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2015–16 ANNUAL REPORT

CONNECTING PEOPLE AND IDEAS



Institute of
Public Administration
Australia NSW

2015-2016 YEAR AT A GLANCE

2,512
people attended
30 events



9,829
friends in our
community



517
affiliate members

45
newsletters



with over **180**
stories



1,290 people attended



90
IPAA courses



17



Government
agencies

with **36** speakers at



National Conference

29,960
website pageviews



301 Customised Agency
Program (CAP) workshops



over
320 days



52
speakers

475

delegates and
young professionals

CAP's courses delivered to

10 clusters

26 agencies

4 local government

6 statutory authorities



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PRESIDENT'S REVIEW.

This last financial year was a rapid period of change for the NSW division of the Institute of Public Administration Australia (IPAA), the public sector and the broader environment in which we work. At IPAA NSW, our focus is on building a stronger organisation by expanding the depth and breadth of memberships across the public sector. This allows our Association to leverage one of the key values that members often describe as their reason for joining the Association: networking and connecting with peers and leaders in the public sector.

In 2015 we began a new model of membership, partnering with Clusters and Agencies, where those partners allocated professional and affiliate memberships to a designated number of their staff.

This was an initiative of John Carnegie, our outgoing Chief Executive Officer (CEO). I'd like to pay tribute to John's indomitable enterprise and dedication for instituting this new model of membership and two more significant digital initiatives while at the helm of IPAA NSW: establishing our thought leadership platform, Ignite, and our online training platform Illuminate.

The results of that work are evident in this annual report. Last year more than 1,290 people attended our programs and professional development opportunities. We ran more than 94 courses and our hosting of the national conference brought together more than 475 delegates and 52 speakers. Our website attracted more than 29,960 unique visitors and we were able to offer a range of new digital services for members, including online access to the national conference.

As a professional association run by and for our members, IPAA NSW does not seek to generate large surpluses. Nevertheless, prudence demands that we budget to be independently financial, as well as to build up a reserve that allows us to develop innovative ideas and ride out short-term changes in our operating environment. It was therefore pleasing to see that the financial report includes a surplus of \$178,408 on a turnover of more than \$4,000,000.

I am also pleased to welcome Madeleine Culbert to the position of CEO. I wish Madeleine a successful term in this role and I'm confident her management skills and fresh vision will lead IPAA NSW to new levels and in turn strengthen IPAA nationally.

I would also like to acknowledge the committed and dedicated IPAA NSW staff and the continuing contributions of my colleagues on Council. The reputation of IPAA NSW is a direct result of the contributions of their work, as well as the support we receive from our personal members, our cluster corporate members and our supporting partners.



Andrew Cappie-Wood
President, IPAA NSW



IPAA NSW COUNCIL

A Council of 10 IPAA NSW members guides the NSW Division in achieving its strategic goals. Ten Councillors are elected for two-year terms. The Chief Executive Officer is an ex-officio member and there is provision to co-opt additional members to Council if necessary. All elected positions on Council are honorary and elected Councillors receive no stipend for their work.

COUNCIL MEMBERS 2015–16

PRESIDENT

- 1** Andrew Cappie-Wood FIPAA, Secretary, NSW Department of Justice

VICE PRESIDENTS

- 2** Carolyn Burlew FIPAA Consultant
- 3** Madeleine Culbert* (to June 2016) Director, Development, Land and Housing Corporation, Department of Family & Community Services
- 4** Susan McHattie (to November 2015) Director, Operations, Organisational Performance & Operations Division (OPOD), NSW Department of Justice
- 5** John Hubby (from November 2015) Deputy Secretary, Government Corporate Services, NSW Department of Finance, Services and Innovation

COUNCILLORS

- 6** Albert Olley Executive Director, Business Services, Department of Family & Community Services
- 7** John Carnegie (ex-officio) Chief Executive Officer, IPAA NSW (to June 2016)

YOUNG PROFESSIONAL COUNCILLORS

- 8** Daina Aspin (to November 2015) Principal Project Officer, Program & Service Design, Department of Family & Community Services
- 9** Renee Attard (from November 2015) Senior Policy Officer, Behavioural Insights Unit, Department of Premier & Cabinet
- 10** Iona Krefel (from November 2015) Manager, Industry Support NSW Office of Liquor, Gaming & Racing (OLGR) (previous position before maternity leave)

CO-OPTED COUNCILLOR

- 11** Robert Alder Transition Manager in the Reform Group at the Department of Finance, Services & Innovation and the Change Manager at Sydney Parklands and Botanic Gardens (previous) (from November 2015)
- 12** Dr Teresa Anderson Chief Executive, Sydney Local Health District, NSW Ministry of Health (from November 2015)
- 13** Jim Betts Chief Executive Officer, Infrastructure NSW (from November 2015)

- 14** Margaret Crawford FIPAA Auditor General of NSW, NSW Audit Office (from November 2015)
- 15** Glenn King Deputy Secretary Premier's Implementation Unit NSW Department of Premier & Cabinet (from November 2015)
- 16** Jennifer Mason The University of Sydney, PhD Candidate, Thesis title: Trust and control in public sector contracting with the NFP sector: The case of out-of-home-care (to November 2015)
- 17** Mary-Ann O'Loughlin AM FIPAA Deputy Secretary, Social Policy Group, NSW Department of Premier & Cabinet (from November 2015)

*Madeleine Culbert was appointed CEO on 4 July 2016.

YEAR IN REVIEW.

FINANCIAL YEAR 2015–16

Reviewing and developing strategies to position IPAA NSW to meet the future challenges of a disruptive and rapidly changing environment.

During 2015 IPAA NSW continued to implement digital strategies. This has positioned the Association as the national IPAA leader in providing information, knowledge and training and development opportunities via online and face-to-face channels. The digital platform allows IPAA NSW to take advantage of the constantly changing way in which people now source, share and enhance information and knowledge, and acquire new skills.

As the professional association of the NSW public sector, IPAA plays a crucial role in equipping our community with the knowledge, skills and cross-sector collaborative opportunities. This occurs in an environment where traditional public sector departments and agencies have been disrupted as a result of public sector reform.

We began exploring new strategies for member engagement and thought leadership to meet the needs of today's public sector professional. We will continue to explore innovative ways for leveraging our whole-of-government focus and expanding digital assets to create stronger opportunities to collaborate and build our networks across the sector. We also remain committed to helping build a capable and professional public sector.

As a professional association body, IPAA NSW is uniquely positioned to assist public sector professionals in these aspects of their professional life:

- Exploring new ideas and discussing innovative and emerging solutions to existing challenges
- Discussing and understanding alternative ways of working within a rapidly changing environment
- Staying professionally informed and up to date
- Expanding personal network and building a community of support
- Meeting and listening to thought leaders from across the sector
- Gaining access to the current skills and knowledge required.

IPAA strives to provide these needs using networking opportunities through events, courses and providing customised and flexible training and development opportunities to keep our community informed on topical issues and knowledge affecting the public sector.

Below is an outline of three key areas of focus that IPAA NSW undertook in 2015–16.

THOUGHT LEADERSHIP

A key part of our digital strategy implementation in 2015 was establishing a curated knowledge site for our community *Ignite*. This knowledge-based resource is available to members and includes case studies, interviews, thought leadership pieces, research, and articles and papers on topics of interest to people working in or with the public sector.

Articles in *Ignite* are searchable by capabilities that mirror those of the Public Service Commission's capability framework and also by themes of interest. We also provide limited access to this resource to members of IPAA NSW's broader community as part of our role in building public sector capability.

ONLINE TRAINING

Illuminate is another key digital asset established as part of our digital strategy implementation in 2015. It provides an alternative channel for users seeking more flexibility in the delivery of training. *Illuminate* not only offers flexibility but enables staff who previously may not have been able to attend training, or who prefer an online delivery mode, to participate in specific public sector online training and access webinars, virtual training rooms and online resources.

CORPORATE PARTNERS

In 2015, IPAA NSW focussed on a new membership model and offered some staff within partner government agencies new categories of IPAA NSW membership: the Corporate Professional and the Corporate Affiliate.

The partnership program with government clusters and agencies aims to move beyond a traditional 'sponsorship' relationship to a rich partnership between IPAA and the individual agency. At the end of the 2015–16 financial year, IPAA NSW established partnership agreements with:

- Department of Family and Community Services
- Department of Justice
- Department of Industry, Skills and Regional Development
- Transport for NSW
- Department of Planning and Environment
- Department of Finance, Services and Innovation
- NSW Health
- NSW Treasury
- Service NSW.

SURVEY

At the beginning of 2016, we conducted a survey so we could better understand the stated needs and concerns of our community. The survey was anonymous and confidential, handled independently by research provider Survey Matters. We are currently using this information to inform and influence our program and the management of the Association.

NETWORKING EVENTS

We also offered an exciting range of events including conferences, masterclasses, seminars, forums, and a variety of professional breakfasts, lunches and dinners that enabled our members to network and share knowledge and experiences informally.

Highlights for the 2015–16 year include:

- IPAA National Conference, 14–16 October 2015
- Spann Oration delivered by David Richmond AO FIPAA, 11 November 2015
- International Women's Day, 8 March 2016
- CEO and Young Professionals Breakfast, 6 May 2016
- Budget Briefing Breakfast, 23 June 2016.

These signature events and our full program of events and activities provided an important platform for disseminating knowledge, cross-sectorial networking, and an opportunity to hear high-profile speakers on relevant topics.



IPAA 2015 National Conference in Sydney

KRA 1.

DEVELOPING INITIATIVES AND STRATEGIES SO THAT IPAA NSW WILL BE THE ASSOCIATION WITH WHICH PUBLIC SECTOR PROFESSIONALS WANT TO ASSOCIATE

OUTCOMES

- IPAA NSW is known across the public sector as the professional association for public servants
- Public sector professionals regularly attend IPAA NSW events and courses
- IPAA NSW is seen as the pathway to career development and promotion
- IPAA NSW International is continuing to develop

RAISING OUR PROFILE

In a time of significant change, a key part in positioning IPAA NSW is creating a stronger value proposition to attract and expand our membership base. The development of our digital assets is an important element in addressing the limitations created by 'bricks and mortar' events in the Sydney CBD.

IPAA NSW recognises that online delivery works to resolve geographical limitations and offers the opportunity to redefine our member experience. We are extending our reach across the sector and providing services to our regional and rural members.

During 2015–16 we developed the online learning platform *Illuminate*. It allows people to take courses in a mixed-mode delivery as part of our commitment to develop multi-channel delivery platforms for online and face-to-face services.

Developing a range of partnership agreements was also a major part of our activity. We have implemented partnership agreements with State Government clusters and agencies to provide an IPAA NSW Corporate Membership model for staff. IPAA NSW has also created strategic alliances involving learning partnerships and the university sector. These partnerships facilitate access for our community to subject matter experts and public sector knowledge.

- 1 CEO and Young Professionals Breakfast MC's
- 2 Audience at the CEO and Young Professionals Breakfast
- 3 Drive Your Career Conference



PROFESSIONAL DEVELOPMENT PROGRAM

Scheduled workshops

Our scheduled workshops were attended by 1,290 people in 2015–16.

We conducted 90 face-to-face programs over 197 training days: 70 programs ran at above break-even point, 30 programs attracted over 85% capacity, 16 programs were added due to popular demand, and 35 programs were cancelled due to low numbers.

Popular and well-attended programs during the year included:

- Applied Project Management
- Cost-Benefit Analysis
- Developing and Writing Operational Policies and Procedures
- Diploma of Government (Project Management)
- PCTP Level 1 Understanding Public Sector Procurement
- PCTP Level 2 Effective Procurement Capabilities
- Project Management: The Basics
- Taking Good Minutes
- Writing Briefs and Reports
- Writing Ministerial Correspondence.

In the second half of the year we started our online training program through our *Illuminate* learning platform. *Illuminate* is opening up many opportunities not only for those

that prefer to be trained online but also for those that live regionally or interstate. For example, we designed an online procurement training course for Queensland public sector staff that has already proven popular.

Customised Agency Programs

In 2015–16, we delivered 301 workshops over 320 days through Customised Agency Programs: 179 in the Sydney metropolitan area, 112 in regional NSW and 10 in Queensland. This includes delivery to the Australian Government (two workshops for one agency), Local Government (27 workshops across four Councils), State Government (240 workshops) and NGOs/Statutory Authorities (21 workshops across six organisations).

Other highlights of the Customised Agency Programs included the beginning of an Aspiring Leaders Program in western NSW, a Leadership Program in North Sydney and a Springboard: Women's Development Program (with mentoring) in Sydney.

Pathway to career development and promotion

The 2016–17 Services Guide now includes a succinct summary of each course. This year the Services Guide was sent to over 1,250 people including members of IPAA, CEOs and Learning and Development professionals within clusters and agencies.

Our Professional Development Pathway includes online courses that

offer participants a flexible, accessible and affordable way to build the skills, knowledge and capabilities necessary to succeed in the public sector today.

The program has been developed to align with the NSW Public Sector Capability Framework and provides opportunities for individuals to manage their career and for organisations to support and enable their workforce planning initiatives.

Events

IPAA NSW held over 30 events in the last 12 months aimed at providing a range of professional development opportunities for public sector professionals. Highlights were:

- Drive Your Career Conference, 12 August 2015
- Women's Executive Luncheon, 31 August 2015
- IPAA National Conference, 14–16 October 2015
- Spann Oration, 11 November 2015
- International Women's Day, 8 March 2016
- The Stewards of the Public Sector, On the Couch with Dr Mary Foley AM, 14 March 2016
- CEO and Young Professionals Breakfast, 6 May 2016
- The Stewards of the Public Sector, On the Couch with Simon Smith (Secretary Department of Industry, Skills and Regional Development), 24 May 2016
- Budget Briefing Breakfast, 23 June 2016.



KRA 2.

DEVELOPING INITIATIVES AND STRATEGIES SO THAT IPAA NSW WILL BE THE ASSOCIATION WITH WHICH PUBLIC SECTOR PROFESSIONALS WANT TO ENGAGE

OUTCOMES

- Public sector professionals look to IPAA NSW for professional development and networking opportunities
- IPAA NSW connects and engages those already associated with the Institute
- Participants continue to engage with the Institute beyond their initial introduction through a course or event
- Individuals continue to engage with IPAA NSW by participating in more advanced programs
- Senior executives engage with IPAA NSW

PROFESSIONAL DEVELOPMENT AND NETWORKING OPPORTUNITIES FOR PUBLIC SECTOR PROFESSIONALS

IPAA NSW organised the IPAA 2015 National Conference held in Sydney on 14–15 October, a highlight of this financial year.

The theme of the conference was *Fed Up - Federation Reform: Impacts and Opportunities*. The conference hosted a number of pre-eminent speakers from government and industry with a thought-provoking and cutting-edge program developed by a strategy committee comprising high-profile, senior public sector administrators and academics.

The two-day program re-imagined how the public sector might look as a result of Federation reform. It explored the skills that those working in and with the public sector will need in this changing environment.

The conference was highly successful with nearly 500 delegates. The highlights included over 55 international and national speakers and the gala dinner where the Premier of NSW, the Hon. Mike Baird MP, delivered the 2015 Garran Oration.

The successful series of events 'Stewards of the Public Sector - On the Couch' continued, with these guests: Carolyn McNally, Secretary, NSW Planning and Environment; Dr Kerry Schott; Dr Mary Foley AM; and Simon Smith, Secretary Department of Industry, Skills and Regional Development. Award-winning journalist, Monica Attard, interview the stewards about their career trajectory and public sector management insights.

This year over 700 people attended the annual CEO & Young Professionals Breakfast where a panel addressed the theme 'Collaboration is the New Competition'. This annual event brings together CEOs and their group of young professionals in a stimulating and neutral environment, providing a great networking opportunity and a chance for CEOs to acknowledge and spend time with their young professionals.

KEY CORPORATE EVENTS

Key corporate events included:

- Drive Your Career Conference, 12 August 2015
- Women's Executive Luncheon, 31 August
- IPAA National Conference, 14–16 October 2015
- Spann Oration, 11 November 2015
- International Women's Day, 8 March 2016
- The 'Stewards of the Public Sector, On the Couch series' – Carolyn McNally, Dr Kerry Schott, Dr Mary Foley AM, Simon Smith
- CEO and Young Professionals Breakfast, 6 May 2016
- Budget Briefing Breakfast, 23 June 2016.

ENGAGING INDIVIDUALS AND AGENCIES

Member engagement and market research was conducted with findings to inform our knowledge of our member profiles and categories. A key focus in this financial year was establishing a community of friends. Without being paid members, these friends are given limited access to our news and knowledge through our newsletters

There was great emphasis on building partnerships with learning providers for the online learning platform *Illuminate*.

Partnerships with government clusters and agencies were also a priority. We formed a new model of membership, Corporate Membership. There are two types of Corporate Membership: a Corporate Professional and a Corporate Affiliate.

SENIOR EXECUTIVE ENGAGEMENT

IPAA NSW held a number of well-attended events targeted at senior executives. They included the National Conference, the On the Couch series, the Women's Executive Luncheon, the CEO and Young Professionals Breakfast and the Budget Briefing Breakfast.



1 Spann Oration, 2015, with David Richmond AO FIPAA

2 Delegates at the IPAA 2015 National Conference

3 Attendees, Stewards of the Public Sector – On the Couch with Dr Mary Foley AM (Secretary, Health)



KRA 3.

DEVELOPING INITIATIVES AND STRATEGIES SO THAT IPAA NSW WILL BE THE ASSOCIATION THAT PUBLIC SECTOR PROFESSIONALS WANT TO JOIN

OUTCOMES

- New members extend their membership beyond the first year
- IPAA NSW is seen as the 'must join' Association for senior executives in the NSW public sector
- Current members promote the Institute
- The national voice of IPAA is heard and taken to be authoritative
- Members are engaged through forums
- The quality of service provided to members is outstanding
- Members are proactive with the Institute
- Partner organisations add value to IPAA membership
- National Fellows are given high profile

SENIOR EXECUTIVE INITIATIVES

The Helen Nelson executive masterclass, 'Innovation and public policy: driving better performance in NSW' was held as part of the IPAA National Conference. The masterclass speakers: Martin Hoffman, the Secretary of the Department of Finance, Services and Innovation; and Robert Griew, the Principal at Nous Group provided insights on developing innovative public policy.

PARTNER ORGANISATIONS

In 2015–16, IPAA NSW continued its exciting partnerships with key private sector organisations including PwC, EY, PPB, Minter Ellison, Holding Redlich and CBA. It further consolidated relationships with government cluster and agency partners: NSW Treasury, Service NSW, the Department of Finance Services and Innovation, Department of Industry, Department of Family and Community Services, Ministry of Health, Transport for NSW, Department of Planning and Environment, Department of Justice, NSW Parliament and Police NSW. IPAA NSW also maintained relationships with learning partners, QUT, UNE and Nous Group.

NATIONAL FELLOWS

In 2015, IPAA NSW nominated two of its members, Graeme Head and Margaret Crawford, for the award of National Fellow. Both nominations were successful. Fellows are regularly acknowledged at IPAA NSW events and their contributions publicised in various publications.

CONTRIBUTIONS TO PUBLIC SECTOR DEVELOPMENT

The core goal of all IPAA NSW programs is to make a positive contribution to the continuing development of the public sector in NSW. Professional development workshops were held throughout the year on a range of topics that relate to the NSW Public Sector Capability Framework.

Throughout the year, IPAA produced and distributed a range of publications including the *Australian Journal of Public Administration* and the *Ignite* newsletter. Sector events were held with the Community of Financial Professionals and the Community of Human Resource Professionals. The Hon. Mike Baird MP also delivered an address at the IPAA National Conference.



1

1 Picnic in the Park, 2015, for members and their invited guests

2 IPAA NSW Vice President Carolyn Burlew FIPAA; Fulbright Distinguished Chair in American Political Science Professor Carol Weissert and Head of the UNSW School of Social Sciences Dr Christopher Walker at a forum

3 IPAA 2015 National Conference speaker Tom Gash



2

3



KRA 4.

ENSURING GOOD GOVERNANCE

OUTCOMES

- IPAA NSW continues to provide sound leadership and management of resources
- IPAA NSW improves our internal processes to increase productivity and provide more effective services to members and the sector
- IPAA NSW embeds quality assurance and risk management processes in all decision making
- IPAA NSW investigates new income sources to ensure a secure revenue base
- IPAA NSW broadens the skills and diversity of staff to match strategic needs

SOUND LEADERSHIP AND MANAGEMENT OF RESOURCES

The 2016 audit by PwC was very extensive with no significant issues detected and a satisfactory result achieved. The auditors were pleased with the functioning of our systems and reporting standards.

IMPROVEMENT OF INTERNAL PRODUCTIVITY

IPAA NSW continues to use e-commerce facilities to drive business through the website, with all confirmation and debt-recovery emails being automated. We are currently evaluating all our back-end software, including events management, membership management and website development.

We have had a significant level of turnover of longstanding staff and this phase of renewal has allowed IPAA NSW to adjust and change the staff structure.



QUALITY ASSURANCE AND RISK MANAGEMENT

IPAA NSW held regular Audit and Risk Management meetings throughout the financial year to ensure that risk management requirements are satisfied.

NEW MARKETS

A request to manage and coordinate the delivery of accredited procurement training in Queensland (similar to the current arrangement in NSW) was received and negotiated with the Queensland Public Sector.

This was negotiated with the Queensland Procurement Transformation unit within the

Department of Housing and Public Works and an MOU was signed in April 2015. Delivery of these programs is now being extended with Level One being provided across Queensland online via *Illuminate* our digital channel.

BROADENED SKILLS OF STAFF TO MATCH OUR STRATEGIC NEEDS

The Association is managed by a small, dedicated team of high-performing professionals who are committed and focussed on supporting the range of members that make up the Association. The NSW Division is the largest in terms of revenue and membership compared to other divisions and represents approximately 45% of the total national membership.

Under the current partnership programs, IPAA intends to double the number of members it holds and rapidly expand our community and influence. This will require resources to provide the critical support needed for our membership management activities.

The IPAA NSW office has on average 12 staff with some working part time. It is an extremely modest office yet it is able to delivery on a significant program of work while at the same time investing in reforming the Association by developing new channels, services and delivery platforms.

This is only possible due to the dedication, innovation and skills of the staff. The strength of our staff has enabled the Institute to not only



1 Table at the Budget Briefing Breakfast

2 Women's Executive Luncheon event

3 MinterEllison partner Virginia Briggs; Dr Michele Bruniges AM Secretary, Department of Education; Gabrielle Kibble AO and IPAA NSW Vice President Madeleine Culbert at the International Women's Day event

4 Rob Whitfield (Secretary Treasury and Industrial Relations) at the Budget Briefing Breakfast

THE OUTLOOK.

I would like to thank the Council for the opportunity to lead IPAA NSW during such an important phase of our organisation's development. I also want to acknowledge John Carnegie whose work has laid the foundations to enable our future growth. It is a great privilege to be part of an organisation with such a tradition of service to the public sector and with such a dedicated group of members and supporters.

WHO WE ARE

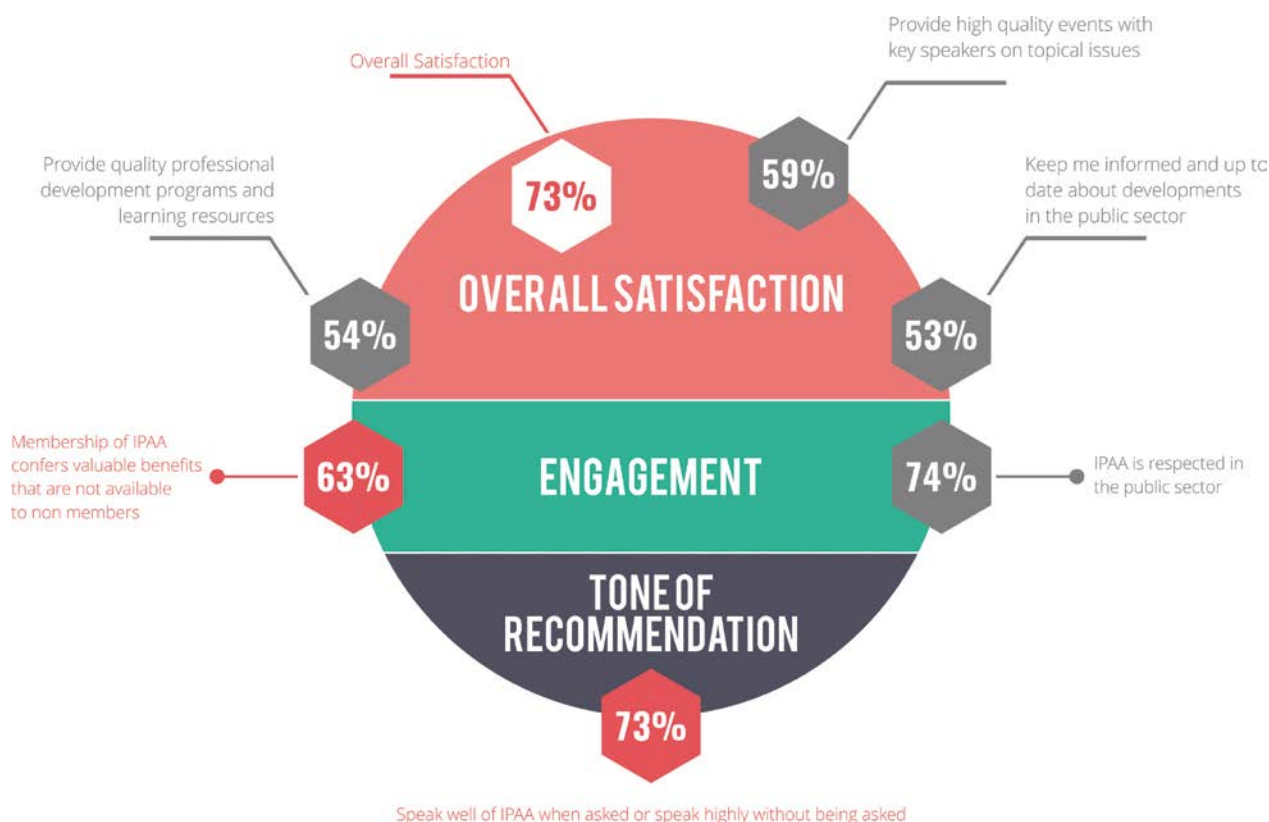
As the professional association for people working in the clusters and agencies of the NSW public sector, IPAA NSW occupies a unique space. We are an independent, member-run organisation that aims to recognise the achievements and build the capabilities of the sector we represent. At the same time, we also have a deep interest in the broader issues our sector faces and the environment that our members are working in.

OUR FORWARD STRATEGY

This combination of interests and responsibilities shapes our forward strategy. Over the next 12 months, in conjunction with our Program Advisory Committee, which comprises the Deputy Secretaries for Corporate Services from our cluster partners, we will continue to build a program of events and professional development opportunities shaped around four key themes: Stewardship, Innovation, Digital and Data, and Beyond The Five-Year Future.

These themes underpin many of the major policy priorities of the NSW Government and they reflect our commitment to helping our sector deliver on those priorities. Through the links created by our Council and our cluster and agency partners, we will continue to shape and fine-tune our program to ensure it meets the immediate needs of our sector.

The themes also reflect longer term issues facing public administrators around Australia and internationally. As budgets become more constrained, the capabilities, capacity and diversity of the public sector become increasingly important. Public sector workforces are increasingly expected to be more agile and more capable of working across our sector, as well as with external partners from the private and not-for-profit sectors. There is also an increasing expectation to be more actively engaged with big ideas and thought leadership, particularly as the next wave of the digital revolution allows us to re-imagine the way government services are planned, developed and delivered.



Infographic from the IPAA NSW 2016 Engagement Survey

OUR IMPLEMENTATION STRATEGY

Delivering this strategy will require us to think carefully about how IPAA NSW operates as an organisation.

Just as digital innovations creates a range of new opportunities for the public sector, it also creates opportunities for membership-based associations to work in new ways. Over the next 12 months, we will therefore continue to develop and refine our digital strategy. This will include a major revamp of our technology providers and systems, so that we can confidently expand our membership service capabilities.

Over the next year, we will also continue to reform and develop our Professional Training and Development program to deliver a greater range of public sector-specific and blended learning courses as well as sector-wide online training. Once again we will work with our Program Advisory Committee to ensure our professional training and development program is aligned with the skills gaps identified in the sector.

We will also strengthen our connection with our members through by developing a more formalised membership team within the IPAA NSW office. Members are the lifeblood of a professional association and this new focus will help us to meet the needs of current cluster and agency partners and individual members, as well as growing our overall membership base.

One of the most important assets of our organisation is the network of knowledge, influence and insight of our members. Over the next 12 months, we will continue to use those networks in support of our events and Professional Training and Development program as well as in the development of new opportunities. We will also continue to act as a gateway into the public sector, helping the private and not-for-profit sectors engage with and understand our sector.

I am excited about the year ahead; it is going to be challenging, busy and interesting. I look forward to working with our many members and supporters in helping to build a stronger public sector in New South Wales.

Madeleine Culbert
CEO,
IPAA NSW

INSTITUTE OF
PUBLIC ADMINISTRATION
AUSTRALIA NSW DIV INC

FINANCIAL STATEMENTS.

FOR THE YEAR ENDED
30 JUNE 2016

STATEMENT OF COMPREHENSIVE INCOME

	Note	2016 \$	2015 \$
Revenue	2	4,032,149	3,897,104
Expenditure			
Training / Events costs		(2,113,474)	(2,278,476)
Salaries and related costs (including casual employees)		(849,944)	(899,268)
Other / Membership costs		(38,434)	(55,679)
Administration costs		(361,819)	(348,983)
Consultancy costs		(279,709)	(177,451)
Divisional levy		(35,350)	(41,410)
Rental equipment		(7,928)	(8,608)
Postage and telephone		(18,014)	(14,354)
Travel costs		(12,050)	(11,088)
Insurance		(4,925)	(5,592)
Prizes and awards		(1,500)	(3,285)
DLA project costs		(130,594)	-
Total expenditure		(3,853,741)	(3,844,194)
Surplus for the year		178,408	52,910
Total comprehensive surplus transferred to accumulated funds		178,408	52,910

The statement of comprehensive income is to be read in conjunction with the notes to the financial statements set out on pages 21 to 22.

STATEMENT OF CHANGES IN EQUITY

	Accumulated Surplus \$
Balance at 30 June 2014	834,316
Surplus for the year	52,910
Balance at 30 June 2015	887,226
Balance at 30 June 2015	887,226
Surplus for the year	178,408
Balance at 30 June 2016	1,065,634

The statement of changes of equity is to be read in conjunction with the notes to the financial statements set out on pages 21 to 22.

BALANCE SHEET

	Note	2016 \$	2015 \$
ASSETS			
Cash and cash equivalents	5	1,487,951	1,188,090
Term Deposit		32,877	32,448
Trade and other receivables	6	353,290	370,352
Total current assets		1,874,118	1,590,890
Property, plant & equipment		912	4,633
Intangible assets		-	112
Total non-current assets		912	4,745
Total assets		1,875,030	1,595,635
LIABILITIES			
Trade and other payables	7	444,759	354,214
Deferred income	6	294,183	294,289
Employee benefits		44,661	37,856
Total current liabilities		783,603	686,359
Employee benefits		25,793	22,050
Total non-current liabilities		25,793	22,050
Total liabilities		809,396	708,409
Net assets		1,065,634	887,226
EQUITY			
Accumulated surplus		1,065,634	887,226
Total equity		1,065,634	887,226

The balance sheet is to be read in conjunction with the notes to the financial statements as set out on pages 21 to 22

STATEMENT OF CASH FLOW

	2016 \$	2015 \$
Opening Cash Balance	1,188,090	1,127,720
OPERATING ACTIVITIES		
Surplus/deficit	178,408	52,910
Items not affecting cash:		
Depreciation	3,833	10,834
Movement in accounts payable	90,545	(34,608)
Movement in deferred income	(106)	76,396
Movement in accounts receivable	17,062	(7,312)
Movement in annual and long service leave	10,548	(36,841)
Cash provided by operating activities	300,290	61,379
INVESTING ACTIVITIES		
Sale of PPE	-	-
Investments/term deposits made	(429)	(1,009)
Cash provided by investing activities	(429)	(1,009)
FINANCING ACTIVITIES		
Cash provided by financing activities	-	-
Net change in cash and cash equivalents	299,861	60,370
Cash and cash equivalents at beginning of period	1,188,090	1,127,720
Cash and cash equivalents at end of period	1,487,951	1,188,090

The statement of cash flow is to be read in conjunction with the notes to the financial statements set out on pages 21 to 22.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1. Significant accounting policies

Institute of Public Administration Australia NSW is a foundation domiciled in Australia. The financial report was authorised for issue by the Councillors on 23 September 2016.

The significant policies which have been adopted in preparing this financial report are:

(a) Statement of compliance

In the opinion of the Councillors, the entity is not a reporting entity. The financial report of the entity has been drawn up as a special purpose financial report for distribution to the members and to fulfil the requirements of the *Associations Incorporations Act 2009* (NSW).

The special purpose financial report has been prepared in accordance with the requirements of the *Associations Incorporations Act 2009* (NSW) and the recognition and measurement aspects of all applicable Australian Accounting Standards (AASs) adopted by the Australian Accounting Standards Board (AASB) and other authoritative pronouncements of the AASB that have a material effect.

The financial report contains all those disclosures considered necessary by the Councillors to meet the needs of the members.

The entity has not applied any AASs that were issued but not effective as at 30 June 2016 and there is not expected to be any material impact once the standards are adopted.

(b) Basis of preparation

The financial report is presented in Australian dollars.

The financial report is prepared on the historical costs basis. Non-current assets are stated at the lower of carrying amount and fair value less costs to sell, less impairment losses.

In preparing a financial report that conforms with Australian Accounting Standards management makes judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

The accounting policies set out below have been applied consistently to all periods presented in the entity's financial report.

(c) Revenue recognition

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST).

Membership income

Commercial income is recognised when it is probable that economic benefits will be received and that specific events are certain to occur.

Membership subscription income

Income is recognised on the date that membership commences.

Grant income

Government and corporate grants are recognised as revenue when specific project goals are met and the grant is earned.

Donations in kind

The company receives various pro-bono services and donations in kind. Revenue has not been brought to account in the financial statements for services that management is unable to reasonably estimate the value of. Income from donations and appeals is recognised on a receipts basis.

(d) Property, plant and equipment

Owned assets

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful life of 2 to 5 years.

(e) Intangible assets

Intangible assets that are acquired by the entity are stated at cost less accumulated amortisation and impairment losses.

Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation

Amortisation is charged to expenses within the statement of comprehensive income on a straight-line basis over the estimated useful life of intangible assets. The estimated useful life is:

- Computer software 3 years

(f) Goods and services tax

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

(g) Employee entitlements

Long-term service benefits

The entity's net obligation in respect of long-term service benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Government bonds at the balance sheet date which have maturity dates approximating to the terms of the company's obligations.

Wages, salaries and annual leave

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date. They are calculated at undiscounted amounts based on remuneration wage and salary rates that the entity expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

(h) Trade and other receivables

Trade and other receivables are stated at their amortised cost less impairment losses.

(i) Trade and other payables

Trade and other payables are stated at their amortised cost.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and call deposits.

(k) Impairment

The carrying amounts of the entity's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in expenses within the statement of comprehensive income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

'Impairment' continued

The recoverable amount of assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cashflows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(l) Expenses

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern of the benefit. Lease incentives received are recognised in the income statement as an integral part of the total lease expense and spread over the lease term.

(m) Finance income

Finance income comprises interest receivable on funds invested. Interest income is recognised in the income statement as it accrues, using the effective interest method.

2. Revenue

	2016 \$	2015 \$
Training / Events revenue	3,321,925	3,590,724
Member subscriptions	213,889	127,375
National Conference service fee	184,550	-
Sundry income	36,598	12,742
IPAA National Secretariat fee	118,540	116,600
Consultancy and delegation revenue	909	7,057
Agency Partnership revenue	106,590	13,000
Finance revenue	25,973	29,606
National Conference profit share	23,175	-
Total revenue	4,032,149	3,897,104

3. Income tax expense

The entity is a registered not-for-profit organisation and is exempt from income tax in accordance with section 23(e) of the *Income Tax Assessment Act 1939*. It is also exempt from fringe benefits, capital gains taxes and state payroll tax. It is a GST-registered entity.

4. Auditor's remuneration

The auditor of the entity received \$10,900 remuneration during the period.

5. Cash and cash equivalents

	2016 \$	2015 \$
Bank balances	309,311	204,061
Call deposits	1,178,640	984,029
Cash and cash equivalents	1,487,951	1,188,090

6. Trade and other receivables

	2016 \$	2015 \$
Trade receivables	308,275	239,804
Provision for impairment	(15,000)	(15,000)
Prepayments	60,015	145,548
	353,290	370,352
Deferred Income	294,183	294,289

7. Trade and other payables

	2016 \$	2015 \$
Trade creditors	195,066	116,947
Other creditors and accruals	249,693	237,267
	444,759	354,214

8. Related party transactions

During the reporting period, IPAA NSW contracted with IPAA National to provide services as outlined in the National Secretariat contract. The services provided include secretariat support, marketing and communication. The amount received for 2016 was \$118,540 (2015 \$116,600). The transactions were made on normal commercial terms and conditions and are considered to be at arm's length.

9. Council members

Council members during the financial year ended 30 June 2016 include:

Mr Andrew Cappie-Wood
Ms Carolyn Burlew
Ms Madeleine Culbert
Ms Susan McHattie (until November 2015)
Mr John Hubby (from November 2015)
Ms Jennifer Mason (co-opted until November 2015)
Mr Robert Alder (co-opted from November 2015)
Ms Teresa Anderson (co-opted from November 2015)
Mr Jim Betts (co-opted from November 2015)
Ms Margaret Crawford (co-opted from November 2015)
Mr Glenn King (co-opted from November 2015)
Ms Mary-Ann O'Loughlin (co-opted from November 2015)
Mr John Carnegie (ex-officio)
Mr Albert Olley
Ms Daina Aspin (until November 2015)
Ms Iona Krefel (from November 2015)
Ms Renee Attard (from November 2015)

10. Members guarantee

The Institute of Public Administration Australia New South Wales Division Inc. was incorporated in New South Wales on 31 March 1988, under the Associations Incorporation Act 1984 (NSW) ('the Act'). If the Institute is wound up, the Constitution states that each member is required to contribute a maximum of the amount, if any, unpaid by the member in respect of membership of the Institute of Public Administration Australia New South Wales, towards the meeting of any outstanding obligations of the Entity. At 30 June 2016, the number of members was 872 (2015: 905).

Surplus property

The assets and income of the Entity shall be applied solely in furtherance of its above mentioned objects and no portion shall be distributed directly or indirectly to the members of the Entity except as bona fide compensation for services rendered or expenses incurred on behalf of the Entity.

In the event of the winding up or the cancellation of the incorporation of the Entity, the Entity shall pass a special resolution nominating an association as the association in which it is to vest its surplus property pursuant to section 53(2) of the Act. This nominated association must have similar objects and rules prohibiting the distribution of its assets and income to its member.

Statement by the Members of the Council

In the opinion of the Councillors of the Institute of Public Administration Australia NSW Division Inc ('the Entity'):


- (a) the Entity is an incorporated association and is not a reporting entity;
- (b) the financial statements and notes, set out on pages 1 to 10, are drawn up, in accordance with the basis of accounting described in Notes 1 (a) and (b) so as to present a true and fair view of the financial position of the Entity as at 30 June 2016 and its performance, as represented by the results of its operations, for the financial year ended on that date; and
- (c) there are reasonable grounds to believe that the Entity will be able to pay its debts as and when they become due and payable.

Dated in Sydney this 23rd day of September 2016

Signed in accordance with a resolution of the Council:



Member



Member



Auditor's Independence Declaration

As lead auditor for the audit of Institute of Public Administration Australia NSW Div Inc for the year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to read "M Upcroft", written over the printed name.

Marc Upcroft
Partner
PricewaterhouseCoopers

Sydney
23 September 2016



Independent auditor's report to the members of Institute of Public Administration Australia NSW Div Inc

Report on the financial report

We have audited the accompanying financial report, being a special purpose financial report, of Institute of Public Administration Australia NSW Div Inc (the Institute), which comprises the balance sheet as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the councillors declaration.

Councillors' of the Institute responsibility for the financial report

The councillors of the Institute are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial statements, which forms part of the financial report, is appropriate to meet the needs of the members.

The councillors of the Institute responsibility also includes such internal control as the councillors of the Institute determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we 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 control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the councillors of the institute, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's opinion

In our opinion, the financial report gives a true and fair view of the financial position of the Institute as at 30 June 2016 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

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Basis of accounting and restriction on distribution and use

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The Financial Report has been prepared by the Councillors for the members of the entity. The Financial Report has been prepared to assist the Institute of Public Administration Australia NSW Div Inc. to meet the requirements of the Associations Incorporation Act 2009. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the members of Institute of Public Administration Australia NSW Div Inc.


PricewaterhouseCoopers


Marc Upcroft
Partner

Sydney
23 September 2016



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Australia NSW**

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