found little evidence that other jurisdictions were significantly further advanced than NSW in preparation and testing of plans for a pandemic. Such plans are a major task which needs to be addressed in the face of competing priorities that are much closer to hand. However, there is much to do and there may only be a limited time in which to complete preparations.

Summary of recommendations

We recommend measures to:

- ◀ strengthen organisational arrangements
- ◀ develop systematic risk assessment processes
- ◀ assess and address the need for improved information systems
- ◀ assess and address the need for surge capacity.

Further information

Sean Crumlin, Director Performance Audit: sean.crumlin@audit.nsw.gov.au or phone 02 9275 7286. The full report is available from our Internet site: www.audit.nsw.gov.au.

Auditor-General's Report to Parliament - NSW Health: Helping Older People Access a Residential Aged Care Facility

Background

There is growing awareness across Australia of the increasing need to provide care and support for our ageing population. People are living longer and the amount of support they need from the health system is also increasing.

Most older people want to maintain their independence and continue to live at home, in familiar surroundings, for as long as possible. Commonwealth and state health systems support this with a wide range of services.

Despite this some older people are unable to stay at home, and have to move into a residential aged care facility (RACF). But before anyone can do this they must be assessed to ensure that they are eligible. This is done by one of 44 Aged Care Assessment Teams (ACATs) in NSW. While assessments are funded by the Commonwealth, the people who do them all work within NSW Health.

In this audit we looked at whether older people can get these assessments done within a reasonable time and how good the assessments actually are. We also examined how NSW Health cares for those older people who have to wait in hospital for a residential aged care place.

Audit opinion

Assessment processes for older people needing to go to an RACF vary depending on the processes of the ACAT they see and whether or not they are in hospital.

ACAT members see themselves as advocates for older people. They focus on the welfare of their clients. The staff have specialised skills in dealing with older people, and know what support is available from different service providers.

The time taken by NSW ACATs in 2004-05 to first see clients was slightly slower than the national average. The time taken by individual ACATs to complete assessments varied from one day to several weeks. They also see clients in hospital faster than those with the same priority for assessment living in the community.

The data collected on ACAT performance was significantly revised during 2004 making comparisons with subsequent years problematic.

ACATs use different procedures to clinically assess clients, and there are no formal means of demonstrating that ACATs assess them consistently. However, the Commonwealth's approval process provides for assurance that the client has received an appropriate assessment and recommendations consistent with the guidelines.

ACATs have more responsibilities than assessing older people for residential care. It is not clear whether they have sufficient resources for this additional workload.

The management of patients waiting in hospital for a place in an RACF depends on the hospital. Some hospitals have dedicated wards with specialised staff to care for these patients. Others accommodate these older patients wherever there is a spare bed, which may include transfer to another hospital.

Summary of recommendations

We made a number of recommendations for NSW Health to:

- ◀ ensure consistency and transparency in processes and funding across all ACATs
- ◀ survey clients and service providers to identify improvement opportunities
- ◀ improve management of older people waiting in hospital before entering an RACF
- ◀ improve data quality and publish ACAT performance publicly.

Further information

Sean Crumlin, Director Performance Audit: sean.crumlin@audit.nsw.gov.au or phone 02 9275 7286. The full report is available from our Internet site: www.audit.nsw.gov.au.

Auditor-General's Report to Parliament - Follow-up of 2003 Performance Audit: The Police Assistance Line

Background

This audit examined actions taken by NSW Police in response to our 2003 report on the Police Assistance Line (PAL). On average the PAL answers around 1300 calls and takes around 650 reports of minor crime and non-urgent incidents a day, which it records directly onto the NSW Police crime database.

Is the PAL (131444) now performing better?

The contact centre's performance in answering PAL calls has improved. The average time to answer calls, percentage of calls answered within 27 seconds and PAL call abandonment rates are all better than in 2002-03. In particular, the contact centre has met its target of answering 80 per cent of PAL calls in 27 seconds in each of the last three years although there have been some days and months where it has not done so.

Caller satisfaction with PAL services is high, and NSW Police calculate it releases 200 police for frontline duty. The centre also receives around 4,000 enquiry calls each week further reducing the load on local police.

While time to answer calls is better than in 2002-03, it increased in 2005-06. NSW Police advise that this is due to a shortage of staff taking calls resulting from higher than expected attrition rates and difficulties and delays recruiting new staff. NSW Police may have also underestimated the resources needed to meet consistently both Triple Zero and PAL time to answer targets. It is reviewing the contact centre's workload and resourcing requirements.

Is the contact centre which operates the PAL now better managed?

Since our last audit, the contact centre which operates the PAL has also taken on responsibility for the Police switchboard and around 70 per cent of Triple Zero (000) calls. Whilst outside the scope of this audit, this represents a significant expansion of the contact centre's role.

The contact centre which operates the PAL is well managed, and it has made a number of improvements to its practices since 2003. It has a suite of indicators covering efficiency, timeliness, quality and caller satisfaction. It has a target for PAL call answering, but should establish benchmarks or targets for service quality, caller satisfaction, and the proportion of reports it takes.

The contact centre has systems which assure the quality of information and advice given to callers, the accuracy and completeness of crime recording, and efficiency of staff. It has mechanisms to obtain feedback from local police on their satisfaction with the PAL, but these could be stronger and more formal.

NSW Police should do more to promote the PAL to enable the release of more police for frontline duties. At present, it takes about half of all reports of less serious crime, with the rest going to local police. This is about the same as the level reported in our 2003 audit.

Further information

Jane Tebbatt, Director Performance Audit: jane.tebbatt@audit.nsw.gov.au or phone 02 9275 7286. The full report is available from our Internet site: www.audit.nsw.gov.au.

Auditor-General's Report to Parliament - NSW Health: Attracting, Retaining and Managing Nurses in Hospitals

Background

Nurses play a vital role in providing quality patient care in public hospitals. A national review of the nursing workforce predicts the demand for nurses will increase by over two per cent a year due to increased hospital admissions. With many nurses nearing retirement, a national shortage of up to 40,000 nurses is predicted by 2010.

This audit looks at how four public hospitals manage their nurses and how the Department of Health is responding to expected nurse shortages.

Audit opinion

The department has done well to attract and retain nurses. Between 2001-02 and 2005-06 the average number of nurses employed increased to 39,804 with the annual resignation rate falling from 16 to 14 per cent. Overall, the public health sector gained 5,588 nurses, representing an average annual increase of four per cent. The department advises that an additional 6,744 nurses were employed between January 2002 and September 2006.

The department used a number of strategies to increase nurse numbers. The department improved nurses' wages to make them the highest paid in Australia, recruited over 1,000 nurses from overseas and attracted nearly 1,500 ex-nurses back to the public health sector. The department has also improved the working conditions of nurses with more flexible rosters and greater access to professional development.

The public health sector is working to better manage its nurses. In consultation with the Nurses' Association, the department is moving to manage nurse workloads in a more transparent, consistent and consultative way. Hospitals are moving to determine the number of nurses on a ward according to the patient load.

The department recognises the need for new models of patient care and changes in work practices. Hospitals are reviewing the work of nurses and employing more enrolled nurses to free up registered nurses for more complex tasks. These

initiatives have increased the number of nurses in public health. But around 45 per cent of nurses work part-time and the department can not quantify the net gain in resources or judge whether we have enough nurses working in hospitals.

Despite the gains, there are indicators that there may still not be enough nurses. Firstly, the public health sector used overtime and agency nurses to provide the equivalent of 1,217 full time nurses in 2005-06. This was an increase of 21 per cent from 2001-02. Secondly, we found instances where some of the hospitals visited had closed beds temporarily and deferred admissions for elective surgery because there were not enough nurses to provide appropriate care.

The department is doing further work to assess the nature and extent of nurse shortages and developing strategies to address shortfalls. It is also working with the Commonwealth government on national strategies to increase the number of nurses entering the workforce.

Summary of recommendations

Hospitals should assess and review the number of nurses needed.

Hospitals should monitor the impact of nurse shortages.

The department should review and report on nurse shortages in public hospitals.

Further information

Jane Tebbatt, Director Performance Audit: jane.tebbatt@audit.nsw.gov.au or phone 02 9275 7274. The full report is available from our Internet site: www.audit.nsw.gov.au.

Auditor-General's Report to Parliament - Legal Aid Commission of NSW: Distributing Legal Aid in New South Wales

Background

The role of the Legal Aid Commission of NSW (the Commission) is to make legal aid accessible to as many disadvantaged people as possible.

This audit's objective was to assess if legal aid is properly distributed to those who are entitled to it. To assess the Commission against the objective, the audit focused on two lines of inquiry: Is information about eligibility for legal aid clear and well communicated? Are decision-making processes sound?

Audit opinion

We found the Commission to be performing well in delivering legal aid services. It has maintained and expanded services despite funding pressures and increasing demand.

Overall, we found the Commission's practices of making people aware of legal

issues and its services to be comprehensive. Communication is via brochures, telephone and internet. We also found its processing of applications for legal aid to be sound.

The Commission presently conducts reviews of the services it provides to its key target groups. However, we believe it can further improve how it understands and reports the delivery of its services. We suggest that the Commission undertake periodic agency-wide access and equity reviews to better understand its existing services and unmet demand across its target areas.

An important pressure on the Commission's decision making processes has been funding. Despite funding constraints, the Commission's civil law services are more wide-ranging than other commissions in Australia. However, they have not increased to the same extent as the Commission's criminal and family law services over the last ten years.

A recent easing in funding pressures has meant that the Commission was able to relax its means test for legal representation in 2005 for the first time in ten years. The income tests have now been increased and have caught up. However, asset tests are at levels lower than Centrelink full benefit thresholds and those in some other legal aid commissions. As the population ages this is likely to affect those, especially in Sydney, who are income poor but relatively asset rich.

Further improvements in the Commission's decision making will be dependent on the development and implementation of two new information systems by the Commission - a legal aid grants management system and a case management system. These new systems will allow the Commission to better capture and report on cost and productivity. This will support better resource management and benchmarking.

Summary of recommendations

We made a number of recommendations to:

- ◀ make information clearer about legal aid
- ◀ better understand target groups and demand for services
- ◀ be more accountable for entitlement tests and resources
- ◀ have more consistent and better documented decisions.

Further information

Sean Crumlin, Director Performance Audit: sean.crumlin@audit.nsw.gov.au or phone 02 9275 7286. The full report is available from our Internet site: www.audit.nsw.gov.au.

ACCOUNTING UPDATE

Australian Accounting Standards Board (AASB) Exposure drafts issued

ED 151 Australian Additions to, and Deletions from, IFRSs

The proposals in this exposure draft are the result of the recent decision that, in principle:

- ◀ all options that currently exist in international financial reporting standards should be included in the Australian equivalents to those standards
- ◀ additional Australian disclosure requirements, other than those considered particularly relevant, should be eliminated.

The proposals do not include removing differences that relate to not-for-profit entities. The exposure draft is open for comment until 31 January 2007. The amended standards are expected to apply for annual reporting periods beginning on or after 1 January 2007. A copy of the exposure draft is available from the AASB's Internet site.

Source: AASB media release 30 November 2006.

INTERNATIONAL UPDATE

International Accounting Standards Board (IASB)

Meeting 16-17 November

The IASB discussed the following issues:

- ◀ financial instruments
- ◀ post employment benefits
- ◀ service concession arrangements
- ◀ conceptual framework
- ◀ annual improvements process
- ◀ update on IFRIC activities
- ◀ short-term convergence: borrowing costs
- ◀ short-term convergence: joint ventures.

Source: IASB Update November 2006.

IFRS 8 'Operating Segments'

This new Standard requires an entity to adopt the 'management approach' to reporting on the financial performance of its operating segments. Generally, the information to be reported would be what management uses internally for evaluating segment performance and deciding how to allocate resources to operating segments. The Standard replaces IAS 14 'Segment Reporting'. A copy of the Standard is available via the IASB's Internet site: www.iasb.org.

Source: IASB press release 30 November 2006.

IASB Discussion Paper on Fair Value Measurements

This Discussion Paper is aimed at addressing requests from a number of interested parties seeking additional guidance on the measurement of fair value. The proposals in the Paper do not introduce new requirements, but seek to promote consistency in the definition of fair value. Comments on the Paper are sought by 2 April 2007. A copy of the Paper is available via the IASB's Internet site: www.iasb.org.

Source: IASB press release 30 November 2006.

International Financial Reporting Interpretations Committee (IFRIC)

IFRIC Interpretation 12 'Service Concession Arrangements'

Service concessions are arrangements whereby a government or other public sector entity grants contracts for the supply of public services to private sector operators. Control of the assets remains in public hands but the private sector operator is responsible for construction activities, as well as for operating and maintaining the public sector infrastructure.

This new Interpretation addresses how service concession operators should apply existing international accounting standards to account for the obligations they undertake and rights they receive in service concession arrangements. It does not address accounting for the government side of service concession arrangements.

A copy of the Interpretation is available via the IASB's Internet site: www.iasb.org.

Source: IASB press release 30 November 2006.

International Public Sector Accounting Standards Board (IPSASB)

ED 32 'Financial Reporting Under the Cash Basis of Accounting - Disclosure Requirements for Recipients of External Assistance'

This Exposure Draft proposes requirements for the disclosure of information about external assistance. It also identifies additional disclosures that a recipient is encouraged, but not required, to make. The Exposure Draft is open for comment until 31 March 2007 and a copy is available from the IFAC's Internet site: www.ifac.org.

Source: IFAC media release 28 November 2006.

MISCELLANEOUS PUBLICATIONS

Australian National Audit Office

Performance audit reports:

- ◀ Management of Family Tax Benefit Overpayments
- ◀ Management of an IT Outsourcing Contract - Follow-up.

The reports are available at www.anao.gov.au.

Queensland Audit Office:

Performance audit reports:

- ◀ Auditor-General of Queensland Report No 6: Results of Performance Management Systems Audit of Workforce Planning at the Department of Education, Training and the Arts and the Department of Health
- ◀ Auditor-General of Queensland Report No 8: Results of Performance Management Systems Audit of the Management of Departmental fees and Charges

Other publication:

- ◀ Auditor-General of Queensland Report No 7: Results of Audits Completed at 30 September 2006

These reports are available at www.qao.qld.gov.au

South Australian Auditor-General's Department

Other reports:

- ◀ Supplementary Report: Matters Arising from the Further Examination of the Administration of the *Criminal Law (Forensic Procedures) Act 1998* and Other Matters
- ◀ Supplementary Report: State Finances and Related Matters: Some Audit Observations

These reports are available at www.audit.sa.gov.au.

Tasmanian Audit Office

Performance audit reports:

- ◀ Implementation of aspects of the *Building Act 2000*
- ◀ Environmental Management and Pollution Control by Local Government

Other reports:

- ◀ Government Departments and Public Bodies 2005-2006 Executive Summary
- ◀ Government Departments and Public Bodies 2005-2006 Volume 1 (Executive and Legislature, Ministerial Departments, Statutory Authorities and Miscellaneous Public Bodies)
- ◀ Government Departments and Public Bodies 2005-2006 Volume 2 (Government Businesses)

These reports are available at www.audit.tas.gov.au.

Office of the Auditor-General for Western Australia

Performance audit report:

- ◀ Room to Move: Improving the Cost Efficiency of Government Office Space

This report is available at www.audit.wa.gov.au.

Independent Commission Against Corruption

- ◀ Report on investigation into certain applications made to the Department of Fair Trading for building and trade licences
- ◀ Corruption Matters Issue No 28 November 2006

These publications are available at: www.icac.nsw.gov.au.

LEGISLATIVE UPDATE

Statute Law (Miscellaneous Provisions) Act 2006 No 58

The object of the Proclamation is to commence the amendments to the *Water Management Act 2000* which restructure the Cobar Water Board.

(GG No 127, 27 October 2006, page 8905)

Public Finance and Audit Amendment (Superannuation Services Company Pty Limited) Regulation 2006

The object of this Regulation is to amend the *Public Finance and Audit Regulation 2005* to remove the Superannuation Services Company Pty Limited from the list of statutory bodies prescribed under section 44(1) of the Act.

(GG No 130, 3 November 2006, page 9453)

Public Authorities (Financial Arrangements) Amendment (TransGrid) Regulation 2006

The object of this Regulation is to amend the *Public Authorities (Financial Arrangements) Regulation 2005* to prescribe additional investment powers of TransGrid to the investment powers described in Part 3 of Schedule 4 to the *Public Authorities (Financial Arrangements) Act 1987*.

(GG No 139, 17 November 2006, page 9750)

PREMIER'S DEPARTMENT UPDATE

Premier's Department Circulars

C2006-47 - Reduction in Recruitment Lead Time

The lead time for advertising vacancies in the Public Sector Notices and composite press has reduced to five (5) working days. The deadline for submitting vacancies on jobs.nsw is close of business Tuesday one week prior to publication in the Public Sector Notices.

C2006-48 - Managing gifts and benefits in the public sector

ICAC has recently released a toolkit on managing gifts and benefits in the public sector. Copies are available from the ICAC Internet site.

C2006-49 - Leave for staff affected by the bushfire emergency

This Circular sets out arrangements for employees who volunteered to assist in the emergency services or who are otherwise affected by the bushfires. This Circular is an addendum to M2002-01 and supersedes C2002-59.

C2006-50 - Launch of the NSW Government Sage Centre Internet Site

This Internet site provides information and resources to help manage the risks associated with loss of critical skills and knowledge as experienced employees transition to retirement. The site is www.sagecentre.nsw.gov.au.

C2006-51 - State Authorities Superannuation Scheme - Salary Sacrifice of Compulsory Contributions

This Circular addresses changes that allow the salary sacrifice of member contributions from 1 April 2007. It provides preliminary information and further detailed information will be provided to employer agencies in the near future.

The Circulars are available at www.premiers.nsw.gov.au.

Premier's Memoranda

M2006-16 - Out of Pocket Expenses and Christmas Season Parties

This Memorandum reissues the NSW Government Expenses Policy. The Policy outlines sector-wide requirements that prohibit the expenditure of State funds on any event that provides mainly personal benefit to NSW public sector employees. This memorandum supersedes M2005-12.

The Memorandum is available www.premiers.nsw.gov.au.

AUDIT OFFICE BETTER PRACTICE GUIDES

The Audit Office produces guides to better practice to assist agencies. The following is a list of those guides and the dates that they were published. All these guides are available on the Audit Office website at www.audit.nsw.gov.au

Title of Guide	Issued
Fraud Control Improvement Kit - Meeting your Fraud Control Obligations	20 July 2006
Fraud Control: Current Progress and Future Directions	9 February 2005
Shared Corporate Services: Realising the Benefits	November 2004
Management of Intellectual Property	October 2001
e-ready, e-steady, e-government: e-government readiness assessment guide	September 2001
Monitoring and Reporting on Performance Audit Recommendations	June 2001
Internal Financial Reporting	June 2001
Reporting Performance: a guide to preparing performance information for annual reports	November 2000
Contracting Out Review Guide	June 1999
Public Sector Corporate Governance - ready reckoner	April 1999
Methodology for the Review of Residential Services for People with Disabilities	June 1998
On Board: Guide to Better Practice for Public Sector Governing and Advisory Boards	April 1998
The Corporate Credit Card: guidelines for the internal control	January 1997
Ambulance Service of New South Wales: debtors administration	September 1996
Ethnic Affairs Commission: administration of grants	December 1995
Joint Operations in the Education Sector: a review of establishment, management and effectiveness issues	September 1995
Fraud Control: developing an effective strategy	
Volume 1: Conceptual Framework	March 1994
Volume 2: Strategy	March 1994
Volume 3: Diagnostics	March 1994
Volume 4: Fraud Control Self Audit Kit	March 1998

ACRONYMS AND ABBREVIATIONS

AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
A I F R S / AEIFRS	Australian Equivalents to International Financial Reporting Standards
APRA	Australian Prudential Regulation Authority
ASA	Australian Auditing Standard
ASIC	Australian Securities and Investments Commission
AUASB	Auditing and Assurance Standards Board
ED	Exposure Draft
FASB	Financial Accounting Standards Board (USA)
GAAP	Generally Accepted Accounting Principles
GFS	Government Finance Statistics
GGs	General Government Sector
GPFR	General Purpose Financial Report
IAASB	International Auditing and Assurance Standards Board
HoTARAC	Heads of Treasuries Accounting and Reporting Advisory Committee
IAS	International Accounting Standard
IASB	International Accounting Standards Board
IFAC	International Federation of Accountants
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
IPART	Independent Pricing and Regulatory Tribunal
IPSASB	International Public Sector Accounting Standards Board
ISA	International Standards on Auditing
ISQC	International Standards on Quality Control
PCAOB	Public Company Accounting Oversight Board
UIG	Urgent Issues Group

COPIES OF REPORTS AND PUBLICATIONS

All performance audit reports are available on The Audit Office web site at www.audit.nsw.gov.au and can be purchased from the NSW Government Information Service (telephone 9743 7200).

Publications of the Australian Auditing and Assurance Standards Board (AUASB) including auditing standards, auditing guidance statements, audit guides, exposure drafts and other guidance are available direct from the AUASB as follows:

Australian Auditing and Assurance Standards Board
Phone: (03) 8080 7400
Fax: (03) 8080 7450
Postal Address: PO BOX 204 Collins Street West, Victoria 8007
Website: www.auasb.com.au

Publications of the Australian Accounting Standards Board (AASB), including Accounting Standards and Exposure Drafts are available direct from the AASB as follows:
Phone: (03) 9617 7600
Fax: (03) 9617 7608
Postal Address: PO BOX 204 Collins Street West, Victoria 8007
Website: www.aasb.com.au

Copies of International Federation of Accountants (IFAC) publications may be obtained direct from IFAC, 535 Fifth Avenue, 14th Floor, New York, NY 10017, USA (tel 212/286.9344 or fax 212/286.9570 or by visiting the IFAC web site at www.ifac.org).

Copies of International Accounting Standards, Exposure Drafts and International Accounting Standards Committee (IASC) publications may be obtained direct from the IASC, 166 Fleet Street, London EC4A 2DY, United Kingdom (tel +44 (020) 7427-5927 or fax +44 (020) 7353-0562 or email iasc@iasc.org.uk or Internet www.iasc.org.uk).

Copies of NSW Government legislation including changes to legislation can be purchased from the NSW Government Information Service. The legislation is also on the Internet at www.austlii.edu.au.

Treasury publications (including Circulars) may be viewed by visiting the NSW Treasury web site at www.treasury.nsw.gov.au

Copies of Premier's Department Circulars and Premier's Memoranda may be viewed by visiting the Premier's Department website at <http://www.premiers.nsw.gov.au>.

The AWARENESS Newsletter is of a general nature only and is not intended to be a substitute for or relied upon as specific professional advice. No responsibility for loss occasioned to any person acting on or refraining from action as a result of any material in the publication can be accepted.